

REPUBLIC OF GHANA



MINISTRY OF FINANCE

REQUEST FOR EXPRESSIONS OF INTEREST

(CONSULTING SERVICES – INDIVIDUAL CONSULTANT SELECTION)

Name of Project	Ghana Development Finance Project
Project Identification No	P169742
Assignment Title	Technical Assistance to The Bank of Ghana to Develop Directives and Prudential Guidelines for Development Finance Institutions (DFIs)
Reference No	GH-GDFP-157533-CS-INDV

The Ministry of Finance (MoF) has received financing from the World Bank towards the cost of the Development Finance Project (the Project), which supports the establishment of the Development Bank Ghana (DBG), under the **Development Finance Institutions (DFI) Bill. The Bill** received Parliamentary approval in August 2020 and is awaiting Presidential Assent.

To ensure that DFIs are efficiently managed, to facilitate their viability and sustainability with minimal risk of failure, the Government of Ghana (GOG) has decided that the DFIs should be regulated and supervised by Bank of Ghana (BOG). This decision was informed by the experiences of other countries in which effective regulation and supervision of DFIs by independent regulatory bodies have contributed to the success of DFIs. Such experiences have shown that DFIs can achieve their mandates effectively if they are well-structured, insulated from political interferences in operational decisions and are professionally managed along sound banking principles that balance development objectives with commercial viability. It is for this reason that the DFI Bill has been passed to provide the legal and regulatory framework for the establishment and operation of DFIs.

The Bill provides for the licensing of non-deposit-taking DFIs and provides for four classes of license holders: Class 1 (Wholesale DFIs), Class 2 (Retail DFIs), Class 3 (Guarantee DFIs), and Class 4 (any combination of wholesale, retail and guarantee business).

The DFI bill also provides for guidelines and directives to be issued to guide the operations of these DFIs. Specifically, directives and guidelines will be required in areas such as licensing, minimum capital requirements, liquidity requirements, capital adequacy ratios, exposure limits, reporting requirements etc.

The DFI Bill further makes provision for the BOG to issue directives to DFIs generally or to a class or classes of DFIs where the BOG is satisfied that it is necessary to:

- secure the proper management of a DFI generally;
- prevent the affairs of DFIs being conducted in a manner detrimental to the interest of creditors and other stakeholders or prejudicial to the interests of the DFI; and
- to maintain the overall stability of the financial system in the country.

Acknowledging the fact that these DFIs are non-deposit-takers and their unique focus on underserved markets, the BOG believes that there is the need to make some adjustments to the some of the prudential regulatory norms and policies usually applicable to banks as well as develop specific norms and guidelines appropriate for the operations of these DFIs. This is to ensure effective regulation aimed at supporting DFIs to combine their development mandates with commercial viability so as to enhance their sustainability within a stable and sound financial environment.

The objective of the assignment is to complement BOG's in-house technical capabilities in the development and issuance of specific prudential guidance and directives for DFIs, the BOG requires the services of an international consultant to assist its supervision team in this regard. In carrying out this assignment, the Consultant shall consider international standards and best practices as well as mandatory policies and manuals prescribed by BOG.

The detailed Terms of Reference (TOR) for the assignment *can be found at the following website:* <https://www.mofep.gov.gh>.

The Ministry of Finance now invites eligible individual consultants ("Consultants") to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services by submitting the most current CV. The short-listing criteria from the CV are

- A degree in Business, Economics, Risk Management, Banking & Finance or other relevant social science discipline;
- A minimum of 10 years of practical experience in a bank regulation and supervision;
- Solid understanding of development finance institutions' operations, business models, and internal organization and processes;
- Competencies in credit risk management, evaluation of financial institutions, SME finance, and portfolio investment in low risk financial assets are advantage;
- Knowledge of demonstrated experience in the development of prudential guidelines and directives in the regulatory framework of Wholesale Banking or National Development Financial Institutions in other developing countries;
- Experience in training/capacity-building of either supervisors or financial service providers; and
- A very good knowledge of Microsoft Office applications, particularly Word and Excel.

The attention of interested Consultants is drawn to Section III, paragraphs, 3.14, 3.16, and 3.17 of the World Bank's "Procurement Regulations for IPF Borrowers" July 2016 revised November 2017 and August 2018. Setting forth the World Bank's policy on conflict of interest.

Consultants may associate with other firms to enhance their qualifications, but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the

case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.

A Consultant will be selected in accordance with **Individual Selection Method** set out in the Procurement Regulations

Expressions of interest which must bear the title “Technical Assistance to the Bank Of Ghana to Develop Directives and Prudential Guidelines for Development Finance Institutions (DFI’s)” **must** be delivered in a written form to the address below (in person or by mail, or by e-mail) by **5:00pm GMT on November 6th, 2020**

Further information can be obtained at the address below during office hours from 8:30 am to 4:30 pm, local time or through GDFP@mofep.gov.gh

Address – For Submission of Expressions of Interest:

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Online submission: GDFP@mofep.gov.gh