REQUEST FOR PROPOSAL (RFP)
(For Low-Valued Services)

<table>
<thead>
<tr>
<th>NAME &amp; ADDRESS OF FIRM</th>
<th>DATE: January 26, 2022</th>
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<tbody>
<tr>
<td>REFERENCE: Supporting Project Inception Phase on Informal Enterprises Transition Towards Sustainable Growth and Formalization in the African, Caribbean and Pacific Regions</td>
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Dear Sir / Madam:

We kindly request you to submit your Proposal for the: Supporting Project Inception Phase on Informal Enterprises Transition Towards Sustainable Growth and Formalization in the African, Caribbean and Pacific Regions

Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Technical and Financial Proposals may be submitted IN SEPARATE ATTACHMENTS WITH A PASSWORD ENCRYPTED FINANCIAL PROPOSAL to bid.pretoria@undp.org no later than 16h00 Sunday, February 13, 2022

Your Proposal must be expressed in English, and valid for a minimum period of 3 months

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.
The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP’s re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP’s vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link: http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link: http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

UNDP Procurement Unit
UNDP South Africa
1/26/2022
### Description of Requirements

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<th>Context of the Requirement</th>
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<td>The UNDP Strategic Plan (2022-2025) recognizes the complex, changing development landscape, the impact of COVID19 pandemic and recovery, the evolving needs of its partners and the need for pragmatic responses. It describes how UNDP will respond and support countries to achieve the 2030 Agenda and the Sustainable Development Goals (SDGs) and related agreements. Considering this, UNDP should be agile, flexible, adaptive, and responsive to the complex development challenges and uncertainties. This requires working in partnership with governments, civil societies, and the private sector. The Strategic Plan describes how UNDP can better adapt to a range of country contexts through a series of signature solutions that define UNDP’s core work, its platforms and layout business models that underpin its efforts.</td>
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<td>The UNDP Strategic Offer in Africa tries to respond to the ambition captured in the corporate UNDP’s Strategic Plan and is organized around six impact areas. These are: Natural Resource Governance; Youth Employment and Empowerment; Structural Economic Transformation; Sustainable Energy; Climate Change; and Peace and Security. The regional programme document for Africa (2022-2025) pinpoints that fulfilling Africa's developmental aspirations requires a regional perspective. To facilitate the realization of the desired impact, UNDP provides the necessary capacities, resources and tools through its country offices, regional service centers and regional thematic hubs. The existing UNDP RBA regional program promotes and supports the implementation of private sector engagements and development programs.</td>
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<td>The regional programme promotes and implements policies that enable inclusive private sector development through flagship initiatives such as the Africa Inclusive Markets Excellence Centre and the Ecosystem Development Approach, with a particular emphasis on green and digital opportunities; support the design and implementation a more proactive engagement of the informal sector; support employability and emerging job opportunities, in particular for women and men, building on successful collaborations and partnerships; and advance opportunities for women and youth arising through closer regional economic integration.</td>
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<td>The informal economy is a dominant feature of the African, Caribbean and Pacific Group of (ACP) countries, representing a significant share of the economy and employment in the respective countries. It accounts for between 50% to 80% GDP in Sub-Saharan Africa, between 20% to 60% in the Caribbean Region, and between 10% and 85% in the Pacific Region. Despite providing employment and income opportunities for many, informal economy employment is generally characterized by low productivity, low income, and high levels of poverty.</td>
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<td>The informal economy is also associated with other negative characteristics such as social exclusion, lack of access to services such as finance, limited ability to exert rights, and low visibility. Low productivity of informal enterprises is a structural characteristic in low and middle-income countries. The lack of an enabling business environment (lack of access to public services, business services, training, markets infrastructure and finance) as well as underdeveloped business management and financial skills impairs the productivity of MSMEs and limits their ability to attract capital. A crucial obstacle informal enterprises face in accessing capital is the inadequacy of the financial services offered by the established financial sector actors and systems in the marketplace. The informal economy ecosystem is composed of different inter-connected and interdependent stakeholders whose actions eventually influence informal</td>
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1 [https://thedocs.worldbank.org/en/doc/37511318c092e6fd4ca3c60f0af0bea3-0350012021/related/Informal-economy-Chapter-2.pdf](https://thedocs.worldbank.org/en/doc/37511318c092e6fd4ca3c60f0af0bea3-0350012021/related/Informal-economy-Chapter-2.pdf)
enterprises’ ability to operate: the existence of gaps within the functioning of the ecosystem hinders this ability.

Against this backdrop, the United Nations Development Programme (UNDP) has designed a four-year project (2022-2025), co-funded and supported by the EU and the Organization of African, Caribbean and Pacific States (OACPS), implemented in partnerships with the International Labour Organization (ILO), to unlock the potential of informal economy for inclusive growth using various approaches such as an ecosystem development approach at macro, meso and micro both at sectoral and national levels.

At the national level, it will develop and support implementation of favorable regulatory conditions and relevant incentives for businesses to formalize; address non-regulatory bottlenecks at the level of informal firms, themselves, among which issues pertaining to lack of awareness and capacity in terms of business skills, financial and digital literacy to adopt available tools to improve productivity and enhance access to finance and to markets; and intervene at the level of key intermediaries in the informal sector ecosystem, in particular aggregators (cooperatives and incubators) and financial intermediaries to create these favorable conditions.

At the sectoral level, support the establishment of a collective action platform in a specific informal economy sub-sector to be selected in each country. The sub-sectors will be selected for its importance within the informal sphere will contribute to identify and address systemic gaps at a localized level to contribute to augment the global interventions for increased impact. The Project will provide mutually reinforcing actions to address cross-cutting challenges impeding informal sector progress, and through stakeholder collaboration mobilize informal sector operators’ capacities, resources, and innovativeness to propel their growth and development. At the micro-level, targeted capacity-building and training activities will be provided, in particular to intermediaries and aggregators, to enhance access to relevant services benefiting informal enterprises. South-South and triangular cooperation will also be a key component of the project with the establishment of repositories based on lessons learned from implementation and with the organization of knowledge sharing events to the benefit of all OACPS member countries.

To kick-off the implementation of the project, UNDP seeks the services of an international consulting firm to undertake baseline studies in the six target countries (Central African Republic, Haiti, Mozambique, Sierra Leone, The Solomon Islands, Sudan), and to support preparation of respective countries’ multiyear work plans for the project.

### Implementing Partner of UNDP

UNDP Africa Finance Sector Hub (AFSH)

### Brief Description of the Required Services²

The UNDP Africa Finance Sector Hub (AFSH) seeks to solicit consulting services from an international consulting firm or development research institution to undertake a baseline assessment study in the six target countries (Central African Republic, Haiti, Mozambique, Sierra Leone, The Solomon Islands, Sudan), and support preparation of respective countries’ multiyear budgeted work plans and the holding of validation workshops and global launch event of the project. An information brochure will also be produced.

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<tr>
<th>No.</th>
<th>Deliverables / Outputs</th>
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<tr>
<td>1</td>
<td>- Inception report</td>
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² A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.
| Expected Outputs to be Delivered | 2 | - Approved baseline studies/assessments (six countries) in English or French as relevant  
- Approved multi-year budgeted work plans (six countries) in English or French as relevant  
- Validation workshops of baseline studies/assessments and multi-year work plans (six countries), organization support and production of relevant documentation including draft country level baseline studies and work plans translated in relevant languages |
|----------------------------------|---|-----------------------------------------------|
|                                  | 3 | - Final validated baseline studies/assessment report and budgeted multiyear workplans (English, French and Portuguese as needed)  
- Brochure capturing the baseline study’s findings and validated workplans (English and French) |
| *(For detailed information be found in terms of references)* |

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<th>Person to Supervise the Work/Performance of the Service Provider</th>
<th>UNDP Private Sector Special Advisor.</th>
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<tr>
<td>Frequency of Reporting</td>
<td><em>AS and when required in the workplan</em></td>
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<td>Progress Reporting Requirements</td>
<td>The recruitment and appointment of the consultant will be through UNDP; however, all coordination and implementation modalities will be coordinated jointly through the UNDP Private Sector Special Advisor. The Private Sector Special Advisor will interact directly with the consultant and have the overall responsibility for supervising the technical quality of the deliverables, convening all meetings with the consultant and seeing to the overall day-to-day management of the consultancy. UNDP is responsible for processing invoices for payments and the administration associated with the management of this contract. To this end, UNDP will authorise payments upon receipt of written approval and certification of each deliverable by the Private Sector Special Advisor.</td>
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| Location of work | ☐  
☒ At Contractor’s Location |
| Expected duration of work | 80 working day |
| Target start date | Upon signing of the contract by both parties |
| Latest completion date | 30 June 2022 |
| Travels Expected | n/a |
| Special Security Requirements | ☐ Security Clearance from UN prior to travelling  
☐ Completion of UN’s Basic and Advanced Security Training  
☐ Comprehensive Travel Insurance  
☒ Others (N/A) |
| Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal) | ☐ Office space and facilities  
☐ Land Transportation  
☒ Others (None) |
| Implementation Schedule indicating breakdown and timing of activities/sub-activities | ☒ Required  
☐ Not Required |
| Names and curriculum vitae of individuals who will be involved in completing the services | ☒ Required  
☐ Not Required |
| Currency of Proposal | ☒ United States Dollars  
☐ Euro  
☐ Local Currency (South African Rands) |
| Value Added Tax on Price Proposal³ | ☒ must be inclusive of VAT and other applicable indirect taxes  
☐ must be exclusive of VAT and other applicable indirect taxes |
| Validity Period of Proposals (Counting for the last day of submission of quotes) | ☐ 60 days  
☒ 90 days  
☐ 120 days  
In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal. |
| Partial Quotes | ☒ Not permitted  
☐ Permitted |
| Payment Terms⁴ | | |
| Installment of Payment/ Period | Deliverable Details | Percentage of Payment |
| 1st installment | Inception report | 30% |
| 2nd installment | Approved draft baseline studies/ assessments, multiyear work plans and supporting validation workshops | 50% |
| 3rd installment | Finalized validated baseline studies/assessments report, budgeted multiyear workplans and brochure | 20% |

³ VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

⁴ UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding $30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.
<table>
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<tr>
<th><strong>Person(s) to review/inspect/approve outputs/completed services and authorize the disbursement of payment</strong></th>
<th>UNDP will authorise payments upon receipt of written approval and certification of each deliverable by the Private Sector Special Advisor.</th>
</tr>
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| **Type of Contract to be Signed** | ☐ Purchase Order  
☑ Institutional Contract  
☐ Contract for Professional Services  
☐ Long-Term Agreement\(^5\)  
☐ Other Type of Contract |
| **Criteria for Contract Award** | ☐ Lowest Price Quote among technically responsive offers  
☑ Highest Combined Score (based on the 70% technical offer and 30% price weight distribution)  
☑ Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criterion and cannot be deleted regardless of the nature of services required. Non-acceptance of the GTC may be grounds for the rejection of the Proposal. |
| **Criteria for the Assessment of Proposal** | Technical Proposal (70% of the overall proposal)  
- Experience of the firm/or institute with ACP countries: 10 points  
- Educational background of key managerial and technical team members: 15 points.  
- Understanding of the scope of work as evidenced in the technical proposal: 15 points.  
- Track record in conducting baseline studies: 40 points.  
- Track record working on informal economy projects: 20 points  
(minimum qualifying score – 70 points)  
Financial Proposal (30%)  
To be computed as a ratio of the Proposal’s offer to the lowest price among the proposals received by UNDP. |
| **UNDP will award the contract to:** | ☑ One and only one Service Provider  
☐ One or more Service Providers, depending on the following factors: |

\(^5\) Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation. This RFP may be used for LTAs if the annual purchases will not exceed $100,000.00.
| Annexes to this RFP<sup>6</sup> | ☒ Form for Submission of Proposal (Annex 2)  
| | ☒ General Terms and Conditions / Special Conditions (Annex 3)<sup>7</sup>  
| | ☒ Detailed TOR  
| | ☐ Others<sup>8</sup>  
| | [pls. specify]  

| Contact Person for Inquiries (Written inquiries only)<sup>9</sup> | Procurement Unit  
| | procurement.enquiries.za@undp.org  
| | Any delay in UNDP’s response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.  

| Other Information [pls. specify] |  

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<sup>6</sup> Where the information is available in the web, a URL for the information may simply be provided.

<sup>7</sup> Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

<sup>8</sup> A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.

<sup>9</sup> This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.