Request for Proposal on:

Location Based Service (LBS)
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1. Background information

Ethio telecom with a vision of becoming world class telecom operator has been working at its full-scale towards the achievement of customer expectation and providing end to end desirable telecom solutions to create a favorable condition for the development of the country. In order to realize its vision, the company has been working hard to attain its annual plan set incorporating the commercial ambition of the company in terms of customer base, finance and marketing strategies.

Ethio telecom is currently offering wide range of services including voice, internet, messaging along with different value added service solely and in partnership with various service providers. Moreover, as part of the digital transformation happening around the world, ethio telecom has started offering digital services in the form of mobile applications to the market.

Ethio telecom mobile subscriber base has reached to 41.97 M customers (32% smartphone users and 92% of them are Android OS). Ethio telecom has 87K broadband customers, and Fixed to the Curve (nearest possible) infrastructure with 1.2 M active fixed line customers. In terms of geographical coverage 16K Kebele’s have fixed telephone access, 85.5% and 66% of the inhabitant areas in the country are covered by 2G and 3G mobile networks respectively. Moreover, 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.

Ethio telecom has a strong partnership with local and international companies that will help to expand its reach and diversify telecom business. Ethio telecom has a strong sales and distribution channels to reach its customers. 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. Additionally, ethio telecom provides customer support via dedicated contact center (980 and 994) as well as Customer Service Management professionals to handle after sales support.

In line with its continuous effort of offering the best service for mobile service customers and as part of ethio telecom strategy to meet the growing customer demand of telecom services, ethio telecom is planning to launch location based services to the market. The aim is to avail different location based services applicable for our market with the goal of providing various innovative services based on their geographical locations & while they are on the move. Hence, the main objective of the RFP is to call upon prospective LBS providers who are interested to work with ethio telecom on revenue sharing basis based on contractual agreement set.
2. Statement of purpose

With the development of mobile communication technologies growing around the world, in an emergency situation or as a case in a public safety measure the mobile phones can be located by the security agencies with the aid of location based services. Location based service will play more and more important role in people’s everyday life, for instance allowing government agency to locate person in need of medical help or security emergency, he/she can notify the security agencies with a push of a button and security agencies can locate the exact location of the person and assist him accordingly.

For businesses and enterprise side applications, location based service can play a significant role related to obtaining information about traffic, restaurants, retail stores, travel arrangements, or automatic teller machines based on the consumer’s location at a particular moment in time.

To this end, ethio telecom is seeking qualified companies that could work in partnership to provide Location based services to the market. Ethio telecom is issuing this Request for Proposal (RFP) to obtain proposals from qualified solution providers who fulfils the engagement requirements and scope of work to submit their technical and commercial proposal to engage in providing the service in partnership with ethio telecom. Potential partners should be able to demonstrate that they are qualified in different LBS service delivery along with references and other supporting documentation.

All proposals satisfying the requirements of this Request for Proposals will be evaluated to establish which of the partner fulfills the needs of ethio telecom. Ethio telecom anticipates entering into a contract with this/these partners to execute the proposed work in collaboration. This Request for Proposals, however, does not commit ethio telecom to award a contract, to pay any costs incurred in the preparation of a proposal. Ethio telecom reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with all qualified partners or to cancel this Request for Proposals, if it is in the best interests of ethio telecom to do so.

3. Project Objective

The main objectives of the project are to:

- Provide an advanced and real time service experience for customers based on their geographical locations.
- Engage LBS partners with a diverse range of experience and high level of expertise provisioning of LBS platform and service applications.
▪ Engage a diverse range of stakeholders to the successful development of location based service.
▪ Jointly identify feasible LBS solutions to deliver based on the market size and customer demand in the local market.

4. **Scope of work**

The project scope includes partners capable and experienced in delivering reliable LBS solution with deep technical expertise knowledge and support. Partners should possess the below required technical capabilities and commercial requirements:

**a. Technical requirements:**
The partner shall be responsible to provide:

- **Hardware:** required LBS equipment’s, platforms, devices, tools & accessories (GMLC, SMLC, SAS and all required platforms)
- **Software:** application or any others
- **Services:** deployment and management
- **Positioning capabilities:** GPS and wireless modalities
- **Technical support & maintenance:** required integration, maintenance and support team.
- **Professional services:** Consultation and marketing support related to LBS applications.

**b. Location based services requirements**
The partner shall submit a detail service information and strategy for launch on the below LBS application areas. The list is not intended to be exhaustive and respondents are encouraged to share additional areas of engagement that can be worth to be monetized in the partnership.

- Location based advertising
- Navigation/routing
- Family and Friend Finder
- Emergency Services
- Asset Tracking/workforce management
- Local search/ points of interest
- Gaming
- Retail outlet
- Device management
- Public safety
- Any other emerging LBS applications and technologies.

Partners are expected to deliver the solution, operate and provide technical support for the above service engagement areas and others not mentioned. The areas will not be restricted to the above ones and additional engagement areas can be included depending on local market potential and service attractiveness.

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 and commercial registration.
- Renewed or new VAS (Value Added Service) license or commitment to engage local business entity/partners.
- Agreement to work with a minimum of one-year contract.
- Commit to engage local business entity/partners for service delivery.
- Agree to work with ethio telecom on a revenue share model.
- Partner shall provide two customer references endorsing the successful implementation of the LBS projects that have been carried out.
- Partner shall be required to allow ethio telecom to have a site visit with the reference customer, if necessary.

Required Company Experience

The solution provider shall have:

- Proven ability to build, deploy and support differentiated LBS solutions that are aligned with customer needs and local market demands.
- Proven knowledge in the LBS deployment and technology experience
- Ability to integrate LBS hardware components with ethio telecom legacy systems
o Professional staff with required domain knowledge, ability to plan, manage and execute LBS projects deployment.

o Familiarity with standardization, best practices and regulations around LBS security and privacy.

o Working with and managing third party vendors to implement LBS projects.

o Capability to develop an actionable roadmap that will give clear guidelines on to how implement, support, and utilize LBS in Ethiopia by taking existing assets into consideration.

5.2 Mandatory Requirements

**Required Technical requirements**

Potential partner’s system shall comply as per the following mandatory requirements:

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<tr>
<th>Requirement</th>
<th>Compliance</th>
<th>Remark</th>
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<tbody>
<tr>
<td>The solution should support any required integration to the existing system for all the business need like to CBS for charging, CRM system for provisioning and open to integrate to upcoming solutions and systems with standard APIs.</td>
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<td>The system shall provide hardware that has horizontal and vertical scalability.</td>
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<td>The integration to other systems is under the scope and it should integrate to Network elements, MSC, SMSC, CBS, SDP, bulk platform, CRM module, HLR, FMS, BI and other required ethio telecom systems.</td>
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<td>Standard and open interface for external entities shall be opened for third parties and it should follow and support relative standards and specifications.</td>
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<tr>
<td>System must not misuse the obtained customer information for any wrong doings, abuse or any other actions.</td>
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<tr>
<td>The LBS service users can request through IVR/SMS/WEB/USSD channels for any service related to LBS.</td>
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<td>The LBS system must support Opt-in and Opt-out features for all supported services.</td>
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<tr>
<td>System shall be configurable and support different local languages such as but not limited to Amharic, Afaan Oromo, Tigrigna, and Af Somali.</td>
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6. **Commercial proposal:**

Interested partners have to provide their commercial proposal to work with ethio telecom in a revenue sharing model while offering the service for the mentioned period of time. Specifically, the partners who seeks to work with ethio telecom shall:

- Be willing to work with ethio telecom on a revenue sharing model
- Propose revenue share model (as a whole or per service level)
- Prepare a business plan, business strategy and revenue projection (for at least one year)

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.
- 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.
- Ethio telecom will keep the confidentiality of the documents and will not expose competitive information to third party.

8. **Proposal administration**

8.1 **Proposal submission**

Please use the RFP template provided on page this RFP for your responses.

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.

Moreover, the 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.
• 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.

**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>Aug 10, 2019</td>
</tr>
<tr>
<td>Proposal review and discussion</td>
<td>Aug 30, 2019</td>
</tr>
<tr>
<td>Contract</td>
<td>September, 2019</td>
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</tbody>
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**8.2 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.
RFP Template
**RFP template**

The 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 the response, includes areas to which response is made and indicates if supporting documentation is included in your response.
- The RFP shall to be prepared shall address the following parts but not limited to:

**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
  - Authorization letter
  - Agent information
  - Business license and taxpayer identification number (Local)

**B. Company Profile**

- Qualified partners should submit a company profile and experience showing but not limited to the below (as applicable)
  - Company/ business profile.
  - The prospective authorized partner’s business experience supported by a brief company profile
  - A description of business background, including, country of origin, primary mission of business, business experience and any other information relevant to this RFP.
  - Successful years of experiences in providing Telecom related services
    - Staff resources
    - The qualification of the management
    - The business experience of the management and the staffs preferably in Telecom related services
    - Track record related to the application of LBS into different markets
  - Provide at least two references for the successful delivery of LBS projects.
- Any relevant experience working with operators in African market is desirable.
- Location based service portfolio:
- LBS platform, equipment and other relevant hardware and software components.
- LBS Product offers/Service type: e.g. location based advertising and the like
- Service access channels: How users access to services: via internet/web / mobile client or via USSD, SMS, IVR
- High level service/ solution architecture describing components and key integration points.

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 proposal and project milestones, in accordance with “Scope of Work,” of this RFP. Please make sure to include a statement regarding how you engage a diverse range of stakeholders from the community at large.
Potential partners should describe in detail:

- Proposal scope, objective and how the solution will be realized.
- Product and Services to be delivered, with different business or technical environments,
- Technical and integration details
- Technology, solution and related issues

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

- Availability of local business entity that can actively be engaged and make use of LBS offers.
- Readiness and capability in delivering the required services
- List of professionals for project implementation
- Proof of capability/ certification/ relevant experience

H. Commercial proposal

a. Business/ financial strategy on how to address LBS

- 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
- Detailed cost information for each option/alternative. The cost proposal must identify, by separate item, task and activity required for each deliverable.
- Propose Go to market strategy and Co-marketing approaches
- Delivery time for solution proposed

b. Business model and revenue sharing proposal

c. Delivery time for each solution

I. Additional information

- Case studies, solution brief /demos
- Benefits to customer’s/ end users
- Resource and integration requirements
- Preconditions, challenges or areas of concern
- Any additional information on applications, solution delivery, marketing support, business models etc.