

Issue Date: 20 April 2020

Response Date: 1:00pm EDT, 27 April 2020

Subject: Request for Information (RFI) INVEST-005 for Economic Support Fund (ESF) in response to COVID-19 in Italy

Dear Prospective Partner:

Through the INVEST Project, USAID seeks to unlock the potential of the private sector to drive inclusive growth in countries around the world. Increasingly, private investors and businesses are looking to emerging markets for better returns and new market opportunities. However, encouraging private investment and activity in high-impact areas important to USAID such as agriculture, financial services, infrastructure, energy, clean water, health, and education requires new forms of collaboration between USAID and the private sector. This means proactive engagement and collaboration throughout every stage of program cycle and integrating collaboration across USAID sectors to catalyze more market-based approaches for sustainable outcomes.

In support of its efforts to mobilize private investment within the agency, the USAID Office of Private Capital and Microenterprise (USAID/PCM) awarded the INVEST contract to DAI in September of 2017. Through INVEST's flexible buy-in mechanism, USAID Missions and Operating Units can access an unprecedented network of firms and individuals that have the range of technical expertise needed to identify opportunities and effectively mobilize private capital toward development priorities. Using a lean approach tailored to high potential opportunities, relevant parts of the network will come together to research, develop, and build specific solutions that align private capital with development needs.

Implementation Objectives

To meet the growing demand of personal protective equipment (PPE), medical supplies and equipment in Italy, USAID is looking for ways that financing and technical assistance solutions can stimulate and facilitate the private sector to ramp up manufacturing of critical goods required by the Italian healthcare industry to address the COVID-19 response. The ESF will target healthcare businesses and manufacturing firms, which are either already engaged in the manufacturing and production of critical parts and equipment or that have the capacity to reorient their operations to manufacture this equipment and expand production.

In order to effectively inform and design the ESF, USAID seeks to:

- Understand the healthcare producers/manufacturers that are currently producing diagnostic and critical medical supplies and equipment in Italy.
- Understand the breadth and depth of the existing operations of these firms and if additional operational capacity exists or can be expanded upon.
- Understand the regulatory environment in Italy to enable companies in complementary industries to focus on the production of these essential supplies and equipment.
- Understand the Italian universal health care system and how to effectively support and integrate efforts with the relevant government agencies.

- Identify potential intervention points where USAID resources could have significant impact in the Italian private sector.
- Gather information on capacity and interest in partnering with other companies in complementary and relevant areas, e.g., engaging SMEs in complementary production.
- Identify which supply chains will need to be supported, activated or built upon to get products to market quickly and efficiently.
- Assess the financing needs and potential sources of concessionary funding, foreign direct investment, equity, diaspora funds, etc. to increase manufacturing/production and pre-finance new or converting business production.
- Identify any potential barriers to accessing those potential sources of finance, and how they could be overcome (including through the creative use of these funds to directly provide concessional funding to attract commercial funding).
- Identify innovative and non-traditional approaches to structuring a financing platform that will offer technical assistance and transaction advisory services to targeted funding sources and engage local financial institutions.
- Identify ways to market and promote the financing platform to make key stakeholders and private sector partners aware of the availability of financing.
- Understand how to incorporate additive manufacturing and other technologies to source, manufacture and distribute supplies that enable firms to contribute and benefit from the effort.

INVEST Engagement

In support of this activity, INVEST seeks information from a partner or consortium of partners interested in helping inform the design and structure of the Economic Support Fund (ESF). Details on the information requested can be found in Appendix A.

Issuance of this RFI does not constitute a solicitation, commitment, award, or engagement on the part of DAI nor does it commit DAI to any future commitment, award, or engagement. However, we will use responses submitted to assess whether a procurement for technical services is appropriate to meet USAID's needs. Please note that responding to this RFI will not give any advantage to or preclude any organization or individual from any solicitation that may be subsequently issued as any/all comments received will be strictly for information gathering purposes only.

Interested parties should submit answers to questions in Appendix A and any other comments in response to the requested information no later than **1:00pm EDT on April 27, 2020**.

Responses and questions should be submitted via email to INVEST_Procurement@dai.com, with copies to katherine_tilahun@dai.com, matthew_mitchell@dai.com, and talin_baghdadlian@dai.com no later than the date and time shown above, with the subject line: "Response to RFI INVEST-005." Please limit the responses to 10 pages/slides using 11-point font size. Graphics may be included so long as text is clearly legible. Submissions in PowerPoint, Word, or PDF are acceptable. PDF is preferred along with an accompanying PowerPoint/Word document.

Sincerely,

INVEST Procurement and Partnerships Team

Appendix A: Response Requirements

We are seeking the following information from interested firms:

1. A brief synopsis of your organization's capabilities and activities that highlight your capacity and expertise to provide technical assistance and financing solutions to manufacturing firms to directly support this effort in Italy. Please note any experience and business presence in Italy.
2. Responses to the following questions that highlight your firm's interest, expertise and knowledge, and creativity in undertaking this type of technical work. Given the urgency of the situation, your organizational capacity, and the climate in Italy, please provide answers to the following:
 - What are the critical needs that healthcare producers/manufactures in Italy have right now in terms of research, development and manufacturing of therapeutics, vaccines and medical equipment and supplies to respond to COVID-19?
 - For companies that currently manufacture medical supplies and equipment, what do they need to ramp up production and how long will that feasibly take in the current environment? Are supply chain bottlenecks hampering manufacturing of critically needed supplies and equipment, and if so, what are the bottlenecks and how can they be addressed?
 - What alternative sourcing, production and distribution methods could be adapted for businesses to comply with social distancing and stay-at-home orders? How can these alternative methods be incorporated into the supply chain most effectively? Can additive manufacturing be used for certain types of medical supplies? If so, for which ones, and how could this be implemented efficiently?
 - Is there a potential role for U.S. firms in Italy or Europe to be a part of this effort, either through providing inputs or assistance to reorient supply chains and restructure manufacturing?
 - Some businesses are adapting or converting their existing businesses to the manufacture of medical supplies. Are certain types of companies better suited to converting their operations to make COVID-19 medical supplies and equipment? What are the technical, financial, operational and human resource needs that these companies have to make this conversion for distinct types of supplies and equipment?
 - Are there regulatory obstacles to allow for such shifts in production to take place efficiently? How does the Government of Italy certify and guarantee quality of production in the medical supplies sector? Are there ways to make this more efficient while maintaining quality standards?
 - Where can an ESF facility generate the greatest impact in quantity and quality of critical medical supplies?
 - How should USAID structure financing and/or technical assistance solutions to help companies scale production or convert operations to make medical equipment and supplies? What instruments should be deployed to produce the desired scale and impact, e.g. business advisory services, debt vehicles, equity investors, direct foreign investors, diaspora funds, leasing options, credit enhancements, etc.)?
 - Are there additional financial institutions and stakeholders that could provide urgent and timely capital to leverage USAID's efforts?