EXPRESSION OF INTEREST FOR CONSULTANCY FIRM ONLY


Dear Sir/Madam,

We have the pleasure to inform you that the Financial Sector Department will require the Services of a Consultancy Firm for the following assignment: Review of the financial Sector Development Strategy (2014-2019). You will find in Section I, the Terms of Reference (TOR) showing the scope of the assignment to be conducted and the Services requested.

The expected duration of the assignment is to 2.5 months.

ESTABLISHMENT OF THE SHORT LIST

A shortlist of three to six consultancy firm will be established at the end the request of expressions of interest. The Firms on the shortlist will be judged on the following based on their updated resume.

- Level of education in general of key staff 20%
- Educational level compared to the field of mission 20%
- Years of experience in general 20%
- Number of years of experience relevant to the mission 40%

The eligibility criteria, the establishment of a short list and the selection procedure shall be in conformity with the Bank’s Rules and Procedure for Acquisition of Consulting Firms funded by the Administrative or Capital Expenditure Budget. Please, note that interest expressed by a Firm does not imply any obligation on the part of the Bank to include them in the shortlist.

The proposal to be submitted by the short-listed Consultants will be evaluated based on the following criteria:

a) general qualification and suitability for the task to be performed 40%
b) experience in similar assignments described in the Terms of Reference 40%
c) experience with international financial institutions 10%
d) language capacity 5%
e) knowledge of the region 5%
The Firm shall seek and obtain any visas or resident permits that he/she may require to carry out the Services and perform his/her obligations under the present Contract. The Bank shall, as necessary, assist the Consultants in obtaining such visas and/or permits.

If you decide to submit a proposal, it must be received at the place designated for receipt of proposals no later than the closing date indicated in the TOR.

Your proposal should be submitted to the following address:

For the attention of:

- Stefan Nalletamby, Director, Financial Sector Development Department (PIFD): s.nalletamby@afdb.org
- Nathaniel O. Agola, Chief Strategy and Policy Officer, Financial Sector Development Department (PIFD), : n.agola@afdb.org

African Development Bank

Financial Sector Development Department (PIFD)

Immeuble CCIA (Office 19J/19K)

Avenue Jean-Paul II

Abidjan – Cote d’Ivoire

Tel :+225 20 26 27 00/ +225 20 26 44 92
EXPRESSION OF INTEREST FOR CONSULTANCY FIRM ONLY


TERMS OF REFERENCE

1.0 Background

1 The African Development Bank AfDB (hereafter the Bank) is the premier multi-lateral development finance institution fostering economic growth and social progress in Africa. The AfDB’s primary goal is to reduce poverty and improve living standards by mobilizing resources in and outside Africa, and providing financial and technical assistance for development projects and programs in Africa. The primary role of the Financial Sector Development Department is to help the regional member countries (RMCs) increase reach (e.g. financial inclusion), depth (e.g. financial intermediation), and breadth of financial systems (e.g. capital market, cross-border development). The Department has four long-term objectives: (i) development of a vibrant private sector through an inclusive access by households and enterprises to financial services; (ii) strengthening markets participants; (iii) developing efficient capital markets, and (iv) deepening regional financial integration.

1.1 On October 29, 2014, the Executive Directors of the African Development Bank Group approved the Financial Sector Development Policy and Strategy 2014 – 2019 (FSDPS). The key goals of the FSDPS (2014-19) are to improve access to financial services by the underserved and to broaden and deepen the continent’s financial systems. The FSDPS (2014-19) supports the Bank’s vision for Africa’s financial sector while putting emphasis on crosscutting issues – gender, fragile states, climate change, food security and agriculture. Through the FSDPS (2014-19), the Financial Sector Development Department, working with other Bank Departments, key development partners and key stakeholders, supports African countries and the regional economic communities in meeting three mutually reinforcing objectives:

- Increasing access to a range of quality, reliable, and affordable financial services paying particular attention to reaching the traditionally underserved (including women and youth) through the most effective approaches, including innovations consistent with the requirements of financial stability.
- Deepening financial markets through sound financial sector policies, laws, and regulatory frameworks that provide a conducive environment for a diverse range of financial institutions that can provide a wide range of products and services (leasing, factoring, insurance), and the development of diverse financial instruments (credit lines, bonds, equities,) that can mobilize term finance.
Safeguarding the stability of Africa’s financial system through strengthening the monitoring and supervision of financial institutions and capacities to ensure compliance with national and regional regulations and international financial standards.

1.2 While the FSDPS (2014-19) has been anchored in the vision of the Bank Group’s Ten-Year Strategy 2013-2022 (hereinafter referred to as TYS), there was need for accelerating the implementation of the TYS to enhance development impact. Therefore, in September 2015, the Bank articulated the need to focus on five high priority areas known as the High 5s – namely Light up and Power Africa; Feed Africa; Industrialize Africa; Integrate Africa; and Improve the quality of life for the people of Africa. In addition to scaling up implementation of the TYS through the High 5s, several crosscutting issues, highlighted in the TYS, were identified as part of the High 5 agenda. These are fragility, gender, climate change and governance. The Bank Group’s scaling up activities in these five priority areas has been broadly welcomed by stakeholders across the board. Therefore, the FSDPS (2014-19) strategic intent and interventions has been inclined towards serving the five specific high development impact areas while paying attention to the crosscutting issues.

1.3 FSDPS is now seeking the services of a consultancy firm to undertake a review of the implementation of the FSDPS (2014-19) to date given that the strategy is now in its fourth year in implementation, and is approaching its end in 2019, thereafter to be succeeded by a new policy and strategic framework. The review will take cognizance of developments both internally as outlined above and externally.

2.0 Objectives of the Review

2.1 The FSDPS (2014-19) review fulfils the Bank’s institutional requirement for an independent review of the Bank Group’s, or departmental strategies for the purpose of learning and reflection on implementation, as well as fine-tuning the strategies in order to authoritatively inform the development of the new policy and strategic framework. The main objectives of this formative evaluation of the FSDPS (2014-19) are primarily to assess the progress in implementing the FSDPS (2014-19) in light of its objectives; hence, the review will focus on assessing relevance, effectiveness and efficiency as it is too soon to assess impact and sustainability. Based on the results of the review and changes in the financial (and private sector) landscape in Africa and globally, the review will also frame strategic choices for the future.

Using the Strategic Results Measurement Framework of the FSDPS and by updating information on the indicators contained therein (see Annex 1), the review’s objectives are to:
(i) Assess the relevance of the vision and objectives of the FSDPS (2014-19) and the relevance of the design of the overall financial sector program in light of several internal and external developments outlined above.

(ii) Evaluate the effectiveness and efficiency of the activities of the Financial Sector Development Department thus far in the implementation of the FSDPS (2014-19).

(iii) Given that the institutional results measurement framework has changed since the formulation of the FSDPS SRMF, the review would identify how the financial sector results framework can be linked to and aligned with the TYS and the High 5s and propose necessary adjustments to the SRMF to strengthen linkages to the two institutional strategies.

(iv) Assess the extent to which the Financial Sector Development Department activities have been aligned with the results framework in the FSDPS. For financing instruments, the review should differentiate between sovereign and non-sovereign (private sector) operations and assess the deployment of different financing instruments (i.e. equity, loans, guarantees, etc.). For advisory instruments, the review should differentiate between regional, sub-regional and national activities.

(v) Assess the extent to which the M&E systems set up are adequate to detect any needed programme implementation adjustment for better progress towards results and learning.

(vi) Make recommendations on how best to accelerate the implementation of the FSDPS (2014-19), and its successor Strategy through the High 5s and crosscutting issues.

(vii) Propose action plan/steps for formulating the new Strategy (2020-2025).

3.0 Scope of Work/Methodology

3.1 The Consulting Firm will be expected to:

(i) Prepare a Work Plan as the first deliverable and will provide a framework for the key analyses to be conducted and the data sources that will be used.

(ii) Review selected key documentation related to the Financial Sector Development Department’s strategic orientation including the FSDPS (2014-19), The Bank’s TYS, the Development Business Delivery Model (DBDM), the High 5 strategies, the Special Panel Report on the Implementation of the High 5s, African Development Effectiveness reports and related documents, relevant evaluation reports by the Independent Evaluation Department (IDEV), selected documentation from Financial Sector Development Department division operations, country strategy papers, appraisal reports and project completion reports, and complementary strategies (Bank Group Gender Strategy, Private Sector Strategy, Regional Integration Strategy, Bank Group strategy on Fragility), and other relevant documentation.
(iii) Seek the views of a range of stakeholders who have been engaged in the implementation of the FSDPS (2014-19) to date. This should include selected Bank Group Board members, senior management, and selected staff and managers of the Financial Sector Development Department divisions, SNSP, ECMR, PGCR, BDEV, RDVP, PGRF, and operational departments, including those based in selected regional hubs/country offices. Telephonic/video-conferencing interviews are to be used for this purpose. External stakeholders, (including selected regional member countries (RMCs, civil society organizations, pan-African networks and institutions) will be consulted in a limited manner; more extensive engagement would occur at subsequent stage during consultations on the findings of this review and discussions on preliminary directions of the new strategy),

(iv) Undertake desk studies of a selected sample of project completion reports, country strategy papers and the Financial Sector Development Department’s capital allocation processes to discern how the Department has allocated its resources so far. The consulting firm will also evaluate Financial Sector Development Department’s use of its suite of financing instruments in terms of their alignment to FSDPS (2014-19)/High5 Agenda, and crosscutting issues. The desk study will also deploy the use of surveys/interviews as needed.

(iv) Prepare and submit a draft and the final FSDPS (2014-19) Review report, which should include a chapter on recommendations on how to promote the realization of the High 5 Agenda and crosscutting issues, and necessary strategic fine-tuning and an action plan for the next strategic framework development.

4.0 Expected Deliverables

4.1 The following are the key deliverables for this assignment:

(i) An inception report for the review of the FSDPS (2014-19) including the evaluation questions, indicators and data sources; approach to sampling stakeholders and field activities, work plan and schedule.

(ii) A final 20-30 page review report and action plan for the remainder of the FSDPS (2014-19) period, and for the successive strategy (2020-2025) development work.
5.0 **Firm Qualifications**

5.1 The Bank is looking for a consulting firm with the following characteristics and qualifications:

- Experience in supporting development agencies, international finance institutions, or multi-lateral development banks in defining and evaluating development policies, strategies and programs.
- Experience in evaluation/review for large, complex organizations like the Bank.
- Familiarity with the landscape and knowledge of Africa’s development challenges and business environment.
- A committed project leadership team with personal experience working in Africa with both public and private sector leaders.
- Knowledge of the African Development Bank and its operations would be an added advantage.

6.0 **Team composition & qualification for key experts**

6.1 The consultancy team working on this assignment will include at the minimum;

- A Team Leader – with at least 15 years’ experience in the areas listed above
- Team members with similar experience with excellent quantitative and qualitative data collection and analysis skills.
- Proven experience in Strategy/Policy review is mandatory.

7.0 **Time Schedule for Deliverables and Reporting Requirements**

7.1 The timeframe for this assignment is 2.5 calendar months with key timelines as shown below.

<table>
<thead>
<tr>
<th>Task</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commencement of assignment</td>
<td>September 1, 2018</td>
</tr>
<tr>
<td>Submission of inception report</td>
<td>September 27, 2018</td>
</tr>
<tr>
<td>Submission of Draft Review Report</td>
<td>November 01, 2018</td>
</tr>
<tr>
<td>Submission of Final Review Report</td>
<td>November 18, 2018</td>
</tr>
</tbody>
</table>

7.2 Expressions of Interest must be received in either hard copy or electronically at the address below no later than July 27 at 5:00 p.m. local time (GMT) and specifically mentioning “Review of the Financial Sector Development Strategy (2014-2019)”.
For the attention of:

- Stefan Nalletamby, Director, Financial Sector Development Department (PIFD): s.nalletamby@afdb.org
- Nathaniel O. Agola, Chief Strategy and Policy Officer, Financial Sector Development Department (PIFD): n.agola@afdb.org

African Development Bank
Financial Sector Development Department (PIFD)
Immeuble CCIA (Office 19J/19K)
Avenue Jean-Paul II
Abidjan – Cote d’Ivoire
Tel :+225 20 26 27 00/ +225 20 26 44 92