

# REQUEST FOR EXPRESSIONS OF INTEREST

## (CONSULTING SERVICES FIRMS SELECTION)

DEVELOPMENT BANK OF NIGERIA

### DEVELOPMENT FINANCE PROJECT



**DBN**  
Development  
Bank of Nigeria  
RC 1215724

...Financing Sustainable Growth

Assignment Title: Hiring of a consulting firm to conduct a Diagnostic Assessment of the Corporate Governance Practices of the Development Bank of Nigeria Plc (DBN)

**Reference Number: NG-DBN-106659-CS-CQS**

The Development Bank of Nigeria (DBN), a wholesale development finance institution, supported by the World Bank-funded US\$500 million Development Finance Project and other development partners namely: the African Development Bank (AfDB), the German Development Bank (KfW), the French Development Agency (AFD) and the European Investment Bank (EIB), was established with the objective of addressing the access to finance gaps of underserved Micro, Small and Medium Enterprises (MSMEs) in Nigeria.

The DBN was set up with a robust governance structure to promote operational and financial sustainability, ensure transparency, and promote effectiveness. These features of the DBN's model are critical to its success and it is important that they be preserved. Compliance with the DBN's strategic mandate is ensured by its governance structure: DBN's board members were competitively selected independent directors. The process of appointing independent directors is stipulated in the Memorandum and Articles of Association (MemArt) which requires that independent directors have specific professional and technical qualifications and are selected from a qualified pool of candidates recruited with the support of an independent search firm. In addition, the AfDB and EIB are represented on the Board as equity-owner, and the World Bank attends the Board meetings as an Observer, thus strengthening institutional transparency.

As strong corporate governance is key to the successful achievement of the DBN's mandate, the Corporate Governance assessment is a key requirement of the DBN's Project Implementation Plan. The purpose of the assessment is to ensure that the Bank's Governance systems and procedures are in compliance with local regulations and international good practices and are sufficiently robust to ensure that the DBN delivers on its stated mandate

This task will result in a baseline assessment of all aspects of corporate governance in the DBN, including with respect to its wholly owned subsidiary IMPACT Credit Guarantee Company. The assessment will provide tailored analysis and recommendations in relation to the following areas:

- **The Robustness of the DBN's Approach/Commitment to Good Corporate Governance:** an analysis as to whether the formal structure of the corporate governance framework is in place (including, whether the Bank's policies and procedures provide for appropriate corporate governance structures and processes, and support implementation of a sound corporate governance framework); whether the management of DBN provides an appropriate "tone-at-the-top" with regards to corporate governance; and whether the DBN has established key functions, such as reporting, and checks and balances in decision-making, essential to a sound corporate governance system.
- **The Effectiveness of the DBN's Governance Structure as regards Board /Strategic and Supervision Functions:** analysis as to whether the governance functions related to (i) strategic navigation of the DBN in achieving its stated objective, and (ii) oversight of management/executives are effectively and optimally performed; and in which areas the DBN could benefit from the strengthening of certain practices. The assessment would review board practices, composition, skills-mix and appointment practices as well as the professionalism,

substantive appropriateness and effectiveness of its deliberation and decision-making processes. It would also consider the policies overseen by the Board and their effectiveness in implementation as regards performance monitoring and evaluation of management, remuneration policies and practices; board evaluation techniques; and training of board members.

• **Control, Risk-Management and Audit Environment:** analysis as to whether the DBN has:

- appropriate structuring and oversight of the control and risk-management environment;
- appropriate internal control and information system;
- a sound risk management system allowing for risks to be identified, assessed and monitored on an ongoing basis; and
- an internal audit function established in line with the standards of the profession and best practice.

• **Transparency, Disclosure, Communication with External Stakeholders:** an assessment as to whether the DBN has appropriate policies and mechanisms in place for timely and accurate disclosure to key stakeholders/investors, business partners, lenders and other relevant third parties; whether the DBN is appropriately transparent in communication with its stakeholders; and suggestions regarding annual reports and website entries designed to enhance the DBN's accountability and transparency.

• **The Role of the State as Owner:** an assessment of the role of the Federal Government of Nigeria (directly and indirectly) as shareholder, including the capacity of the government as represented by the Ministry of Finance and the Nigeria Sovereign Investment Authority to act as an informed shareholders; the board nomination and appointments process; and the role/pro-activeness of the government and non-governmental shareholders in engaging in the monitoring and evaluating of the performance of the bank.

The task will also require the consultant to undertake a formal assessment of the current condition of the DBN with reference to the requirements of the Central Bank of Nigeria Code of Corporate Governance for Development Finance Institutions, the Securities and Exchange Commission's Code of Corporate Governance for Public Companies, and the Code of Corporate Governance for Public companies as issued by the Financial Reporting Council of Nigeria

Details of the consulting services to be provided are described in the Terms Of Reference which can be found on DBN's website at the following link <http://bit.ly/DBNCGTOR>

The DBN invites eligible consulting firms ("Consultants") to indicate their interest in providing these Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform these Services.

*The minimum qualification criteria for this consultancy are provided below.*

**Minimum firm qualification criteria:**

- Evidence of at least 10 years of international experience with similar advisory projects related to corporate governance reviews in financial industry, including public companies, with

relevant project experience in at least 2 jurisdictions;

- Evidence of at least one recent similar assignment undertaking corporate governance assessment of a financial institution;
- Experience with similar assignments funded by multilateral agencies

Expressions of Interests submitted should not exceed 25 pages and interested Consultants should provide the following information as part of their Expression of Interest:

- Firm qualifications and details of relevant experience specifically responding to each of the qualification criteria above, including a brief description of the scope of the projects, outputs, the dates of implementation, budget and the funding organization;
- To illustrate achievement and sustainability, the expression of interest should indicate measurable results following each criterion highlighted above.

Interested Consultants are referred to Appendix 1 below. Detailed information on assignments executed should be presented in the format provided in Appendix 1.

The attention of interested Consultants is drawn to paragraph 1.9 of the World Bank's Guidelines: Selection and Employment of Consultants under IBRD and IDA Credits & Grants by World Bank Borrowers, January 2011, revised in July 2014 ("Consultant Guidelines") setting forth the World Bank's policy on conflict of interest.

In line with the World Bank's Consultant Guidelines, interested consultants may associate with other firms in the form of Joint Ventures or Sub-consultancy to enhance their qualifications.

For a Joint Venture, each member of the Joint Venture firm shall be reasonably qualified to undertake the assignment in case of withdrawal by any of the members. Expressions of Interest from Joint Venture firms should include the following:

- A cover letter stating the type of association or partnership for the joint submission e.g. a Joint Venture/ Consortium or a Sub consultancy.
- A draft agreement to form a Joint Venture/Consortium or letters of intent to form a JV/Consortium submitted by each member of the JV
- Required information on similar assignments executed by each member of the JV, to allow for an assessment of each member against the minimum firm qualification criteria.

A Consultant will be selected in accordance with the Consultant Qualification Selection method set out in the Consultant Guidelines.

Further information can be obtained at the contact information below during office hours [0900 to 1700 hours Monday- Friday, local time].

Expressions of interest - citing the above assignment title and reference number in the subject - must be delivered in a written form either to the address below (in person or by mail) or preferably e-mail by 13th December, 2019

The Project Coordinator,  
Project Implementation Unit  
Development Bank of Nigeria (DBN)  
The Clan Place,  
1386A, Tigris Crescent, Maitama, Abuja, Nigeria.  
E-mail: [johioma@devbankng.com](mailto:johioma@devbankng.com)  
CC [audit@devbankng.com](mailto:audit@devbankng.com)  
[procurement@devbankng.com](mailto:procurement@devbankng.com).

#### Appendix 1: Assignment of a Similar Nature to the Assignment Successfully Executed by the Firm

- Interested consultants are expected to list relevant projects against each of the 3 minimum criteria stated below (kindly copy and paste the criteria into your table). Information on project title, budget, responsibilities, dates, output, location, funding organization and references should be provided for each named project.

- In the case of Joint Ventures/ Consortiums, each partner firm must provide its own table of Assignments of a Similar Nature to the Assignment, to allow for an individual assessment of partner firms.

The table shall take the following format:

| Minimum firm qualification criteria: copy and paste the 3 minimum criteria provided below | In the case of Joint Ventures/ Consortium, state relevant firm within the consortium Only applicable to JVs/Consortiums | Titles of Projects: list all relevant projects applicable to each criterion | Project Scope: Provide a description of the scope/scale of relevant projects including geographical scope (coverage) | Budget and financial scope of each of the named projects | Main project responsibilities/ activities | Start and end dates of each named relevant project. | Measurable Result/ Impact/Output: Provide information of the success or outcome of the project | Locations: Provide geographical locations of the named projects | Funding Organization | References: (i.e. Name, Email Address, Address, Phone Number) |
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- Evidence of at least 10 years of international experience with similar advisory projects related to corporate governance reviews in financial industry, including public companies, with relevant project experience in at least 2 jurisdictions;
- Evidence of at least one recent similar assignment undertaking corporate governance assessment of a financial institution;
- Experience with similar assignments funded by multilateral agencies

