

Investment Memo: [XYX, EOI #123456]

Company: XYZ (EOI # 123456)	Stage 2: \$500,000
Project Title:	Proposed Timeframe: 24 months
Implementation Country/Region: Malawi	Sector: Agriculture/Food Security, Finance
DIV Deal Team:	Date Applied: Date Memo Drafted:
Organization Tax Status: For-profit	DIV Funding to Date: \$0
Investment Recommendation: Recommended for Award	

A. DUE DILIGENCE CHECKLIST

Please confirm that you have:

Received and evaluated external feedback on the leadership/research team for the organization or project? <i>[e.g., contacted previous funders/references listed in EOI]</i>	<i>Yes</i>
Interviewed key personnel? <i>[Key personnel includes senior leadership and relevant technical staff]</i>	<i>Yes</i>
Received investor/funder feedback through reference calls?	<i>Yes</i>
Interviewed independent industry experts for third-party assessment of the market size, dynamics, competition, evidence base, etc.?	<i>Yes</i>
Obtained 2-year historical audited financial (if available)?	<i>Yes</i>
Conducted USAID Initial Environmental Assessment?	<i>[Yes/No/In-Progress]</i>
Received USAID Mission review and confirmation to move forward?	<i>[Yes/No/In-Progress]</i>
Received USAID Technical Office review?	<i>[Yes/No/In-Progress]</i>
List all internal and external reviewers (name, organization, role):	
Comments: <i>N/A</i>	

B. BRIEF SUMMARY INCLUDING INTERVIEW RATIONALE

We **recommend** the EOI for award. In particular, we find the following qualities compelling/concerning:

C. PROBLEM STATEMENT

[Describe the problem, why it is a problem, and who is impacted by the problem. What specific elements of the problem is this investment trying to address? Note: Some of this language can be lifted verbatim from the EOI, with relevant information added as needed.]

D. EXPLANATION OF INNOVATION AND PURPOSE OF DIV FUNDING

[Provide summary of innovation and to what specific activities DIV funds would contribute.]

E. IMPACT

[Describe the intended direct impact of the proposed investment. How will the proposed grant measure and monitor social impact? If the grant is drawing on a pre-existing evidence base, describe the research done to date, and the findings generated. If this is a formal evaluation, list the evaluation questions for this investment as well as relevant outcome indicators.]

Takeaway:

[Include 2-4 succinct summary sentences relating to Section C, D, & E]

F. MARKET ANALYSIS & COST-EFFECTIVENESS

[Provide summary of market dynamics in which the intervention is operating and the competitive landscape, as well as the cost-effectiveness of the proposed intervention compared to local alternatives.]

G. POTENTIAL FOR SCALE

[Explain the investment's scale potential and pathway to scale (i.e., public, private, hybrid). Describe the organization's progress to date in achieving growth and sustainability, and its strategy for achieving growth and sustainability moving forward.]

H. OPERATIONS & IMPLEMENTATION

[Explain the investment's operational strategy and provide relevant details regarding proposed implementation.]

Takeaway:

[Include 2-4 succinct summary sentences relating to Section F, G, & H]

I. ORGANIZATION STRUCTURE & TEAM

[List the current project/organization's leadership team. For each person, summarize their major responsibilities and background, and any feedback you've received from external reviewers re: team capacity. Note which members of the leadership team you have met and your assessment.]

J. FUNDING STRATEGY & CURRENT INVESTMENT

K. RISKS AND RISK MITIGATION PLAN

[List risks associated with the implementation, project team, social return uncertainties, political economy, etc. List DIV's mitigation strategy (i.e., steps we need to take to ensure we get out of the award what we want), the applicant's mitigation strategy, and our assessment of the extent to which they're already implementing this strategy and/or will in the future.

Useful to think about risk in terms of short-term (during the grant period) and long-term (beyond the grant period) risks.

L. POTENTIAL LEARNINGS FOR DIV

[Discuss the specific quantifiable learnings DIV hopes to gain through the proposed project, and explain how and over what time period you expect to capture those learnings. Briefly describe how these learnings will inform future DIV operations, e.g., selections, strategic sourcing, milestone crafting, etc.]

Takeaway:

[Include 2-4 succinct summary sentences relating to Section K & L]

M. SYNTHESIS OF USAID REVIEWERS

[Provide a descriptive synthesis of non-DIV USAID reviews (e.g., USAID Mission staff, USAID Technical Bureau/Office staff). For each review, provide the name and title of each reviewer, and a brief analysis of DIV's perspective on their input. Where relevant, detail reasons behind our nonconcurrency. .]

N. SYNTHESIS OF EXTERNAL REVIEWERS

[Provide a descriptive synthesis of reviewers external to USAID (e.g., external funders, technical experts). For each review, provide the name and title of each review, and a brief analysis of DIV's perspective on that input and why we do or do not agree with it.]

Takeaway:

[Include 2-4 succinct summary sentences relating to Section M & N]