



**Da Afghanistan Bank (DAB)**  
**Financial Sector Strengthening Project (FSSP)**

**Terms of Reference (TOR)**

**Vacancy No:** 02/09/FSSP  
**Post Title:** Director of Afghanistan Institute for Banking and Finance (AIBF)  
**Organization:** FSS Project, DAB  
**Location:** Kabul  
**Duration:** An open ended contract.  
**No of Post:** 1  
**Sex:** Male/Female  
**Nationality:** Afghan  
**Salary:** According to experience and qualification  
**Date Announced:** 1th June 09  
**Closing Date:** 1th July 09

**Background**

Despite a deteriorating security environment and increasing constraints to private sector development, Afghanistan experienced robust economic growth over the last few years; real GDP grew by 7.4 percent in 2006/7 with a double digit growth rate between 2002 and 2006. Alongside of this economic growth in Afghanistan, there has also been considerable effort to rebuild the financial sector in terms of its institutional and legal framework, which has led to an increased number of private commercial banks operating in Afghanistan.

Afghanistan's banking sector currently lacks human capacity to support its business processes and future expansion. The lack of human capacity is rooted in the long running conflict of the past decades. While the banking sector has rapidly expanded post 2003 (17 commercial banks currently exist), the skill set of local bankers has remained less than adequate. For most of these banks, on-the-job training has simply not been enough to contend with staff's lack of fundamental knowledge about banking. Both new recruits and existing staff require training in basic banking fundamentals; in addition, existing staff, not familiar with current banking practices, also need skill upgrading.

This gap in human capital could be more easily handled were training programs available locally. Unfortunately, this has not been the case in Afghanistan. There is currently no institute dedicated to training bankers. Training programs for bankers are indeed available, but have been delivered in a fragmented manner. For instance, the Afghanistan Bankers Association (ABA) held several training programs in 2007/2008 to respond to the demand for training in the fundamentals of banking. These programs were subsidized by USAID's ASMED program, and were delivered at \$30/banker to about 400 participants. Afghanistan's central bank, Da Afghanistan Bank (DAB), also conducts trainings, although it is primarily for its own central bankers. Most recently, DAB conducted a risk management program in May 2008, which was attended by several commercial bankers. Some banks, such as Afghanistan International Bank (AIB), have chosen to train their employees abroad, but this is understandably an expensive process. Larger banks, such as Kabul Bank and Azizi Bank have also invested in-house training programs, developing their own curriculums and customizing to their needs. However, investing in-house is also expensive and limited in scope. The end result is that, while there have been useful short term fixes, there are no consistent, continuous training program available locally which banks can rely on to train their

employees. And without correcting this wide gap in human capital, the financial sector's ability to grow is severely constrained.

The Government of Afghanistan has applied for financing from the World Bank towards the strengthening of the financial sector. This financing will be provided through an Afghanistan Financial Sector Strengthening Project (AFSSP) aimed at improving the financial services in Afghanistan. One component of the project is the establishment of a banker's training institute to address the current lack of capacity which is hindering the development of the banking and financial services sector in Afghanistan. Agreement has already been reached that a banker's training institute will be established in Afghanistan and it will be known as Afghanistan Institute of Banking and Finance (AIBF) to cater the country's finance sector as a whole. The AIBF will be headed by a Director.

The World Bank is strongly committed to supporting the Government of Afghanistan (GoA) through the proposed AFSSP, which aims at improving the financial services capacity in Afghanistan by addressing some critical constraints to financial sector development

#### **Implementation and development of AIBF**

The AIBF will be implemented through an interim committee consisting of the Governor of DAB (or his representative) to chair the committee, the Chairman of the ABA (or his representative) and a coordinator to liaise with ABA, MISFA and the World Bank who are providing a grant to support the seed capital for AIBF. The interim committee was responsible for the establishment of the AIBF by: selecting board members for the AIBF, drafting the articles of association, setting up an initial funds pool, registering the AIBF with the appropriate body(ies) in Afghanistan and hiring a Director.

Once the interim committee has achieved its aims the AIBF will be developed by the Director of the AIBF in a phased approach. The first, rather focused, phase will cater to the immediate demand to train local bankers in banking fundamentals with the goal being to develop a cadre of bankers in Afghanistan. The second and third phases will have more ambitious targets with the longer term vision for a world class financial services training institute.

#### **Initial Duties and Responsibilities:**

1. Conduct a demand survey for the AIBF;
2. Develop a business plan for the AIBF for the first 3 years, which will then be approved by the AIBF board and agreed by the World Bank;
3. Hire core staff using World Bank procurement guidelines;
4. Establish the office by procuring necessary equipment following World Bank procurement guidelines;
5. Provide leadership to the staff of the institute, monitor training activities and evaluate performance of the staff;
6. Provide necessary training and motivate the staff members based on their performance evaluation;
7. Coordinate with AIBF partners( ABA, DAB, MISFA and World Bank) and brief them on the progress of the institute periodically;

8. Seek financial assistance for AIBF activities from various stakeholders including donors, Government bodies, National and International organizations, UN and other private sector entities
9. Control and overview the overall financial and accounts of the institute;
10. Establish contact with the regional bankers training institutes and collect information from them;
11. Draft a ToR for future collaboration between the AIBF and regional partners;
12. Prepare and issue Request for Proposal (“RFP”) in consultation with the World Bank for a 3-5 year collaboration plan with regional partners;
13. Prepare monthly, quarterly and annual progress reports to the project Director of FSSP;
14. Participate in the Project Implementation Cell (PIC) meetings;
15. Any other duty assigned by the Board of AIBF.

#### **Qualifications Required:**

The ideal candidate will have a Masters degree in Accounting, Finance, Business or other relevant field. The candidate must be a qualified trainer with at least 10 years experience in banking, training and administration.

The Director should be a team player with strong leadership skills, excellent in communication skills, self-motivated, target driven, objective oriented and good in achieving results. The Director should have full working knowledge of English, Dari and Pashto, in written and oral form and computer software such as, MS Word, Excel, PowerPoint and Project.

#### **Deliverables:**

1. The Director will establish the physical presence of AIBF through procurement of office equipment and personnel;
2. The Director will ensure the sustainability of operations of the AIBF through the development a 3 year business plan based on market demand and supported by regional bankers training institutes;
3. The Director will ensure the smooth day to day running of the AIBF and its development towards a world class institute.

#### **Submission Guideline:**

Send electronic CV and cover letter to: DAB Human Resource Department on the following email address; **dab.jobs@centralbank.gov.af**

Only short-listed candidates will be contacted. **Female candidates are strongly encouraged to apply for the post.**