Request for Expressions of Interest (EOI): Grant award to Host organization(s) for the African Regional Mobile Applications Laboratory

infoDev, a donor-funded agency hosted by the World Bank, invites suitable organizations to host the African Regional Mobile Application Laboratory. To respond to this EOI, please send a capability profile and a covering letter by email to tkelly@worldbank.org with a copy to info@infodev.org, no later than 31 May 2010. Shortlisted host organizations will be invited to respond to a more detailed request for proposals (RFP) in a second stage of the selection process (see section 2). Questions and comments can be posted at http://mobileappslab.wikispaces.com/.

1. Introduction: Creating Sustainable Businesses for the Knowledge Economy

*info*Dev, a donor-funded ICT for development agency hosted by the World Bank, has formed a public/private partnership with the Ministry of Foreign Affairs of the Government of Finland and Nokia to undertake a joint program on *Creating Sustainable Businesses for the Knowledge Economy*, worth some €12 million, that will run from 2010 – 2012. The program foresees three tracks – on mobile applications, on business incubation and technology entrepreneurship and on hosting of the Global Forum in 2011 – together with a supporting track of analytical work in the field of ICTs and Innovation Systems in Agriculture. The program will be implemented at the country level in Finland's development partner countries; at the regional level in Africa, Asia and in Eastern Europe, Caucasus and Central Asia (ECA) as well as at the global level. More information is available at: http://www.infodev.org/en/Article.452.html.

2. Selection process

This request for expressions of interest (EOI) concerns Track 1A of the program, on the **establishment of a regional mobile applications lab for Africa**. In particular, *info*Dev, as the implementing agency for the program, is looking to identify either one, or two, host institutions in Africa where the activities of the lab can be situated.

The selection process is taking place during a sequence of phases:

- December 17 2009: The *Creating Sustainable Businesses* **program launch** took place in Washington DC and the steering committee agreed upon the work program during 2010.
- Feb—April 2010: A series of **scoping missions** were undertaken to meet with stakeholders in the mobile industry in Africa and Focus Group discussions were held in Kampala (10 March), Johannesburg (18 March), Nairobi (27 April) and Cape Town (30 April). These discussions were

- used to refine the project concept note, to launch the mobile social networking activity and to prepare the grant-awarding process.
- May 2010 (closing date May 31). This **call for expressions of interests** (EOI) has been advertised widely to identify potential host organizations within Africa. Interested parties should respond with a capability profile and a covering letter, no later than 31 May, by email to tkelly@worldbank.org with a copy to info@infodev.org. To assist organizations in responding to the EOI, an interactive website will established where questions can be posed and answers posted for discussion.
- June – July 2010 (closing date July 30). Following a shortlisting process, a more detailed **request for proposals** (RFP) and a questionnaire of key issues will be submitted to a shortlist of candidate organizations. The *info*Dev team will organize site visits and/or teleconferences to discuss the proposal with the shortlisted organizations in the latter part of this period.
- August – September 2010. Following evaluation of the proposals , and more detailed contractual discussions, **grant(s) will be awarded** to the successful host organization(s). Without prejudging the outcome of the selection process, it is likely that an initial grant of US$200'000 will be awarded to two host organizations in differnent sub-regions of Africa, or alternatively a single grant of US$300'000 will be awarded. However, *info*Dev reserves the right to modify the arrangements for the grant awards, depending on the outcome of the RFP process. The aim is to launch the lab(s) in Africa by the end of 2010.
- 2011 – 2012: The initial grants are intended to cover the immediate start-up and initial running costs. On the successful completion of the initial period, the host organization(s) will be eligible to secure additional grant awards and other funding to help expand the range of services covered. However, in the period beyond 2012, when this project is due for completion, it is anticipated that **each lab should aim to become self-sustaining** from revenues raised through its operations. The submission by potential host organizations of a business model that would achieve sustainability within three years is an important criterion for success in this RFP process.
- In parallel to the selection process for host organizations, *info*Dev will be carrying out **a complementary work program**, including recruiting a team to help coordinate the labs, developing a project implementation plan, commissioning a consultancy to work further on the business model for the Labs to become self-sustaining and to provide mentoring to the Labs. *info*Dev will also be working with Mobile Monday to launch mobile social networking activities in Africa and elsewhere (Track 1B).

The African regional mobile applications Lab(s) are being established in the first phase of a wider work program that will see other regional labs established in Asia and in ECA. Additional partners are being sought to expand the geographical coverage and scope of the network of Labs. It is envisaged that all the Labs will be networked together and will have a similar branding. Similarly, each Lab will be expected to work with the city-wide social networking hubs, to be established in association with Mobile Monday under Track 1B. Under Track 2, a series of activities in the field of technology entrepreneurship and business incubation are being launched that will, *inter alia*, see the creation of new business incubators and support for existing ones, and the launch of a global program of co-incubation (soft-landings for SME internationalization). This will also create collaborative opportunities for the Labs.

What is a mobile application?

A mobile application is a piece of software on a portable device (e.g., a mobile phone handset, a personal digital assistant, a tablet computer etc) that enables a user to carry out one or more specific tasks that are not directly related to the operation of the device itself. Examples include the ability to access specific information, for instance via a website, make payments and other transactions, play games, send messages etc. The application (app) might come pre-installed but more usually is downloaded (for free or for payment) via a wireless network from an online "app store" and may require a live connection to function effectively. Simple apps may make use of the in-built low-speed data communication facilities of digital mobile phones, such as short message service (SMS) or Unstructured Supplementary Service Data (USSD). More complex apps make use of the Internet Protocol-based data communication facilities of higher-speed networks on third or fourth generation mobile phone networks.

In this project, a broad definition of mobile applications is adopted which would cover the full range of types of application, including:

- Standalone software apps downloaded onto a device, such as an iPhone app. As of April 8 2010, there were 185'000 provided by third-party developers with more than four billion downloaded since the iPhone was launched in July 2008, according to Apple's presentation at the iPhone OS 4 media preview event.
- Applications that require an elaborate ecosystem to support them, such as SafariCom's M-Pesa application for mobile payments in Kenya. There are some 15'000 agents for M-Pesa and over 9 million users.
- Applications built upon a specific platform that is itself an application. For instance, the MXit Instant Messaging platform, which began in South Africa, now supports some 250 million messages per day. It provides tools for users to develop their own applications running on the platform.

However, success for host organizations in this initial RFP does not necessarily confer any benefits in any subsequent procurement process.

3. Objectives, partners and measurement of success

The **objective** of the Mobile Applications Labs is to increase the competitiveness of innovative enterprises in the mobile content and applications area, and to ensure that locally relevant applications are created to meet growing developing country user demands. The labs will provide services both *locally*, serving the local entrepreneurial market, and *regionally*, providing resources to the mobile applications developers elsewhere in the region. To do this, it will provide some services in the physical location of the organization (e.g., training, testing, mentoring) while other services will be provided virtually (e.g., developing a website of resources for mobile apps developers throughout the region).

This project will benefit from the experience of the program partners, notably:

- *info*Dev's experience in incubation of ICT enterprises, the regional Incubation Networks, the global ICT business incubation working group, and the global mobile flagship report. *info*Dev helps to animate a network of more than 300 business incubators in more than 80 economies around the globe, and is a leading agency in the field of information and communication technologies for development (ICT4D)
- the Ministry of Foreign Affairs of the Government of Finland, which is thought-leader in the global development community, bringing specialist skills in the field of agricultural and rural development and forestry as well as in the application of mobile phone technology.
- Nokia, which is the leading mobile communications equipment vendor and supplier worldwide, and brings to the program its immense experience in the development of mobile content and applications.
- Mobile Monday, which is a volunteer-run Innovation Network which has established social networking hubs ("chapters") for the mobile industry in around 100 cities worldwide, including (with *info*Dev support) in Kampala (launched on 8 March 2010) and Nairobi (launched on 11 March 2010).

One measure of success of the Lab is that each one should aim to generate between 8-10 mobile applications by 2012. The program should also result in:

- An increased commercialization rate of innovative m-application ideas that have potential for significant development impact;
- Increased scale and competitiveness of innovative m-applications enterprises leading to greater reach to disadvantaged populations

4. Services and functions of the lab(s)

A mobile application lab is an open space where technology entrepreneurs can interact, work, gain access to tools and expertise, deploy their solutions, and start and grow their businesses. Run and managed by experts together with local developers, a lab provides the infrastructure necessary for the deployment and scaling of mobile applications. To access a lab, local programmers, web designers or mobile application developers can register as members, at no charge or for a nominal fee, depending on a particular lab's business model. Each lab will provide an environment conducive to the development of solutions that have the potential to scale commercially, by providing state of the art equipment used to develop, test and scale software, technical training and workshops on business skills. Further, the labs will act as gateways to local, regional and international markets and will connect entrepreneurs with seed, venture and angel investors.

The services and functions of the lab will evolve over time, but it is expected that they will include some or all of the following:

1. **Training and accreditation** for mobile applications developers. The Labs could offer short and longer-courses for potential programmers and others in how to develop mobile applications, and in associated business skills. There are thousands of graduates in ICT from developing country universities each year, but often they lack the skills to be employed in the mobile sector. The Labs could offer courses, with appropriate accreditation, to help students gain employment or to develop their own applications. A parallel model would be the CISCO Network Academies which offer training in networking and IP skills. In the longer term, the Labs could work with universities to offer formal post-graduate qualifications.

2. **Certification.** Because there are so many different platforms for mobile operating systems (e.g., *Symbian, Meego* (the newly-announced Nokia/Intel open systems platform), Apple's *iPhone*, Samsung *bada*, Microsoft *Windows 7*, Google *Android* etc) any application that is to gain scale needs to be able to demonstrate interoperability. In addition, local language versions of popular operating systems will need to be tested and verified. The Labs could offer a certification service for interoperable applications and provide facilities for network operators, service providers and applications developers to test their application under operational conditions.

3. **Competition for ideas.** The Labs could run competitions with prizes to attract submissions from small and medium-sized enterprises (SMEs) and budding entrepreneurs for applications development, including, for instance, a competition for ideas, for business plans, for brand names etc. The competition for ideas would be regional and could run in association with the Mobile Monday social networking hubs that are being established in different cities under the *Creating Sustainable Businesses* program. It should be emphasized that the innovation philosophy of the Labs is that applications should belong to the applications developers and entrepreneurs themselves, not to the Labs.

4. **Business mentoring.** Similar to an incubator, the Labs could assist applications developers with bringing their ideas to market. In this sense, the Labs could serve as specialized business incubators, as the entrepreneurs they serve develop their businesses over time. This may require additional space, and this function may evolve only after the first year or so of operation. The lab should also work with other Incubators in the *info*Dev network to bring start-ups to scale and help with product launches. The business mentoring would provide a more specialized form of training, for a targeted market of entrepreneurs.

5. **Replication of successful applications.** Mobile applications are often specific to individual countries, different operating systems, different languages etc. There exists a requirement, therefore, to assist, applications developers in replicating an application that has been successful in one market in other markets. This service would be particularly appropriate for smaller markets or more localized languages that might be late to receive beneficial applications under normal market processes. The focus on replication would be important for those applications that have a social development value (e.g., in education, health, and especially agriculture which is one of the focus areas for the program as a whole etc). The replication service could also be offered to operators on a commercial basis. The intellectual property rights for the applications would belong to the developers, not the lab.

6. **Repository of knowledge in ICT4D.** There is a need in the ICT4D community to create a better basis for learning from past successes and failures. The mobile applications Labs could establish an open knowledge base of ICT4D projects in the mobile space and document what has worked and what

lessons can be learned. Content for this repository could come, for instance, from the ICT for Agriculture Sourcebook to be developed under this program. The Repository could also serve as a knowledge base of open source code for developers, similar to the Source Forge (sourceforge.net).

7. **Consumer behaviour research**. While consumer behaviour for mobile users is well-understood in the developed world, there is a lack of understanding of developing country markets, where cultural, linguistic and historical issues may affect take-up. The success of the M-Pesa mobile payments systems Kenya, or MXit in South Africa as a social networking platform, illustrates the fact that some m-applications are likely to do better in developing countries than in the developed world because there may be no good substitutes or alternative solutions available. The Labs could work with other partners to conduct user-behaviour research, especially among base-of-the-pyramid (BOP) communities, for instance on a single-client or multi-client basis.

8. **Access to finance, access to markets**. The Labs should act as a forum where entrepreneurs and applications developers can meet with potential partners that will enable them to commercialize their ideas and expand their business. These partners should include mobile network operators, equipment manufacturers, app store developers, investors, venture capitalists etc. The value of the Labs is that they will provide a neutral forum where matchmaking of partnerships can take place. They will provide sufficient scale to attract serious partners and, at the same time, a neutral environment where entrepreneurs and applications developers can discuss their ideas with larger organizations. Other components of the program will include activities on access to finance, SME internationalization and business co-incubation.

In addition to these eight potential services and functions, *info*Dev would welcome other suggestions for how the Labs should perform, both from potential host organizations and from consultant firms bidding for this contract.

5. Evaluation criteria

It is considered unlikely that a single host organization would be able to meet all these objectives or to provide all of these functions. Therefore, potential host organizations are encouraged to seek partnerships, and form consortia, (a "cluster approach") when responding to this EOI. The following features might be considered as characteristics of a successful response:

- The successful applicant must be able to demonstrate a **strong link to innovation**. For instance, a successful track record in bringing innovations to market, and/or in applying academic research in the business world. The lab should be an attractive place to work or study that will provide a creative space where innovation will flourish. It is intended that the lab should create an open innovation platform that is not tied to a mobile single operating system or network operator.

- Closely related to this, the successful applicant should be able to demonstrate **a commitment to training and accreditation**, either directly or through a link with a local university or research centre. An existing syllabus in the field of mobile applications development would be an advantage but *info*Dev and its partners will work with the host organization on course design and content.

- This lab should have a **regional focus covering Africa,** specifically Sub-Saharan Africa. In this respect, the ability to be able to demonstrate existing links with other African countries would be an advantage. Applicants may wish to consider forming consortia that reach across the continent, especially in the countries of focus for the project which include Kenya, Mozambique, South Africa, Tanzania and Uganda. Mobile Monday chapters have been, or will be, established in each of these countries.
- The lab should follow a "**cluster approach**" by aligning with a range of stakeholder interests – including private sector, government, academic and grassroots/community groups – and bringing in skills from other stakeholders that are not available in-house. Where possible, especially in the RFP stage, potential host organizations should demonstrate the support of other stakeholders in their local market.
- The lab should be **interdisciplinary**, offering both technical and business skills and able to draw upon user research and design skills.
- Finally, the successful applicant should be able to demonstrate **sustainability**, through a business plan model that will extend beyond the initial period of donor funding. For instance, the ability to identify additional sources of funding, to offer services to the mobile communications community on a commercial basis and to offer complementary business activities that can run alongside the mobile applications lab will make a response to the RFP more attractive. *info*Dev is interested in using its limited resources as a multiplier that will leverage other sources of funds.

6. Who is eligible to respond?

The procurement process for the establishment of regional Mobile Applications Lab(s) in Africa will proceed in two phases as shown in section 2 above.

Organisations are encouraged to respond to this call for expressions of interest even if they are not able to match all requirements shown in sections 4 and 5 above, for instance by forming partnerships with other organisations. Nevertheless, there are some preconditions that are considered important. Specifically:

1. The Lab(s) should be physically located in Africa. Although responses to the EOI from organizations based outside Africa are acceptable, those organizations must be able to demonstrate that the lab will be established on African soil. Partnerships between African and non-African organizations are welcomed, but the host organization must be located within Africa.
2. The Lab(s) should be hosted by an existing organization (e.g., a business incubator, a university, a research centre, a firm etc) rather than being built from scratch on a greenfield site. This is considered important to get the Lab up and running quickly and to avoid additional costs on premises.
3. The Lab(s) should not be tied to a single network operator. Although the involvement of operators in consortia bidding to host the lab(s) is welcomed, it is not the intention to grant exclusivity to any single operator. Rather the lab will be engaged in the development of

applications that are based on an open innovation platform, not tied to the operating system of a single device manufacturer or the network of a single service provider.

In order to respond effectively to the EOI, organizations should be able to supply (or should be able to acquire) certain basic features, such as:

- Floor space (initially between 200 – 300 square metres with room to grow), which can be flexibly structured to meet different functions
- A location that is attractive to potential developers, such as being close to a university, centrally located and accessible, and a space for social networking which provides a fun place to work.
- Bandwidth, for internet connectivity, of at least 20 Mbit/s.
- Conference and training facilities.
- Equipment, such as mobile handsets, personal computers, test labs, software development kits, etc that would be required for the functioning of the lab. Note that some of this equipment can be acquired using the grant award, and some may be provided by partners, but a certain base of equipment and connectivity should be available from day one when the lab is launched.

7. Intellectual Property

Consistent with *info*Dev's objectives to enhance and disseminate knowledge and encourage easy replication of successful projects, *info*Dev retains ownership of all project deliverables (including any intellectual property in such deliverables, but excluding mobile applications) funded by it, and may place such deliverables in the public domain. The host organisation must recognize and agree with this objective of knowledge sharing and dissemination through *info*Dev.

To the extent that there is any intellectual property previously developed by the host organisation or by third parties, such previously-developed intellectual property should be clearly identified when responding to the EOI and RFP.

With regard to any mobile applications that are developed under this program, unless otherwise specified, the intellectual property would rest with the applications developer, who may dispose of that property as they wish (for instance, by establishing partnerships with operators, mobile app stores etc).

To respond to this EOI, please send a capability profile and a covering letter by email to tkelly@worldbank.org, with a copy to info@infodev.org, **no later than 11.59 pm EST on May 31 2010**.