 

**Gambia Tech Hub Feasibility Study**

**Terms of Reference**

# Background

The Youth Empowerment Project (YEP), a four-year project launched in February 2017 with a budget of EUR 11 million aims to support the economic development of The Gambia and improve the livelihoods of its people. Specifically, the YEP will enhance the employability and self-employment opportunities for youth, with a focus on vocational training and the creation of micro and small-sized enterprises and creating and improving employment opportunities in selected sectors through value addition and internationalization.

The project is implemented by the International Trade Centre (ITC) as the lead implementing agency and under the leadership of the Ministry of Trade, Industry, Regional Integration & Employment (MOTIE) and the Ministry of Youth and Sports. The project is funded by the European Union Emergency Trust Fund for Africa and addressing root causes of irregular migration and displaced persons in Africa.

In the context of YEP, ITC and MOTIE have developed a series of youth and trade roadmaps that provide a blueprint to unlock the potential for job creation in key sectors: information and communication technology (ICT) is among the priority sectors.

The Gambian ICT sector has undergone a profound mutation and expansion phase. That progression from a very low base was enabled through liberalization and privatization policies led by the government, as well as the connection with the Africa Coast to Europe (ACE) submarine cable, speeding up Internet access to The Gambian population. In the past years, a small number of companies providing ICT-related services mostly in telecommunications bloomed in the newly created market. Compared to the rest of the continent, The Gambia is thus well positioned in terms of infrastructure, mobile network coverage and mobile penetration. All the conditions for a vibrant ICT ecosystem are, therefore, present. However, due to a lack of appropriate vision, policy and strategy to develop the sector, The Gambia has missed the mobile value-added service innovation revolution that has already started in many African countries. Despite the good infrastructure, the start-up and innovation ecosystem in the country is rather weak with, for instance, no active tech hub. In the same way, the lack of focus on ICT as a development driver has limited the understanding of the potential of ICT solutions among actors and education has only been focusing on basic digital skills.

The new government has integrated ICT as part of its priority sector within the new Development Plan to remedy this situation and to ensure positive spillover effects across the economy. To be able to achieve the next development milestone, The Gambia’s ICT sector needs to be managed and nurtured. Proper regulations need to accompany entrepreneurship and innovation, the sector coordination must improve, higher-level IT skills have to be developed and quality of the services has to be standardized to ensure sustainable growth. This will allow the sector to truly become the youth employment generator that it is in many countries and provide young people with the high-value jobs they require.

One of the strategic objectives of the ICT youth and trade roadmap is to improve the competitiveness of micro, small and medium-sized enterprise and to activate the market linkages Productive capacities in ICT are driven by the skills available in the country, the innovative mindset of entrepreneurs and capacities to participate in collaborative ventures. The three are currently in limited supply in The Gambia. Thus, the driver of the sector’s future growth in The Gambia is highly dependent on the creation of a strong market pull orchestrated by the public sector, given the existence of a wide need for digitization in public services and infrastructure. For this, the roadmap sets forward the design of a digitization strategy for public agencies and the development of an ICT consortium to carry out the implementation plan. MSME’s capacities to participate in this new market can only be strengthened by focusing on innovation and synergies. The twofold plan includes on one side the creation of a tech hub, a shared space providing business support services and connectivity to starts-ups and young developers, to facilitate collaboration and joint business development. On the other side, the development of a tech park, a special zone combining physical and legislative backstopping for larger firms to develop their services, attract investors and develop partnership with multinationals operating in West Africa.

These terms of reference address a feasibility study regarding a tech hub in The Gambia. What exactly makes a tech hub can be defined in several ways.

1. From the perspective of purpose, an ideal tech hub is “a type of ‘utopia’ where things happen faster, people are smarter and meeting investors is easier - as a result, a space is created where ideas germinate and companies prosper. However, fostering the perfect blend of skills, education and community can be easier said than done.”
2. In physical terms, “A tech hub can be a specific area like Silicon Valley, part of a city like London’s Silicon Roundabout, or a specific building or set of buildings where small startups can rent space alongside each other to share facilities and ideas.”
3. The types of products developed in tech hub contexts cover “a wide variety of industries including fintech, adtech and media, security, retail, edtech, entertainment, health and medtech, sport and many more.”

# Responsibilities

ITC in collation with MOTIE and UNDP is seeking an Consultant, with experience in business incubators or working with start-ups, to design and execute a feasibility study regarding the creation of a tech hub in Gambia. The selected service provider will work under the supervision of the ITC focal point for the IT sector development component, and under the overall supervision of the YEP project manager and the project manager of the Entrepreneurship and Private Sector Development Project.

**Scope of the research:**

1. Undertake desk research on different startup support systems (co-working space, incubator, accelerator, etc.), with a focus on sub-Saharan Africa. Identify the key characteristics that distinguish these different models from each other (e.g. business model/sources of income, services offered, number and types of employees, etc.).
2. Present the business models (including offered services and governance models) of at least 5 well-functioning tech hubs (>3 years of activity) spread across at least 3 sub-Saharan African countries, among which at least 1 Eastern African country. The information must be sourced from the tech hubs’ respective managements or online presence. Also include at least 2 cases of tech hubs that failed, as recent as possible.
3. Conduct interviews with the founders of at least 3 sub-Saharan tech hubs to find out what it took them to set up a successful tech hub, which costs were involved, which difficulties they ran into along the way, and why they think they succeeded.
4. With the help of ITC’s network in The Gambia, contact at least 10 local tech start-ups in various stages of maturity and ask which specific services they would be likely to use. Also inquire which of the found types of support system would be most attractive for them to work with. Include in the report on this section how easy or difficult it was to find relevant start-ups. If few start-ups are found, consider the option of providing support for the creation of new startups, such as digital literacy and technical skills training.
5. Ecosystem mapping in The Gambia: besides making an inventory of the (wishes of the) local beneficiaries (section 4), also determine the availability of potential partners that might work with the hub, e.g. financiers, direct service providers (to startups), educational institutions, etc. (Finding many strong partners will suggest a good potential for the longevity of the project after ITC involvement.)
6. Define a reasoned selection of 3 business models (including offered services and governance models) that would be applicable for a tech hub in The Gambia, considering feasibility in terms of costs, as well as market/need for the types of services provided in each model. Specify which option is to be preferred in the researcher’s opinion, and why. The finished report should also include a financial business plan (at least 2 scenarios).

# Expected Outputs and Timelines

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|  | **Deliverables** | **Due date** |
| 1 | Proposal, including detailed concrete approach for each section of the research | TBC |
|  | Provide an inception report looking at what is available  |  |
| 2 | Desk research on different start-up support systems (section 1) | TBC |
| 3 | Business-models of existing hubs founder interviews (sections 2 and 3) | TBC |
| 4 | Report on the preferences of Gambian start-ups (section 4) | TBC |
| 5 | Ecosystem mapping (section 5) | TBC |
| 6 | Final report including recommendations (section 6) | TBC |

# Selection Criteria

* The researcher should:
* Have ample experience in working with start-ups, and preferably specifically with or in business incubator environments.
* Have ample experience in conducting autonomous research, both desk-based and interview-/field-based.
* Have intimate knowledge of the current business climate in The Gambia, including laws and regulations, and with a specific focus on the tech sector.
* Be fluent in English.
* Be proactive in seeking the approval of ITC for her/his methods and intermediate findings.
* Be ready to work with a local consultant in this exercise

# Selection Process

* The proposal should clearly establish an understanding of the services required and separate the different activities according to the areas of work listed above.
* The budget should be break down the separate activities.
* All proposals should be submitted to bsallah@intracen.org , abadjie2000@gmail.com or ADDRESSED TO: Permanent Secretary, MoTIE, Independence Drive, Banjul or Project Manager, YEP, EDC House, Bakau . **The deadline for submissions is to 7th December, 2018**