

## ANNEX 1: TERMS OF REFERENCE

### RECRUITMENT OF A SENIOR INDIVIDUAL CONSULTANT MIDDLE/BACK OFFICE OF TRADE FINANCE DIVISION, FINANCIAL SECTOR DEVELOPMENT DEPARTMENT (PIFD)

#### 1. BACKGROUND

- The Financial Sector Development Department (PIFD) of the African Development Bank (AfDB) has primary responsibility for leading the implementation of the Bank Group's Financial Sector Development Strategy & Policy.
- PIFD is fully responsible for the Bank's sovereign and non-sovereign financial sector operations in Africa's 54 Regional Member Countries (RMCs) including the provision of: equity, guarantees, lines of credit to financial intermediaries, loans to qualified corporates and technical assistance among others. One of the main divisions in PIFD is the Trade Finance Division, which is responsible for providing trade finance solutions to financial institutions and soft commodity corporates engaged in supporting regional and international trade in Africa.
- The need to increase trade amongst RMCs and with the rest of the world is a key priority of the AfDB. Africa's trade has tripled in volume over the past decade, and this has generated increased demand for trade finance that is not fully met by the available supply.
- To help bridge the continent's trade finance gap, the AfDB launched a Trade Finance Program (TFP) in February 2013. The TFP offers 4 complementary products to provide liquidity and risk mitigation support to financial institutions (FIs) and commodity corporates in Africa: (i) Trade Finance Line of Credit; (ii) Soft Commodity Finance Facility; (iii) Risk Participation Agreement (RPA); and (iv) Transaction Guarantee (TG). The RPA is a portfolio approach of providing payment guarantees to international banks for their trade transactions with FIs in Africa while under the TG products, the Bank provides guarantees (up to 100% payment risk-cover) to CBs for eligible short-term trade finance obligations, such L/Cs originated by IBs registered and operating in the Bank's RMCs. AfDB monitors the use of RPA and TG through a stand-alone bespoke database system while TG and other two funded products (TFLOC and SCFF) are managed through the Bank's main SAP system.
- There has been high demand for the TFP from both local financial institutions and international confirming banks. While the Trade Finance Division continues to build its human resource base, it has become necessary to recruit the services of a consultant to share the workload in the middle/back office.
- In light of the above, the Bank is requesting expressions of interest from suitably qualified individuals to serve as a senior consultant in the middle/back office of the Trade Finance Division.

#### 2. OBJECTIVES OF THE ASSIGNMENT

The objective of this request is to hire an **experienced senior consultant, in Trade Finance operations**, to support the middle and back office efforts of the Trade Finance Division in order to achieve the following:

- Effective handling and monitoring of all operational aspects of the middle/back office activities of the Trade Finance Division.

- High quality relationship management of partner financial institutions under Risk Participation Agreement and Transaction Guarantee implementation;
- Mitigating operational risk and ensuring that the Bank's trade finance guarantee portfolio is efficiently managed at all times.
- Providing timely and accurate reports and information to internal stakeholders.

### **3. MAIN ACTIVITIES AND DELIVERABLES**

Under the supervision of the Division Manager and with guidance from the Trade Finance Operations Officers, the successful candidate will be expected to undertake functions including, but not limited to the following:

- As part of the trade finance middle/back office team, maintain a database of trade finance guarantee transactions originated under various Risk Participation Agreements (RPA) and Transaction Guarantee (TG).
- Receive and verify reports received from RPA partners/CBs and subsequently upload into the TF database for purposes of tracking limits, exposures, maturity dates and fees; and for generating requisite information for reporting purposes.
- Monitor transactions to ensure they are executed in accordance with eligibility criteria of the TFP and fully mirror those of the Confirming Bank (CB) partners across all RPAs and TGs to ensure zero reporting error.
- Monitor fees receivable and reconcile them with reports and actual payments received from CB partners under RPAs and IB or CB partners under TGs.
- Conduct monthly reconciliation of transactions between the Bank and CB partners to ensure complete alignment at all times.
- Collaborate with the other members of the TF team to develop an internal list of issuing banks in Regional Member Countries in accordance with approved terms of the TFP.
- Maintain close relationship and interface with the AfDB's IT Department to assure the robustness and efficiency of the database on a going basis.
- Prepare presentations, portfolio analysis reports, briefs and memos as required.
- Draft notes to the Bank's Credit Risk Committee for requests on amendments to the terms of agreed RPAs and TGs.
- Participate in supervision missions to evaluate the commercial and developmental impact of RPA and TG projects and to verify adherence to the agreed terms and conditions.
- Keep abreast of developments in the financial sector in RMCs to identify early warning signals of increased risk and deterioration in market conditions that could affect the Bank's trade finance portfolio.
- Conduct routine AML/KYC and compliance checks on designated issuing banks and TG transactions.
- Perform any other duties as may be assigned by the Lead Trade Finance Specialist.

### **4. ADMINISTRATION/REPORTING**

The consultant will report to the Trade Finance Division Manager (PIFD3), Financial Sector Development Department.

### **5. DURATION OF ASSIGNMENT & TENTATIVE COMMENCEMENT DATE**

The services of the Consultant will be required for an initial period of 12 months. The tentative commencement date is January 3, 2022.

## **6. QUALIFICATIONS AND EXPERIENCE**

**Minimum Educational level of Consultants:** Master degree (or the equivalent) in a relevant discipline.

- The ideal candidate should have a minimum of 5 years cognate experience in transactions database management in a financial institution or trade finance environment.
- Good understanding of Trade Finance instruments (Letters of credit confirmation, Refinance, Bank guarantees, Documentary collections, Trade loans etc.) in a commercial banking environment.
- Strong proficiency in SharePoint Access and Microsoft suite (including Microsoft Excel and Access).
- Strongly analytical skills with an eye for detail.
- Excellent written and verbal communications skills in English and/or French and with good working knowledge of the other.

## **7. LOCATION OF THE POSITION**

The consultant will be based in Abidjan, Cote d'Ivoire.

## **8. CONTRACT AMOUNT AND METHOD OF PAYMENT**

The Contract and Method of Payment will be based on the Bank's 'Guidelines on Individual Consultants Remuneration'. Remuneration will take into account the number of years of relevant experience.