Request for Proposal on:

Internet of Things / Machine to Machine Engagement
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Request for Proposal (RFP) on IoT/M2M engagement

1. Background

Ethio telecom is the sole and state-owned telecom service provider in Ethiopia. To attain the vision of providing a world-class telecom services, ethio telecom invested a massive amount of money on telecom infrastructure in the country. As a result, 16K Kebeles have fixed telephone access, 85.5% and 66% of the inhabitant areas in the country are covered by 2G and 3G mobile networks respectively. Additionally, the capital city Addis Ababa has a 4G coverage with a capacity to serve 399k customers and major cities in the country have fiber broadband coverage.

Currently, ethio telecom is providing wide range of Voice, Internet, Data and Value-Added Services to more than 43M active customers:

- 41.97M Mobile customers (32% smartphone users and 92% of them are Android OS).
- 21.4M mobile broadband (on mobile, 3G and 4G dongles, Wi-Fi routers)
- 87k fixed broadband customers
- 1.2M Fixed voice customers.

Hence the big market potential is yet to be addressed and the provisioning of IoT services will bring improved customer experience and revenue.

Ethio telecom has a strong partnership with local and international companies that will help to expand its reach and diversify telecom business. Additionally, there are more than 260 own shops, 107 distributors, 30+ Organized chains, 91 Franchise shops, 80k+ retailers, dedicated business center and key account managers for Enterprise customers. Ethio telecom provides customer support via dedicated contact center (980 and 994) as well as Customer Service Management professionals to handle after sales support.

With the ambition of playing its crucial role in IoT service provisioning, ethio telecom floated a Request for Information (RFI) on Aug 21, 2018. The RFI was needed to collect information that guide ethio telecom in identifying best practices to realize end to end IoT service provisioning in Ethiopia. After a thorough review of the RFI responses, ethio telecom decided to openly engage experienced IoT service providers with best solutions, equipment and pre to post deployment services with a revenue sharing model.
Ethio telecom is issuing this RFP to obtain proposals from qualified solution providers and sign an agreement for the provisioning on IoT services. Potential partners should demonstrate their qualification in different IoT service delivery along with references and other supporting documentation.

2. Statement of Purpose

Ethio telecom is in the process of building an IoT/ M2M ecosystem and deliver end to end solution in partnership with platform and service providers with broad range of expertise and solutions. To achieve this broad objective, Ethio telecom has developed a comprehensive IoT roadmap with an incremental implementation approach towards an End to End service delivery.

The engagement will bring Ethio telecom and partners capabilities together in a single, integrated delivery model. Thus, interested technology and service providers are encouraged to consider the opportunities to utilize partnership advantages. This helps to overcome capability gaps, reduce time to market by leveraging partnership strength. By this initiative:

- Interested IoT players will be part of strategic partnership ecosystem and contribute their part for the growth of M2M/ IoT business.
- The solutions will be tested and verified against established requirements.
- Tailor made solution will be provided to meet customers’ objectives.
- A strategic/joint partner will work collaboratively with ethio telecom to ensure mutual success.

Hence M2M/ IoT industry players are invited to submit their technical and commercial proposals on any solution, application, device/ sensors and technologies that could be part of end to end service delivery.
3. **Project Objectives:**

- To engage IoT partners with a diverse range of experience and high level of expertise in the provisioning of IoT platform, application and devices.
- To establish best practices, standards, and an actionable process that will help ethio telecom to active play its enabler role.
- To jointly identify feasible IoT projects to deliver based on market size and customer demand.

4. **Scope of work:**

- Provide end to end IoT services by engaging capable and experienced partners in delivering reliable end to end solution with deep technical expertise and support.
- Partners are required to submit a product information and strategy on the potential areas mentioned below. The list is not intended to be exhaustive and responders are encouraged to share additional areas that can be monetized and repeatable.

a. **Smart Home**
   - Home security: internet-enabled cameras, security alarms, smoke alarms & locks
   - Energy monitoring
   - Home appliances

b. **Waste management**

c. **Transportation:**
   - Smart traffic lights
   - Vehicle tracking solution (taxi, rental, enterprise, govt)
   - Fleet management with Geo fencing
   - Automatic fare collections: mobile ticketing
   - Usage based insurance service

d. **Energy and Utilities:**
   - Smart metering: water, gas and electricity

e. **Industrial/Manufacturing:**
   - Real time equipment monitoring,
   - Smart retail and logistics (Delivery and shipment)
f. Healthcare and Insurance
   ▪ Portable medical devices,
   ▪ Digital remote patient monitoring system

g. Security:
   ▪ Surveillance and video analytics,
   ▪ Geo Fencing.

h. Financials/ Retail:
   ▪ Point-of-sale terminals, vending machines

Partners are expected to deliver the solution, operate and provide in life management support jointly with ethio telecom for the above engagement areas. Respondents can submit their solution that can address one, some or all the areas above. The areas will not be restricted to the above ones and additional areas can be included depending on market potential and segment maturity.

5. Project requirements

   5.1. Preliminary requirements

Interested partners shall fulfil and provide the following engagement requirements when submitting their response proposal:

• Renewed or new trade license/ investment license.
• Renewed or new VAS (Value Added Service) license for local business entity.
• Agreement to work with a minimum of one-year contract.
• Commit to engage local business entity/ partners.
• Provide at least two references for the successful delivery of IoT projects.
• Partner shall be required to allow ethio telecom to have a site visit with the reference customer, if necessary.
• Willing to work with ethio telecom on a revenue sharing model
5.2. Mandatory Requirements

5.2.1. Required Company Experience

- Proven ability to build, deploy and support differentiated IoT/M2M solutions that are aligned with customer needs.
- Ability to integrate IoT/M2M solutions with the legacy systems.
- Professional staff with domain knowledge, ability to plan, manage and execute IoT projects.
- Successful implementation of end to end IoT solution provisioning in different vertical markets with different market size and complexity.

5.2.2. Required Technical requirements

Partners should possess the below required technical capabilities and commercial arrangements to the minimum:

a. Service delivery capability (Platform including cloud and analytics solution) to:

- Connect heterogeneous devices, collect, combine and manage data from different service providers.
- Avail a single point of integration between ethio telecom infrastructure and different applications.
  - Handle scalability/ growth in the number and heterogeneity of devices
  - Provide precise analytical insights
  - Protect devices from accessing malwares and spoofing sites
- Having an IoT platform with the following modules/ capability:
  - Secured, modular/ scalable (should be robust)
  - Supports different modes of connection (wired and wireless)
  - Service integration (with legacy system, third party system)
  - Device Management (manages a heterogeneous set of devices)
  - Data management (storage-processing massive amounts of data, BI)
  - Self-service Portal (user management, reports)
  - Subscription and Billing management (flexible packaging and pricing)
  - Application enablement and management
  - Connectivity management
    - Ensures data security, confidentiality and accessibility,
b. Applications (including devices and installation):

- Submit a product information and strategy on the intervention areas mentioned under the ‘scope of work’ section.

6. Commercial proposal:

- Propose competitive revenue share (as a whole or per item/vertical market)
- High level business plan

Please use the template provided below for your response.

7. Confidentiality and Public Disclosure

- Partners shall treat all information obtained from ethio telecom which is not generally available to the public as confidential and/or proprietary to ethio telecom.
- Partners shall exercise all reasonable precautions to prevent any information derived from such sources from being disclosed to any other person.
- Ethio telecom will keep the confidentiality of the documents and will not expose competitive information to third party.
- If required, ethio telecom as a government/public corporation, is subject to state and local public disclosure laws and, as such, is legally obligated to disclose to the public documents, including proposals, to the extent required by laws.

8. Proposal Administration

8.1. Proposal submission

Partners shall comply with the following requirements during preparation of the Proposal:

- The Proposal and all associated correspondence shall be written in English. Any interlineations, erasures or over writings shall be valid only if they are initialed by the authorized person signing the Proposal.
- All proposals must be submitted in hardcopy to Sales division (TPO, Enterprise building, 4th floor) and electronically via teyib.degu@ethiotelecom.et till Aug 10, 2019.
- Proposals received by facsimile shall be treated as defective, invalid and rejected. Only detailed complete proposals in the form indicated above received prior to the closing time and date of the proposals shall be taken as valid.
• Partners are not permitted to modify, substitute, or withdraw Proposals after its submission. Modifications to proposals already submitted will be allowed if submitted in writing prior to the time fixed in the Request for Proposals.
• The partner shall prepare the technical proposal in hard copy along with a soft copy and sealed in a separate cover. Similarly, Commercial Proposal in hard copy along with a soft copy and sealed in a separate cover.
• Proposals and any other related documents prepared in response to this RFP will not be considered unless they are filed to the correct address within the time period.

8.2. Timeline:

<table>
<thead>
<tr>
<th>Action</th>
<th>Tentative Schedule</th>
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<tbody>
<tr>
<td>RFP posted (website, twitter and Facebook pages)</td>
<td>July 13, 2019</td>
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<tr>
<td>Submission deadline</td>
<td>August 10, 2019</td>
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<td>Proposal review and discussion</td>
<td>August 30, 2019</td>
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<td>Contract</td>
<td>September, 2019</td>
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</tbody>
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8.3. Proposal Review and Discussion.

Ethio telecom will enter into discussion with any one or more applicants regarding business model, engagement approach, price, scope of services, or any other term of their proposals, and such other contractual terms, at any time prior to execution of a final contract.

Please use the RFP template provided for your responses.
RFP Response template
RFP template

Proposals submitted in response to this RFP must include a cover letter signed by the person authorized to issue the proposal on behalf of the company.

The proposal should also include:

- A cover letter which summarizes your response, includes areas to which you are responding, and indicates if supporting documentation is included in your response.
- Response should address at least the following:

A. General Information

- Parent company:
  - Business Name, address, telephone number, website,
  - A primary contact, including name, job title, address, telephone and email address.
- Local representative (If any)
  - Authorization letter
  - Agent information
  - Business license and taxpayer identification number (Local)

B. Company Profile

- Company profile
- Business/ service portfolio.
- Size, profile of professionals
- A description of business background, including, country of origin, primary mission of business, business experience and any other information relevant to this RFP.
- Track record. Has your solution ever been implemented before? If yes, please list where your solution has been implemented, impact and customer testimony.
- Any relevant experience working with operators in sub Saharan Africa.
C. Project Understanding

Provide a brief narrative statement that confirms your understanding of the project, and agreement to provide required products and services necessary to achieve the objectives of the project. Describe how your strategy and business experience will benefit the project.

D. Engagement scope

Provide a proposed scope of work, including a cost proposal and project milestones and make sure to describe the below in detail:

- Proposal scope, objective and how the solution will be realized.
- List of vertical markets /industry verticals to be covered.
- Services to be delivered, with different business or technical environments,
- Technology, solution and intellectual property, device certification related issues
- High level service/ solution architecture describing components and key integration points

Please respond your compliance to the below specific requirements:

<table>
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<tr>
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<th>Remark</th>
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j. Information/Data management (storage-processing massive amounts of data, BI)

k. Self-service Portal (user management, reports)

l. Subscription and Billing management (flexible packaging and pricing)

m. Application enablement and management

n. Connectivity management

o. Ensures data security, confidentiality and accessibility,

Delivery of vertical applications/solution

Delivery of devices/sensors and supporting accessories

E. Proposed Subcontractors/Partners (if any)

- State the intention to use subcontractors/joint ventures to the objective of this RFP.
- Provide the name and address of the subcontractor, a description of the work and experience in the subject matter.

F. Statement of Financial Capacity

- General statement of the financial condition
- Most recent audited financial statements
- Disclosure of any bankruptcy filings over the past five years

G. Engaging local business entity

- Possibility of engaging of local business entity
- Readiness and capability in delivering the required services
- List of professionals and their contribution
- Proof of capability/certification/relevant experience

H. Commercial Proposal

i. Business strategy on how to address IoT/M2M business

- Present strategic roadmap for project implementation, priority areas and a detailed look at specific recommended projects with costs projections.
- Identify opportunities for quick wins and solutions that produce rapid returns on investment for the earlier stages of implementation
- Propose Go to market strategy and Co-marketing approaches
- Business plan and revenue projection
ii. **Business model and revenue sharing proposal**

iii. **Delivery time for each solution**

I. **Additional information**
   - Resource and integration requirements
   - Preconditions, challenges or areas of concern
   - Any additional information on applications, solution delivery, marketing support, business models etc.

J. **Proof of concept for the solutions**
   - Case studies, solution brief /demos
   - Propose proof of concept delivery on a pilot basis.