
**EAST AFRICAN COMMUNITY
SECRETARIAT**



REFERENCE: EAC/PSSIP/IC/2024/04

TERMS OF REFERENCE (TOR)

FOR

**CONSULTANCY SERVICES TO CONDUCT A PROJECT COMPLETION
REPORT (PCR) FOR EAC- PAYMENT AND SETTLEMENT SYSTEMS
INTEGRATION PROJECT (EAC-PSSIP)**

ADF Grant No.: 2100155023918

**PROJECT NAME: THE EAC PAYMENT AND SETTLEMENT
SYSTEMS INTEGRATION PROJECT
(EAC-PSSIP)**

**EAC SECRETARIAT
Arusha, Tanzania
July, 2024**

1. Background

Following a request from the East African Community (EAC) Secretariat to the African Development Bank (AfDB) to support the areas of Payment and Settlement System Integration and development of Microfinance Sector of the EAC Financial Sector Development and Regionalization Project (EAC-FSDRP1), the AfDB committed to support Payment and Settlement Systems Integration. Consequently, a series of discussions were held between EAC and the AfDB beginning with a conference in Kigali (December 2010) that recommended the Payment and Settlement System Integration Project (PSSIP). A roadmap illustrating the broad timing and objectives to be undertaken was adopted by the 13th Meeting of the Monetary Affairs Committee (MAC) held in Zanzibar, December 2010.

The EAC-PSSIP is an integral part of the FSDRP's overall objective of broadening and deepening the financial sector and is aimed at complementing the integration of the regional financial market infrastructure to facilitate the undertaking of cross border funds transfer in support of the economies of the region as a whole. The project objective is to contribute to the modernization, harmonization and regional integration of payment and settlement systems.

The project specifically aims at enhancing convergence and regional integration of payment and settlement systems; and strengthening a harmonized legislative and regulatory financial sector capacity in the Partner States. The Project is structured under the following components: *Component 1*: Integration of Financial Market Infrastructure, *Component 2*: Harmonization of Financial Laws and Regulations, and *Component 3*: Capacity Building.

2. Rationale

A sound and robust domestic payment and settlement system is a necessary condition for an efficient and secure harmonized cross border clearing and settlement system. This requires a holistic, harmonized and sound regulatory framework and a joint oversight arrangement between the participating central banks. The EAC recognizes that regional economic and financial integration will increase intra-regional trade, labor and capital mobility as well as make the region a more viable destination for both foreign and domestic investment. PSSIP is designed to strengthen the efficiency of cross-border fund transfers, together with strengthening of financial sector regulatory and legislative capacities, with a view to promoting financial sector development and integration in the region.

3. Objectives of the Consultancy

The main objective of the consultancy is to assess whether the project achieved its intended objectives, outputs and outcomes as stipulated in the Results Framework and ascertain the completion rate of project activities; what has-been achieved and what remains to be completed and what impact has-been made on beneficiaries, *and*;

Provide lessons learnt for use in the design of new projects and guide for policy change.

4. Scope of Assignment

- i. Analyse the attainment of the development objectives of the project as set out at the Project Appraisal Report per component in terms of delivered outcomes, inputs and outputs. The PCR will also inform the completion rate of project components and certify accordingly that they have been completed;

- ii. Examine the project design, its components, the appropriateness and the institutional framework so as to assess efficiency of project organization and management.
- iii. Assess the effectiveness, relevance, project benefits and challenges; this includes a review of the appropriateness of project objectives and strategy, activities, budget, inputs and organization/ institutional set -up
- iv. Analyze which factors and constraints have influenced project implementation, including organizational, institutional, and bank policy issues, and other external factors unforeseen during design;
- v. Assess project sustainability: analyse the aspects of maintenance capacity in terms resources and technical expertise; analyze the institutional strengthening achievements of the project from the point of view of sustainability of the outputs
- vi. Identify operational lessons learned, to serve as inputs for future project design and implementation. Spell out recommendations for follow - up actions to improve the sustainability of benefits of the project itself and for strengthening the implementation of other projects.

5. Reports and Deliverables

The consultant deliverables

- (i) Inception Report– including but not limited to the approach, methodology and preliminary data based on desk research;
- (ii) Draft Report summarizing the results; the draft report shall be presented in a stakeholder validation workshop aimed at review and enrichment of the work of the consultant;
- (iii) Final Project Closure Report

All the reports shall be in Standard English language, neatly bound, with an attractive outlay and shall contain the main text and annexure, with tools/ frameworks, illustrations and/or logical flow diagrams.

6. Duration of the Consultancy

It is estimated that the work will require a maximum input of **30 expert-days**, spread within three (03) calendar months. The work is anticipated to start in October 2024 and is expected to be completed by end of December 2024.

The consultant will work closely with the EAC-PSSIP Project Manager, the Project Implementation Teams at the EAC Partner States Central Banks, Bankers Association in the region and the stakeholders specifically identified for the project.

7. Consultant's Qualifications and Key Competencies

The consultant should possess the following

- I. Minimum of Master's Degree in project management, economic development, Business Administration, Monitoring and Evaluation or any other relevant field from a recognized and accredited University/Institution.

- II. At least ten (10) years of experience in project M&E, preferably under Africa Development Bank, World Bank or Government Development partners funded projects. Proven experience in undertaking PCR in the financial sector, understanding of payment systems will be an added advantage
- III. Proven experience with the M&E methods and approaches (including quantitative, qualitative and participatory),
- IV. approaches in generating and analysing data for program evaluation; Excellent written, oral and analytical communication skills
- V. Knowledge of new developments in payment and settlement systems the CPSS-IOSCO Principles for Financial Market infrastructures (PFMIs) is an added advantage

The selection procedure, eligibility criteria and establishment of the short-list, shall be in accordance with the African Development Bank's Procurement Policy for Bank Group Funded Operations, October 2015, which is available on the Bank's website at <http://www.afdb.org>

8. Reporting obligations

The consultant will make sure that during the course of the assignment is obliged to make adequate and satisfactory documentation and reports pertaining to successful implementation of the assignment. Approval of the documents and reports by the EAC Secretariat as deliverables will be a prerequisite before any payment are made to the consultant. The consultant will report to the EAC-PSSIP Project Manager at the EAC Secretariat.

9. Ownership of confidential information

The consultancy would ensure all data/information collected under this consultancy is kept confidential and will be the sole and exclusive property of EAC and AfDB. The consultant will not acquire any right, title or interest in or to any of the confidential information collected for this consultancy.