

**TERMS OF REFERENCES
FOR
International Capital Markets Advisor**

Background

The International Bank for Reconstruction and Development has granted a USD 30 million loan to the Republic of Serbia (RoS) to support the reform of capital markets through the implementation of the Catalyzing long term finance through capital markets project (The Project).

The Financial System Department of the Ministry of Finance (MoFFS) is the entity responsible for all technical aspects of the Project implementation. The Project is built upon the MoFFS's successful experience in implementing previous World Bank Group projects.

Given the specific nature of the Project, the MoFFS is closely working with the Republic of Serbia Securities Commission (SSC), Central Security Depository and Clearing House (CSD), Belgrade Stock Exchange (BELEX), and other relevant public and private sector institutions on the implementation of this Project in order to properly align it with applicable regulatory requirements.

The Project is governed by a Stakeholder Committee with the operational activities performed by a dedicated Taskforce appointed by the MoFFS.

In order to efficiently implement all planned activities additional required professional support will be engaged throughout the Project lifecycle.

Objectives of the Project

The Project's overall objectives are the development of the legal, regulatory and economic environment under which the capital markets operate, and to deepen the corporate bond market, including green and other thematic bond issuances. The Project is structured around two main components:

Component 1 - Institutional, Legal and Regulatory Reforms; focused on strengthening key local capital markets institutions, particularly the SSC, CSD, and BELEX by aligning them with the relevant international standards.

Component 2 - Corporate Bond Issuance; Focused on expanding the supply side and the corporate bond issuer base (issuing more corporate bonds and/or other non-government securities instruments) starting from the identification of potential issuers and supporting the process leading to final issuance. Specific focus will be on green and other thematic issuances (with an explicit emphasis on climate financing). Additionally, deepening the demand side (attracting more investors) by simplifying the taxation regime for capital markets will also be an important part of Component 2 activities.

MoFFS selected companies, such as law firms, audit firms, financial advisory firms, brokerage firms, EMSA-registered credit rating agencies, and other critical service providers, that are providing full support and guidance to companies participating in the Project.

Objective of the Assignment

The International Capital Markets Advisor will play a key role in supporting the development and internationalization of Serbia's capital market. This position involves actively identifying and engaging with regional and international investors, with the goal of promoting Serbia's Corporate Bond Issuance Program and other capital market investment opportunities.

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The Advisor will serve as a bridge between Serbia's capital markets and the global investor community, providing strategic insights and guidance to the international investors on the legal, regulatory, and procedural requirements for participating in the Serbian capital market. In doing so, the Advisor will aim to enhance transparency, build investor confidence, and support the deepening of Serbia's financial market.

In parallel, if needed, the Advisor will act as a support to the potential corporate bond and equity issuers in Serbia and their local advisors, offering technical assistance to help structure their financial products in a way that aligns with international investor expectations and market standards.

Scope of Work

The Advisor shall:

- Continuously analyze trends in global capital markets, including debt and equity instruments, to develop a comprehensive understanding of investor behavior, market preferences, pricing benchmarks, and capital flow dynamics;
- Actively promote Serbia's Corporate Bond Issuance Program and broader capital market investment opportunities to regional and international investors, through investor briefings, and direct engagement;
- Assess and communicate the political, economic, and financial outlook of Serbia to international investors, providing clear, data-driven insights that support investment decision-making;
- Support to the Communication Lead in execution of investor relations strategies in line with the Communication Strategy;
- Provide guidance to potential investors on the legal and regulatory requirements for participating in Serbia's capital markets with the support of legal and financial advisors.
- Advise CBI candidates on the best methods for raising capital internationally.
- Provide strategic recommendations on the timing, size, and structure of capital markets instruments.
- In order to avoid any duplications, closely coordinate with the financial advisors and arrangers potentially supporting the CBI candidates on corporate bond issuances.

Reporting requirements

The Advisor will report to the Assistant Minister in charge and/or the Project Manager. In addition, the Advisor shall regularly inform the Assistant minister in charge and/or the Project Manager on the progress of the Project activities.

The Advisor shall submit Quarterly reports regarding the performance of communication activities and on progress and achievements against established goals.

Upon request of the Assistant Minister in charge of the MoFFS, the Consultant shall submit an ad-hoc progress reports on the implementation of the assignment.

High level profile of the Advisor:

- Proven track record (minimum 5 years) in providing financial advisory services related to capital markets, including structuring of bond and equity issuances;

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- Experience in providing advisory services related to local currency bond issuances including international placements in local currency;
- Demonstrated experience in advising governments, stock exchanges, or private sector clients on capital raising strategies, investor relations or market access;
- Experience in working with both institutional investors and corporate/municipal issuers in emerging markets;
- Prior engagement in projects promoting cross-border investment, regional capital market integration, or investor outreach campaigns;
- Strong expertise in international capital markets, including knowledge of market trends, instruments, pricing mechanisms and investor behavior;
- Familiarity with regulatory frameworks relevant to capital markets in the EU and Serbia, including MiFID II and ESMA standards will be considered as an advantage;
- Experience in guiding investors through legal and regulatory processes applicable to transactions in Serbia's capital market will be considered as an advantage;
- Experience in engaging and maintaining relationships with international and regional institutional investors.

Personnel:

Team Leader - Engagement partner responsible for the Project will be responsible for the overall coordination, performance, and quality of the advisory team's work ensuring timely and effective communication, supervision of activities, and alignment with project objectives.

The Team Leader should have:

- Master's degree in Finance, Economics, Business, Law, or related field;
- Additional training or certification in capital markets regulation, investment banking, or securities law will be considered as an advantage;
- More than 10 years of relevant professional experience in capital markets, investment banking, corporate finance, or securities advisory;
- Deep knowledge of investor relations;
- Strong understanding of international capital market instruments;
- Proven experience leading advisory teams on international capital market assignments;
- Experience with public or private debt/equity issuance;
- Strong experience in quality assurance, risk management, and issue resolution.

Professional Team Composition - a multidisciplinary team comprising capital markets specialists, regulatory/legal experts, and investor relations professionals (e.g, Capital Markets Expert, Regulatory & Compliance Advisor, Investor Relations & Communications Specialist...).

Length of assignment

The assignment will be for a period of 24 months conclusively and subject to extension based on Project needs and satisfactory performance verified by the Taskforce.

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Confidentiality

The Advisor undertakes to maintain confidentiality on all information that is not in the public domain and shall not be involved in another assignment that represents a conflict of interest to the prevailing assignment.

Selection of Partner Company

The Advisor will be selected in accordance with Consultant Qualification Selection (CQS) method set out in the World Bank's Procurement Regulations for IPF Borrowers (July 2016, revised November 2017, August 2018 and November 2020). The Advisor that obtains the highest score during evaluation of expressions of interest will be invited to submit technical and financial proposals.

Contracting Arrangements

The Contract will be the Standard World Bank Time Based Contract. The payments for services will be based on the reports approved by the Project Manager. The Contract costs will include remuneration and reimbursable costs referring to the assignment.