

Pan-African Acceleration Program - Strengthening the Business and Technical Capacity of Growth-Oriented Digital Entrepreneurs

Terms of Reference for Consulting Firms

As a part of the World Bank Group, the Innovation & Entrepreneurship unit's Digital Entrepreneurship Program is seeking a qualified firm to design and develop a curriculum to train growth-oriented¹ digital entrepreneurs in Sub-Saharan Africa, build links to wider value chains, enter new markets, secure finance and build a team to reach scale.

Project Background

The Innovation & Entrepreneurship (I&E) Unit within the World Bank Group's Trade & Competitiveness Global Practice focuses on improving the capabilities and growth prospects of firms as well as developing the ecosystems that directly support them and the broader innovation and entrepreneurship systems.

I&E's Digital Entrepreneurship Program (DEP) helps clients empower digital technology entrepreneurs to bring locally-relevant, innovative products to emerging and frontier markets, as a key step in achieving equitable access to the opportunities created by the digital economy. It does so through two mutually-reinforcing approaches:

- 1) Supporting incubators, accelerators, and early-stage financing at the country and/or regional-level, and
- 2) Conducting learning and knowledge activities, including evaluations of practical interventions and research on industry trends, entrepreneurship ecosystems, and the role of digital entrepreneurship for trade, productivity, competitiveness, and shared prosperity.

The DEP pioneered digital/ICT incubators (mLabs), and networking organizations (mHubs) in 12 locations: Kenya (mLab and mHub), South Africa (mLab), Senegal (CTIC incubator), Uganda (mHub), Tanzania (Dar Teknohama incubator and mHub), Vietnam (mHub and mLab), Nepal (mHub), Armenia (mLab), Georgia (mHub), Moldova (mHub), Azerbaijan (mHub) and the Caribbean (mHub). In nearly all cases, this involved partnerships with private sector actors (e.g. Nokia at the global level, and many other private sector partners at the local and regional levels) as well as with governments, academia, and non-profit organizations.

In addition, I&E's infoDev program implemented a number of initiatives to support the cultivation of angel investors, improve the readiness of startups for investment and internationalization in these and other locations around the world, and understand the particular challenges of entrepreneurs operating at the "base of the pyramid." Overall, the demand for services delivered through these enablers greatly exceeded the supply. At the same time, the level of sophistication of the startups and the digital ecosystems in which they work has increased, creating growing demand for more advanced programming delivered by digital

¹ A growth-oriented entrepreneur is defined for the project as an entrepreneur/firm that is pursuing growth, has at least one working prototype/product, has demonstrated market traction, a scalable business model, and potential for 15-20 percent annual growth in revenue over four years (based on product, market size, and team capability, as determined by a local team of investors and coaches).

enablers and for more rigorous analytics and understanding of what drives functional entrepreneurship ecosystems.

In FY15-FY19, infoDev's Digital Entrepreneurship Program continues to invest in digital entrepreneurship enablers seeded during the first phase of the DEP, and to build the capacity of the enablers to meet the needs of entrepreneurs at different stages of growth. This includes a greater emphasis on access to finance and regional acceleration² activities to build a pipeline of talent for the Pan-African Acceleration Program. Access to Finance activities seek to enable and assist entrepreneurs in identifying appropriate sources of capital (investors), preparing them for fundraising, and for approaching investors. In support of these activities, the DEP team is working closely with the mLabs in Senegal, Kenya and South Africa to execute regional programs designed to support the scaling and internationalization of growth-oriented entrepreneurs. Top performing companies from the regional acceleration programs will be invited to apply for the Pan-African Acceleration Program that includes a greater focus on assisting startups with integration into supply chains and global markets, along with raising growth capital.

Project Details

The project is designed to pilot Pan-African acceleration services to the most promising, growth-oriented digital startups in Sub-Saharan Africa (SSA). The firm will partner with mLab Southern Africa (mLab SA) (see below for additional details) to deliver the accelerator program.

Critical challenges of high growth digital entrepreneurs include accessing qualified mentors and coaches, attracting and retaining talent, and securing early-stage and growth capital. This is because the digital industry is young globally, and this is especially true in emerging and frontier economies, which are not uncommon in SSA. infoDev's hypothesis is that if the three mLabs in West, East and Southern Africa can be leveraged to source high growth potential entrepreneurs from their respective regions, an African portfolio of entrepreneurs can be aggregated and presented to international investors and coaches that are equipped to facilitate their growth. infoDev aims to test this hypothesis through the Pan-African Acceleration Program, also referred to as the Accelerator.

The Pan-African Acceleration Program pilot aims to bring around 20 star performers across Africa to scale through a rapid process of exposure to global capital and industry connections. These businesses will receive intensive face-to-face and virtual support in order to link them with expertise, capital and markets they need to scale. This program will be built around a demanding and fast-paced residential program for participating entrepreneurs, complemented by virtual elements.

It is also expected that the mLabs in West, East and Southern Africa, will work closely with the infoDev team to nominate entrepreneurs from its regional acceleration program for the Pan-

² Acceleration is a business advisory approach that takes growth oriented enterprises and startups through a rapid-cycle competitive curriculum, and matches them quickly to appropriate capital and business mentors.

African Accelerator. It should be noted that entrepreneurs who did not participate in the sub-regional acceleration activities will also be encouraged to apply.

Selected teams will be identified through a rigorous screening process that will include product review, a “pitch deck” that outlines the startup’s growth strategy, a completed “data room” (an online database with information typically requested by investors, such as that on sales revenues, profits, patents, and team), and interviews. Specific outreach will be made to disadvantaged groups in order to ensure that talented entrepreneurs from all segments of society have the chance to compete for program entry. If necessary, additional workshops will be held to ensure that such entrepreneurs understand how to apply and where appropriate, to help improve their skills prior to participation.

The most competitive startup teams of two will be invited to a two-week acceleration program run in partnership with the mLabs to connect them with the knowledge, capital and markets they need to grow their enterprises. The model will build on prior infoDev events such as the Mobile Startup Camp³ and the VentureOut Challenge⁴. In addition to partnerships with the mLabs, the acceleration program will be delivered in collaboration with established organizations experienced in delivering similar programs elsewhere in the world.

Specifically, teams of two from 20 of the most competitive startups from across the African continent and sourced through mLabs, mHubs and the AfriLabs network members will attend an intensive mentoring program through which they will learn about cutting-edge entrepreneurship strategies and tools such as Lean Startup and Business Model Canvas. They will also have the chance to practice negotiating with investors, learn about industry standards related to investment terms and valuations, and connect with experienced entrepreneurs and investors from around the world. While the project does not include provision of seed funding to participating startups, entrepreneurs will have the chance to connect with, and commence negotiations with interested investors, including the African Business Angels Network, CRE, VC4Africa network, Endeavor Catalyst, and others.

Scope of Work

The Firm’s assignment is to: (1) design and develop the Pan-African Acceleration mentoring and training curriculum and content to match the needs of growth-oriented digital entrepreneurs; (2) collaborate with the mLab Southern Africa to implement the curriculum for selected entrepreneurs, including coordinating all related logistics; and (3) facilitate a daylong workshop for mLab staff from Senegal, Kenya and South Africa to learn about acceleration program design and curricula.

The curriculum and content will be focused on improving the marketability of growth-oriented startups to early-stage financiers through an emphasis on strengthening business and financial models, and outlining preparations for the capital raising process through detailed coursework on

³ <http://www.infodev.org/mobilestartupcamp> & <http://www.infodev.org/articles/experience-mobile-startup-camp>

⁴ https://www.infodev.org/infodev-files/vo_brochure_finalprint.pdf

entrepreneurial finance. It is intended that the mentoring period last two-to-three months, with an intensive residential training course lasting approximately two (2) weeks and culminating in a Demo Day attended by investors, media and tech enthusiasts from across the region and the globe. Because the program is targeted at high-growth enterprises, startups will need to provide proof of company incorporation, a commercialized product and access to their completed data room.

The Firm is expected to facilitate all activities related to implementation of the accelerator, including mentoring, coaching, and market access and financing facilitation for participants. During this period, participating startups as well as other local business enablers are expected to significantly increase their project implementation skills and institutional capacity.

The project does not include provision of seed funding to participating startups; however, the Firm is expected to attract financiers as partners for this program to allow entrepreneurs to connect with, and commence negotiations with interested investors, such as the African Business Angels Network, CRE, VC4Africa network, Endeavor Catalyst and others.

Feedback during the project implementation will be systematically collected analyzed, and integrated into project design. All activities will be overseen by the World Bank Group, including external communications and PR, as well as monitoring and evaluation activities.

Program Components

Part 1: Design and Development of Acceleration Content

The responsibilities of the Firm will include, in particular (but are not limited to):

- Writing a detailed Inception Report for the project;
- Consulting with infoDev's Digital Entrepreneurship (DEP) team and existing mLabs to understand the acceleration curriculum used in its regional acceleration programs and other similar projects;
- Outreach to growth-oriented entrepreneurs through infoDev's mLabs and other relevant partners (such as AfriLabs, SeedStars, etc.) identified by the DEP team and Firm;
- Creating a due-diligence methodology to evaluate applicants to the Accelerator;
- Matching selected applicants with appropriate mentors and coaches prior to start of the acceleration program;
- Designing and developing the mentoring component
- Designing and developing the acceleration curriculum to include topics such as investment readiness, investor engagement, internationalization of digital enterprises, negotiations and managing a growing business;
- Packaging the curriculum and content in a Train-the-Trainer format so that it can be used in the future by the mLabs and other business enablers to deliver the program in other markets;

Part 2: Implementation of the Pan-African Acceleration Program

This will include:

- Implementing all aspects of the accelerator, including virtual and in-person mentoring, residential acceleration component, and market access and financing facilitation;
- Engaging a team of a minimum of ten mentors and ten expert coaches to help facilitate the mentoring component and the delivery of the acceleration curriculum, in order to provide targeted support to the entrepreneurs;
- Managing all logistics and partnerships, including travel and on-site arrangements.

Part 3: Workshop with the mLabs

mLab staff from Senegal, Kenya, and South Africa, will be observing and participating in the Pan-African Acceleration Program. To maximize their learning during this program, the Firm will facilitate a separate daylong workshop with relevant content for business enablers. This can include but are not limited to:

- Developing a paid acceleration program business model; and
- Conducting outreach and building a database of potential mentors, coaches and investors.

Part 4: Monitoring and Evaluation Activities

The responsibilities of the Firm will include in particular (but are not limited to):

- With assistance from the World Bank Group, designing and administering monitoring and evaluation surveys and methodology to be used throughout the Pan-African Acceleration Program (both for entrepreneurs, coaches, mentors and the mLabs).
- Collecting post-program M&E data on a quarterly basis up to one year after the completion of the Acceleration Program
- Together with the infoDev team, reviewing the program and its outcomes in order to identify areas that need to be updated and/or improved, either from the curriculum and/or the program delivery.

For tools used either as part of the development process, maintenance or production, subscriptions and licenses should either be transferable or the World Bank should be able to acquire them directly.

Key Deliverables & Timeline

1. Inception Report, due three (3) weeks from contract signing, will include draft methodology, criteria for entrepreneur selection, rolodex of experts, timeline, etc. to be approved by infoDev.
2. Interim Report, due five (5) weeks from contract signing, will include the final methodology and curriculum outline.
 - a. Curriculum design should be based on interviews with targeted participants and the mLabs about the regional acceleration curriculum content and structure of acceleration activities;
3. Facilitation of the Pan-African Acceleration Program. Activities include (but are not limited to):

- a. Conducting workshops for interested applicants prior to selection of first cohort;
 - b. Identifying other key partners, such as financiers, media or corporate interests;
 - c. Evaluating applications and selection of first cohort;
 - d. Matching selected participants with appropriate mentors;
 - e. Mentorship and coaching prior to on-site activities in South Africa;
 - f. Facilitating daylong workshop for mLab managers;
 - g. Delivering program to selected participants; and
 - h. Organizing a Demo Day to match participants with potential investors.
4. Pan-African Accelerator Report, due one (1) month after completion of the acceleration program. This will include outcomes of acceleration activities, participant feedback, M&E data and suggestions for areas of improvement;
 5. Final Curriculum and Content, due three (3) months after completion of the acceleration program. The curriculum and its contents should be publically available (for instance, through a Creative Commons Share Alike licence);
 6. Train-the-Trainer Report, due three (3) months after completion of first cohort. This will include detailed recommendations for improving the materials, so that revisions can be made for any subsequent cohorts of program participants; and
 7. Final report, due three (3) months after completion of first cohort. This includes lessons learned on acceleration program activities, results and detailed recommendations for the next round.
 8. Final M&E data, submitted one (1) year after the program completion.

Qualifications

The successful Firm will demonstrate:

- Strong understanding of the South African and Pan-African environment for digital entrepreneurship, including challenges facing entrepreneurs from disadvantaged or marginalized groups;
- Experience designing and delivering course curriculum and implementing acceleration activities for digital and mobile innovation programs in the context of a developing country;
- Database of local and Pan-African coaches, experts, mentors and other staff with expertise in startup acceleration;
- Demonstrated partnerships with local angel investors, VC firms and early-stage financiers that invest in digital businesses from SSA;
- Strong understanding of the operating and business environment of, and preferably experience working with, enterprise enablers such as mHubs/mLabs, startup accelerators, and business incubators in developing countries and emerging markets;
- Ability to build the capacity of local organizations (experience with “Training the Trainers”);
- Open and collaborative communication style with excellent interpersonal skills of the team;
- Understanding of the World Bank Groups’ mission, development objectives, and how they align with the expertise of the digital entrepreneurship and mobile app developer community.

Evaluation Criteria

The following criteria will be used to evaluate the technical proposals:

1. Experience of the firm specifically related to the assignment. Firm must demonstrate strong experience in running digital and mobile innovation and entrepreneurship programs in the context of developing country beneficiaries and have a strong network in South Africa and SSA (30 points)
2. Adequacy of methodology and the proposed work plan in responding to the Terms of Reference (40 points)
3. Qualifications and competence of the key staff related to the assignment (30 points)

Proposal Requirements

The Firm will be required to provide the following:

1. Technical Proposal
 - Consultant's organization
 - Name and background of lead organization
 - Any partner organizations in the proposal
 - A point of contact, including name, title, position, email address, postal address, telephone number
 - Description of organization qualifications
 - Explain why the firm is qualified as compared to the qualifications listed in the Terms of Reference
 - Include examples of previous consulting assignments
 - Technical approach and methodology
 - Describe in detail the strategy to develop and implement the curriculum based on the specifications and structure laid out above
 - Comments and/or suggestions on the Terms of Reference
 - Detailed outline of work plan
 - Identify team members and their potential specific roles along with their CVs
2. Financial Proposal

All firms are required to submit a detailed financial proposal corresponding to the timelines and deadlines of the project.