



**Da Afghanistan Bank
Central Bank of Afghanistan
Financial Sector Strengthening Project**

**Request for Expressions of Interest (*re-advertised*)
Banking Supervision Consultant- Individual
(Prepare technical specifications for automation of off-site supervision department of DAB
and assist in training staff both at DAB and commercial banks)**

Islamic Republic of Afghanistan

Financial Sector Strengthening Project

Consulting Services: Banking Supervision consultant (Individual Consultant) (Re-advertised)

Grant No: H484-AF

Project ID No.: P110644

EOI No.: FSSP/DAB/C-5

Closing Date:

Expression of interest must be delivered to the address below by [1600 hours on 05 August 2010.

Expressions of Interest

The Government of Afghanistan is implementing a World Bank supported Afghanistan Financial Sector Strengthening (AFSSP) aimed at improving the financial services in Afghanistan.. One component of the project to develop further the off-site supervisory process. The project will support *automation of off-site supervision*. One of the investments which has been considered is that of the automation of the regular monthly reporting system. Currently this is done using Excel spreadsheets which are submitted in electronic form on disc as well as in hard copy duly signed as required. Many other financial supervisory authorities have set up electronic systems, often web-based, which can reduce the time taken on producing the reports by the banks as well as reducing the time taken by the supervisor's staff in validating and removing errors.

The advantages of completely automating this system are substantial, the most important being the easy preparation of computerized reports for financial analysis, and, the easy placement of summary financial information on individual banks (such as a Uniform Bank Performance Report) on DAB's website, thereby promoting market discipline.

In addition to image prints of the individual schedules, such as the balance sheet, profit and loss statement, non-performing assets, etc., the following output reports could be

programmed and regularly generated from the relational database (this list is not exclusive):

- Lists of banks ranked either alphabetically or by certain indicators as of a particular reporting date, with various indicators displayed for each bank on the same page
- For an individual bank, displays of the same data across different time periods on the same page (as in a Uniform Bank Performance Report), facilitating financial analysis
- Aggregate data for the banking sector for one or more time periods on the same page

Another recognized need of the Financial Supervision Department (FSD) is the setting up of electronic file folders (in some countries, called “dossiers” or “supervisory passports”) for storage and retrieval of documents relating to individual banks. Currently, the number of documents (correspondence, enforcement actions, and examination work papers, written evaluations such as reports of examination or off-site monitoring reports) is proliferating, and the file system is paper-based and manual.

It is a long-term need of the FSD to have an organized dossier with appropriate rules of access granted to authorize individuals. Paper documents could be scanned and added to the database as they are produced and finalized.

Objectives of the Consultancy

To accomplish the above, DAB has decided to hire a consultant Scope of the Work and Description of Tasks

Specifically the consultant will-

1. Identify hardware and software requirements for the automation of off-site supervision of DAB and provide technical specifications to the IT Consultants hired under the project, in accordance with the further requirements set out below.
2. Develop a protocol together with the commercial banks (and perhaps other financial institutions) for the efficient transmission of the raw data fields to the FSD. This may require the creation of specialized software or electronic file formats for the banks;
3. Organize training sessions for the banks on the electronic file formats;
4. Create and coach a unit in either the FSD or IT departments to respond to implementation issues at the banks;
5. Organize the new FSD relational database, test the new database using a batch of submitted data from one or more banks;
6. Conduct a training needs assessment of DAB Supervision Staff as well as Commercial Bank staff to make effective use of the off-site automation system to generate data and reports;
7. Train FSD or IT staff members to maintain and modify the database, as required, including maintaining the protocols with the banks;

8. Train FSD or IT staff members to produce one example each of the image prints of individual schedules and the other types of output reports listed in the previous section. The system must be structured so that the FSD can produce both regularly occurring output reports and “ad-hoc” reports – that is, reports designed for a specific, one-time purpose. Output reports must be easily viewed on-screen and printed;
9. Provide the FSD with two sample pages from a Uniform Bank Performance Report (UBPR). One page must display monetary amounts over several time periods, with percentage changes; and the other page must display ratios for an individual bank with peer group comparisons. The software supplied or produced by the expert must be able to be modified by the FSD or IT to produce additional pages so that ultimately the FSD will be able to produce its own, customized UBPR and modify it periodically to accommodate changes in the raw data;
10. Advise FSD and IT on how to place financial information (balance sheet, statement of profit and loss, various calculated ratio reports) about individual banks on the DAB website, and work with the departments to actually place the information on the website;
11. Develop the dossier, together with rules of access, and train FSD and IT staff members to maintain. This training will include recommendations on the most efficient methods of scanning and archiving documents that exist only on paper;
12. Prepare a manual for FSD off-site supervision and IT that covers use and maintenance of the software, filing system, report format, protocol with commercial banks and procedures used in off-site supervision;
13. Prepare final report of the consultancy and present it to the leadership of DAB.

Time schedule for the proposed Work:

The work will commence immediately after the selection of the candidate and is expected to take a maximum of 12 months.

Location of the assignment:

The consultant will be based in Kabul, Afghanistan, and will be able to undertake most of the work in DAB FSD and IT and the commercial banks, bar visits to the World Bank offices for background information. The consultant will be based at the FSD, to work closely with the management and the staff of the department.

Reporting

The consultant will be part of the Project Implementation Cell (PIC) of the AFSSP of DAB. He will provide regular progress reports on his consultancy to the chairman of the cell (Governor or his first Deputy)/ the Project Director of AFSSP.

Qualifications Required:

Education:

- Advanced university degree in economics, finance, business administration, public administration or management

Experience:

- -More than 8 years of progressively responsible experience in banking supervision or a similar financial sector regulatory authorities;
- -Proven work experience in training;
- -Posses strong analytical skills;
- -IT skills as demonstrated in similar assignments, where designing protocols for data submission forms, organizing the database, and preparing computerized reports from the data were required.
- -Excellent English writing skills;
- -Efficiency and results-orientation in a multi-tasking environment;
- -Excellent organizational and strategic planning skills;
- -Ability to establish good working relationships with national and international interlocutors.

DAB now invites eligible individual consultants to indicate their interest in providing the services. Interested consultants must provide information indicating that they are qualified to perform the services (CV, and description of similar assignments, experience in similar conditions and availability of appropriate skills).

A consultant will be selected in accordance with the procedures set out in section V of the World Bank's *Guidelines: Selection and Employment of Consultants by World Bank Borrowers* (May 2004 revised in October 2006 and May 2010).

Interested consultants may obtain further information at the address below during office hours i.e. 0900 to 1600 hours.

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