



## RESPONSES TO REQUESTS FOR CLARIFICATIONS

### DESIGN THE LESOTHO IMPACT INVESTMENT FUND (LIIF) & TECHNICAL ASSISTANCE FACILITY (TAF)

Issue Date for Responses: <b>September 14, 2020. The deadline for Requests for Clarifications has been extended to September 17, 2020, and responses will be by September 22, 2020.</b>	Reference No: <b>LMDA/CD/C/03/2020</b>
Issue Date for RFP: <b>September 03, 2020</b>	Partnership Name: <b>Design the Lesotho Impact Investment Fund (LIIF) &amp; Technical Assistance Facility (TAF)</b>
Country: <b>Lesotho</b>	Funding Agency: <b>Millennium Challenge Corporation</b>
City/Locality: <b>Maseru</b>	Soliciting Agency: <b>Lesotho Millennium Development Agency</b>

### PART I

No.	Question	Answer
1	For the various application stages including the first Concept Note stage, one of the requirements is to provide a Power of Attorney. However, no further elaboration is provided. Can you please clarify what is the purpose of this Power of Attorney, to whom it should be granted, and what form/documentation for this PoA is appropriate?	As used in the RFP, Power of Attorney is intended to refer to official, signed documentation of the Applicant entity that certifies that the person nominated to represent the company, take decisions for the company, and sign on behalf of the company concerning this particular assignment is authorized to do so. This certification can be in a document entitled “power of attorney”, “letter of authority”, “certificate of incumbency”, or otherwise; regardless of the document’s title, it must confirm the authority of the person as discussed above. Notarization is not required for this document. To support Applicants in submitting this important information, LMDA is offering a sample document to guide Applicants. This sample is not a required template but is offered as a guide on the content needed in such a document.

2	The request refers to data and studies undertaken on the investment landscape in Lesotho. At what stage of the award process, such as the potential co-creation session, could these insights be shared?	The information will be shared with those applicants invited to Stage 2: Co-Creation.
3	Please could you clarify what is meant by a 'rough, estimated top-line budget' in terms of the level of detail required during the first phase?	What is required is just the total amount not the breakdown at this stage.
4	Regarding the TAF, it is stated that the TAF should be financially sustainable before and after the MCC grant funding. Is there a vision that other organizations would provide grant capital to get the TAF started before MCC funding starts in mid – 2022?	The successful firm will be asked to identify potential co-funders for the TAF who might provide funding for the TAF prior to or following MCC's grant funding.
5	The Partnership Opportunity Notice appears to primarily target asset management firms. Please kindly confirm if an advisory firm is eligible to bid (a) on its own, or (b) in a consortium with an asset management firm?	It is advisable for firms to partner to enhance their capacity to meet all the requirements.
7	Section 2.1 states that the TAF is currently estimated at \$20m for LIIF related activities and \$20m for delivery of public goods and services requested by the private sector. Please kindly clarify if the design of both elements falls within the scope of this assignment?	Yes, this assignment covers the design for both LIIF related activities and delivery of public goods and services.
8	Section 2.2 states that "The Partner would not be eligible to manage the TAF designed through this Cooperation Agreement." Please could you clarify if a Partner would be eligible to <i>provide services</i> (e.g. investment facilitation) under the TA facility under a separate contractual arrangement, or would be barred due to the participation in the design phase?	The Partner is excluded from managing the TAF or bidding in a consortium to manage the TAF. Eligibility for contracts for discrete services would depend on a bidder's ability to satisfy conflict of interest considerations for that discrete procurement.
9	Please kindly clarify on the proposed cost share arrangement outlined in section 4.3, e.g. through an example of how this could apply. Specifically, is payment in kind acceptable, including labor? Please also clarify what rewards are envisaged to be shared.	Yes, payment in kind is acceptable. "Rewards" was used generically to signify diverse benefits and shared accomplishment; at the design stage, we anticipate that the partners will collectively cover the costs.
10	Section 5 states that "LDMA's available budget is USD \$250,000, which is for the design of the LIIF and TAF only". Please could you confirm if this is the budget ceiling (or maximum award amount) for the activities and milestones stated in section 3.2, or whether additional funding might be available for the design phase of the LIIF and TAF.	LMDA's award ceiling is \$250,000. The total project budget might be higher depending on the value of cost-sharing brought by the Applicant/Partner. In addition, Pension Fund retains an option to contribute financially to the partnership at a level to be determined. This would be discussed during Stage 2: Co-Creation.
11	Section 5 further states that: "In addition, the funds provided by LMDA under this partnership must be clearly defined with a reasonable degree of certainty and with reasonable assurance that the Applicant will not be able to realize an increment profit above its actual cost." Does this mean that firms who provide this type of service commercially must provide this service at or below their own cost?	Yes, the Partner is not expected to make any profit out of this assignment but will be expected to operate at cost.

<b>12</b>	What are the detailed guidelines regarding cost share contributions?	Any project cost that would be otherwise eligible for grant funding from LMDA but is covered by the Applicant/Partner is considered cost-share. Applicants are requested to propose project cost-share types that accord with the general rules noted in section 4.3.
<b>13</b>	What items are applicants (not) allowed to include as potential cost share items?	Please refer to section 4.3.