

July 3<sup>rd</sup>, 2024

## Request for Proposal (RFP)

Subject RFP #:	Palladium RFP - Operational Efficiency for Small and Medium Enterprises in Egypt
RFP Issue Date:	July 9 <sup>th</sup> , 2024
Terms of Reference / Specifications:	Enhancement of operational processes and Lean Management development for SMEs
Project	Trade Reform and Development in Egypt (TRADE)
The Company	Palladium International, LLC
Country of Performance	Egypt
Closing Date and Time	July 30 <sup>th</sup> , 2024, 2024 4:00 PM GMT +2
Contact Person	Ahmed Hadi, Procurement Advisor
Details for Submission	Submissions should be emailed to <a href="mailto:applyTRADE@thepalladiumgroup.com">applyTRADE@thepalladiumgroup.com</a>

Thank you for your interest in the above procurement. As implementer for the Project, Palladium invites you to submit a proposal for the terms of reference below. Your proposal must be valid for the Validity Period.

Please submit your proposal in accordance with the Details for Submission above by the Closing Date and Time. This RFP in no way obligates Palladium to award a contract nor does it commit Palladium to pay any cost incurred in the preparation and submission of a proposal. Palladium bears no responsibility for data errors resulting from transmission or conversion processes.

I look forward to your response. If you have any queries, please do not hesitate to contact us at [TRADE@thepalladiumgroup.com](mailto:TRADE@thepalladiumgroup.com)

Yours sincerely,

Rachid Benjelloun  
Chief of Party

## Schedule - Terms of Reference

### Purpose

The Egyptian market consists of a diverse array of businesses and SMEs, all aiming for increased profitability, sales growth, market expansion, and a unique value proposition.

However, realizing these objectives requires continuous performance check and Status Quo analysis by organizations to ensure that they are on the right growth track. To bolster business processes and augment the operational efficiency of export-oriented SMEs, a holistic approach to operational development is crucially needed. This entails optimizing various aspects within the SME's operational and production structures to enhance efficiency and coherence, thereby effectively managing business deals.

Furthermore, SMEs face distinct challenges in finance, export management, marketing, supply chain, and overall operational cohesion, which necessitate multiple interventions for improvement and the attainment of desired outcomes. To tackle these internal challenges, USAID TRADE aims to help SMEs adopt a lean management approach to meet customer demand through the most efficient, time-saving processes. This involves assessing the current operational process, identifying gaps, and addressing them by applying lean management and manufacturing principles.

This technical intervention is a requisite part of the business development support services offered by USAID TRADE on an individual SME basis, aimed at enhancing SMEs capacities across various key areas.

Considering the broad spectrum and variation of USAID TRADE SME beneficiaries and the different sectors of focus, an operational development strategy and action plan must be customized for each company based on their specific size and performance. This ensures that each unit in the SME's operational processes receives the necessary support, facilitating the application of lean management principles to yield effective growth and alignment, and laying a solid foundation for future expansion and export growth.

### Type of Contract

Fixed price Subcontract

### Anticipated Contract Term

- Proposed starting date: on/about August 2024,
- Proposed ending date: on/about July 2025 (12 months from the date of signing the contract).

### Project

The goal of the USAID Trade Reform and Development in Egypt (TRADE) Activity is to boost Egypt's international trade by increasing exports from Egyptian Small and Medium Enterprises (SMEs), and in particular New and Expanding Export-Ready Enterprises (NEEREs). In order to achieve the activity's goal, the project seeks to attain the following three Results:

1. Enhanced Export Capacity of SMEs, in particularly NEEREs, in selected sectors
2. Strengthened public and private Trade-Support Institutions - TSIs (e.g., Trade Associations, Export Councils, etc.)
3. Improved trade and investment policy, regulatory, and institutional environment

To achieve those targets, TRADE will provide assistance to NEEREs and TSIs and governmental partners in the following sectors:

- Food processing
- Engineering
- Ready-made garments (RMG)
- Home textiles
- Chemicals
- Building materials
- Packaging and printing

TRADE is implemented by Palladium.

## Timeline

1. Issuance date: July 9<sup>th</sup>, 2024
2. Receiving inquiry by: July 11<sup>th</sup>, 2024
3. Respond to the inquiries: July 15<sup>th</sup>, 2024.
4. Receiving proposals by: July 30<sup>th</sup>, 2024

## Scope of Work and Standards

USAID TRADE shall help SMEs implement an operational development and Lean Management program with the objective of enhancing the overall capacity of the exporting SMEs. This is aimed at facilitating export growth, business expansion, establishing a unified growth strategy, and aligning all operational processes towards a common set of objectives within a streamlined and efficient production timeframe.

To accomplish these goals, the offeror will conduct a comprehensive gap assessment, for each SME, to pinpoint the primary areas of improvement, in line with the company's objectives.

Subsequent to the gap analysis, the offeror will engage in individual/ one-to-one coaching sessions with each SME, to address the identified challenges and work on the targeted solutions. The overarching objectives of the gap analysis encompass, but are not limited to, the following:

- Establishing a comprehensive operational development action plan for business and export expansion. This plan will be customized based on the company's size and performance and aligned with the SME's expansion goals.
- Identifying the challenges within the SME's operational processes and proposed solutions that can be achieved by assessing various business components such as exports, sales and marketing, supply chain and production timeline, and applying lean management and manufacturing principles to address these challenges.

## Implementation

Through one-on-one sessions, the offeror is responsible to carry out the following tasks as part of the lean management and operational development program over 6 months maximum for each SME:

- Gap assessment or analysis: Conduct a comprehensive assessment of the current operational and practices for each SME to identify gaps/needs, propose process improvements to streamline operations, reduce costs, and improve efficiency.
- Comprehensive action plan: Develop a customized action plan, based on the identified gaps and review of existing business management processes of the SME. The action plan shall include the suitable operational modification and the application of Lean Management principles aligned with the SME's objectives.
- Value Proposition: Review and re-define a clear value proposition for each SME, as needed, based on the product offering and their business model. The revision and re-definition shall take into consideration the new operational and managerial modified processes.
- One-to-one coaching sessions to support implementation: Coach SME leads on industry best practices, e.g., Good Manufacturing Practices (GMPs) and Lean Management with the aim of raising their capabilities and improve overall performance.

## Deliverables

The consultant(s) will be responsible for the following deliverables for each SME:

- 1- Gap assessment; listing major and minor challenges in the SME operational processes.

- 2- Comprehensive lean management principles and operational development plans for each SME, including specific recommendations for improved performance, which may include those related to improved managerial and operational practices, staffing, use of automation and technology, etc.
- 3- Brief progress reports, on monthly basis, summarizing the main updates on action plan implementation for each SME.
- 4- Final implementation report to be submitted by the end of the implementation phase, comparing baseline with latest status of each SME before, during, and after the lean management and operational development interventions.

## **Evaluation and Award Process**

Evaluations will be made on a best value, trade off basis. Proposals must meet the following criteria to be considered eligible:

- This solicitation is open to individual consultants or companies.
- Individual consultants may be of any nationality.
- Companies might be from any nationality that is not restricted by geographic code = 937 (Please refer to Source, Nationality and Origin Restrictions section below). Companies may form partnerships to bid for this solicitation.
- All documents must be submitted as per the instructions below.
- Offerors must demonstrate:
  - A track record of successfully conducting gap analysis for customs and trade-related issues and have detailed first-hand knowledge of the Egyptian import and export processes.
  - Ability to pass Palladium's due diligence standards.
  - Not barred from working with the US government.

A selection committee will review the technical approach, price, and professional references. The selection criteria are based on the following:

1. Technical approach and proposal.
2. Technical team qualifications.
3. Management approach.
4. Experience in consultancies for SMEs on operational development and lean management.
5. Price proposal.
6. Professional references

The selection process will thus be as follows: 1) Offerors submit proposals to TRADE, 2) TRADE will contact short-listed offerors and ask clarification questions as appropriate and needed, 3) TRADE will make a selection and send Fixed Price Subcontract for review and signature. Palladium reserves the right to award under this solicitation without further negotiations. The offerors are encouraged to offer their best terms and prices with the original submission.

## **SOURCE, ORIGIN AND NATIONALITY RESTRICTIONS**

The geocode 937- encompasses the United States, Egypt, and developing countries other than advanced developing countries, but excluding any country that is a prohibited source. Only service providers falling within this specified geographic code will be eligible for consideration for the award.

References:

- USAID ADS Chapter 310: <https://www.usaid.gov/ads/policy/300/310>
- USAID List of Prohibited Source Countries: <https://www.usaid.gov/ads/policy/300/310mac>

## **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.

### **Instructions to the Offerors**

The following items are required to be submitted as part of the proposal:

Your proposal must comprise the following submission documents. The technical proposal and price proposal must be prepared as separate files, per the below instructions. Technical proposals must be submitted in PDF with maximum number of pages 40, in addition to a summarized presentation for the technical approach and includes past performance statement with references, which should be separate from technical proposal and limited to 5 pages. Technical team CVs must be provided as attachments and do not count as part of the technical proposal. Submissions of summarized presentation in PowerPoint or in PDF are acceptable, although PDF is preferred.

The following items are required to be submitted as part of the proposal:

- **Technical proposal** will consist of technical approach to fulfil RFP and attached specifications objectives including:
  1. Proposed assessment tools and how to apply them given the variation in the industrial sectors and nature of the business.
  2. Implementation timeline, covering the duration and expected total of person days.
  3. Proposed structure and steps of the operational development strategy and the application of lean management within the SME's processes.

Technical team qualifications CVs including long / short term staff that will manage and provide services must be provided as attachments, and how the offeror will ensure quality and timely submission of deliverables, including whether and how the offeror plans to partner with Egypt- or foreign-based consultants, partners, and networks. Offerors must submit a past performance statement with previous experience in similar projects / assignments to develop fully functioned certificates issuing platforms in particular for food safety competent authorities or other regulatory authorities.

Offerors must also submit three professional references, including email and phone number contract information and outlining the nature of the relationship between the offeror and reference. This requirement can be submitted either in Word or PDF (maximum of five pages) and will form part of the technical proposal.

- **Price Proposal.** The contract type for the presumptive award will be Fixed Price deliverable-based, awarded as a subcontract by Palladium International, LLC. Please include your total proposed fixed price along with details for specific deliverable pricing.
- The price offers must be in details that includes breakdowns for all the costs during the project lifetime (labour rates, estimated level of effort, other direct cost, indirect cost and fee).
- **Offers must be submitted in separate files as follow:** Technical Offers (One for Software and one for hardware), Financial Offers (One for software and one for hardware)
- Price offer for the ongoing maintenance and support must be submitted with the price offers in a separate offer.
- TRADE Project reserves the right to accept or reject the offers without any justification also to accept the software solution or the hardware solution.

Upon selection, offerors must complete Due Diligence Questionnaire if selected for award within 5 days. Organizations must have a UEI number or obtain one within 5 days of being notified of selection.

### **Attachments**

Please review the additional documentation and proposed contracts terms and conditions which should be given consideration when preparing your proposal. By submitting your bid, you will certify that that you are in agreement with the contract terms and conditions as included in this solicitation and that all prices include all aspects of the required compliance with the terms and conditions of the proposed contract.

- Annex A – USAID TRADE FFP Subcontractor under USAID CPFF – Consulting Firms (Organizations),

- Annex B – Palladium Due Diligence Form(s),
- Annex C - Palladium Business Partner Code of Conduct,
- Annex D - Certifications: Terrorism, Anti-Kick Back, Debarment, Foreign Corrupt Practices Act, and
- Annex E – Budget Template, and
- Annex F - Past Performance Format

You can access the annexes using the hereunder link:

[https://palladiumgroup-my.sharepoint.com/:f:/g/personal/ahmed\\_abdelhadi\\_thepalladiumgroup\\_com/Eqy3slujGLJEkk1g4I2Plw0BLC LiJMK\\_\\_quHDvbq8tilkA?e=1mFpzB](https://palladiumgroup-my.sharepoint.com/:f:/g/personal/ahmed_abdelhadi_thepalladiumgroup_com/Eqy3slujGLJEkk1g4I2Plw0BLC LiJMK__quHDvbq8tilkA?e=1mFpzB)

Any contract/purchase order 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 vendor'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 contract/purchase order, which has not been signed by both parties.

If your proposal is successful, you will be required to enter into the Company's standard contract 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 suppliers must also comply with the Company's Business Partner Code of Conduct in the submission of any proposals pursuant to this RFP.

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 subcontracting will not be automatic as subcontractors will be subject to Palladium's Due Diligence process.

### Main Deliverables and Payment Terms

Required deliverables are described below:

Milestone	Payment Percentage of Total contract award
<p><b>Milestone 1</b></p> <p>Gap analysis and action plan for the SME, with timeframe, to address gaps and issues in the evaluation report, within thirty (30) calendar days from contract signature</p>	30% of the total price per company (upon acceptance of the gap analysis by USAID TRADE and the SME)
<p><b>Milestone 2</b></p> <p>The Following deliverables are expected to be delivered by the consultant(s):</p> <ol style="list-style-type: none"> <li>1- Submit the operational development plan covering the areas mentioned above.</li> <li>2- fulfil the recommendations indicated in the action plan.</li> <li>3- Provide capacity development for the SME Leads through coaching sessions.</li> </ol>	50% of the total price per company (upon acceptance of USAID TRADE and the SME)
<p><b>Milestone 3</b></p> <p>Final report, for each SME, with all actions taken indicating the completed deliverables and the actions that have been</p>	20% of the total price per company (upon acceptance of USAID TRADE)

completed/in progress/pending and its statues and lessons learnt.	
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**Performance Delay Penalty:**

- Vendor understands and agrees that timely delivery/performance as outlined in the delivery schedule is essential to satisfactory completion of the required suppliers/services. Both parties agree that failure of the vendor to provide the supplies/services within the required delivery/performance dates (for reasons other than a “force major”) may result an assessment of the delay and apply penalty that will be deduced from the vendor payment.

