



MINISTRY OF FINANCE

REQUEST FOR EXPRESSIONS OF INTEREST

(CONSULTING SERVICES – FIRM SELECTION)

NAME OF PROJECT	GHANA DEVELOPMENT FINANCE PROJECT
CREDIT NO	IDA-6788-GH
ASSIGNMENT TITLE	CONSULTANCY SERVICES FOR THE DESIGN AND FEASIBILITY STUDY OF A DIGITAL PLATFORM FOR MSME FINANCE
REFERENCE NO.	GH-GDFP-364819-CS-QCBS

BACKGROUND

The Ministry of Finance (MoF) has received financing from the World Bank towards the cost of the Ghana Development Finance Project (the Project), and it intends to apply part of the proceeds for consulting services. The Project's objective is to increase access to finance for Ghanaian enterprises, particularly small and medium enterprises (SMEs and small corporates). Women-owned/led MSMEs will be particularly targeted. The Project supports the establishment of the Development Bank Ghana (DBG), which provides wholesale lines of credit and partial credit guarantees to eligible participating financial institutions (PFIs) for on-lending to MSMEs and support the development of a digital platform for MSME finance, among other activities. The project also supports DBG establish a digital platform for MSME finance, among other activities.

The DBG is licensed by Bank of Ghana under the Development Finance Act (Act 1032) and has a sound corporate governance (independent board and professional management). Current technical partners and financiers include the African Development Bank, European Investment Bank, KfW, and the World Bank.

The DBG intends to sponsor a digital platform that can help reduce information asymmetries and unlock private sector capital for MSMEs. While a digital platform can be privately owned and operated, there are many examples of markets that required a public sponsor to kick-start such platform. This can have a demonstration effect and encourage the private sector to develop alternative solutions.

Based on preliminary conceptualization, the proposed platform is expected to offer non-existent or hard-to-reach services to MSMEs in Ghana, serve as an intermediary between the Ghanaian real and financial sector, and combine/facilitate various services to unlock MSME finance and support their growth and productivity. The services offered by the platform would leverage each other to achieve economies of scale, improve credit risk process, introduce innovation, and facilitate MSME access to financial services. The services to be considered in this study primarily include but not limited to:

- (i) Accounts receivable finance;
- (ii) Electronic invoicing; and,
- (iii) Cloud based accounting.

Despite recent progress, fintech development in Ghana is constrained by various factors. These include gaps in the legal and regulatory framework, deficient financial infrastructure, lack of funding, and limited stakeholder confidence in new models. Developers of private digital platforms (providing primarily financial services) usually quote the lack of demand and limited potential business to meet their return on capital expectations. Therefore, the Government can play a catalytic role by addressing these constraints and fostering the development and adoption of fintech based approaches for enhancing access to finance for MSMEs.

The platform is expected to adopt a sustainable business model. For instance, users and service providers would be expected to pay fees for the use of the platform. Several pricing options will need to be considered, including fees per transaction and access fees. The ownership structure and operation arrangements should leverage partnerships with the private sector, including fintech companies.

The Consulting Services (“the Services”) includes establishing an effective and sustainable public-sponsored digital platform (“the Platform”) that can increase access to finance to SMEs in Ghana. The selected Consultant will be responsible for the design of the platform business, including the technical, front-end channels and journeys, decisioning engines, organizational structure and other capabilities required to make the platform market-ready, viable and sustainable.

The Scope of Services shall include:

The Consultant will: (i) assess the market potential and enabling legal, regulatory, and policy environment for the Platform; recommend required public actions and infrastructure for the Platform; and develop the business case, architecture, and strategic options for the Platform; and (ii) develop a business plan with the chosen strategic options and business model for the Platform. The work is expected to be performed in two phases.

The detailed Terms of Reference (TOR) for the assignment can be obtained from <http://www.mofep.gov.gh>, gdfp@mofep.gov.gh or the address below.

The Ministry of Finance (MoF) now invites eligible Consulting Firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the services.

The Selection Criteria are:

The assignment will be delivered by a firm with the following qualifications:

- Minimum of 10 years of experience in the provision of consulting services, including to financial sector institutions;
- Track record in the provision of advice on the design/establishment or restructuring of e-invoicing and receivables financing platforms, particularly in a similar country context;
- Demonstrated international experience, including in Africa or in emerging economies.

Key Experts will not be evaluated at the shortlisting stage.

The attention of interested Consultants is drawn to Section VII, paragraphs, 7.36 and 7.37 of the World Bank's "Procurement Regulations for IPF Borrowers" July 2016 "Procurement Regulations", revised November 2017, August 2018 and November 2020.

Consultants may associate with other firms to enhance their qualifications but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.

A Consultant will be selected in accordance with **Quality and Cost Based Selection (QCBS)** Method set out in the Procurement Regulations for IPF Borrowers (Procurement in Investment Project Financing Goods, Works, Non-Consulting and Consulting Services) July 2016 Revised November 2017, August 2018 and November 2020.

Further information can be obtained at the address below during office hours from 0900 hours to 1600 hours GMT or through gdfp@mofep.gov.gh

Expressions of Interest must be delivered in a written form to the address below (in person, by mail or by e-mail) **by 1600 hours GMT on September 28, 2023** to the address below. Envelopes must be marked **"EXPRESSION OF INTEREST FOR CONSULTANCY SERVICES FOR THE DESIGN AND FEASIBILITY STUDY OF A DIGITAL PLATFORM FOR MSME FINANCE."**

Address – For Submission of Expressions of Interest:

**Ministry of Finance
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Finance Drive
P.O. Box MB 40
Accra-Ghana
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Attention: Project Coordinator
Ghana Development Finance Project (GDFP)
Financial Sector Division (FSD)
Telephone No. +233-20 8118111**

Online submission: gdfp@mofep.gov.gh