

## **TERMS OF REFERENCE (TOR)**

### **CONSULTANCY SERVICES FOR THE DESIGN OF A FINANCIAL DATA CENTER (FDC)**

#### **1. BACKGROUND**

The Government of Ghana intends to improve the effectiveness, efficiency and transparency of the financial system by establishing a financial data center to store digital financial data, where stored data is accessed, and new data entered via high speed communication connections. The data center would collect financial statements and other corporate and financial information. The goal is to create a centralized platform for all users of financial information of financial institutions and non-financial enterprises. The data center would benefit various users, including regulators, financial market operators, market analysts, credit rating agencies, researchers and the general public by ensuring availability, accessibility, quality and integrity of financial data with varying degree of access and in accordance with relevant laws and regulations.

The design is expected to be comprehensive, viable, capable of responding to the market gaps and needs of target users, and to ensure coordination among data providers/collectors to ensure consolidation and consistency.

#### **2. OBJECTIVE OF THE ASSIGNMENT**

The objective of the assignment is to:

- Conduct a market assessment on the current state of availability, accessibility, security and integrity of financial data (covering financial and non-financial institutions) in Ghana. This would include the identification of the current stakeholders (e.g., regulators, the Companies Register, business associations) who are collecting such data.
- Identify current data/information gaps vis-à-vis the needs of key market stakeholders (e.g., financial analysts, policy makers, academics);
- Conduct an assessment of the viability/rationale of a financial data center;
- Design a suitable business model for the establishment of a financial data center that will serve as a repository of financial data as well as facilitate data aggregation and analysis of the financial sector.

##### **2.1 Scope of Assignment**

The assignment will be executed in two phases totaling seven (7) months.

- a. Phase 1 will be the development of a rationale for the data center including information available, how it is collected, who collects it, for what purpose, how the data is shared and any gaps that need to be addressed.
- b. Phase two (2) will cover developing a detailed business plan and model for the establishment and operationalization of a financial data centre.

The Consultant will be allowed to start the second phase of the assignment upon acceptance of the phase 1 report.

## **Phase 1**

This phase will assess the financial data landscape in Ghana and develop a rationale for the establishment of a financial data center. The consultant will:

- Review the existing and planned financial data collection efforts at regulator and Companies Registrar's level (including type of data available, how it is collected, who collects it, for what purpose, how the data is shared);
- Identify gaps (available data vis-à-vis needs of the users, adequacy of network architecture and connectivity, etc) and propose how to close the such gaps.
- Identify legislation/regulations (where they exist) that require submission of financial data and how such legislation/regulations could be leveraged to enhance timely data submission and sharing;
- Identify existing collaboration between the Government and the private sector to determine its relevance towards the development of a financial data center;
- Review all aspect of data security requirements for financial data centers;
- Review existing legal framework and recommend legal and ownership structure for the financial data center;
- Review and share lessons learnt on the establishment and operation of financial data centers or similar data initiatives in at least four (4) emerging and frontier markets in Africa, Asia, Latin America or Europe and use the lessons to recommend a suitable business model for the Ghana financial data center.
- Outline possible incentive structures (legal, tax, public recognition, monetary, etc.) to ensure regular submission of data by key stakeholders.

## **Phase 2**

During this phase, the consultant will develop a detailed business plan and model for the establishment and operationalization of the financial data center. In particular, the consultant will:

- Identify key stakeholders who could contribute information and/or benefit from access to this shared database to increase financial market transparency, improve regulatory oversight and financial stability, and make better financial decisions;
- Propose a governance/ownership structure that ensures independence and transparency;
- Propose products and services to be offered by the data center and recommend an access framework (e.g., data to be accessed for a fee and the proposed fee structure);
- Identify internal policies and procedures that need to be developed for effective functioning of the data center;
- Provide a detailed implementation plan and schedule, including sequencing of the implementation of actions and identification of pre-conditions for successful establishment of the data center;

- Propose standard specification for an End-to-End IT architecture required for the establishment of a Financial Data Centre. This would need to include and or consider defining the technical specifications of the services and equipment required and how this can be integrated within a broader framework of access from specific stakeholders(e.g., financial sector regulators);
- Estimate establishment costs and sources of funding to cover such cost;
- Develop financial projections and demonstrate the financial sustainability of the data center;
- Propose capacity building and knowledge transfer strategies;
- Recommend an approach to partnerships development (strategic/technical partners and their comparative advantage, collaboration between government and the private sector needed to ensure the long-term viability of the data center, etc.);

### 3. Deliverables

The Consulting Firm will deliver the following outputs:

- Inception report outlining the consultant's detailed understanding of the assignment, methodology to be applied, likely outcomes, and any preliminary findings.
- Draft report and associated summary presentation deck on the rationale for the establishment of the financial data center (as described in Phase 1);
- Final report on the rationale for the establishment of the financial data center;
- Draft business plan and model for the operationalization of the financial data center (as described in Phase 2);
- Two workshops with stakeholders and associated reports/Minutes;
- Final Business Plan incorporating contributions from stakeholders.

### 4. CONSULTANT REQUIRED QUALIFICATIONS

The assignment will be delivered by a firm with a proven record in financial data landscape in Ghana or other jurisdictions. The Firm must also demonstrate the following experience:

- Appropriate balance of experience and skills to complete the assignment, including at least 5 years of track record in the provision of advice on the design/establishment of data centers and other data platforms, particularly in similar country context;
- Balance of international and local experience and expertise in data center design and data analytics or financial markets;

(i) The Firm must have the following key experts:

- (i) **Team leader** with expertise in database architecture and data warehousing, demonstrated by a track record in leading similar projects; at least eight (8) years of professional experience in database design and data warehousing; graduate degree in Communication, Information Technology, or related discipline.
- (ii) **Technical experts** in information communication technology and financial services/modelling. Both experts should have at least five (5) years of professional experience. In addition, the information communication expert should have expertise in data center design, data modeling, visualization, and

possess a relevant degree. The financial services/modelling expert should have experience in financial services, with good knowledge of supervisory and regulatory aspects, demonstrable experience in conducting feasibility studies and developing business plans and financial models.

## 5. DURATION

The assignment is on contractual basis and it will be for a term of up to seven (7) months divided into phase 1 and Phase 2. The assignment will be conducted in Ghana. The Consulting Firm will report to the Project Management team at the Ministry of Finance - FSD.

## 6. TIMING AND SUBMISSION AND APPROVAL OF DELIVERABLES

The Consultant submit the deliverables according to the following timeline.

- Report and associated summary presentation deck on the rationale for the establishment of the financial data center (as described in Phase 1);
- Draft business plan and model for the operationalization of the financial data center (as described in Phase 2);
- Two workshops with stakeholders and associated reports/Minutes;
- Final Business Plan incorporating contributions from stakeholders.

No.	Name of report	Deadline	Proposed Payment
1.	Inception Report	Six weeks after signing the contract	25% after acceptance of report
2.	Draft report and associated summary presentation on the rationale of a financial data center	Eight weeks after the submission of the inception report	
3.	Workshop with stakeholders to discuss the draft report on the rationale of a financial data center.	Two weeks after the submission of draft report	
4.	Final report on the rationale of the financial data center	Two weeks after the workshop	35% after acceptance of report
5.	Draft Business Plan	Four weeks after the delivery of the final report on the rationale of a financial data center	
6.	Workshop with stakeholders to discuss the draft Business Plan	Two weeks after the submission of the draft Business Plan	
7.	Final Business Plan	Four weeks after the Business Plan workshop	40% after acceptance of final business plan.

## **6.1 Submission & Approval of Reports**

Four (4) copies and an electronic copy on Pen Drive of the reports referred to above must be submitted to the Financial Services Division (FSD) of the Ministry of Finance. The reports must be written in English. The Director FSD is responsible for approving the reports.

## **7. CLIENT INPUT**

The Project Secretariat of the Ministry of Finance Under the Financial Sector Development Project will provide the Consultant with copies of all available documents that will aid the consultants with their work as well as support where necessary, coordination with key stakeholders (financial sector regulators, Companies Registrar, etc).

## **8. CONFIDENTIALITY**

All materials produced or acquired under this project shall be held in strict confidence and shall not be disclosed to any party whatsoever without the express written consent of Project Director.