

Digital Innovation Hub (DIH)

Term of Reference

1. Introduction

As mobile devices quickly become the primary tools for internet access on the continent, many opportunities are opening up for young people with technological skills, ambition and entrepreneurial drive. Innovation hubs and parks across Africa create the conditions for them to congregate, network, program and design their way to developing some of the software solutions and mobile applications that are transforming the landscape in their communities.

These hubs and parks are major drivers of education and research, not only in mobile technologies, but also for innovations in other economic sectors.

Establishing this space provides a structured and cost effective platform that enables innovators, researchers, institutions, corporations, and organisations to generate commercial revenue, strengthen outreach activities and enrich their offers through a single platform and community of talented individuals. It offers a swift and efficient route to business development and income generation opportunities.

2. Background

FSDT works to facilitate an enabling environment in the country to foster innovation in financial services for the underserved, particularly oriented towards new ventures and start-ups, through an Innovation Hub. Through this Innovation Hub seeks to engage a variety of stakeholders, companies, academics, start-up incubators, and venture capitalists – needed to spur innovation in Tanzania.

The hub will focus on building a community of Practices and linkages between developers and the industry supporting four (4) pillars:

- Product Development (Capacity Building, Linking Industry with developers, Best global practices etc)
- Supporting start-ups (Community of Practice, Mentorship etc)
- Incubation (Physical space, Training and development, legal/secretarial services, mentorship etc)
- Insights Lab (Data Analytics, Product simulations, Early stage testing etc)

3. Objectives of Consultancy Service

Consultant shall assist FSDT to Implement the Digital Innovation House (DIH) for Financial Sector Deepening Trust (FSDT). The 4 key deliverables are listed below;

3.1 Develop Detailed Implementation plan

- *Deliverable:* Detailed Implementation Plan illustrating how the Hub is going to operate

3.2 Develop Detailed Budget

- *Deliverable:* Detailed Budget

3.3 Support development of Project Approval Proposal

- *Deliverable:* Project Approval Document as per FSDT's format (PAR)

3.4 Post Project Approval Activities

- *Deliverable:* Recruitment of third party partners and any other support that would be required for the roll out of the Hub

4. SCOPE OF WORK, KEY DELIVERABLES AND TIMELINES OF THE ASSIGNMENT

| Phase | Activities | Deliverable | Timelines |
|--|--|--|---|
| Phase 1: Development of Detailed implementation plan | <ul style="list-style-type: none">○ Interview FSDT Team on alignment for Innovation Hub○ Offer guidance to the FSDT team based on your past experience on development of implementation plan○ Visit the Tanzanian market to familiarize and picture the model in operation○ Engage with potential partners already identified to complement on the Hub○ Develop detailed implementation plan including, look and feel, hub set-up operation of different modules, and modus operandi of the three value propositions for the hub○ Develop Scope of Work for all partners of the hub | Detailed Implementation Plan - <i>illustrating how the Hub is going to operate</i> | <u>Draft Plan:</u> 30 th January 2017 <u>Final Plan:</u> 15 th February 2017 |
| Phase 2: Develop Detailed Budget | <ul style="list-style-type: none">○ Develop detailed budget for the roll out of the Hub including Capex, Opex and funding plan for the first 3 years○ Consider funding sources and potential co-investment from international donors and local actors | Detailed Budget | 28 th February 2017 |

| | | | |
|--|---|---|-----------------------------|
| Phase 3: Support development of Project Approval Proposal | <ul style="list-style-type: none"> ○ Support the Digital Finance team within FSDT to develop the Project Approval Documents required to get approval for the implementation of the Hub | Project Approval Document - as per FSDT's format (PAR) | 15 th March 2017 |
| Phase 4: Post Project Approval Activities | <p>Additional activities post Project approval; these include:</p> <ul style="list-style-type: none"> ○ Recruitment of third party partners ○ Set-up of the Hub | <ul style="list-style-type: none"> ○ Recruitment of third party partners ○ Support on Set-up of the Hub | TBC |

5. Timing of this consultancy

The assignment should commence in **January 2017** and be completed by **end May 2017**.

6. Management and oversight

Contracting will be done by FSDT who will also help facilitate Staff time and relevant support and documents to ensure successful execution of the project; Support local meetings with different stakeholders; datasets and relevant reports.

7. Knowledge and Experience

FSDT is inviting proposals from suitably qualified companies/firms/consultants. Your proposal should contain:

- Names and CVs (maximum 3 sides of A4 paper each) of lead consultant (s) including:
 - Qualifications and relevant experience in providing the kind of assessment required; outline of team structure. Proposed team of key personnel/consultants must:-
 - Have a team Leader who should have minimum experience of 5 years in similar or related assignments, grounded expertise in development of innovation hubs, FinTechs and digital innovations in general
 - Have a team of key staff with a minimum experience of 3 years in similar assignments with extensive knowledge of budgeting, product development, FinTechs, business plan development.
 - Provide evidence of experience in coordinating, liaising and sharing information with other innovation hubs, Venture Capitalists
- A summary of you/your firm's experience in providing the kind of deliverables called for in these terms of reference.

- A description of your/your firm understands of the role of the Consultants as outlined in these terms of reference.
- A description of how you/your firm intend to fulfil the Services within the suggested timeline.
- A financial proposal: an estimated budget for both professional fees and reimbursable expenses.

8. Submission of proposal

The Consultant should submit a letter indicating their commitment to undertake this assignment. The letter should indicate availability and be supported by a capability statement of similar assignments conducted elsewhere. A full CV should be attached.

The letter should indicate the daily professional fees in US Dollars and should demonstrate that the daily fee rate quoted is internationally competitive. This consultancy will be subject to local taxes.

Both the technical and financial proposals should separately be submitted electronically to:

Nkundwe Mwakiluma,
Deloitte Consulting Limited,
nmwakiluma@deloitte.co.tz

Proposals are to be received not later than **1630 hours Dar es Salaam time, on the 6th of January 2017.**

9. Payment Schedules

The FSDT will make payments for this assignment as follows:

| S/N | CRITERIA FOR PAYMENT |
|-----|---|
| 1 | Upon Signing of the contract - 10% |
| 2 | Phase 1: Development of Detailed implementation plan - 30% |
| 3 | Phase 2: Develop Detailed Budget - 30% |
| 4 | Phase 3: Support development of Project Approval Proposal - 20% |
| 5 | Phase 4: Post Project Approval Activities - 10% |

Consultant shall make written requests to the FSDT for all payments as and when they fall due, showing clearly the cost categories i.e. Professional fees and detailed Reimbursable.

9. Confidentiality Statement

This assignment is rated as highly confidential. All data and information received from client for the purpose of this assignment are to be treated confidentially and are only to be used in connection with the execution of these Terms of Reference. All intellectual property rights arising from the execution of these Terms of Reference are assigned to the client. The contents of written materials obtained and used in this assignment should strictly not be disclosed to any third parties. Where there is necessity to do so, the Consultant shall not do so without the expressed advance written authorization of the client.

10. Conflict of Interest

The Tenderer (and any sub-contractors) must disclose in their tender details of any circumstances, including personal, financial and business activities that will, or might, give rise to a conflict of interest, if they were awarded this contract. Where the Tenderers identify any potential conflicts they should state how they intend to avoid such conflicts. Partner/FSDT reserves the right to reject any tender which, in its opinion, gives rise, or could potentially give rise to, a conflict of interest.

APPENDIX A: FSDT'S SUBSISTENCE ALLOWANCES

ACCOMMODATION CHARGES ON BED & BREAKFAST BASIS IN USD

ACCOMMODATION RATES ON BED & BREAKFAST BASIS (in US\$)

| | | |
|--|--|---------------------------|
| Group A Dar es Salaam | | US\$ 200.00 |
| Group B Arusha Mwanza Zanzibar Mbeya | | 170.00 |
| Group C Tanga Dodoma Morogoro Iringa | | 150.00 |
| Group D Any other place not mentioned above | | 130.00 |

DAILY ALLOWANCES ON DAILY BASIS (in TSh)

| Groups | Lunch | Dinner | Incidental | Total |
|---------------|--------------|---------------|-------------------|-------------------|
| A&B | 25,000.00 | 40,000.00 | 35,000.00 | 100,000.00 |
| C&D | 20,000.00 | 30,000.00 | 25,000.00 | 75,000.00 |