



Acumen New York
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Request for Proposal: Hardest-to-Reach Risk Management Framework

Aim

To support the development and implementation of risk management strategies for Acumen's Hardest-to-Reach initiative. Hardest-to-Reach seeks to invest in markets with ongoing risks related to anti-money laundering and combat the financing of terrorism. Acumen is seeking a risk management firm to support the risk capabilities of the fund's investing and administration activities.

Background

Acumen is changing the way the world tackles poverty by investing in companies, leaders, and ideas. We invest patient capital in businesses whose products and services help people living in poverty to transform their lives. To date, Acumen has positively impacted 309 million lives by investing \$154.4M in 167 innovative, early-stage companies in Africa, Latin America, South Asia, and the United States.

Acumen is developing an inclusive, innovative investment facility designed to deploy \$250M of impact-focused investment capital, over the course of a decade, to off-grid solar (OGS) companies in Hardest-to-Reach (H2R) markets in sub-Saharan Africa. Hardest-to-Reach markets are identified as high poverty and low electrification (electrification rates at-or-below the sub-Saharan Africa average (48%)). The 16 Hardest-to-Reach markets include:

The Republic of Benin, Burkina Faso, the Republic of Burundi, the Republic of Chad, the Democratic Republic of Congo, the Republic of Guinea, Guinea-Bissau, the Kingdom of Lesotho, Malawi, Mozambique, the Republic of the Niger, the Republic of Sierra Leone, the Federal Republic of Somalia, the Togolese Republic, the Republic of Uganda and the Republic of Zambia.

The Hardest-to-Reach markets require Acumen to employ strong risk management systems. Some Hardest-to-Reach markets may need deeper diligence and sophisticated systems to ensure fulsome risk management, CFT, AML, and KYC diligence.

Acumen is currently seeking a risk management firm to strengthen and support the risk management system for our Hardest-to-Reach initiative. The initiative is seeking four primary products for our systems development and continued risk management including: (1) a risk assessment policy framework, (2) pre-transaction AML/KYC due diligence, (3) transaction-based AML/CFT and KYC reliance letters, and (4) monitoring and reporting of fund and company level fund usage for AML/CFT and KYC concerns.

To start, the team will need support with the risk assessment policy and procedures framework development with analysis for the priority countries: Malawi, Somalia, the Democratic Republic of the Congo, and Zambia.

On an ongoing basis, we will need transaction support including the pre-transaction AML/CFT and KYC due diligence, reliance letters to the administrator, and continued monitoring of cash usage for intended purpose. We also seek to increase investee capacity in managing AML/CFT risks and KYC processes. These products are described in further detail in the scope.



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Scope

Risk assessment policy and procedures framework development

Pre-transaction due diligence on Know Your Customer/Anti-Money Laundering (KYC/AML) and Section screening procedures for the borrowers, close links, etc. (specifically to ensure there is a framework against anti bribery and anti-slavery under UK law)

AML audits and reliance letters addressed to administrator in terms of signing off on the KYC processes and AML/CFT analysis on the borrowers of the fund (as requested from a proposed administrator –this is per borrower/transaction)

Ongoing monitoring of cash usage for the intended purpose, investee coaching and team trainings

Proposals

Proposals should include a description of the provider, staff biographies detailing risk management experience, details of relevant experience in Hardest-to-Reach markets and fund work, description of technical capabilities, proposed project approach, and consultancy price with a detail budget in 2024 USD, valid for three months from submission. Proposals should also include descriptions of potential consultants and previous experience. Proposals should also include timelines with markers for specific accomplishments. Proposals will benefit from sharing past work similar to the requested outputs.

Selection Criteria

Proposals will be evaluated based on the following criteria:

- Relevant experience with risk management work
- Geographic expertise
- AML/CFT and KYC expertise
- Budget
- Quality of proposal

Submission Details

Proposals should be submitted to Lynn Roland at Iroland@acumen.org by 30 June 2024. Results will be announced by 30 July 2024.