

TERMS OF REFERENCE

Sustainability Business Model for the Caribbean Digital Transformation Institute

1. BACKGROUND INFORMATION AND JUSTIFICATION

1.1 Relevant Background

The Caribbean Export Development Agency (hereinafter "Caribbean Export" or "the Agency"), in a strategic partnership with the Inter-American Development Bank (IDB), is committed to the institutionalization and long-term viability of the Caribbean Digital Transformation Institute (CDTI). As a regional initiative, the CDTI is designed to serve as a catalyst for digital innovation, providing micro, small, and medium enterprises (MSMEs) with the diagnostic tools and training necessary to compete in an increasingly data-driven global economy. This initiative is established within the broader context of the "Fourth Industrial Revolution," where digital maturity is no longer an auxiliary advantage but a foundational requirement for business resilience and regional economic stability.

The Caribbean's digital landscape is characterized by a significant "Digital Paradox." While internet connectivity growth in Small Island Developing States (SIDS) has outpaced the global average—rising at 8.4 percent annually—the actual adoption of digital tools for productive business use remains uneven. MSMEs in the region, particularly those led by women and situated in rural areas, face systemic barriers to entry. These include limited capacity to assess the financial viability of digital investments, a scarcity of specialized human capital with advanced technical skills, and deep-seated information asymmetries where firms lack knowledge of available technologies and service providers.

Furthermore, the regional regulatory environment often lags behind the velocity of technological advancement, creating a climate of uncertainty that hinders the deployment of sustainable, data-driven technologies. The CDTI positions itself as a "Regional Public Good" (RPG) to bridge these gaps. By offering a standardized "Digital Check-up" tool and a suite of e-learning courses, the Institute enables firms to assess their maturity across dimensions such as communication channels, people and organization, and data analytics. However, to transform from a donor-funded project into a permanent fixture of the regional economy, the CDTI must address the "Margin Growth Paradox"—the tension between investing in sustainability and maintaining operational profit margins.

Regional Digital Challenge	CDTI Intervention Mechanism	Sustainability Requirement
Information Asymmetry	Digital Check-up Tool & Diagnostic Reports	Transition to data-monetization or premium insight models.
Human Capital Deficit	Structured E-Learning & Adaptive Pathways	Certification fees and B2B training licenses.
Market Fragmentation	Regional Platform Consolidation	Tiered corporate sponsorship and partnership frameworks.
Financial Constraints	Access to Toolkits & Resource Libraries	Value-added services and "Freemium" transition strategies.

1.2 The Team’s Mission

The Caribbean Export Development Agency, in partnership with the Inter-American Development Bank, has developed the Caribbean Digital Transformation Institute (CDTI) — a regional initiative designed to accelerate digital adoption and innovation among Caribbean businesses.

The CDTI is established as a regional public good, specifically designed to transform MSMEs through digital adoption. The team’s mission is to ensure long-term sustainability through the development of a viable business model, an effective organizational framework, and strong public–private partnerships. Ensuring the sustainability of the CDTI is critical because it transforms the initiative from a short-term project into a lasting regional public good. A sustainable CDTI guarantees that MSMEs will continue to access vital digital skills, tools, and networks beyond the life of initial donor funding. This continuity not only builds long-term competitiveness and resilience among Caribbean businesses but also strengthens trust and engagement from stakeholders who need assurance that the platform will remain available and relevant. Moreover, sustainability ensures that the resources invested yield enduring impact, enabling the CDTI to evolve with changing technologies and business practices while consistently supporting the digital transformation of the region’s MSMEs.

A central part of this mission is to enhance the relevance and impact of the CDTI by strengthening its course offerings, improving user engagement and retention, and aligning its services with evolving business practices. The CDTI Platform and the Digital Maturity Check-up Tool will play a key role in ensuring that services are well-informed, actionable, and responsive to the needs of Caribbean MSMEs.

1.3 Contracting Authority

The contracting authority for this assignment is the Caribbean Export Development Agency (*hereinafter* Caribbean Export/the Agency).

1.4 Beneficiary Countries

IDB Caribbean Countries: Belize, Bahamas, Barbados, Guyana, Jamaica, Suriname, and Trinidad and Tobago.

2. OBJECTIVE, PURPOSE AND EXPECTED RESULTS

2.1 Overall Objectives

The overarching objective of this consultancy is to secure the long-term operational and financial sustainability of the Caribbean Digital Transformation Institute (CDTI) through the development of a sophisticated, multi-year business model. The consultant must transform the CDTI from a project-based initiative into a resilient Regional Public Good (RPG) that generates self-sustaining value. This objective is pursued through a collaborative effort between Caribbean Export and the Inter-American Development Bank (IDB).

This approach focuses on several key areas:

1. Business Model Development & Technical Implementation Readiness:

The creation of a robust business model that defines potential revenue streams, a Comprehensive Financial Model, and an Operational Sustainability Model. This business model will provide a clear roadmap to guide execution through the following requirements:

- i. *Monetization & Financial Viability:* The consultant will develop a feasible monetization strategy to ensure long-term operational viability, leveraging approaches such as, but not limited to, subscription-based services, B2B licensing, content syndication, professional certification &

accreditation and other revenue generation mechanisms. A comprehensive evaluation must be conducted to assess the financial viability and impact of the CDTI's activities, including a gap analysis to identify potential shortfalls, inefficiencies, or underutilized resources. The assessment should also include a simulation exercise that analyzes different demand scenarios for the CDTI's various monetization streams under a range of assumptions, detailing the risks associated with attracting and retaining users and proposing appropriate mitigation measures.

- ii. Current Platform Functional Audit: To ensure the business model is implementable, the consultant must perform a functional audit of the existing CDTI infrastructure. This audit will identify current technical constraints and define the necessary backend modifications required to facilitate the chosen revenue generation models (e.g., payment gateway compatibility and automated user-tiering).
 - iii. Operational Sustainability & Governance: An Operational Sustainability Model must be designed to optimize the efficiency and effectiveness of CDTI's delivery service. It is critical to establish a clearly articulated governance structure delineating roles, responsibilities, and reporting lines across all personnel. This framework ensures operational accountability, facilitates robust oversight, and promotes streamlined management.
 - iv. Technical Specifications for Execution: A key output of this business model is the delivery of a Functional Requirements Document (FRD). This document will serve as the technical blueprint for the detailing the specific backend changes and API integrations required for a developer to operationalize the revenue model.
 - v. Content Relevance and Management: Develop a Content Life-Cycle & Quality Assurance Framework to ensure the DTI's offerings remain a 'market-ready' product. This includes a structured process for content audits, iterative governance, and a mechanism for integrating user and industry feedback. The framework must define the cost-implications of content maintenance to be factored into the Comprehensive Financial Model.
2. MSME Retention and Engagement Strategies: Develop a User Growth & Retention Strategy focused on maximizing the transition from free users to paying customers (Conversion). This includes clear recommendations on engagement drivers. The strategy must address Information Asymmetry by defining how the CDTI communicates its value proposition to

regional MSMEs and regional stakeholders to drive steady onboarding and long-term loyalty. Additionally, an analysis of various advertising, marketing strategies and communication (both paid and free) along with appropriate budgets is required.

2.2 Specific Objectives and Scope of Work

The specific objectives of the Consultancy are:

- Design a robust business model defining revenue streams, Comprehensive Financial Model, and Operational Sustainability Model. These models should be tested under different demand scenarios for each revenue stream identified.
- Develop a monetization strategy to ensure long-term sustainability.
- Conduct financial evaluations and gap analyses to identify inefficiencies, underutilized resources, and potential shortfalls.
- Conduct a risk analysis assessing the CDTI's ability to attract and convert demand across its monetization streams, identifying key risks, evaluating potential impacts, and recommending appropriate mitigation strategies.
- Establish an Operational Sustainability Model with clear roles, responsibilities, and reporting lines to ensure accountability and continuous service delivery.
- Define a governance structure as part of the Operational Sustainability Model which includes decision-making protocols, oversight mechanisms, and reporting frameworks.
- Design a partnership strategy with Business Support Organizations (BSOs), Small Business Development Centers (SBDCs), Academic Institutions and other Multi-lateral Institutions to expand reach and strengthen content.
- Formulate a strategy to integrate training resources already developed by BSOs, SBDCs, Academic institutions, and Multilateral organizations into the CDTI Platform to expand and sustain its content library.
- Develop a framework for continuous review, updating, and optimization of platform content and course offerings.

- Functional Requirement Document outlining the necessary backend, modifications required to facilitate the relevant revenue-generation models.
- Develop a strategic plan, inclusive of a cost out of execution, to ensure high retention of existing MSMEs, steady intake of new participants, strong course completion rates, and sustained long-term engagement with the CDTI platform.

The scope of works for this consultancy are:

- **Stakeholder Mapping:** Identify key stakeholders involved in MSME digital adoption and catalogue the existing resources, training programs, and tools to highlight overlaps, redundancies, and gaps. Once compared, the creation of a comparative gap analysis is vital with actionable recommendations to streamline, complement, and enhance the platform’s offerings. It is crucial to provide guidance on how the CDTI can coordinate with and amplify existing initiatives for inclusiveness and regional alignment.
- **Comprehensive Financial Sustainability Model:** Develop a five (5) year financial model aligned with the CDTI’s objectives, showing revenue streams, costs, and cashflow. Identify and evaluate diverse revenue generation opportunities, conduct sensitivity and cost-benefit analyses to ensure feasibility, under different demand-to-conversion scenarios, and recommend risk mitigation measures such as but not limited to reserve policies, phased scaling, diversified partner base.
- **Operational Sustainability Model:** Propose a robust governance structure to ensure operational efficiency, transparency and accountability. This structure must include defined roles, decision-making protocols, oversight mechanisms, and reporting lines. Recommendations of human resources structures such as but not limited to staffing mix, advisory committees, partnerships for delivery, are essential. Propose standard operating procedures for financial management, procurement, data security, IP, and monitoring.
- **Enhancing MSME Retention via Content Curation:** Establish continuous optimization measures, highlight engagement strategies – adaptive learning pathways, cohort models, gamification, mentorship integration, and nudging mechanisms to drive adoption and loyalty. Provide a strategic framework to enhance MSME user experience, sustain engagement and maximize platform impact.
- **Comprehensive CDTI Sustainability Roadmap:** The consultant must develop a ‘living document’ outlining short-term actions (0–6 months), medium-term strategies (6–18

months), and long-term measures (18–36 months and beyond). Integrate financial, operational, partnership, and user-engagement strategies must be integrated into this living document. Include Key Performance Indicators (KPIs) and a monitoring framework for ongoing assessment and adaptive learning.

- **Functional Requirement Document:** The consultant must develop a list of necessary backend modifications needed to implement the recommended revenue generation model.

2.3 Purpose of consultancy and expected results

The purpose of this consultancy is to provide a business model that can help the CDTI become a self-sustaining entity that stimulates ongoing digital adoption and innovation among Caribbean MSMEs beyond the life of initial donor funding.

2.4 Expected Results

1. **Comprehensive CDTI Sustainability Roadmap:** A strategic overview outlining the financial, operational, and programmatic steps needed to ensure the platform’s long-term sustainability beyond initial project financing with sensitivity analysis.
2. **Robust Financial Model:** A financial framework incorporating monetization options, cost-benefit analysis, and gap analysis, designed to support revenue generation and long-term financial viability under varying scenarios.
3. **Operational Sustainability Model:** An organizational and oversight structure with clearly defined roles, responsibilities, and reporting lines to ensure effective governance, accountability, and transparent management of the DTI.
4. **Strategic Partnerships Framework:** A practical toolkit for establishing and maintaining collaborations with public and private sector stakeholders, including guidelines for partnership engagement, budget requirements and resource mobilization.

5. **Content Relevance Framework:** Clear recommendations on processes and frequency for updating course offerings and digital content to remain aligned with evolving business practices and MSME needs.
6. **MSME Engagement and Retention Strategy:** Actionable strategies to achieve high MSME retention rates, encourage steady onboarding of new participants and ensure high course completion and sustained user engagement.
7. **Functional Requirement Document:** Itemize list of all backend modifications needed integrate monetization of chosen revenue generation model.

3. ASSUMPTIONS AND RISKS AND MITIGATION

3.1 Assumptions

1. Stakeholder Cooperation: The success on the sustainability of the CDTI platform relies heavily on active involvement from all stakeholders, including but not limited to BSOs, SBDCs, MSMEs, and other local actors and it assumes that knowledge-sharing and resources sharing would occur.
2. Data and Information Application: It is assumed that available financial records, operational reports, and platform usage statistics, will be used as a basis for the proposed financial modeling, gap analysis, and operation modeling.
3. Market Readiness: There is an assumption that a significant segment of the Caribbean MSME market—and the BSOs that support them—recognizes the value of digital
4. Feasibility and Practicality of Recommendations: Given the nature of MSMEs, the recommendations must be feasible, implementable and aligned with the regional context, existing resources, and Caribbean Export's capacity.

3.2 Risks & Mitigation

Risk Category	Risk Description	Mitigation Strategy
Financial Sustainability	MSMEs face financial constraints that limit their ability to pay for access to content, certifications or advanced training.	Implement a "Freemium" model where basic tools are public goods, but premium certifications are funded corporate partnerships.
Data Privacy & Trust	Breaches of data privacy or cyberattacks on MSME data stored on the ELM platform.	Adoption of "Secure-by-Design" principles and regional data governance standards (GDPR-equivalent).
Low Stakeholder Buy-in	BSOs or national training agencies perceive the CDTI as a competitor for funding or mandates.	Focus the Strategic Partnership Framework on "Synergistic Collaboration"—positioning CDTI as a content provider for BSO delivery.
Technological Obsolescence	Rapid advancements in AI or new digital paradigms render the platform's content irrelevant within 12 months.	Institutionalize the <i>Content Life-Cycle Framework</i> , ensuring agile updates and "Iterative Governance" based on real-time feedback.

4. DELIVERABLES

4.1 Deliverables

The consultant will be responsible for the delivery of the following:

- **Deliverable 1: Inception Report and Functional Audit**

This report will provide a comprehensive and structured assessment of the digital transformation ecosystem supporting MSMEs in the Caribbean. It will map the key stakeholders involved in enabling digital adoption—including public institutions, private sector actors, and development partners—clearly outlining their respective roles and

contributions.

In addition, the report will catalogue existing resources available to MSMEs, such as training programmes, digital tools, advisory services, and funding mechanisms. This assessment should go beyond listing and critically identify areas of overlap, duplication, and gaps in coverage.

A core component of the report will be a comparative gap analysis.

This will:

- Examine the primary challenges MSMEs face in adopting digital technologies
- Assess how effectively current ecosystem offerings respond to these challenges
- Identify unmet needs and priority areas for intervention

The report will also include a focused evaluation of the CDTI platform, assessing its alignment with MSME needs, as well as its effectiveness, utilization, accessibility, and overall value within the ecosystem. This should clearly highlight both strengths and areas requiring improvement.

To strengthen the analysis, the report will benchmark the ecosystem—and specifically the CDTI platform—against relevant international best practices, with careful consideration of their applicability to the Caribbean context.

Based on these insights, the report will present practical, evidence-based recommendations aimed at strengthening the CDTI platform and enhancing the broader ecosystem. These recommendations should be clear, prioritized, and geared toward improving inclusivity, effectiveness, and long-term sustainability.

- **Deliverable 2: Comprehensive Financial and Operational Sustainability Models**

This deliverable will present a robust and practical framework to ensure the long-term financial viability and effective operation of the CDTI platform. It should draw on both global and regional best practices to identify and assess sustainable revenue-generation opportunities tailored to the Caribbean context.

The financial component of the model will outline viable income streams for the platform, which may include subscription-based services, B2B licensing, content syndication, professional certification & accreditation and other revenue generation mechanisms. The recommendation should be well documented as part of the overall report for this deliverable. These options should be evaluated for feasibility, scalability, and alignment with the platform's objectives.

The financial model is expected to:

- Cover a five (5)-year period
- Present multiple revenue scenarios (e.g. conservative, moderate, and growth cases)
- Include a cost-benefit analysis of proposed revenue streams
- Identify key financial risks and outline mitigation strategies

In parallel, the deliverable will define an operational and governance framework to support efficient and accountable management of the platform. This should clearly articulate:

- Roles and responsibilities of key stakeholders
- Decision-making structures and protocols
- Financial management and reporting lines

The governance model should be designed to promote transparency, accountability, and operational efficiency, while remaining practical and adaptable to the regional context.

A completed report on the necessary backend modifications necessary to facilitate the chosen revenue generation model is required.

Overall, this deliverable should function as a strategic blueprint, integrating both financial and operational considerations to ensure the CDTI platform is sustainable, well-governed, and positioned for long-term impact.

Deliverable 3: Strategic Partnership Framework & Retention Strategy

This deliverable will outline a clear and practical framework for establishing and managing partnerships to support the continuous development and integration of high-quality training content on the CDTI platform. The focus should be on leveraging existing content developed by Business Support Organizations (BSOs), Small Business Development Centres (SBDCs),

academic institutions, and multilateral agencies, rather than duplicating efforts.

The framework should position the CDTI platform as a curated hub for digital transformation knowledge—responsible not only for aggregating content, but also for ensuring its relevance, quality, and ongoing renewal.

Specifically, the framework should:

- Identify and categorize potential content partners across the ecosystem
- Propose models for content integration (e.g. licensing, co-branding, content-sharing agreements)
- Establish criteria and standards for content quality, relevance, and alignment with MSME needs
- Define processes for content review, updating, and continuous improvement
- Outline incentives and value propositions to encourage partner participation

In addition, the framework should address governance and coordination mechanisms required to manage these partnerships effectively, ensuring clarity in roles, responsibilities, and content ownership.

Furthermore, the consultant is required to develop a MSME Engagement and Retention Plan to target regional MSME to be onboarded onto the CDTI platform.

Overall, this deliverable should provide a practical, implementable approach to building a dynamic and collaborative content ecosystem—ensuring the CDTI platform remains current, valuable, and responsive to the evolving needs of MSMEs in the region.

- **Deliverable 4: Comprehensive CDTI Sustainability Roadmap**

This deliverable will present a clear, actionable, and forward-looking roadmap to guide the long-term sustainability of the CDTI platform. It should function as a “living” strategy—designed to evolve over time—while providing Caribbean Export and the IDB with a practical tool for planning, coordination, and decision-making.

The roadmap should outline a phased approach to implementation, clearly distinguishing

between:

- Short-term actions (immediate priorities and quick wins)
- Medium-term strategies (system strengthening and scaling efforts)
- Long-term measures (sustainability, institutionalization, and impact expansion)

Each phase should include clearly defined activities, expected outcomes, and indicative timelines to support execution.

To ensure effective tracking and continuous improvement, the roadmap must also incorporate a robust performance and learning framework. This should include:

- Key Performance Indicators (KPIs) aligned with strategic objectives
- A Monitoring, Evaluation, and Learning (MEL) framework to track progress, assess impact, and inform adaptive management
- Mechanisms for periodic review and updating of the roadmap

Additionally, the consultant will be required to submit a finalized report on the necessary backend modifications needed to facilitate the chosen revenue and operation models.

Overall, this deliverable should serve as a practical implementation guide—linking strategy to execution—while ensuring accountability, measurable results, and the flexibility to adapt to evolving regional needs.

Every deliverable must be presented to and reviewed by the CDTI Advisory Committee, the Caribbean Export team and the IDB teams, and recommendations made by any of these parties need to be addressed to the satisfaction of the parties before payment of the deliverable.

5. PROJECT MANAGEMENT AND REPORTING

5.1 Management structure

The Manager – Technical Programmes will retain overall responsibility for the overall project. Day-to-day supervision of this project is the responsibility of the Innovation, Digital Business Officer, who will communicate progress to the Manager – Technical Programmes.

5.2 Reporting

A monthly written progress report outlining key activities undertaken, progress made, and results achieved, must be submitted to Innovation, Digital Business Officer.

6. Payment timeline:

Payments will be made upon delivery and acceptance by Caribbean Export based on the following deliverables.

Payment plan	
<i>Deliverables</i>	%
<u>Deliverable 1:</u> <i>Inception Report and Functional Audit</i>	25
<u>Deliverable 2:</u> <i>Comprehensive Financial and Operational Sustainability Models</i>	25
<u>Deliverable 3:</u> <i>Strategic Partnership Framework & Retention Strategy</i>	25
<u>Deliverable 4:</u> <i>Comprehensive CDTI Sustainability Roadmap</i>	25
TOTAL	100%

7. REQUIREMENTS

7.1 Qualifications and Work Experience

A qualified individual, with a strong multidisciplinary background spanning business strategy, financial modelling, digital transformation, and private sector development.

The consultant must meet the following minimum qualifications and experience:

- The consultant should possess a postgraduate degree (Master's or equivalent) in Business Administration, Economics, Finance, Innovation, Digital Transformation, or a related field. Additional certifications in financial modelling, digital strategy, or project management will be considered an asset.

The consultant must demonstrate substantial professional experience, including:

- At least 5–10 years of relevant experience in private sector development, digital transformation, innovation, or business strategy
- Proven experience in developing business models and monetization strategies, particularly for digital platforms, public goods, or ecosystem-based initiatives
- Demonstrated expertise in financial modelling, including multi-year projections, scenario analysis, and cost-benefit assessments
- Experience designing or advising on operational and governance frameworks, including institutional structures, reporting lines, and accountability mechanisms
- Familiarity with digital platforms, e-learning systems, or technology-enabled service delivery models, including an understanding of backend or functional requirements for implementation

In addition, the consultant should have:

- Experience working with MSMEs, business support organizations (BSOs), or trade/investment promotion agencies
- Demonstrated ability to design and implement strategic partnerships and stakeholder engagement frameworks
- Strong understanding of Caribbean or Small Island Developing States (SIDS) contexts, including constraints related to digital adoption and private sector growth
- Experience in resource mobilization, sustainability planning, or donor-funded programme transition strategies

The consultant must also demonstrate the following competencies:

- Strong analytical and problem-solving skills, with the ability to translate complex analysis into clear, actionable recommendations
- Excellent report writing and communication skills, with a track record of producing high-quality strategic documents
- Proven ability to manage assignments independently and deliver high-quality outputs within tight timelines
- Strong stakeholder engagement and relationship management skills

The consultant must be fluent in English and highly proficient in the use of standard business tools, including Microsoft Excel Word, and PowerPoint.

7.2 Contract Duration

Five (5) months, with payment based on deliverables.

7.3 Location

Remote

8. MONITORING AND EVALUATION

The Consultancy will be monitored and evaluated by Caribbean Export over the duration of the project. Performance on the project will be measured by satisfactory completion and timely submission of the deliverables outlined in Sections 4, and as outlined within the work plan submitted. Feedback, other than acceptance, on each submitted deliverable is not a requirement

for the continuation of the project. However, in some instances the Consultant may need to integrate any feedback into the subsequent deliverables. The Contracting Authority will provide feedback to the consultant within ten (10) working days of receipt of the final report.

9. PUBLICATION OF INFORMATION

To participate in any activity executed or supported by Caribbean Export, you hereby agree that any information and personal data that you share and is collected by the Agency will be processed for the purpose of reporting the outcomes and impact of your projects and/or participation. Please note that Caribbean Export reserves the right to publish the Contractor's/Participant's name and address, the purpose and nature of the activity, and financial arrangements, in accordance with Caribbean Export's Personal Data Protection Policy. [Personal Data Protection Policy](https://content.carib-export.com/download/personal-data-protection-policy/). (<https://content.carib-export.com/download/personal-data-protection-policy/>). Derogation from publication of this information may be granted if it could endanger the Contractor/Participant or harm his/her commercial interests.

10. DECLARATION

To participate in any procurement undertaken by Caribbean Export, all applicants must complete and submit to the agency the Applicant Declaration Form. <https://content.carib-export.com/download/applicant-declaration-form/>

To apply, please download the full Terms of Reference (TOR) and submit the required documentation(as separate attachments), including the:

- Curriculum Vitae
- Financial Proposal
- Applicant Declaration Form

Submit these documents to info.cdti@carib-export.com, copied to Jonathan Seecharan – Innovation and Digital Business Officer at jseecharan@carib-export.com.

The submission deadline is **11:59 PM (AST) on 13th July 2026**.