

TERMS OF REFERENCE

R3Lab Action Plan Project Strengthening Regulatory Capacity for Inclusive Insurance Innovation

1. Introduction

The complexities of the current regulatory environment undoubtedly pose significant challenges for the broad spectrum of financial services companies, as regulators continue to expect insurance companies' management to demonstrate robust oversight, compliance, and risk management standards. The challenges experienced in the regulatory environment arise from lack of technical capacity, lack of resources and changing regulatory mandates including new requirements to address broader policy challenges such as inclusive economic development, sustainability, climate risk and digitalisation.

The Risk, Resilience, and Regulatory Laboratory (R3Lab), established by FSD Africa in 2022, has become a critical platform for enabling regulatory innovation to promote inclusive insurance markets in Sub-Saharan Africa. Its pioneering work across eight African countries has identified key structural, regulatory, market, and supervisory constraints hindering innovation and inclusion.

In the previous phase, the project delivered substantial regulatory and market development outcomes across the insurance sector. A total of five (5) regulatory sandboxes were developed, alongside the adoption or refinement of key regulations and guidelines to create an enabling environment for insurance industry. The initiative trained 270 supervisory staff, strengthening regulatory capacity to oversee emerging innovations. As a direct result, 20 new products were introduced into the market, expanding access to tailored financial solutions to over 1.3million individuals. Furthermore, 11 collaborations and partnerships were established to address emerging regulatory issues, fostering greater coordination and knowledge-sharing among stakeholders.

While important gains have been made, persistent gaps remain in supervisory capacity, inter-agency collaboration, innovation monitoring systems, and enabling regulatory tools. These gaps limit regulators' ability to steer innovation toward the needs of vulnerable and underserved groups, including informal workers, MSMEs, and women.

This next phase proposes to build on the foundation laid by R3Lab by developing a structured, demand-driven R3Lab Action Plan, co-created with insurance regulators, and in partnership with global standard-setting and technical bodies such as IAIS and CGAP.

FSD Africa is therefore seeking the services of a consultant to capacitate and support the insurance regulators to develop structured and demand-driven innovation action plans hence building an enabling regulatory environment for inclusive and innovative insurance solutions. The primary intervention of the project will be designing and piloting Innovation Action Plans (IAPs) with regulators in Tanzania, Ghana, and Zimbabwe. The support will include the following activities.

- Country-Level Technical Assistance in designing and piloting Innovation Action Plans (IAPs) with insurance regulators in Tanzania, Ghana, and Zimbabwe.
- Facilitate peer exchange and regional learning, including 2 workshops and 2 expert roundtables.
- Produce a consolidated R3Lab Innovation Brief for regional dissemination.

2. Background

2.1. R3Lab

R3Lab is a platform focused in addressing challenges faced by regulatory agencies through collaboration and cooperation. R3Lab platform will create an enabling regulatory environment by encouraging and facilitating regulatory and supervisory interactions between insurance regulators in Africa. R3Lab is focused to offer customized capacity-building programs, peer to peer exchange platform, comprehensive learning toolkit, resource centre, data collection and reporting and topical taskforces and forums for insurance supervisors in Africa.

2.2. Financial Sector Deepening Africa (FSD Africa)

FSD Africa is a specialist development agency working to make finance work for Africa's future by strengthening financial markets across sub-Saharan Africa. Based in Nairobi, FSD Africa's team of financial sector experts work alongside governments, business leaders, regulators, and policy makers to design and build ambitious programmes that make finance work for Africa's future. Established in 2012, FSD Africa is incorporated as a non-profit company limited by guarantee in Kenya. It is funded by UK aid from the UK government.

3. Objectives and Scope

3.1. Objective

The main objective of this consultancy is to increase supervisors and regulators knowledge and skills on implementation of sound, proportionate and fit for purpose practices. The consultancy also seeks to support actions and initiatives and build on supervisors' technical capacity to promote innovation. The expected outcome of this consultancy is to design a regulatory sandbox and capacity building for supervisors on regulating innovation.

3.2. Scope of work

The consultant will be expected to:

- Conduct a Country-Level Technical Assistance for Tanzania, Ghana, and Zimbabwe.
- Facilitate Peer Exchange and Learning supporting 2 regional workshops, 2 expert roundtables.
- Produce a consolidated R3Lab Innovation Brief for regional dissemination.

4. Deliverables

The deliverables under this contract are as follows:

- a) Innovation Action Plans (IAPs) for Tanzania, Ghana, and Zimbabwe.
- b) Reports from 2 peer-learning workshops & 2 roundtables
- c) R3Lab Innovation Brief synthesising lessons and case studies.

5. Timelines

The project shall be implemented under an 8-month consultancy contract. The consultant shall provide periodic update reports on the progress of implementation of the project as per the deliverables above and the work plan set out.

Item	Timeline
Inception Report and Workplan	Within 2 weeks of signing the contract
Training Materials	2 months after project commencement
Training Report	4 months after project commencement
Innovation Action Plans (IAPs) for Tanzania, Ghana, and Zimbabwe	5 months after project commencement
Reports from 2 Peer-Learning Workshops & 2 Roundtables	6 months after project commencement
R3Lab Innovation Brief (synthesising lessons and case studies)	7 months after project commencement
Final Completion Report (including all consolidated outputs)	By end of 8 months

6. Invitation to Tender

FSD Africa are inviting proposals from suitably qualified consultant(s). Your proposal should contain:

- i. CV of the consultant(s) not exceeding 3 pages.
- ii. A summary of your experience in providing the kind of technical support called for in these Terms of Reference
- iii. A description of your understanding of the role of the selected consultant(s) as outlined in the Terms of Reference and a work plan highlighting how you intend to fulfil the services within the suggested timeline.
- iv. Samples of similar work to demonstrate capacity to carry out the assignment and testimonials from previous clients and/or employers.
- v. FSD Africa is deliberate in its contribution towards the SDGs. To this end, we encourage our suppliers to make an effort where possible to consider including team members living with disabilities.
- vi. In our efforts to promote financial inclusion in Africa, we also encourage suppliers to propose/include personnel based in Africa in your diverse teams.
- vii. An estimated budget for both professional fees and reimbursable expenses- see Annex 1

Submitted proposals should not exceed 10 pages (excluding annexures). The review will be based on the main proposal. This should be sent by email to FSD Africa at bids@fsdafrica.org by 12:00PM (EAT) on 17th October 2025 under a subject line reading 'Invitation to tender: "R3Lab Action Plan Project"'. Applications received after the deadline will not be considered

7. Basis of award

A contract will be awarded to the most economically advantageous tender based on the following criteria:

Mandatory requirements
Undertaken at least 3 comparable assignments in the last 10 years on Regulating for innovation experience.
Demonstrable experience in similar work in Sub-Saharan Africa or other emerging economies or comparable markets.
Qualifications in insurance, actuarial science, accounting, risk management, or any other related field.

Assessment criteria

Item	Timeline	Weighting(%)
Experience	Undertaken at least 3 comparable assignments in the last 10 years including implementing a project in regulating for innovation for an insurance regulator. – (this should be supported with client references)	10%
	Experience in similar work in Sub-Saharan Africa or other emerging economies or comparable markets	10%
Skills and qualification	At least a master's degree or equivalent post-graduate and/or professional qualifications in Risk Management, Insurance, Accounting, Business, Economics, Actuarial Science, or any other related field for the senior management in the project	5%
Methodology	<p>Quality of your proposed approach and methodology – 10%</p> <p>Understanding/interpretation of the task set out in terms of reference including a detailed work plan -20%</p>	30%
Sustainability considerations	<p>Supplier's demonstration of sustainability value add:</p> <p>Bidders that demonstrate localisation, gender, environmental and ethical considerations will be assigned merit points/scored favourably compared to their competitors;</p> <p>Localisation: demonstrated use of African based consultants/team members - 5%</p> <p>Gender: prioritisation of women & underrepresented groups - 5%</p> <p>Environmental safeguards and ethical considerations (a commitment to sustainability through eco-friendly practices, products/services as well as ethical practices such as fair treatment of employees)-5%</p>	15%
Fee basis and total costs	<p>Most economically advantageous, where the computation will be based using the formula below</p> <p>$FS = 30\% \times LB/BP$ where:</p> <p>FS = is the financial score</p> <p>LB = is the lowest bid quoted</p> <p>BP= is the bid of the proposal under consideration.</p> <p>The lowest bid quoted will be allocated the maximum score of 30%. Fee quoted must be inclusive of applicable withholding tax</p>	30%
TOTAL		100%

8. Contact

Questions or comments in respect of these terms of reference should be directed by email to: bids@fsdafrica.org on or before **12noon (EAT) 8th October 2025** and feedback will be provided **12noon (EAT) 10th October 2025**.

9. Applicable Taxes

As per Kenya's tax law, FSD Africa will pay the Consultant after withholding the appropriate taxes at the applicable rate between Kenya and the Consultant's country of tax residence, considering any tax treaties in force. It is the responsibility of the Consultant to keep themselves apprised of these applicable taxes. The below table however provides guidance on the applicable rates as per tax regimes

Country	WHT Rate
Kenya	5%
United Kingdom	12.5%
Canada	15%
Germany	15%
India	10%
Non-resident rate for citizens of EAC member countries	15%
All other countries	20%

For countries with Double Taxation Agreements with the Kenyan government, the agreement will apply in the treatment of all applicable taxes.

Annex 1: Proposed Fee Schedule

Costs should be shown separately in the format set out below. Fees proposed by tenderers should be inclusive of all taxes

Consultancy fees*	Days	Fee USD/GBP	Total USD/GBP
XX			
XX			
Total remuneration			0.00
Reimbursement costs**	Unit	Cost USD/GBP	Total USD/GBP
XX			
XX			
Total reimbursement cost			0.00
Total proposed costs			0.00
*Fees incl of all taxes			
**Expenses to be reimbursed on actual costs as per FSD Africa's travel policy			