

# TERMS OF REFERENCE FOR AN INDIVIDUAL CONSULTANT TO PROVIDE CONSULTING SERVICES - TO PREPARE SPECIFICATIONS, NEGOTIATE AND DRAW AN INDEFEASIBLE RIGHTS OF USE(IRU) CONTRACT BETWEEN GOVERNMENT OF LESOTHO AND LECC TO SUPPORT THE COMPLETION OF A 96KM OPTIC OVERHEAD GROUND WIRE (OPGW) FIBRE NETWORK FROM ROMA (MASERU) TO THABA-TSEKA

## *Background*

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The Government of Lesotho has been allocated loan funds from the African Development Fund which are administered by the African Development Bank for an extension of e Government Phase I project. The **e-Government Infrastructure** Phase II project is executed by the Ministry of Communications Science and Technology. The objective of the project is to drive digital finance and financial inclusion by improving access to reliable digital Services, particularly among citizens living in rural and unserved areas. The aim is to provide access to a diverse range of financial products and services for individuals as well as small, medium and large businesses through the expansion of digital infrastructure and services, which will lead to creating jobs, and contributing to Lesotho's economic growth. Specifically, the project shall: increase data-enabled coverage in rural and unserved areas; improve financial inclusion among unbanked citizens in Lesotho by developing digital payment infrastructure and strengthening digital services ecosystem and improve government skills to oversee and implement ICT initiatives.<sup>1</sup>

To increase data-enabled coverage in the rural and unserved areas, the project will support the extension of the national optical fibre backbone between Roma and Thaba-Tseka using Fibre Optic Overhead Ground Wire (OPGW). The outcome of this initiative will be an open-access segment for which LECC will charge subsidized rates for various Telecom operators operating in Lesotho.

The Government of Lesotho (GoL) intends to support the development through expansion of the LEC Communications Pty Ltd (LECC) OPWG network. LECC is a wholly-owned subsidiary of the Lesotho Electricity Company, and is licensed to build and lease data network infrastructure in Lesotho. It has been identified as the sole infrastructure provider able to roll out OPWG infrastructure.

The Ministry of Communications Science and Technology intends to recruit an individual consultant to assist the government to draw specifications, validate cost of capital investment against International standards, finalise contracts with LECC.

### *1. Objective(s) of the Assignment*

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The main objective of the proposed assignment is to:

- a) Develop the specifications for the OPGW between from Roma to Thaba-Tseka.
- b) Verify proposals that will be received from LECC against international benchmarks
- c) Assist GoL to develop a memorandum of agreement detailing terms and conditions for the subsidy to LECC to ensure that the subsidy benefits end-users.

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<sup>1</sup> AfDB. E-Government Project Appraisal Report (August 2019).

- d) Assist GoL to negotiate the cost of the investment for complete assignment with LECC
- e) Assist GoL to prepare an Indefeasible Rights Use (IRU) contract templates that will form the basis of contracts between LECC and private operators with a subsidized rate
- f) Assist GoL to prepare dark-fibre lease agreement for use by prospective contracts where IRUs may not be the preferred type of contract;
- g) Recommend a pricing approach for dark-fibre leasing that will ensure that the private sector operators receive a subsidized rate from LECC to unlock competition in the broadband market.

The Consultant will be required to perform activities to meet objective of the assignment.

## 2. *Scope of Services, Tasks (Components) and Expected Deliverables*

The Consultant shall:

- 2.1 Produce, for approval by the client, a concept note that includes the proposed methodology; resources, and schedule for ensuring that the deliverable are realized.
  - 2.2 Produce a detailed specification of the OPGW infrastructure that connects Roma and Thaba-Tseka. The specification shall include the determination of drop-off points for the cable at strategic points where network operators may connect from or for LECC to exit its network in the future.
  - 2.3 Produce a draft memorandum of agreement between GoL and LECC for the Roma – Thaba-Tseka OPWG link.
  - 2.4 Produce a draft Request for Proposal (RFP) for the installation of OPWG segment between Roma and Thaba-Tseka.
  - 2.5 Assist GoL with benchmarking of costs for OPGW capital and operating costs over the life of the cable to use as input in the development of a pricing model for the Roma – Thaba-Tseka route and similar projects in the future.
  - 2.6 Draft IRU and dark-fibre lease agreement templates for use between LECC and its prospective customers.
3. The deliverable shall be:
- a) A Concept Note with a methodology and a project schedule
  - b) Technical specifications for the OPWG segment that connects Roma and Thaba-Tseka. The specification shall include terrain and aerial maps and geo-coordinates showing the route and drop-off points
  - c) A report with benchmark costs for the construction and operation of OPWG segment; GoL will use this information to negotiate a pricing model which LECC should apply to the market.
  - d) A draft memorandum of agreement between GoL and LECC
  - e) A draft request for proposals to be sent to LECC.
  - f) Prepare draft contract to be signed with LECC following final agreement.
  - g) A recommendation on pricing models for IRU and dark-fibre leasing best for meeting the objectives of the project
  - h) A template with terms and conditions for dark-fibre lease agreements;
  - i) A template with terms and for IRU agreements
  - j) Training of stakeholders on the two types of agreements (IRU vs dark-fibre leasing).

#### 4. *Qualification of the Consultant:*

The Individual Consultant must have the technical expertise and the managerial experience to effectively complete the scope of this project. In particular, the Consultant must have:

- a) A minimum of ten (10) years of experience in providing services to telecommunications industry or similar services to those described in the scope of this assignment.
- b) The Consultant shall have the expertise capable of successfully delivering the assignment. These include but are not limited to telecommunications engineering; contract management for ICT infrastructure; geographical information systems and project management.
- c) The Individual Consultant shall be a Graduate in **engineering or equivalent degree** with a specialization in telecommunications, a minimum of ten years of experience with network infrastructure rollout, working with IRU contracts and dark-fibre leasing contracts. [attach resume with reference of similar work done in the past]

#### 5. *Reporting Requirements and Time Schedule for Deliverables*

The Individual Consultant shall report directly to the Project Coordinator of the Project. The assignment to completely produce approved deliverables should not exceed Two (2) calendar months from start of the project. The consultant should provide weekly report with progress of activities, issues and challenges to Project Coordinator.

The assignment is expected to start in Mid-April 2021.

#### 6. *Client's Input and Counterpart Personnel*

(a) *Services, facilities and property to be made available to the Consultant by the Client:*

- i. Coordination with stakeholders for meetings and discussions.
- ii. Site visits, if required.

(b) *Professional and support counterpart personnel to be assigned by the Client to the Consultant's team:*

- i. The consultant team will work independently and will escalate issues, challenges, if any to Project Coordinator

#### 7. *Payment Schedule for assignment*

The assignment will follow the payment schedule linked to deliverables. The payment will be released accepting approved deliverable and will follow the following schedule:

<i>Sr. No</i>	<i>Deliverable</i>	<i>% Payment of contract value</i>
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<b><i>I</i></b>	<ul style="list-style-type: none"> <li>a) A Concept Note with a methodology and a project schedule</li> <li>b) Technical specifications for the OPWG segment that connects Roma and Thaba-Tseka. The specification shall include terrain and aerial maps and geo-coordinates showing the route and drop-off points</li> <li>c) A report with benchmark costs for the construction and operation of OPWG segment; GoL will use this information to negotiate a pricing model which LECC should apply to the market.</li> </ul>	<b>25</b>
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	<ul style="list-style-type: none"> <li>f) Prepare draft contract to be signed with LECC following final agreement.</li> <li>g) A recommendation on pricing models for IRU and dark-fibre leasing best for meeting the objectives of the project</li> <li>h) A template with terms and conditions for dark-fibre lease agreements;</li> <li>i) A template with terms and for IRU agreements</li> </ul>	<b>25</b>
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