

**EAST AFRICAN COMMUNITY
SECRETARIAT**



TERMS OF REFERENCE (TOR)

FOR

**INDIVIDUAL CONSULTANCY SERVICES FOR DEVELOPMENT OF
A COMPREHENSIVE 5-YEAR STRATEGIC PLAN AND 10-YEAR
VISION FOR THE EAST AFRICAN BANKERS ASSOCIATION (EABA)**

REFERENCE: EAC/PSSIP/IC/2018/25

**EAC PAYMENT AND SETTLEMENT SYSTEMS INTEGRATION
PROJECT (EAC-PSSIP)**

**EAC SECRETARIAT
ARUSHA, TANZANIA
*August, 2019***

1. Background

Following June, 2010 request from the East African Community (EAC) Secretariat to African Development Bank (AfDB) to support the areas of Payment & Settlement System Integration and development of Microfinance Sector of the EAC Financial Sector Development and Regionalization Project (EAC-FSDRP1), AfDB committed to support the Regional Payment and Settlement Systems Integration. Consequently, a series of discussions were held between EAC and the AfDB beginning with a conference in Kigali (Dec. 2010) that recommended the Payment and Settlement System Integration Project (PSSIP). A roadmap illustrating the broad timing and objectives to be undertaken was adopted by the 13th Meeting of the Monetary Affairs Committee (MAC) held in Zanzibar in December 2010.

The EAC-PSSIP is an integral part of the FSDRP's higher objective of broadening and deepening the financial sector and is aimed at complementing the integration of the regional financial market infrastructure to facilitate the undertaking of cross border funds transfer in support of the economies of the region as a whole. The project objective is to contribute to the modernization, harmonization and regional integration of payment and settlement systems; supporting the harmonization of regulatory frameworks; and strengthening the capacity of partner states.

The Project specifically aims at enhancing convergence and regional integration of payment and settlement; and strengthening a harmonized legislative and regulatory financial sector capacity in the Partner States. The Project is structured into three components: *Component 1*: Integration of Financial Market Infrastructure; *Component 2*: Harmonization of Financial Laws and Regulations; and *Component 3*: Capacity Building. Under component 3: *Capacity Building*, the Project aims at building capacity of stakeholders and EAC secretariat officials in the overall requirements of integrating payment and settlement systems together with their supporting pillars that are in line with the Bank for International Settlements (BIS), Core Principles for Systemically Important Payment Systems (CPSIPS) and international best practice.

The capacity building component of the Project also includes supporting the formation of a regional Bankers Association to provide leadership and strategic direction on matters pertinent to the banking sector. The main objectives of the Association will be to work with and support the activities of the Monetary Affairs Committee (MAC) in relation to payments, financial markets, banking supervision, and exchange control.

The Project engaged a Consultant to draft a Concept Note and Memorandum and Articles of Association for the incorporation and registration of East African Bankers Association (EABA). The Consultant presented to the five member country Bankers Associations the draft documents for review, comments and adoption. In adopting the documents, a number of recommendations on the way forward to realise the objective of the formation of the EABA was made which included development of a 10-year Strategic Vision and Comprehensive 5-year Strategic Plan for the Association.

2. Objectives of the Consultancy

The main objective of the Consultancy is to support the implementation of the objectives on the harmonisation of the Region's payment and settlement systems by developing a 10-year Strategic Vision and Comprehensive 5-year Strategic Plan for the East African Bankers Association (EABA).

3. Scope of Work

The primary responsibility of the consultant will be to provide direct technical advice to the EABA members by developing a 10-year Strategic Vision and Comprehensive 5-year Strategic Plan for EABA. Specifically, to:

- Define the vision, mission, core values and motto of the EABA;
- Review existing and planned work activities and structures and indicate areas for potential improvement to assist EABA in carrying out its stated vision and mission;
- Identify the key priorities, strategic objectives and key success indicators;
- Develop strategies to implement the identified priorities;
- Undertake a SWOT Analysis of EABA;
- Identify key strategic internal and external issues for the Association in the next 5 years. Internal issues may be any issues that may affect the EABA' internal operations and external issues may include law, regulations and policies that may affect the regional Banking infrastructure;
- Identify good practice in governance and communication for EABA as a membership organisation;
- Produce a plan indicating key strategic goals and organisational objectives for the next 5 years, with timelines and performance indicators;
- Review the potential for alternative sources of funding to augment member contributions through fees;
- Recommend an organisational and governance structure required to ensure implementation of the plan;
- Review the organizational processes and decision making structures and recommend the required changes to improve the effectiveness of the EABA;
- Develop structure/organogram and terms of references for all key staff positions; and
- Define the optimal joining and annual fees for the various categories of members to the Association.

4. Outcomes and Deliverables

The desired outcome from this work is a 10-year strategic vision and a comprehensive 5-year strategic plan that will drive implementation of the objectives of EABA successfully. The consultant will be directly responsible for:

- **An Inception Report** with detailed methodology and work plan for the project;
- **Draft Report** summarizing the results, the draft report shall be presented in a stakeholder validation workshop aimed at review and enrichment of the work of the consultant;
- **Final 10-year Strategic Vision and 5-year Strategic Plan and for the EABA** with the following details:

- Mission, core values and motto;
 - Defined key strategic objectives for the next 5 years;
 - Defined key strategic issues (internal and external) to be addressed in the next 5 years;
 - Defined 5 year activities and work plan with timelines and performance indicators;
 - A 10 year strategic vision for EABA;
 - Key success indicators for the association;
 - SWOT analysis report;
 - Best practice governance and communication processes; and
 - To review the potential for alternative sources of funding to augment member contributions through fees.
- A report recommending the optimal joining and annual fee structure for members;
 - All reports and communication materials developed by the consultant during this assignment shall be the property of the EAC-PSSIP Project and EABA. In addition, soft copies (MS Word and Ms Excel) of the reports will be submitted when submitting the draft and final reports of this assignment.

5. Duration of the Consultancy

It is estimated that the work will require a maximum input of **30 expert-days**, spread within three (3) calendar months. The work is anticipated to start in December, 2018 and is expected to be completed by end of February 2019. An inception report should establish a clear, agreed timetable for activities and the detailed methodology proposed to tackle the scope of work above. The inception report should include a timetable which should propose key milestones and points at which the service provider should check-in with the EABA/EAC to ensure that the work remains on track and in line with expectations. A timetable for work will be maintained by the PSSIP Project Manager and the requirement for inputs trailed as early as possible. Nevertheless flexibility and responsiveness will be an intrinsic feature of this assignment.

6. Consultant's Qualifications and Key Competencies

The consultant should possess the following

- (i) The consultant must have at least a Master's Degree in areas related to Planning, Policy Making and Development of Strategic Plans;
- (ii) At least 10 years of professional experience in strategic planning and management;
- (iii) Prior experience on developing strategic plans for banking/payment associations or regional organizations in financial sector, with at least 3 similar assignments;
- (iv) Experience in development of organizational/governance structure for membership based organizations;
- (v) Experience in policy development, management and programming-related work;
- (vi) Demonstrated experience in working with international partners and other stakeholders in banking and financial sector;
- (vii) Excellent interpersonal skills and experience working with multiple stakeholders;
- (viii) Good communication and computer skills and excellent writing and analytical skills.

7. Assessment Criteria

Assessment criteria	Weighting
General Qualifications and Suitability for the assignment	10%
Track record of success verified from prior assignments in the strategic planning	25%
Relevant expertise/skills relating to payment association operations	25%
Experience working in comparable developing/emerging economy contexts	20%
Quality of communication skills (written and oral)	20%
Total	100%

8. Reporting Obligations

EAC will be the formal end-client for the work. The consultant however will also receive direction and support from the interim EABA Executive Committee that represents the regional Bankers Associations.

Close interaction and support will be maintained and provided throughout with the PSSIP Project Manager. EAC will provide logistical support as well as facilitate meetings with the stakeholders. Overall responsibility for this assignment within EAC Secretariat is with the PSSIP Project Manager.