



MINISTRY OF FINANCE

REQUEST FOR EXPRESSIONS OF INTEREST

(CONSULTING SERVICES – INDIVIDUAL CONSULTANT SELECTION)

Name of Project	Ghana Financial Sector Development Project (GFSDP)
IDA Credit No.	6310 GH
Assignment Title	Resident Advisor for Credit Union Association of Ghana
Reference No.	GH-MOF-FSD-CS-75-INDV

BACKGROUND

The Ministry of Finance (MoF) has received financing from the World Bank towards the cost of the Ghana Financial Sector Development Project, with the objective to promote financial sector soundness and access to financial services by individuals. Ghana's credit union sector has been expanding without adequate and effective regulation and supervision. As of December 2021, the sector comprised 490 credit unions with combined GH¢ 2.68 billion in assets, GH¢ 2.2 billion in member savings and shares, and 984,034 members (45.2 percent women, 50.5 percent male, and 4.3 percent groups). These credit unions were managed by a total of 4,250 staff (2,042 females and 2,208 males). About 490 credit unions are affiliated with the Ghana Co-operative Credit Unions Association (CUA) LTD, which provides supervisory services, auditing, MIS/Software, training, and other services to its members.

The Credit Union Legislative Instrument (LI) 2225 was passed in 2015, giving CUA the powers to supervise credit unions on behalf of Bank of Ghana (BoG). The LI also established the Co-operative Credit Unions Supervisory Agency to oversee CUA and take all relevant decisions, including issuance of policies and guidelines, monitoring of the financial condition of credit unions, etc. Although the implementation of the LI is on hold, CUA continues to supervise credit unions and to build their capacity. Moreover, in accordance with the Non-Bank Financial Institutions Act, 2008 (Act 774), BoG has issued Operating Rules and Guidelines for strict compliance by entities who wish to operate Co-operative Credit Unions in Ghana.

Effective regulation and supervision of credit unions is key to ensuring that they continue to provide sustainable inclusive financial services to their members. Given CUA's limited resources (only six (6) supervisory staff), risk-focused supervision must be undertaken periodically and methodically. The procedures involved include both offsite and onsite inspection, review, and assessment activities, which enable the inspectors to come out with conclusions and reports on the risk profiles of the CUs. The ultimate objective of these reports is to control and minimize risks and thus continuously improve the stability and performance of the credit union ecosystem.

The challenges hampering efficient credit supervision include:

- Limited data submission by credit unions to CUA for off-site monitoring (only 120 credit unions submit monthly financial reports regularly and around 270 credit unions do not report at all);
- Limited technical capacity (skills, processes, and procedure manuals) of the Supervision Division;

- Lack of a reliable data and offsite surveillance application that would allow credit unions to submit prudential returns electronically.

To address the above challenges, a project is under consideration to provide a comprehensive shared Core Banking Platform as an alternative to the existing platform (CuSoft) which has a myriad of problems and is only being used by about 200 CUs, whilst about 250 CUs manage their operations manually. The new core banking system would interface with a supervisory system also under consideration.

PURPOSE

The Resident Advisor/Consultant will build the capacity of CUA's Supervision Division to ensure that it effectively delivers on its mandate of supervising credit unions and contributing to their soundness. The Consultant will also support the operationalization of the shared core banking system and the supervisory system.

SCOPE OF WORK

The Consultant will be required to:

- Review and update the existing supervisory framework, including offsite and onsite supervision methodologies (e.g., risk-based approach), processes and procedures, and manuals (Standard Operating Procedures);
- Develop a roadmap/strategic plan for the implementation of an improved supervisory framework, considering potential changes needed in CUA's Supervision Division's internal structure (e.g., separate licensing and supervision functions);
- Develop the necessary policies, guidelines, analytical tools, and operational procedures for the implementation of the new supervisory framework;
- Carryout capacity building needs assessment and design and deliver classroom training and on-the-job training of CUA supervisory team, including conducting onsite inspections with CUA supervisory staff;
- Support the operationalization of the supervisory application and the implementation of the new core banking software, considering the change management and capacity building issues of both the credit unions and CUA;
- Carryout capacity building needs assessment of credit unions and contribute to the design and delivery of training of Credit Union female Managers and other staff in deprived areas.
- Provide any other advice and support to strengthen the supervisory capacity of CUA.

The detailed Terms of Reference (TOR) for the assignment can be obtained from <http://www.mofep.gov.gh>, fsdp@mofep.gov.gh or the address below.

The Ministry of Finance (MoF) 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 to perform the services by submitting the most current Curriculum Vitae (CV).

The Selection Criteria are:

The Resident Advisor shall be an individual consultant with the following qualifications and experience.

- a) A degree in accounting, auditing, economics, business administration, finance, law, or related discipline;
- b) At least 10 years of professional experience as: (1) a regulator or supervisor of any of the following: commercial banks, credit unions, microfinance institutions, and other non-bank financial institutions; or (2) technical advisor of credit union or microfinance supervision reforms, entailing the development and implementation of regulatory and supervisory standards;
- c) At least 3 (three) years of experience in designing and/or conducting risk-based supervision in a bank or microfinance institution or credit union regulatory agency;
- d) Strong familiarity with current developments in risk based supervision especially with respect to credit unions, microfinance, and commercial banks in Africa or emerging economies;
- e) Familiarity with credit union operations, products, and services;
- f) Understanding of standards like PEARLS Monitoring systems of the World Council of Credit Unions and Capital Adequacy, Assets Management, Earning and Liquidity (CAMEL);
- g) Familiarity with the Ghanaian financial sector and BoG prudential reporting will be an advantage;
- h) Fluent in written and spoken English and has excellent communication skills, knowledge of Microsoft applications for report writing, analysis and presentations.

Duration of Assignment

The assignment will be for an initial period of 12 months, subject to renewal based on satisfactory performance.

The attention of interested Consultants is drawn to Section VII, paragraphs, 7.36 and 7.37 of the World Bank's "Procurement Regulations for IPF Borrowers" July 2016 ("Procurement Regulations"), revised November 2017, August 2018 and November 2020.

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

Further information can be obtained at the address below during office hours from 0900 hours to 1600 hours GMT or through fsdp@mofep.gov.gh

Expressions of Interest must be delivered in a written form to the address below (in person, by mail or by e-mail) **by 5:00pm GMT on November 25, 2022** to the address below. Envelopes must be marked **"Expression of Interest for Resident Advisor for Credit Union Association of Ghana"**

Address – For Submission of Expressions of Interest:

Attention: Project Coordinator

Ministry of Finance
 28th February Road
 Finance Drive
 P.O. Box MB 40
 Accra-Ghana
 New Block, 1st Floor, Room 112
 Ghana Financial Sector Development Project (GFSDP)
 Financial Sector Division (FSD)
Ghana Post Digital Address: GA-144-2024

Online submission: fsdp@mofep.gov.gh

For further enquiries you may also contact the Procurement Specialist under mentioned Email Addresses:

KurtDelWilliams2001@yahoo.com