

Terms of Reference (ToR)

1. Assignment Background & Objective

Rwanda aspires to become a high-income country by 2050, as articulated in Vision 2050, the current national development strategy. Such rapid structural transformation and economic growth will require innovation as a key driver and enabler of that ambitious growth. As a result, building an innovation-led economy and fostering an effective national innovation system are top priorities for the Government of Rwanda (GoR), as highlighted in numerous national strategic plans including the National Strategy for Transformation and the ICT Hub Strategy.

While Rwanda is already viewed as a leader in public innovation and digital infrastructure, private-sector-led innovation remains nascent, with few successful digital startups attracting investment and achieving scale. A key constraint to the development of a vibrant pipeline of high-quality startups, and thus a potential enabler, is the limited scale and capability of domestic startup incubators, accelerators, and other entrepreneurial support organizations (ESOs). A study of the Rwandan entrepreneurial ecosystem by Swiss Contact found duplication of ESO services, limited specialization and impact to entrepreneurs, and limited opportunities for ESOs to expand and improve. Such enabling “soft infrastructure” for innovation entrepreneurs can increase access to skills, technology, talent, and capital, all fundamental building blocks of successful startups.

The World Bank (WB) has partnered with the GoR to achieve its innovation objectives in launching the Rwanda Digital Acceleration Project, a five-year program to increase access to broadband, select digital public services and strengthen the digital innovation ecosystem. In particular, the project components on digital innovation and entrepreneurship, which are private-sector focused, aim to develop a thriving ecosystem and support infrastructure for startups in order to increase the density and caliber of local and foreign startups as well attract high-performing startups from the region to position Rwanda as a pan-African hub.

Through the Digital Acceleration Project, the WB and GoR will create and capitalize a pool of performance-based grants for ESOs to grow and provide enhanced services. The consultant will support the broader market development of the ESO ecosystem by assessing needs to inform the program design of the performance-based grants for ESOs.

Thus the primary objectives of this consultancy are to 1) conduct a comprehensive market assessment to inform the ESO performance grant design and implementation proposed under the Project 2) design input for Request for Proposal documentation and required project manuals to assist the GoR to procure a consultancy to design and manage the performance-based grant program for ESOs 3) design input for Request for Proposal documentation and required project manuals to assist the GoR to procure a world-class international accelerator program in Rwanda.

2. Scope of Work & Expected Deliverables

The consultant will be responsible for the following key deliverables:

- **Conducting a comprehensive market assessment of the ESO ecosystem for the ESO performance-based grant program, including:**

- Conduct a market assessment of the ESO landscape building on, rather than replicating, existing ecosystem mappings, and fill gaps as needed. Specifically, the assessment should assess challenges and gaps ESOs face in increasing the density and caliber of startups
- Identifying strategic areas and specific interventions for improvement, funding priorities with a high potential for impact in building the ecosystem
- The market assessment should also be presented in some form to the ESO ecosystem to build community and common understanding, and related stakeholder consultations should be documented.
- Building on the above assessment, develop design and content recommendations for a **diagnostic tool to assess ESOs capabilities**, focusing on key categories critical to their long-term success, including operational management, strategy, business strategy, impact etc. This will be leveraged for project implementation by the GoR and future consultancies as part of the performance enhancement program for ESOs.
- Provide **recommendations on the design of an ESO performance-based grant program** leveraging the assessment of the ecosystem and proposed areas of intervention, including weighing options where available and applicable:
 - The recommendations will need to take into account; a) the local context, market size, country ambitions and gaps identified in the assessment; b) current-state of ESOs and potential programs, including support for ESOs' transition from the current-state to their desired state; c) sustainability of the program beyond the funding of the WB project; d) potential synergies for the grant program with other existing support for ESOs; e) opportunities for shared infrastructure across ESOs to enhance service quality and operations
 - Recommendations should also focus on key design parameters of the grant program – including mandate, grant sizes, focus areas of support, structure of support, roles and responsibilities and M&E framework for the Government of Rwanda and potential implementation partners for the program
- **Developing key inputs to assist the GoR to develop comprehensive requests-for-proposals (RFPs), including terms of reference, deliverables, qualification needs, in order** for the GoR to :
 - procure a consultancy to design and manage the **performance-based grant program for ESOs** to be supported by the Digital Acceleration Project.
 - attract and procure **world-class accelerator programs in Rwanda**. The final materials should include clear terms of reference for accelerator programs, including key milestones and performance indicators.¹
- **Developing other required inputs for the Project Operation Manual (POM)** of the Digital Acceleration Project in respect to related activities for ESO support (e.g., implementation arrangements, M&E framework, budget)

3. Schedule of Completion of Tasks

The consultancy is expected to span a period of 12 weeks. The following schedule of deliverables will be the expected, unless otherwise agreed with the consultant:

- Within 2 weeks of start - inception report with agreed scope, approach, and timeline

¹ Note that the consultancy firm will not be eligible to apply for the same tender to deliver the accelerator program.

- Within 6 weeks of start - first interim report assessing the ESO ecosystem and first draft of the diagnostic tool
- Within 10 weeks of start - second interim report with draft recommendations and diagnostic tool including stakeholder feedback from the ecosystem
- Within 12 weeks of start - final report covering the full ESO ecosystem assessment, feasibility study of a grant program, and inputs to the RfP package to competitively procure a world-class accelerator program and the consultancy to design and manage the performance-based grant program, including detailed input for the POM.

4. Procedures for Reporting

The consultant will submit all reports and deliverables to the Head of Single Project Implementation Unit at Rwanda Information Society Authority. As requested, the consultant may also be responsible for presenting to a team including Kigali Innovation City, Rwanda Information Society Authority, the Ministry of ICT and Innovation, the Rwanda Development Board, ICT Chamber and other relevant stakeholders.

5. Location

The consultancy must be available to work in Rwanda (e.g. through in-field missions). However, given the status of travel, due to Covid-19, part of the assignment can be delivered remotely (e.g. the stakeholders consultations). Collaboration with local experts and having at least one expert to be based in Rwanda for the duration of the assignment, is strongly requested (see section 8), as this will also facilitate collection of requisite inputs, knowledge of local context and support knowledge transfer.

6. Qualifications

The consulting firm or consulting consortium must exhibit: (a) the capacity to evaluate the local entrepreneurial support ecosystem and develop both an assessment and diagnostic tool; (b) local knowledge of the ecosystem in Rwanda and its needs; (c) the ability to deliver the procurement packages required for project implementation and other deliverables expected.

The consultant should demonstrate the following specific experience and qualifications:

- Experience in designing, providing advisory services to, or managing a grant portfolio, preferably to accelerators, incubators, or other ESOs, or comparable experience.
- Experience in evaluating entrepreneurial support ecosystems and general experience, competence, and qualifications with startups, Venture Capital (VC)/ Private Equity (PE), acceleration/incubation, or innovation ecosystems.
- Experience working with incubators, accelerators, and related hubs in an advisory and/or operational capacity.
- Experience operating in and analytical knowledge of emerging markets, including East Africa, and strong local presence, connections, and understanding of Rwanda is preferred.
- At least one team member must demonstrate experience in the Rwandan ecosystem

- Significant prior exposure and ability to connect to a network of key industry players, including startups, incubators, accelerators, VC/PE investors, and other entrepreneurial/innovation organizations.

7. Required Team Staffing & Qualifications

The consulting firm must provide a staffing plan with names, roles, and CVs for the core project team as part of the proposal. It is envisioned that the core project team will consist of a qualified Team Leader and 1 team member. Consultant will provide any additional staff deemed necessary to deliver the assignment. All team members must be fluent in English.

Key Position	Professional Experience	Qualifications
(1) Team Leader, or equivalent	Min. 10 years experience in management/strategy consulting, principal investing, or business operations with startups or incubators Led 3+ similar prior assignments as a Team Leader or equivalent Demonstrated experience with startups, VC/PE, incubators/accelerators, or innovation ecosystems	Master's degree (or equivalent) in Business Administration, Economics, Development Studies, Commerce, Science/Technology, or other relevant fields is preferable
(1) Ecosystem & Startup Specialist	Min. 5 years experience working with innovation ecosystems, incubators/accelerators, or startups Strong analytical skills and demonstrated experience in gathering data, conducting outreach and interviews, and researching trends Demonstrated experience in mapping new markets, evaluating business performance, and supporting startups or incubators/accelerators	Bachelor's degree (or equivalent) in Business Administration, Economics, Development Studies, Commerce, Science/Technology, or other relevant fields

8. Client's Obligation

The Client will cooperate fully with Consulting Firm and provide a focal point to facilitate necessary introductions to stakeholders, provide available documentation, data, and reports and provide timely feedback on deliverables.