

## **Funding Opportunity Notice: Scaling Quality Basic Education in Africa through Blended Finance**

### **WHAT?**

**Our quest is simple. We want to drive significant amounts of commercial financing and investment to increase access to high quality education in select African countries, especially for low-income households.** We are seeking your bold and innovative actionable plans to leverage our funding to achieve the greatest scale possible. (Or something tried and true that can be scaled.) Tell us how your plan will benefit the *non-state education sector* with the potential to be financially sustainable beyond our funding. *Commercial capital* mobilized should achieve measurable improved educational outcomes and improve equitable access in *basic education*. All proposals should primarily focus on serving *low- and lower-middle income* communities with average income of \$3.20 per day or less. (See select *definitions* at the end.)

### **WHY?**

Despite significant enrollment increases, **accessible and affordable quality education remains a huge challenge globally.** There is a pressing need to greatly expand access to high quality education to improve learning outcomes for low-income households. USAID's CATALYZE program believes that commercial capital investment in education can expand access and improve learning outcomes at scale.

### **HOW?**

**We will award up to US\$ 2 million in total funding to the winning proposal(s)**, with a minimum eligible bid of US \$500,000. Tell us how you will deploy *blended finance* to significantly mobilize commercial capital that can deliver scalable and sustainable solutions for high quality education. **Tell us the multiple by which you will leverage these USAID funds to mobilize additional financing and investment.** Pitch us your best idea!

### **WHO?**

You should demonstrate a proven track record of successfully raising and deploying financing or investment, and ability to deliver the solution you propose. Institutions that are not yet partners with USAID are encouraged to apply. You may come from any and all types of organizations, entities, or type of financing and investment vehicles. This **includes, but is not limited to**, local, national, regional, or international financial institutions; non-bank financial institutions or companies (NBFIs and NBFCs); microfinance institutions (MFIs); cooperatives; equity, venture capital, debt, venture debt, hybrid, or other investment funds; special purpose vehicles (SPVs); investment structures; impact investors; insurance companies; local or national school chains; edtech companies; other types of companies; and donor-advised funds.

### **WHERE?**

Your proposal should focus on catalyzing commercial financing in one or more of the following countries in Sub-Saharan Africa, **with a regional or single country focus**: Burkina Faso,

Ethiopia, Ghana, Kenya, Liberia, Malawi, Mauritania, Mozambique, Niger, Nigeria, Rwanda, Senegal, Somalia, South Africa, South Sudan, Sudan, Tanzania, Uganda, and Zambia.

## **WHEN?**

Your submission is due **May 10, 2021**. Please include the reference number for this FON “FON-CATALYZE-Edu-2021-0139” in the subject line of your email.

## **QUESTIONS**

CATALYZE/Palladium Team will host a **live Q&A session** to answer your questions and provide any clarifications on this FON. To ensure your questions are included, you are encouraged to email them in advance, and live questions will be answered during the Q&A.

Please submit your questions to [catalyze.procurements@thepalladiumgroup.com](mailto:catalyze.procurements@thepalladiumgroup.com).

The live ‘google meet’ session will be held on **Tuesday, April 20, 2021 from 9-10:30a.m. ET**.

To receive the session link please send an email to the above address with “Q&A Session Link: FON-CATALYZE-Edu-2021-0139” in the subject line. Live questions will be answered on a first come first serve basis. All questions and their answers will be made publicly available on **Friday, April 23, 2021**.

A **final** round of questions is due via email by **Friday, April 30, 2021**. Final questions and their answers will be made publicly available on **Tuesday, May 4, 2021**.

## **DEFINITIONS**

- **Basic education** includes early childhood, pre-primary, primary, and secondary education; learning for out-of-school youth; youth workforce development, and technical and vocational training; digital literacy delivered in formal or non-formal education settings, including virtual delivery; and training and capacity building for teachers, administrators, counselors, and youth workers. It also includes ancillary enterprises, including, but not limited to, providing tutoring and after-school programs; teacher training, book printing and publishing businesses; and edtech companies. It does not include higher education but *does* include educational programs for youth through age 29 who have not completed high school.
- **Blended finance** is the strategic use of public or philanthropic resources to mobilize new private financing for development outcomes.
- **Commercial finance or commercial investment or commercial capital** seeks a risk adjusted market rate of return sourced from the private sector and includes all asset classes (debt, equity, etc.).
- **Low- and lower-middle income** is defined by the World Bank as \$3.20 per day or less as the poverty line in lower-middle income countries. This includes but exceeds the \$1.90 per day or less international poverty line.

- **Non-state education sector** includes private for-profit, not for-profit, community-based, and faith-based education and youth training institutions.

Proposals will be evaluated based on the stated objectives per the following criteria:

<b>Evaluation Criteria</b>	<b>Score</b>
Achievable amount of new commercial finance/investment mobilized	25
Soundness and reasonableness of proposed plan	20
Offeror's track record and demonstrated capability to carry out proposed plan	20
Improved educational outcomes	15
Increase in access to education for low-income households	10
Financial sustainability of proposed approach beyond our funding	<u>10</u>
<b>Total</b>	<b>100</b>

### **Procurement Integrity and Ethics**

It is Palladium's Policy that no gifts of any kind and of any value be exchanged between vendors/contractors and Palladium personnel. Discovery of the same will be grounds for disqualification of the vendor/contractor from participation in any Palladium's procurements and may result in disciplinary actions against Palladium personnel involved in such discovered transactions.

### **Resulting Award**

This FON in no way obligates Palladium to award a grant/subcontract. Palladium may opt to select multiple offers in response to this RFP. Any grant/subcontract resulting from this solicitation must be signed by both parties in order to be considered valid and in force. All costs associated with, but not limited to, production, preparation and/or delivery of goods or services, including deliveries, accepted by Palladium staff, without a fully executed (signed by both parties) contract/purchase order, are at the bidder's risk only. Palladium shall not pay for any costs, without limitation, associated with production, preparation, or delivery of goods and/or services under this or any other grant/subcontract, which has not been signed by both parties.

If your proposal is successful, you will be required to enter into the Company's standard subcontract or grant for the types of goods or services being provided. In the provision of the Goods and Services, you will be required to comply with the Company's policies, including (without limitation) its Business Partner Code of Conduct and any relevant client terms and conditions. Potential bidders must also comply with the Company's Business Partner Code of Conduct in the submission of any proposals pursuant to this FON.

If you are bidding as part of a joint venture, partnership or similar, please make this clear in your submission. Likewise, if you propose to subcontract any part of the goods or services provision, then disclose this fact within your submission. The Company may require additional information from you and approval for granting/subcontracting will not be automatic as grantees/ subcontractors will be subject to Palladium’s Due Diligence process.

**FUNDING OPPORTUNITY NOTICE - DETAILS**

<b>Funding Opportunity:</b>	Scaling Basic Quality Education in Africa through Blended Finance
<b>Funding Opportunity Number:</b>	FON-CATALYZE-Edu-2021-0139
<b>Issuance Date:</b>	April 2, 2021
<b>Deadline for Submission of Concept Papers:</b>	May 10, 2021
<b>Deadline for Questions:</b>	April 30, 2021
<b>Submit Concept Papers To:</b>	<a href="mailto:catalyze.procurements@thepalladiumgroup.com">catalyze.procurements@thepalladiumgroup.com</a>

**AWARD INFORMATION**

**Proposals** in response to this Funding Opportunity Notice (**FON**) may be submitted at any time up to the submission deadline of **May 10, 2021**. The Palladium CATALYZE team, on behalf of USAID, anticipates awarding one or more grants and/or subcontracts to fund selected proposals.

**Subject to availability of funds, Palladium CATALYZE team intends to provide funding** no less than US\$500,000 and up to US\$2,000,000 in total funding. Palladium reserves the right to fund any or none of the proposals submitted.

The FON solicits proposals that will be implemented in one or more of the countries listed on pages 1 and 2. Applicants should clearly state the geographic areas in which project activities will be implemented.

Palladium may award a subcontract or a grant as a result of any proposals received and evaluated. For the purposes of this FON a funded Subcontract is defined as a firm fixed price contract to procure goods or services at firm fixed prices, where payments are made for acceptable received and inspected services or goods in accordance with the stated criteria. Subcontracts may include profit or fee when priced.

For the purposes of this FON a funded grant is defined as an agreement by Palladium to fund the grantee on cost reimbursable or fixed price basis to carry out innovative concept proving, research and development or other work, which may or may not produce a desired final objective or a result. Grants shall not include any profit or fee when priced.

## **ELIGIBILITY REQUIREMENTS**

This FON is issued as a public notice to ensure that all interested and qualified organizations have a fair opportunity to submit proposals for funding. The following criteria will be applied to all applicants in to determine the applicant's eligibility:

You should be seeking to raise and deploy commercial financing and/or investment capital to significantly scale accessible high-quality education in select African countries, especially for low-income households:

- You can partner with other people or organization(s), if you wish;
- You have a proven track record of successful investments;
- You are legally registered as a for-profit or not-for-profit organization in accordance with national laws and are in good standing, legally licensed and up to date on all taxes;
- You are not affiliated with any political party nor engaged in any partisan activities;
- You submit all mandatory documents prior to the deadline stipulated in this FON;
- Applicants must provide a Data Universal Numbering System (DUNS) number in order to obtain the award. Applicants must either currently have a DUNS number, or be willing to obtain it if selected, before the award can be issued. (Palladium will not enter into an agreement with any organization without a DUNS number. It is a quick and straightforward process to obtain a DUNS number.)

## **PROPOSAL SUBMISSION INFORMATION**

All proposals must include the following:

### **1. Concept Paper**

Applicants must submit a concept paper of no more than ten total pages (excluding annexes) directly to Palladium. The concept paper must be submitted in Microsoft Word using Times New Roman, font size 11, and must include page numbers. Each page must be marked with the FON title and number.

Concept papers must meet the identified needs of this solicitation. Concept papers will be accepted and reviewed up to the deadline identified above. **Applicants are encouraged to include letters of commitment from prospective funders or investors, if available.**

Concept papers should be prepared per below:

1. Cover Page (no more than one page). The cover page must include:
  - a. This FON name and number
  - b. Address of organization

- c. Contact person (lead contact name; relevant telephone, e-mail information);
  - d. Signature of authorized representatives of the applicant.
2. Technical approach (no more than 6 pages, excluding annexes). This section should include:
  - a. Concise title of proposed activity.
  - b. Discussion of the concept and proposed approach.
  - c. Expected results, including:
    - i. Amount of commercial capital mobilized.
    - ii. Leverage ratio it will yield (commercial capital mobilized divided by the proposed funding amount).
    - iii. Fundraising plan.
  - d. Qualifications and experience to carry out the proposed plan.
  - e. How the work will increase equitable educational access in Africa.
  - f. How the work will improve the quality of affordable education in Africa.
  - g. The geographic focus of the proposed activity.
  - h. Amount of funding requested from USAID.
3. Supporting information (can be contained in Annexes):
  - a. Letters of commitment from prospective funders or investors (optional but recommended if available).
  - b. Summary work plan (Gantt chart) for duration of the activity.

## 2. Budget

Applicants must submit a budget (or cost proposal) directly to Palladium along with the concept paper. Budgets must be submitted in a single Microsoft Excel workbook, with the file name to include this FON name and number and applicant name. All sheets must be unlocked, and all tabs must link to a Summary tab.

Budgets must align with the information presented in the concept paper and must include the following:

1. Proposed total estimated cost, as presented in a Summary tab.
2. Cost breakdown (e.g., salaries, travel, etc.).
3. Proposed amount of the applicant's financial as well as in-kind participation, if applicable.
4. Proposed amount of prospective funders or investors financial as well as in-kind participation, if applicable.

All materials must be in English.

The concept paper and budget must be submitted by email to:

[catalyze.procurements@thepalladiumgroup.com](mailto:catalyze.procurements@thepalladiumgroup.com) no later than the deadline on the cover page of this FON. All correspondence must include the relevant FON name and number in the subject line.

Palladium may contact applicants for clarifying questions.

### **PROPOSAL EVALUATION CRITERIA**

Concept papers will be evaluated per the evaluation criteria specified on page 3.

Related budgets will be evaluated based on the following criteria:

- Realism and reasonableness of the work to be performed.
- Cost reflects a clear understanding of the proposal requirements.
- Cost is consistent with various elements of the proposal requirements.