

## TERMS OF REFERENCE (TOR)

### I. GENERAL INFORMATION

|                                   |                                                                                                                                       |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <b>Services/Work Description:</b> | Design and implementation guide for a Ten Year Information Technology Policy, Strategy, and Plan for the Development Bank of Ethiopia |
| <b>Project/Program Title:</b>     | Inclusive Finance                                                                                                                     |
| <b>Consultant Level:</b>          | Specialist                                                                                                                            |
| <b>Duty Station:</b>              | Addis Ababa                                                                                                                           |
| <b>Type of the Contract:</b>      | Individual contract (One national)                                                                                                    |
| <b>Duration:</b>                  | 68 working days                                                                                                                       |
| <b>Expected Start Date:</b>       | As soon as contract is signed                                                                                                         |

### II. BACKGROUND

Development bank of Ethiopia (DBE) is a public policy bank facilitating the National development agenda through the providing development finance and technical support for viable projects in line with the government set priorities. DBE finances large and medium scale projects engaging in manufacturing, agro-processing, commercial farming mining and extraction industries. It is also mandated to finance small and medium enterprises. The bank mobilizes fund from domestic and foreign sources.

Development Bank of Ethiopia is a public enterprise that strives to support the sustainable development of the country by financing relevant projects. This document provides a very brief presentation of current IT systems at the bank. Data Center, Wide Area Network and Local Area Network. The bank uses x86 based desktop computers and laptops with Windows Operating Systems for end users.

The bank has a data center and a Wide Area Network (WAN) which has now connected about half of the branches. The bank's 76 branches have Local Area Network (LAN) and are also connected to the data center using WAN. CISCO products and technologies are used for LAN. Most of the bank's servers use Oracle Linux operating system while the servers use Windows Server operating system.

- **IT Security** : The bank uses Kaspersky Total Space Endpoint Security Antivirus to secure its desktops and laptops. The bank also uses some security products like Unified Threat Management and Identity Service Engine to secure its network and endpoints, IT Applications and Supporting Systems.
- **IT Applications and Supporting Systems:** The bank uses the following major systems to support its business.

#### a. T24 R18 CORE Banking System

The bank uses Temenos's T24 Release 18 (R18) CORE banking system. This system is used for almost all the banking activities of the bank, such as Loan creation, Loan disbursement, Loan Collection, Cheque related transactions, cash withdrawals, cash deposits, balance sheet and income statement reporting, fund transfers with other

banks, etc. It has **also** been interfaced with NBE's ATS system to transfer funds and perform cheque related transactions with other local banks of Ethiopia.

The system runs on Oracle Linux 6.8 operating system and it uses Oracle database 11gR2 and is accessed through web (currently through Jboss-4.2).

**b. Oracle Data Warehouse and Business Intelligence.**

The bank currently uses Oracle Data Warehouse and Business Intelligence for its report generation. Few reports are still under implementation.

**c. Oracle E-Business Suite**

The bank is using the Oracle E-Business suite Enterprise Resource Planning system. Some of the implemented modules are core HR, Payroll, Self Service, Purchasing, Inventory, i-Procurement, General Ledger (GL), Fixes Asset (FA), Cash Management (CM), Account Payable (AP), Account Receivable (AR) and i-Expense

**d. SWIFT Alliance**

The bank uses SWIFT Alliance Entry system for correspondent banking with other international banks. The system runs on Microsoft Windows operating system and it uses embedded Oracle database.

**e. DBE Loan Provision System**

This is an internally developed system used for the production of loan provision and portfolio reports. This system is developed using Java Servlet technology, runs on Windows operating system and uses MySQL database. It has a web-based user interface (using Apache Tomcat application server).

**f. Bond Stock Management System**

This internally developed system has been in use for the past five years to manage the GERD Bond Coupon throughout the country. The system is specifically used to register, track and maintain the balance of GERD Bond Coupons from Print Out until distribution to different agents and different branches of the Bank. This system has been developed in Java and has a web based user interface. It is currently deployed on Oracle Linux operating system and uses Oracle database 11gR2.

**g. Bond Sales Management System**

This is another independent system used to register the bonds sold by the bank and different agents. The system is currently in use by Corporate Bond Management Directorate to get financial and other information about the bonds sold by the bank and other agents. The system has an interface that allows to import the bulk data from different agents and branches. For the bonds sold at CBE, a dedicated interface has been created to enable staff of the bank to export bond sales data at bulk from remote. This system is also developed in Java and has web-based user interface. It has currently been deployed on a dedicated high end server on an Oracle Linux operating system as volume of data processed by the system is very large.

**h. *SINDU (CIC DATA VALIDATION)***

This is an internally developed system that is used for validating the Credit Information Center (CIC) data before uploading it to the NBE's CIC system.

**i. *UN Sanction Screening System***

This internally developed system is used for searching customers against the latest black lists. This system enabled the bank to comply with the requirement of the National Bank of Ethiopia.

**j. *Customer Information and Product Warranty Tracking System(CIPWTS)***

This is a system that is more or less the same as the Rural Electrification and Fund Management System. It has additional feature of mobile application.

**k. *DBE's Corporate Email***

The bank uses Zimbra Collaboration Open Source, a full-featured messaging and collaboration application. This system is used as the corporate mail system of the bank and is deployed on Oracle Linux operating system.

**l. *DBE's Portal (Intranet)***

This system is currently being used as a portal for internal use in the bank on which different information such as news and documents for internal use are shared. The system is developed using Joomla technology and it runs on Linux operating system.

**m. *DBE's External Website***

The external web-site of the bank is currently hosted on a server in the bank's data center, using Joomla technology on Oracle Linux operating System. The website is used to provide information for customers and other stakeholders.

**n. *Fleet Management System***

A fleet management system is being developed by INSA to be used for the management of the transport system of the bank. Currently, there are some remaining items to be incorporated and finalized by INSA. It is deployed on Windows operating system MS SQL database management system.

**o. *Research Data Bank***

Research Data Bank (also called Machinery Database) is another system developed using Joomla technology running on Oracle Linux operating system, using MySQL database. It is used for the management of the bank's research data on various machinery.

### III. PURPOSE OF THE CONSULTANCY

The objectives of the consultancy are to the design and support the implementation of a Ten Year Information Technology Policy, Strategy, and Plan for the Development Bank of Ethiopia, splitting in to short, medium and long term.

#### IV. SCOPE AND RESPONSIBILITIES OF THE CONSULTANTS

The IT consultant supports the DBE in building capacity in the Information Technology management area through providing quality and prompts advisory service to the president, designs short and long term IT policies and strategies. The consultant supports the Executive Management in ensuring that the Information Technology of the Bank is effectively used to help in meeting its organizational objectives. The consultant will have the following responsibilities:

- develops IT strategy of the Bank in consultation with the IT work unit.
- reviews all IT related items that require the decision of the President and/or Executive Management including budget, plan, project proposals, policies, procedures and guidelines.
- Provide advisory report on IT related items that require the decision of the President and/or Executive Management including budget, plan, project proposals, policies, procedures and guidelines
- prepares short, medium and long term IT strategies aligned with the goals of the Bank and provides recommendations on IT infrastructure investments.
- monitors the implementation of the Management's IT related decisions and the performance of the IT unit as a whole,
- identifies any bottlenecks and issues, and provides summary reports with appropriate recommendations to the management.
- Coordinate with the other units to develop business support implementation and progress reports.
- Prepare regular progress report

#### V. EXPECTED OUTPUT OF THE ASSIGNMENT

The Consultant shall submit to DBE for validation and approval the following deliverables of activities/milestones.

- **Inception Report;** which includes, among others, the work plan that identifies in detail the methods and procedures/processes to be utilized for the consultancy assignment.
- **Draft report ;** which takes into account IT strategy ( short, medium and long term), resource requirement including manpower, system, infrastructure , capacity development needs, budget plan, policies, procedures and guidelines, implementation modalities and time frame, monitoring system , reporting formats
- **Final report,** which takes into account the inputs/comments from DBE.

## VI. METHODOLOGY

The assignment is required to be undertaken by local consultant. The consultant should have adequate knowledge and experience on the desired areas through practical IT System design and implementation. The consultants will be expected to carry out this assignment by:

- Review and analysis of the current DBE IT system , etc...
- Review relevant policy documents and conduct an extensive desk review on the subject matter;
- Refer and include international benchmarks of similar development bank IT systems
- Collect, collate and analyze all the information from desk review and DBE Consultations;
- Consult DBE and understand what the DBE IT requirements are taking into account the advancement internationally
- Design proper IT strategy classified as short, medium and long term inclusive of SWOT, and resource competitiveness
- Design policies, procedures , implementation, guide and monitoring schemes
- Developing a detailed Monitoring and Evaluation Plan and Budget
- Interact regularly with DBE

While this is indicative, it is anticipated that the consultant to design appropriate methodologies using the knowledge and experience to carry out the assignment at the required level.

## VII. DURATION OF CONSULTANCY AND TIMEFRAME

It is expected that all the consultancy services would be undertaken in 68 working days distributed in four months, as per the following timeframe:

| # | Main Activity                                                                                                                                                                                                                                                                           | Working Days Assigned |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 1 | Inception report (including Policy document and desk review) detailing the understanding of the assignment, methodology, timeframe, advisory areas and frequency, expected deliverables. This also include any research to be conducted, DBE consultation and benchmark background work | 8                     |
| 2 | Draft report including training need assessment and training modules                                                                                                                                                                                                                    | 50                    |
| 3 | Final report including the results of the training                                                                                                                                                                                                                                      | 10                    |
|   | <b>Total Working Days Required:</b>                                                                                                                                                                                                                                                     | <b>68 days</b>        |

## VIII. IMPLEMENTATION ARRANGEMENTS

The consultant will be recruited under the UNDP terms and conditions and undertake the assigned tasks and responsibilities under the direct supervision of DBE and IGSD unit of in UNDP.

Regarding logistics and administration, the consultant is required to arrange including transportation and accommodation for him/her.

## IX. PAYMENT MILESTONES AND AUTHORITY

The prospective consultant shall indicate the cost of services for each deliverable in US dollars all-inclusive<sup>1</sup> lump-sum contract amount when applying for this consultancy. The consultant will be paid only after the approving authority confirms the successful completion of each deliverable as stipulated hereunder. The consultant shall receive his/her lump sum service fees upon certification of the completed tasks satisfactorily, as per the following payment schedule:

| Payments                   | Deliverables                                                                                                                                   | Approval Should be Obtained | Percentage of Payment |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------|
| 1 <sup>st</sup> Instalment | Upon submission and approval of inception report detailing the understanding of the assignment, methodology, timeframe, expected deliverables. | UNDP Team Leader and DBE    | 20%                   |
| 2 <sup>nd</sup> Instalment | Upon submission and approval of draft report                                                                                                   | UNDP Team Leader and DBE    | 20%                   |
| 3 <sup>rd</sup> Instalment | Upon submission and approval of final report                                                                                                   | UNDP Team Leader and DBE    | 60%                   |
|                            |                                                                                                                                                |                             |                       |

## X. CONSULTANT QUALIFICATION CRITERIA

The Consultant should be an expert with experience and exposure to IT system design and implementation.

The consultant should have the following qualifications and experience:

### A. Education:

At least a Master's degree of its equivalent in Computer Engineering, Electrical Engineering, Computer Science, Information Technology or related fields.

### B. Experience and Skills:

- At least six years of experience in managing Information Technology operations and / or projects in bank or relevant institution.

<sup>1</sup> The term "All inclusive" implies that all costs (professional fees, international travel costs, living allowances, communications, consumables, etc.) that could possibly be incurred by the Contractor are already factored into the final amounts submitted in the proposal.

- Experience in the design and implementation of IT strategy, policies and procedures.
- Familiar in IT Security Management Systems (like ISO/IEC 27001), Information Technology Frameworks (like ITIL and COBIT) and IT risk management.
- Experience in implementation or upgrade of core banking system, electronic banking channels like mobile banking, mobile money, Internet banking, card banking, interfaces, Enterprise Resource Planning (ERP), etc.
- Experience in the implementation and management of IT infrastructure including data center (physical facility, access control systems, CCTV systems, generator and UPS, air conditioning, monitoring systems, etc), disaster recovery center and related systems.
- Excellent inter-personal skill and ability to work effectively with range of stakeholders.
- Ability to effectively manage projects, including outlining project objectives, planning work in a structured and systematic manner.
- Ability to work proactively and own initiative.
- Ability to work under pressure and in tight deadlines.

#### **C. Functional Competencies**

- Outstanding communication skills in English
- Positive and constructive approaches to work with energy
- Demonstrate openness to change and ability to receive and integrate feedback
- Excellent written and verbal communication skills
- Strong time management and meet established timelines.

#### **D. Language and Other Skills**

- Excellent knowledge of English, including the ability to write reports clearly and concisely and to set out a coherent argument in presentation and group interactions
- Capacity to facilitate and communicate with different stakeholders
- Computer skills: full command of Microsoft applications (word, excel, PowerPoint) and common internet applications

### **XI. CRITERIA FOR SELECTING THE BEST OFFER**

Upon the advertisement of the procurement notice, qualified individual consultant is expected to submit both technical and financial proposals. Accordingly, individual consultant will be evaluated based on cumulative analysis as per the following scenario:

- Responsive/compliant/acceptable, and
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation. In this regard, the respective weight of the proposals are:
  - a. Technical Criteria weight is **70%**

b. Financial Criteria weight is **30%**

| Criteria                                                                        | Weight                                               | Max. Point |
|---------------------------------------------------------------------------------|------------------------------------------------------|------------|
| <b>Technical Competence (based on CV, Proposal and interview (if required))</b> | <b>70%</b>                                           | 100        |
| ▪ Criteria a. Educational relevance: close fit to post                          |                                                      | 10 pts     |
| ▪ Criteria b. Understanding the scope of work and organization of the proposal  |                                                      | 50 pts     |
| ▪ Criteria c. Experience of similar assignment                                  |                                                      | 30 pts     |
| ▪ Criteria d. Previous work experience in Africa/ Ethiopia                      |                                                      | 10 pts     |
| <b>Financial (Lower Offer/Offer*100)</b>                                        | <b>30%</b>                                           | 30         |
| <b>Total Score</b>                                                              | <b>Technical Score * 70% + Financial Score * 30%</b> |            |

#### IX. CONFIDENTIALITY, PROPRIETARY INTERESTS AND EVALUATION ETHICS

The consultant shall not either during the term or after termination of the assignment, disclose any proprietary or confidential information related to the consultancy or the government without prior written consent. Proprietary interests on all materials and documents prepared by the consultant under the assignment shall become and remain properties of UNDP/DBE