

**REQUEST FOR EXPRESSIONS OF INTEREST**

**CONSULTANCY SERVICES**

**THE SERVE JAMAICA PROGRAMME**

ASSIGNMENT: Consultancy for a Technical Advisor to support the DBJ in the selection of Private Equity Fund Managers for SME Funds in Jamaica

Reference #: DBJ-021/19

SELECTION METHOD: **Selection Based on Consultants’ Qualification**

The Government of Jamaica (GoJ) through the Ministry of Finance and Public Service (MOFPS) has made some J$2 billion of funding available to the Development Bank of Jamaica Limited (DBJ) towards the cost of THE SERVE JAMAICA PROGRAMME under the theme “Financing support for Businesses”, specifically for the establishment of two Private Equity SME Funds for investment in Jamaican businesses.

The service will require a Technical Advisor, over a six (6) month period, to support the DBJ in the selection of two well-qualified private equity Fund Managers and providing advice to the DBJ in its role as an investor in the SME Fund(s). The selection process for the Fund Manager(s) will have already been initiated and the Technical Advisor (TA), after on-boarding, shall provide support on the remaining steps of the selection and contracting process.

The DBJ now invites eligible Consultants (“Individuals“) to indicate their interest in providing consultancy services for the specialized area. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

The qualifications criteria are:

* Advanced qualification in business, finance, or law with at least 8 years of professional experience dealing with Private Equity/Venture Capital industry, including experience as an institutional Limited Partner making investments in Private Equity and Venture Capital funds. [Note: In terms of experience, looking for prior experience and skills as a limited partner investing in funds would be important.]
* Significant and demonstrated understanding and expertise of PEVC industry, including in Caribbean region/ Jamaica (is a plus)
* Significant experience of working with Funds to help deploy funds or with SMEs to secure PEVC funds.
* Significant and demonstrated understanding and expertise in SME financing, particularly risk capital for SMEs would be desirable.
* Excellent writing and communication skills in English

The Terms of Reference may be downloaded from the DBJ’s website: <http://www.dbankjm.com> **as of Tuesday, December 28, 2021.**

**Deadline for Clarifications:** All Clarifications should be submitted on or before **Friday**, **January 7, 2022, at 3:00 p.m.** via email: **accesstofinance@dbankjm.com**

*The attention of interested Consultants is drawn to paragraph 1.2.5.1 on page 12 of the GOJ’s Handbook of Public Sector Procurement Procedures volume 3 of 4 revised March 2014(Consulting Services),* setting forth the GOJ’s policy on conflict of interest for the selection of Consultants.

**Deadline for Submissions**: Expressions of Interest may be delivered in writing to the address below (in person or by mail) or via email: **accesstofinance@dbankjm.com** **no later than Friday, January14, 2022, at 3:00 p.m.**

Development Bank of Jamaica Limited

Venture Capital Unit

Attn: Project Coordinator

Fund Managers for the Establishment and Management

of a SME Fund

11a-15 Oxford Road, Kingston 5

**E-mail:** **accesstofinance@dbankjm.com**

**TERMS OF REFERENCE**

**PRIVATE EQUITY/ VENTURE CAPITAL EXPERT –TECHNICAL ADVISOR**

**Private Capital Unit**

**Consultancy for a Technical Advisor to support the DBJ in the procurement of Fund Manager(s) for the Establishment and Management of SME Funds**

**I. Background**

The GOJ has recognized that the private equity markets play a key role in providing financing and other support to businesses. With the focus on recovery of the business environment, post-COVID, the GOJ seeks to collaborate with eligible private capital funds to provide smart financing to SMEs.

The GOJ will contribute capital, of up to J$1 billion, as an investment in each of two (2) funds which will, in turn, provide risk capital for SMEs with high growth potential and with a locus of activity in Jamaica. Access to risk capital along with capacity building from a professional fund manager is expected to allow these investees to achieve higher levels of growth and productivity, and contribute, where possible, to job growth in their sectors. Private investors will be required to invest at least twice the amount invested in the respective Fund(s) by the GOJ, represented by DBJ. DBJ will invest a total of J$2 billion in the Fund(s), and private investors will, in aggregate, commit at least J$4 billion in matching funds.

Key features of each Fund are expected to be: (i) Fund focus; minimum J$3 billion invested in Jamaican SMEs (ii) management by a private fund manager; (iii) co-investment by other investors including private investors; (iv) no government participation on the Investment Committee or on the Board of Directors of the fund or fund manager; (v) fund life of 10 years extendable by an additional period of not more than 5 years; (vi) targeted enterprises are SMEs, as nationally defined, that are ‘established’, i.e. enterprises with sustained positive cash flow and a growing customer base, which require infusion of growth equity to expand their business; (vii) estimated ticket sizes of J$15 million to J$300 million and (vii) provide technical assistance to SMEs to relieve capacity constraints (viii) fund will be sector-neutral in its investment strategy, however sector specific funds may be considered.

**II. Objective**

**These terms of reference (TOR) focus on** supporting **the DBJ** in selecting well-qualified Fund Manager(s) for the SME Funds and providing advice to the DBJ as an investor in the SME Funds.

The Selection Process for Fund Manager(s) will have already been initiated and the Technical Advisor (TA), after on-boarding, shall provide support on the remaining steps of this process. As part of the Selection Process, a Technical Evaluation Committee (TEC), will be established with individuals having the requisite skills to evaluate proposals received from fund managers.

**III. The scope of responsibilities for the TA would include, inter alia:**

**Call for Proposals (CFP) – related support:**

1. The TA will facilitate the technical evaluation by the TEC through the selection process, including preparing the Technical Evaluation Report
2. The TA will provide technical advice to the DBJ to support DBJ’s role as an investor into the Funds, through to the completion of formation of the Funds
3. The TA will advise the DBJ on any technical issues that arise with the Funds or Fund Managers that could potentially affect the GOJ’s investment in the Funds.
4. The TA will also advise the DBJ on other issues such as governance, conflicts of interest.
5. Any other related task assigned by DBJ

**IV. Expected Effort and Deliverables**

The Technical Advisor is expected to perform the above-mentioned tasks on an ongoing basis during the term of his/her assignment, to the satisfaction of the Private Capital Project Coordinator.

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| **Deliverables** | **DATES** |
| **Deliverable 1.** Technical/Advisory services to the DBJ in finalizing the procurement of Fund Manager(s). Technical services include, but are not limited to:* Supporting the DBJ in facilitating the Technical Evaluations.
* Prepare the Technical Evaluation Report
 | 2 months of contract |
| **Deliverable 2**. Technical advice to the DBJ to support its role as an investor into the Funds through to the formation of the Funds | 3-4 months of contract |
| **Deliverable 3**: Advice to the DBJ on all Technical issues with the Funds and Fund Managers | Ongoing – Throughout the Contract period |

**V. Qualifications (The TA will need to have the following expertise):**

* Advanced qualification in business, finance or law with at least 8 years of professional experience dealing with Private Equity/Venture Capital industry, including experience as an institutional Limited Partner making investments in Private Equity and Venture Capital funds. [Note: In terms of experience, looking for prior experience and skills as a limited partner investing in funds would be important.]
* Significant and demonstrated understanding and expertise of PEVC industry, including in Caribbean region/ Jamaica (is a plus)
* Significant experience of working with Funds to help deploy funds or with SMEs to secure PEVC funds.
* Significant and demonstrated understanding and expertise in SME financing, particularly risk capital for SMEs would be desirable.
* Excellent writing and communication skills in English

**VI. Contract Duration and Reporting Procedures**

The contract duration will be for 6 months initially and may be extended beyond this term, subject to the DBJ satisfaction.

The TA will report to the Project Coordinators, Private Capital Unit and the Access to Finance Project, in DBJ and will liaise with DBJ staff assigned to contribute to the project

**VII. Payment Schedule**

1. Deliverable 1 (30 percent)
2. Deliverable 2 (40 percent)
3. Deliverable 3 (30 percent)