



**COUNTRY: KENYA**

**PROJECT: KENYA DIGITAL ECONOMY ACCELERATION PROJECT (KDEAP)**

**IMPLEMENTING AGENCY: Information and Communications Technology Authority (ICTA)**

**PROJECT ID: P170941; Credit Numbers 7289-KE and 7290-KE**

**TERMS OF REFERENCE FOR:**

**REQUEST FOR EXPRESSION OF INTEREST FOR**

**CONSULTANCY SERVICES FOR DEVELOPMENT OF A DIGITAL SERVICES EXPORT STRATEGY**

**Contract No: KE-ICTA-422440-CS-QCBS**

**Issue Date: 15<sup>th</sup> October 2024**

**Closing Date: 31<sup>st</sup> October 2024 at 1000Hrs East African Time**

**Client:**

The Chief Executive Officer,

ICT Authority

Telposta Towers 12<sup>th</sup> Floor, Kenyatta Ave

PO Box 27150 - 00100 Nairobi Kenya

Tel: +254 20 2089061/ 2211960 Fax: +254 20 2211960

Email: [procurement@ict.go.ke](mailto:procurement@ict.go.ke) , [info@icta.go.ke](mailto:info@icta.go.ke)

Website: [www.icta.go.ke](http://www.icta.go.ke)

## 1. Background

The Government of the Republic of Kenya (GoK) has received credit financing in the amount equivalent to US\$390 Million from the World Bank towards the cost of the first phase of the Kenya Digital Economy Acceleration Project (thereafter “Project”)<sup>1</sup> and intends to apply part of the proceeds to pay for goods, works, non-consulting services and consulting services to be procured under the Project.

The project includes the following components.

**Component 1: Digital Infrastructure and Access.** The aim of this component is to increase access to high-speed internet for individuals, industry, and government—the ‘foundation of the foundations’ of a digital economy—and strengthen Kenya’s role as regional digital leader, while leveraging investments from the private sector.

**Component 2. Digital Government and Services.** This component will invest in the foundational digital services, platforms, architectures, and policies needed to transform the way the Government communicates and conducts its internal operations.

**Component 3. Digital Skills and Markets.** This component aims to equip young Kenyans with digital skills and strengthen their abilities to access and compete in domestic and regional markets, to study mechanisms to improve access to affordable devices and through enhancing the enabling environment for e-commerce to support Kenya’s role as a regional digital hub.

**Component 4. Project Management.** This component will support project implementation, coordination, and capacity building for the Project Implementation Unit (PIU) within the Information and Communications Technology Authority (ICTA).

**Component 5: Contingent Emergency Response Component.** This component will be activated in the event of an emergency.

A key aspect of this project is to position Kenya as a regional digital hub for software development and promotion of digital content, leveraging the Integrated National Export Development and Promotion Strategy (INEDPS) and the ICT Master Plan, which seek to position Kenya as a Regional Centre of excellence for digital innovation and digital services exports. To achieve this, a number of activities are envisioned including development of a digital services export strategy (this assignment), training and mentoring in digital service delivery and digital content promotion, and improvement of the legal environment for digital services.

Through this project, GoK through, Ministry of Investment, Trade and Industry; State Department for Trade intends to apply a portion of the proceeds of the Credit to support the development of digital service exports as part of ICT and digital economy development, and further as part of an export-led development strategy, as part of the objective of transforming Kenya into a services export economy.

---

<sup>1</sup> More information about the program, including the program information document, can be found at: <https://projects.worldbank.org/en/projects-operations/project-detail/P170941>.

## 2.0 Objectives of the Assignment

The objectives of the assignment are to:

1. Assist the Government to develop a Digital Services Export Strategy that identifies priority markets and services Kenya should focus on to enhance digital services. This includes target sectors and markets, and strategic enablers.
2. Propose strategies that will boost the competitiveness of Kenya's digital services sector and promote the growth of the country's digital services exports by identifying enablers that will make Kenya's service sector more competitive on a global level and position Kenya as a reliable and attractive destination for digital services outsourcing, as well as identifying any barriers that may be preventing this from happening.
3. Open new markets through strategic partnerships with selected countries to boost digital services and trade exports to those countries.

### 3.0 Scope of the services and specific tasks of the assignment

#### 3.1 Scope of services

The scope of services to be undertaken by the project shall be pegged on the requirements of the Country's digital services exports sector covering: i) description of the structure of the sector; ii) identifying the main stakeholders in the sector; iii) analysing the current and required level of infrastructure development and access; and iv) identifying the digital skills sets required for further development within the sector.

This will be done through analysing the sector needs and aligning them to the regional and global best practices through a digital services export strategy that will provide a roadmap towards attaining sustained performance and growth in the digital services exports space.

The Strategy will also outline recommendations which the country can draw upon to address some of the challenges that befall the sector, thus providing an avenue through which stakeholders and agencies within the sector can bridge the divide in the digital services exports sector. This will in turn contribute to the overall performance and growth of the sector and the country's balance of payments.

#### 3.2 Specific Tasks

The consulting firm will undertake the following tasks:

- a. Conduct a thorough analysis of the current state of Kenya's digital service export capabilities and global digital service export trends

The consulting firm will conduct an in-depth examination and current state assessment of Kenya's current capacity to export digital services. Where possible this will include assembling a data series from reliable sources, such as ITU, GSMA, UNCTAD and WTO.

- b. Undertake a benchmarking exercise to understand and draw inspiration from global best practices

The consulting firm should, through systematic benchmarking, assess the successes and challenges faced by leading nations in the realm of digital service exports. The firm shall agree the list of countries for case studies beforehand (up to four maximum), with the client. It is anticipated that the benchmarking exercise shall be based on desk research and should not require any additional travel on the part of the consultant.

c. Identify and prioritize target sectors for digital services export growth

Following the current state assessment, the consulting firm is expected to conduct a thorough analysis to identify and prioritize those sectors, and digital activities, with high potential for increasing digital service exports from Kenya. Following an initial scan of around 10-15 sectors and digital activities, the top 3-5 should be selected for an in-depth analysis, based on Kenya's perceived strengths in the digital field.

d. Map demand for digital services geographically to identify market with high-potential for purchasing Kenya's digital exports

The firm will undertake a rigorous geographical mapping exercise that involves a systematic analysis of global markets to identify regions with high demand for the specific digital services that Kenya intends to export.

e. Develop the strategic framework

The consulting firm will identify the key enablers or pillars of the digital service export strategy as well as proposing means for overcoming barriers.

f. Formulate a comprehensive Digital Services Export Strategy

The core deliverable is the development of a Digital Services Export Strategy. This should cover a time horizon to be agreed with the client, such as the next 5-10 years.

g. Develop a Digital Strategy Execution Roadmap

This document should outline the next steps to execute the strategy. It should include a plan to execute targeted strategic activities that will enhance Kenya's digital service exports in the short and medium terms, with clearly delineated target outcomes.

h. Propose strategic partnerships with selected countries and partners

The consulting firm is tasked with pinpointing a small number of countries for targeted partnerships aimed at fortifying Kenya's digital services exports to these regions.

i. Develop a methodology for, research, analyse and publication of a digital services export scorecard, which will track issues which need to be monitored over time, based on the key success factors required to implement a digital services strategy.

#### 4.0 Duration and Location of the Assignments sent

The assignment shall be for **Nine (9)** calendar months from the contract commencement date. The assignment will cover services in the 47 counties of Kenya, where concentration will be on cities, municipalities, towns and urban centres as digital services growth sites.

## 5.0 Reporting Requirements and Timelines

The consultant shall submit the following reports shown in Table 1 over the duration of the project.

**Table 1: Reporting requirements and timelines for deliverables/reports based on the specific tasks in 4.1 above**

No.	Outputs/Deliverables	Description of Outputs/Deliverables	Timelines for submission of deliverable	Number and format of reports presentation
1.	Inception report & slide deck: <ol style="list-style-type: none"> <li>i. Analysis Report</li> <li>ii. Benchmarking Report</li> <li>iii. Report on high potential sectors and activities to aid digital services exports growth</li> </ol>	In-depth examination and current state assessment of Kenya's current capacity to export digital services. Overview of successes and challenges faced by leading nations in the realm of digital service exports.  Overview of Identification and prioritization of sectors, and digital activities, with high potential for increasing digital service exports from Kenya	1 Month	2 hard copies and 1 soft copy
2.	First Progress Report: <ol style="list-style-type: none"> <li>i. Report on global markets with high demand for the specific digital services that Kenya intends to export</li> <li>ii. Report on key enablers and pillars of the digital service export strategy</li> </ol>	<ul style="list-style-type: none"> <li>• Identification of regions with high demand for the specific digital services that Kenya intends to export</li> <li>• Identification of key enablers or pillars of the digital service export strategy and proposal of means for overcoming barriers.</li> </ul>	4 Month	2 hard copies and 1 soft copy

3.	Second Progress Report: <ul style="list-style-type: none"> <li>i. Digital Services Export Strategy</li> <li>ii. Digital Strategy Execution Plan</li> <li>iii. Report on countries targeted for partnerships aimed at fortifying Kenya's digital services exports</li> <li>iv. Digital services exports scorecard</li> </ul>	<ul style="list-style-type: none"> <li>• Digital Services Export Strategy with clear timelines,</li> <li>• Detailing of countries for targeted partnerships aimed at fortifying Kenya's digital services exports to these regions</li> <li>• Tracking of issues relating to the implementation of activities outlined in the digital services exports strategy.</li> </ul>	7 <sup>th</sup> month	2 hard copies and 1 soft copy
4.	Draft Final Report	<ul style="list-style-type: none"> <li>• Deliverables drawn from 1,2 and 3 above</li> </ul>	8 <sup>th</sup> Month	2 hard copies and 1 soft copy
5.	Final Report and a Slide Deck (Validated Digital Services Export Strategy)	<ul style="list-style-type: none"> <li>• Validated Digital Services Export Strategy)</li> </ul>	9 <sup>th</sup> Month	2 hard copies and 1 soft copy

All draft and final reports (1 original hard copy and 1 hard copy and a digital copy) shall be submitted in the prescribed format to:

The Chief Executive Officer,  
ICT Authority  
Telposta Towers 12<sup>th</sup> Floor, Kenyatta Ave  
PO Box 27150 - 00100  
Nairobi Kenya  
Tel: +254 20 2089061/ 2211960 Fax: +254 20 2211960  
Email: [procurement@ict.go.ke](mailto:procurement@ict.go.ke) , [info@icta.go.ke](mailto:info@icta.go.ke)  
Website: [www.icta.go.ke](http://www.icta.go.ke)

Attention:  
The Project Coordinator  
KDEAP

A similar package of hard and soft copies should be provided to the address below:

**The Principal Secretary**  
 Ministry of Investment, Trade and Industry  
 State Department for Trade  
 P. O. Box 30430, 00100, Nairobi Kenya  
 Email: psfortrade@gmail.com  
 Tel: +254-(0)20-3315001/2-4

Upon submission of every report, the consultant is expected to make a presentation of the submitted report to the Client in a scheduled meeting. The acceptance of the report shall be recorded in the minutes of the meeting.

## 6.0 Payment Schedule

The proposed payment schedules based on satisfactory performance of the contract which will be negotiated with the successful consultant will be as presented in Table 2 below.

**Table 2: Proposed payment schedule**

S/No.	Deliverables	Timelines after contract commencement	Percentage of the contract amount
1.	Submission and Acceptance of Inception report & slide deck	1 Month	10%
2.	Submission of First Progress Report	4 Month	15%
3.	Submission of Second Progress Report	7 Month	15%
4.	Submission of Draft Final Report	8 Month	30%
5.	Submission & Acceptance of Final Report and a Slide Deck	9 Month	30%

## 7.0 Minimum requirements for consultant's qualifications and experience

The shortlisting criteria for the Consulting Firm will involve the following:

- a) **Core business and years in business:** The firm shall be registered/incorporated as a consulting firm with core business in providing consulting services in telecoms, e-commerce, digital trade advisory and research or related services for a period of at least five (5) years.
- b) **Relevant experience:** The firm shall demonstrate as having successfully executed and completed at least two (2) assignments in reviewing and advising on laws, regulations and policy environments concerning the Digital Economy, e-Commerce, Digital Trade or ICT sector in the last five (5) years. Details of the assignments (name and address of the client, scope, value, and period) should be provided.

- c) **Technical and managerial capability of the firm:** The firm shall demonstrate having the requisite technical and managerial capacity to undertake the assignment (attach company profile).

## 8.0 Team composition and minimum qualification and experience requirements for the key experts

The Consultants shall demonstrate having well qualified and experienced professionals as required and appropriate for execution of the assignment. The Consultants will be required to have a multi-disciplinary team including legal, policy and regulatory experts and economists. They should possess necessary resources to undertake services of such nature including equipment and software required to execute the assignment. The key professionals/expert shall personally carry out (with assistance of other non-key experts and staff deemed appropriate) the services as described in this TOR. The key experts to be provided by the Consultants for this assignment are as follows:

**Table 3: Team composition and minimum qualification and experience requirements for key experts**

No.	Key Experts
1.	<p><b>2.1 Team Leader (1 No.)</b></p> <ul style="list-style-type: none"> <li>i. Minimum of a Master's degree in Digital Technologies / Economics/Commerce/or related business degree from a recognized University.</li> <li>ii. At least eight (8) years demonstrable experience providing advisory/consultancy services preferably on Telecoms, Digital Access Advisory and Research projects.</li> <li>iii. Three (3) year experience in developing cost models.</li> </ul>
2.	<p><b>2.2 Researchers (2 No.)</b></p> <ul style="list-style-type: none"> <li>i. Minimum of a Bachelor's degree in Economics/Commerce/related business degree from a recognized University.</li> <li>ii. At least eight (8) years demonstrable experience providing advisory/consultancy services preferably on Telecoms, Digital Access Advisory and Research projects.</li> <li>iii. Three (3) year experience in developing cost models.</li> </ul> <p><b>2.3 ICT/E-Commerce/Digital Trade/Trade Law Expert (1No.)</b></p> <ul style="list-style-type: none"> <li>i. Minimum of a Bachelor's degree in Economics/Commerce/related business degree from a recognized University.</li> <li>ii. At least eight (8) years demonstrable experience providing advisory/consultancy services preferably on Telecoms, Digital Access Advisory and Research projects.</li> <li>iii. Three (3) year experience in developing cost models.</li> </ul> <p><b>2.4 Strategic planning expert (1No.)</b></p> <ul style="list-style-type: none"> <li>i. Minimum of a Bachelor's degree in Economics/Commerce/related business degree from a recognized University.</li> <li>ii. At least eight (8) years demonstrable experience providing advisory/consultancy services preferably on Telecoms, Digital Access Advisory and Research projects.</li> <li>iii. Three (3) year experience in developing cost models.</li> </ul>



	<p><b>2.5 Legal expert (1No.)</b></p> <p>i. Minimum of a Bachelors Law degree from a recognized University</p> <p>ii. At least eight (8) years demonstrable experience providing advisory/consultancy services preferably on Telecoms, Digital Access Advisory and Research projects.</p> <p>iii. Three (3) year experience in developing cost models.</p>
--	--

## 9.0 Estimated time inputs for key experts

The number of key experts and the estimated time input for each key expert for the assignment are presented in Table 3.

**Table 4: Estimated Time Inputs for Key Experts**

S/No	Key and support Staff	No	Estimated Time Input (months)
1.	Team Leader/Principal consultant	1	9
2.	Researchers	2	8
3.	Digital Economy/E - Commerce/Digital Trade/ICT services experts	1	9
4.	Strategic Planning Expert	1	5
5.	Legal Expert	1	3
Total		7	34

## 10. Responsibilities of the client

The consultant shall be contracted by the ICTA on behalf of the Ministry. The consultant must ensure that the tasks identified above are performed in a participatory and result-oriented manner with the sole objective of achieving outputs and outcomes expected from the assignment as has been described in the details above. The consultancy is encouraged to utilize local expertise as appropriate.

The Ministry shall provide the following to the best of its ability:

- 1) Available Data, studies and literature considered relevant for accomplishing identified tasks;
- 2) Access to key officials within the relevant Ministries and other relevant official entities, including operators, regulators and/or any others as applicable;
- 3) Help convene key stakeholders and support cooperation with the Government of Kenya and other organizations whose activities and programs may be considered relevant to this project, to enable the consultants to have access to the information necessary to carry out their work program;
- 4) Provide timely feedback on deliverables.

## 11.0. Responsibilities of the Consultant

The consultant must ensure that the tasks identified above are performed in a participatory and result-oriented manner with the sole objective of achieving outputs

and outcomes expected from the assignment as described in the details above. The consultancy is encouraged to utilize local expertise where appropriate.

Further, the Consultant shall be responsible for the provision of all the necessary resources to carry out the services that include national travel, project transportation for visits to counties, subsistence allowances, accommodation, information technology, means for communications, reporting materials, insurance, and any other required resources. The consultant is expected to undertake activities that will ensure the outputs are consistent with the professional and legal requirements. All outputs will be presented using modern techniques/technology. It's also a requirement that the data is generated through a consultative process that guarantees authenticity and ownership.