



TERMS OF REFERENCE

STRATEGIC ADVISOR, DIGITAL FINANCIAL SERVICES (DFS) AND FINANCIAL SECTOR INFRASTRUCTURE

JULY 2025

About the Organization

Established in 2004, the Financial Sector Deepening Tanzania (FSDT) is a donor-funded financial sector market facilitator that aims to achieve poverty reduction through a transformative financial sector that offers inclusive and sustainable financial solutions to improve the livelihood, wellbeing, and empowerment of underserved Tanzanians. FSDT's work is guided by the Market Systems Development (MSD) approach, which aims to develop market systems that benefit the poor, offering them capacities and opportunities to improve their lives.

Currently, FSDT's main target markets are women and youth, who have been identified as the most financially excluded market segments in the country. FSDT is dedicated to supporting the financial sector in delivering inclusive, quality financial solutions that meet the financial needs of women and youth.

Through its catalytic function, FSDT hopes to achieve the following changes in the market:

- Improved policies, legal and regulatory frameworks that promote gender equality, as well as economic and financial opportunities for women and youth.
- Improved availability of relevant financial sector infrastructures that will equip financial sector players and other stakeholders with the ability to meet the needs and aspirations of women and youth.
- Financial service providers (FSPs) developing and scaling innovative and responsive financial solutions/tools for women and youth to promote equality, empowerment, and wellbeing.
- Improved confidence and capability of women and youth to demand and use financial solutions.

Background of the Strategic Advisory for DFS and Financial Sector Infrastructure

The FinScope Tanzania 2023 Report indicates that 72% of Tanzanian adults are financially included through mobile financial services. This highlights that leveraging mobile technology and automation has the potential to reduce financial exclusion and deepen the usage of financial services among the underserved segments. As a result of this potential, FSDT implements diverse interventions around DFS and the financial sector infrastructure development through technology. As a financial sector market facilitator, FSDT executes interventions through existing sector actors with the potential to make a larger impact that leads to improved livelihood, wellbeing, and empowerment of women and youth. To effectively execute these interventions, FSDT leverages its staff and market experts who can influence the financial sector and have a holistic understanding and connection with core actors,

matters, political economy, and peripheral players to support the successful implementation of FSDT interventions.

By working with market experts as strategic advisors, FSDT benefits in the following ways:

- Gains market insights easily, informing the design, implementation, and selection of partners.
- Completes internal efforts, balancing the workload and ensuring speedy execution of interventions.
- Positions FSDT as a think tank in the Tanzanian financial sector, enabling the establishment of smooth collaboration with other market actors.
- Attains market-level ambassadors who understand and communicate the role of FSDT to the sector and crucial actors who can influence and support the FSDT mission on financial inclusion.

Purpose and Objectives of the Strategic Advisory Consultancy in DFS

- The purpose of the Strategic Advisor, DFS and Financial Sector Infrastructure consultancy is to contract a firm with experts that possess deep experience, knowledge, and skills in DFS, as well as technology in finance, and holistic sector influence and networks with the Ministry, Regulators, Financial Service Providers, and Donors. The advisor should also have experience and skills in the emerging technology that is shaping the future of the financial sector, including open finance/banking, Artificial Intelligence (AI) in finance, alternative credit scoring algorithms, embedded finance, eKYC & digital identity, distributed ledger, and regulatory technology.
- The Strategic Advisor will support the DFS and Infrastructure Development team, as well as provide market intelligence advisory to the FSDT Senior Management Team as needed.

Scope of Work

The Strategic Advisor, DFS and Financial Sector Infrastructure is expected to:

1. Provide thought leadership in digital financial services, digital public infrastructure, and digital ecosystem development.
2. Provide technical support on the Industry/Gendered Alternative Credit Scorecard intervention, including data management and expert guidance on the development and deployment of the scorecard.
3. Provide technical support on the implementation of the Shared Microfinance Core Banking System. This includes supporting conceptualization, implementation, and monitoring of the overall intervention and documentation of lessons learned for public dissemination.

4. Contribute to the FSDT overall strategy on innovative digital finance strategies for inclusive financial services that improve well-being, livelihood, and empowerment of women and youth.
5. Contribute to the FSDT knowledge/learning content, including case studies, blogs, and articles.
6. Assist in locating and introducing FSDT to advantageous alliances that facilitate the accomplishment of the organization's objectives in digital financial services and digital ecosystem development.
7. Provide linkage to key market actors needed to support implementation of the FSDT DFS, and overall strategic interventions.
8. Act as a sounding board for the FSDT Senior Management Team on matters related to the political economy, digital agenda of the country, and donor engagement.

Timeline

The consultancy is expected to be carried out between July 2025 to June 2027. Overall, the Strategic Advisor will provide technical support in the conceptualization and implementation of DFS and technology-related interventions at FSDT and participate in strategic meetings from time to time with the FSDT Senior Management Team.

Evaluation and Selection

- Any individual or firm interested in participating in this bid should submit a separate technical and financial proposal to FSDT. The following format should be observed:
Maximum 3-page technical proposal including the following:
 - Comments on the TOR
 - Proposed implementation approach
 - Team/Consultant Profile
 - Relevant previous work (include three references with email and phone number)
 - Annex with CV of key personnel (excluded from the 3-page count)
- Overall, the preferred bidder will be selected based on presenting the most competent technically and economically advantageous tender. This means that bidders will be evaluated on a combination of technical and financial criteria. In this case, the ratio between technical and financial scores will be 80/20, respectively.
- All proposals will be assessed against the mandatory criteria outlined below. Only those that meet these requirements will be considered for technical evaluation.

S/N	Criterion	Type	Pass/Fail Basis
1	The lead consultant must have a minimum of 16 years of experience in Financial Inclusion, with demonstrated strategic engagement in DFS and Infrastructure initiatives in the financial sector in East Africa.	Mandatory	
2	Lead Consultant must be a Tanzanian. Provide a copy of National ID.	Mandatory	
3	Must have implemented Management Information Systems. Provide a list of systems.	Mandatory	
4	Must have worked or engaged closely with the Ministry of Finance, Bank of Tanzania (BoT), Capital Markets and Securities Authority (CMSA) and Tanzania Insurance Regulatory (TIRA) and registered financial sector associations such as TBA, TAMFI, TAFINA etc. Provide a list with high-level details of the engagement.	Mandatory	
5	The bidder is required to submit KYC documentation as a separate attachment, including the following: a valid Taxpayer Identification Number (TIN), Business License, VAT Registration Certificate, Company Registration Certificate, Memorandum and Articles of Association (MEMARTS), confirmation of the current Board of Directors, the most recent BRELA search report, and audited financial statements for the past three years.	Mandatory	
6	The technical proposal should not exceed 3 pages.	Mandatory	

- The technical component of each proposal will be scored first using a grid that assesses several key attributes. This is set out below.

Technical Proposal Scoring Grid

The table below describes the criteria and weights to be used to score, assess, and select the best candidate to undertake this assignment. The evaluation committee will review all the submitted proposals (technical and financial) and score them based on the criteria below.

Evaluation Criteria	Marks
Required experience (Consulting firm)	
The consulting firm must demonstrate experience in carrying out DFS and financial sector infrastructure strategic advisory support for a development organization that leverages the Market Systems Development Approach (MSD) - <i>Provide at least 3 reference letters on previous assignments of related work</i>	20
Local experience in working in Tanzania or East Africa - <i>Work in Tanzania is an advantage</i>	10
Sub Total - Experience	30
Team Composition	
Adequacy of the Lead consultant	
<i>General qualifications - The lead consultant or team leader must have a minimum of 10 years working on Financial Inclusion related projects particularly focused on DFS, interoperability and Technology based interventions.</i>	30
<i>The lead consultant should be able to demonstrate that s/he has been actively involved in the creation of DFS strategies, implementation of data driven financial inclusion interventions such alternative credit scorecards with a gender lens, experience in digitizing farmers value chains including financial inclusion for farmers through MSD approaches and designing and execution of projects around shared infrastructure such as Digital Financial Services interoperability, Shared Microfinance Core Banking System (including understanding of shared services entity concept).</i>	15
Subtotal - Team Composition	45
Adequacy of Methodology and Comments	
<i>Technical approach and methodology (demonstration of clear understanding of the TOR, detailed methodology and approach)</i>	10
<i>Adequacy of the comments on the TOR</i>	5
Sub-Total - Methodology	15
The consultant must be a Tanzanian (National ID, passport, or voter registration ID)	10
Technical proposal value	100

- For the technical proposal to be considered further, a minimum total technical score of 70 out of 100 is required. Only financial proposals from bidders scoring at least that level will then be evaluated.
- The daily rate in Tanzanian Shillings (TZS) will be weighted according to the formula:

- $(\text{Lowest daily rate} / \text{Bidder's daily rate}) \times 0.2$
- Total technical marks weighted by a factor of 0.8.
- The weighted technical and financial scores for each proposal that passes the minimum technical threshold will then be added to produce a total score. The preferred bidder will be the one producing the highest total combined score.
- The winning bidder will be notified of their selection, and other bidders will be informed of the outcome.

Financial Proposal

- Financial proposals should be in TZS and must be submitted electronically **separately** from the technical proposal.
- Provide a daily rate for the lead consultant and support consultant.
- It is assumed that in case of any transport expenses or remote facilitation FSDT will directly facilitate the same. If the consultant is based outside Tanzania FSDT will not cover travel cost in and out of Tanzania.

Financial proposals should be in this format:

Consultant	Hourly (TZS)	Rate	Daily (TZS)	Rate

This consultancy will be subject to local taxes. It is the sole responsibility of the Consultant to meet all the tax liabilities arising out of this assignment. Financial proposals will be evaluated on a basis net of any local taxes.

The selected bidder will be paid on a monthly basis upon submission and approval of a timesheet detailing the support provided throughout the month and invoice capturing the total amount including tax breakdown.

Submission of Bids

The deadline for submission of proposal documents is 5:00 pm (EAT, GMT +3) on **Thursday, 14th August 2025**.

All Submissions must be made electronically to: procurement@fsdt.or.tz.

Any queries relating to this ToR should be submitted in writing to FSDT at the following address, all questions and the answers will be shared with all short-listed bidders. The deadline for any queries is 2 days before the tender submission deadline date.

Procurement Manager,
The Financial Sector Deepening Tanzania,
2nd Floor De Ocean Plaza,
Plot 400 Toure Drive,
P.O. Box 1559 Oyster Bay, Dar es Salaam, Tanzania
+255 222 602 873/5/6
procurement@fsdt.or.tz

Other Matters

Confidentiality

- All information contained in the Terms of Reference is provided on a strictly confidential basis solely for the use of tenderers in connection with the competition for the supply of services. It is a condition of this competition that tenderers (and any sub-contractors) shall:
 - Take all reasonable measures to protect this confidentiality and avoid the unauthorized use, disclosure, publication, or dissemination of confidential information;
 - Not use this information other than for the purposes of preparation of a tender, and shall disclose it only to officers, directors, or employees on a specific need to know basis; and
 - Not disclose, publish or otherwise reveal any of the information contained herein except with the specific prior written authorization of FSDT.

Conflict of Interest

Tenderers (and any subcontractors) 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 Tenderers identify any potential conflicts, they should state how they intend to avoid such conflicts. FSDT reserves the right to reject

any tender which, in its opinion, gives rise, or could potentially give rise to, a conflict of interest.

Taxation

The winning bidder will be responsible to pay withholding tax and all other tax liabilities as per Tanzanian Tax laws. Any such tax amounts shall be the responsibility of the consultant.