

**REQUEST FOR PROPOSALS**

**TECHNICAL ASSISTANCE FOR THE**

**WIMAX NETWORK**

Submission Deadline: **4:00 PM**  
**LOCAL TIME**  
**July 31, 2008**

Submission Place: BCI Communications & Advanced Technologies Ltd.  
Alersal Street, Awwad Building  
P.O. Box 3917  
Ramallah, West Bank  
Email: [sbaransi@bci.ps](mailto:sbaransi@bci.ps)  
Phone: +970 2298 1108  
Attention: Said Baransi, Managing Director

SEALED PROPOSALS SHALL BE CLEARLY MARKED AND RECEIVED PRIOR TO THE TIME AND DATE SPECIFIED ABOVE. PROPOSALS RECEIVED AFTER SAID TIME AND DATE WILL NOT BE ACCEPTED OR CONSIDERED.

## REQUEST FOR PROPOSALS

SECTION 1: INTRODUCTION .....	4
1.1 BACKGROUND SUMMARY .....	4
1.2 OBJECTIVE .....	5
1.3 PROPOSALS TO BE SUBMITTED .....	5
1.4 CONTRACT FUNDED BY USTDA .....	5
SECTION 2: INSTRUCTIONS TO PROPOSERS.....	6
2.1 PROJECT TITLE .....	6
2.2 DEFINITIONS.....	6
2.3 DEFINITIONAL MISSION REPORT .....	6
2.4 EXAMINATION OF DOCUMENTS .....	6
2.5 PROJECT FUNDING SOURCE.....	7
2.6 RESPONSIBILITY FOR COSTS .....	7
2.7 TAXES .....	7
2.8 CONFIDENTIALITY .....	7
2.9 ECONOMY OF PROPOSALS .....	7
2.10 SUBSTANTIVE PROPOSALS .....	7
2.11 CONDITIONS REQUIRED FOR PARTICIPATION .....	8
2.12 LANGUAGE OF PROPOSAL.....	8
2.13 PROPOSAL SUBMISSION REQUIREMENTS .....	8
2.14 PACKAGING.....	8
2.15 AUTHORIZED SIGNATURE .....	9
2.16 EFFECTIVE PERIOD OF PROPOSAL .....	9
2.17 EXCEPTIONS .....	9
2.18 OFFEROR QUALIFICATIONS .....	9
2.19 RIGHT TO REJECT PROPOSALS .....	9
2.20 PRIME CONTRACTOR RESPONSIBILITY .....	9
2.21 AWARD .....	9
2.22 COMPLETE SERVICES .....	10
2.23 INVOICING AND PAYMENT .....	10
SECTION 3: PROPOSAL FORMAT AND CONTENT .....	11
3.1 SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY.....	11
3.2 SECTION 2: COMPANY INFORMATION.....	12
3.2.1 COMPANY PROFILE .....	12
3.2.2 OFFEROR'S AUTHORIZED NEGOTIATOR .....	12
3.2.3 NEGOTIATION PREREQUISITES .....	12
3.3 SECTION 3: ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL .....	12
3.4 SECTION 4: TECHNICAL APPROACH AND WORK PLAN .....	13
3.5 SECTION 5: EXPERIENCE AND QUALIFICATIONS .....	13
SECTION 4: AWARD CRITERIA.....	14

- ANNEX 1 FEDBIZOPPS ANNOUNCEMENT
- ANNEX 2 BACKGROUND DEFINITIONAL MISSION REPORT
- ANNEX 3 USTDA NATIONALITY REQUIREMENTS
- ANNEX 4 USTDA GRANT AGREEMENT, INCLUDING MANDATORY CONTRACT CLAUSES
- ANNEX 5 TERMS OF REFERENCE (FROM USTDA GRANT AGREEMENT)

## **Section 1: INTRODUCTION**

The U.S. Trade and Development Agency (USTDA) has provided a grant to BCI Communications & Advanced Technologies Ltd. (BCI) to fund a Technical Assistance activity designed to provide business advisory services, technical analysis, and human resources training related to the establishment of a WiMax broadband wireless network serving the West Bank. The grant agreement is attached at Annex 4 for reference. The Grantee is soliciting technical proposals from qualified U.S. firms to provide expert consulting services to carry out the Technical Assistance.

### **1.1 BACKGROUND SUMMARY**

In December 2007, USTDA was approached by BCI concerning the development of a WiMax Network in the West Bank using Motorola technology. Ken Zita of Network Dynamics Associates was subsequently selected by USTDA to evaluate BCI's proposal. Upon further review, Mr. Zita confirmed that this project is a developmental priority for the West Bank and that its implementation would bring substantial development benefits as well as a likelihood of generating U.S. exports. If implemented, this project would dramatically improve the quality and lower the cost of Internet and network access services in the West Bank while providing a strong opportunity for US equipment and technology suppliers.

On January 1, 2008, four firms were granted licenses by the Palestinian Authority to build a new WiMax service network. Among them was BCI, the project sponsor of this Technical Assistance. WiMax is a wireless telecommunications technology intended primarily for highly-populated metropolitan areas that can provide broadband wireless access up to 30 miles using fixed stations, and up to 10 miles using mobile stations. This technology is an advancement from the more commonly known WiFi local area networks that provide coverage in areas between 100 to 300 feet. WiMax allows for more efficient bandwidth use and minimizes interference.

BCI is an information services company established in the West Bank in 1992. Its portfolio of activities include importing and distributing communications equipment and devices, providing integrated and secured business solutions for system integration services, and also operating and managing large private networks on behalf of end-user clients.

BCI intends to create a new service company, to be called "Bnet," that will offer high speed data and voice services in the West Bank over a new WiMax infrastructure. Motorola is currently in negotiations with BCI to become the primary equipment and technical services provider for the project. The project would advise on a "turnkey" network targeting the 10 largest cities in the West Bank, which is slated to provide approximately 45,000 users with broadband wireless services by the fourth year of operation. Because the network will also serve other network "end points" such as Internet cafes, WiFi hotspots, and other access points, the total number of users gaining access to broadband network services may be considerably higher.

The Technical Assistance will provide business advisory services, technical analysis, and human resources training related to establishing a WiMax broadband wireless network serving the West Bank. BCI requires expert consulting to validate its technological approach, develop a marketing plan and supporting materials, establish a customer care facility, and finalize its business plan, including preparation of financial forecasts.

## **1.2 OBJECTIVE**

The Technical Assistance is intended to produce the following outcomes:

1. Validate BCI and Motorola's technical architecture and propose alternative technology scenarios for future service introduction.
2. Develop the Bnet brand and brand management strategy, services descriptions and go-to-market strategy, including market research, definition of service segments, pricing packages and levels, marketing collateral, and specific market-entry steps.
3. Develop customer care strategy, including technology and training requirements.
4. Formalize BCI/Bnet business plan, including business description and risk analysis, long term development options, and financial forecasts.

The Terms of Reference (TOR) for this Technical Assistance is attached as Annex 5.

## **1.3 PROPOSALS TO BE SUBMITTED**

Technical proposals are solicited from interested and qualified U.S. firms. The administrative and technical requirements as detailed throughout the Request for Proposals (RFP) will apply. Specific proposal format and content requirements are detailed in Section 3.

COST will not be a factor in the evaluation and therefore, cost proposals should not be submitted; upon detailed evaluation of technical proposals, one firm will be selected for contract negotiations. The amount for the negotiated contract has been established by a USTDA grant of U.S. \$480,625 dollars.

## **1.4 CONTRACT FUNDED BY USTDA**

The negotiated contract will be funded by USTDA in accordance with the terms and conditions of its grant to the Grantee. The contract must include certain USTDA mandatory clauses relating to nationality, taxes, payment, reporting, and other matters. The USTDA nationality requirements and the USTDA mandatory clauses are attached at Annexes 3 and 4 for reference.

## **Section 2: INSTRUCTIONS TO PROPOSERS**

### **2.1 PROJECT TITLE**

The project is called "West Bank: Technical Assistance: WiMax Network."

### **2.2 DEFINITIONS**

Please note the following definitions of terms as used in this RFP.

The term "Request for Proposals" means this solicitation of a formal technical proposal including qualifications statement.

The term "Offeror" means the U.S. individual, or U.S. firm, including any and all subcontractors, which responds to the RFP and submits a formal proposal and which may or may not be successful in being awarded this procurement.

### **2.3 DEFINITIONAL MISSION REPORT**

USTDA sponsored a Definitional Mission to address technical, financial, sociopolitical, environmental and other aspects of the proposed project. A copy of the Report is attached at Annex 2 for background information only.

### **2.4 EXAMINATION OF DOCUMENTS**

Offerors should carefully examine this RFP. It will be assumed that Offerors have done such inspection and that through examinations, inquiries and investigation they have become familiarized with local conditions and the nature of problems to be solved during the execution of the Technical Assistance.

Offerors shall address all items as specified in this RFP. Failure to adhere to this format may disqualify an Offeror from further consideration.

Submission of a proposal shall constitute evidence that the Offeror has made all the above mentioned examinations and investigations, and is free of any uncertainty with respect to conditions which would affect the execution, and completion of the Technical Assistance.

## **2.5 PROJECT FUNDING SOURCE**

The Technical Assistance will be funded under a grant from USTDA. The total amount of the grant is not to exceed U.S. \$480,625 dollars.

## **2.6 RESPONSIBILITY FOR COSTS**

Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal or any other cost incurred by Offeror prior to issuance of an agreement or contract. Neither USTDA nor the Grantee assumes any contractual obligation as a result of the issuance of this proposal request, the preparation or submission of a proposal by an Offeror, the evaluation of proposals, or final selection.

## **2.7 TAXES**

Offerors should submit proposals which note that in Annex 4, USTDA Mandatory Contract Provisions, USTDA funds are not to be used to pay taxes or duties under the laws of host country.

## **2.8 CONFIDENTIALITY**

The Grantee will use its best efforts to preserve the confidentiality of any business proprietary or confidential information submitted by the Offeror, which is clearly designated as such by the Offeror.

## **2.9 ECONOMY OF PROPOSALS**

Proposal documents should be prepared simply and economically, providing a comprehensive and concise description of the Offeror's capabilities to satisfy the requirements of the RFP. There is no necessity for expensive bindings, colored displays, or other promotional material unless such material is absolutely pertinent to the proposal. Emphasis should be placed on completeness and clarity of content.

## **2.10 SUBSTANTIVE PROPOSALS**

The Offeror shall certify (a) that its proposal is genuine and is not made in the interest of, or on the behalf of, any undisclosed person, firm, or corporation, and is not submitted in conformity with, and agreement of, any undisclosed group, association, organization, or corporation; (b) that it has not directly or indirectly induced or solicited any other Offeror to put in a false proposal; (c) that it has not solicited or induced any other person, firm, or corporation to refrain from submitting a proposal; and (d) that it has not sought by collusion to obtain for himself any advantage over any other Offeror or over the Grantee or USTDA or any employee thereof.

## **2.11 CONDITIONS REQUIRED FOR PARTICIPATION**

Only U.S. firms are eligible to participate in this tender. However, U.S. firms may utilize subcontractors from host country for up to 20 percent of the amount of the USTDA grant. USTDA nationality requirements are detailed in Annex 3.

## **2.12 LANGUAGE OF PROPOSAL**

All proposal documents shall be prepared and submitted in English, and only English.

## **2.13 PROPOSAL SUBMISSION REQUIREMENTS**

The **Cover Letter** in the proposal must be addressed to:

BCI Communications & Advanced Technologies Ltd.  
Alersal Street, Awwad Building  
P.O. Box 3917  
Ramallah, West Bank  
Email: [sbaransi@bci.ps](mailto:sbaransi@bci.ps)  
Phone: +970 2298 1108  
Attention: Said Baransi, Managing Director

**An Original and eight (8) copies of your proposal must be received at the above address no later than 4:00 PM, on July 31, 2008.**

Proposals may be either sent by mail, overnight courier, or hand-delivered. Whether the proposal is sent by mail, courier or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal to the above address before the deadline. Any proposal received after the deadline will be returned unopened.

Upon timely receipt, all proposals become the property of the Grantee.

## **2.14 PACKAGING**

Each proposal must be sealed to ensure confidentiality of the information. The proposals should be individually wrapped and sealed, and labeled for content including "original" or "copy number x"; the original and eight (8) copies should be collectively wrapped and sealed, and clearly marked for content.

Neither USTDA nor the Grantee will be responsible for premature opening of proposals not properly labeled.

## **2.15 AUTHORIZED SIGNATURE**

The proposal must contain the signature of a duly authorized officer or agent of the Offeror empowered with the right to bind the Offeror.

## **2.16 EFFECTIVE PERIOD OF PROPOSAL**

The proposal shall be binding upon the Offeror for sixty (60) days after the proposal due date, and Offeror may withdraw or modify this proposal at any time prior to the due date upon written request, signed in the same manner and by the same person who signed the original proposal.

## **2.17 EXCEPTIONS**

Firms agree by their response to the RFP announcement to abide by the procedures set forth therein. Material modifications in the TOR or responsibilities of the parties will not be accepted.

Any exceptions in the proposal shall be clearly identified, and shall include the scope of such exception, and its impact, on the procurement. The Grantee shall make final determination as to the responsiveness of such exceptions and their acceptability.

## **2.18 OFFEROR QUALIFICATIONS**

As provided in Section 3, Offerors shall submit evidence that they have relevant past experience and have previously delivered advisory and Technical Assistance services similar to those required in the TOR.

## **2.19 RIGHT TO REJECT PROPOSALS**

The Grantee reserves the right to reject any and all proposals and to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part if it is deemed in the best interest of the Grantee.

## **2.20 PRIME CONTRACTOR RESPONSIBILITY**

Offerors have the option of subcontracting parts of the services they propose. The Offeror's proposal must include a description of any anticipated subcontracting arrangements, including the name, address, and qualifications of consultants and subcontractors. USTDA nationality provisions are set forth in detail in Annex 3. The successful Offeror shall cause appropriate provisions of its contract, including all mandatory USTDA clauses, to be inserted in all subcontracts ensuing to ensure fulfillment of all contractual provisions by subcontractors.

## **2.21 AWARD**

An award resulting from this RFP shall be made to the best qualified Offeror, taking into consideration the evaluation factors set forth herein; however, the right is reserved to reject any

and all proposals received and, in all cases, the Grantee will be the judge as to whether a proposal has or has not satisfactorily met the requirements of this RFP.

## **2.22 COMPLETE SERVICES**

The successful Offeror shall be required to (a) furnish all supplies, supervision, transportation, and other execution accessories, services, and facilities; (b) provide and perform all necessary labor; and (c) in accordance with good technical practice, with due diligence, and in accordance with the requirements, stipulations, provisions and conditions of this RFP and the resultant contract, execute and complete all specified work to the satisfaction of the Grantee.

## **2.23 INVOICING AND PAYMENT**

Deliverables under the contract shall be delivered on a schedule to be agreed upon in a contract with the Grantee. The Contractor may submit invoices to the designated Grantee Project Director in accordance with a schedule to be negotiated and included in the contract. Upon approval of each invoice, the Grantee will forward the invoice to USTDA which will process payment to the Contractor. All payments by USTDA under the Grant Agreement will be made in U.S. currency.

### **Section 3: PROPOSAL FORMAT AND CONTENT**

To expedite proposal review and evaluation, and to assure that each proposal receives the same orderly review, all proposals must follow the format described in this section.

Proposal sections and pages shall be appropriately numbered and the proposal shall include a Table of Contents. Offerors are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested without exception. Instructions regarding the required scope and content are given in this section. The Grantee reserves the right to include any part of the selected proposal in the final contract.

The proposal shall consist of a technical proposal only. No cost proposal is required as the value of the USTDA grant is established at U.S. \$480,625 dollars.

Offerors shall submit one (1) original and eight (8) copies of the proposal. Proposals received by fax cannot be accepted.

The following sections and content are required for each proposal:

- Transmittal Letter,
- Cover/Title Page,
- Table of Contents,
- Introduction and Executive Summary,
- Company Information,
- Organizational Structure, Management Plan, and Key Personnel,
- Technical Approach and Work Plan,
- Experience and Qualifications, and
- Miscellaneous.

Detailed requirements and directions for the preparation of each section are presented below.

#### **3.1 SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY**

An Executive Summary should be prepared describing the major facts or features of the proposal, including any conclusions, assumptions, and generalized recommendations the Offeror desires to make. Offerors are requested to make every effort to limit the length of the Executive Summary to no more than five (5) pages.

## **3.2 SECTION 2: COMPANY INFORMATION**

### **3.2.1 Company Profile**

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), similar information must be provided for each subcontractor. Offerors are requested to limit the length of the Company Profile Information to one (1) page per firm.

1. Name of firm and business address, including telephone and fax numbers.
2. Year established (include former firm names and year established, if applicable).
3. Type of ownership and parent company, if any.
4. Project Manager's name, address, telephone and fax number, if different from (1).

### **3.2.2 Offeror's Authorized Negotiator**

Provide name, title, address, telephone and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

### **3.2.3 Negotiation Prerequisites**

1. Discuss any impact of any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Technical Assistance as proposed and within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

## **3.3 SECTION 3: ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL**

Describe the Offeror's proposed project organizational structure. Discuss how the project will be managed including the principal and key staff assignments for this Technical Assistance. Identify the Project Manager who will be the individual responsible for this project. The Project Manager must have the responsibility and authority to act on behalf of the Offeror in matters related to the proposed Technical Assistance.

Provide a listing of personnel (including subcontractors and consultants) to be engaged in the project, either U.S. or local with the following information for key staff: position in the project; pertinent experience, curriculum vitae; other relevant information. If subcontractors are to be used, the organizational relationship between the firms must be described.

A manpower schedule and the level of effort for the project period, by activities and tasks, as detailed under the Work Plan shall be submitted. A statement confirming the availability of the proposed project manager and key staff over the duration of the project must be included in the proposal.

### **3.4 SECTION 4: TECHNICAL APPROACH AND WORK PLAN**

Describe in detail the proposed technical approach and work plan. Discuss the project requirements as perceived by the Offeror. Include a brief narrative of tasks within each activity series. Begin with the information gathering phase and continue through delivery and approval of all required reports.

Prepare a detailed schedule of performance that describes all activities and tasks within the Technical Work Plan, including periodic reporting or review points, incremental delivery dates, and other project milestones. There are slight differences between the TOR as written in the Definitional Mission report and that which is in the Grant Agreement. In the case of existing discrepancies, the TOR in the Grant Agreement shall govern.

Based on the Technical Work Plan, and previous project experience, explain when and where Offeror will require support from the Grantee. Detail the amount of staff time required by the Grantee or participating agencies and any work space or facilities needed to complete the Technical Assistance.

### **3.5 SECTION 5: EXPERIENCE AND QUALIFICATIONS**

Provide a discussion of the Offeror's experience and qualifications which are relevant to the objectives and TOR for the Technical Assistance. If a subcontractor(s) is being used, similar information must be provided for the prime and each subcontractor firm proposed for the project. Relevant experience and qualifications of key staff proposed shall be provided including letters of commitment from the individuals proposed concerning their availability for contract performance.

As many as possible but not more than six (6) relevant and verifiable project references must be provided, including the following information:

- Project name,
- Name and address of client (indicate if joint venture),
- Client contact person (name/ position/ current phone and fax numbers),
- Period of Contract,
- Description of services provided,
- Dollar amount of Contract, and
- Status and comments.

Offerors are strongly encouraged to include in their experience summary primarily those projects that are similar to or larger in scope than the Technical Assistance as described in this RFP.

#### **Section 4: AWARD CRITERIA**

Individual proposals will be initially evaluated by a Procurement Selection Committee of representatives from the Grantee. The Committee will then conduct a final evaluation and completion of ranking of qualified Offerors, and the Grantee shall promptly negotiate a contract with the best qualified Offeror. If a satisfactory contract cannot be negotiated with the best qualified Offeror, negotiations will be formally terminated. Negotiations shall then be undertaken with the second most qualified Offeror and so forth.

The selection of the Contractor will be based on the following criteria:

The consultants selected to perform the work must be expert in the telecommunications industry and specifically have operational experience in preparing early stage ventures for market launch, in customer care, and marketing strategy. Some individuals will be capable of performing multiple roles, depending on experience.

The overall profile of the types of professional required for the Technical Assistance is as follows:

- Technology and network operations
  - Senior consultant, at least 15 years network strategy and operations experience. Strong knowledge of wireless systems. Specific understanding of Internet Protocol networks.
  - Junior consultant, 5+ years, radio engineer
- Customer care procedures
  - Senior consultant, 10+ years, customer care experience
  - Junior consultant, 5+ years, customer care experience
- Marketing
  - Senior consultant, at least 15 years industry strategy experience
  - Junior consultant, 5+ years industry consulting experience
- Business planning and finance
  - Senior consultant, 10+ years financial planning experience

Contracting Team Selection Criteria:

- Experience developing launch strategies and market strategies for wireless telecom networks in emerging markets (30%)
- Experience in customer care systems, operations, procedures and training (30%)
- Wireless network engineering and network operations (20%)

- Financial modeling (10%)
- Familiarity with situation in the West Bank (10%)

Proposals which do not include all requested information may be considered non-responsive.

Price will not be a factor in contractor selection.

## ANNEX 1

BCI Communications & Advanced Technologies Ltd., Alersal Street, Awwad Building  
P.O. Box 3917, Ramallah, West Bank, Email: [sbaransi@bci.ps](mailto:sbaransi@bci.ps), Phone: +970 2298 1108  
Attention: Said Baransi, Managing Director

B: West Bank: Technical Assistance: WiMax Network

POC Evangela Kunene, USTDA, 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901, Tel: (703) 875-4357, Fax: (703) 875-4009. West Bank: Technical Assistance: WiMax Network. The Grantee invites submission of qualifications and proposal data (collectively referred to as the "Proposal") from interested U.S. firms which are qualified on the basis of experience and capability to develop a Technical Assistance activity designed to provide business advisory services, technical analysis, and human resources training related to the establishment of a WiMax broadband wireless network serving the West Bank.

The Technical Assistance will provide business advisory services, technical analysis, and human resources training related to establishing a WiMax broadband wireless network serving the West Bank. BCI Communications & Advanced Technologies Ltd. (BCI) requires expert consulting to validate its technological approach, develop a marketing plan and supporting materials, establish a customer care facility, and finalize its business plan, including preparation of financial forecasts.

BCI is an information services company established in the West Bank in 1992. Its portfolio of activities include importing and distributing communications equipment and devices, providing integrated and secured business solutions for system integration services, and also operating and managing large private networks on behalf of end-user clients.

The Technical Assistance is intended to produce the following outcomes:

1. Validate BCI and Motorola's technical architecture and propose alternative technology scenarios for future service introduction.
2. Develop the Bnet brand and brand management strategy, services descriptions and go-to-market strategy, including market research, definition of service segments, pricing packages and levels, marketing collateral, and specific market-entry steps.
3. Develop customer care strategy, including technology and training requirements.
4. Formalize BCI/Bnet business plan, including business description and risk analysis, long term development options, and financial forecasts.

The Terms of Reference for this Technical Assistance includes:

- Task 1: Project Work Plan and Schedule
- Task 2: Technology Architecture and Migration Plan
- Task 3: Network Operations and Procedures
- Task 4: Customer Care Training and Procedures
- Task 5: Sales and Marketing Strategy and Development
- Task 6: Business Plan Development

- Task 7: Economic Analysis
- Task 8: Environmental Impact Assessment
- Task 9: Developmental Impact Analysis
- Task 10: Final Report

The U.S. firm selected will be paid in U.S. dollars from a \$480,625 grant to the Grantee from the U.S. Trade and Development Agency (USTDA).

A detailed Request for Proposals (RFP), which includes requirements for the Proposal, the Terms of Reference, and a background definitional mission report are available from USTDA, at 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901. To request the RFP in PDF format, please go to:

<https://www.ustda.gov/USTDA/FedBizOpps/RFP/rfpform.asp>. Requests for a mailed hardcopy version of the RFP may also be faxed to the IRC, USTDA at 703-875-4009. In the fax, please include your firm's name, contact person, address, and telephone number. Some firms have found that RFP materials sent by U.S. mail do not reach them in time for preparation of an adequate response. Firms that want USTDA to use an overnight delivery service should include the name of the delivery service and your firm's account number in the request for the RFP. Firms that want to send a courier to USTDA to retrieve the RFP should allow one hour after faxing the request to USTDA before scheduling a pick-up. Please note that no telephone requests for the RFP will be honored. Please check your internal fax verification receipt. Because of the large number of RFP requests, USTDA cannot respond to requests for fax verification. Requests for RFPs received before 4:00 PM will be mailed the same day. Requests received after 4:00 PM will be mailed the following day. Please check with your courier and/or mail room before calling USTDA.

Only U.S. firms and individuals may bid on this USTDA financed activity. Interested firms, their subcontractors and employees of all participants must qualify under USTDA's nationality requirements as of the due date for submission of qualifications and proposals and, if selected to carry out the USTDA-financed activity, must continue to meet such requirements throughout the duration of the USTDA-financed activity. All goods and services to be provided by the selected firm shall have their nationality, source and origin in the U.S. or host country. The U.S. firm may use subcontractors from the host country for up to 20 percent of the USTDA grant amount. Details of USTDA's nationality requirements and mandatory contract clauses are also included in the RFP.

Interested U.S. firms should submit their Proposal in English directly to the Grantee by 4:00PM, July 31, 3008 at the above address. Evaluation criteria for the Proposal are included in the RFP. Price will not be a factor in contractor selection, and therefore, cost proposals should NOT be submitted. The Grantee reserves the right to reject any and/or all Proposals. The Grantee also reserves the right to contract with the selected firm for subsequent work related to the project. The Grantee is not bound to pay for any costs associated with the preparation and submission of Proposals.

**ANNEX 2**

**\*This contains the West Bank section of the Jordan and West Bank ICT sector  
Definitional Mission report, which will be available in its entirety in the USDA  
library.\***

# USTDA

Contract No. CO2008-210002

Definitional Mission  
Jordan and the West Bank ICT Sector

## Part 1: West Bank

June 9, 2008  
(Edited for public distribution)

Network Dynamics Associates LLC  
Ken Zita, Managing Partner  
77 Kettle Creek Road  
Weston, CT 06883  
Telephone: (203) 227-9057  
Facsimile: (646) 647-4200  
Email: [kzita@ndadventures.com](mailto:kzita@ndadventures.com)  
Web: [www.ndadventures.com](http://www.ndadventures.com)



This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U.S. Government. The opinions, findings, conclusions, or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report.

**Mailing and Delivery Address:** 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901  
**Phone:** 703-875-4357 • **Fax:** 703-875-4009 • **Web site:** [www.ustda.gov](http://www.ustda.gov) • **email:** [info@ustda.gov](mailto:info@ustda.gov)





## The U.S. Trade and Development Agency (USTDA)

The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.

USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. Operating at the nexus of foreign policy and commerce, USTDA is uniquely positioned to work with U.S. firms and host countries in achieving the agency's trade and development goals. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

# Definitional Mission Report

## *Jordan and the West Bank ICT Sector: Part 1: West Bank*

### 1.0 Executive Summary

USTDA received a request for technical assistance from BCI, an entrepreneur in Ramallah, which is seeking to deploy a broadband telecommunications services network in the largest cities in the West Bank. In the pages that follow, we make a strong recommendation that USTDA provide BCI with feasibility study funding amounting to \$480,625. The BCI project, if implemented as conceived, will dramatically improve and lower the cost of Internet and network access services. Potential U.S. exports associated with this “Wimax” network from Motorola could reach \$57 million over the next four years, and constitute a “significant success” for USTDA.

Ken Zita of Network Dynamics visited Ramallah, West Bank and Amman, Jordan February 2-15, 2006. We met with several Palestinian Authority (PA) government officials and conducted a total of four in-person meetings with BCI, as well as numerous phone calls.

### 2.0 Project Description

The proposed TA seeks to provide business advisory services for BCI, the sponsor of a new broadband wireless network for the West Bank. The new service company, to be called “Bnet,” will offer high speed data and voice services in the West Bank over a new Wimax infrastructure that BCI will build. BCI is currently in negotiations with Motorola to become the primary equipment and technical services provider for the project.

Network Dynamics, under non disclosure agreement, has reviewed Motorola’s comprehensive technical and commercial offer, the details of which cannot be shared in this DM. In summary, the proposal puts forward a “turnkey” network solution for a Wimax network based on the IEEE 802.16e technical standard, targeting the 10 largest cities in the West Bank. It will provide approximately 45,000 users with broadband wireless services by the fourth year. Because the network will also serve other network “end points” such as Internet cafes, WiFi hotspots and other access points, the total number of new users gaining access to broadband network services may be considerably higher. The network will provide wireless

<u>Report Contents</u>		
1	EXECUTIVE SUMMARY	3
2	PROJECT DESCRIPTION	3
3	PROJECT SPONSOR'S CAPABILITIES AND COMMITMENT	4
4	IMPLEMENTATION FINANCING	5
5	U.S. EXPORT POTENTIAL	6
6	FOREIGN COMPETITION AND MARKET ENTRY ISSUES	6
7	DEVELOPMENT IMPACT	7
8	IMPACT ON THE ENVIRONMENT	8
9	IMPACT ON U.S. LABOR	9
10	QUALIFICATIONS	9
11	JUSTIFICATION	10
12	TERMS OF REFERENCE	10
13	STUDY BUDGET	18
14	RECOMMENDATIONS	21
15	PROJECT PORTFOLIO ASSESSMENT	22



“backhaul” between cities, and BCI is exploring the potential of introducing a fiber optic network cable to the Israeli backbone network.

In its early years of operation, the Bnet network will be designed for high speed data, virtual private network, voice over Internet protocol (VoIP), and managed services. The network will significantly increase the speed of Internet connectivity, lowering market pricing for services. From a macro perspective, it will also provide a significant stimulus to the local economy by providing more affordable services and creating an enabling environment for other industries and businesses to thrive. In the future, the system could be conceivably configured to transmit video as broadcast (wireless cable), or as a two-way interactive video platform.

The *Technical Assistance to BCI: Wimax Network in the West Bank* project will combine strategic management consulting with specialized advisory on technology and operations, marketing, customer care, business planning and finance functions. The specific outcomes of the project will be to:

1. **Validate BCI and Motorola’s technical architecture**, and propose alternative technology scenarios for future service introduction.
2. **Develop the Bnet brand and brand management strategy, services descriptions and go-to-market strategy**, including market research, definition of service segments, pricing packages and levels, marketing collateral, and specific market-entry steps.
3. **Develop customer care strategy**, including technology and training requirements.
4. **Formalize BCI/Bnet business plan**, including business description and risk analysis, long term development options, *pro forma* financial forecasts, and so on.

### 3.0 Project Sponsor’s Capabilities and Commitment

BCI is a technology company that provides a variety of services in the ICT sector. The firm was formed in 1992 and has 70 employees in Ramallah. In 2002 it opened an office in Amman where it has 16 employees. BCI prepared a preliminary proposal to USTDA in December 2007 (*Proposal for Deploying a WiMAX-based network in the Palestinian Territory.*) The company is engaged in three lines of business:

- Importation and distribution of communications equipment and devices, including as an authorized distributor for Motorola, Polycon and Samsung.
- “Integrated and secured business solutions in the fields of Data, Voice and Video,” or system integration services.
- End-to-end operation and management of large private networks on behalf of end-user clients.

Based on the types of clients it serves, and the sophistication of the applications, it is clear the company has many technology assets which it can bring to bear on the new business. Where BCI lacks expertise is in *scaling* from private network management into a full retail telecommunications services provider. From a technological perspective, it needs assistance with



“back office” functionality such as billing, service automation, customer care and a long range plan for service evolution. From a business perspective, it needs help chiefly with marketing and business development: assessing market demand, crafting service offers and a go-to-market strategy, and learning to address the needs and operational dynamics of a full service network. It is in this direction that Network Dynamics recommends that USTDA provide technical assistance, detailed in the sections below.

After a “beauty contest” competition in 2007 in which 35 companies participated, BCI was one of four firms selected to own and operate a new Wimax service network.<sup>1</sup> BCI was granted its license from the PA Ministry of Telecommunications and IT on January 1, 2008. It immediately applied for radio frequency spectrum to the Joint Technical Committee (JTC) with Israel. As of the time of this report, Israel has not yet approved or denied BCI’s request. BCI has requested a spectrum allocation in the 3.5GHz band without precisely defining the exact placement in the band, nor the amount of bandwidth desired. The company believes these details will emerge through negotiations with the JTC.

#### 4.0 Implementation Financing

BCI needs to finalize the capital expenses plan; prepare an investment offering memorandum and *pro forma* financial statement; and finalize the overall capital plan – the type and timing of the investment and valuation of the venture. BCI has held informal discussions with numerous potential equity investors and bank lenders, describing in broad terms the overall scope of the opportunity.

While the political situation creates significant risk, there are qualified investors willing to look past political volatility in emerging markets when it comes to telecommunications. In many ways Afghanistan set an important precedent. Despite extremely difficult market conditions, more than \$1 billion has been invested in the market in the past five years. Similar success stories can be found in many other “high risk” geographies such as Pakistan, Bangladesh, Sudan and Myanmar (and the list goes on). Moreover, Gulf petro funds are seeking opportunities in regional infrastructure projects that offer good long-range returns, and telecommunications is generally considered an attractive play for the long haul. To BCI’s advantage, the recent round of investment commitments for the Palestinian Territories suggest that many important lenders would take notice of the project.

Network Dynamics believes with a high degree of confidence that the BCI/Bnet project is “bankable” -- provided that Israel releases the necessary radio frequencies and agrees to allow import of network and terminal technology without restriction.

#### 5.0 U.S. Export Potential

Motorola has made a commercial-in-confidence proposal to BCI that is currently being discussed between the companies, and details are proprietary. It can however be stated that Motorola is the preferred vendor for equipment and is likely to be the sole-source supplier of radios, base stations and other supporting technologies. The *maximum* value and export potential of the network, which will almost certainly be adjusted downward after final configuration of the system and

---

<sup>1</sup> The three other new Wimax licensees are: Jaffanet, Dominion and Fusion (Gaza only).



contract negotiation, is \$57 million. Network Dynamics believes the real value will prove to be lower. The outcome depends in part on BCI's license rights and market demand. In almost any outcome, the potential of project will be many times that of the recommended USTDA technical assistance and, if implemented successfully, would constitute a positive outcome for USTDA.

### U.S. Export Potential\*

Technology	Potential Value	U.S. Vendors
Turnkey Wimax network (Mini-Base Units, WiMax Base Stations, Controllers, NOC Equipment, Servers, NOC Interconnect and Telecom, CPE's, Miscellaneous IT Equipment, Engineering Design, Furnish and Install, Microwave links, etc.)	\$43 million	Motorola
Integration and managed services	\$9 million	Motorola
Fiber optic network, routers	\$5 million	Corning, Juniper, Cisco
<b>Total</b>	<b>\$57 million</b>	

\*Note: The estimated U.S. export potential is based on the infrastructure specified, not the ultimate architecture to be deployed. Available budget for acquisition of systems and services were not taken into consideration.

## 6.0 Foreign Competition and Market Entry Issues

BCI has indicated a strong preference to buy American. The competitive issues typically associated with network infrastructure projects in other low-income countries – specifically competition from the Chinese (Huawei, ZTE), and secondarily from Europe (Alcatel, Ericsson, Nokia) – do not apply in this opportunity. There are however a number of key issues we perceive impacting the BCI project including:

- **Radio spectrum.** Without Israeli release of the 3.5 GHz spectrum the BCI Wimax project cannot go forward. BCI applied for frequency in early January 2008. On March 25, 2008, BCI sent a letter to the Palestinian Ministry of Telecommunications and Information Technology requesting that the PA formally advance its request at the next meeting of the JTC. BCI is requesting Wimax frequencies for use in the West Bank *cities*, the so-called "Area A." BCI believes that Palestinian sovereignty over the cities is generally not considered to be contested by both sides, and may thus represent a practical approach to the request for frequency.
- **Guarantee not to interfere.** Currently there are no licensed operators of Wimax services in Israel, and interference is presently unlikely. However, Israel and the PA need to ensure and enforce non-interference in the future in order to protect Wimax investments in the West Bank.
- **Equipment import.** Israel preserves the right to grant or restrict importation of many items, including communications and computing equipment it deems to be of strategic value. Wimax is new technology and many features of the equipment constitute significant advances in wireless high speed mobility. More specifically, Motorola's Wimax handsets and terminal technology is highly secure. Over the air traffic is encrypted during the authentication phase using PKMv2,<sup>2</sup> an innovation being incorporated into the Wimax 802.16e standard, while user traffic is encrypted using 128

<sup>2</sup> [http://www2.imm.dtu.dk/pubdb/views/publication\\_details.php?id=5159](http://www2.imm.dtu.dk/pubdb/views/publication_details.php?id=5159)



bit AES<sup>3</sup>, a more established encryption standard. BCI maintains, however, that precedent has been set by Israel to allow import of encryption technologies up to and including those employing “triple DES” security.<sup>4</sup>

- **International gateway.** The Oslo Accord specifically requires that all international communications traffic from the Palestinian Territories pass through gateways in Israel. Today Palestinian operator PalTel pays a premium of an estimated 100% on all traffic. Once in operation, BCI may wish to seek to achieve market-based pricing for international services and consider requesting the right to construct its own international gateway over time.

## 7.0 Development Impact

The positive developmental impacts of a modern, competitive telecommunications network for a low-income and post-conflict society are many, and the benefits of information and communications technologies for development “ICT4D” are articulated through a wide variety of industry, academic and NGO sources. One particularly good repository of the many and varied improvements to society can be found at: [www.developmentgateway.org](http://www.developmentgateway.org). To briefly encapsulate a few principal benefits of network modernization:

- Establish market competition for strategically important network services
- Increase infrastructure resiliency
- Improve administrative ability of the state
- Lower cost of network access
- Stimulate the Economy for Business Activity
- Accelerate adoption of Internet usage (currently 18%)
- Improve horizontal communications in society

## 7.1 Primary Developmental Benefits

Several additional development impacts are likely:

- (1) **Infrastructure:** BCI’s proposed Wimax network will greatly improve communications resiliency in the West Bank by establishing a second network to the incumbent provider, PalTel. As important, BCI’s approach, based on Motorola technology, will adopt many aspects of an Internet Protocol-based “next generation network” (NGN) and provide mobile broadband services, high speed and portable Internet access, and information security.
- (2) **Market- Oriented Reform:** BCI will create direct competition to PalTel in broadband connectivity and voice services. The profound impact of an alternative, competitively-operated network cannot be overstated: competition will lead directly to lower market prices for vital communication services for enterprises, government users, and consumers. Industry studies demonstrate competition in communications

<sup>3</sup> [http://en.wikipedia.org/wiki/Advanced\\_Encryption\\_Standard](http://en.wikipedia.org/wiki/Advanced_Encryption_Standard)

<sup>4</sup> [http://en.wikipedia.org/wiki/Triple\\_DES](http://en.wikipedia.org/wiki/Triple_DES)



infrastructure leads to a net economic benefit to society through lower usage charges and as a stimulator to secondary economic development.

- (3) Human Capacity Building: The proposed USTDA technical assistance grant will specifically provide human capacity building in the areas of business planning, marketing, brand development, service definition, customer support, financial forecasting, and long range strategic planning. Once the network is operational, BCI itself will become a generator of employment and human resources training.
- (4) Technology Transfer and Productivity Enhancement: The key outcomes of the project are to: 1) significantly improve the quality and scope of telecommunications services in the West Bank; 2) ensure that BCI is capable of harnessing its technological expertise into an effective retail service provider, and thereby establish competition to the incumbent telecom operator for high-speed Internet and voice services; 3) create a regional and high-profile showcase for Wimax, a technology pioneered in America.

## 7.2 Alternatives

In the telecommunications industry, there is always more than one way to achieve an economic or service objective. There are many competing technologies, each of which has its own camp of acolytes and supporters. Arguments can be made to prove that one solution or operational approach is “better” than another. In fact, the choice of technology is dependent on strategy, market targeting and local conditions, and political considerations. BCI wants to provide a very high quality service experience for its existing government and enterprise clients, and it wants to enter the market quickly. Wimax provides a more confirmed level of service than would, for example, a metropolitan WiFi or mesh network, a solution to which Wimax is sometimes compared. Cell phone technologies are evolving to the next generation and will provide extremely fast mobile data speed (e.g., up to 100 Mbps); however, the investment required to enter and participate in this segment of the market is easily an order of magnitude higher than Wimax. The new mobile architectures, such as Long Term Evolution, a technology standard that is emerging as the fourth generation for mobile networks, will also not be available commercially until 2009/2010. There are other highly competitive solutions to Wimax but have shortcomings for other reasons: TD-SCMA is a Chinese product, WiBro is Korean. Wimax is by no means a perfect solution but it is an entirely reasonable solution to achieve BCI’s goals. Motorola competes against many other vendors of Wimax equipment from China, Finland, Sweden, France, Israel and the US.

## 8.0 Impact on the Environment

As a telecommunications infrastructure project, BCI’s proposed Wimax network will have little or no impact on the environment. The company currently has in place a number of radio masts throughout the West Bank; additional towers might be required but the construction could not be shown to have negative consequences on the environment. There is no scientific research that definitely concludes that wireless telecommunications poses any risk to health.

## 9.0 Impact on U.S. Labor

Network Dynamics’ perception is that the BCI investment in a Wimax network in the West Bank will have a net positive impact on U.S. labor: Motorola will almost certainly be the primary



technology vendor, currently in negotiation. Motorola is one of the few remaining manufacturers of large scale telecommunications platforms still domiciled in the U.S. However, we have no knowledge of where Motorola will actually manufacture the systems to be shipped to the West Bank, nor are we equipped to judge the impact on job created in the U.S. as a result of the likely sale.

From Network Dynamics vantage, there is no aspect of the project that would contravene the Foreign Operations, Export Financing and Related Programs Appropriates legislation.

## 10. Qualifications

The consultants selected to perform the work must be expert in the telecommunications industry and specifically have operational experience in preparing early stage ventures for market launch, in customer care, and marketing strategy. Some individuals will be capable of performing multiple roles, depending on experience.

The overall profile of the types of professional required for the TA is as follows:

- Technology and network operations
  - Senior consultant, at least 15 years network strategy and operations experience. Strong knowledge of wireless systems. Specific understanding of IP networks.
  - Junior consultant, 5+ years, radio engineer
- Customer care procedures
  - Senior consultant, 10+ years, customer care experience
  - Junior consultant, 5+ years, customer care experience
- Marketing
  - Senior consultant, at least 15 years industry strategy experience
  - Junior consultant, 5+ years industry consulting experience
- Business planning and finance
  - Senior consultant, 10+ years financial planning experience

We recommend the selection criteria BCI should consider when selecting a consultant include:

- Experience developing launch strategies and market strategies for wireless telecom networks in emerging markets (30%)
- Experience in customer care systems, operations, procedures and training (30%)
- Wireless network engineering and network operations (20%)
- Financial modeling (10%)
- Familiarity with situation in the West Bank (10%)



## 11. Justification

Modern telecom is vital for the West Bank. Competitive Internet access and voice communications services with state-of-the-art American technology will further U.S. strategic interests in the region, including promoting stability and the free flow of information. It will serve as a stimulus for broad-based economic diversification, and help the West Bank transition from a donor-oriented to a private-sector economy.

We believe the project is well suited both to USTDA's *trade* and *development* priorities: as much as \$57 million of U.S. exports are at stake, and a competitive communications infrastructure could fundamental reshape economic opportunities, especially for small and medium sized enterprises.

## 12. Terms of Reference

### Terms of Reference

Note: Double line margin mark to the left denotes TOR

Technical Assistance for BCI: Wimax in the West Bank

#### 1.0 Purpose and objective of the study

The *Technical Assistance for BCI: Wimax in the West Bank* project will provide strategic advisory, technical analysis and human resources training related to establishing a Wimax broadband wireless network serving the West Bank of the Palestinian Territories. The objective is to assist BCI, the project sponsor in Ramallah, to create a go-to-market plan for the new operating company. BCI is a leading information services company in the West Bank making the transition from its core business in systems integration and enterprise network management to a "carrier class" full service network provider. BCI requires expert consulting to validate its technological approach; develop a marketing plan and supporting materials; establish a customer care facility; and finalize its business plan, including preparing financial forecasts.



## 2.0 Technical Assessment

The ICT sector currently employs an estimated 5,000 individuals in more than 450 companies in the Palestinian Territories. The greatest presence of ICT infrastructure is found in Jerusalem and Ramallah, although a strong presence is also located in Gaza, with a total estimate of investment of about \$700 million. Established infrastructure in the Palestinian Territories includes hardware and software development, telecommunications, Internet service providers, and office automation equipment. The ICT sector in the Palestinian Territories grew substantially following the establishment of the PA in 1994, but has stagnated since 2000 due to the restriction on the movement of goods and services imposed by the Government of Israel. Beginning in 1995, the sector experienced growth rates of up to 30% until 2000.

Significant areas of growth have been in the fixed and mobile telecommunications sector as well as subscription free internet and broad band services. The PA's awarding of an exclusive license to the Palestine Telecommunications Company (PALTEL) in 1996 to operate and develop telecommunications services was a significant step in the development of the ICT infrastructure in the Palestinian Territories. PALTEL currently has 400,000 fixed line subscribers and its subsidiary JAWWAL has 800,000 mobile subscribers, which combined have invested over \$2 billion in the telecommunications sector. Recent developments that demonstrate the PA's commitment to liberalizing the ICT market include the international tender won by Kuwaiti/Qatari-owned Wataniya International in September 2007 to become the second Palestinian GSM operator in the West Bank, as well as their offer of \$355 million in licensing fees to the PA to establish a 3G network. These new developments increase the likelihood that demand for U.S. technology will grow in the West Bank.

Over the next five years, total investment in the Palestinian ICT sector is expected to increase to \$500 million. PALTEL will invest \$200 million in upgrading their infrastructure. Also, new entrants in the broadband networks and services markets are expected to invest an additional \$50 million into the market. The result of these investments will lead to increases in demand for telecommunication equipment and services, computer hardware, software, cell phones, and video conferencing equipment.

On January 1, 2008, the Palestinian Authority granted licenses to four groups to build Wimax networks. The government believes that market competition and broadband wireless services have the potential to increase Internet penetration and ICT usage, lower the cost of voice and data services, and stimulate the economy. To construct and operate the new networks, operators such as BCI must first secure radio frequency from Israel, which manages spectrum as part of the 2003 Oslo Accords. It must also secure the right to import the latest generation 802.16e technology.

As a technology services company, BCI is expert at managing enterprise IP network as well as RF radio systems. Through its preferred Wimax vendor, Motorola, BCI will acquire considerable technical, operations and network management services. What the company lacks is a market entry strategy for launching a Wimax services provider including services definitions, branding and customer acquisition strategies; customer care and operations management capability; business strategy and forecasting; and long range technology and operations planning.



## 2.1 Proposed Approach

The Consultant will assist BCI prepare the market launch for its proposed Wimax network in the West Bank. BCI will receive considerable network and technology planning and implementation support from its likely platform vendor, Motorola. To complement this technology assistance, the company requires strategic advisory services to build the business infrastructure for the venture. The consultant will travel to Ramallah, West Bank and provide varied technical assistance as outlined in Section 2.2, below. The consultant will be expected to make at least three trips to the West Bank of not less than 10 days each.

## 2.2 Specific Tasks and Deliverables

The following are the project outputs and key deliverables:

Task	Topic	Description
<b>1 Technology Architecture and Migration Plan</b>		
1.0	Assess planned network architecture	Review planned network architecture proposed by Motorola. Evaluate suitability of technological approach for anticipated double-play (VoIP and high speed Internet services) business model. Suggest design and performance improvements, including specific technological modifications and projected costs associated with recommendations. Review data network architecture, network security and related infrastructure components with special attention to creating a carrier-class full-service network. Recommend architecture migration plan for anticipated future services including video-on-demand and software as a service, taking into account both the physical network as well as back office, application hosting, security, and other "higher layer" applications and operations
1.1	Evaluate BCI's technical and operational capability	Review current network management operations. Perform assessment of BCI's existing technological staff resources. Recommend best practices for the operation and management of a carrier-class services network. Perform gap analysis of human resources required to efficiently manage BCI's new network. Provide suggested 5-year personnel hiring roadmap and training requirements.
1.2	<b>Deliverable: Technology Review</b>	Summarize findings and ensure BCI is in agreement with Consultant's observations.
<b>2 Network Operations &amp; Procedures</b>		
2.1	Operations Plan	Prepare business support systems / operational support systems (BSS/OSS) operations plan according to international best practices. Recommend standard operating procedures to facilitate BCI's transition from a manager of enterprise networks to a full-service and carrier-class telecommunications services provider. Prepare skills gap analysis and risk mitigation strategy.
2.2	Network Operations Center	Provide comprehensive recommendations for NOC including: NOC physical facility layout and configuration; trouble ticket and event management; standard operating procedures; security (building, personnel, network, data). Assist with deployment of systems and platforms.
2.3	Billing system and operations	Recommend optimal billing system features, characteristics and operating procedures. Evaluate at least six (6) technology and/or vendor alternatives. Prepare specifications for RFP. Develop billing procedures practices.
2.4	Training	Prepare one week training course on operations support and management taking into account specifically the proposed network architecture BCI intends to deploy. Suggest sustainable approach for human resources training over time.
2.5	<b>Deliverable: Network Operations Plan</b>	
2.6	<b>Deliverable: OSS/BSS Training</b>	



<b>3 Customer Care</b>		
3.1	Call center	Prepare needs assessment. Define technology requirements and software options. Identify potential vendors. Prepare RFP including evaluation criteria. Assist with evaluation of proposals.
3.2	Customer support procedures	Recommend call center procedures and best practices. Develop standard operating procedures according to international best practices.
3.3	Training	Develop one week agent training course for up to 20 prospective call center agents, in English and Arabic.
3.4	Deliverable: Call Center RFP	
	Deliverable: Call Center Training	
<b>4 Sales and Marketing</b>		
4.1	Market analysis	Collect statistical market data. Conduct market segmentation analysis taking into account such variables as: customer types; geographic distribution; government expenditures for communications; disposal household income; forecast pricing elasticity, and other factors.
4.2	Go to market strategy	Prepare product development and introduction strategy, including service definitions and descriptions for connectivity, VoIP, managed services such as managed security, VPN, hosting and web design services and other launch phase services.
4.3	Brand creation and development.	Assist with the creation of the "Bnet" brand and market launch campaign. Definition of brand values. Direct creative teams.
4.4	Campaign management tools	Recommend and implement marketing / campaign management software tools.
4.5	Deliverable: Go-to-Market Plan	
<b>5 Business Plan</b>		
5.1	Prepare Business Plan	Review and validate company's business planning efforts to date. Prepare business plan to cover all aspects of strategy, planning, technology, operations, finance and risk mitigation. Compile findings in a) formal document comprised of text, tables and graphics of between 35 - 60 pages; and b) comprehensive Powerpoint presentation that provides a high-level executive overview of sufficient depth and scope to be utilized as a key marketing document with investors, government officials and other interested parties.
5.2	Market forecast	Prepare 5-year market forecast of total market, addressable market and competitive position, assuming at least two strategic scenarios, clearly stating rationale and assumptions behind the forecast.
5.3	Risk analysis and mitigation	Review legal and policy environment relative to the project, focusing specifically on ambiguities that might negatively impact the project over time. Identify key risks to the project and recommend most appropriate mitigate strategies. Assist with any outstanding issues related to securing license rights from Israel.
5.4	Pro forma financial forecast	Review existing forecasts and business models for consistency, accuracy and relevance. Update and validate forecasts for market size, revenues, operating expenses, income and balance sheet and create new models and forecasts as required. Prepare investment metrics. Recommend capital plan.
5.5	Deliverable: Business Plan	



6 Impact Analysis		
6.1	Financial analysis*	Prepare a financial analysis will estimate the total cost to implement the proposed technical solution(s) for BCI, including growth of the system to include new users and applications over time.
6.2	Environmental analysis	Make a preliminary review of the project's anticipated impact on the environment with reference to local requirements and those of multilateral lending agencies (such as the World Bank). This review should identify potential negative impacts, discuss the
6.3	Regulatory issues**	Prepare a review of regulatory issues and discuss any regulations that would impact the project's viability or prognosis to move forward. This assessment should specifically examine BCI's legal charter and its rights and obligations relative to other dep
6.4	Development impacts	Provide an analysis of key host country development impacts related to Infrastructure, Market Oriented Reform, Human Capacity Building, Technology Transfer and Productivity Improvement and Other.
6.5	US sources of supply	Identify and provided detailed contact information for potential U.S. sources of supply.
6.6	Deliverable: USTDA Impact analysis	
	* Covered in Tasks 1.0 and 3.0	
	** Covered in Tasks 5.1 and 5.3	
7 Final Report		
7.1	Deliverable: Final report	Summary and compilation of all activities

### 3.0 Economic Analysis

The consultant's final report will include a discussion of each of the sub-sections below. The consultant will explore and briefly report on any positive economic impacts that may be produced from the technical assistance for BCI. The contractor should seek to identify and if possible, quantify, economic benefits resulting from the program. The assessment should be made to the best of contractor's internal abilities and utilizing existing subject matter expertise. An exhaustive econometric forecast and analysis is not required. Potential positive economic impacts may include:

- Lowering cost of access and voice services through competition;
- Increase in broadband Internet penetration;
- Improved Internet service quality;
- Direct job creation at BCI;
- Secondary job creation from rapid and widespread distribution of broadband Internet services throughout the West Bank; and
- Other potential economic benefits or savings.

#### 3.1 Financial Analysis

A financial analysis will estimate the total cost to implement the proposed technical solution(s) for BCI, including growth of the system to include new users and applications over time. The analysis will further determine if BCI's own allocated financial resources and external financial arrangements are sufficient to cover the cost of the project through to the full implementation phase, including ongoing running costs. This section should consider the availability of equity and debt financing as well as the views of potential public and private financing organizations, such as the World Bank, relevant regional multilateral development bank(s), Ex-Im, OPIC and donor funds, as appropriate.



### 3.2 Environmental Analysis

The consultant will make a preliminary review of the project's anticipated impact on the environment with reference to local requirements and those of multilateral lending agencies (such as the World Bank). This review should identify potential negative impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment if and when the project moves forward to the implementation stage. This includes the identification of steps that will need to be undertaken by the project sponsor subsequent to the study's completion and prior to project implementation.

The technical assistance for BCI primarily involves the provision of intangible assets such as a business strategy for a proposed Wimax broadband wireless network. Few environmental impacts can be anticipated. Conversely, positive impacts may possibly be created by the project (for example, as related to ability to monitor weather, natural or man-made disasters), and any such beneficial impacts should be highlighted.

### 3.3 Regulatory Issues

A review of regulatory issues related to the project. The consultant should discuss any regulatory issues that would impact the project's viability or prognosis to move forward, taking particular note of investment, trade and regulatory oversight by Israel.

### 3.4 Key Host Country development impacts

Provide an analysis of key host country development impacts. These Development Impact factors are intended to provide USTDA and interested parties with a broader view of the project's potential effects on the Host Country. The analysis shall focus on what Development Impact is likely if the project is implemented according to the consultant's recommendations. While specific focus shall be paid to the immediate impact of the project, analysis shall include any additional developmental benefits that may result from the project's implementation, including spin-off and demonstration effects. Accordingly, the analysis shall include an assessment of each of the following categories with respect to the project's potential Development Impact:

- (1) Infrastructure: Provide a statement on the infrastructure impact, giving a brief synopsis. For example, how will the BCI Wimax network improve broadband Internet and voice services in the West Bank? How will it improve the local telecommunications environment? Other issues as appropriate should also be identified.
- (2) Market- Oriented Reform: Provide a description of any regulations, laws, or institutional changes that are recommended and the effect they would have if implemented.
- (3) Human Capacity Building: BCI currently has limited capability in marketing, branding, campaign management, customer care and related functions. Training is included in the project. Contractor should also assess the number and type of local positions that would be needed to construct and operate the proposed project, if implemented, as well as the number of local people who would receive training, and describe the training program.



- (4) Technology Transfer and Productivity Enhancement: Provide a description of any advanced technologies that would be utilized as a result of the project, and a description of any efficiency that would be gained.
- (5) Other: Describe any other developmental impacts or benefits that would result from the project, for example, follow-on or replication projects, safer workplace, increased good governance or improved financial revenue flows to the West Bank.

For specific information regarding USTDA's Development Impact goals and measures, please contact the Contracting Officer (COTR) at USTDA, or see the Guidance on USTDA Development Impact Measures at [www.ustda.gov/resources](http://www.ustda.gov/resources).

### **3.5 U.S. sources of supply**

While aiming at optimum specifications and characteristics for the project, there shall be an assessment of the availability of potential U.S. sources of supply. Business name, point of contact, address, telephone, e-mail, and fax numbers shall be included for each source.

### **3.6 Final Report**

The consultant shall prepare and provide to the Grantee (BCI) and to USTDA a Final Report in accordance with Clause I of Annex II of the Grant Agreement.

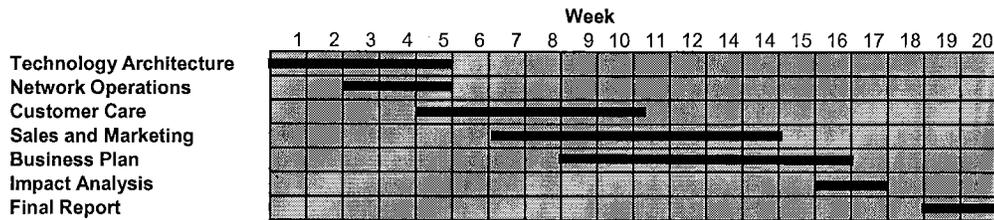
Each of the above tasks in this Terms of Reference must be distinctly set forth in the Final Report in a substantive and comprehensive manner, and shall include all corresponding deliverables. The Final Report, while aiming at optimum specifications and characteristics for the Project, shall also identify prospective U.S. sources of supply. The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference. The Final Report shall contain an executive summary and cover each of the itemized paragraphs described herein (e.g., 3.12.1 – 3.15). In addition to any other required deliverables in accordance with Clause I of Annex II of the Grant Agreement, the Contractor will provide both the Grantee and USTDA with 6 copies (each) of the final report on CD-ROM. The CD-ROM version of the final report will include:

- Adobe Acrobat readable copies of all documents;
- Source files for all drawings in AutoCAD or Visio format; and
- Source files for all documents in MS Office 2000 or later formats.

### **4.0 Task Completion Schedule**

The project production schedule below is representative and non-binding. It provides an overview of the perceived sequencing of the project, namely, that core technological issues need to be addressed first, followed by operational business planning. Development of the marketing strategy, go-to-market plan and business case is not contingent upon technology issues and these tasks can be structured in parallel. An important aspect of this technical assistance is to transfer best practices and know-how to BCI through management advisory and training, and the consultant should strive to maximize their time in the West Bank to the greatest extent possible given the scope of work and budget.





## 5.0 Qualifications

The consultant will demonstrate their experience and proficiency in emerging markets telecommunications and highlight specifically their operational experience in preparing early stage ventures for market launch, customer care, wireless technology strategy, and marketing programs for service launch. The consultant or lead member of a consulting consortium will show examples of recent projects in these areas. Biographies of key advisors should be included and highlight specific expertise required to successfully complete the project, and include specialists in:

- Management consulting
- Marketing strategy, and go-to-market service development
- Customer care
- Call center systems, operations and training
- Broadband wireless and Wimax network operations
- VoIP call origination and termination
- Other relevant disciplines.

The overall profile of the types of professional required for the TA is as follows:

- Technology and network operations
  - Senior consultant, at least 15 years network strategy and operations experience. Strong knowledge of wireless systems. Specific understanding of IP networks.
  - Junior consultant, 5+ years, radio engineer
- Customer care procedures
  - Senior consultant, 10+ years, customer care experience
  - Junior consultant, 5+ years, customer care experience
- Marketing
  - Senior consultant, at least 15 years industry strategy experience
  - Junior consultant, 5+ years industry consulting experience
- Business planning and finance
  - Senior consultant, 10+ years financial planning experience



The recommended selection criteria to assess the consultant's bid are as follows:

- Experience developing launch strategies and market strategies for wireless telecom networks in emerging markets (30%)
- Experience in customer care systems, operations, procedures and training (30%)
- Wireless network engineering and network operations (20%)
- Financial modeling (10%)
- Familiarity with situation in the West Bank (10%)

– End of TOR –

### **13.0 Study Budget**

We propose a budget for the project of **\$480,625** for the project, of which

\$387,800 is for consulting and professional services, and  
\$92,825 is for travel and general expenses.

The scope of work as defined in the terms of reference can be completed in approximately six months from the commissioning of the consultants.

#### **13.1 Line Item Budget and Task Breakdown**

The consultant must complete all work items specified in Section 2.2, above.

The budget assumes a total of 390 person days. The distribution and weighting of resources described below is suggestive (see next table). The contractor may seek to allocate professional resources in a different manner than indicated in the table but the work plan must be approved by USTDA:



**BCI: Technical Assistance for Wimax in the West Bank  
Budget Detail by Task**

<b>Task Summary Labor Days</b>	<b>Sr. Tech</b>	<b>Jr. Tech</b>	<b>Finance</b>	<b>Legal</b>	<b>Days</b>	<b>Task \$</b>
1 Technology Architecture and Migration Plan	30	15	0	0	45	\$48,000
2 Network Operations & Procedures	30	30	0	0	60	\$60,000
3 Customer Care	20	40	0	0	60	\$56,000
4 Sales and Marketing	50	50	0	0	100	\$100,000
5 Business Plan	15	45	30	20	110	\$108,000
6 Impact Analysis	4	0	1	0	5	\$5,800
7 Final Report	5	5	0	0	10	\$10,000
<b>Sub Total</b>	<b>154</b>	<b>185</b>	<b>31</b>	<b>20</b>	<b>390</b>	<b>\$387,800</b>
<b>Daily Rate</b>	<b>\$1,200</b>	<b>\$800</b>	<b>\$1,000</b>	<b>\$1,200</b>		
<b>Task Labor Cost Summary</b>						<b>Total</b>
1 Technology Architecture and Migration Plan	\$36,000	\$12,000	\$0	\$0		\$48,000
2 Network Operations & Procedures	\$36,000	\$24,000	\$0	\$0		\$60,000
3 Customer Care	\$24,000	\$32,000	\$0	\$0		\$56,000
4 Sales and Marketing	\$60,000	\$40,000	\$0	\$0		\$100,000
5 Business Plan	\$18,000	\$36,000	\$30,000	\$24,000		\$108,000
6 Impact Analysis	\$4,800	\$0	\$1,000	\$0		\$5,800
7 Final Report	\$6,000	\$4,000	\$0	\$0		\$10,000
<b>Total Labor Cost Summary</b>	<b>\$184,800</b>	<b>\$148,000</b>	<b>\$31,000</b>	<b>\$24,000</b>		<b>\$387,800</b>

Estimated additional and travel costs are as follows:

<b>Other Direct Costs</b>	<b>Av. Daily Rate</b>	<b>Person Days</b>	<b>Total</b>
Consultants (local)	\$500.00	40	\$20,000
			\$0
			\$0
			\$0
<b>Sub total Outside Consultants</b>			<b>\$20,000</b>
<b>Misc. Inc. Tel &amp; Fax</b>			
	<b>Number</b>	<b>Cost/Unit</b>	<b>Total</b>
Travel Contingency (5%)			\$3,325
Telephone & Fax			\$1,000
Reproduction Draft Report			\$250
Reproduction Final Report			\$250
Binding Reports	4000	\$0.10	\$400
Federal Express Draft			\$300
Federal Express Final Report			\$300
Local taxis			\$500
			\$0
<b>Sub total Misc. Inc. Tel &amp; Fax</b>			<b>\$6,325</b>
<b>Travel Expenses</b>			
Air Fare	\$2,500.00	10	\$25,000
Per Diem Location	\$405.00	100	\$40,500
Taxi To & From Airport	\$100.00	10	\$1,000
<b>Sub total Airfare, Per Diem and Transportation</b>			<b>\$66,500</b>
<b>Total Other Direct Costs</b>			<b>\$92,825</b>

The total budget for the project is \$480,625. No cost share is implied.

<b>Total Task Cost Summary</b>	
Labor Total	\$387,800
Other Direct Costs	\$92,825
<b>Total Budget Cost</b>	<b>\$480,625</b>

<b>Budget Breakdown</b>	
Contractor Cost Share	\$0
Grantee Cost Share	\$0
USTDA Contribution	\$480,625
<b>Total</b>	<b>\$480,625</b>



**13.2 Budget Narrative**

The budget for the *BCI Technical Assistance for Wimax in the West Bank* project has been prepared to reflect both strategic and tactical concepts. This proposed budget was prepared by Network Dynamics Associates who coordinated closely with BCI on the needs and requirements to define strategies, applications and procedures. Network Dynamics prepared a detailed task list outlining the parameters for the present study, including objectives, key deliverables and milestones. BCI was then asked to review and refine the scope of work.

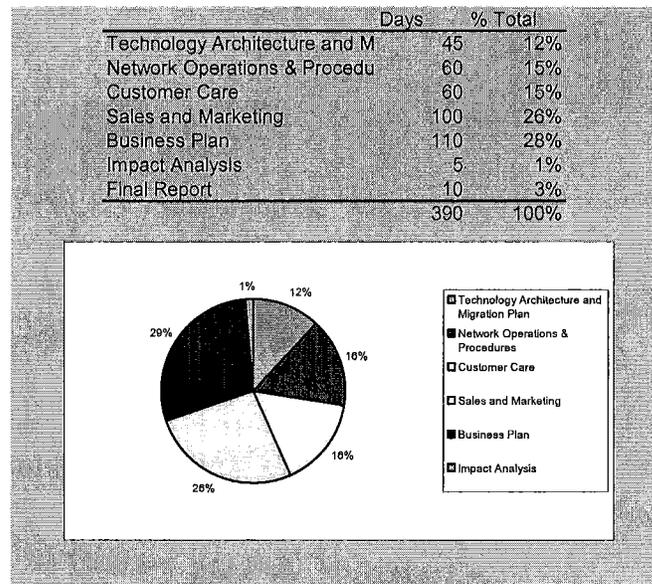
To arrive at the budget, a detailed list of subtasks was developed. We provided a best effort estimate on the level of effort for each specific subject area as well as an estimate on the quantity and duration of travel required. The information was then compiled into a comprehensive list of required resources to obtain an overall list of expertise. We then estimated the hourly and daily costs for the experts required, thus arriving at the overall consultancy cost.

Finally, all data was accumulated and summarized into tables to arrive at the concluding budget numbers for the entire project.

**Budget Items**

The “**Labor**” category in the budget includes all human resources and expertise required to accomplish the tasks. This category includes all of the Consultant’s direct hired employees, subcontractors and consultants. We assume that the Consultant’s team is comprised entirely of U.S. nationals, however we assume no restrictions to engaging local contractors. Our estimated break-down of resources by task area is as follows:

**Resource by Task Area**



**The “Travel” category** represents an estimate of the travel needed by the experts to accomplish the project tasks. We assume that the U.S. expert teams will be required to make a minimum of three trips to the West Bank of two weeks each. Certain experts may spend a greater or lesser amount of time in country, depending on the ability of the contractor to manage certain tasks remotely, and the specific tasks being performed by the individual. We assume that most travel is directly related to researching requirements, assisting with the go-to-market strategy, and preparing the business plan. We have budgeted for 10 round trip airfares from Washington DC to the West Bank. Airfare cost per trip is estimated at \$2500 per trip, with a total of about 100 man-days in country. The State Department’s per diem estimate for Jerusalem is \$405 per day (there is no published schedule for Ramallah).

#### **14. Recommendations**

Network Dynamics believes that broadband wireless services provided by a capable competitor to PalTel would have a significant and positive impact on the economy and social fabric of the West Bank. BCI is a highly credible technology services company that already plays a strategic role in providing managed network and wireless services for the PA. The company is both well equipped and well-positioned to help “make the market” for competitive broadband services. We were especially impressed with Said Baransi’s business acumen, proven relationships, and commitment to transforming the West Bank through Wimax and the promotion of next-generation communications technologies. Moreover, the BCI Wimax network represents a sizable commercial opportunity for the U.S. of between \$35 million (low estimate) and \$57 million (budget as proposed by Motorola).

There are three principal risks inherent to the project. We believe BCI possesses many of the baseline technological skills required to design, deploy and manage a wide-area broadband wireless network. What it lacks is operational experience as a retail services provider. Network Dynamics has worked closely with BCI to draft a scope of work to help minimize risk in this dimension of the project and provide support on business planning, marketing, customer care and operations. While the consultants cannot “run” the new network for BCI, the team will be able to lay out the strategy and tangible programs for creating a meaningful competitor to PalTel. This is probably the easiest of the three challenges to resolve.

The second risk is securing the frequencies for the project. Israel may react negatively to the frequency request, and/or to the importation of network infrastructure and communications devices built to the Wimax 802.16e standard. It may seek the right to employ lawful intercept on the network; even with access to the network, it might not feel comfortable that its security interests are being served.

Third is implementation financing. The West Bank is an extremely high risk market. The political situation is uncertain; BCI is an early-stage venture; lack of regulatory transparency and legal recourse are all obstacles, among other risk factors. Nevertheless, we believe the project can obtain financing once Israel’s cooperation is agreed. Significant reconstruction funds have been committed to the West Bank; preliminary discussions with equity investors suggest high interest; and recent market performance of early-stage telecom ventures in post-conflict societies all suggest the opportunity can be realized. We recommend USTDA proceed with the TA by announcing the award at the Palestine Investment Conference in May 2008.



## **15. Project Portfolio Assessment**

At this time USTDA does not have any past or active projects in the West Bank related to telecommunications and ICT.



## ANNEX 3



**U.S. TRADE AND DEVELOPMENT AGENCY  
Arlington, VA 22209-2131**

**NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS**

The purpose of USTDA's nationality, source, and origin requirements is to assure the maximum practicable participation of American contractors, technology, equipment and materials in the prefeasibility, feasibility, and implementation stages of a project.

**USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):**

Except as USTDA may otherwise agree, each of the following provisions shall apply to the delivery of goods and services funded by USTDA under this Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from host country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for implementation of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in host country are not subject to the above restrictions. USTDA will make available further details concerning these standards of eligibility upon request.

**NATIONALITY:**

1) Rule

Except as USTDA may otherwise agree, the Contractor for USTDA funded activities must be either a U.S. firm or a U.S. individual. Prime contractors may utilize U.S. subcontractors without limitation, but the use of host country subcontractors is limited to 20% of the USTDA grant amount.

2) Application

Accordingly, only a U.S. firm or U.S. individual may submit proposals on USTDA funded activities. Although those proposals may include subcontracting arrangements with host country firms or individuals for up to 20% of the USTDA grant amount, they may not include subcontracts with third country entities. U.S. firms submitting proposals must ensure that the professional services funded by the USTDA grant, to the extent not subcontracted to host country entities, are supplied by employees of the firm or employees of U.S. subcontractor firms who are U.S. individuals.

Interested U.S. firms and consultants who submit proposals must meet USTDA nationality requirements as of the due date for the submission of proposals and, if selected, must continue to meet such requirements throughout the duration of the USTDA-financed activity. These nationality provisions apply to whatever portion of the Terms of Reference is funded with the USTDA grant.

### 3) Definitions

A "U.S. individual" is (a) a U.S. citizen, or (b) a non-U.S. citizen lawfully admitted for permanent residence in the U.S. (a green card holder).

A "U.S. firm" is a privately owned firm which is incorporated in the U.S., with its principal place of business in the U.S., and which is either (a) more than 50% owned by U.S. individuals, or (b) has been incorporated in the U.S. for more than three (3) years prior to the issuance date of the request for proposals; has performed similar services in the U.S. for that three (3) year period; employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and has the existing capability in the U.S. to perform the work in question.

A partnership, organized in the U.S. with its principal place of business in the U.S., may also qualify as a "U.S. firm" as would a joint venture organized or incorporated in the United States consisting entirely of U.S. firms and/or U.S. individuals.

A nonprofit organization, such as an educational institution, foundation, or association may also qualify as a "U.S. firm" if it is incorporated in the United States and managed by a governing body, a majority of whose members are U.S. individuals.

## **SOURCE AND ORIGIN:**

### 1) Rule

In addition to the nationality requirement stated above, any goods (e.g., equipment and materials) and services related to their shipment (e.g., international transportation and insurance) funded under the USTDA Grant Agreement must have their source and origin in the United States, unless USTDA otherwise agrees. However, necessary purchases of goods and project support services which are unavailable from a U.S. source (e.g., local food, housing and transportation) are eligible without specific USTDA approval.

### 2) Application

Accordingly, the prime contractor must be able to demonstrate that all goods and services purchased in the host country to carry out the Terms of Reference for a USTDA Grant Agreement that were not of U.S. source and origin were unavailable in the United States.

### 3) Definitions

“Source” means the country from which shipment is made.

“Origin” means the place of production, through manufacturing, assembly or otherwise.

*Questions regarding these nationality, source and origin requirements may be addressed to the USTDA Office of General Counsel.*

**ANNEX 4**



## **5. USTDA as Financier**

### **(A) USTDA Approval of Competitive Selection Procedures**

Selection of the U.S. Contractor shall be carried out by the Grantee according to its established procedures for the competitive selection of contractors with advance notice of the procurement published online through *Federal Business Opportunities* ([www.fedbizopps.gov](http://www.fedbizopps.gov)). Upon request, the Grantee will submit these contracting procedures and related documents to USTDA for information and/or approval.

### **(B) USTDA Approval of Contractor Selection**

The Grantee shall notify USTDA at the address of record set forth in Article 17 below upon selection of the Contractor to perform the TA. Upon approval of this selection by USTDA, the Grantee and the Contractor shall then enter into a contract for performance of the TA. The Grantee shall notify in writing the U.S. firms that submitted unsuccessful proposals to perform the TA that they were not selected.

### **(C) USTDA Approval of Contract Between Grantee and Contractor**

The Grantee and the Contractor shall enter into a contract for performance of the TA. This contract, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing. To expedite this approval, the Grantee (or the Contractor on the Grantee's behalf) shall transmit to USTDA, at the address set forth in Article 17 below, a photocopy of an English language version of the signed contract or a final negotiated draft version of the contract.

### **(D) USTDA Not a Party to the Contract**

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of the contract and any amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of funding the TA and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Grantee or USTDA from asserting any right they might have against the

Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Grantee or USTDA.

**(E) Grant Agreement Controlling**

Regardless of USTDA approval, the rights and obligations of any party to the contract or subcontract thereunder must be consistent with this Grant Agreement. In the event of any inconsistency between the Grant Agreement and any contract or subcontract funded by the Grant Agreement, the Grant Agreement shall be controlling.

**6. Disbursement Procedures**

**(A) USTDA Approval of Contract Required**

USTDA will make disbursements of Grant funds directly to the Contractor only after USTDA approves the Grantee's contract with the Contractor.

**(B) Contractor Invoice Requirements**

The Grantee should request disbursement of funds by USTDA to the Contractor for performance of the TA by submitting invoices in accordance with the procedures set forth in the USTDA Mandatory Clauses in Annex II.

**7. Effective Date**

The effective date of this Grant Agreement ("Effective Date") shall be the date of signature by both parties or, if the parties sign on different dates, the date of the last signature.

**8. TA Schedule**

**(A) TA Completion Date**

The completion date for the TA, which is October 31, 2009, is the date by which the parties estimate that the TA will have been completed.

**(B) Time Limitation on Disbursement of USTDA Grant Funds**

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Grant Agreement for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

## **9. USTDA Mandatory Clauses**

All contracts funded under this Grant Agreement shall include the USTDA mandatory clauses set forth in Annex II to this Grant Agreement. All subcontracts funded or partially funded with USTDA Grant funds shall include the USTDA mandatory clauses, except for clauses B(1), G, H, I, and J.

## **10. Use of U.S. Carriers**

### **(A) Air**

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

### **(B) Marine**

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

## **11. Nationality, Source and Origin**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

## **12. Taxes**

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Grantee nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

### **13. Cooperation Between Parties and Follow-Up**

The parties will cooperate to assure that the purposes of the Grant Agreement are accomplished. For five (5) years following receipt by USTDA of the Final Report (as defined in Clause I of Annex II), the Grantee agrees to respond to any reasonable inquiries from USTDA about the status of the Project.

### **14. Implementation Letters**

To assist the Grantee in the implementation of the TA, USTDA may, from time to time, issue implementation letters that will provide additional information about matters covered by the Grant Agreement. The parties may also use jointly agreed upon implementation letters to confirm and record their mutual understanding of matters covered by the Grant Agreement.

### **15. Recordkeeping and Audit**

The Grantee agrees to maintain books, records, and other documents relating to the TA and the Grant Agreement adequate to demonstrate implementation of its responsibilities under the Grant Agreement, including the selection of contractors, receipt and approval of contract deliverables, and approval or disapproval of contractor invoices for payment by USTDA. Such books, records, and other documents shall be separately maintained for three (3) years after the date of the final disbursement by USTDA. The Grantee shall afford USTDA or its authorized representatives the opportunity at reasonable times to review books, records, and other documents relating to the TA and the Grant Agreement.

### **16. Representation of Parties**

For all purposes relevant to the Grant Agreement, the Government of the United States of America will be represented by the U. S. Ambassador to Host Country or USTDA and Grantee will be represented by the Said Baransi, Managing Director. The parties hereto may, by written notice, designate additional representatives for all purposes under the Grant Agreement.

### **17. Addresses of Record for Parties**

Any notice, request, document, or other communication submitted by either party to the other under the Grant Agreement shall be in writing or through a wire or electronic medium which produces a tangible record of the transmission, such as a telegram, cable or facsimile, and will be deemed duly given or sent when delivered to such party at the following:

To: Said Baransi  
Managing Director  
BCI Communication & Advanced Technologies Ltd.

Alersal Street, Awwad Building  
P.O. Box 3917  
Ramallah, West Bank  
Email: sbaransi@bci.ps

Phone: +970 2298 1108  
Fax: +970 2296 4167

To: U.S. Trade and Development Agency  
1000 Wilson Boulevard, Suite 1600  
Arlington, Virginia 22209-3901  
USA

Phone: (703) 875-4357  
Fax: (703) 875-4009

All such communications shall be in English, unless the parties otherwise agree in writing. In addition, the Grantee shall provide the Commercial Section of the U.S. Embassy in Host Country with a copy of each communication sent to USTDA.

Any communication relating to this Grant Agreement shall include the following fiscal data:

Appropriation No.: 118/91001  
Activity No.: 200821003B  
Reservation No.: 2008210021  
Grant No.: GH2008210005

### **18. Termination Clause**

Either party may terminate the Grant Agreement by giving the other party thirty (30) days advance written notice. The termination of the Grant Agreement will end any obligations of the parties to provide financial or other resources for the TA, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the written notice of termination.

## **19. Non-waiver of Rights and Remedies**

No delay in exercising any right or remedy accruing to either party in connection with the Grant Agreement shall be construed as a waiver of such right or remedy.

## **20. U.S. Technology and Equipment**

By funding this TA, USTDA seeks to promote the project objectives of the Host Country through the use of U.S. technology, goods, and services. In recognition of this purpose, the Grantee agrees that it will allow U.S. suppliers to compete in the procurement of technology, goods and services needed for Project implementation.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF, the Government of the United States of America and BCI Communications & Advanced Technologies Ltd.,** each acting through its duly authorized representative, have caused this Agreement to be signed in the English language in their names and delivered as of the day and year written below. In the event that this Grant Agreement is signed in more than one language, the English language version shall govern.

**For the Government of the  
United States of America**

By: Larry W. Walker

Date: 22 MAY 2008

**For BCI Communications & Advanced  
Technologies Ltd.**

By: S. Agarwal

Date: 22/5/08

**Annex I -- Terms of Reference**

**Annex II -- USTDA Mandatory Clauses**

## Annex I

### **Terms of Reference**

Technical assistance is required to assist the Grantee in establishing and operating a WiMax broadband wireless network in the West Bank. On January 1, 2008, the Grantee was granted a license by the Palestinian Authority (PA) to build a new WiMax service network. WiMax is a wireless telecommunications technology intended primarily for highly-populated metropolitan areas that can provide broadband wireless access up to 30 miles using fixed stations, and up to 10 miles using mobile stations. Motorola has been identified as a possible supplier for the system. The Grantee wishes to set up a new company (Bnet), whose incorporation status will be determined by the TA. Accordingly, the Contractor shall provide business advisory services, technical analysis, and human resources training, specifically to:

- Validate the Grantee and Motorola's technical architecture and propose alternative technology scenarios for future service introduction.
- Develop the Bnet brand and brand management strategy, services descriptions and go-to-market strategy, including market research, definition of service segments, pricing packages and levels, marketing collateral, and specific market-entry steps.
- Develop customer care strategy, including technology and training requirements.
- Formalize Grantee/Bnet business plan, including business description and risk analysis, long term development options, and financial forecasts.

#### Task 1: Project Work Plan and Schedule

The Contractor shall meet with the Grantee's management to develop a detailed Project Work Plan and Schedule to serve as the main Project management tool for the execution of the work. The work plan will specify the tasks and sub-tasks required by these Terms of Reference (TOR), define the roles of the participants, establish work sequences, and set milestones for task completions. The work plan shall include the following:

- Management structure for the Project team, task responsibilities, and reporting arrangements.
- Detailed descriptions of the work required to perform each task and sub-task under the TOR, and team participants' assignments.
- Work spans, milestones, and key decision points.
- Labor allocations and Project budget.
- Final Report content, format specifications and preparation schedule.

Deliverable:

Within 5 working days of the meeting, the Contractor shall:

- Prepare a memorandum summarizing the major items discussed and agreed upon at the meeting. At a minimum, this shall include a list of all parties (organizations and individuals within those organizations) who will contribute to the Study as well a work plan and schedule.

- Submit an itemized list of Grantee resources (if any) that will be provided to the Contractor.

## Task 2: Technology Architecture and Migration Plan

### 2.1 Assess Planned Network Architecture

The Contractor shall:

- Review the planned network architecture proposed by Motorola.
- Evaluate the suitability of technological approach for anticipated double-play (VoiP and high speed Internet services) business model.
- Suggest the design and performance improvements, including specific technological modifications and projected costs associated with recommendations.
- Review the data network architecture, network security, and related infrastructure components with special attention to creating a carrier-class full service network.
- Recommend an architecture migration plan for anticipated future services including video-on-demand and software as a service, taking into account both the physical network as well as back office, application hosting, security, and other “higher layer” applications and operations.

### 2.2 Grantee’s Technical and Operational Capability

The Contractor shall:

- Review the current network management operations.
- Perform an assessment of the Grantee’s existing technological staff resources.
- Recommend the best practices for the operation and management of a carrier-call services network.
- Perform the gap analysis of human resources required to efficiently manage the Grantee’s new network.
- Provide a suggested five-year personnel hiring roadmap and training requirements.

#### Deliverable: Technology Review

The Contractor shall provide a report to the Grantee describing its findings, recommendations and assessments. The Contractor shall also ensure that the Grantee is in agreement with the Contractor’s observations.

## Task 3: Network Operations and Procedures

### 3.1 Operations Plan

The Contractor shall:

- Prepare business support systems/operational support systems (BSS/OSS) operations plan according to international best practices.
- Recommend standard operating procedures to facilitate Grantee’s transition from a manager of enterprise networks to a full-service and carrier-class telecommunications services provider.
- Prepare a skills gap analysis and risk mitigation strategy.

### 3.2 Network Operations Center (NOC)

The Contractor shall:

- Provide comprehensive recommendations for the NOC, including: NOC physical facility layout and configuration; trouble ticket and event management; standard operating procedures; security (building, personnel, network, data).
- Assist with the deployment of systems and platforms.

### 3.3 Billing System and Operations

The Contractor shall:

- Recommend optimal billing system features, characteristics and operating procedures. Evaluate at least six (6) technology and/or vendor alternatives.
- Prepare specifications for the Request for Proposal (RFP) for a billing system.
- Develop billing procedures practices.

### 3.4 Training

The Contractor shall:

- Prepare and deliver a one week training course on operations support and management taking into account specifically the proposed network architecture the Grantee intends to deploy. The training space shall be provided by the Grantee and it shall be held in Ramallah, West Bank. The Contractor shall provide hand outs and power point presentation(s) for training purposes. This shall include BSS/OSS training.
- Suggest a sustainable approach for human resources training over time.

Deliverable: The Contractor shall provide to the Grantee: (1) a Network Operations Plan, and (2) business support systems/operational support systems training. This deliverable shall incorporate all of the elements of this Task 3 and shall include training materials.

## Task 4: Customer Care Training and Procedures

### 4.1 Call Center

The Contractor shall:

- Prepare a needs assessment for proposed call center.
- Define technology requirements and software options.
- Identify potential vendors for the call center platform, including databases, agent consoles, PBXs and related facilities.
- Prepare an RFP including evaluation criteria for the equipment and commercial financing and operational proposals from vendors.
- Following the Grantee's publication of the RFP in accordance with its procurement processes and applicable procurement law, assist the Grantee with the evaluation of proposals. The Grantee is responsible for all procurement-related final decisions.

### 4.2 Customer Support Procedures

The Contractor shall:

- Recommend call center procedures and best practices.
- Develop standard operating procedures according to international best practices.

#### 4.3 Training

The Contractor shall:

- Develop a one week agent training course for up to 20 prospective call center agents in English and Arabic. The training space shall be provided by the Grantee and it shall be held in Ramallah, West Bank. The Contractor shall provide hand outs and power point presentation(s) for training purposes.

Deliverable: The Contractor shall provide to the Grantee: (1) an RFP for the establishment of a Call Center, and (2) training for the Call Center employees. This deliverable shall incorporate all of the elements of this Task 4 and shall include the training materials.

#### Task 5: Sales and Marketing Strategy and Development

##### 5.1 Market Analysis

The Contractor shall:

- Collect statistical market data.
- Conduct a market segmentation analysis taking into account such variables as: customer types; geographic distribution; government expenditures for communications; disposable household income; forecast pricing elasticity; and other factors.

##### 5.2 Market Launch Strategy

The Contractor shall:

- Prepare product development and introduction strategy, including service definitions and descriptions for connectivity, VoIP, managed services such as managed security, VPN, hosting and web design services and other launch phase services.

##### 5.3 Brand Creation and Development

The Contractor shall:

- Assist with the creation of the "Bnet" brand and market launch campaign.
- Define brand values.
- Direct creative teams.

##### 5.4 Campaign Management Tools

The Contractor shall:

- Recommend marketing/campaign management software tools.
- Assist the Grantee in the implementing of marketing/campaign management software tools.

Deliverable: The Contractor shall provide to the Grantee a report on the recommended market launch strategy incorporating all of the elements of this Task 5.

## Task 6: Business Plan Development

### 6.1 Prepare Business Plan

The Contractor shall:

- Review and validate the company's business planning efforts to date.
- Prepare a business plan to cover all aspects of strategy, planning, technology, operations, finance and risk mitigation.
- Compile findings in a) formal document comprised of text, tables and graphics of between 35 - 60 pages; and b) comprehensive PowerPoint presentation that provides a high-level executive overview of sufficient depth and scope to be utilized as a key marketing document with investors, government officials and other interested parties.

### 6.2 Market Forecast

The Contractor shall:

- Prepare a five-year market forecast of total market, addressable market and competitive position, assuming at least two strategic scenarios, clearly stating rationale and assumptions behind the forecast.

### 6.3 Risk analysis and mitigation

The Contractor shall:

- Review legal and policy environment relative to the Project, focusing specifically on ambiguities that might negatively impact the Project over time such as trade and regulatory oversight by Israel.
- Identify key risks to the Project and recommend most appropriate strategies to mitigate those risks.
- Assist with any outstanding regulatory issues related to securing license rights from Israel.

### 6.4 Pro forma financial forecast

The Contractor shall:

- Review existing forecasts and business models for consistency, accuracy and relevance. Update and validate forecasts for market size, revenues, operating expenses, income and balance sheet and create new models and forecasts as required.
- Prepare investment metrics for the business plan.
- Recommend a capital plan for the Grantee, including the network infrastructure investment and operating expenses for the first five years of operations.

### 6.5 Project Financing

The Contractor shall:

- Estimate the total cost to implement the proposed technical solution(s) for the Grantee, including growth of the system to include new users and applications over time. The analysis shall further determine if the Grantee's own allocated financial resources and external financial arrangements are sufficient to cover the

cost of the Project through to the full implementation phase, including ongoing running costs.

- Describe the availability of equity and debt financing as well as the views of and access to potential public and private financing organizations such as the World Bank, relevant regional multilateral development bank(s), Export-Import Bank and OPIC, as appropriate.

Deliverable: The Contractor shall deliver to the Grantee the recommended business plan, a pro forma financial forecast, and an analysis of financing options, which incorporates all of the elements of this Task 6.

#### Task 7: Economic Analysis

Contractor shall explore and briefly report on any positive economic impacts that may be produced from the technical assistance for the Grantee. The Contractor should seek to identify and if possible, quantify, economic benefits resulting from the program. The assessment should be made to the best of Contractor's internal abilities and utilizing existing subject matter expertise. An exhaustive econometric forecast and analysis is not required.

Potential positive economic impacts may include:

- Lowering cost of access and voice services through competition.
- Increase in broadband Internet penetration.
- Improved Internet service quality.
- Direct job creation done by the Grantee.
- Secondary job creation from rapid and widespread distribution of broadband Internet Services throughout the West Bank.
- Other potential economic benefits or savings.

Deliverable: The Contractor shall supply to the Grantee a Preliminary Economic Impact Report incorporating all of the elements of this Task 7.

#### Task 8: Environmental Impact Assessment

The Contractor shall:

- Make a preliminary review of the Project's anticipated impact on the environment with reference to local requirements and those of multilateral lending agencies.
- Identify potential negative impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment if and when the Project moves forward to the implementation stage.
- Identify steps that will need to be undertaken by the Project sponsor subsequent to the study's completion and prior to Project implementation.

Deliverable: The Contractor shall supply to the Grantee a Preliminary Environmental Assessment Report incorporating all of the elements of this Task 8.

## Task 9: Developmental Impact Analysis

The Contractor shall report on the potential development impact of the Project in the West Bank. In this section, the Contractor should focus on what the economic development outcomes will be if the Project is implemented according to the study recommendations. While specific focus should be paid to the immediate impact of the specific Project that is being considered, the Contractor should include, where appropriate, any additional developmental benefits to the Project, including spin-off and demonstration effects. The analysis of potential benefits of the feasibility study contractor should be as concrete and detailed as possible. The development impact factors are intended to provide the Project's decision-makers and interested parties with a broader view of the Project's potential effects on the host country. The Contractor will provide estimates of the Project's potential benefits in the following areas:

- a) *Infrastructure*: Estimate the scale of construction/installation expected and comment on the capabilities of any recommended infrastructure improvements. For example, discuss how the WiMax network will improve broadband Internet, voice services, and telecommunications in general for the West Bank. Other issues as appropriate should also be identified.
- b) *Market-Oriented Reform*: Provide a description of any regulation, laws, institutional, or policy changes that are recommended and the effect they would have if implemented.
- c) *Human Capacity Building*: Assess the number and type of local positions that would be needed to construct and operate the proposed Project. Discuss the training programs that the Grantee is expected to undertake as a result of Project implementation as well as the approximate number of local people who would receive training, the type of training, and the desired outcome of the training. Distinguish between temporary jobs and the number of permanent jobs once construction is complete.
- d) *Technology Transfer and Productivity Enhancement*: Provide a description of the new technology and its difference from that in use at the present time. Discuss any improvements in efficiency, cost saving, and productivity enhancements that will result from utilizing the new technology. Address the prospective benefits of the new technology by employing accepted professional measures of enhanced productivity, such as: estimates of the reduced cost of unit telephone calls or increased number of communications that the system can provide, etc.
- e) *Other*: Describe any other developmental impacts or benefits that would result from the Project, for example, follow-on or replication projects, safer workplace, increased good governance or improved financial revenue flows to the West Bank.

### Deliverable:

The Contractor shall provide to the Grantee a Developmental Report that comprehensively addresses the potential development impact of the Project in The West Bank with regard to infrastructure, market-oriented reform, human capacity building, and technology transfer and productivity enhancement.

### Task 10: Final Report

The Contractor shall prepare and provide to the Grantee and to USTDA a Final Report in accordance with Clause I of Annex II of the Grant Agreement.

Each of the above tasks in this Terms of Reference must be distinctly set forth in the Final Report in a substantive and comprehensive manner, and shall include all corresponding deliverables, including any training materials provided to the Grantee. The Final Report, while aiming at optimum specifications and characteristics for the Project, shall also identify prospective U.S. sources of supply. Business name, point of contact, address, telephone, e-mail, and fax numbers shall be included for each source. The Final Report shall contain an executive summary and cover each of the itemized paragraphs described herein.

#### Notes:

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.

## Annex II

### USTDA Mandatory Contract Clauses

#### A. USTDA Mandatory Clauses Controlling

The parties to this contract acknowledge that this contract is funded in whole or in part by the U.S. Trade and Development Agency ("USTDA") under the Grant Agreement between the Government of the United States of America acting through USTDA and BCI Communications & Advanced Technologies Ltd. ("Client"), dated \_\_\_\_\_ ("Grant Agreement"). The Client has selected \_\_\_\_\_ ("Contractor") to perform the technical assistance ("TA") for the WiMax Network project ("Project") in the West Bank ("Host Country"). Notwithstanding any other provisions of this contract, the following USTDA mandatory contract clauses shall govern. All subcontracts entered into by Contractor funded or partially funded with USTDA Grant funds shall include these USTDA mandatory contract clauses, except for clauses B(1), G, H, I, and J. In addition, in the event of any inconsistency between the Grant Agreement and any contract or subcontract thereunder, the Grant Agreement shall be controlling.

#### B. USTDA as Financier

##### (1) USTDA Approval of Contract

All contracts funded under the Grant Agreement, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing in order to be effective with respect to the expenditure of USTDA Grant funds. USTDA will not authorize the disbursement of USTDA Grant funds until the contract has been formally approved by USTDA or until the contract conforms to modifications required by USTDA during the contract review process.

##### (2) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of this contract and amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of financing the TA and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar

the Client or USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Client or USTDA.

### **C. Nationality, Source and Origin**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

### **D. Recordkeeping and Audit**

The Contractor and subcontractors funded under the Grant Agreement shall maintain, in accordance with generally accepted accounting procedures, books, records, and other documents, sufficient to reflect properly all transactions under or in connection with the contract. These books, records, and other documents shall clearly identify and track the use and expenditure of USTDA funds, separately from other funding sources. Such books, records, and documents shall be maintained during the contract term and for a period of three (3) years after final disbursement by USTDA. The Contractor and subcontractors shall afford USTDA, or its authorized representatives, the opportunity at reasonable times for inspection and audit of such books, records, and other documentation.

### **E. U.S. Carriers**

#### **(1) Air**

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

#### **(2) Marine**

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

#### **F. Workman's Compensation Insurance**

The Contractor shall provide adequate Workman's Compensation Insurance coverage for work performed under this Contract.

#### **G. Reporting Requirements**

The Contractor shall advise USTDA by letter as to the status of the Project on March 1st annually for a period of two (2) years after completion of the TA. In addition, if at any time the Contractor receives follow-on work from the Client, the Contractor shall so notify USTDA and designate the Contractor's contact point including name, telephone, and fax number. Since this information may be made publicly available by USTDA, any information which is confidential shall be designated as such by the Contractor and provided separately to USTDA. USTDA will maintain the confidentiality of such information in accordance with applicable law.

#### **H. Disbursement Procedures**

##### **(1) USTDA Approval of Contract**

Disbursement of Grant funds will be made only after USTDA approval of this contract. To make this review in a timely fashion, USTDA must receive from either the Client or the Contractor a photocopy of an English language version of a signed contract or a final negotiated draft version to the attention of the General Counsel's office at USTDA's address listed in Clause M below.

##### **(2) Payment Schedule Requirements**

A payment schedule for disbursement of Grant funds to the Contractor shall be included in this Contract. Such payment schedule must conform to the following USTDA requirements: (1) up to twenty percent (20%) of the total USTDA Grant amount may be used as a mobilization payment; (2) all other payments, with the exception of the final payment, shall be based upon contract performance milestones; and (3) the final payment may be no less than fifteen percent (15%) of the total USTDA Grant amount, payable upon receipt by USTDA of an approved Final Report in accordance with the specifications and quantities set forth in Clause I below. Invoicing procedures for all payments are described below.

##### **(3) Contractor Invoice Requirements**

USTDA will make all disbursements of USTDA Grant funds directly to the Contractor. The Contractor must provide USTDA with an ACH Vendor Enrollment Form (available from USTDA) with the first invoice. The Client shall request disbursement of funds by

USTDA to the Contractor for performance of the contract by submitting the following to USTDA:

**(a) Contractor's Invoice**

The Contractor's invoice shall include reference to an item listed in the Contract payment schedule, the requested payment amount, and an appropriate certification by the Contractor, as follows:

(i) For a mobilization payment (if any):

"As a condition for this mobilization payment, the Contractor certifies that it will perform all work in accordance with the terms of its Contract with the Client. To the extent that the Contractor does not comply with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA. "

(ii) For contract performance milestone payments:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(iii) For final payment:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. Specifically, the Contractor has submitted the Final Report to the Client, as required by the Contract, and received the Client's approval of the Final Report. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

**(b) Client's Approval of the Contractor's Invoice**

(i) The invoice for a mobilization payment must be approved in writing by the Client.

(ii) For contract performance milestone payments, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and the terms and conditions of the USTDA Grant Agreement."

(iii) For final payment, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and terms and conditions of the USTDA Grant Agreement. The Final Report submitted by the Contractor has been reviewed and approved by the Client. "

**(c) USTDA Address for Disbursement Requests**

Requests for disbursement shall be submitted by courier or mail to the attention of the Finance Department at USTDA's address listed in Clause M below.

**(4) Termination**

In the event that the Contract is terminated prior to completion, the Contractor will be eligible, subject to USTDA approval, for reasonable and documented costs which have been incurred in performing the Terms of Reference prior to termination, as well as reasonable wind down expenses. Reimbursement for such costs shall not exceed the total amount of undisbursed Grant funds. Likewise, in the event of such termination, USTDA is entitled to receive from the Contractor all USTDA Grant funds previously disbursed to the Contractor (including but not limited to mobilization payments) which exceed the reasonable and documented costs incurred in performing the Terms of Reference prior to termination.

**I. USTDA Final Report**

**(1) Definition**

"Final Report" shall mean the Final Report described in the attached Annex I Terms of Reference or, if no such "Final Report" is described therein, "Final Report" shall mean a substantive and comprehensive report of work performed in accordance with the attached Annex I Terms of Reference, including any documents delivered to the Client.

**(2) Final Report Submission Requirements**

The Contractor shall provide the following to USTDA:

- (a) One (1) complete version of the Final Report for USTDA's records. This version shall have been approved by the Client in writing and must be in the English language. It is the responsibility of the Contractor to ensure that confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

**(b)** One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

**(c)** Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

### **(3) Final Report Presentation**

All Final Reports submitted to USTDA must be paginated and include the following:

**(a)** The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U. S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

**(b)** The inside front cover of every Final Report shall contain USTDA's logo, USTDA's mailing and delivery addresses, and USTDA's mission statement.

Camera-ready copy of USTDA Final Report specifications will be available from USTDA upon request.

(c) The Contractor shall affix to the front of the CD-ROM a label identifying the Host Country, USTDA Activity Number, the name of the Client, the name of the Contractor who prepared the report, a report title, and the following language:

“The Contractor certifies that this CD-ROM contains the Public Version of the Final Report and that all contents are suitable for public distribution.”

(d) The Contractor and any subcontractors that perform work pursuant to the Grant Agreement must be clearly identified in the Final Report. Business name, point of contact, address, telephone and fax numbers shall be included for Contractor and each subcontractor.

(e) The Final Report, while aiming at optimum specifications and characteristics for the Project, shall identify the availability of prospective U.S. sources of supply. Business name, point of contact, address, telephone and fax numbers shall be included for each commercial source.

(f) The Final Report shall be accompanied by a letter or other notation by the Client which states that the Client approves the Final Report. A certification by the Client to this effect provided on or with the invoice for final payment will meet this requirement.

## **J. Modifications**

All changes, modifications, assignments or amendments to this contract, including the appendices, shall be made only by written agreement by the parties hereto, subject to written USTDA approval.

## **K. TA Schedule**

### **(1) TA Completion Date**

The completion date for the TA, which is October 31, 2009, is the date by which the parties estimate that the TA will have been completed.

## **(2) Time Limitation on Disbursement of USTDA Grant Funds**

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this contract for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

## **L. Business Practices**

The Contractor agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, directly or indirectly, to any person (whether a governmental official or private individual) for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the TA. The Client agrees not to receive any such payment. The Contractor and the Client agree that each will require that any agent or representative hired to represent them in connection with the TA will comply with this paragraph and all laws which apply to activities and obligations of each party under this Contract, including but not limited to those laws and obligations dealing with improper payments as described above.

## **M. USTDA Address and Fiscal Data**

Any communication with USTDA regarding this Contract shall be sent to the following address and include the fiscal data listed below:

U.S. Trade and Development Agency  
1000 Wilson Boulevard, Suite 1600  
Arlington, Virginia 22209-3901  
USA

Phone: (703) 875-4357  
Fax: (703) 875-4009

### Fiscal Data:

Appropriation No.: 118/91001  
Activity No.: 200821003B  
Reservation No.: 2008210021  
Grant No.: GH2008210005

## **N. Definitions**

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Grant Agreement.

## **O. Taxes**

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Client nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

## ANNEX 5

## Terms of Reference

Technical assistance is required to assist the Grantee in establishing and operating a WiMax broadband wireless network in the West Bank. On January 1, 2008, the Grantee was granted a license by the Palestinian Authority (PA) to build a new WiMax service network. WiMax is a wireless telecommunications technology intended primarily for highly-populated metropolitan areas that can provide broadband wireless access up to 30 miles using fixed stations, and up to 10 miles using mobile stations. Motorola has been identified as a possible supplier for the system. The Grantee wishes to set up a new company (Bnet), whose incorporation status will be determined by the TA. Accordingly, the Contractor shall provide business advisory services, technical analysis, and human resources training, specifically to:

- Validate the Grantee and Motorola's technical architecture and propose alternative technology scenarios for future service introduction.
- Develop the Bnet brand and brand management strategy, services descriptions and go-to-market strategy, including market research, definition of service segments, pricing packages and levels, marketing collateral, and specific market-entry steps.
- Develop customer care strategy, including technology and training requirements.
- Formalize Grantee/Bnet business plan, including business description and risk analysis, long term development options, and financial forecasts.

### Task 1: Project Work Plan and Schedule

The Contractor shall meet with the Grantee's management to develop a detailed Project Work Plan and Schedule to serve as the main Project management tool for the execution of the work. The work plan will specify the tasks and sub-tasks required by these Terms of Reference (TOR), define the roles of the participants, establish work sequences, and set milestones for task completions. The work plan shall include the following:

- Management structure for the Project team, task responsibilities, and reporting arrangements.
- Detailed descriptions of the work required to perform each task and sub-task under the TOR, and team participants' assignments.
- Work spans, milestones, and key decision points.
- Labor allocations and Project budget.
- Final Report content, format specifications and preparation schedule.

Deliverable:

Within 5 working days of the meeting, the Contractor shall:

- Prepare a memorandum summarizing the major items discussed and agreed upon at the meeting. At a minimum, this shall include a list of all parties (organizations and individuals within those organizations) who will contribute to the Study as well a work plan and schedule.

- Submit an itemized list of Grantee resources (if any) that will be provided to the Contractor.

## Task 2: Technology Architecture and Migration Plan

### 2.1 Assess Planned Network Architecture

The Contractor shall:

- Review the planned network architecture proposed by Motorola.
- Evaluate the suitability of technological approach for anticipated double-play (VoiP and high speed Internet services) business model.
- Suggest the design and performance improvements, including specific technological modifications and projected costs associated with recommendations.
- Review the data network architecture, network security, and related infrastructure components with special attention to creating a carrier-class full service network.
- Recommend an architecture migration plan for anticipated future services including video-on-demand and software as a service, taking into account both the physical network as well as back office, application hosting, security, and other “higher layer” applications and operations.

### 2.2 Grantee’s Technical and Operational Capability

The Contractor shall:

- Review the current network management operations.
- Perform an assessment of the Grantee’s existing technological staff resources.
- Recommend the best practices for the operation and management of a carrier-call services network.
- Perform the gap analysis of human resources required to efficiently manage the Grantee’s new network.
- Provide a suggested five-year personnel hiring roadmap and training requirements.

Deliverable: Technology Review

The Contractor shall provide a report to the Grantee describing its findings, recommendations and assessments. The Contractor shall also ensure that the Grantee is in agreement with the Contractor’s observations.

## Task 3: Network Operations and Procedures

### 3.1 Operations Plan

The Contractor shall:

- Prepare business support systems/operational support systems (BSS/OSS) operations plan according to international best practices.
- Recommend standard operating procedures to facilitate Grantee’s transition from a manager of enterprise networks to a full-service and carrier-class telecommunications services provider.
- Prepare a skills gap analysis and risk mitigation strategy.

### 3.2 Network Operations Center (NOC)

The Contractor shall:

- Provide comprehensive recommendations for the NOC, including: NOC physical facility layout and configuration; trouble ticket and event management; standard operating procedures; security (building, personnel, network, data).
- Assist with the deployment of systems and platforms.

### 3.3 Billing System and Operations

The Contractor shall:

- Recommend optimal billing system features, characteristics and operating procedures. Evaluate at least six (6) technology and/or vendor alternatives.
- Prepare specifications for the Request for Proposal (RFP) for a billing system.
- Develop billing procedures practices.

### 3.4 Training

The Contractor shall:

- Prepare and deliver a one week training course on operations support and management taking into account specifically the proposed network architecture the Grantee intends to deploy. The training space shall be provided by the Grantee and it shall be held in Ramallah, West Bank. The Contractor shall provide hand outs and power point presentation(s) for training purposes. This shall include BSS/OSS training.
- Suggest a sustainable approach for human resources training over time.

Deliverable: The Contractor shall provide to the Grantee: (1) a Network Operations Plan, and (2) business support systems/operational support systems training. This deliverable shall incorporate all of the elements of this Task 3 and shall include training materials.

## Task 4: Customer Care Training and Procedures

### 4.1 Call Center

The Contractor shall:

- Prepare a needs assessment for proposed call center.
- Define technology requirements and software options.
- Identify potential vendors for the call center platform, including databases, agent consoles, PBXs and related facilities.
- Prepare an RFP including evaluation criteria for the equipment and commercial financing and operational proposals from vendors.
- Following the Grantee's publication of the RFP in accordance with its procurement processes and applicable procurement law, assist the Grantee with the evaluation of proposals. The Grantee is responsible for all procurement-related final decisions.

### 4.2 Customer Support Procedures

The Contractor shall:

- Recommend call center procedures and best practices.
- Develop standard operating procedures according to international best practices.

#### 4.3 Training

The Contractor shall:

- Develop a one week agent training course for up to 20 prospective call center agents in English and Arabic. The training space shall be provided by the Grantee and it shall be held in Ramallah, West Bank. The Contractor shall provide hand outs and power point presentation(s) for training purposes.

Deliverable: The Contractor shall provide to the Grantee: (1) an RFP for the establishment of a Call Center, and (2) training for the Call Center employees. This deliverable shall incorporate all of the elements of this Task 4 and shall include the training materials.

#### Task 5: Sales and Marketing Strategy and Development

##### 5.1 Market Analysis

The Contractor shall:

- Collect statistical market data.
- Conduct a market segmentation analysis taking into account such variables as: customer types; geographic distribution; government expenditures for communications; disposable household income; forecast pricing elasticity; and other factors.

##### 5.2 Market Launch Strategy

The Contractor shall:

- Prepare product development and introduction strategy, including service definitions and descriptions for connectivity, VoIP, managed services such as managed security, VPN, hosting and web design services and other launch phase services.

##### 5.3 Brand Creation and Development

The Contractor shall:

- Assist with the creation of the "Bnet" brand and market launch campaign.
- Define brand values.
- Direct creative teams.

##### 5.4 Campaign Management Tools

The Contractor shall:

- Recommend marketing/campaign management software tools.
- Assist the Grantee in the implementing of marketing/campaign management software tools.

Deliverable: The Contractor shall provide to the Grantee a report on the recommended market launch strategy incorporating all of the elements of this Task 5.

## Task 6: Business Plan Development

### 6.1 Prepare Business Plan

The Contractor shall:

- Review and validate the company's business planning efforts to date.
- Prepare a business plan to cover all aspects of strategy, planning, technology, operations, finance and risk mitigation.
- Compile findings in a) formal document comprised of text, tables and graphics of between 35 - 60 pages; and b) comprehensive PowerPoint presentation that provides a high-level executive overview of sufficient depth and scope to be utilized as a key marketing document with investors, government officials and other interested parties.

### 6.2 Market Forecast

The Contractor shall:

- Prepare a five-year market forecast of total market, addressable market and competitive position, assuming at least two strategic scenarios, clearly stating rationale and assumptions behind the forecast.

### 6.3 Risk analysis and mitigation

The Contractor shall:

- Review legal and policy environment relative to the Project, focusing specifically on ambiguities that might negatively impact the Project over time such as trade and regulatory oversight by Israel.
- Identify key risks to the Project and recommend most appropriate strategies to mitigate those risks.
- Assist with any outstanding regulatory issues related to securing license rights from Israel.

### 6.4 Pro forma financial forecast

The Contractor shall:

- Review existing forecasts and business models for consistency, accuracy and relevance. Update and validate forecasts for market size, revenues, operating expenses, income and balance sheet and create new models and forecasts as required.
- Prepare investment metrics for the business plan.
- Recommend a capital plan for the Grantee, including the network infrastructure investment and operating expenses for the first five years of operations.

### 6.5 Project Financing

The Contractor shall:

- Estimate the total cost to implement the proposed technical solution(s) for the Grantee, including growth of the system to include new users and applications over time. The analysis shall further determine if the Grantee's own allocated financial resources and external financial arrangements are sufficient to cover the

cost of the Project through to the full implementation phase, including ongoing running costs.

- Describe the availability of equity and debt financing as well as the views of and access to potential public and private financing organizations such as the World Bank, relevant regional multilateral development bank(s), Export-Import Bank and OPIC, as appropriate.

**Deliverable:** The Contractor shall deliver to the Grantee the recommended business plan, a pro forma financial forecast, and an analysis of financing options, which incorporates all of the elements of this Task 6.

#### Task 7: Economic Analysis

Contractor shall explore and briefly report on any positive economic impacts that may be produced from the technical assistance for the Grantee. The Contractor should seek to identify and if possible, quantify, economic benefits resulting from the program. The assessment should be made to the best of Contractor's internal abilities and utilizing existing subject matter expertise. An exhaustive econometric forecast and analysis is not required.

Potential positive economic impacts may include:

- Lowering cost of access and voice services through competition.
- Increase in broadband Internet penetration.
- Improved Internet service quality.
- Direct job creation done by the Grantee.
- Secondary job creation from rapid and widespread distribution of broadband Internet Services throughout the West Bank.
- Other potential economic benefits or savings.

**Deliverable:** The Contractor shall supply to the Grantee a Preliminary Economic Impact Report incorporating all of the elements of this Task 7.

#### Task 8: Environmental Impact Assessment

The Contractor shall:

- Make a preliminary review of the Project's anticipated impact on the environment with reference to local requirements and those of multilateral lending agencies.
- Identify potential negative impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment if and when the Project moves forward to the implementation stage.
- Identify steps that will need to be undertaken by the Project sponsor subsequent to the study's completion and prior to Project implementation.

**Deliverable:** The Contractor shall supply to the Grantee a Preliminary Environmental Assessment Report incorporating all of the elements of this Task 8.

## Task 9: Developmental Impact Analysis

The Contractor shall report on the potential development impact of the Project in the West Bank. In this section, the Contractor should focus on what the economic development outcomes will be if the Project is implemented according to the study recommendations. While specific focus should be paid to the immediate impact of the specific Project that is being considered, the Contractor should include, where appropriate, any additional developmental benefits to the Project, including spin-off and demonstration effects. The analysis of potential benefits of the feasibility study contractor should be as concrete and detailed as possible. The development impact factors are intended to provide the Project's decision-makers and interested parties with a broader view of the Project's potential effects on the host country. The Contractor will provide estimates of the Project's potential benefits in the following areas:

- a) *Infrastructure*: Estimate the scale of construction/installation expected and comment on the capabilities of any recommended infrastructure improvements. For example, discuss how the WiMax network will improve broadband Internet, voice services, and telecommunications in general for the West Bank. Other issues as appropriate should also be identified.
- b) *Market-Oriented Reform*: Provide a description of any regulation, laws, institutional, or policy changes that are recommended and the effect they would have if implemented.
- c) *Human Capacity Building*: Assess the number and type of local positions that would be needed to construct and operate the proposed Project. Discuss the training programs that the Grantee is expected to undertake as a result of Project implementation as well as the approximate number of local people who would receive training, the type of training, and the desired outcome of the training. Distinguish between temporary jobs and the number of permanent jobs once construction is complete.
- d) *Technology Transfer and Productivity Enhancement*: Provide a description of the new technology and its difference from that in use at the present time. Discuss any improvements in efficiency, cost saving, and productivity enhancements that will result from utilizing the new technology. Address the prospective benefits of the new technology by employing accepted professional measures of enhanced productivity, such as: estimates of the reduced cost of unit telephone calls or increased number of communications that the system can provide, etc.
- e) *Other*: Describe any other developmental impacts or benefits that would result from the Project, for example, follow-on or replication projects, safer workplace, increased good governance or improved financial revenue flows to the West Bank.

### Deliverable:

The Contractor shall provide to the Grantee a Developmental Report that comprehensively addresses the potential development impact of the Project in The West Bank with regard to infrastructure, market-oriented reform, human capacity building, and technology transfer and productivity enhancement.

### Task 10: Final Report

The Contractor shall prepare and provide to the Grantee and to USTDA a Final Report in accordance with Clause I of Annex II of the Grant Agreement.

Each of the above tasks in this Terms of Reference must be distinctly set forth in the Final Report in a substantive and comprehensive manner, and shall include all corresponding deliverables, including any training materials provided to the Grantee. The Final Report, while aiming at optimum specifications and characteristics for the Project, shall also identify prospective U.S. sources of supply. Business name, point of contact, address, telephone, e-mail, and fax numbers shall be included for each source. The Final Report shall contain an executive summary and cover each of the itemized paragraphs described herein.

#### Notes:

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.