



**REPUBLIC OF GHANA  
MINISTRY OF FINANCE  
GHANA ECONOMIC TRANSFORMATION PROJECT (GETP)  
IDA CREDIT NUMBER 6465-GH; PROJECT NO.: P166539**

**(CONSULTING SERVICES –INDIVIDUAL SELECTION)**

**(REFERENCE NO: GH-MOFEP-387449-CS-CQS)**

**ASSIGNMENT TITLE: RECRUITMENT OF A CONSULTANT TO COMMENCE THE  
PROCESS TOWARDS THE DEVELOPMENT OF A LIMITED PARTNERSHIP ACT  
FOR VENTURE CAPITAL TRUST FUND (VCTF)**

**TERMS OF REFERENCE**

**1.0 INTRODUCTION**

The World Bank is providing funding support to the Government of Ghana (GoG) for the implementation of the Ghana Economic Transformation Project (GETP). The overall development objective of the Project is to promote private investments and firm growth in non-resource-based sectors. The guiding principle of the Project is to promote and strengthen a growth model that is conducive to economic transformation, to achieve higher rates of investment and productivity growth across the economy, especially in non-resource-based sectors. The Project has four components, as follows:

**Component 1 - Enabling investments:** This Component will focus on improving the enabling business environment, investment attraction capacity, and the quality infrastructure support system for companies that want to invest and grow their businesses in Ghana.

**Component 2 - Crowding-in investments:** Promoting spatial and industrial planning and development: This Component will focus on enhancing the Government's programs in investment promotion and spatial development (including Special Economic Zones), thereby addressing the constraint to access quality industrial land in the country.

**Component 3 - Accelerating Entrepreneurship and Micro Small and Medium Enterprise (MSME) growth:** This Component will support entrepreneurship and MSME growth in non-resource-based sectors, addressing specifically the limited development of the MSME and entrepreneurship support ecosystem, including early-stage financing.

**Component 4 – Project Management and Evaluation:** This Component will finance project management activities including fiduciary responsibilities, procurement, communication, and dissemination, as well as monitoring and evaluation of project implementation and its impact. The Venture Capital Trust Fund (VCTF) is responsible for the implementation of the sub-component to strengthen the entrepreneurship support ecosystem and promote high-growth

MSMEs. VCTF's role under component three (3) of the GETP is to provide seed and venture capital to early-stage SMEs and strategic industries through the establishment of two (2) funds, the provision of technical assistance (TA) to further develop the early-stage financing ecosystem and the implementation of institutional review recommendations including governance, operational, legal and regulatory reforms.

## **2.0 ABOUT VENTURE CAPITAL TRUST FUND (VCTF)**

The VCTF was established by the VCTF Act 2004 (Act 680) as a government-backed venture capital fund of funds, which focuses on investing in venture capital funds dedicated to investing in Small and medium-scale enterprises (SMEs) and also deploys monies to support other activities and programs, which are aimed at promoting venture capital financing in Ghana. It aims to create a vibrant and well-structured venture capital industry with investments in various sectors, leading to job and wealth creation. Over the years, VCTF has invested in six funds (Venture Capital Finance Companies) which are designed to increase the availability of risk capital to SMEs and being managed by locally based fund managers.

The Venture Capital/Private Equity (VC/PE) market in Ghana is still in the early stages of development. The VC/PE investment is a specialized asset class that requires clear-cut industry-specific policies and a regulatory framework for efficient investment operation. However, during a series of stakeholders undertaken by VCTF as part of its institutional review and reforms roadmap, many stakeholders and key actors in the VC/PE ecosystem strongly advocated a review of the regulatory environment of the VC/PE ecosystem to ensure that fund management firms thrive in an environment conducive for local domiciliation of funds to attract private investments and international VC investors.

The Venture Capital/Private Equity (VC/PE) market in Ghana is still in the early stages of development. The VC/PE investment is a specialized asset class that requires clear-cut industry-specific policies and a regulatory framework for efficient investment operation. There is a growing trend towards the use of limited partnership regulatory/organizational framework in the VC/PE industry in matured VC/PE ecosystems. This regulatory /organizational framework offers a great deal of organizational flexibility that accommodates the specific requirements of most investors and is the preferred framework by investors for structuring PE/VC funds. PE/VC investors are passive investors with very little control, who are investing in a relatively illiquid but high-performing asset class and do not want to monetarily risk more than that which they have committed to the fund. A limited partnership regulatory framework provides this assurance.

It is against the above background that the VCTF, through the Project Coordination Unit of the GETP, seeks to engage the services of a firm to provide technical assistance to support the process leading to the enactment of a Limited Partnership Act for the regulation of the VC/PE ecosystem in Ghana.

## **3. OBJECTIVES OF THE ASSIGNMENT**

The overarching goal of the assignment is to provide Consultancy services and technical assistance to support VCTF related to the Drafting of a Limited Partnership Act for the regulation of the VC/PE ecosystem in Ghana. Specifically, the core objectives of the assignment are to:

- 1) Work with VCTF, the Drafting Committee, and other stakeholders to design a roadmap leading to the enactment of the Act;
- 2) Support the VCTF to organize the various stakeholder engagements to solicit their inputs during the Drafting process;
- 3) Support the Drafting Committee expected to work toward the enactment of the Act;
- 4) Work closely with VCTF and facilitate stakeholder consultations to ensure both public and private sector inputs and buy-in before submission of the Bill to Parliament.

#### **4. SCOPE OF THE ASSIGNMENT**

The Consultant's scope of work shall include but will not be limited to the following:

1. Assist VCTF in setting up a Drafting Committee made up of key VC/PE Ecosystem stakeholders; prepare the Committee's ToR, and provide technical services to the Committee to craft the initial Drafts of the Bill;
2. Attend follow-up meetings with relevant government bodies and other stakeholders in fine-tuning the Draft before final approval of the Draft Bill;
3. Assist the Drafting Committee to organize the various stakeholders' engagements to solicit inputs for the exercise;
4. Collaboratively work with VCTF, the Drafting Committee VC/PE, and other key stakeholders to design and implement a detailed roadmap leading to the enactment of the LP Act;
5. Conduct research into and benchmarking with similar legislation in matured VC/PE ecosystems and make the results available to the Drafting Committee and VCTF;
6. Benchmark-related legal instruments matured VC/PE ecosystems in Africa, the UK, etc., and propose best practice aspects that could be incorporated into the proposed Bill;
7. Liaise and engage the office of the Attorney General (AG) and Ministry of Justice (MOJ) to develop Drafting instructions for the proposed Bill;
8. Liaise between the Drafting Committee and relevant government institutions with an interest in the enactment of the Act;
9. Make presentations on the deliverables to the PCU, VCTF, Draft Committee, and other stakeholders to solicit their views on the content and scope of the proposed Act;
10. Participate in dissemination meetings to understand the context and dynamics of the VC/PE ecosystem and its legislative implications;
11. Prepare a business case for the enactment of the Act and submit same to VCTF and Drafting Committee;
12. Review regulatory framework and related reports on institutional review reforms and make recommendations to VCTF;
13. Undertake consultations with all relevant stakeholders through meetings, workshops, and other appropriate forums as agreed, and incorporate their views on the Draft Bill, focusing on harmonization and coordination;
14. Preparation and submission of detailed meetings and workshop reports;

15. Prepare and submit detailed monthly reports to VCTF on key deliverables throughout the assignment;
16. Work closely with VCTF to facilitate workshops and pre-laying meetings with relevant parliamentary select committees to expedite the enactment of the Bill.

## 5. DURATION OF THE ASSIGNMENT

The consultancy is expected to be awarded for an initial 12 months and may be renewable for another 12 months.

## 6. SUPERVISION AND REPORTING ARRANGEMENTS

The Consultant will report directly to the Chief Executive officer of VCTF. The Fund will provide a team of staff to work with the Consultant and also coordinate meetings as requested by the Consultant.

## 7. LOCATION

The Consultant's work will primarily be based in Accra and may travel to other parts of the country.

## 8. REPORTING OBLIGATIONS AND DELIVERABLES

### 8.1 Reporting Obligations

The Consultant will submit the following reports to VCTF:

- (a) An Inception Report indicating the approach/methodology for delivering the services under the assignment. The Inception Report must include a detailed work plan outlining all critical activities to be undertaken under the scope of work for the full length of the contract period, with clear methodology, dates of delivery, and specific deliverables after each activity.
- (b) Monthly Progress Reports on the status of the assignment, which shall be submitted at the end of each calendar month.
- (c) A Draft Bill for submission to the Government through the supervising ministry

### 8.2 Deliverables

| S/No. | Description of Output  | Period after commencement                            |
|-------|--|--|
| 1.    | An Inception Report which shall provide the approach/methodology for delivering the services under the assignment                    | Two weeks  |
| 2.    | Development of a detailed leading to the enactment of the LP Act   | Three weeks after acceptance of the inception report |
| 3.    | Support the Technical Drafting Committee   | Throughout the contract period                       |
| 4.    | Development of a detailed roadmap leading to the enactment of the LP Law   | Three weeks after acceptance of the inception report |
| 5.    | Collaborate with VCTF and the Technical Committee to organize various stakeholders' engagements to solicit inputs for the assignment | Six months after the appointment                     |

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|-----|--|------------------------------------|
| 6.  | Liaise and engage the office of the Attorney General (AG) and Ministry of Justice (MOJ) to develop Drafting instructions for the proposed Bill.                        | Six months after the appointment   |
| 7.  | Work closely with VCTF and facilitate stakeholder consultation to ensure both public and private sector inputs and buy-in before submission of the Bill to Parliament. | Six months after the appointment   |
| 8.  | Work closely with VCTF to facilitate workshops and pre-laying meetings with relevant parliamentary select committees to expedite the enactment of the Bill.            | Eight months after the appointment |
| 9.  | Preparation and submission of detailed meetings and workshop reports   | Monthly                            |
| 10. | Support the Drafting Committee to draft the final Bill   | Nine months after the appointment  |
| 11. | Prepare final report   | Nine months after the appointment  |

Each deliverable shall be submitted to VCTF for review and approval. Reports shall be in electronic format by email and in hard copy and shall be written in the English language.

## 9. QUALIFICATIONS & EXPERIENCE

The Consultant must be qualified as a firm and must have specific experience relevant to the assignment with the technical ability to undertake the assignment. Key experts must also have the competencies required for the project.

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| <b>The firm</b>  | <ul style="list-style-type: none"> <li>(i) Demonstratable experience in and understanding of Ghana’s financial sector, especially the VC/PE ecosystem</li> <li>(ii) At least 5 years of experience working with public sector institutions in Ghana and managing reporting relationships with government and multi-lateral agency stakeholders.</li> <li>(iii) At least 10 years of demonstrable experience in legislative enactment processes</li> <li>(iv) Demonstrable track record of successfully managing similar assignments in the past five years</li> </ul> |
| <b>Team Lead</b> | <p><b>Qualifications</b></p> <ul style="list-style-type: none"> <li>(i) A first degree in any field with not less than 10 years of work experience</li> <li>(ii) LLB / Masters in Business related discipline will be an added advantage.</li> <li>(iii) Membership in a professional body is desirable.</li> </ul> <p><b>Experience</b></p> <ul style="list-style-type: none"> <li>(i) Demonstratable 10 years of hands-on experience in and understanding of Ghana’s financial sector, especially the VC/PE ecosystem</li> </ul>                                    |

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|----------------------------------|--|
|                                  | <ul style="list-style-type: none"> <li>(ii) Demonstratable experience in research and legislative enactment processes</li> <li>(iii) Ability to manage a diverse team of specialists on complex projects to deliver effective results.</li> <li>(iv) Demonstrable track record of successfully managing similar assignments.</li> <li>(v) Good analytical skills and ability to write structured legal documents</li> </ul>  |
| <p><b>Works stream leads</b></p> | <p>At most two workstream leads with the under-listed qualifications and experience:</p> <p><b>Qualifications:</b> A first degree in Economics, Finance, Business Administration, Mathematics, Engineering, or social science with not less than 10 years of work experience in the VC/PE ecosystem</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>(i) Demonstratable hands-on experience in and understanding of Ghana’s financial sector, especially the Ghanaian VC/PE legal regulatory framework</li> <li>(ii) At least 5 years of hands-on experience in Fund domiciliation, Fund design, and structuring.</li> <li>(iii) Good analytical skills and ability to write structured documents</li> </ul> |

**10. RESPONSIBILITY OF CLIENT**

VCTF will provide the Consultant s with the relevant information necessary to facilitate the performance of this assignment.