



**EXTENSION OF BID
REQUEST FOR PROPOSAL
INVESTMENT READINESS SPECIALIST
New Submission Deadline: 2nd April 2021**

1.0 The Africa Enterprise Challenge Fund

The Africa Enterprise Challenge Fund (AECF) is a leading development finance organization that supports businesses to innovate, create jobs and leverage investments in order to create resilience and sustainable incomes in rural and marginalized communities in Africa. Launched in 2008, AECF has invested in 292 businesses across more than 40 value chains and 26 countries in sub-Saharan Africa. We focus specifically on agribusiness, renewable energy, and climate technologies, while also addressing the cross-cutting themes of gender, youth, and fragile contexts. In just over a decade, we have impacted more than 27.7 million lives, created close to 24,000 jobs, and leveraged over US \$740 million in matching funds.

2.0 About AECF's Investments Advisory Services

In delivering on the strategy, AECF, through the Investments Advisory Services (IAS) department provides value addition support to AECF investee companies in Africa to accelerate their business growth, sustainability and impact delivery. AECF works with the investee companies to identify both business capacity and capital gaps through conducting business diagnostics, prioritizing of capacity and capital needs and planning for delivery of services that will increase business performance, resilience and delivery of social impact. Based on the emerging priority needs of our investees, key advisory services have been categorized under strategy & strategic management; financial management; marketing, distribution & customer service; leadership and organization development; production and operations; integration of environmental and social management; and investment readiness & facilitation.

3.0 About Tanzania Agribusiness Window (TZAW)

The intended outcome of TZAW is to catalyse private sector investment and innovation in agribusiness and rural financial services projects that are commercially viable, have significant developmental returns and wider systemic impact. TZAW will achieve the outcome by providing matching grants for projects in agribusiness, agribusiness value chains and financial services projects in Tanzania that include the poor as employees, contract farmers, out growers and/or suppliers. By demonstrating that grantees operating in high-risk markets can make profitable investments, it is intended that entrepreneurs in the agribusiness value chain, private investors and banks will begin to see the agribusiness sector in Tanzania as offering good returns at an acceptable level of risk and thus decide to increase their investment.

4.0 About the Assignment

4.1 Purpose of the Assignment

The purpose of this assignment (the “Assignment”) is to engage an institution (the “Specialist”) to prepare the TZAW investee companies to become investment ready. The Assignment will commence with an understanding and classification of the TZAW R3 & R4 portfolio (the “Portfolio”), before progressing to provide the appropriate Investment Readiness interventions. The Specialist will work closely with the Investment Advisory Services (IAS) delivery team, to deliver on the Assignment.

4.2 Specific duties and responsibilities (the “Services”) of the Specialist

The Specialist will be expected to deliver on the following scope of the Assignment.

Phase 1: TZAW Portfolio Investment Readiness Categorisation

- i. This phase will commence with a deep analysis and processing of the provided Portfolio material and discussions held with the investees in the Portfolio, by the Specialist for them to gain an understanding of the program objectives and details of the contracted companies in the Portfolio (estimated at 18 at the time of commencing the Assignment).
- ii. The Specialist and AECF will then agree on the Investment Readiness (“IR”) categorization criteria that will be used to categorize the Investment Readiness status of each investee.
- iii. This will be followed by an independent investment needs assessment of the contracted companies, across the Portfolio, resulting in the profiling of the IR status of each investee against the agreed upon categorization criteria, identification of any IR gaps and proposed remedial action. In consultation with the AECF team, the Specialist will initially prioritize the identification and categorization of investees that are investor ready (category A investees), to facilitate the fast tracking of their respective investor engagement process.
- iv. The Specialist will then develop the Investment Readiness Categorization Database (“Database”) and prepare a report for AECF, which will include, but will not be limited, to a summary of the process undertaken, an analysis of the Database including the investment probability of each investee and respective investability ranking, capital needs (amount, funding type etc) requirement for each investee over a period of 24 months, identified investor readiness gaps for each investee in the Portfolio and the proposed remedial action that would increase investor confidence in the investee.
- v. The investee, AECF, and Specialist will then agree on and prioritize the appropriate Investment Readiness intervention(s) for each investee, required to solidify the investee’s investment case, and this will be presented in a comprehensive end of phase 1 report that will also include lessons and insights, from the exercise, to further inform IAS Investment Readiness service delivery to investee companies,

Phase 2 – Delivery of Investment Readiness Interventions

- a. Intervention(s) delivery
 - i. Subject to the satisfactory completion of phase 1, guided by the Categorization Database, and subject to the competency and capacity of the Specialist, the Specialist will work with approximately 10 investees and support them with the identified and

agreed upon IR intervention(s) against the signed-off refined methodology, workplan, assignment duration and cost, for the delivery of phase 2 of the Assignment. If selected for this phase, the Specialist may also be required to work with other consultants for the delivery of the IR interventions(s) but will remain the lead for the Assignment.

- ii. The Specialist will develop a framework that will enable the investee and AECF monitor progress on agreed key performance indicators and track the effective execution of the IR interventions, while testing the key assumptions.
 - iii. The Specialist is expected to coach the business leadership and management of the selected investees and selected AECF staff, in the understanding and implementation of their respective investment readiness interventions to increase their investment case.
- b. Training delivery
- i. The Specialist is expected to prepare learning modules/curricular for Investment Readiness and execution trainings, to guide investee self-directed learning and development and prepare Investment Readiness framework(s) for IAS.
- c. Reporting
- i. The Specialist will provide AECF with regular reports as agreed in the contract.
 - ii. The Specialist will prepare an end of phase 2 report that will include lessons and insights to further inform IAS Investment Readiness service delivery to investee companies.

4.3 Specific deliverables and timelines of the Services

The Assignment is expected to commence on 19th April, with phase 1 ending by 31st May 2021, paving way for the immediate commencement of phase 2 whose commencement, duration, scope of assignment and other terms and conditions will be determined after the successful completion of phase 1 and successful negotiations with AECF.

Phase	Assignment Deliverables	Est. Assignment duration
	Contract signing and inception report	0 months
Phase 1	<ul style="list-style-type: none"> • Investment Readiness Categorization Database • Specific investee IR implementation plan • AECF end of phase 1 report 	1.5 months
Phase 2	<ul style="list-style-type: none"> • Delivery of IR intervention(s) as agreed • Continuous investee coaching on Investment Readiness, and their understanding and implementation of the specific intervention(s) being delivered • Investment Readiness training modules/ curriculum • Investment Readiness Framework(s) • Regular progress reports, to AECF, as agreed • AECF end of phase report 	To be discussed and agreed upon

5.0 Payment criteria

The payment breakdown below, will be milestone based, against the Assignment deliverables and will be made upon satisfactory signoff by AECF.

Percentage	Milestone
Phase 1	
10%	Execution of the contract based on cost of delivering phase 1
70%	Satisfactory completion and delivery of the Investment Readiness Categorization Database, investee IR implementation plan and supporting report
20%	Satisfactory completion and delivery of the final phase 1 report
Phase 2	
10%	Based on the cost of phase 2 and upon execution of the addendum, to the Assignment contract, refining delivery and cost of phase 2
70%	Delivery and monitoring of the proposed intervention(s) and coaching of the same and ensuring reports as agreed
20%	Satisfactory completion and delivery of final phase 2 report

6.0 Proposal submission

Qualified institutional experts are invited to submit a proposal that includes the following:

- a) Qualification and experience of the individual.
- b) Approach and methodology to undertake this Assignment underpinned by demonstration of value for money. The Methodology should clearly demonstrate the ability to deliver on all phases of the Assignment or at the very least the ability to deliver on phase 1 of the Assignment.
- c) Previous experience in similar assignment(s) with SMEs, including (if any) those in the Agriculture sector.
- d) A detailed financial budget (in USD) and work plan, for each phase.
- e) The technical and financial proposals will need to be submitted as **separate documents**.

7.0 Qualifications and experience

The minimum competencies and qualifications include:

- a) Demonstrated ability to carry out a comprehensive Investment Readiness assessment and rating exercise for investment readiness and attractiveness of investees.
- b) At least 5 years' experience in preparing companies to become Investment Ready (key requirement for phase 2).
- c) Deep experience working with SMEs in Sub-Saharan Africa and demonstration of how this experience has translated to success for the companies supported.
- d) Experience in working with SME's in fragile economies will be an added advantage.
- e) Appreciation and understanding of impact investing.
- f) Experience in training and coaching of Senior and Middle Management teams.

- g) Experience in developing training material.
- h) Experience in supporting companies in the agriculture subsector is preferred.

8.0 Contracting and Reporting

The Assignment will be contracted per phase and the implementation of phase 2 will be subject to satisfactory completion of phase 1 as determined by AECF, and the successful confirmation of the capacity and capabilities of the Specialist to deliver on the identified IR interventions.

The Specialist will report to the Head, Investment Advisory Services.

9.0 Evaluation Criteria

An evaluation committee will be formed by the AECF and may include employees of the businesses to be supported. All members will be bound by the same standards of confidentiality. The Specialist should ensure that they fully respond to all criteria to be comprehensively evaluated.

The AECF may request and receive clarification from any Specialist when evaluating a proposal. The evaluation committee may invite some or all the Specialists to appear before the committee to clarify their proposals. In such event, the evaluation committee may consider such clarifications in evaluating proposals.

In deciding the final selection of qualified bidder, the technical quality of the proposal will be given a weighting of 70% based on the evaluation criteria. Only the financial proposal of those bidders who qualify technically will be opened. The financial proposal will be allocated a weighting of 30% and the proposals will be ranked in terms of total points scored.

The mandatory and desirable criteria against which proposals will be evaluated are identified in the table below.

Key Areas for Evaluation/ Assessment	Weighted Award
(A) TECHNIAL PROPOSAL	70
i) An understanding of the consultancy requirements;	15
<ul style="list-style-type: none"> • Demonstrate an understanding of the Assignment 	5
<ul style="list-style-type: none"> • An in-depth understanding of Investment Readiness, gap assessment and interventions that facilitate investee preparedness. • Understanding of the Agriculture and Agribusiness models in sub-Saharan Africa will be added advantage. 	10
ii) Methodology and work-plan that will deliver the best value on the Assignment:	30
<ul style="list-style-type: none"> • Demonstrate the strategy and capacity to deliver each of the task(s) within a realistic timeline, underpinned by value for money. 	25

<ul style="list-style-type: none"> Strategy that demonstrates capability to deliver a large part of this Assignment virtually. 	5
iv) Relevant services undertaken by the bidder in the past engagements:	15
<ul style="list-style-type: none"> Demonstrate relevant experience and recent engagements with private sector companies in Investment Readiness. Experience in supporting companies in the Agriculture, Agribusiness and Climate smart technologies sub-sectors in sub-Saharan Africa is added advantage. 	15
v) Detailed reference list indicating the scope and magnitude of similar assignments:	10
<ul style="list-style-type: none"> Letters (not a list) of reference from past customers or associates to the Specialist, clearly indicating the Investment Readiness support provided and the value and impact on the business supported. 	10
(A) FINANCIAL PROPOSAL	30
<ul style="list-style-type: none"> Clarity, relevance, reality to market value/ value for money of cost for the Assignment (inclusive of any applicable tax). Phase 2 financial proposal can be an indicative estimate guided by the proposed methodology Investment Readiness interventions. 	30
Total score	100

10.0 Application details

To be considered, your proposal reference “[REQUEST FOR PROPOSAL: INVESTMENT READINESS SPECIALIST](#)” must be addressed to aecfprocurement@aecfafrica.org and received by **Friday 2nd April 2021 5:00 PM EAT**.

11.0 Pricing

The AECF is obliged by the Kenyan tax authorities to withhold taxes on service contract fees as well as ensure that VAT and Withholding tax, is charged where applicable. Applicants are advised to ensure that they have a clear understanding of their tax position with regards to provisions of Kenya tax legislation when developing their proposals.

12.0 Disclaimer

AECF reserves the right to determine the structure of the process, number of short-listed participants, the right to withdraw from the proposal process, the right to change this timetable at any time without notice and reserves the right to withdraw this tender at any time, without prior notice and without liability to compensate and/or reimburse any party.