



To: Offerors

Date: Monday, September 9, 2019

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

Subject: Request for Proposals (RFP) INVEST-029: Empowering Women through Gender Lens Investing Part I – Catalytic Contribution

DUE: 1:00PM EDT on **Friday, October 11, 2019**

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 part of the USAID Office of Gender Equality and Women's Empowerment.

- I. RFP Process and deadlines:** This solicitation will result in the award of one or more Fixed Price subcontract(s). We anticipate issuing one or more subcontract awards resulting from the implementation of this agreement, each with an award value of \$300,000-\$500,000.
- a. Submission of Questions – Questions must be submitted no later than **1:00 pm EDT on September 16, 2019** via email to INVEST_Procurement@dai.com.
 - b. Submission of Proposal – Proposal must be submitted no later than **1:00 pm EDT on October 11, 2019** via email to INVEST_Procurement@dai.com, copying Katherine.Tilahun@dai.com and Talin.Baghdadlian@dai.com. The subject line of the email should be your organization name, followed by "Submission under RFP INVEST-029: Part I" Please certify in your submission email a validity period of 60 days for the price(s) provided and include your organization's DUNS number. Please limit file submissions to 10 megabytes or less.
- II. 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 (10) slides. Submissions in PowerPoint or PDF are acceptable, although PDF is preferred along with an accompanying PowerPoint document. Please provide a copy of your cost proposal in Excel format.

Part 1 – Technical Proposal

The technical proposal is composed of the following three (3) sections:

1. **Technical Approach** – 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. **Institutional Capacity** - Please provide details about the experience, expertise, or capacity of your firm to implement the proposed approach and complete the work as described. This should also include past performance information for similar activities.
3. **Management Plan/Staffing Structure** – Offerors should include details of personnel who might be assigned to activities as proposed in the technical approach, as well as a clear management plan for the development, review, and submission of all associated deliverables, including a milestone schedule. Offerors are permitted 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. 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:

- One (1) to two (2) case study examples of past performance relevant to this activity (limited to two (2) pages per case study)
- CV(s) of any individuals proposed in the staffing plan to conduct this activity (limited to two (2) pages per individual)

Part 2 – Cost Proposal

The contract type for the presumptive task order will be Fixed Price, awarded as a subcontract by DAI Global, LLC. Please include your total proposed fixed price along with details for specific deliverable pricing. Please include information regarding the amount of commercial investment that will be catalyzed based on your estimated leverage ratio. Additionally, please include a cost breakdown of proposed activities including the hourly rates for proposed personnel, if applicable, with a build-up to their total proposed price or include substantiating price reasonableness documentation/justification. Offerors are expected to use their own cost/budget template(s); please limit file submissions to 10 megabytes or less.

III. 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 offer 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 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.

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. The Technical Proposal will be evaluated against the following criteria:

- a. **Technical Approach (40 Points):** Points for this section will be awarded based on the information presented in the technical approach. 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. Points will be given for the following technical areas:
- i. Investment thesis: a demonstrated investment approach that focuses on women's entrepreneurship and economic empowerment
 - ii. Fund structure: demonstrated blended finance structure that seeks to leverage first-loss investment to catalyze commercial investment
 - iii. Approach to capturing and analyzing gender disaggregated data across portfolio
 - iv. Timeline and approach to fully capitalizing the fund including number of rounds of raises, current commitments, and demonstration that support through this award would support these efforts
 - v. Feasibility of proposed approach to successfully capitalize the fund, identify a strong portfolio of investee companies, provide technical assistance, collect and report on data captured, and provide an attractive rate of return to investors
 - vi. Approaches that demonstrate potential to catalyze the field of GLI.
- b. **Institutional Capacity (35 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:
- i. Experience in Gender Lens Investing and demonstrated strategic vision for how increased and/or improved gender-smart investment strategies will support social and financial returns.
 - ii. Experience in raising and managing funds successfully
 - iii. Experience in identifying appropriate pipeline and carrying out due diligence
 - iv. Experience in capturing and analyzing gender disaggregated data
 - v. Commitment to sharing lessons and commitment to building the field
- c. **Management Plan / Staffing Structure (25 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:
- i. Management plan for proposed activities, including clearly defined technical roles for each partner (if applicable)

- ii. Timeline and deliverables that will result in objectives of SOO being met
- iii. Experience of staff in gender lens investing, in building pipeline, and/or successfully raising funds as appropriate to the technical approach proposed

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.

IV. 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

Statement of Objectives under RFP INVEST-029: Catalyzing Investment to Empower Women

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.

USAID seeks to increase the flow of capital to gender-smart businesses in support of overall WEEE objectives, and to do so by increasing the use and quality of gender-lens strategies--not only among investors but also within portfolio companies. The following activity is part of a two-pronged approach to catalyze the field of gender lens investing and building the evidence base that gender-smart investing is good investing. Part II, (RFP INVEST-030), focuses on support to portfolio companies via a "sidecar" technical assistance facility. Part I, this activity, focuses on blended finance or operational support for investors leading on gender lens investing. This can include: a first loss tranche to catalyze commercial investment, start-up support for a pioneering new GLI facility, or operational support for pipeline development and building the gender-smart capacity of local fund managers and investing partners in USAID-presence countries.

Development Hypothesis

USAID believes that by catalyzing investing for gender balance and equity will increase both returns on investment as well as development outcomes, such as: advancing women in leadership, increasing women's access to capital, improving gender equity in the workplace, supporting the development of products and services that are beneficial to women and girls, addressing gender-based violence and harassment in the workplace, improving women's health, and expanding the knowledge and reach of women investors. As gender lens investing (GLI) continues to expand, it will promote a culture of valuing women in the workplace--and beyond.

Purpose & Background

USAID seeks to empower women by strengthening the gender-smart practices of investors operating in USAID presence countries. Through this activity, USAID will support the ability of Gender Lens Investors to catalyze commercial gender-smart capital and to deploy it in emerging markets. This activity—and those in Part II—is meant to test the hypothesis that investing for gender balance and equity will increase profits, returns on investment, as well as development outcomes.

Objectives and Activities

USAID/INVEST seeks investors that demonstrate a strategic vision for how increased and/or improved gender-smart investment strategies will support social and financial returns. For the purpose of this activity (Part I), USAID seeks financial providers leading the field of GLI who need assistance in fundraising for GLI-aligned vehicles and/or deploying it to gender-smart businesses in USAID-presence countries. Examples include, but are not limited to:

1. First-loss tranche of capital in GLI vehicles to lower risks and catalyze commercial capital interested in exploring this space. [e.g. gender-smart strategies should be a clear aspect of the investment thesis marketed to LPs]
2. Start-up support for pioneering new GLI vehicles with potential to help build the field
3. Operational support to partner with local investors, fund managers, and others supporting pipeline development to build their GLI capacity.

All should capture and analyze gender disaggregated data across a portfolio to better understand the reach and impact on women as well as demonstrate how gender-smart investing can have a positive effect on ROI and identify the most promising approaches to catalyze the field.

Gender Lens Investing

Gender Lens Investing (GLI) means deliberately incorporating a gender analysis into financial analysis to make better investment decisions. There are many ways investors can incorporate ‘gender lenses’ across their portfolios and operations, including:

- Women as investors: institutional or private, deploying their own capital or on behalf of others. This includes roles as fund managers, on investment committees, in senior roles in asset management.
- Women in supply chains or distribution channels: as workers and owners. This refers to areas where there are disproportionate numbers of women in either the formal or informal economy.
- Women’s access to capital. This includes providing debt or equity for women-owned or founded businesses (micro, small, medium or large), providing capital for women fund managers, and access to finance directly and indirectly through financial institutions and fintech.
- Women in leadership: on the board, in the C-suite and senior management. This can include companies owned by men, but with strong track records of women in leadership
- Workplace equity: policies and practices supportive of women. This can include pay equity, access to health insurance, safe work spaces, sexual harassment, diversity and inclusion.
- Products and services: improving the lives of women and girls or providing equitable access to products and services for women/girls and men/boys.

We seek partners with a track record and proven ability to effectively raise and deploy capital for impact, particularly with regards to GLI and impact investing leading to WEEE. Our objective is that our donor capital is as catalytic as possible—to both the amount of gender-smart capital being deployed in the short-term, as well as to that with the greatest potential to build the field so more can be deployed long-term

Offerors should provide a detailed proposal that: outlines their investment strategy and their specific approach(es) to GLI, clearly articulates how the donor capital will be catalytic, how this activity will contribute to the objectives of increased return on investment as well as key social and development outcomes, and describe how

its approach will help build the evidence base to encourage other investors and companies to become more gender-smart.

Selected offerors must be willing to share their experience 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 that can be used to demonstrate the value of applying a gender lens approach to investments and catalyze the GLI field.

Offerors should include in their proposal the data they capture as part of their standard data reporting to investors and due diligence procedures that will be shared with INVEST as part of this activity.

Deliverables table and Implementation Timeframe

The activities outlined above are estimated to take place over a 12-18 month period starting around September 2019 and coming to completion by March 2021, with potential for extension. Additionally, in the spirit of “building the field”, USAID would look to offerors to identify information that can be shared beyond the life of this activity, such as standard reporting, analysis, and any high-level findings relevant to the hypothesis outlined above. In response to this solicitation, offerors may propose their own alternate timelines, work plans 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. While the payment will be made upon completion of deliverable, INVEST understands that a commitment of funds may be required to fulfill the purpose of catalyzing additional investment through the presence of first-loss capital. Offerors should note the appropriate form of commitment they will need in their proposal should they be the selected offeror. Additionally, INVEST and USAID will also work closely with the Awardee on the overall learning agenda for Parts I and II, including the appropriate cadence for reporting, communications, and other general ongoing project management activities, as well as be a resource to help the awardee achieve overall objectives [e.g. facilitate introductions].

Technical Approach

In your response, please include the following information:

- a. Investment thesis that demonstrates alignment with the stated objectives of this activity.
- b. Either:
 - i. Information regarding the blended finance nature of the fund structure, including the proposed leverage ratio, and how the funding from this award will be used to catalyze commercial investment; information on the current first-loss investment raised to date and how this additional funding would be used to further catalyze investment; OR

- ii. Description on how start-up or operational support will be utilized, including specific activities to be undertaken, and how it will be catalytic, e.g. local GLI capacity-building or pioneering something new that would inform the field
- c. Information on the timeline and strategy for the capital raise including information on ticket size, target investors, funds raised to date and goals set by the fund manager to fully capitalize the fund if applicable, or
- d. Information on the timeline and strategy for implementing the activities proposed in support of start-up or fund operations
- e. Information on planned data collection as part of the standard reporting to investors
- f. A proposed approach to data collection and learning specific to the goals of INVEST and USAID team.
- g. Background on Offeror
 - i. Investment manager(s)' CVs
 - ii. Experience in gender lens investing, impact investing, women's entrepreneurship and/or women's economic empowerment in emerging markets.
 - iii. Experience in geographies, sectors, asset classes, proposed partners, etc.
 - iv. Targeted financial return (e.g. market rate, concessionary)
 - v. Portfolio structures/type(s) of investments (e.g. fund of funds, direct into SMEs, financial intermediaries)
 - vi. Ticket size
 - vii. Investment stage(s) (e.g. early, series A, growth)
 - viii. Contact Information
- h. Proposed activities, including:
 - i. Milestones
 - ii. How results will be self-sustaining after activity