



Request for Proposal

Provision of Business
Development Services



TERMS OF REFERENCE FOR CONSULTANCY TO PROVIDE BUSINESS

DEVELOPMENT SERVICES (BDS) IN AFRICA

(GROWING THE NUMBER OF CREDIT-READY/INVESTMENT-READY WOMEN MSMEs IN AFRICA)

Introduction

The African continent has the highest entrepreneurship rate in the world, mainly driven by women entrepreneurs. African women are twice as likely to start a business than women elsewhere in world, however, their contributions to economic growth have so far been limited.

African women entrepreneurs still find it more difficult than men to convert their intentions into fast-growing, profitable, and sustainable businesses. They tend to be overrepresented in small businesses and in sectors characterized by low productivity and profitability and face multiple challenges. They are, therefore, disproportionately shunned from effectively participating in the market economy, limiting countries from realizing their full growth and employment creation potentials. Low access to finance has been a major constraint for women entrepreneurs in Africa who face a total financing gap estimated at USD 42 billion for formal women SMEs.

To address this challenge, the African Development Bank Group, established the Affirmative Finance Action for Women in Africa (AFAWA), a flagship initiative that specifically focuses on increasing inclusive finance for women entrepreneurs on the continent. African Guarantee Fund is the Implementing Agency for AFAWA in Africa.

About the African Guarantee Fund

African Guarantee Fund (AGF) is a specialized guarantee provider whose mission is to facilitate economic development and poverty reduction in Africa. To achieve this, AGF increases access to finance for Small and Medium-sized Enterprises (SMEs) across key economic sectors through its guarantee products and capacity development assistance.

Since inception, AGF has issued a guarantee portfolio of approximately USD 1.9 billion, unlocking more than USD 3.5 billion in SME financing, through partnerships with 193 partner financial institutions in 40 African countries. As a 2X Challenge qualified institution, AGF is committed to supporting women-owned/led businesses through the Affirmative Finance Action for Women in Africa (AFAWA) Guarantee for Growth program, which aims to unlock up to USD 3 billion in financing for women SMEs in Africa. AGF also fosters sustainable growth by offering a green guarantee facility to lending institutions to enable them increase access to finance for SMEs investing in climate and green growth-oriented economy.

AGF is backed by the following shareholders and sponsors: The Government of Denmark through the Danish International Development Agency (DANIDA), the Government of Spain through the Spanish Agency for International Cooperation (AECID), the African Development Bank (AfDB), French Development Agency (AFD), Nordic Development Fund (NDF), Investment Fund for Developing Countries (IFU), German Development Bank (KfW), French Agency for Private Sector (PROPARCO), West African Development Bank (BOAD), Global Affairs Canada (GAC) and USAID's West Africa Trade & Investment Hub (WATIH).

African Guarantee Fund is rated AA- by globally renowned Fitch Ratings.

About the RFP

AGF's primary objective through the AFAWA initiative is to bridge the finance gap for women entrepreneurs and to unlock their entrepreneurial capacity and full potential. AFAWA is unique in that it offers a multi-dimensional approach to removing the constraints that women entrepreneurs face through three pillars of intervention:

1. Strengthening access to finance for women-owned/led businesses by leveraging the Bank's financial traditional instruments (lines of credit, trade finance, and equity funds) and through the AFAWA Guarantee for Growth (G4G), an innovative mechanism de-risking women entrepreneurs and enhancing Financial Institutions' (FIs) appetite in lending to WSMEs;
2. Building the capacity of women entrepreneurs and financial institutions; and,
3. Strengthening the enabling environment to increase WSMEs ability to access financing.

To achieve the above objectives, AGF intends to partner with Business Development Service (BDS) Providers in different regions in Africa to identify, reinforce the capacity of women SMEs to access finance and scale up their businesses.

BDS providers such as women's business associations, incubators, accelerators, formal women cooperatives, eligible civil society organizations. etc. play an important role in promoting the development of women-owned enterprises and strengthening them to achieve growth. They are critical to creating a viable enabling environment in which women entrepreneurs can grow and create businesses that generate jobs for the continent, by providing advisory and training services to women's enterprises on various business management skills, allowing them to not only move from the informal to the formal sector but also become commercially viable and most of all to access finance.

Within the framework of the **AGF BDS Program**, AGF is looking to support initiatives which aim to enhance the viability and sustainability of formal women SMEs and allow them to access financing opportunities to grow their businesses.

AGF encourages women's business associations, incubators, accelerators, women formal cooperatives, eligible civil society organizations and other legal entities to share proposals aligned with the objectives and themes set out below.

Objectives of the assignment

1. Provide BDS services to selected WSME's in Africa,
2. To demonstrate the value of BDS service to WSMEs and increase their uptake, including taking up responsibility on related costs,
3. Ensure the integration of general loan qualification requirements in the mentorship program, and
4. Link all WSMEs to financial institutions to enable them successfully access financing

Expected Deliverables of the assignment

Submitted proposals will:

1. Demonstrate innovative approaches to build a supportive ecosystem for women's entrepreneurship aimed at improving access to finance for WSMEs and accelerate business growth;
2. Develop innovative ways to disseminate advisory services and technical assistance addressing capacity constraints, and skills enhancement for WSMEs to support access to funding;
3. Develop a comprehensive and sustainable capacity-building program to enable access to finance in partnership with financial institutions;
4. Enhance visibility and digital presence for WSMEs.
5. Enhance access to mentorship and role models for WSMEs;
6. Working closely with the program implementation team, develop tools for identification and selection of WSME's.
7. Propose an appropriate BDS delivery model for the selected WSMEs,
8. Conduct BDS needs assessment for the selected WSMEs and identify priority needs, as well as the status of each enterprise.
9. Develop a BDS delivery package for each WSME as informed by the needs assessment.
10. Develop a detailed BDS delivery plan for each WSME with clear short-, medium- and long-term goals.
11. Sign agreements with the WSME for the delivery of the BDS services clearly stating the BDS delivery modalities.
12. Deliver BDS services to each WSME as contained in the delivery package aligned to the priority needs.
13. Monitor the WSME performance through monthly data collection. Performance indicators will be developed jointly by the consultant and the program team.
14. Submit monthly reports on the delivery of the BDS services to the WSMEs to the program implementation team.

Funding requests may be for a specific project or for an indicative program of several projects, or over several countries. **The funding ranges between USD50,000 to USD100,000 depending on targeted number of WSMEs.** Subsequent partnerships under this program will depend on the impact achieved in terms of the number of WSMEs that have accessed financing.

Geographical Scope

Applications are welcome from all 54 African countries. It will be ideal for BDS providers to indicate their countries of registration and countries of experience.

Funding Principles and Criteria

1. The project duration should not exceed 1(one) year,
2. Recipients and project sponsors should be Africa-based or provide evidence of partnership with African entities and show that the proposed activities, operations, and projects will be implemented in Africa,
3. Applicants must be legally constituted institutions that have been in existence for at least three years, and
4. Collaboration between two or several applicant enablers is encouraged.

Evaluation Criteria

In evaluating technical proposals received from invited consultants, AGF shall consider mainly each consultant's current professional qualifications, its recent performance on similar assignments, its understanding of the assignment at hand, use of a platform/an application, and the qualification of the staff assigned to the work.

As a guide to evaluating proposals, AGF shall use numerical ratings for each of the following technical evaluation criteria:

- a) experience of the consulting firm in the same field as that of the assignment and on similar projects;
- b) professional reputation of the firm and previous performance and experience with the Borrower;
- c) knowledge of the project environment in the country and region and their implications for the project;
- d) understanding of the terms of reference;
- e) overall quality of proposal, quality of work plan and methodology proposed;
- f) qualification of experts and experience in the field of the assignment;
- g) Use of an application or platform in the undertaking of this assignment;
- h) ability to deal with national personnel and agencies; and language proficiency.

The Expressions of interest received will be assessed based on set criteria as indicated in the Annexure.

Qualifications and Experience

The successful consultant/firm must have the following competencies:-

1. The consultant/firm must have a minimum of degree qualification in Business Management, Strategic Management, or any other related field from a recognized institution. In cases of a firm submitting the bid, each member of the proposed team should meet the minimum, education qualification stated.
2. The Service Provider must provide:
 - a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;
 - b) CVs demonstrating qualifications must be submitted if required by the RFP; and
 - c) Written confirmation from each personnel that they are available for the entire duration of the contract
3. At least 5 years of progressive experience in providing Business Development Services to Women small and medium enterprises.
4. Understanding of challenges and opportunities for women led micro, small and medium enterprises in the refugee context.
5. Use of an application or platform in the undertaking of this assignment.
6. Good networking skills to engage with WSMEs and other partners.
7. Excellent communication and report writing skills.

Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

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AGF now invites eligible consultants to indicate their interest in providing these services. Interested consultants must provide information indicating that they are qualified to perform the services

(brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). The proposal should be structured to clearly address each of the requirements.

Submission and Review Process

All proposals should include:

Technical and Financial Proposals

- The technical proposal should highlight among any other necessary information: brief profile of the consultant, previous experience, understanding of the TOR.
- The proposal should be brief and precise.
- Technical proposal should be a maximum 15 pages excluding annexes.
- Statutory compliance documents (KRA PIN, Tax compliance, business registration, registration to professional bodies e.t.c) are to be submitted as annexes.
- The financial proposal should provide cost estimates for the services to be rendered.
- All costs must be quoted in Kenyan Shilling or USD and based on the delivery of the BDS services per enterprise for a period of 12 months.
- Both technical and financial proposal should be sent as a single document in Portable Document Folder (PDF) format.
- Correspondence should be addressed to 'The Procurement Committee.
- Application proposals can be submitted either in English, French or Portuguese.

Application proposals should be submitted via email **by Midnight GMT on 7th August 2023 to:**

procurement@africanguaranteefund.com

cc: erastus.jela@africanguaranteefund.com

info.cd@africanguaranteefund.com

Awardees will be contacted directly via email.

Short-listing and selection shall be done in accordance with AGF's policies, rules and procedures.

NOTE: -

AGF reserves, at its sole discretion, the right to select or reject, either in totality or partially, any or all proposals made in the context of this EOI. Any such decisions made will be final and no correspondence will be engaged into, other than to inform the bidders of the outcome of the process.

Annexure: RFP Assessment Criteria

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| 1. Experience of the consulting firm in the same field as that of the assignment and on similar projects | |
| 1.1. At least 5 years of progressive experience in providing Business Development Services to Women small and medium enterprises | |
| 1.2. Experience working with the AGF, international organizations, UN organizations, government organizations or other similar institutions | |
| 2. Professional reputation of the firm and previous performance and experience with in handling donor funded BDS project assignments | |
| 2.1. the bidder's history of successful completion of similar projects; history of producing high-quality results in similar assignments and other deliverables; history of staying on schedule and within budget. Similar projects must convey similarity in topic, dollar value, workload, duration, and complexity. | |
| 2.2. Provide at least three recommendations letters from previous clients | |
| 2.3. Availability and use of an application or platform in undertaking similar assignments | |
| 3. Knowledge of the project environment in the country and region and their implications for the project; | |
| 3.1. Knowledge of the Region/Country is KEY | |
| 4. Understanding of the terms of reference | |
| 4.1. Understanding of the work, including creativity and thoroughness shown in understanding the objectives of the TOR and specific tasks, and planned execution of the project. | |
| 5. Overall quality of proposal, quality of work plan and methodology proposed; | |
| 5.1. Provide a detailed description of the methodology for how the firm will achieve the TOR, keeping in mind the appropriateness to local conditions and project environment. | |
| 5.2. Evidence of specific methods and techniques for completing each discrete task, to include such items as quality assurance, and customer-service. | |
| 6. Qualification of experts and experience in the field of the assignment | |

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| 6.1. General qualifications: this includes education and training, length of experience, type of position held, time with the firm, etc., CVs demonstrating qualifications must be submitted | |
| 6.2. Adequacy for the project: the suitability to perform the duties for the particular assignment; and | |
| 7. Ability to deal with national personnel and agencies; and language proficiency | |
| 7.1. Language and experience in the region: this includes background experience in developing countries similar to the country in which the assignment is to be conducted and corresponding linguistic ability. | |
| Total Marks | 100 |