



L E S O T H O
C O M M U N I C A T I O N S
A U T H O R I T Y

REQUEST FOR PROPOSALS

CONSULTANCY ON POSTAL AND COURIER SERVICES MARKET ASSESSMENT STUDY

OCTOBER 2023

1. BACKGROUND

The Lesotho Communications Authority (LCA) is an independent body established in terms of the Communications Act, No. 4 of 2012. The LCA is mandated to regulate the telecommunications, broadcasting and postal sub-sectors.

The LCA's primary mandate is to facilitate the deployment of communications infrastructure, development and provision of affordable and sustainable communications services while promoting free and fair competition and ensuring consumer empowerment and protection.

Section 4 (d) and (k) of the Communications Act, of 2012 mandates the Authority to promote and preserve competition in the market for communications services and to conduct a competitive market analysis and regulatory impact assessment and impose pro-competitive remedies in any market that is found to lack effective competition. Furthermore, Section 5 (1) (g) and (h) gives the Authority the power to define relevant markets, determine their competitiveness and classify licensees as dominant or non-dominant and to provide for safeguards to deter anti-competitive conduct by dominant licensees.

The Authority is also mandated to regulate postal and courier services, and to define relevant markets through evidence-based market studies. In accordance with its regulatory mandate, the LCA is empowered to identify dominant licensees following a detailed market study and impact assessment. A licensee may be classified as dominant if:(a) they have the ability to exercise significant market power in any postal and courier market in Lesotho, or(b) they operate infrastructure that is costly or difficult to replicate, thus creating barriers to market entry for efficient competitors. Aligned with its Strategy towards Postal Sector Reform, the Authority has initiated a Postal Sector Market Assessment Study.

In pursuit of this statutory mandate, the Authority invites interested consultancy teams or firms (the consultant) to submit proposals to undertake a consultancy that will assess a market in the postal and courier services and develop an appropriate competition management framework thereon.

2. OBJECTIVES OF THE CONSULTANCY

This study aims to deliver a comprehensive understanding of current postal and courier market dynamics, assess the competitive environment, identify consumer needs, and evaluate regulatory effectiveness. The findings will inform strategic decisions to promote growth and innovation in the postal sector, to enhance service

delivery and operational efficiency in alignment with international standards, and ensure the long-term sustainability of the sector, ultimately reinforcing its contribution to Lesotho's broader economic development.

3. DETAILED SCOPE OF THE CONSULTANCY

The consultant is required to execute the detailed scope of work as specified in the sections below.

3.1. MARKET LANDSCAPE AND DEMAND-SUPPLY ASSESSMENT

In carrying out the tasks to address the objectives stated above, in determining the condition and level of development of the market, the Consultant shall inter alia:

- 3.1.1 Conduct a situational analysis of the postal and courier sector in Lesotho, including the level of development, historical evolution, and diversity of services offered
- 3.1.2 Evaluate market size, structure, and segmentation using Universal Postal Union (UPU) definitions.
- 3.1.3 Map market players, both formal and informal, and assess their geographic coverage and operational models.
- 3.1.4 Analyse current and latent demand satisfied and unsatisfied needs and determine service uptake patterns across urban and rural populations.
- 3.1.5 Identify underserved areas and service delivery challenges, including technological, socio-economic, and regulatory constraints.

3.2. COMPETITION ANALYSIS AND MARKET DEFINITION

- 3.2.1. Propose a methodology for defining relevant markets in line with global best practices.
- 3.2.2. Identify operators with Significant Market Power (SMP) and develop appropriate remedies or obligations for each relevant market.
- 3.2.3. Assess the impact of substitution between traditional and electronic postal services, and its implications for demand and regulation.

3.3. PRICING AND COST MODELLING

- 3.3.1. Review the current tariff structures and pricing practices across operators and benchmark them against regional and international comparators.

- 3.3.2. Propose pricing frameworks that are cost-oriented and aligned with the principles of fair competition and consumer protection.
- 3.3.3. Develop a bespoke cost model that accounts for delivery, infrastructure, technology, and human resource components.

3.4. INVESTMENT AND ECONOMIC ANALYSIS

- 3.4.1. Assess the level of private and public investment in the postal and courier sector.
- 3.4.2. Determine the price elasticity of demand for various postal services and related economic indicators affecting sector growth and sustainability.

3.5. LEGAL AND REGULATORY FRAMEWORK REVIEW

- 3.5.1. Review the existing legislative and regulatory frameworks governing the postal and courier market, including licensing obligations.
- 3.5.2. Identify gaps, overlaps, or constraints in current frameworks affecting market performance and competition management.
- 3.5.3. Propose recommendations for legal and regulatory reforms based on international and regional best practices (Standards, Guidelines and Strategies), with draft amendments where applicable.

3.6. DATA INFRASTRUCTURE AND MARKET MONITORING

- 3.6.1. Develop a user-friendly Tool to capture and monitor postal sector indicators. The database should include:
 - 3.6.1.1. Input/output functionality.
 - 3.6.1.2. Report-generation mechanisms,
 - 3.6.1.3. Editable fields for future updates.
- 3.6.2. Identify and recommend key postal indicators relevant to Lesotho, aligned with UPU reporting frameworks, for ongoing market analysis and forecasting.

3.7. STAKEHOLDER ENGAGEMENT AND VALIDATION

- 3.7.1. Conduct structured stakeholder consultations involving public and private postal operators, informal service providers, consumers, government departments and regulators.
- 3.7.2. The Consultant shall engage stakeholders throughout the consultancy and carry out Stakeholders' Workshops to ensure that their views are taken on board.
- 3.7.3. Facilitate workshops to validate methodology, preliminary findings, and proposed reforms.

- 3.7.4. Incorporate stakeholder feedback into revised deliverables.
- 3.7.5. Any other issues which they consider to be relevant and necessary in carrying out the market study and developing the regulatory framework of the postal sector and advise the Authority accordingly.

4. DURATION OF THE STUDY

The study is expected to take 180 working days once commissioned. The Consultant should draw up a complete work schedule that shows the tasks and milestones at different stages of work and the resources assigned.

5. DELIVERABLES

The consultant is expected to achieve the deliverables outlined in Table 1 and submit them to the Authority for approval.

Table 5-1: Deliverables with suggested timelines.

DELIVERABLES	SUGGESTED TIMEFRAME
1. Inception Report <ul style="list-style-type: none"> 1.1. Situational analysis of the postal and courier sector in Lesotho, including historical trends, policy and regulatory context. 1.2. Stakeholder mapping and engagement plan. 1.3. Methodological framework, including data collection strategy, sampling design, and analytical approach. 1.4. Gantt chart of work schedule and task assignment. 1.5. One-day stakeholder consultation workshop to validate methodology and scope. 1.6. Submission of the revised Inception Report in 3 hard copies and electronic format. 	Four weeks (20 working days)
2. First Draft Market Assessment Report <ul style="list-style-type: none"> 2.1. Comprehensive analysis of the market structure, segmentation, service coverage, and demand-supply gaps in postal and courier services. 2.2. Mapping of licensed and informal players. 2.3. Evaluation of quality of service of licensed and informal players and their operational models. 	Fifteen weeks (70 working days)

DELIVERABLES	SUGGESTED TIMEFRAME
<p>2.4. Review of the existing legal and regulatory framework for postal and courier markets.</p> <p>2.5. Definition of relevant markets</p> <p>2.6. Regulation requirements</p> <p>2.7. Criteria for Significant Market Power (SMP).</p> <p>2.8. Evaluation of pricing practices and competitive conduct.</p> <p>2.9. Preliminary recommendations on legal, regulatory, and operational reforms.</p> <p>2.10. One-day stakeholder consultation workshop to share initial findings.</p> <p>2.11. Development and circulation of a public consultation document.</p>	
3. Stakeholder Consultation Report of the outcome of the Stakeholder Consultations	5 working days after the Stakeholder Consultations
<p>4. Second Draft Report and Cost Model Development</p> <p>4.1 Integration of feedback from public consultations and stakeholders.</p> <p>4.2 Development of a bespoke cost model for cost-based pricing in postal and courier services.</p> <p>4.3 Documentation and explanation of cost model components (e.g., delivery costs, infrastructure, human resources, technology).</p> <p>4.4 The cost model must allow for sensitivity testing and scenario analysis.</p> <p>4.5 Provision of a user manual for the cost model.</p> <p>4.6 Outline of data input requirements and periodic review mechanism for model updating.</p>	Eleven weeks (55 working days)
<p>5. Capacity Building and Training</p> <p>The consultant shall train LCA staff in the following areas:</p> <p>5.1 Defining postal and courier relevant markets and determining SMP.</p> <p>5.2 Applying regulatory tools for price control and competition.</p>	Two weeks (10 working days)

DELIVERABLES	SUGGESTED TIMEFRAME
5.3 Using and modifying the cost model and conducting sensitivity analysis. 5.4 Implementing a regulatory accounting and costing reporting framework. 5.5 Understanding costing allocation techniques for postal and courier operations.	
6. Draft Final Report 6.1 Refined market assessment incorporating feedback from training, stakeholders, and consultations. 6.2 Final recommendations on 6.2.1 competition management, 6.2.2 regulatory improvements, 6.2.3 licensing strategies, and 6.2.4 QoS framework. 6.3 Presentation of findings at a one-day stakeholder workshop. 6.4 Submission of the report for final LCA feedback.	Two weeks (10 working days)
7. Final Report Submission 7.1 Submission of final edited and formatted report incorporating LCA feedback. 7.2 Ten (10) bound hard copies and one (1) electronic copy of the final report. 7.3 Delivery of final editable cost model files and accompanying user manual. 7.4 PowerPoint presentation for policy advocacy and internal LCA briefings.	Two weeks (10 working days)

6. REPORTING

The Consultant will report to the Chief Licensing and Compliance Officer, who shall be responsible for monitoring the progress and ensuring quality assurance of the deliverables. And further

- 6.1 Facilitate coordination with the licensees and other sector stakeholders.
- 6.2 Facilitate access to reports, information, and to other persons, as appropriate.

7. QUALIFICATIONS AND EXPERIENCE

The consultant (companies or firms) must have at least 7 years of experience in market research or sector studies, with demonstrated experience in at least 2 postal

or logistics sector projects in the past 5 years. The proposed team leader must have a minimum of 10 years of professional experience, with at least 5 years in postal sector assessments or related fields.

The qualifications and experience are summarised in Table 7.1.

Table 7-1: CONSULTANT AND FIRM EXPERIENCE

Role	Typical Minimum Experience
Consulting firm	7–10 years overall, 2–3 postal projects
Team leader	5–10 years, 3–5 in postal/logistics
Specialist staff	3–5 years in relevant field

8. SUBMISSION OF PROPOSALS: GENERAL TERMS AND CONDITIONS OF PROPOSALS

The bid proposal must be valid for 90 working days from the submission deadline. Bidders not contacted within 90 working days should consider their submissions unsuccessful.

The Technical and Financial Proposals for this assignment on the postal and courier service market assessment study shall be submitted separately. Submitted bids must meet all the conditions indicated below.

The bid shall comprise the following components:

8.1 Technical Proposal

- 8.1.1 The Technical Proposal shall include, but not be limited to, the following:
 - 8.1.1.1 Company registration certificate.
 - 8.1.1.2 Valid Business Registration documents.
- 8.1.2 **Certified** copy of Trading Licence or applicable licence or exemption from licensing by the relevant Authority or body, valid tax clearance certificates and VAT registration certificate (where applicable). If none of these are applicable, the bidder must provide a statement confirming the same.
- 8.1.3 The **Technical Proposal** shall not refer to the prices, rates or charges contained in the Financial Proposal.

- 8.1.4 **Professional staff** - During the period of the assignment, the consultant is expected to keep the professional staff proposed.
- 8.1.5 **References** – The consultant must provide at least three references, indicating the names of clients where they performed similar assignments, including contact persons, phone numbers, e-mail and physical addresses.
- 8.1.6 *Concerning 8.1.2, 8.1.4 and 8.1.6 above, where necessary, the evaluation committee, during the evaluation stage, may verify the authenticity of attached documents and information provided with the respective offices indicated to have issued the documents. Submitted falsified documents shall result in the rejection of the bid.*
- 8.1.7 **Similar experiences** - A brief description of the firm's organisation and an outline of recent experience on assignments of a similar nature. For each completed assignment, the outline should indicate, *inter alia*, the profiles of the staff proposed, duration of the assignment, and the firm's involvement.
- 8.1.8 **Contract** – the consultant must provide a draft contract.
- 8.1.9 **Information** - Technical Proposal shall provide the following information:
- 8.1.9.1 Physical address, phone number of the firm, and contacts of the team leader.
 - 8.1.9.2 A brief Situational Analysis
 - 8.1.9.3 A description of the methodology and work plan for performing the assignment.
 - 8.1.9.4 The list of the proposed members of the team by speciality, the tasks assigned to each team member and the time allocated.
 - 8.1.9.5 CVs, with signatures not less than three months old, of the proposed professional staff and the authorised representative submitting the proposal. Key information should include a number of years working for the firm/entity and the degree of responsibility held in various assignments.
 - 8.1.9.6 Estimates of the total staff input (professional and support staff; staff time) needed to carry out the assignment, supported by a Gantt chart showing the time proposed for each professional staff team member.

- 8.1.9.7 Comments or suggestions on the Terms of Reference, a list of services, and facilities required from the Client.
- 8.1.9.8 Any additional information relevant to the assignment
- 8.1.9.9 Lesotho Laws shall be applicable

8.2 Financial Proposal

- 8.2.1 The financial proposal shall clearly state the bid price for carrying out the *Postal and Courier Services Market Assessment Study*. All prices shall include VAT where applicable.

The following items shall comprise “the Financial Proposal”:

- 8.2.2 One (1) detailed original Financial Proposal marked **ORIGINAL FINANCIAL PROPOSAL** and **six (6)** copies of the original, each marked **COPY**, in a sealed envelope marked “*Postal and Courier Services Market Study* Financial Proposal”.
- 8.2.3 All prices should be quoted in Lesotho Loti (1 LSL=1 ZAR).
- 8.2.4 All applicable taxes must be shown distinctly and separately.
- 8.2.5 No escalation in the service fee will be permitted during the contract period.
- 8.2.6 The service fee should be broken down into components to show clearly the following:
 - 8.2.6.1 The estimated number of hours and or days for performing this bid.
 - 8.2.6.2 Charge out rates for all levels of staff engaged; and
 - 8.2.6.3 Costs for disbursements.
- 8.2.7 In preparing the Financial Proposal, consultants are expected to consider the requirements and conditions outlined in the RFP documents. The proposal should list all costs associated with the assignment, including
 - 8.2.7.1 Professional fees and
 - 8.2.7.2 Reimbursable expenses such as accommodation, transportation (international and local).

9. SPECIFIC TERMS AND CONDITIONS OF THE CONSULTANCY

- 9.1 The proposals must remain valid for at least ninety (90) working days after the submission date. During this period, the consultant is expected to keep

the professional staff proposed for the assignment available. LCA will endeavour to conclude negotiations within this period. In the event that the assessment is not within the validity period, an extension of time may be requested from the bidders. In these circumstances, the Authority shall re-negotiate the validity period.

- 9.2 The Authority strongly encourages international and regional bidders to collaborate with local consulting firm(s) or individuals, and points will be allocated accordingly.
- 9.3 Clarifications may be sought up to seven (7) working days before the submission deadline.
- 9.4 The selected consultant is expected to have a presence in Lesotho during the assignment.
- 9.5 The proposal will be the basis for contract negotiations and ultimately for a signed contract with the selected firm.
- 9.6 The closing date for submission of proposals is **25 November 2025 at 11:00 hrs.**

10. LCA'S RIGHTS

- 10.1 This RFP does not commit LCA to paying for any expenses incurred by the bidder in preparing proposals for responses to this invitation.
- 10.2 Amendment of Bidding Documents - At any time before the deadline for submission of bids, LCA may, for any reason, whether at its initiative or in response to a clarification requested by a prospective bidder, modify the bidding documents by issuing an addendum. If this modification occurs less than a week before the deadline for the submission of bids. In that case, LCA has the right to arrange for an extension of the deadline in order to give other bidders the necessary time to consider the modifications in the preparation of their bids.
- 10.3 The Authority reserves the right to accept or reject any responses to this RFP.
- 10.4 The Authority reserves the right to cancel or withdraw this RFP as a whole or in parts without furnishing any reasons and without attracting any liability.
- 10.5 The Authority reserves the right to select one or more bidders to perform or provide the required service.
- 10.6 The Authority reserves the right to call company representatives to make presentations

- 10.7 The Authority shall not be bound to accept the lowest bidder.
- 10.8 Late submissions shall not be accepted.

11. SUBMISSION FORMAT

Bid submission must meet all the conditions indicated below; failure to comply with **any** submission format will lead to disqualification.

- 11.1 Technical proposals must be in a separate package from the financial proposal.
- 11.2 The package containing the technical proposal must be sealed, clearly marked **“TECHNICAL PROPOSAL”**,
- 11.3 The package containing the financial proposal must be sealed, clearly marked **“FINANCIAL PROPOSAL”**,
- 11.4 Bidders must submit the **original** and **SIX copies** clearly marked **“ORIGINAL”** and **“COPIES”** as appropriate for *Technical* and *Financial* proposals.
- 11.5 Both envelopes **(11.2 and 11.3)** shall be placed into an outer envelope, sealed and marked **“CONSULTANCY ON POSTAL AND COURIER SERVICES MARKET STUDY”**.
- 11.6 All bids shall be physically delivered. *Electronic submissions shall not be accepted.*
- 11.7 Any requests for clarification on the RFP must be addressed in writing to the Chief Financial Officer at admin@lca.org.ls at least seven (7) working days prior to the deadline.
- 11.8 The selected Company will be informed in writing and invited for contract negotiations.
- 11.9 The tenders must be submitted in the tender box located at the LCA reception on the first floor, 30 Princess Margaret Road, Old Europa, Maseru, Lesotho, on or before **25 November 2025 at 11:00 hrs**.
- 11.10 Bid documents will be opened on **25 November 2025 at 11:30 hrs** at LCA premises.
- 11.11 Interested bidders are invited to the bid opening.

12. ALL SUBMISSIONS MUST BE DELIVERED AND ADDRESSED TO:

**The Chief Financial Officer
Lesotho Communications Authority
30 Princess Margaret Road
Old Europa
P.O. Box 15896
Maseru 100
LESOTHO.**