



Specific Procurement Notice

Maseru, Lesotho
June 8, 2022

Re: Fiscal Agent Services
Ref: LMDA/CD/C/04/2022

The Government of the Kingdom of Lesotho (“Government”) has applied for grant funding from the Millennium Challenge Corporation (“MCC”), called a Compact (the “Compact”), and intends to apply a part of the proceeds of that funding to payments for contracts for goods, works and services. The Government has formed a Compact Development Team (CDT) led by the CEO of the Lesotho Millennium Development Agency (“LMDA”), for the purpose of developing the Compact. To support these activities, MCC and the Government entered into a grant agreement, dated February 20, 2019, as amended or otherwise modified from time to time (as modified, the “Agreement”), whereby MCC granted to the Government an amount not to exceed nine million seven hundred forty thousand U.S. Dollars (US\$9,740,000) under the authority of Section 609(g) of the Millennium Challenge Act of 2003, as amended (the “Act”), to facilitate the development and implementation of a proposed Compact between the United States of America, acting through MCC, and the Government to help accelerate economic growth and poverty reduction in Lesotho. Subject to the terms and conditions of the Compact, the Agreement, related agreements, and the availability of funds, the Government intends to use a portion of the funds to finance professional fiscal agent services from a legally constituted firm (“Fiscal Agent” or “Consultant”) to assist the Government with the implementation of the Compact program in a transparent and sound manner. The Fiscal Agent will provide such support in accordance with the terms and conditions set forth in an agreement (the “Fiscal Agent Agreement”), a form of which is attached to this Request for Proposals (“RFP”) in Section VI.

In issuing this RFP, the Government is represented by the Lesotho Millennium Development Agency (“LMDA”), a parastatal established in accordance with the laws of Lesotho. LMDA will continue to represent the Government in matters related to the Compact and the Fiscal Agent Agreement until such time as the Government establishes the Millennium Challenge Account-Lesotho II (“MCA-Lesotho II”) to serve as the accountable entity for implementing the Compact. Prior to the establishment of MCA-Lesotho II, (i) any references to actions taken or rights received on behalf of MCA-Lesotho II or MCA Entity in this RFP, including in the Form of Contract, shall

be taken or received by the LMDA, and (ii) any references herein to MCA-Lesotho II or MCA Entity shall be deemed to mean the LMDA during this period.

MCC is a U.S. government agency focused on assisting countries dedicated to good governance, economic freedom, and investments in people. The Compact includes investment from MCC of approximately US \$300 million and a corresponding contribution of approximately \$22.273 million from the Government. The Fiscal Agent will be required to manage all the funding contributed by MCC and any cash portion of the Government of Lesotho's contribution. Currently the contribution from the Government is all in-kind. For details, please refer to Annex II of the Compact and Annex III of the Program Implementation Agreement to be entered between MCC and the Government of Lesotho. MCC website links to these documents are [Lesotho Health and Horticulture Compact](#) and [Lesotho Program Implementation Agreement](#).

The Compact consists of four proposed projects:

- The **Health Systems Strengthening Project** will focus on strengthening key elements of the PHC system in Lesotho, such as increasing the capacity of Lesotho's Ministry of Health (MOH) and ten health districts, fortifying the patient registration and referral systems, improving staff clinical competencies and supervision, integrating budgeting and financial reporting systems, and increasing coordination across all levels of health care staff.
- The **Market Driven Irrigated Horticulture Project** will focus on making a catalytic investment in irrigation in partnership with commercial investment, providing local capacity building and technical assistance, and supporting reforms in land, water and gender with the expectation that these interventions will spur sustainable and inclusive private sector growth and investment in the horticulture sector.
- The **Business Environment and Technical Assistance Project** will focus on inclusive, sustainable private sector growth in Lesotho to be stimulated by creating a robust pipeline of businesses and facilitating a public-private dialogue in which these private sector actors can engage with the Government and the Government can respond.
- The **American Catalyst Facility for Development Project** will focus on activities within the Compact Term and align with the objectives and activities of the Program. Success will be measured by (a) ACFD Project funding expended; (b) DFC funding leveraged and (c) additional private sector funding leveraged (e.g., Lesotho Pension Fund, commercial banks, impact investors).

MCA-Lesotho II requires the services of the Fiscal Agent ("FA") for a base period of twelve (12) months at a fixed price. Thereafter, MCA-Lesotho II will require six (6) 12-month option periods at a fixed price. However, the final option period (Option Period 6) may be more or less than 12 months and will include a 120-day period after the expiration of the Compact. For purposes of preparing proposals, Consultants should assume that the final option period (Option Period 6) will be for full 12 months from the time of option effectiveness. Despite this, Option Period 6 will vary

in actual implementation, and could be shorter or longer than 12 months, including the 120-day closure period. At least one year prior to exercising the 6th option, the payment for this period will be adjusted on a pro-rata basis (using the evaluated Option Period 6 price above as the basis) to account for the actual number of days that Option Period 6 will cover.

This Request for Proposal, the RFP, follows the General Procurement Notice that appeared in dgMarket and UNDB online on February 24, 2022, and in two local newspapers: Public Eye and the Reporter and LMDA website on February 24, 2022.

LMDA now invites proposals from legally constituted consulting firms and other organizations to provide the Fiscal Agent services (“Proposals”). More details on these services are provided in the Terms of Reference in Section V of this RFP.

This RFP is open to all eligible entities (“Consultants”) who wish to respond. Subject to restrictions noted in the RFP, consultants may associate with other consultants to enhance their capacity to successfully carry out the assignment.

A Consultant will be selected under the **Quality and Cost-Based Selection (“QCBS”)** method, an evaluation procedure that is described in Section III of the RFP in accordance with the “MCC Program Procurement Guidelines” provided on the MCC website (www.mcc.gov/ppg). The selection process, as described, will include a review and verification of qualifications and past performance, including a reference check, prior to the contract award.

The RFP includes the following Sections:

PART 1 – PROPOSAL AND SELECTION PROCEDURES

Section I Instructions to Consultants (“ITC”)

This section provides information to help Consultants prepare their Proposals; it also provides information on the submission, opening, and evaluation of Proposals and on the award of the proposed contract.

Section II Proposal Data Sheet (“PDS”)

This section includes provisions that are specific to this procurement and that supplement Section I, Instructions to Consultants.

Section III Qualification and Evaluation Criteria

This section specifies the qualifications required of the Consultant and the criteria to be used to evaluate their Proposal.

Section IV A Technical Proposal Forms

This section provides the Technical Proposal Forms that Consultants are to complete and submit in a separate envelope as part of their total Proposals.

Section IV B Financial Proposal Forms

This section provides the Financial Proposal Forms that Consultants are to complete and submit in a separate envelope as part of their total Proposals.

Section V Terms of Reference

This Section includes the detailed Terms of Reference that describe the nature, tasks, and duties of the consulting services to be procured.

PART 2 – CONDITIONS OF CONTRACT AND CONTRACT AGREEMENT

Section VI Contract Agreement

This section contains the draft form of a Contract, including annexes, which LMDA proposes to enter with the successful Consultant.

Please note that a Pre-Proposal Conference will be held as described in the Proposal Data Sheet (“PDS”), Section II of the RFP. Attendance at the Pre-Proposal Conference is not mandatory but is strongly advised for all interested Consultants or their representatives.

Consultants interested in submitting a Proposal should register by sending an e-mail with the subject “Request for Lesotho Fiscal Agent RFP” to the **Procurement Point of Contact**, Zenobia Maddy (Ms.), Interim Procurement Agent for the Lesotho Millennium Development Agency, Email: zenobia.maddy@crownagents.co.uk, with a copy to: LMDA Interim Procurement Director - ‘Malehlohonolo Lefothane, lefothanem@lmda.org.ls. Consultants should provide the name of the firm and their full contact details in the email message. This will ensure that the Consultants receive updates regarding this RFP.

Proposals must be delivered electronically to the address and in the manner specified in the PDS ITC 17, no later than **5:00 pm SAST (GMT+2)**, on **July 11, 2022**

Please note that only electronic Proposals shall be accepted. Late Proposals will not be accepted under any circumstances.