
REQUEST FOR PROPOSAL

TENDER FOR CONSULTANCY TO UNDERTAKE WOMEN FINANCING EVALUATION/DIAGNOSTIC ASSESSMENT FOR FINANCIAL INSTITUTIONS

REF: AGF/RFP/CD/2024/002

Launching Date: Monday, 26th February 2024

Closing Date: Friday, 15th March 2024

2359Hrs EAT

TERMS OF REFERENCE FOR CONSULTANCY TO UNDERTAKE WOMEN FINANCING EVALUATION/DIAGNOSTIC ASSESSMENT FOR FINANCIAL INSTITUTIONS

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 2.4 billion, unlocking about USD 4 billion in SME financing, through partnerships with more than 200 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: Danish International Development Agency (DANIDA), 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.

The RFP and its Objectives

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. For this to be achieved, AGF works through partner financial institutions (PFIs). 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 goals of the above pillars, AGF intends assess the preparedness and capacity of PFIs to effectively undertake women financing business.

- For PFIs that already have a stand-alone woman financing value proposition, then the objective will be review the effectiveness with which the PFI has been undertaking this women-led initiative, and
- For PFIs that do not have a stand-alone women value proposition, then the assignment will involve the PFI's preparedness. how it has been

In summary, the following are the objectives of the assignment:

1. Determine the PFIs' strategy in lending to SMEs and specifically WSMEs,
2. Identify the PFIs strengths in lending to women-led SMEs,
3. Capture areas of improvements in as far as serving women-led SMEs,
4. In order of priority, identify specific capacity development interventions,
5. Determine the PFI's level of 2X criteria integration and classification in their SME lending business.

Expected Deliverables of the assignment

Submitted proposals will:

1. A high-level landscape assessment of SME and specifically WSME lending in the country the PFI is operating to determine the opportunity available for the PFI,
2. Demonstrate innovative approaches to undertake the Diagnostic Assessment or Evaluation which the intention to at least cover among others the following areas:
 - a. SME context and strategy,
 - b. SME/WSME lending structure,
 - c. Staff capacity analysis,
 - d. Credit and other operational analysis,
 - e. Etc
3. Conduct the assessment/evaluation of the PFI's readiness to undertake effective women financing business,
4. Identify priority capacity development/technical assistance needs of the PFI,

5. Based on 3 above, propose an appropriate capacity development delivery model or programme for the PFI,
6. Develop a detailed CD delivery plan for the PFI with clear short-, medium- and long-term goals, and
7. Assess the PFI's level of integration of 2X criteria in undertaking WSME lending.

In summary, the Report should contain the following outputs:

- SME and specifically WSME financing landscape of the country where PFI is operating in,
- The PFI's areas of strength in WSME lending,
- The PFI's areas of improvement and recommended practical CD needs,
- Comprehensive CD programme & plan for the PFI in order of priority.

Geographical Scope

Applications are welcome from all African countries. Consulting firms need to indicate which countries they operate in.

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, 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,
- 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) 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 as 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 10 years working for or with commercial banks or other financial institutions at a senior management level,
4. At least 5 years of progressive experience in undertaking financing to women led MSMEs.
5. Understanding of challenges and opportunities for women-led micro, small and medium enterprises in the refugee context.
6. Good networking skills to engage with WSMEs and other partners.
7. Excellent communication and report writing skills.

Request for Proposal

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 with the technical proposal being a maximum of 15 pages excluding annexes.
- Statutory compliance documents (Tax Authority PIN, Tax compliance, business registration, registration to professional bodies etc.) are to be submitted as annexes.
- The financial proposal should provide cost estimates for the services to be rendered.
- All costs must be inclusive of any tax obligations.
- 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 or French.

Application proposals should be submitted via email **by Midnight EAT on 15th March 2024 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 RFP. 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

1. Experience of the consulting firm in the same field as that of the assignment and on similar projects	10
1.1. At least 5 years of progressive experience in providing financial services to Women led small and medium enterprises	5
1.2. Experience working with the AGF, international organizations, UN organizations, government organizations or other similar institutions	5
2. Professional reputation of the firm and previous performance and experience in undertaking Diagnostic Assessment for Financial Institutions and Market Analysis	30
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.	10
2.2. Provide at least three recommendations letters from previous clients	5
2.3. Availability and use of a Diagnostic Assessment Tool/Model	10
2.4. Demonstrate experience in undertaking country Market Assessment or Landscape study in financial services	5
3. Knowledge of the project environment in the country and region and their implications for the project;	10
3.1. Knowledge of the Region/Country is KEY	5
3.2. A thorough understanding of the women lending environment of the Region/Country	5
4. Understanding of the terms of reference	5
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
5. Overall quality of proposal, quality of work plan and methodology proposed;	20
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.	10

5.2. Evidence of specific methods and techniques for completing each discrete task, to include such items as quality assurance, and customer-service.	10
6. Qualification of experts and experience in the field of the assignment	15
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	5
6.2. Adequacy for the project: the suitability to perform the duties for the particular assignment; and	5
6.3. Minimum of 5 years experience in undertaking Diagnostic Assessment for financial institutions	5
7. Ability to deal with national personnel and agencies; and language proficiency	10
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.	10
Total Marks	100