



To: Offerors

Date: July 2, 2020

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

Subject: Request for Proposals (RFP) INVEST-051: Moldova Investment Platform

Due: **1:00PM EDT on August 6, 2020**

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 Moldova.

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** Request(s) 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. Individual consultants will not be considered for this RFP. The ultimate combined IQC ceiling of both Task Orders is expected to be no greater than \$2,050,000 USD, with approximately \$175,000-200,000 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 July 14, 2020** via email to INVEST_Procurement@dai.com.
 2. Submission of Proposals – Proposals must be submitted no later than **1:00 pm EDT on August 6, 2020** 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-051: Moldova Investment Platform." 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 (Investment Platform Structuring and Rapid COVID-19 Impact Assessment)** – 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 (Technical Assistance, Transaction Advisory Services, and Deal Closure)** – Offerors will detail their approach to fulfilling the accompanying Statement of Objectives (SOO). The approach should include the offeror's general approach to achieving the investment targets 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 (range of \$175,000-200,000 USD) along with details for specific deliverable pricing. Offerors should also provide illustrative deliverable pricing for Activity Two based on the tentative investment targets detailed in the SOO.** Only the Activity One pricing will be formally evaluated and incorporated at this stage; the illustrative Activity Two pricing will serve as a reference point for future Task Order(s). Please note that these targets and the proposed budget will be validated during the rapid assessment stage and there will be opportunity to reassess and revise during the release of the RFTOP for Phase 2.

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 developing similar investment platforms in developing contexts.
- 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 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 ability to use available information captured in the landscape assessment (see attached document) and in other sources to demonstrate how the offeror will structure the platform including: selection criteria, prioritization of enterprises, and engagement with investors, financiers and credit enhancement providers. The technical approach should also clearly describe the rapid COVID-19 assessment and response methodology including aspects that will be considered, timeline, and sample questions.
- b. **Technical Approach to Activity Two (25 points)** - 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 offeror should lay out the strategic approach to preparing enterprises for investment taking into account their development stage and the impact of COVID-19 on their business operations, financial planning, growth trajectory and new financing opportunities. The technical approach should also clearly describe how the offeror and its consortium will support the investment packages and outreach to investors.
- 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 completing rapid assessments of enterprises experiencing negative financial impact due to external events.
 - Institutional experience structuring investment and matchmaking strategies to link enterprises at various levels of development with financing.
 - Institutional experience providing business advisory services to assist enterprises to become investor ready.
 - Institutional experience supporting enterprises in preparing loan applications and investor pitch decks.
 - Institutional experience engaging various types of investors ranging in size and type.
 - Institutional experience supporting transactions through to deal closure.
 - Institutional experience in Moldova is required.
- 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. It is required that the offeror (or one of its partners) be based in Moldova in order to ensure continuity of project operations during periods of travel restrictions due to COVID-19.

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. Price Proposal:** Price 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 price reasonableness at that stage. Please include your total proposed fixed price for Activity One (range of \$175,000-200,000 USD) along with details for specific deliverable pricing. Offerors should also present illustrative pricing for Activity Two based on the tentative investment targets detailed in the SOO. Only the Activity One pricing will be formally evaluated and incorporated at this stage; the illustrative Activity Two pricing will serve as a reference point for future Task Order(s). Please note that these targets and the proposed budget will be validated during the rapid assessment stage and there will be opportunity to reassess and revise during the release of the RFTOP for Phase 2.
- 3. Offeror's Agreement with Terms and Conditions:** Please visit the [INVEST Procurement Forecast](#) website for RFP 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

INVEST: Mobilizing Private Investment for Development Statement of Objectives for USAID/Moldova

Moldova Investment Platform: Covid-19 Responsive Investment Facilitation

I. Introduction

USAID Moldova seeks to unlock the potential of private capital to drive inclusive growth. 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 ICT, agriculture, tourism, textile, financial services, infrastructure, energy, health, education, etc., requires new forms of collaboration between USAID and the investment community. Specifically, USAID can leverage its resources – grants, technical assistance, guarantees, and convening power – to help raise awareness of investment opportunities, lower transaction costs, and mitigate the risk of investments that generate positive social, economic, and environmental impact.

Through INVEST's flexible buy-in mechanism, USAID Missions and Operating Units are able to access an unprecedented network of firms and individuals that have the range of technical expertise needed to identify opportunities and effectively mobilize private capital toward development priorities. Using a lean approach tailored to high potential opportunities, relevant parts of the network will come together to research, develop, and build specific solutions that align private capital with development needs.

II. USAID Moldova PSE work to date

In September 2019, INVEST began working with USAID Moldova to assess and prioritize private sector engagement (PSE) opportunities that could unlock capital to support the Mission's development objectives and inform a new Country Development Cooperation Strategy. After some initial scoping work to better understand the investment environment, the INVEST team worked closely with the USAID Moldova team on a landscape assessment to identify specific investment opportunities, potential investors and business advisory services providers (see INVEST Moldova Investment Landscape Assessment, attached). The landscape assessment was completed in June 2020 and identified the following:

- 218 investment opportunities, 63 of which were profiled. The 63 companies are in a growth or late stage and seek ~\$200 million in debt or equity.
- 59 potential investors, of which 23 were more deeply profiled and included private equity and venture capital firms, development finance institutions, non-bank financial institutions, diaspora and impact investors
- 15 business advisory services companies, of which 12 were more deeply profiled and included services in transaction advisory, business strategy, communications, etc.

The results supported the USAID Moldova PSE strategy to leverage private sector expertise, networks and resources that will assist Moldova in achieving market-driven, inclusive and sustainable growth. At the same time, this analysis showed the challenges in this nascent investment environment and areas where USAID support can be transformational, including the following, among others:

- **Enterprises lack understanding on securing equity investments.** There is a low level of knowledge about how and where to secure equity investments, and what such investments entail.

- **Success stories are encouraging other companies.** The growth that Purcari has had after taking outside capital investment has encouraged other groups to consider external funding opportunities.
- **Outsourcing companies have spurred development of a strong ICT ecosystem.** These companies have built an educated workforce that has led to an increasing number of start-ups building software and hardware products, which are more investable than outsourcing companies.
- **Investors are cautious of providing non-debt financing in Moldova.** Some investors have been wary of providing equity and mezzanine financing to local enterprises.
- **Previous mismanagement remains a deterrent in foreign investors' minds.** Moldova's bank fraud scandal still creates challenges for local enterprises to conduct business with some multinational corporations.

Towards the end of the profiling work, the coronavirus pandemic outbreak occurred and is presenting major health and economic challenges for Moldova. In this environment, USAID is examining the impact of COVID-19 on current programs and where it can most effectively respond to support a “respond, recover, reconstruct” approach. As clearly evidenced by the US government actions, the private sector is being engaged to provide critically needed products and services to respond to the health crisis and is also being supported through subsidies, low-cost financing, credit enhancements and tax benefits to minimize the economic recession. Not all sectors are equally impacted. In general, those that rely on high social contact and travel are being negatively impacted, while firms that provide healthcare, IT solutions, delivery, e-learning, etc. are doing well.

III. Purpose of this assignment

To mobilize private capital and help companies weather the COVID-19 economic crisis, USAID Moldova has asked INVEST to develop a flexible and responsive investment facilitation service platform that can address the current challenges and pivot quickly to take advantage of new opportunities. The platform will provide targeted, firm-level and investor assistance to reduce transaction costs and/or information asymmetries to catalyze developmentally beneficial investments. The support provided will improve the ability of local companies to grow their operating capacity and raise critical growth capital, while for investors, the platform acts as a neutral intermediary and directly addresses barriers such as information asymmetries and high transaction costs by improving investors' understanding of the market and decreasing the cost of due diligence. The platform will provide appropriate support for the local context and constraints, including but not limited to the capital and technical assistance needed by target companies; risks and transaction costs faced by investors; and, adaptations to the distinct characteristics of the local financial market. The platform will be aligned with the USAID PSE and Moldova country strategy, USAID global COVID-19 response, Development Finance Corporation (DFC) guarantees with local financial institutions, Moldovan government stimulus packages and monetary policies, other development partner efforts, and investor requirements.

USAID Moldova and INVEST also recognize that with COVID-19, the technical assistance needs of many firms may have changed as they deal with immediate operational and financial challenges, and also seek to take advantage of stimulus packages. As such, the investment facilitation service will focus its efforts with companies on survival, viability and growth in USAID priority sectors in the immediate to medium term as noted below:

Focus: Survival	Focus: Viability	Focus: Growth
Category One - Immediate	Category Two – Short Term	Category Three – Mid Term
Assist firms in navigating and applying to GoM / IFI / and relief offerings for COVID-19 response. Financial restructuring and loan workouts.	Assist targeted firms in applying to Bi-lateral Grant and/or “soft” financing opportunities and effective utilization.	Link targeted firms to DFC (and other) loan offerings and equity investors and assist with applications and effective utilization.

The INVEST project anticipates issuing this award as one indefinite quantity subcontract with up to two task orders.

Task Order #1 – Investment Facilitation Platform Structuring and Rapid COVID-19 Impact Assessment
The first task order shall consist of:

- The Investment Facilitation Platform structuring which will establish the investment criteria, the ecosystem priorities, and the list of targeted financial institution partners.
- The rapid assessment of at least 100 shortlisted businesses to capture the impact of COVID-19 on their business and new financing needs.
- Based on the criteria determined in the platform structuring, the offeror will complete a prioritization of businesses and categorization based on the three types explained in the above table.
- Recommendation of investment targets based on the rapid assessment of the demand from enterprises and the current investment environment.
- Initial planning on the collection of indicator data in coordination with supported SMEs and financial institutions (see Monitoring, Evaluation, and Learning section below)

Illustrative deliverables from this activity may include:

- Investment facilitation platform, with established investment criteria and ecosystem priorities, and Financial Institution collaborators
- List of businesses to be assessed and assisted (from initial landscape work, USAID financial institution partners, and other USAID partners)
- Menu of financing and credit enhancement options available to SMEs, and non-financial services available through the platform
- Initial MEL plan to collect and report the required activity indicators.

Task Order #2 – Technical assistance, Transaction Advisory Services, and Deal Closure
The second task order shall consist of:

- Depending on the stage and categorization of each enterprise, delivery of business advisory services will be delivered to assist each entity in becoming investor ready. Services could include support with business plan development and implementation, trainings on subjects such as internal controls or marketing, and development of investment package and pitch deck for investors. Collection of data throughout the engagement with enterprises is anticipated and to be established at the outset of each service offering.
- Transaction advisory services to link prepared businesses with their targeted financial products or investors.

- Deal closure of transactions with relevant documentation demonstrating size of transaction, timelines, etc. The illustrative target for deal closure is \$20 million however, this will be validated and adjusted (if necessary) in Phase 1.
- Coordination with financial institutions to collect relevant indicator data and support their reporting of this as needed.

Illustrative deliverables may include:

- Investor pitch deck or loan application materials
- Monthly deal tracking report detailing progress or similar periodic report
- Deal closure report and documentation
- Final report on activities, results, challenges, lessons learned, and recommendations

Monitoring, Evaluation and Learning (ME&L)

The offeror will be expected to gather data over the course of implementation in coordination with USAID/Moldova, the DFC, and the INVEST project. Indicators will include, at minimum:

- Number/Value of loans disbursed as a result of access to financing.
- Number of jobs maintained or created as a result of access to financing.
- New investments occurred as a result of access to financing.

Documentation in support of this data collection and the reporting structure will be submitted on a semi-annual basis to the INVEST Evidence and Learning Manager for review and validation before onward submission to USAID.

Role of INVEST Project

INVEST will work closely with USAID/Moldova and the selected partner(s) during all stages of this work. DAI will subcontract the selected partner(s) directly and provide review and oversight throughout the life of the activity in accordance with INVEST's lean management approach. DAI will administer weekly check-ins (as needed), reporting, deliverable review prior to client presentation and approval, and manage an ongoing ME&L framework.

- **Partner Onboarding:** DAI will work closely with USAID Moldova to provide the successful offeror(s) with all necessary context and information in order to avoid duplication of efforts.
- **Project Implementation:** The selected partner(s) will implement the work as prescribed by the work plan(s). DAI will provide management support and ensure regular check-ins/reporting
- **Ongoing Monitoring, Evaluation, and Learning:** DAI will define indicators in subcontract, collect and review M&E data from subcontractors for requisite reporting to USAID. DAI will conduct data quality assessments as necessary.

Duration and Place of Performance

This engagement is expected to commence in September 2020 and is anticipated to be completed by June 2022. Work will take place primarily in Moldova but may include travel in Europe or the United States as possible.