

**Information and Communication for Rural Development (ICT4RD) Programme
Tanzania Commission for Science and Technology (COSTECH)
Dar es Salaam, Ali Hassani Mwinyi Road, TANZANIA**

**REQUEST FOR PROPOSALS
RFP No. ICT4RD - 01**

PROJECT TITLE: WAMI BROADBAND PILOT PROJECT

PROPOSAL DUE DATE:

Friday, March 14, 2008 at 15:30, East Africa Time

EXPECTED TIME PERIOD FOR CONTRACT:

June 02, 2008 to June 30, 2009. The ICT4RD programme reserves the right at its discretion, to extend the contract for up to three additional one-year periods.

ELIGIBILITY: This process is open to all infrastructure owners, local ISPs, Internet connectivity providers, cable handling companies, equipment distributors and maintainers, etc.

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ABSTRACT

This is a request for proposals for development cooperation issued by The Information and Communication for Rural Development Programme hereafter called "ICT4RD,"

The program can offer time limited access to infrastructure resources that can be used for commercial service provisioning to a well-defined customer base in return for some sort of development cooperation, including, but not limited to, the examples discussed in this paper. The programme can also offer human and organizational networking and a selection of opportunities for education and training.

Proposals submitted in response will be evaluated by the ICT4RD Management Committee (MC) as soon as they are submitted. MC has representatives from COSTECH, Dar es Salaam Institute of Technology (DIT) and the Royal Institute of Technology in Stockholm, Sweden (KTH)

1.0. INTRODUCTION

1.1. Purpose overview and background

The ICT4RD is initiating this Request for Proposals (RFP) to solicit proposals from service providers and suppliers interested in participating in a project to:

Purpose:

Manage and expand the network and provide sustainable broadband services to existing and new costumers. Services providers may bid on any of the following items or all of them:

- Internet Service provision
- Maintenances services
- Core Network management and maintenance
- Access network management, maintenance and / or Expansion
- Equipment supplies
- All value adding-services provisioning within broadband infrastructures

Background

ICT4RD has been identified as a result of the cooperation between Swedish government through its agency, Swedish Development Agency (SIDA) and the Government of Tanzania (GOT) in a consorted effort to address the issue of affordable broadband services in rural Tanzania, through exploiting of existing backbone infrastructure. The directly involved entities have been Tanzania Commission for Science and Technology (COSTECH), Dar Es Salaam Institute of Technology (DIT), the Royal Institute of Technology, (KTH) which form Management Committee (MC)

1.2. Objective

The objective of the ICT4RD programme is to specify and validate methods for establishment of sustainable broadband markets in rural areas where the challenges often include both low demand and high costs to supply. The methods should be scalable to a national level.

1.3. Approach

The approach taken by the programme is to focus on basic public services to attract infrastructure investments and turn every stone to find users willing to contribute to the revenues necessary to cover running costs and profits required to guarantee sustainability. The basic public services selected in the ICT4RD programme include education, health, local government and support to local entrepreneurs. Connections are thus made primarily to schools, health centres and district council premises.

The methods explored include several components, including

- Infrastructure, such as fibre cables and antenna locations
- Technical solutions, such as broadband islands based on local wire, fibre or copper, interconnected by narrowband links, wireless or VSAT.
- Business models of involved actors, such as large corporations, SMEs and cooperative models or partnerships of such organizations.

1.4. Period of performance

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on or about June 02, 2008 and to end on June 30, 2009. Amendments extending the period of performance, if any, shall be at the sole discretion of IC4RD. ICT4RD reserves the right to extend the contract for three one-year periods.

2.0. CHARACTERISTICS OF EXISTING PILOTS

The approach is being tested in pilot networks. So far, two pilots have been established:

2.1. Serengeti

The Serengeti pilot based on fibre deployed by Tanesco in their medium voltage power line between the district capitals Bunda in the Bunda district and Mugumu in the Serengeti district, both in the Mara region

The Serengeti network has currently three nodes on the fibre network. The first node is also the network hub. It is located on the premises of the Tanesco substation in Bunda. It includes a Linux server, a 1Gbps switch connecting to the fibre towards Nata and Mugumu and to Wi-Fi links to the Bunda Dedicated District Hospital, The Manyamanyama primary health centre, the Bunda secondary school and the Bunda District Council premises. The Bunda teacher training college (TTC) is about to be connected.

The second network node is located in Nata village (figure 1). It consists of an Ethernet switch connected to the fibre (1Gbps) and Wi-Fi links to the primary health centre and the secondary school.



Figure 1 the network node in Nata village. From the top of the left pole, you see a lightning protection rod, a Wi-Fi antenna, a box for the Ethernet switch and the Wi-Fi access point, and another box for back-up power (UPS). The fiber from the right pole comes into the Ethernet switch.

The third fibre network node is located in Mugumu, district capital of the Serengeti district. The node consists of a similar pole as in Nata carrying an Ethernet switch and Wi-Fi links to the Dedicated District Hospital and the City Council premises. The Tanesco office in Mugumu is also about to be connected.

2.2. Wami

The Wami pilot based on fibre deployed by the Ministry of Water along the Wami Water distribution pipeline between Chalinze and Miono in the Coast region

The ICT4RD programme has so far connected Ethernet switches at the Chalinze, Lugoba, Wami and Miono stations. The Chalinze station has Wi-Fi connections to the primary health centre with one computer, the secondary school with ten computers and the office of the local Member of Parliament with one computer. A private Internet cafe is being planned in Chalinze with ten computers.

The Lugoba station is regarded as the network hub since there is a connection to the Lugoba Community Internet Centre operated by COSTECH. This centre has four desktop computers and is connected to the Wami network. It also has an Internet connection via a VSAT link with a contract that is about to expire. The Lugoba station also has Wi-Fi links to the primary health centre with one computer and the secondary school with 26 computers.

The Wami station is located at the Ministry of Water pump station at the river. The ministry requires Internet access for one computer in return for the use of the fibre.

The Miono station has Wi-Fi connections to the primary health centre with one computer and the secondary school currently also with one computer but is expecting 10-20 computers from Tanzania Institute of Education as soon as their computer laboratory is in order.

In the Wami pilot, the program is particularly looking for a local ISP on the producer side as well as for more users on the consumer side.

2.3. Integration of development and capacity building

The work done in the program is organised in order to integrate development work and capacity building. The work is organised in teams involving employees from stakeholders in the programme and senior level students (MSc or PhD) that are interested in employment opportunities becoming available. Besides the development goals, there are:

- Individual goals of team members towards diplomas or degrees.
- Organizational goals, such as certification of well-defined skills of the organisation.
- Consortial goals of the stakeholder partnership, e.g to clarify roles and interfaces between different market actors, propose improvements of the regulatory frameworks for communication and competition, as well as methods to enforce them more efficiently, and to fill holes in the supply chains, if necessary.

2.4. Market size

According to the 2002 Tanzania National Census, the population of the Bagamoyo District was 230,164, with annual growth average at 2%. And the area that the project is conducted estimated to have 100,000 populations

Stationeries services scattered all around from Chalinze to Miono, and the area approximated to have around 200 desktop computers and several laptops and in Bagamoyo town, several tourist hotels has been built. Micro financial institutions such National Micro finance bank (NMB), Savings and Credit Associations (SACCOS), SMEs and private entrepreneurial activities provide a promising consumer base.

Schools, health centres and Government offices are also create pool of potential costumers' base, if Government subsidised their cost of ICT consuming.

It is a fact that in larger cities, the demand for communication services is mostly big enough to accommodate competing service providers in all parts of the supply chain. Open and fair competition is considered to increase the quality and decrease the price level of services. It is up to the government policies and the regulatory environment to create the necessary conditions for open and fair competition and to enforce the regulations.

In the most sparsely populated rural areas, there might not be enough demand to create a sustainable operation at all. If access to communication is still regarded as a necessary basic utility and development factor, it may in such cases be motivated by the local community to step in to provide services in parts of the supply chain until the market has developed to a point where sustainable commercial business models become viable. This is often done on a district council level by just hiring staff at the district council office or by creating a utility company owned by the city council. Other services provided by district councils include, schools, health centres, water supply and sewer systems, garbage collection, etc.

3.0. OFFERINGS

The ICT4RD programme can make the offerings described below. The offerings are made under transparent and non-discriminatory conditions.

3.1. Infrastructure

Access to local fibre infrastructure on conditions prescribed by the infrastructure owner

Link level capacity in terms of one or more VLAN in the 1 Gbps Ethernet links.

Currently, the ICT4RD program has an agreement with Tanesco about access to OPGW-fibre in the Bunda - Mugumu 11 kV line and with the Ministry of Water regarding access to one fibre pair along the Wami water distribution pipeline.

3.2. Customer base

Access to users hooked up to the ICT4RD pilots as described in **section 2.0** describing the characteristics of the program pilots.

3.3. Human and organizational network

The program has a very well developed human and organizational network supporting development activities.

3.4. Education and training

Both DIT and KTH offer education and training opportunities of different sorts to individuals, both traditional courses and problem-oriented, project-driven sessions in teams or as individual thesis projects.

DIT and KTH can also support organisational development together with program stakeholders in terms of certification schemes in the ICT area and work with stakeholder groups to identify common goals and means to reach these goals.

3.5. The program can also offer cooperation regarding

- User business development made possible by ICT usage, especially in the areas of local governance, education, healthcare and support to local entrepreneurs,
- Technical solutions such as network security and remote network management,

- Business models and business plans for entrepreneurial start-up activities, as well as an impact analysis of development activities.

4.0. GENERAL INFORMATION FOR BIDDERS

4.1. RFP coordination unit

The RFP Coordination unit is the sole point of contact in ICT4RD for this process. All communication shall be addressed to RFP coordination as follows;

Name	A.M Nungu / J. A Bwamkuu
Address	4302, Dar es Salaam
City, Country	Dar es salaam, Tanzania
Phone Number	+255 22 2700745/9
Mobile No.	+255 756 000 696
Fax Number	+255 22 2775313
E-Mail Addresses	amnungu@kth.se / jbwamkuu@gmail.com

Any other communication will be considered unofficial and non-binding on the ICT4RD. Bidders are to rely on statements issued by the RFP Coordination.

4.2. Estimated schedule of RFP activities

Issue Request for Proposals	January 9, 2008
Question and answer period	All the time until 14 th March, 2008
Workshop on ICT4RD's broadband infrastructure	February, 22
Proposals due	March 14, 2008
Evaluate proposals	March 28, 2008
Announce "Apparent Successful Bidder" and send notification via fax or e-mail to unsuccessful proposers	April 2, 2008
Hold debriefing conferences (if requested)	April 16, 2008
Negotiate contract	May, 12, 2008
Begin Operation	June 02, 2008

ICT4RD reserves the right to revise the above schedule.

4.3. Submission of proposals

Proposals shall be submitted electronically, via facsimile or hard copy.

The proposal, whether mailed or hand delivered, must be received by ICT4RD no later than 15:30 p.m. East Africa Time on March 14, 2008. The proposal is to be sent to the RFP Coordination at the address noted in Section 4.1.

Bidders mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals by the RFP Coordination. Bidders' hand delivering proposals should allow time for traffic congestion. Consultants assume the risk for the method of delivery chosen. ICT4RD assumes no responsibility for delays caused by any delivery service.

Late proposals will not be accepted and will be automatically disqualified from further consideration.

4.4. Revisions to the RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be published on the ICT4RD web site at <http://www.ict4rd.ne.tz> under Bwamkuu. All addenda will be listed with the RFP and clearly marked and dated. It will be the responsibility of interested bidders to check the website periodically for RFP addenda and updates. For this purpose, the published bidder questions/agency answers and any other pertinent information shall be considered an addendum to the RFP and also placed on the web site.

If you downloaded this RFP from the ICT4RD website located at <http://www.ICT4RD.ne.tz/> under Bwamkuu blog, you are responsible for sending your name, address, e-mail address and telephone number to the RFP Coordination in order for your organization to receive any RFP amendment announcements or bidder questions/agency answers.

ICT4RD also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

4. 5 most favorable terms

ICT4RD reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms that the bidder can propose. There will be no best and final offer procedure. ICT4RD does reserve the right to contact a bidder for clarification of its proposal during the evaluation process.

5.0. PROPOSAL CONTENTS

5.1. Expectations on proposals

Proposals should include clear offerings that could be the basis for balanced public-private partnership agreements to be negotiated.

The ict4rd program seeks to stimulate new entrants to fill holes in the ICT supply chain, including infrastructure owners, local ISPs, Internet connectivity providers, cable handling companies, equipment distributors and maintainers, etc.

The ICT4RD program also seeks to stimulate competition in areas where the market is large enough.

5.2. Preference

Proposal preferred to highlight the following:

1. Technical
2. Management
3. Business models

For any items, Services providers have been bidding as described in **section 1.1**