

2025

BUILDING CREDIT REPORTING INFRASTRUCTURE IN SOMALIA

TERMS OF REFERENCE

1. INTRODUCTION

The International Finance Corporation (IFC) – a member of the World Bank Group (WBG) – is the largest global development finance institution focused on the private sector in emerging markets. IFC combines expertise in the financial sector and private sector development to foster private sector led growth and help create markets in client countries. We deliver tailored development solutions to countries and the global community at large, working with our public and private sector clients. We structure and implement comprehensive financial sector and private sector solutions that bring together knowledge, financial products (loans, credits, guarantees, and risk-management products), convening services, and IFC advisory services. For more information, visit www.ifc.org.

Financial Institutions Group (FIG) focuses on providing financial products and services to financial institutions in emerging markets. Its primary objective is to promote sustainable and inclusive economic growth by supporting the development of a strong and resilient financial sector. Within FIG, the Financial Inclusion team's key priority is creating scalable global solutions to promote access to finance for the underserved segments in emerging markets.

The Financial Infrastructure Practice group of IFC FIG works to improve credit infrastructures globally. In Sub-Saharan Africa in order to enhance access to finance for individuals, and Micro, Small & Medium Enterprises (MSMEs) and businesses that are normally constrained, the team provides timely, high-quality advice and strategic direction on issues such as credit reporting and modern secured transactions frameworks, through Advisory Services – to ensure high-impact delivery to clients. The team offers structured, comprehensive, and multifaceted credit-infrastructure interventions using the following global business and delivery model:

- Reforming credit infrastructure legal and regulatory frameworks,
- Creating and/or strengthening credit infrastructures,
- Raising awareness and building capacity,
- Monitoring impact, and
- Setting international standards and promoting global knowledge and expertise.

2. BACKGROUND

There is no formal credit reporting or any type of formal private sector data sharing arrangements in Somalia yet. The private financial sector does not have adequate tools and information to assess the risks associated with MSMEs and individuals and thus chooses not to provide financing to them. The market has limited use for scoring applications or automated account management systems, as the low number of applications make it difficult to build statistical models.

Within the context of the above, IFC is supporting **THE CENTRAL BANK OF SOMALIA (CBS)**, in the development of a **credit information ecosystem** that meets the needs of Somalia and supports financial institutions to make data driven lending decisions. IFC's initiative aims to expand access to finance for individuals and MSMEs by improving their credit risk management processes of the financial institutions through deploying a credit information system.

3. OBJECTIVES

IFC is looking to engage a **Consultancy firm (Program Coordinator)** to help **coordinate project implementation and provide in-country financial sector expertise/support** to the Task Team Leader (s) and Specialists.

4. SCOPE OF WORK AND OBJECTIVES

The Program Coordinator 's responsibilities will include the following:

- Act as the primary on-ground liaison with the client, the Central Bank of Somalia, and key sectoral stakeholders, under the guidance of the IFC Task Team Leader.
- Organize consultations with key sectoral stakeholders to gather insights and feedback.
- Provide technical expertise and advice to the Project Lead and Specialists on project implementation.
- Establish and maintain relationships with reform champions to create momentum and initiate regulatory and institutional change recommendations.
- Regularly monitor the financial sector in Somalia and draft briefs and updates as requested by the IFC Task Team Leader.
- Work closely with other consultants on their assessments, assisting with the review of deliverables, quality assurance, problem-solving, and risk management.
- Monitor project activities, media coverage, and implementation, providing regular reports, especially in the context of project supervision requirements.
- Contribute to knowledge management efforts and the extraction of lessons learned.
- Represent the IFC project teams in various meetings, providing sound guidance on project activities throughout the implementation period.

5. DELIVERABLES / SPECIFIC OUTPUTS

The Firm Consultant will be required to submit quarterly reports providing a comprehensive overview of the activities finalized during the reporting period, ensuring transparency, accountability, and effective project management. This report will highlight key achievements, challenges encountered, and progress towards project objectives.

The consultant is solely responsible for the quality of work and timely completion of all tasks and deliverables defined by this Terms of Reference. Throughout the course of the assignment, the consultant will report to the IFC Task Team Leader.

6. DURATION

The total duration of the assignment will be 12 months, and it will commence immediately from the date of the contract's signature. There is a possibility for extension, contingent on satisfactory performance and the availability of funds.

7. PAYMENT SCHEDULE

Fees for the **Consultant** ("Firm") will be payable as follows:

- 10% upon contract signing
- 20% upon submission of project status update report (Quarter 1)
- 20% upon submission of project status update report (Quarter 2)
- 20% upon submission of project status update report (Quarter 3)
- 30% upon submission of final report

The Firm Consultant should submit a statement of estimated professional fees to complete the services contemplated above. All travel expenses incurred in implementing the assignment shall be borne by the World Bank Group. The consultant shall ensure that travels are approved prior to undertaking them.

8. QUALIFICATIONS

The Firm Consultant for the assignment require multi-disciplinary skills. The Team Lead should have:

- A strong track record in successfully delivering similar activities in emerging / developing and fragile and conflict affected markets.
- Graduate (Masters) degree in Economics, Law, Public Policy, Business Management or related field.
- Extensive hands-on experience with a minimum of 15 years' experience in designing and implementing projects related to the financial sector as well as experience in working with international donors, government agencies and the financial sector.
- Sound knowledge of the structure and operations of the Somalia financial sector with expertise in at least one of the thematic areas covered by the Program – credit reporting, and secured transactions in movable assets.
- Demonstrable experience in the development of legal and institutional frameworks as well as investment climate reform with extensive industry knowledge and network.
- Excellent verbal and written communication skills in English. Knowledge of Somali is a plus.
- Ability to interact and engage effectively with Somali stakeholders both in the public and private sectors.
- Capability to influence decisions, provide guidance, and coordinate change management.
- Awareness and sensitivity to cultural differences, particularly in the Somali context.

9. FOLLOW ON WORK

There is potential for extending follow-on work with a similar scope, engaging with another implementing agency in a different jurisdiction, contingent upon satisfactory performance under this contract and the availability of funds.

10. CONFIDENTIALITY STATEMENT

All data and information received from WBG for the purpose of this assignment is to be treated confidentially and only to be used in connection with the execution of these Terms of Reference. All intellectual property rights arising from the execution of these Terms of Reference are assigned to WBG. The contents of written materials obtained and used in this assignment may not be disclosed to any third parties without the expressed advance written authorization of the WBG.