

Terms of Reference – Service Contract

1. ASSIGNMENT SUMMARY

Title of assignment	Investment Advisory Services
Location of assignment	Zambia
Sector	Investment Services
Initiative	Growth Stage Investment
Reports to	Sector Lead – Investment Services

2. ABOUT PROSPERO

Prospero is a UKaid-funded private sector development entity designed to incentivise investment in innovation that will change the way that market systems work and create new growth opportunities for MSMEs. We focus on the following high-growth potential sectors:

- **Food and Agriculture:** Increasing competitiveness and value of Zambian food products in end consumer markets.
- **Mining and Mining Services:** Increasing the sustainable and inclusive economic impact of mining in Zambia.
- **Tourism and Hospitality:** Increasing the value and proportion of tourist revenues captured by local businesses.
- **Investment Services:** Increasing access to sources of impact investment finance for growth-oriented businesses
- **Business Services:** Increasing access to business services that support growth-oriented businesses.

We partner with leading private sector players, government agencies and business associations to design synergistic initiatives that support strong business model development, promote transformative financial services, attract quality investors and foster enabling business and investment environments. We work at the intersection of market system development and the impact investment ecosystem, recognizing that enterprise growth at scale requires access to substantial and sustainable sources of commercial finance

We rely on a combination of the resources, experience, and expertise of external service providers to support our interventions. Services are procured and service providers are contracted according to specific delivery needs. Prospero is now seeking a service provider to support the implementation of the investment services strategy.

3. CONTEXT OF THE ASSIGNMENT

Prospero, in partnership with Impact Capital Africa (ICA), supports Zambian based companies to access growth capital from impact investors. ICA works to identify and engage investors seeking to invest in post-revenue businesses, while Prospero is responsible for identifying and engaging growth stage businesses looking to raise between US\$250K – US\$10m in the capital. Part of the Prospero mandate is to ensure that the companies identified are ready to receive investment. This investment readiness support is provided mainly through investment advisors identified by Prospero.

Prospero is therefore seeking the services of experienced investment advisors to provide customised investment readiness support to pipeline SMEs that will increase their chances of closing investment deals.

4. OBJECTIVE(S) OF THE ASSIGNMENT

The investment advisors will:

- analyse individual business investment readiness as a basis for understanding key gaps identified by ICA and Prospero and determining the nature and extent of support required by respective businesses.
- provide advisory services to the companies based on the gaps identified. This support could include but is not limited to developing or improving on existing financial documentation, financial modelling, development of investor memorandum and teasers.
- Support investor engagement with the goal of closing investment deals.

5. SCOPE OF WORK

- Assess each referred business to determine gaps and areas of weakness in their investment and business documentation (you will be required to use your experience of impact investor needs and due diligence process in order to do this effectively).
- In close coordination with the business owners/ management, investment advisors should develop all required documentation identified in the business assessment phase.
- Design and submit a detailed plan and timeframes for when the documentation will be completed - this has to be submitted to both the business and Prospero.
- Outline when investor engagement will commence and approximate timeline for securing investment – this has to be submitted to both the business and Prospero.
- Provide operational, management, financial, legal, and technical advisory services to businesses as required.
- Identify and engage investors on behalf of the business. Support the business throughout the pre-investment process to ensure they are capable of negotiating and deal structuring.

***Note:** Prospero recognises that no single investment advisor will be able to support the entire pipeline of businesses therefore we encourage applications to be as competitive as possible as we will share your profiles and rates with the different businesses in the pipeline. Prospero is not responsible for selecting investment advisors on behalf of the businesses, this is done at the business’ discretion. Should the business choose you as an advisor, Prospero will make the necessary introductions and advise on the next steps.

6. DELIVERABLES

The deliverables from this assignment and the due dates for submission are:

Deliverables	Due date
Initial analysis/assessment report	After initial discussions with the business
Letter of engagement with activity plan and timeframe for assignment completion	To be determined
Progress reports	To be determined
Final report	To be determined

7. PROFILE OF THE SERVICE PROVIDER

7.1 REQUIRED/DESIRABLE EXPERIENCE

The ideal investment advisor will have a minimum of 10 years’ experience working as a fund managers and/or investment advisor with a proven track record of providing investment readiness and fundraising support.

7.2 JOB COMPETENCIES

- Ability to generate informative reports.
- Must be able to provide financial planning support to businesses.
- Must be able to assist in the development plans for the different businesses.
- Has a history of successfully closing deals in Zambia.
- Should have own network of investors.
- Track record of working with and closing deals with impact investors.
- Strong understanding of Environmental, Social, Governance issues and requirements of an impact strategy.
- Should have a pool of businesses that can benefit from participating in the ICA process and will refer them to ICA/Prospero.
- Effective communication and interpersonal skills
- Attention to detail and focus on quality delivery and achieving deadlines.

8. PROPOSAL SUBMISSION GUIDELINES

Please submit the following via email to procurement@prospero.co.zm by 17th September 2020:

- Company profile and CVs of key personnel.
- Expression of Interest (please include expected rates/ payment terms).
- At least 2 references from businesses supported by the consultant/advisory firm.
- At least 2 references from investors supported by the consultant/advisory firm.

Please ensure to clearly state **'Investment Advisory Services'** in the subject line. Only shortlisted candidates will be contacted.