

REQUEST FOR EXPRESSIONS OF INTEREST (CONSULTING SERVICES – INDIVIDUAL CONSULTANT)

CONSULTANCY SERVICES TO CARRY OUT COMPREHENSIVE STOCKTAKING OF THE IMPLEMENTATION AND IMPACT OF THE FINANCIAL SECTOR DEVELOPMENT PLAN (FSDP) AND FSDP IMPLEMENTATION PROGRAMME

COUNTRY: Sierra Leone

NAME OF PROJECT: Financial Sector Development Plan Support Project

SECTOR: Financial Sector

Reference No: BSL/FSDPSP/IC/2016/0018

Grant No. H-662-SL

Project ID No. 121514

The Government of Sierra Leone has received financing from the World Bank toward the cost of the Financial Sector Development Plan Support Project (FSDPSP) and intends to apply part of the proceeds for the above consulting services.

The Government of Sierra Leone (GOSL) has placed financial sector development high on its agenda, with a view to address weaknesses and challenges in the financial system, which were revealed in the joint IMF/World Bank Financial Sector Assessment Program (FSAP) in 2006. Some of the weaknesses and challenges include: (i) a low supply of credit to the private sector against high returns to economic activity, which results in an unsatisfied demand for finance and that ultimately leads to high interest rates compared to regional peers; (ii) credit growth is concentrated on urban clients and there are a limited number of established firms. As a result, there are significant concerns over these narrow market segments already being overbanked and overheating; (iii) access to financial services outside Freetown, among small businesses, the poor and in agriculture is very limited. There are also physical barriers to financial sector development posed by weak infrastructure, which are exacerbated by institutional, administrative and legal obstacles involved in conducting banking and financial transactions; and (iv) the need for capacity development due to the shortage of skilled professionals, insufficient technological resources and among the general public there is low financial capability regarding the products and procedures of a modern financial system.

As a result of the Government's prioritization of financial sector development and the ongoing challenges to the sector, the formulation and implementation of a

comprehensive strategy for financial sector reform therefore became an integral aspect of Sierra Leone's Poverty Reduction Strategy II (Agenda for Change) for the period 2008 – 2012. Ultimately, GOSL developed the Financial Sector Development Plan (FSDP) to address these weaknesses and shortcomings, which was finalized in 2009 and became operational in 2011.

The FSDP focuses on four key priority areas: (i) developing a more robust banking system, (ii) increasing access to finance; (iii) promoting long-term financing; and (iv) establishing an enabling environment. Additionally, the FSDP aimed to implement a financial sector reform programme. To support these priority areas and implementation, the FSDP established a list of 185 financial sector reforms in 21 areas. A portion of these recommendations were supported by the FIRST donor trust fund and implemented by the World Bank, while an envisioned larger implementation support programme from international partners did not materialize.

Given that over seven years have passed since the FSDP was adopted, limited support had been provided to BSL to facilitate implementation of the reforms, and there is some discussion of a second FSDP project, it is imperative to take stock of the status of the reforms and initiatives achieved to date, including the FSDP programme. At such a stage, it is also imperative to develop some lessons learned for a potential second FSDP and corresponding project, or other financial sector support programme. Furthermore, it is important to try and gauge the impact of the implemented reforms to better understand where additional reforms and efforts are needed to promote the FSDP objectives.

OBJECTIVES

The goal of the assignment is to conduct a compressive stocktaking exercise of the progress achieved on the implementation and impact of the FSDP. The specific objectives are to take stock of the implementation of the 185 recommendations included in the 2011 FSDP and of the FSDP program and secretariat hosted by the BSL.

- Implementation of the 185 recommendations

- i. Describe the main measures taken to implement each recommendation (including their nature, when they were taken etc.)
- ii. Rate the implementation status of each recommendation (full implementation, material implementation, limited implementation, no implementation)
- iii. Describe:

- a. Challenges to the implementation of each recommendation (including clear definition of responsibilities and timeframe where applicable)
- b. Measures taken over the course of the project to improve the implementation of recommendations
- iv. Assess the impact of each implemented recommendations (including adequacy of monitoring and evaluation indicators used)
- v. Provide recommendations to address challenges in the FSDP implementation and a potential second FSDP

- FSDP program and secretariat:

- vi. Review the progress of the project implementation based on existing reviews conducted by BSL and the World Bank;
- vii. Review the institutional arrangement and support for the implementation of the project in order to identify strengths, gaps and inadequacies;
- viii. Assess the procurement arrangements and processes in place;
- ix. Assess the financial management processes and adherence to the guidelines stipulated in the PAD of the project;
- x. Identify challenges and bottlenecks that have affected the successful implementation of the project;
- xi. Identify and document lessons learnt so far in the implementation of the project; and
- xii. Provide (a) short-term recommendations to address and identify weaknesses, bottlenecks and challenges and (b) advise on the design of a theoretical second FSDP project.

SCOPE OF WORK

The principal scope of work will include the following:

- i) Undertake a desk review of project and related documents and conduct research on the implementation status of the FSDP recommendations and assess their impact;
- ii) Undertake one to two mission(s) to Sierra Leone to better assess the FSDP's recommendations' implementation status and impact, and the successes and challenges of the FSDP and its implementation programme;
- iii) Provide recommendations on FSDP and its implementation programme's successes and challenges;
- iv) Based on these lessons, provide high level recommendations on a potential second FSDP project, including the design, implementation, content and the institutional framework;

- v) Hold discussions with relevant officials of the BSL, the World Bank, and project beneficiaries; these discussions are expected to be guided by a checklist;
- vi) Facilitate a stakeholder workshop to solicit all relevant stakeholders in the review work;
- vii) Prepare a series of reports including an Inception Report, a Draft Report and a Final Report; and
- viii) Perform all other tasks not specifically mentioned above, but which are necessary and essential to successfully undertake the assignment;

4. **Duration of the Assignment**

The assignment will commence on the first week of June 2017 and is expected to be completed in thirty person days (42 calendar days). It is expected that the final reports and deliverables shall be submitted three days before the assignment completion date.

Qualification Requirements:

The Consultant will have the following qualifications:

General Qualification and Experience:

- Master's Degree in Project Management, Economics or any other related field
- At least ten (10) years of work experience in Project Management and five (5) of which in working with donor projects.

Specific Experience:

- a) At least eight (8) years' experience as a Team Leader/Manager/Coordinator in designing implementing and managing donor projects.
- b) At least six (6) years' experience on financial sector issues, including being the lead author of analyses and policy making recommendations on at least two of the following areas: central banking, banking supervision, payment and financial inclusion
- c) Experience in reviewing donor funded projects or evaluation of projects is desirable.
- d) Experience in managing or working on World Bank projects is viewed as an added advantage.
- b) Knowledge and experience in working on donor funded projects in Sierra Leone and/or in Africa will be valuable.

The attention of interested Consultants is drawn to paragraph 1.9 of the World Bank's Guidelines: Selection and Employment of Consultants (under IBRD Loans and IDA Credits & Grants) by World Bank Borrowers (January 2011 edition) ("Consultants Guidelines"), setting forth the World Bank's policy on conflict of interest. In addition, please refer to the following specific information on conflict of interest related to this assignment:

Relationship with Borrower's staff: Consultants that have a close business or family relationship with a professional staff of the Borrower (or of the project implementing agency, or of a recipient of a part of the loan) who are directly or indirectly involved in any part of (i) the preparation of the TOR for the assignment, (ii) the selection process of the contract, or (iii) the supervision of such contract may not be awarded a contract, unless the conflict stemming from this relationship has been resolved in a manner accepted to the Bank throughout the selection process and the execution of the contract.

A consultant will be selected in accordance with the Individual Consultant's Selection method set out in the Consultant Guidelines.

Interested Consultants are requested to express their interests and submit on or before 24th April, 2017 to:

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Bank of Sierra Leone
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