



SERVICE PROCUREMENT NOTICE

Location: Sub Sahara Africa

Regional MSME Investment Fund for Sub-Saharan Africa (REGMIFA) TA Facility

1. Reference code

REOI-2022-57-01 (REGMIFA TA Facility code)

2. Procedure

International restricted tender

3. Programme

This contract is financed through the REGMIFA TA Facility

4. Financing

The Technical Assistance (TA) operation is financed by the REGMIFA TA Facility which is funded by the following donors: the Regional MSME Investment Fund for Sub-Saharan Africa (REGMIFA), and KfW Bankengruppe (the German Development Bank), supported by the German Ministry for Economic Cooperation and Development (BMZ).

5. Contracting Authority

The REGMIFA TA Donors have delegated the Contracting Authority to the Technical Assistance Facility Manager, Symbiotics SA (Geneva), 31, rue de la Synagogue, 1204 Geneva, Switzerland.

CONTRACT SPECIFICATION

6. Nature of contract

Service contract (fee-based).

7. Contract description

Assignment Title: Technical Assistance Package 7 on Crisis Impact Mitigation 3 – Environment and Social Performance Management (TAP 7 CIM3)

Strengthening Social Performance Management (SPM) with a focus on the Environment and Client Protection: Gap Analysis, Work Plan, implementation of pertinent work plan items, and Capacity Building for Board members, Key Management and Middle Management Staff.

The Regional MSME Investment Fund for Sub-Saharan Africa S.A., SICAV-SIF (REGMIFA) was launched on 5 May 2010 and qualifies as a Société d' Investissement à Capital Variable-Fonds d' Investissement Spécialisé (SICAV-SIF) under Luxembourg Law. The mission of REGMIFA is to

foster economic development and prosperity as well as employment creation, income generation and poverty alleviation in Sub-Saharan Africa (SSA) through the provision of innovative financial products and, to the extent necessary, technical assistance support to eligible Partner Lending Institutions (PLIs) which serve micro-entrepreneurs and small and medium-sized businesses (MSMEs). As of June, 30th 2021 the portfolio volume of the Fund stands at USD 133m serving 52 PLIs from Sub-Saharan Africa.

The Technical Assistance Facility (TAF) was established in July 2010 in parallel to the Fund and operates as a separate and independent entity, which is financed by leading international donor agencies, structured as a fiduciary agreement under Luxembourg law and managed at arm's length from the Fund. TA is a key element of the Investment Fund's value proposal, enabling it to provide tailor-made technical and institution building support to client Partner Lending Institutions (PLIs) funded by REGMIFA. Since its inception, the TA Facility has completed 123 projects for a volume of EUR 8.6 million with an outreach of 23 countries in Sub Saharan Africa (as of 31 December 2021).

The Technical Assistance Package – Crisis Impact Mitigation (TAP-CIM) is the 7th regional programmatic initiative launched by the TAF and was triggered by the far-reaching scale of the COVID-19 pandemic. A first edition of the TAP-CIM was launched in 2020 to help partner lending institutions (PLIs) in Sub-Saharan Africa (SSA) in their efforts to mitigate the impact of the COVID-19 pandemic and other similar crises that lead to disruption of operations. The second edition (TAP-CIM 2) will be launched in quarter 2 of 2022 to support additional PLIs in improving their response to crises with a focus on business continuity, operations and digital financial services (DFS).

On a broader scale, the TAP-CIM program aims to develop the capacity of REGMIFA PLIs to holistically cope with various challenging contexts in their operating environment brought about by external factors such as the COVID-19 pandemic, climate change and other similar crises that lead to disruption of operations and adversely affect the sustainability of the PLIs. In recent years, the adoption of digital innovations either for field operations or as a delivery channel has significantly contributed to enabling PLIs to continue operations even in times of crisis that lead to restricted movements. However, the growth and adoption of digital financial services have also led to additional, new risks for both clients and PLIs. Given the fast-evolving operating environment, PLIs need to adapt and enhance their social performance management frameworks to reflect the realities brought about by the impact of climate change (environment risks), responses to pandemics and the unintended negative impact of DFS on clients. All these become important considerations for sustainable financial inclusion and hence key topics in crisis mitigation for PLIs.

The third edition of the TA Package (TAP-CIM 3) aims to re-enforce and build the capacity of PLIs in SSA in Social Performance Management with a focus on the Environment and Client Protection. The TAP-CIM 3 will specifically aim at current and potential REGMIFA Investees to revisit the Universal Standards of Social Performance, as an upgrade to previously provided TA on SPM, and that will support REGMIFA investees in furthering progress on the Client Protection pathway. The TA Package will raise awareness and assist REGMIFA Investees in adopting environmental and social guidelines and risk management systems that are being adopted across the industry. The TA package will also explore Responsible Digital Finance. Overall, the TA package will be anchored on the recently updated and released Universal Standards by CERISE+SPTF - The Universal Standards for Social and Environmental Performance Management (USSEPM).¹

The Technical Assistance Facility (TA Facility) of REGMIFA intends to engage Consulting Firms to support a selected number of REGMIFA PLIs (9 to 12) in adopting the upgraded USSEPM.

¹ The Universal Standards for Social and Environmental Performance Management (“the Universal Standards”) is a comprehensive manual of best practices to help financial service providers (FSPs) put clients and the environment at the center of all strategic and operational decisions and align their policies and procedures with responsible business practices.

8. Number and titles of lots

The TA assignment will be carried out by a team of senior consultants and will be divided into 3 phases (modules/lots):

1. First phase. Perform a gap analysis on the SPM System (e.g., mission, governance and strategy, environmental policy, HR alignment) the Client Protection and Digital Finance strategy of each PLI, alignment with the Universal Standards for Social and Environmental Performance Management (USSEPM) of the Social Performance Task Force (SPTF)². Based on the outcome of the gap analysis, develop a first draft work plan which includes a set of recommendations and/or a road map (for each gap identified) on how to improve the social performance of the Institution. Carry out a Training Needs Assessment (TNA) of the Board members and the managers with the HR Manager of the Institution on the USSEPM. The TNA activities will allow tailoring the training and mentoring activities to the needs of the institution, setting up priorities and determining a detailed work plan for the capacity building activities (second phase).
2. Second phase. All training and mentoring activities must be tailored and carried out in coordination with the HR department of each PLI. Based on the outcome of the TNA, the capacity building plan will be adjusted. However, the training activities will focus at least on the following topics: 1) Environmental Performance Management (related to dimension 7 of the USSPEM). 2) Client Protection Principles and Responsible Digital Financial Services (related to dimensions 3 and 4 of the USSPEM). In between the training activities, mentoring/coaching activities for some key management staff will be carried out by the Consultant. If the Institution has already carried out most of the capacity building activities or adopted the previous USSPM, the Institution and the Consultant will focus the capacity building activities on specific aspects of the social performance to be improved (e.g., development of environmental guidelines and ESMS, risk management framework and Client Protection in Digital Finance).
3. Third phase (Phasing out). The Consultant will carry out Training of Trainers' sessions (ToT) for a selected number of key management staff to help ensure uptake and continuity of the training measures in the institution. The Consultant will organize a closing-out workshop of the TA assignment with the senior management of the institution. The workshop should evaluate the achievements of the project and discuss the recommendations for the future.

9. Maximum budget

EUR 358,000 (including all expenses and taxes).

10. Scope for additional services

Not applicable.

CONDITIONS OF PARTICIPATION

11. Eligibility

The consultant will be an independent, qualified international firm. While consultant firms from all regions will be considered, those able to mobilize team members with experience in Sub-Saharan Africa are particularly encouraged to apply. The international consultant may form a consortium/joint venture with consulting companies with the international consultant as a leading firm.

² <https://sptf.info/universal-standards-for-spm/universal-standards>

12. Candidature

All eligible candidates (as per item 11 above) or groupings of such companies to one candidate (consortia) may apply. A consortium may be a permanent, legally-established grouping, or a grouping which has been constituted informally for a specific tender procedure. All members of a consortium (i.e., the leader and all other members) are jointly and severally liable to the Contracting Authority.

The participation of an ineligible candidate (as per item 11) will result in the automatic exclusion of that person. In particular, if that ineligible person belongs to a consortium, the whole consortium will be excluded.

13. Number of applications

No more than one application can be submitted by a candidate whatever the form of participation (as an individual legal entity or as leader or member of a consortium submitting an application). In the event that a candidate submits more than one application to this EOI, all applications in which that person has participated will be excluded.

14. Shortlist alliances prohibited

After closing of the EOI and notification of shortlist invited to tender, any tenders received from tenderers comprising firms other than those mentioned in the short-listed application forms will be excluded from this tender procedure. Short-listed candidates **may not** form alliances or subcontract to each other for the contract in question without receiving explicit consent from the TAF.

15. Grounds for exclusion

Applicants or tenderers will be excluded from participation in tender if:

- They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- They have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata; (i.e., against which no appeal is possible);
- They have been guilty of grave professional misconduct proven by any means which the TAF deems admissible;
- They have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or those of the country where the contract is to be performed;
- They have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity.

The TAF will accept, as satisfactory evidence, a declaration that the applicant or tenderer represents and warrants not to fall into any of the applicable ineligibility categories cited above. The TAF has the right to request to deliver any document or proof necessary for checking the correctness and plausibility of the declaration and/or to investigate any kind of irregularity or breach. If the applicant or tenderer fails to comply with the TAF request or otherwise obstructs the TAF review of the matter, the TAF in its sole discretion may take appropriate action. If subcontractors are used, they should not be in any of the exclusion situations either. Whenever requested by the TAF, the successful tenderer/contractor shall submit a declaration from the intended subcontractor that it is not in one of the exclusion situations.

16. Sub-contracting

Sub-contracting of individual consultants is allowed.

17. Number of candidates to be short-listed

On the basis of the number of Expression of Interest (Eoi) received, between three and five candidates will be invited to submit detailed tenders for this contract. If the number of eligible candidates meeting the selection criteria is less than the minimum of three, the Contracting Authority may invite the candidates who satisfy the criteria to submit a tender.

PROVISIONAL TIMETABLE

18. Provisional date of invitation to tender

24 June 2022

19. Provisional commencement date of the contract

01 September 2022

20. Initial period of implementation of tasks and possible extension of the contract

The initial period of execution of the contract shall be of 12 months. This period may be extended, with the prior approval of the Contracting Authority.

SELECTION AND AWARD CRITERIA

21. Selection criteria

The following selection criteria will be applied to candidates.

1) Financial and economic capacities of candidate

The annual turnover of the candidate must be of at least two times bigger than the maximum budget of this assignment for each of the last two years for which accounts have been closed.

2) Technical and professional capacities of candidate and their managerial staff

In the case of tenders submitted by a consortium, the technical and professional criteria will be applied to the consortium as a whole.

- a) The candidate (individual company or consortium altogether) has an international and African knowledge in managing and delivering similar types of assignment in financial institutions.
- b) The number of the permanent staff of the candidate (individual company or consortium overall) currently working in fields related to capacity building in the finance sector and specifically in the microfinance sector must be at least 10.
- c) The candidate (individual company or consortium altogether) has a demonstrated track record of experience in the specific topics covered in the assignment as described under 7 and 8. Specifically, the candidate has managed during the last five years (up to the deadline for the receipt of EOI) at least one similarly structured project in developing countries.

- d) The TA assignment will be carried out by a multi-disciplinary team comprising of Experts in Social Performance Management, Digital Financial Services, ESG and training and mentoring, led by a Senior Expert in the role of Team Leader. The Team Leader will have a strong experience in managing and/or supervising similar types of TA or training programs for financial institutions, while the experts will have a strong experience in providing similar type of evaluation and similar type of capacity building activities on environmental, social performance management, client protection for financial institutions in developing countries.

If more than 5 eligible candidates meet the above selection criteria, the relative strengths and weaknesses of the applications of these candidates must be reexamined to identify the five best applications for the tender procedure. The only factor which will be taken into consideration during this re-examination is: the number of projects brought as reference which comply with the requirements of criterion 2(c) above.

22. Award criteria

Best value for money.

Detailed evaluation criteria and the associated scoring framework together with the Terms of Reference will be provided to the shortlist of qualified firms.

APPLICATION

23. Deadline for receipt of applications

The applications must be received by the Contracting Authority no later than 17:00 hrs South African Standard Time. (GMT+02:00) on 30/05/2022. Any application received after this deadline will not be considered.

24. Application format and details to be provided

The REGMIFA TA Facility now invites eligible consultant firms to indicate their interest in providing the services.

Interested consultant firms are hereby invited to submit Expressions of Interest providing:

- Balance sheets for the last three years.
- Statement of overall annual turnover during the last two financial years and percentage of turnover for services delivered to financial sector.
- Company profile including information on the core business and on the technical and managerial capabilities of the firm.
- Information showing that the firm is qualified in social evaluation/rating of financial institutions and in capacity building projects on areas closely related to the assignment.
- Information demonstrating that the firm has a strong track record by providing examples of similar TA related assignments (with the sums, dates and recipients) with microfinance and financial institutions in developing countries and in the last five years.
- Relevant Bio's of the Project Manager and the experts that the firm expects to staff on the project. This should include the work undertaken that best illustrates the capability to handle the tasks assigned in this TA assignment.
- Information about the ability to mobilize English and French-speaking staff/consultants as part of the project team.

25. How applications may be submitted

Expressions of Interest should be submitted, in English, electronically through the following e-mail address: taf@regmifa.com. Please note that the total size of all attachments should be less than 5MB.

Applications submitted by any other means will not be considered.

In addition, interested consultants must register or update their profiles in the TA Facility Database Database: <https://ta.symbioticsgroup.com/#/login>

26. Alteration or withdrawal of applications

Candidates may alter or withdraw their applications by written notification through the following e-mail address: taf@regmifa.com prior to the deadline for submission of applications. No application may be altered after this deadline.

27. Operational language

All written communications for this tender procedure and contract must be in English.

28. Additional information

None

29. Date of publication of contract forecast

Not applicable

30. Legal basis

The Contract and any contractual rights and obligations arising out of or in connection therewith shall be governed by and construed in accordance with the substantive laws of Luxemburg. Any non-contractual rights and obligations in connection with the Contract shall also be governed by and construed in accordance with the substantive laws of Luxemburg.

Any dispute, controversy or claim arising out of or in relation to this contract, including the validity, invalidity, breach or termination thereof shall be settled by arbitration in accordance with the Paris Rules of International Arbitration of the International Chambers of Commerce (ICC) in force on the date when the Notice of Arbitration is submitted in accordance with these Rules.