



TERMS OF REFERENCE

APPOINTMENT OF A GRANT MANAGER FOR THE MSME IMPACT GRANT FUND (IGF)

DECEMBER 2025

1. About FSDT

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, well-being, 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 the financial sector players and other stakeholders with the ability to meet the needs and aspirations of women and youth.
- Financial service providers 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.

2. Background

The Financial Sector Deepening Trust (FSDT), with funding from the European Union, is implementing the Inclusive Finance for Growth of MSMEs, Women and Youth programme to expand access to innovative, inclusive financial products and services for underserved women- and youth-led enterprises in mainland Tanzania and Zanzibar. The programme aligns with Tanzania's National Financial Inclusion Framework III, National MSME Financing Framework, and Financial Sector Master Plan, and places strong emphasis on Diversity, Equity and Inclusion (DEI), climate action, and green and circular economies. It primarily engages private-sector actors—MSMEs, Financial Service Providers, and Business Development Service Providers using catalytic and blended-finance approaches to address real financing constraints, drive MSME growth, job creation, income generation, and resilience, particularly in climate-smart sectors. The programme is implemented in close coordination with the private sector (Financial Service Providers, Enterprise Support Organizations etc), public and regulatory stakeholders, including the Bank of Tanzania (BoT), Capital Markets and Securities Authority (CMSA), and the Ministry of Finance (MoF), ensuring policy coherence and contributing to Tanzania's broader development objectives and the EU's priorities on inclusive growth, environmental sustainability, and decent employment.

As part of this programme, FSDT is establishing an Impact Grant Fund (IGF) of up to EUR 1 million, equivalent to 2.8 billion Tanzania Shillings, a catalytic facility providing non-reimbursable capital

and operating grants to approximately 154 high-potential MSMEs, with a focus on women-led enterprises (all ages) and youth-led enterprises (18–35 years). The IGF prioritises climate-smart and inclusive growth sectors, including circular economy, renewable energy, sustainable water and marine resources, waste management, agro-forestry, biodiversity restoration, and clean cooking solutions. Its objectives are to catalyse business formalisation, scaling, and innovation; create jobs and increase incomes; enhance environmental sustainability; link grantees to financial service providers for follow-on finance; and generate evidence for policy advocacy and market replication.

FSDT therefore seeks a qualified consulting firm to operationalise and administer the IGF over 12 months (March 2026–March 2027), ensuring transparent and efficient implementation in line with EU visibility, financial inclusion, and sustainability standards.

3. Overall Objective of the assignment

To manage the IGF, disbursing grants to 154 eligible MSMEs while fostering linkages to finance (credit), rigorous performance tracking including business growth, job creation, environmental benefits, and additional funding unlocked from financial service providers and other sources, and sector-wide knowledge sharing for inclusive, climate-resilient growth.

Specific Objective of the assignment

1. Develop and implement operational systems for grant solicitation, evaluation, and disbursement.
2. Facilitate MSME-FSP linkages to enable credit access and blended finance.
3. Conduct monitoring, evaluation, and performance tracking in collaboration with FSPs.
4. Capture and disseminate knowledge on grant impacts to inform scaling and policy.

4. Task and Responsibilities of the Grant Manager

a. Fund Operationalization, Outreach, and Pipeline Development

- Review and refine the IGF operational manual, including investment policy, application templates, scoring criteria, due diligence checklists, and grant agreements.
- In collaboration with the Communication team, design an outreach strategy targeting 500+ potential applicants via multiple channels, including Enterprise Support Organizations, women- and youth-focused business networks, and associations in mainland Tanzania and Zanzibar.
- Launch call for applications, targeting 154 awards of (Euro 5,000 to Euro 10,000 each)

b. Grant Evaluation, Administration, and Disbursement

- Supervise the screening of applications and perform due diligence through mandatory in-person assessments for shortlisted applicants.

- Convene the Investment Committee (including FSDT, FSP representatives, and sector experts) for transparent review and approval of the grant applications.
- Disburse grants in tranches in line with the conditions of the approval as stipulated in the grant offer letter, with capacity-building support and linkage to financial service providers for access to credit.
- Ensure the majority of awards go to women- and youth-led MSMEs in priority sectors with an indicative with geographic balance, targeting approximately 80% Mainland Tanzania and 20% Zanzibar, subject to quality of applications and pipeline availability

c. MSME-FSP Linkages and Blended Finance

- Facilitate partnership with 5–10 FSPs to co-develop credit products tailored for IGF grantees (e.g., low-collateral loans post-grant).
- Facilitate matchmaking events (3–4 workshops) and referral pipelines, aiming to ensure 50% of grantees access follow-on credit products.
- Work with contracted of up to three Business Development Service Providers to provide technical support and business support to grantees on credit readiness, including financial modelling and collateral alternatives.

d. Performance Tracking, Monitoring, and Evaluation

- Implement a Monitoring and Evaluation framework (e.g., digital dashboard for KPIs: jobs created, revenue growth, CO2 reduction, credit uptake).
- Collaborate with FSPs for joint tracking (e.g., shared data on loan performance, using tools like mobile surveys).
- Conduct mid-term and end-line evaluations, with gender-disaggregated impact analysis.
- Ensure compliance with EU reporting (quarterly financials, annual impact and financial reports).

e. Knowledge Sharing and Reporting

- Produce knowledge products (case studies, sector reports on climate-smart MSME financing).
- Organize dissemination events (e.g., webinars and stakeholder learning forums).
- Contribute to FSDT's evidence base for policy advocacy (e.g., inputs to BoT on MSME finance).

f. Compliance, Risk, and Fiduciary Duties

- *Maintain continuous compliance* with Investment Policy, FSDT policies, and applicable laws (Business Registration and Licensing Agency, Tanzania Revenue Authority, Bank of Tanzania); implement robust anti-money laundering, countering the financing of terrorism, and know-your-customer processes; ensure accurate tax filings and withholdings.
- *Manage risks*: investment risk (concentration, sector, execution), operational risk (keyperson, processes), and compliance risk; keep the Investment Committee and FSDT management informed via risk dashboards where appropriate.
- Uphold fiduciary standards: transparent and documented.

g. Impact, Environmental, Social, Inclusivity Outcomes

- Deliver on impact priorities: measurable outcomes for small and medium enterprises, women, and youth (for example, quality jobs created, percentage of women and youth employment and leadership, small and medium enterprise revenue growth and formalization, financial inclusion reach) with clear key performance indicators and baselines.
- Integrate Environmental and Social risk management into screening, diligence, and monitoring; address material risks and improvement plan at the portfolio level.
- Utilize Business Development Services strategically to enhance impact and commercial performance.

5. Indicative fund terms, fee structure, and Timing

a. Term, investment period, and extensions

- Grant Fund term: Up to 15 months, comprising 12 months of active implementation and disbursement, with up to 3 months for close-out, monitoring, evaluation, and final reporting, subject to FSDT approval and within the overall grant agreement duration.
- Geographic allocation: Tanzania mainland and Zanzibar
- Instrument scope: as per design (Capital Grants, Operating Grants).

b. Fund manager's fees and expenses

- Fund set-up and management costs: A maximum envelope of Tanzania Shillings 450,000,000 is available for the reimbursement of fund management costs for the grant fund's life.

c. Timing

The expected duration for completing the assignment is 15 months.

1. Annexes

- Annex A: Eligibility Checklist
- Annex B: Evaluation and Selection
- Annex C: Technical Proposal Scoring Grid
- Annex D: Proposal Submission Instructions
- Checklist

Annex A: Eligibility Checklist

The following eligibility criteria establish the minimum requirements that applicants must meet to be considered for further evaluation. These criteria ensure that only qualified Grant managers advance to the next stage of the selection process. Applicants are required to certify that they meet each criterion listed below, and, where applicable, provide supporting documentation demonstrating compliance.

- Registered with the Business Registrations and Licensing Agency (BRELA) with a business licence to operate in Tanzania, along with a Tax clearance to operate in Tanzania
- Prior Grant Management experience: at least Tanzanian Shilling 10 Billion
- Key-person availability should be over 70% for this fund
- Prior Grant Management experience: 3+ investments in the African region, with at least 2 in Tanzania or East Africa
- No disqualifiers: sanctions, adverse regulatory findings, court disputes, unremedied audit qualifications, or material conflicts

Annex B: Proposal Submission Instructions

Proposal content

Proposals should be 15 pages or fewer (excluding the appendix) and should be written in English. They should include the following elements:

- Contact information of the bidder, including name, title, organization, mailing address, phone number and e-mail address
 - Details of your organization, including name of contracting entity and legal status, ownership and regulatory authorizations
 - An overview of strategy fit, team, your track record in grant's fund management and enterprise capacity building provision
 - An overview of how you would approach the engagement and implement the expected tasks and responsibilities outlined in the ToR
 - Timeline and key milestones
 - Financial offer, ensuring compliance with the indicative fee structures given in part 3.2 of the ToR
 - In the appendix, please include:
 - Eligibility attestation of the eligibility items in Annex A
 - Supporting documentation demonstrating compliance with the eligibility checklist
 - Resumes of all key members of the proposed team, indicating proposed role and responsibilities
 - Your standard due diligence questionnaire/ documents for assessing grants applicants' investment cases.
 - Overview of your organization's key compliance policies and procedures
 - Overview of past grant fund/investment-related track record
 - Description of relationships with investors or other stakeholders that could be leveraged for the engagement
 - At least two references consenting to being contacted
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- The preferred bidder will be selected based on presenting the most economically advantageous tender. This means that bidders will be evaluated on technical and financial criteria. The ratio between technical and financial scores will be 80/20 in this case.
 - The technical component of each proposal will be scored first using a grid that assesses several key attributes. This is set out below.

Financial Proposal

- This will be a reimbursable fee contract up to a maximum financial limit. Financial proposals should be quoted in US dollars. FSDT requires a detailed and transparent budget breakdown in which all line items are clearly specified.
- Financial proposals should be in Tanzanian Shillings and must be submitted electronically **separately** from the technical proposal.

- Provide a daily rate for work within Dar es Salaam for the main consultant and potential co-facilitators.
- 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 costs for coming to Tanzania and travelling out of Tanzania.

Financial proposals should be in this format:

Detail/Item	Rate (TZS)	Total (TZS)

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.

Submission of Bids

The deadline for submission of the proposal documents is 5 pm, 19th January 2026.

Any queries relating to these ToRs should be submitted in writing to FSDT under the following address, all questions and answers will be shared with all short-listed bidders. The deadline for any queries is two days before the tender submission deadline.

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

Annex C: Technical Proposal Scoring Grid

Review all submitted proposals (technical and financial) and score them using the following table.

Criterion	Description & Link to Scope	Max Score
1. Relevant Experience	Demonstrated track record in managing EU/donor-funded grant facilities (≥EUR 500k) in Tanzania/East Africa, with focus on MSME/women/youth/climate sectors. Prior success in full grant cycles (design to close-out).	25
2. Technical Approach and Methodology	Quality of proposed methods for scope phases: e.g., outreach campaigns, due diligence, M&E frameworks, EU compliance. Innovation in digital tools, gender/youth focus, and risk mitigation.	25
3. Team Composition and Expertise	Qualifications of key staff (e.g., Team Leader: 10+ yrs grant mgmt; specialists in M&E/finance/outreach). Gender balance, local knowledge (Tanzania/Zanzibar networks).	15
4. Work Plan and Timeline	Realistic, phased plan matching 18-month timeline (e.g., Q1 design, Q2 calls). Resource allocation, milestones, contingency for delays.	10
5. Understanding of Context and Risks	Grasp of Tanzanian MSME ecosystem, financial inclusion barriers, climate sectors, EU visibility rules. Risk assessment (e.g., low applications, fraud) with mitigation.	5
Technical Subtotal	-	80
6. Financial Proposal	Cost-effectiveness (value for money): reasonableness of budget, breakdown (staff, travel, overheads), alignment with scope. Scored post-technical: (Lowest responsive bid / Bidder's bid) × 20.	20

- For the technical proposal to be considered further, a minimum technical score of 70 out of 100 is required. Only financial proposals from bidders scoring at least that level will be evaluated.
- The total financial cost in TZS will be weighted according to the formula:
 - $(\text{Lowest total financial cost} / \text{Bidder's total financial cost}) \times 0.2$
 - Total technical marks are 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.

Annex D: Other Matters

Confidentiality

All information contained in the terms of reference and attachments is provided on a strictly confidential basis solely for the use of Tenderers in connection with a competition for the supply of services for the above contract. 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 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 disputes. FSDT reserves the right to reject any tender which, in its opinion, gives rise to, or could potentially give rise to, a conflict of interest.

Taxation

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