



**To:** Offerors

**Date:** January 7, 2020

**From:** Procurement and Partnerships Team, INVEST Project; Implemented by DAI Global LLC

**Subject:** Request for Proposals (RFP) INVEST-036: RegTech for Gender Equality and Women's Economic Empowerment

**Due:** **1:00PM EDT on Friday, February 7**

Dear Offerors:

Enclosed is a Request for Proposals (RFP) to support the implementation of DAI's INVEST project funded by the United States Agency for International Development (USAID). DAI invites firms to submit a proposal for work as designated by USAID's Digital Finance Team (DFS) in the Center for Digital Development under the Office of Gender Equality and Women's Empowerment (USAID/GenDev) Buy-in Activity.

There will be two phases of work for this initiative as described in the accompanying Statement of Objectives (SOO). The purpose of this RFP is to establish an Indefinite Quantity Contract (IQC) mechanism(s) that covers both phases of the work to be completed. It is anticipated that one firm or consortium that best meets or exceeds the evaluation criteria will be shortlisted (also referred to as pre-qualified) and receive an IQC, resulting in:

- **Task Order 1: Activity One** Issuance of an initial Firm Fixed Price Task Order to the awarded offeror covering Task Order One of the SOO. The scope of the subcontract will be finalized during award negotiations based on the offeror's respective proposal submission.
- **Additional Task Order(s): Activity Two** Requests for Task Order Proposal (RFTOP) will be issued to the IQC holder to propose tools/resources to create and disseminate as a result of the work completed under the initial Task Order. Task Order issuance under Activity Two 2 is not guaranteed and open to the discretion of INVEST.

Offerors must have the competencies outlined under both phases/activities in the SOO and must be licensed and legally organized businesses. However, given that the specific skills needed for Activity Two will not be fully known until Activity One is completed, if the selected IQC holder does not have a consortium partner that can perform the work, the holder will be permitted to propose another partner when Task Order Two is released. At that time, any new proposed partner will be required to provide documents demonstrating that their proposed rates are fair and reasonable. Individual consultants will not be considered for this RFP. The ultimate combined IQC ceiling of both Task Orders is expected to be between \$380,000 and \$420,000, with approximately \$180,000 - \$200,000 allocated for Task Order One.

- I. **RFP Process and deadlines:** We anticipate that this solicitation will result in the award of one IQC mechanism. The IQC will include an initial Fixed Price Task Order covering Task Order One of the SOO. We anticipate that one subsequent Task

Order will be issued to the IQC holder for work under Activity Two as outlined in the SOO.

1. Submission of Questions – Questions must be submitted no later than **1:00 pm EDT on January 17, 2020** via email to [INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com).
2. Submission of Proposals – Proposals must be submitted no later than **1:00 pm EDT on Friday, February 7, 2020** via email to [INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com), copying [Katherine\\_Tilahun@dai.com](mailto:Katherine_Tilahun@dai.com), [Matthew\\_Mitchell@dai.com](mailto:Matthew_Mitchell@dai.com), and [Talin\\_Baghdadlian@dai.com](mailto:Talin_Baghdadlian@dai.com). The subject line of the email should be your organization name, followed by “Submission under RFP INVEST-036: RegTech.” Please certify in your submission email a validity period of 90 days for the price(s) provided and include your organization’s DUNS number. Please limit file submissions to 10 megabytes or less.

**Composition of Proposal:** Your organization’s proposal should comprise the following submission documents. The Technical Proposal and Cost Proposal should be prepared as separate files for independent evaluation, as follows below. Technical proposals should be submitted as a slide deck of no more than ten (10) slides. **NOTE: Proposal components for Activity Two will be illustrative based on the examples outlined under Activity Two in the SOO.** Submissions in PowerPoint or in PDF are acceptable, although PDF is preferred along with an accompanying PowerPoint document. Please provide a copy of your cost proposal in Excel format. Technical proposals should be submitted as a slide deck of no more than ten (10) slides with a minimum font size of 12, and graphics with a minimum font size of 10.

### **Part 1 – Technical Proposal**

Please limit your technical proposal to no more than **ten (10) slides**. The technical proposal is composed of the following four (4) sections:

1. **Technical Approach to Activity One (Stakeholder Engagement & Capturing the Current Environment)** – Offerors will detail their approach to fulfilling the accompanying Statement of Objectives (SOO). The approach will clearly indicate how the proposed activities will result in the successful completion of all deliverables and milestones.
2. **Technical Approach to Activity Two (Creation of Tools/Resources & Dissemination)** – Offerors will detail their approach to fulfilling the accompanying Statement of Objectives (SOO). The approach should include the offeror’s general approach to developing tools and resources that will be defined as an outcome of Activity One. This should clearly indicate how the proposed illustrative activities will result in the successful completion of the deliverables and milestones.
3. **Institutional Capacity** - Offerors should provide details about the experience, networks, expertise, or capacity of their firm (or firms if a partnering arrangement is proposed) to carry out the proposed approach for both Activity One and Activity Two and complete the work as described. This should also include past performance information for similar contexts in both Activities.
4. **Management Plan/Staffing Structure** – Offerors should include details of personnel who will be assigned to the activities described in the technical approach, as well as a clear management plan in narrative form for the development, review, and submission of all associated deliverables, including a milestone schedule. Offerors are permitted and encouraged to engage in partnering arrangements if it will

aid in providing best value to USAID, regardless of whether organizations belong to the USAID INVEST network. Firms may consider partnering with other firms that bring complementary skill sets and experience given the broad relevant experience and expertise needed to cover the breadth and possible support. If a partnering arrangement is being proposed, please describe the nature of the arrangement, the specific technical value being contributed by each member of the team, and the appropriate management controls to ensure successful delivery.

In addition to the above, please include the following:

- Two (2) examples of past performance relevant to this activity (limited to two (2) pages per example). Examples should be within the past 5 years.
- CV(s) of any individuals proposed in the staffing plan to conduct this activity (limited to two (2) pages per individual)

**NOTE:** These inputs (past performance examples and CVs) will not be counted as part of the 10-slide limit and the format may be PDF or Word. Each example of past performance should be no more than 2 pages. A cover slide will be considered a non-counting slide, and offerors should include one and list on it the names of all firms participating in the bid. No additional annexes or documentation are requested now.

## **Part 2 – Cost Proposal**

The contract type for the presumptive task order(s) will be Fixed Price, awarded under the IQC subcontract issued by DAI Global, LLC. **Please include your total proposed fixed price for Activity One along with details for specific deliverable pricing.**

Offerors should also include a cost breakdown of the hourly rates for proposed personnel, if applicable, with a build-up to their total proposed price or include substantiating price reasonableness documentation/justification. Please see the template attached with the solicitation materials for guidance. However, offerors are not required to use the template as long as the cost proposal captures the necessary elements (i.e. deliverables table with breakdown of how the deliverable totals were calculated). Please limit file submissions to 10 megabytes or less.

**II. Evaluation of Proposal:** DAI will use best value determination for the award of this Request for Proposals. A best value determination means that, in DAI's estimation, the selected offeror will provide the greatest overall benefit to USAID in response to the requirements stated in this RFP. DAI may also exclude an offer from consideration if it determines that an Offeror is "not responsible", i.e., that it does not have the management and/or financial capabilities required to perform the work required. Proposals will be evaluated against a stated number of factors, including the overall proposed approach, past performance, specific qualifications in the identified sectors and other evidence substantiating the bidder's ability to deliver, including budget and time frame considerations. Specific preference will be shown for firms with experience conducting similar assessments.

**1. Technical Proposal:** The Technical Proposal will be scored and evaluated separately from the cost proposal. Technical panel reviewers will evaluate offerors on the following factors, consistent with the offerors' technical proposal.

- a. **Technical Approach to Activity One (25 points)** - Points for this section will be awarded based on the information presented in the technical approach. Points will be awarded to firms describing their thoughtful approach to addressing the statement of objectives. The offeror will be scored based on its presentation of a clear approach which reflects the requirements of this specific activity but also incorporates the offeror's competencies. The technical approach should clearly demonstrate the offeror's strategy for identifying and closing the gaps in knowledge about application of RegTech to the gender divide, as well as how these findings will be disseminated.
- b. **Technical Approach to Activity Two (25 points)** - Points for this section will be awarded based on the information presented in the technical approach. Points will be awarded to firms describing their thoughtful approach to addressing the statement of objectives. The offeror will be scored based on its presentation of a clear approach which reflects the requirements of this specific activity but also incorporates the offeror's competencies. The approach should include both the offeror's overall approach to develop and test public-good tools/resources related to RegTech and women's economic empowerment. Because specific tools/resources are yet to be determined under Activity Two, it is expected that the technical proposal for this activity will include a general approach to designing and creating illustrative tools and/or resources relevant to this activity.
- c. **Institutional Capacity (30 points)** – Points for this section will be based on information presented in the corresponding section and any submitted past performance case studies. The offeror should demonstrate their:
- Institutional experience working on financial inclusion-related policy, regulation, and supervision
  - Institutional experience working on RegTech and FinTech applications, and the use of data for decision-making
  - Institutional experience forming productive relationships with financial authorities and financial service providers (FSPs)
  - Institutional experience working on (or knowledge of) the various barriers to and enablers of financial inclusion, particularly with respect to women and digital financial inclusion
  - Institutional experience in conducting research, surveys and summarizing findings and writing reports
  - Institutional experience in app development and related coding
- d. **Management Plan/Staffing Structure (20 points)** - Points for this section will be based on the qualifications of proposed staff, clear delineation of the roles and responsibilities of each proposed staff and each proposed firm (if firms are partnering), and the demonstrated efficacy and clarity of the management plan. Proposals should provide a clear management plan in narrative form for the development, review, and submission of all associated deliverables, including a proposed milestone schedule. If the offeror is submitting a proposal with partners, the proposal should describe the nature of the arrangement (i.e. added technical value), the division of labor among the partners, and the appropriate management controls to ensure successful delivery. The offeror should demonstrate their proposed staff's:

- Ability to harness up-and-running relationships, initiatives, and/or expertise relevant to this field
- Knowledge of the RegTech space including the current state of policies, systems and norms
- Demonstrated experience in conducting research, surveys and summarizing findings and writing reports
- Logistical and operational capacity to conduct interviews in multiple locations, and to attend presentations and briefings in Washington, DC, as needed
- Experience in delivering trainings or webinars on topics relevant to this field

In the proposal, the offeror should clearly define roles and responsibilities for all staff and between all consortium partners (if applicable). The technical contributions of each consortium partner should also be explicitly outlined.

2. **Cost Proposal:** Cost will be evaluated separately from the technical approach, with due consideration for realism, price reasonableness, and allowability consistent with US government cost principles. Evaluation for this section will be dependent upon all information presented by the Offeror in their deliverable table and supporting cost information, as well as its alignment with the proposed technical approach. Budgets will be analyzed for cost reasonableness of the deliverable price as well as the cost build-up. Once the IQC is issued, the budget for each subsequent Task Order, if issued, will be analyzed for cost reasonableness at that stage. Please include your total proposed fixed price for Activity One (range of \$180,000-\$200,000) along with details for specific deliverable pricing in response to this RFP.
3. **Offeror's Agreement with Terms and Conditions:** The completion of all RFP requirements in accordance with the instructions in this RFP and submission to DAI of the technical and price proposals will constitute an offer and indicate the Offeror's agreement to the terms and conditions in this RFP and any attachments hereto. DAI is not required to accept and/or evaluate proposals that do not conform to the instructions of the RFP, and additionally, DAI may reject all proposals and not award a subcontract for this RFP. DAI reserves the right to award a subcontract without discussion and/or negotiation; however, DAI also reserves the right to conduct discussions and/or negotiations, which among other things may require an Offeror(s) to revise its proposal (technical and/or price). By submitting an offer, Offerors agree to comply with the general terms and conditions for an award, including Representations and Certifications compliance. Offerors must provide full, accurate, and complete information in response to this solicitation. By submitting an offer, Offerors certify that they have not/will not attempt to bribe or make any payment to DAI employees in return for preference. Issuance of this RFP in no way obligates DAI to award a subcontract, nor does it commit DAI to pay any costs incurred by the Offeror in preparing and submitting the proposal. DAI reserves the right to award a subcontract to one organization or to issue multiple awards to different organizations based on the results of our evaluation.

Thank you,  
**DAI INVEST Procurement and Partnerships Team**  
[INVEST\\_Procurement@dai.com](mailto:INVEST_Procurement@dai.com)

**Statement of Objectives under RFP INVEST-036:  
RegTech for Gender Equality and Women’s Economic Empowerment**

**Introduction**

Through INVEST, USAID seeks to unlock the potential of private capital to drive inclusive growth in countries around the world. Increasingly, private investors and businesses are looking to emerging markets for better returns and new market opportunities. Encouraging investment in high-impact areas important to USAID such as agriculture, financial services, infrastructure, energy, clean water, health, and education, requires new forms of collaboration between USAID and the investment and business community.

USAID’s Office of Gender Equality and Women’s Empowerment (GenDev) has engaged INVEST to increase women’s entrepreneurship and economic empowerment (WEEE) through a range of activities including the ongoing expansion of financial services through technological innovation, the provision of first-loss capital for gender focused investments and strengthening of secured lending regimes in order to improve access to basic financial services. The Digital Finance Team (DFS) in the Center for Digital Development at USAID is working in partnership with USAID/GenDev to identify opportunities to use financial services to enhance gender equality. Under this activity, USAID seeks to increase women's economic empowerment by fostering a more inclusive, technology-enabled financial sector.

**Development Hypothesis**

IF financial authorities and financial service providers (FSPs) are equipped with the skills, systems, and resources to:

- understand the obstacles to financial inclusion among women and gender-dynamics of financial inclusion writ large;
- identify and resolve gaps in the availability and usability of sex-disaggregated data relevant to financial inclusion;
- design, procure, and/or deploy Regulatory Technology (RegTech)/Supervisory Technology (SupTech) applications that use sex-disaggregated data in order to facilitate analysis, generate insights, and enable appropriate actions (at policy, regulatory, supervisory, and/or commercial levels);
- integrate RegTech/SupTech applications into a broader strategy for market monitoring, supervision, and compliance; and
- deploy RegTech/SupTech applications in a manner that reflects the readiness of the market to responsibly use complex technologies,

THEN, over time, women customers will realize gains in the quality and safety of financial services. These gains will contribute to greater levels of trust and confidence in formal financial services, which will translate to greater rates of adoption and use of formal financial services by women. This will then enable FSPs to mobilize more capital and facilitate further economic empowerment.

**Purpose & Background**

USAID seeks to equip the development community, financial authorities and FSPs with fundamental insights and tested tools for responsibly deploying RegTech applications that respond to gender-related obstacles to financial inclusion, some of which are outlined below.

Over the last 15 years, due to the proliferation of mobile phones and rise of non-bank business models for financial services, there have been gains in extending the reach of formal financial services at a community, household, firm, and individual level. Despite these gains in access and use, there has not been a correspondent improvement in financial livelihoods across all sectors or all market segments.

For example, in certain countries, the gender divide in financial inclusion has remained consistent or even worsened, particularly where women have less access to technology (e.g. MENA countries and Bangladesh). Similarly, in certain countries, the rise in digital-enabled financial services has introduced vulnerabilities for customers when FSPs deploy services on platforms with data security vulnerabilities. Also, in some countries, three innovations in particular (digital credit products, non-bank institutions, and agent-based service delivery) have introduced consumer protection risks that are uniquely relevant for women customers. Notable among these risks are those related to: (a) over-indebtedness; (b) transparency on terms/prices; (c) data privacy/security; and (d) agent-level fraud and abuse.

These consumer-level problems persist not merely due to literacy issues and cultural norms, but also because of a different set of problems at the level of the financial authority and FSP. These problems vary but are fundamentally about whether authorities have the right tools, policies, and skills to ensure appropriate market conduct through policy making, market supervision, and consumer protection enforcement.

Authorities may or may not use technology (such as RegTech or SupTech applications) to do so. If they do, they may not have the right skills, systems, policies, or norms to do so effectively. If they don't, they may not have the right resources or understanding of how such technology can serve their policy aims on gender. Likewise, FSPs may or may not use technology to facilitate compliance with application regulations and guidelines, particularly those related to consumer protection.

These issues, among others, undermine the tangible gains that are made possible by new business models for finance and the responsible use of digital technology. Such gains can include a sense of control over one's finances, the ability to withstand financial shocks and disruptions, and a sense of choice and agency in pursuing one's chosen livelihood.

### **Objectives & Activities**

Under this statement of objectives, USAID/INVEST seeks a partner(s) to help us: (a) better understand the current environment of RegTech applications as they relate to the gender divide; and (b) build from those findings to create tools or resources that can close identified gaps or further the field. Through the activities outlined below, it is anticipated that the partner(s) will deepen our understanding of how RegTech might influence women's economic empowerment, where tools or resources might be created to advance such empowerment (e.g., via enhanced consumer protection), and any interventions USAID might be able to incorporate or support to address pain points.

### **Task Order One / Activity One: Stakeholder Engagement & Capturing the Current Environment**

Under this activity, USAID seeks a partner to identify and close the gaps in knowledge or misconceptions on the relevance of RegTech applications to the gender divide. Through a combination of research methodologies proposed by the offeror, the firm should:

- Examine how RegTech applications (or their absence) influence women's economic empowerment with a lens on items such as market oversight, consumer protection, cost of compliance, and innovation

- Clarify specific risks or harms to women that might be addressed if authorities or FSPs deploy RegTech applications
- Articulate the links that connect specific risks/harms to women with corresponding policy/regulatory/supervisory objectives and corresponding RegTech applications
- Brainstorm public-good resources that would help financial authorities and FSPs address a priority set of risks/harms/pain points using RegTech applications
- Landscape existing RegTech applications that have direct bearing on identified gender gaps
- Determine how USAID or other development actors might play a role in resolving pain points or supporting interventions in this area
- Consider which USAID-presence countries are collecting or are incentivized to collect sex-disaggregated data in this space, and how this may influence RegTech interventions
- Develop and execute an outreach strategy to build awareness among stakeholders and the broader development community regarding the aforementioned findings
- Consider insights from an inclusion-oriented bank, a non-bank financial institution (e.g., a digital credit provider), and a smaller, less-well-resourced FSP (e.g., a credit union, rural-focused bank, or an MFI)

*Illustrative* deliverables might include, but are not limited to:

- Stakeholder consultations/survey findings
- Report and corresponding slide deck distilling findings from process of engagement/research, and outlining key issues and opportunities for USAID to support RegTech initiatives that are likely to influence women's economic empowerment
- "Road map" for donors and development actors on what should be done -- concrete, specific interventions -- in collaboration with authorities and FSPs, to enable the responsible development and use of RegTech applications to address the gender divide
- Washington, DC-located convening (or panel discussion at a Washington, DC-based event organized by another organization) to raise awareness of insights/tools
- Washington, DC-located briefing for USAID at a date/time determined in consultation with USAID
- Field-level workshop to raise awareness of insights
- Webinar

### **Additional Task Order(s) / Activity Two: Creation of Tools/Resources & Dissemination**

Building from the findings under Activity One, it is anticipated the firm will complete follow-on work to design, create, and/or expand upon tools that can serve those findings and identified interventions. The scope of these activities will be defined as an outcome of Activity One but it is anticipated that the firm will develop and test public-good tools/resources related to RegTech and women's economic empowerment.

In creating these tools, it is anticipated that the firm will:

- Focus on the subset of RegTech applications that are more directly relevant to addressing the gender divide, based on insights generated and consultations with stakeholders. For example, applications that can assist in addressing:
  - Agent-level fraud and abuse
  - Bias and discrimination in provision of credit products



- Weak consumer protection and recourse/redressal mechanisms relied on by women to ensure an appropriate quality of service
- Lack of transparency, disclosure, and meaningful consent in the marketing and sale of financial services
- Inadequately diverse (gender) perspectives within authorities and FSPs who design, manage, or oversee the provision of financial services
- Emergent issues of over-indebtedness driven by digital credit products
- Consider how any such RegTech application might be deployed or used by less-well-resourced (a) financial authorities and (b) FSPs, such as those that are smaller, less established, or operating in environments with lower digital readiness (and, incidentally, are often the institutions with a greater share of women clients).
- Clarify the prerequisites and enablers for the responsible deployment of RegTech applications, whether such pre-requisites relate, for example, to regulations, processes, budgeting, human capital, or digital infrastructure.
- Clarify and provide guidance on ways to avoid risks that certain RegTech applications may introduce, if not properly designed or deployed, which may undermine effectiveness of supervision, quality of governance, or consumer protection for women. (For example: the risk of artificial intelligence (AI)/machine learning (ML)-powered RegTech applications importing/reinforcing bias; the risk of big data-powered RegTech applications leaking sensitive data about consumers; the risk of complex RegTech applications being harder for inclusion-oriented FSPs to use given a lack of institutional resources or human capital.)
- Engage with financial authority(s), FSP(s) and other groups to test and refine ideas about RegTech's relevance to women's financial inclusion.
- Develop and execute an outreach strategy to build awareness among local stakeholders and the broader development community regarding the tools developed.
- Consider soliciting insights from both an inclusion-oriented bank as well as from a non-bank financial institution (e.g., a digital credit provider), and a smaller, less-well-resourced FSP (e.g., a credit union, rural-focused bank, or an MFI).

The list below provides *illustrative* public-good tools that may be supported through the above considerations. Alternatives are welcomed and will be considered if offerors propose them.

- Data diagnostic toolkit for financial authorities used to identify (and determine steps to resolve) gaps in data held by or accessible to authorities and FSPs that would form the basis of any potential use of RegTech applications for addressing gender-based obstacles to financial inclusion (i.e., reliant on sex-disaggregated data).
- Readiness tool for AI/ML-powered RegTech applications used by financial authorities and FSPs to address gender-based obstacles to financial inclusion, with a focus on the pre-conditions necessary for such applications to be deployed responsibly and sustainably.
- Risk-assessment tool for RegTech applications for authorities to identify, understand, and mitigate risks associated with deploying specific RegTech applications used to address gender-based obstacles to financial inclusion
- Staffing pattern and skills chart for authorities interested in responsibly designing, developing, procuring, and deploying RegTech applications
- Concept or prototype for a RegTech application using diverse data sets to gauge market sentiments and detect emergent consumer protection risks or harms that affect women customers (e.g., signs of over-indebtedness or fraud).
- Concept or prototype for a RegTech application that "audits" AI/ML-powered credit products and marketing/sales approaches deployed by FSPs that might have bias or discriminatory effects against women.

Offerors should provide a detailed proposal that outlines their technical approach covering which components of Activity One and Two they propose implementing, noting the priority areas to be targeted, timeline, management plan, and outreach strategy.

Selected offerors must be willing to share their findings and make data and other information available to INVEST and USAID for purposes of learning throughout the activity. This may include developing a case study, fact sheet, resource guides, or other materials.

Please note that there is not a specific geographic focus mandated as part of this SOO, so respondents are invited to propose a collection of countries, if relevant, with a “common thread” such as region or status of regulation technology. All countries must be USAID-presence countries.

### **Qualifications**

- Ability to harness up-and-running relationships, initiatives, and/or expertise relevant to this field
- Institutional experience working on financial inclusion-related policy, regulation, and supervision
- Institutional experience working on RegTech and Financial Technology (FinTech) applications, and the use of data for decision-making
- Institutional experience forming productive relationships with financial authorities and FSPs
- Institutional experience working on (or knowledge of) the various barriers to and enablers of financial inclusion, particularly with respect to women and digital financial inclusion
- Demonstrated experience in conducting research, surveys and summarizing findings and writing reports
- Demonstrated experience in creating tools and resources relevant to this SOO, including RegTech applications
- Logistical and operational capacity to conduct interviews in multiple locations, and to attend presentations and briefings in Washington, DC, as needed
- Experience in delivering trainings or webinars on topics relevant to this field

### **Implementation Timeframe**

It is anticipated that the activities will take place over a 12-18 month period starting around February 2020. In response to this solicitation, offerors may propose their own alternate timelines, workplans and level of effort associated with the various components of the activity in line with their proposed approach.

### **General Implementation Structure**

Upon selection and award, INVEST will work closely with the Awardee to determine the contract structure including final timelines, deliverables, and associated costs. INVEST and USAID will also work closely with the Awardee on the overall learning agenda for each Task Order.

### **Contract Type**

DAI anticipates awarding an Indefinite Quantity Contract (IQC) with Firm Fixed Price Task Orders.