

Terms of Reference

Insurance Reform Specialist

Project:	Funding Facility for Economic Reform – Federal
Post Level:	International Individual Consultant
Duty Station:	Baghdad/Iraq
Duration:	6 months (15 July 2021 – 15 Jan 2022)
Estimated Starting Date:	15 July, 2021
(Date when the selected candidate is expected to start)	15 July, 2021

1. Background

The Government of Iraq (GoI) has recently published a two-volume White Paper for economic reform outlining its vision for drastic changes to the Iraqi economy, with a focus on the financial sector, public service sector and reforms targeted at decreasing expenditures and driving up non-oil revenues.

As such, the GoI is working on insurance sector reform to lay the groundwork for a healthy insurance industry to help develop a nascent private sector in the country. Currently the insurance sector is dominated by the state-owned insurance companies under the supervision of the Ministry of Finance and no private sector insurance companies are operating in Iraq. The Iraqi Ministry of Finance is planning to reform the way this sector is modelled and regulated.

To support the GoI with this reform, UNDP FFER-Federal is seeking an Insurance Reform Specialist with a desired scope of work and qualifications as outlined below.

2. Scope of Work With the aim to energize and expand the insurance sector in Iraq. The overall objective of this assignment is to support the Ministry of Finance in assessing the existing insurance sector, regulatory framework, business processes, and standard operating procedures. Next, the Specialist will identify and set priorities for reform and creating an action plan with concrete timelines. Finally, the specialist will work on implementing 3-4 key reform priorities and delivering at least 4 relevant training courses.

For the duration of this post, the Specialist will be working in the Ministry of Finance and will work under the overall guidance and supervision of the Minister of Finance special advisor, as well as in coordination with the UNDP FFER-Federal Project Manager.

Key duties and responsibilities will include, but are not limited to:

A. Prepare an initial baseline report on the current state of the insurance sector – Conduct desk review of Laws, regulation, SOPs and all other relevant documents related to the insurance industry including but not limited to all relevant risk mitigation laws and regulations currently in effect. Prepare an initial baseline report through a desk review of relevant documents. This report will then serve as a foundation for more in-depth consultation with stakeholders. This report must include, but is not limited to:

1. A thorough **outline** of federal insurance laws, regulations and Standard Operating Procedures (SOPs).
2. A **general assessment** of the current state of the insurance sector.
3. A **matrix** that captures best practices examples from global experiences and conduct comparative assessment to insurance sectors.
4. List of all necessary stakeholders required for in-depth follow up.

B. Prepare a detailed assessment report on the current state of the insurance industry – Conduct in-depth consultation meetings with the state-owned insurance companies, Ministry of Finance, Ministry of Planning and other relevant government and non-government entities – with the support of the baseline report. Informed by these in-depth meetings, the specialist shall prepare a detailed assessment report of the current state of the insurance sector by doing the following:

1. Assess the overall regulatory framework for insurance and identify existing regulatory gaps.
2. Assess and map existing business processes (as is).
3. Assess the insurance policy registration mechanisms and procedures, and identify related issues.
4. Assess the risk mitigation process for all the main insurance areas.
5. Assess SOPs and Procedures in terms of their consistency, their ability to be easily understood and followed, and their transparency.
6. Assess information collection and sharing between government agencies on the insurance policy holders.
7. Assess interagency coordination and arrangement.
8. Assess current status of the “under-insured”.
9. Study viability of merging or specializing the two state-owned insurance companies.
10. Provide actuarial advice to the Ministry of Finance.
11. Work with the Ministry of Finance on risk management.
12. Provide Ministry of Finance and state-owned insurance company staff technical and insurance terminology capacity building.
13. Study and make recommendations on measures to expand the insurance industry in Iraq.

14. Study and make recommendations on the viability of implementing insurance (health, automobile, home, unemployment, etc.) mandatory in Iraq.

C. Capacity Building and Technical Support to Ministry of Finance to develop Insurance Sector Reforms – with the aid of the detailed assessments to be conducted, the specialist will support Ministry of Finance to set priorities for the reforms to be undertaken. The specialist will:

1. **Develop Draft Insurance Sector Reform Roadmap** – Support Ministry of Finance to draft a insurance sector reform roadmap that addresses regulation, procedural, business process, enforcement, interagency coordination and information sharing, and Management Information System. This roadmap shall provide detailed recommendations on what actions and reforms should be taken to reform those areas covered in the detailed assessment report (see B. above)
2. **Conduct Consensus Workshop** – Lead a workshop with key stakeholders related to insurance issues in Iraq including but not limited to the state-owned insurance companies, Ministry of Finance, Ministry of Planning, Ministry of Labour and Social Affairs to review the draft reform roadmap, discuss questions, comments, and objections, and catalogue these points for amendment of the draft.
3. **Submit Final Insurance Sector Reform Roadmap** – Amend the draft document based on the outcomes/discussions of the workshop and any other consultation meetings conducted. A final insurance sector reform roadmap shall be submitted based on these final discussions and amendments.
4. **Develop necessary Terms of Reference (ToRs) to support Insurance Sector Reform Roadmap** – the Specialist shall support with the development of ToRs for the necessary consultancy work to implement the Insurance sector Reform Roadmap.

D- Working on implementing key reform priorities identified in the developed **Insurance Sector Reform Roadmap** that can contribute to 3-4 in the following reform areas:

1. Developing basic amendments in the existing legal and regulatory framework that review insurance requirements and exemptions and make the existing insurance system simple and its administration more effective.
2. Social insurance schemes (health, unemployment, etc.) in Iraq
3. Property and automobile insurance in Iraq
4. Insurance for Small and Medium Enterprises (SMEs) in Iraq

E- Capacity Building: Delivering at least 4 training sessions on subjects related to Insurance Reforms to the MoF's staff including those with the state-owned insurance companies based on the conducted assessment and the developed roadmap.

3. Expected deliverables and payments:

Deliverables	Timeline of receiving deliverables	Payment %
Baseline (Desk Review) Report developed	Mid of August, 2021	10%
Detailed Assessment Report and initial set of recommendations submitted	Mid of September, 2021	15%
Insurance Sector Reform Roadmap submitted	Mid of October, 2021	30%
3-4 key “quick win” identified in the reform roadmap, implemented	Mid of December, 2021	30%
At least 4 training sessions delivered	Mid of January, 2022	15%

4. Travel and accommodation:

Travel to and within Iraq, visa cost, daily living cost in Baghdad and Erbil including accommodation in UN cleared hotels should be detailed and be inclusive of the lump sum fee proposed by the Specialist.

5. Reporting:

Overall management: The Specialist shall report directly to the Project Management to whom all deliverables should be provided within agreed timelines.

6. Contract Duration:

The assignment will be for over a period between mid – July 2021 and mid Jan 2022 Baghdad and Home-based starting from the date that work is assigned to the Specialist by the Project Manager. The Specialist is expected to start mid of July 2021.

5. Qualifications and Requirements:

The Specialist will require the following qualifications, experience, competencies and language skills. Only applicants who meet these criteria will be short-listed and will be contacted.

A. Education and Professional Qualifications Required:

- A Master’s Degree or equivalent in Economic, Finance, public administration, or related field.

B. Experience Required:

- At least 10 years of relevant working experience in insurance-related work.

- Expertise in conducting situation analyses and needs assessments related to insurance sector reform in developing countries.
 - Experience in facilitating dialogue among key stakeholders at a high political level to formulate, validate and adopt reform priorities.
 - Demonstrated ability to facilitate consultative meetings and to make presentations of technical findings to a wide audience.
- **Price Proposal and Schedule of Payments**

The Specialist shall submit a price proposal as below:

- **Lump Sum Fee** – The Specialist shall propose a lump sum fee, which should be inclusive of his/her professional fee and all other costs including visa, travel to and within Iraq, accommodation in UN cleared hotels, living cost in Iraq including local communication cost and insurance (inclusive of medical health insurance and evacuation).