



Empowered lives.  
Resilient nations.

## TERMS OF REFERENCE (TOR)

ETHIOPIA

### GENERAL INFORMATION

**Services/Work Description:** International Firm Level Consultancy for Fund Structuring Advisor, timbuktoo  
**Project/Program Title:** Regional Programme  
**Duty Station:** Home based  
**Type of the Contract:** [International Consultancy Firm](#)  
**Duration:** 12 months  
**Expected Start Date:** Immediately after Signing the Contract

### I. BACKGROUND / RATIONALE

The Regional Programme contributes to the UNDP Strategic Plan by focusing on three outcome areas: African Union and Regional Economic Communities (RECs) deliver on their mandate, especially cross-cutting issues related to resilience building (contributing to the Strategic Plan Outcome 2); Regional growth is inclusive, transformational and sustainable with reduced economic inequalities, and characterized by structural transformation (contributing to the Strategic Plan Outcome 2); and Regional institutions sustain peace and build resilience to crises and shocks (contributing to the Strategic Plan Outcome 3).

The UNDP Regional Bureau for Africa has launched an exciting major new initiative in 2021, **timbuktoo**, aimed at galvanizing African youth as entrepreneurs, innovators, and problem solvers.

Linked to UNDP's Regional Service Center for Africa and the UNDP Accelerator Lab initiative, TIMBUKTOO will be an explosive new entrant into UNDP Africa's ambition to transform the African continent by harnessing on the African people themselves, particularly its ambitious, vibrant, youth, as the key to its development and path out of poverty.

TIMBUKTOO will be a multi-pronged initiative, focused on supporting and growing innovative, scalable, and impactful entrepreneurship by African young people, while relying on a springboard of partners who together contribute meaningfully to building an African youth innovation and startup ecosystem. The TIMBUKTOO approach will be anchored in seeking, nurturing, and building African solutions forwarded by Africa's youth that directly address one or more of the seventeen Sustainable Development Goals (SDGs).

Through TIMBUKTOO, Africa's youth will be mobilized to solve pressing problems of the day, from hunger, to education, to governance, to corruption, to gender equality, to universal health, and much more. TIMBUKTOO is premised on the fact that a global startup revolution is under way and that there is no place on earth that has a monopoly of good ideas. The only difference between where innovation thrives and leads to transformational outcomes and where ideas wither and die is the fertile ground on which ideas fall. That fertile ground is the startup ecosystem, which encompasses support organizations, business services, conducive policies, and different levels and types of financing. Put together, this startup ecosystem can deliver powerful results, creating jobs, transforming livelihoods, and fostering wealth.

TIMBUKTOO will be established by the United Nations Development Programme's Regional Bureau for Africa, functioning as a public-private consortium to raise and invest USD 1 billion over 10 years in African innovative youth enterprises, with an innovative blended finance model.

### II. OBJECTIVES OF THE SERVICE / WORK

Working with a consortium of partners, the specific objectives are to:

1. Establish a Parent Fund that would be funded by public-sector Catalyst Partners
2. Establish up to 10 sub-Funds at the Hub level with investment by the Parent Fund and private co-investors
3. Achieve a total fundraising of 1 billion dollars from public and private partners for African youth innovation startup financing

The expected outcomes of the timbuktoo Innovative Financing Facility would be:

1. Support 1,000 startups in 10 years
2. Impact 10 million livelihoods and the environment
3. Create economic value ten-fold to the investment amount

### **III. EXPECTED OUTPUTS / DELIVERABLES**

For a period of twelve months, between October 2021 and September 2022, the firm would:

1. Refine the Parent Fund and Hub Funds Structure and Fund Design
2. Design appropriate institutional framework, including legal, tax, and governance considerations
3. Identify appropriate Parent Fund manager requirements
4. Conduct relevant market research
5. Develop financial modeling and portfolio structuring and forecasting
6. Develop impact modeling and M&E indicators
7. Produce high-level pitch deck and other key fund establishment documents
8. Identify and profile key potential Parent Fund and Hub Fund co-investors
9. Develop and implement fund-raising strategy
10. Assist in investor road shows and responding to investor queries
11. Lead in establishing the Parent Fund and selecting the Parent Fund Manager
12. Lead in establishing up to Hub Venture Funds with initial Parent Fund investment
13. Develop Hub Fund Manager requirements
14. Manage bids and selection of Hub Fund Managers
15. Support oversight of selected Hub Fund Managers

### **IV. METHODOLOGY / APPROACH OF THE SERVICE (WORK)**

The assignment would take place in four phases:

#### **Phase 1. FINE-TUNE CORE PROPOSITION**

- Conduct Situational Analysis on relevant pan-African financing initiatives for startups
- Funding flow review of relevant pan-African financing initiatives for startups
- Review of legal, policy, and regulatory frameworks relevant for timbuktoo
- Detailed elaboration and validation of the timbuktoo model
- Highlight existing opportunities and gaps to inform the setting up of timbuktoo, through detailed market mapping and consultations with key stakeholders
- Creation of a detailed pitch deck
- High Level Version of a work-plan how to develop the target model
- High Level Impact Strategy (Target Metrics)
- Budget estimation for Phases 2-4

#### **Phase 2. STRATEGY & PLANNING**

- Identify relevant funders/investors in the potential Hubs
- Identify relevant other ecosystem stakeholders in the potential Hubs
- High level review of market sizing
- Develop investment strategy (structure, mandate, criteria)
- Determine pipeline development and prioritization
- Develop appropriate institutional framework
- Outline the Parent Fund and Hub Funds Objectives
- Design the Parent Fund and Hub Funds structure and identify pros and cons of the structure
- Define the Parent Fund and Hub Funds parameters
- Develop the Financial Model
- Develop the Impact Model
- Define the M&E approach and operational guidance
- Identify relevant public and private partners
- Assessment of suitable types of investors
- Develop investor lists for both Parent Fund and Hub Funds

- Prepare high-quality pre-roadshow materials
- Develop target investor database for both Parent Fund and Hub Funds
- Prepare detailed investor outreach plan for both Parent Fund and Hub Funds

**Phase 3. PARENT FUND CREATION**

- Identify, setup and host fundraising meetings/events with key anchor investors for the FoF
- Procure soft commitments from Parent Fund anchor investors/partners
- Launch of Parent Fund

**Phase 4. HUB FUNDS CREATION**

- Support Hub Manager Bids and Selection of Hub Managers
- Roadshows & Fundraising for Hub Funds
- Launch Hub Funds

**V. LOCATION, DURATION AND TIMEFRAME OF THE WORK /DELIVERABLES/OUTPUT**

This consultancy assignment will be home-based and for a period of a maximum of twelve months.

**VI. INSTITUTIONAL ARRANGEMENT / REPORTING RELATIONSHIPS**

The firm will be under the overall and direct supervision of the Regional Programme Coordinator but will work closely with the project team at the RSCA. The firm will update and get feedback from the Programme Coordinator on a regular basis and will also be required to report with expected agreed upon outputs.

**VII. PAYMENT MILESTONES AND AUTHORITY**

Installment of Payment/ Period	Deliverables or Documents to be Delivered	Approval should be obtained from:	Percentage of Payment
1 <sup>st</sup> Installment	<ul style="list-style-type: none"> <li>▪ Refine the Parent Fund and Hub Funds Structure and Fund Design</li> <li>▪ Design appropriate institutional framework, including legal, tax, and governance considerations</li> <li>▪ Identify appropriate Parent Fund manager requirements</li> <li>▪ Conduct relevant market research</li> <li>▪ Develop financial modeling and portfolio structuring and forecasting</li> </ul>	UNDP	30%
2 <sup>nd</sup> Installment	<ul style="list-style-type: none"> <li>▪ Develop impact modeling and M&amp;E indicators</li> <li>▪ Produce high-level pitch deck and other key fund establishment documents</li> <li>▪ Identify and profile key potential Parent Fund and Hub Fund co-investors</li> <li>▪ Develop and implement fund-raising strategy</li> <li>▪ Assist in investor road shows and responding to investor queries</li> </ul>	"	30%
3 <sup>rd</sup> Installment	<ul style="list-style-type: none"> <li>▪ Lead in establishing the Parent Fund and selecting the Parent Fund Manager</li> <li>▪ Lead in establishing up to Hub Venture Funds with initial Parent Fund investment</li> <li>▪ Develop Hub Fund Manager requirements</li> <li>▪ Manage bids and selection of Hub Fund Managers</li> <li>▪ Support oversight of selected Hub Fund Managers</li> </ul>	"	40%

## **VIII. MINIMUM ORGANIZATION AND CONSULTANCY TASK FORCE REQUIREMENTS**

### **9.1 Minimum Organization Requirements**

- a. The prospective International Consultancy Firm should have considerable experience and recognized track record in Fund Structuring and Strategy Development, Fundraising Strategy, and Fund Mobilization, with a minimum of 10 years in relevant or related work with reputable clients;
- b. The prospective International Consultancy Firm should have considerable experience working in Africa and have strong demonstrable knowledge of the Venture Capital, Startup Ecosystems, and Investment landscape and key actors in Africa;
- c. The proposed team of experts should have individual and collective expertise and training in Corporate Finance; Business Analysis; Transaction Advisory; Investment Analysis, Investment Law, Tax, and/or related fields.

### **9.2 Team Leader**

#### **Academic Qualification:**

- At least Master's degree in fund management and related fields

#### **Experience:**

- 10-15 years relevant experience in fund structuring, fund management, and fundraising, and strong capability in communication and presentation skills,

#### **Competencies:**

- Ability to provide general leadership and direction to the study/research analysis and report writing;
- Excellent research and advocacy skills relating to the area
- Strong organizational skills;
- Strong communication skills;
- Proficiency in English

### **9.3 Team Members**

#### **Academic Qualification:**

- A minimum of a University Master's Degree in Corporate Finance; Business Analysis; Transaction Advisory; Investment Analysis, Investment Law, Tax, and/or related fields.

#### **Experience:**

- A minimum of 5-10 years of professional experience and proven expertise and experience in a governance, institutional development for international organizations such as UN agencies.

#### **Competencies:**

- Training and hands-on experience in a governance and institutional development;
- Ability to work under pressure, with a group of UN agencies, and to deliver in a timely manner without compromising quality standards;
- Strong communication skills;
- Strong presentation and facilitation skills;
- Proficiency in English

## **IX. CRITERIA FOR SELECTING THE BEST OFFER**

Upon the advertisement of the Procurement Notice, qualified Consultancy Firm is expected to submit both the Technical and Financial Proposals. Accordingly; the firm will be evaluated based on Cumulative Analysis as per the following conditions:

- Responsive/compliant/acceptable as per the Instruction to Bidders (ITB) of the Standard Bid Document (SBD), and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation. In this regard, the respective weight of the proposals are:
  - a. Technical Criteria weight is 70%
  - b. Financial Criteria weight is 30%

## X. LOGISTICAL SUPPORT

The firm will be home based.

## XI. RECOMMENDED PRESENTATION OF TECHNICAL PROPOSAL

For purposes of generating proposals whose contents are uniformly presented and to facilitate their comparative review, a Service Provider here below is given a proposed Table of Contents. Accordingly; your Technical Proposal document must have at least the preferred content as outlined in the RFP Standard Bid Document (SBD).

## XII. CONFIDENTIALITY AND PROPRIETARY INTERESTS

The consultants shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the consultancy or the Government without prior written consent. Proprietary interests on all materials and documents prepared by the consultants under the assignment shall become and remain properties of UNDP. This assignment will be administrated by the United Nations Development Programme (UNDP), and all relevant UNDP rules, policies and procedures will apply.

## HOW TO APPLY

It should be submitted through <https://etendering.partneragencies.org> search for **Event ID ETH2971**

### PROPOSED STANDARD TECHNICAL PROPOSAL EVALUATION CRITERIA

Herewith please find the **Standard Technical Proposal Evaluation Criteria** along with respective allocated weight template for Requester's subsequent review. As per the relevance of the proposed criteria it can either:

- Redistributed the allocated weight;
- Delete specific criteria if you find it irrelevant or less relevant; or
- Replace with new criteria along with corresponding allocated weight

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable
1	Expertise of Firm / Organization	30%	300
2	Proposed Methodology, Approach and Implementation Plan	40%	400
3	Management Structure and Key Personnel	30%	300
<b>TOTAL</b>		<b>100%</b>	<b>1000</b>

Technical Proposal Evaluation (FORM I)		
Expertise of the Firm / Organization		Points Obtainable
1.1	Reputation of Organization and Staff / Credibility / Reliability / Industry Standing	50
1.2	General Organizational Capability which is likely to affect implementation <ul style="list-style-type: none"><li>- Financial Stability</li><li>- Loose consortium, Holding company or One firm</li><li>- Age/size of the firm</li><li>- Strength of the Project Management Support</li><li>- Project Financing Capacity</li><li>- Project Management Control</li></ul>	90
1.3	Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialized skills.)	15
1.4	Quality assurance procedure, warranty	25
1.5	Relevance of: <ul style="list-style-type: none"><li>- Specialized Knowledge</li><li>- Experience on Similar Programme / Projects</li></ul>	120

	- Experience on Projects in the Region - Work for UNDP/ major multilateral/ or bilateral programmes	
	<b>SUB TOTAL</b>	<b>300</b>
<b>Technical Proposal Evaluation (FORM II)</b>		
<b>Proposed Methodology, Approach and Implementation Plan</b>		
<b>2.1</b>	To what degree does the Proposer understand the task?	<b>30</b>
<b>2.2</b>	Have the important aspects of the task been addressed in sufficient detail?	<b>25</b>
<b>2.3</b>	Are the different components of the project adequately weighted relative to one another?	<b>20</b>
<b>2.4</b>	Is the proposal based on a survey of the project environment and was this data input properly used in the preparation of the proposal?	<b>55</b>
<b>2.5</b>	Is the conceptual framework adopted appropriate for the task?	<b>65</b>
<b>2.6</b>	Is the scope of task well defined and does it correspond to the TOR?	<b>120</b>
<b>2.7</b>	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	<b>85</b>
	<b>SUB TOTAL</b>	<b>400</b>
<b>Technical Proposal Evaluation (FORM III)</b>		
<b>Management Structure and Key Personnel</b>		
<b>3.1</b>	<b>Team Leader</b> General Qualification Suitability for the Project	
	- International experience	<b>40</b>
	- Training experience	<b>40</b>
	- Professional experience in the area of specialization	<b>60</b>
	- Knowledge of region	<b>40</b>
	- Language qualification	<b>30</b>
	<b>SUB TOTAL</b>	<b>210</b>
<b>3.3</b>	<b>Team Members</b> General Qualification Suitability for the project	
	- International experience	<b>10</b>
	- Training experience	<b>10</b>
	- Professional experience in the area of specialization	<b>30</b>
	- Knowledge of the region	<b>20</b>
	- Language qualification	<b>20</b>
	<b>SUB TOTAL</b>	<b>90</b>
	<b>Aggregate</b>	<b>1000</b>