

To: Offerors

Date: February 20, 2023

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

Subject: Request for Proposals (RFP) INVEST-119: Surveying the Impact Investment Market for Disability Inclusion Businesses in Vietnam – Modification 1

Due: 1:00 PM Eastern Standard Time (EST) on **March 7, 2023**

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 to for work in support of USAID/Vietnam.

- I. RFP Process and deadlines:** This solicitation will result in the award of one firm fixed price subcontract. We anticipate issuing a single subcontract award with ceiling value not to exceed **\$200,000**.
1. Submission of Questions – Questions must be submitted in English no later than **1:00 PM EST on February 14, 2023** via email to INVEST_Procurement@dai.com.
 2. Submission of Proposal – Proposal must be submitted in English no later than **1:00 PM EST on March 7, 2023** via email to INVEST_Procurement@dai.com, copying [Katherine Tilahun@dai.com](mailto:Katherine_Tilahun@dai.com) and [Danny Mannka@dai.com](mailto:Danny_Mannka@dai.com). The subject line of the email should be your organization name, followed by “Submission under RFP INVEST-119: Surveying the Impact Investment Market for Disability Inclusion Businesses in Vietnam.” Please certify in your submission email a validity period of 60 days for the price(s) provided. In order to submit a proposal, offerors must have at least initiated the process to obtain a [SAM UEID](#). If the UEID has not yet been issued, offerors should note that in the submission and update INVEST at INVEST_Procurement@dai.com once it is issued. 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 ten (10) slide presentation, using 12-point standard font size. Graphics may be included, so long as text is clearly legible with a minimum font size of 10. If text or graphics are of poor resolution, the information provided may be excluded from consideration. 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; offerors may use the attached cost/budget template.

Part 1 – Technical Proposal

Please limit your technical proposal to no more than ten (10) slides. 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 achievement of the objectives as detailed in the statement of objectives and completion of all deliverables and milestones as proposed within the stated timeline.
2. **Institutional Capacity** – Offerors should provide details about the experience, networks, expertise, and capacity of their firm (or firms if partnering arrangement is proposed) to implement the proposed approach and complete the work as described. This should also include past performance information for similar activities as those planned under this proposal and note any previous experience working as partners if a partnering arrangement is proposed.
3. **Management Plan/Staffing Structure** – Offerors should include details of personnel who might be assigned to the activities described in the technical approach along with their proposed roles and responsibilities, as well as a clear management plan in narrative form for the development, review, and submission of deliverables, including a milestone schedule that indicates their proposed timeline for implementation. 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 Finance and Investment Network managed by INVEST. 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, oversight, and coordination controls to ensure successful delivery.

In addition to the above, please include the following inputs, which will not be counted as part of the 10-slide limit and format may be PDF or Word:

- Two (2) examples of past performance (i.e., case studies) relevant to this activity (limited to two (2) pages per example)
- CV(s) of any individuals proposed in the staffing plan to conduct this activity (limited to two (2) pages per individual).

A cover page will be considered a non-counting page, 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 nor should be submitted.

Part 2 – Cost Proposal

The subcontract type for the presumptive work will be Firm Fixed Price, awarded as a subcontract by DAI Global, LLC. The cost proposal should not exceed \$200,000.

Please include your total proposed fixed price along with details for specific deliverable pricing. Offerors must also include a cost breakdown of the hourly rates for proposed

personnel, any other direct costs, indirect costs, and fees if applicable, with a build-up to their total proposed price or include substantiating price reasonableness documentation/justification. Cost breakdowns included will be utilized to determine price reasonableness. Offerors should use the attached cost/budget template for guidance, but are not required to use it, as long as the cost proposal captures the necessary elements (i.e. deliverables table with breakdown of how the deliverable totals were calculated). The successful offeror will need to demonstrate that the proposed rates, fees, etc. are reasonable and will be required to provide documentation during subcontract negotiations to substantiate costs, as needed. 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. DAI reserves the right to check the past performance, references, and other pertinent offeror information in making award decisions. Proposals will be evaluated against a stated number of factors including: the overall proposed approach, past performance, specific qualifications in the identified approach and 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. Key parts of the technical approach are: (1) the offeror's approach to researching the impact investment ecosystem in Vietnam and offering recommendations for engaging the private impact investors (PIIs); (2) the offeror's approach to creating a guideline on managing impact investment funds in Vietnam; (3) the offeror's approach to researching innovative financing models that can be applied in Vietnam; and (4) the offeror's approach to organizing a one-day in-person workshop to present findings from the above three workstreams.
 - b. **Institutional Capacity (30 Points):** Points for this section will be awarded based on information presented in the corresponding section and any submitted case studies (i.e., examples of past performance). Preference will be given to firms and/or consortia that have past performance in timely and successful delivery of similar services and/or relevant experience in-country. Offerors with experience in Vietnamese and international impact investment markets will be

preferred; demonstrated capacity to communicate and write in Vietnamese required; demonstrated capacity to understand needs of relevant Vietnamese private sector stakeholders, especially PIIs, will be preferred. Offerors should demonstrate any knowledge and technical experience that will support their ability to perform the requirements of the SOO in an efficient and effective manner.

c. **Management Plan/Staffing Structure (30 Points):** Points for this section will be awarded 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 (in English and Vietnamese, as needed), 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 Management Plan should clearly outline where staff are located and, if any portion of the team or consortium will be remote, offerors should provide a detailed approach to conducting activities remotely. Offerors must demonstrate through their proposed staff the ability to communicate fluently in English and Vietnamese as well as produce deliverables and other correspondences in English and Vietnamese as required throughout the activity. Strong preference will be given to Offerors with an in-country presence in Vietnam.

2. **Cost Proposal:** Total price and associated cost build-up will be evaluated separately from the technical approach, with due consideration for realism, price reasonableness, and allowability consistent with U.S. 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. **Note Regarding Parastatal Organizations:** Under U.S. Government regulations USAID and INVEST are not able to fund parastatal organizations, even as second-tier subcontractors (partners). The USAID definition of parastatal is “Foreign government-owned parastatal organizations are firms operated as commercial companies or other organizations --including nonprofits--or enterprises in which foreign governments or the foreign agencies have a controlling interest” (ADS Chapter 302). A controlling interest could include organizations where the largest single shareholder is a government entity.

V. **Offeror’s Agreement with Terms and Conditions:** Please visit the [INVEST Procurement Hub](#) website (scroll down to “Terms and Conditions”) 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

Statement of Objectives RFP INVEST-119
USAID INVEST: Mobilizing Private Investment for Development
Surveying the Impact Investment Market for Disability Inclusion Businesses in Vietnam,
USAID/Vietnam Buy-In Activity

Introduction

USAID 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. 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 can 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.

Background

Vietnam is one of the fastest growing economies in Southeast Asia with a thriving social impact ecosystem. There are approximately 22,000 social impact businesses (SIBs) in Vietnam, including:

- Legally registered social enterprises (SEs);
- Social impact startups;
- For-profit enterprises practicing inclusive businesses and creating shared value approaches;
- Impact cooperatives, whose members are low-income and vulnerable populations, and/or provide services/products to achieve the Sustainable Development Goals; and
- Non-profit social organizations with commercial activities (UNDP, 2018).

This large number of social purpose organizations should offer a large market for impact investing activities.

Vietnam has attracted increasing sources of capital over the past decade. According to GIIN report “The Landscape for Impact Investing in Southeast Asia”, between 2007 and 2017, at least 10 private impact investors (PIIs), mostly fund managers, have deployed more than USD 25 million through 23 deals. Six Development Finance Institutions (DFIs) have cumulatively deployed more than USD 1.4 billion in impact capital through 50 deals over the same period. While DFIs have invested disproportionately more than PIIs, DFIs are less likely to provide a significant amount of investment in social enterprises, especially those at the early stages, due to their relatively large size deal requirements. Another significant challenge facing social investment in ASEAN in general, and in Vietnam particularly, is the skewed distribution of capital across the risk/return spectrum, which mirrors the challenge faced by impact investors at the global level. This means that many promising enterprises will struggle to survive past the early stages, which, in the long run, reduces both the availability and attractiveness of later-stage impact investment pipelines. Therefore, most social impact businesses in Vietnam currently rely on some form of share-founder’s equity or personal/family savings to fund their operations and growth due to limited access to collateralized loans and private equity.

Of the 6.2 million people with disabilities in Vietnam, only about 40% (or 2.5 million) have the capacity to participate in the workforce, and only 30% of them (750,000) are employed. As of 2022, there are 1,000 disability-led businesses that are engaging 40,000 people in the labor market. However, people with disabilities are often considered as beneficiaries of development aid and charity, rather than active agents. If the private sector could invest in disability inclusion businesses, this vulnerable population would be empowered through: (i) transformation of people with disabilities (PWD)'s status from beneficiaries to active citizens with full social and economic engagement and (ii) creation of more economic opportunities for PWD and their families.

The Center for Social Initiatives Promotion (CSIP)¹ is a leading Vietnam-based non-governmental and non-for-profit organization working to promote the development of social enterprises and social initiatives by building a social entrepreneurship movement in Vietnam and the Southeast Asia region. Established in 2008, CSIP aims to provide direct investment and support to people and social enterprises who apply innovative and sustainable business solutions to solve social and environmental issues. It also works with other stakeholders to raise awareness of social enterprises, build business networks, and improve the operating environment for social enterprises in general.

USAID, through INVEST, is partnering with CSIP to deliver services that benefit disability inclusion businesses (DBIs) in Vietnam. The goal of this activity is to engage private impact investors (PIIs) in delivering social and environmental impact, especially in improving the quality of life for disabled populations in Vietnam. CSIP will work with USAID to achieve the following objectives:

1. Build enabling supports and remove barriers for PIIs to enter the impact investment market;
2. Inspire, engage, and build the capacity of new PIIs, especially the local PIIs in investing for impact; and
3. Better understand how to develop and pilot PII's innovative financing models for DBIs.

Objectives and Activities

The purpose of this procurement is to identify a firm or consortium of firms to deepen CSIP and USAID's foundation and knowledge and the network of impact investment opportunities for engaging private impact investors in delivering social and environmental impact, especially in improving the quality of life for disabled populations based on desk research, synthesis of current materials, and stakeholder interviews.

Specifically, the successful offeror(s) will support the following tasks:

1. **Research and Analysis:** The successful offeror(s) will provide an overview of the impact investing ecosystem in Vietnam based on desk research, and recommendations on how best to encourage the private sector to invest in disability inclusion businesses. Analysis should include a basic mapping of local impact investors investing in Vietnam, as well as any relevant global impact investors with the potential to invest in Vietnamese businesses, especially those owned and/or operated by improving the lives of disabled populations. The report should focus on how to engage PIIs in the whole spectrum universe of impact investment in Vietnam, in addition to including a database of relevant social impact businesses, and a list of relevant laws statutes, related government policies and regulations, government strategies and priorities, and information on investment lifecycles for different types of social enterprises, with a focus on those positively

¹ <https://scalingfrontierinnovation.org/spotlights/centre-for-social-initiatives-promotion-csip/>

impacting the lives of people with disabilities. Sources of information should include desk-based research from reports such as the and materials and input from groups including the Global Impact Investing Network, Asian Venture Philanthropy Network, The Global Steering Group for Impact Investment, Toniic, Mission Investors Exchange, and other relevant groups and interviews with impact investors, social impact businesses, and relevant policy makers.

2. **Guideline for Impact Investment in Vietnam:** The successful offeror(s) will create a how-to guideline on managing impact investment funds in Vietnam. The guideline should include specific step-by-step instructions on how to set up, register, structure, manage and operate an impact investment fund in Vietnam, based on current Vietnamese law and consultations with local impact investment experts and relevant international partners.
3. **Research Report on Innovative Financing Models in Vietnam:** The successful offeror(s) will research and write a report that highlights the current innovative financing models that can be applied in Vietnam, such as:
 - First Loss Default Support to reduce investment risks in making investment in SIBs, impact funds, and other investment vehicles
 - Impact Bonds to support positive impact outcomes, and
 - Uncollateralized cash-flow based debt.

The selected offeror(s) will explain key lessons learned through selected case studies that illustrate innovative financing models that have been or could be deployed in Vietnam to achieve social impact, in addition to including key recommendations for a framework for launching the identified innovative financial models.

4. **Workshop on Innovative Financing Models in Vietnam:** The selected offeror(s) will present key findings from the research report and guidelines in a one-day in-person or hybrid workshop to international and local experts on impact investing. The selected offeror(s) will present the overall approach to the assignment, validate the highlight the findings from the context analysis, present the step-by-step how-to guidelines for setting up and operating an impact investment fund, and highlight key case studies of current innovative financing models in Vietnam. The workshop should also provide the opportunity to connect key stakeholders from both the supply side and demand side from the impact investing ecosystem.
5. **Learning:** Selected offeror(s) should be available to present their work to INVEST, USAID, and CSIP throughout the activity. This may include working with the INVEST team to develop a case study, fact sheet, presentation, or other materials that demonstrate the value of applying innovative models to spur impact investing in Vietnam. ~~impact investing for DIBs in Vietnam.~~ INVEST is experienced in handling proprietary and/or confidential information, especially for investors, and will discuss these requirements with the successful offeror(s) prior to contracting and as relevant to learning and information sharing activities.

Illustrative Deliverables:

Illustrative deliverables are listed below; however, offerors should propose deliverables in line with their approach while meeting the objectives outlined in this SOO.

All deliverables will be submitted for review and approval in English, and some deliverables must be submitted in both English and Vietnamese, as agreed upon with INVEST and USAID. Translation of the

final deliverables into Vietnamese is the responsibility of the offeror and all costs associated with translation should be included in the proposed pricing for this activity.

Deliverables may include, but are not limited to:

- Workplan
- Context analysis report
- Guidelines for impact investing in Vietnam
- Report on innovative financing models in Vietnam
- Workshop materials and delivery

Upon selection and award, INVEST will work closely with the selected offeror(s) to determine the contract structure, including final timelines, milestones, deliverables and associated costs. Additionally, INVEST will work closely with the selected offeror(s) on any communication products and reporting requested by USAID.

Period and Place of Performance:

The activity is anticipated to commence in April 2023 and take place over a period of approximately 15 months. However, offerors should propose a timeline that is representative of their proposed technical approach and management plan that delivers the scope of work as described.

Work for this activity is expected to take place primarily in Vietnam with remote work supplementing the on-the-ground implementation, if necessary. If the offeror will not have in-country presence, they must provide a detailed approach to achieving the activity objectives remotely. A strong network of the impact investing sphere in Vietnam is required. Offerors are expected to have a strong network of impact investors, family offices, corporate foundations, corporate social responsibility (CSR) programs, angel investors, etc.

Contract Type and Budget Ceiling:

DAI will award a firm fixed price subcontract. The anticipated budget should be no more than \$200,000 USD.

Role of INVEST

INVEST will work closely with the selected offeror(s) during all stages of this work. DAI will subcontract the selected offeror directly and provide review and oversight throughout the life of the activity. The INVEST team will administer regular check-ins, reporting, deliverable review prior to client presentation and approval, and manage an ongoing monitoring, evaluation, and learning (MEL) framework.

- *Subcontractor Onboarding:* INVEST will provide the successful offeror(s) with all necessary context, and work with the successful offeror(s) to develop the work plan.
- *Project Implementation:* The successful offeror(s) will implement the work as prescribed by the work plan(s). INVEST will provide management support and ensure regular check-ins/reporting.
- *Ongoing Monitoring, Evaluation, and Learning:* INVEST will define indicators during the subcontracting process, collect and review M&E data from subcontractors for requisite reporting to USAID and will conduct data quality assessments as necessary.

RFP INVEST-119: Surveying the Impact Investment Market for Disability Inclusion Businesses in Vietnam Question and Answers (Q&A)

- 1. We noted that the activity is expected to take place over a period of approximately 15 months. Are there specific events taking place within that time period that we need to factor into our approach (in terms of key dates), or can we propose a shorter timeline that we believe will reach the same outputs and outcomes?**

While we believe this activity will require a period of performance of approximately 15 months, each offeror should propose a timeline they believe is realistic and aligned with their technical approach to achieve the statement of objectives for this activity.