**Terms of References**

**for**

**PROJECT MANAGER**

**Background**

The International Bank for Reconstruction and Development (hereinafter: the IBRD) has granted to the Republic of Serbia (hereinafter: RoS) a USD 30 million loan to support the reform of Capital Market (hereinafter: the Project). The IBRD will make the loan available to the RoS as per the Loan Agreement (LA), executed on 10 April 2023 and ratified by the Law on Ratification of Loan Agreement (Catalyzing long term finance through capital market project) between RoS and IBRD (“Official Gazette of Republic of Serbia – International Agreements, No. 004/2023), which includes the terms of its utilization and implementation. The Project Closing Date is 31 August 2028, as the final deadline to meet the requirements for withdrawal of the loan proceeds and fulfilment of the consultants’ contractual obligations.

The Ministry of Finance of the RoS (hereinafter: the MoF), more specifically the Ministry of Finance’s Department in charge of overseeing the financial sector (hereinafter: MoFFS) is the implementing entity responsible for all technical aspects of implementation of the Project. The Capital Markets Policy and Regulatory Unit (CMPRU) will be part of the MoFFS and it will be the MoFFS’s responsibility to set up this new unit. The Project will be building upon the MoFFS’s successful experience in implementing previous World Bank financial sector projects (State-Owned Financial Institutions Strengthening Project and Serbia – Deposit Insurance Strengthening Project). Given the specific nature of the project, the MoFFS will be closely working with the Serbia Securities Commission (SSC), Central Security Depositary and Belgrade stock exchange on the implementation of this project in order to properly align it with the oversight and regulatory requirements of the capital markets framework in Serbia.

The governance of the project is expected to include a task force with, at the minimum, the MoF, SSC and the Chamber of Commerce represented, in order to improve the coordination and commitment to all project components. The ultimate leadership is with the MoF, and oversight of the project is in the hands of the MoFFS. Project implementation will rely on current resources, with the additional support of consultants that will be established under the technical assistance activities of the Project. The technical assistance support also includes consulting services which should help develop capacity of the MoF and SSC/CSD/Belex in order, beside other things, to adequately execute the 2021-2026 Capital Market Development Strategy and its Action Plan.

The Project implementation by the MoFFS with its current resources (existing lack of qualified staff being a serious issue) could impact Project realization, so recruitment of additional consultants under the Project represents necessity. Both the MoF and SSC/CSD/Belex do not have the technical capacity nor personnel to ensure the successful medium/long-term execution of the CMDS. In accordance with the organization structure of the MoFFS, its constituent Group for securities and capital markets in particular, is primarily competent for carrying out activities related to the normative tasks related to the preparation of laws and other regulations governing the issuance and trading of securities and other financial instruments, business and legal position of stock exchanges, investment funds, voluntary pension funds and other participants in the financial market, takeover of joint stock companies, monitoring and harmonization of regulations in the field of securities and capital markets with the standards of international organizations, agreements and conventions, tasks related to the work of the body formed for the supervision of participants in the securities market, as well as professional organizations in this field, as well as other tasks.

Having in mind that the abovementioned Group is currently understaffed with project manager with development expertise, the engagement of consultant is very important for the Project realization in good manner with focus on strengthening the MoFFS’s capacity to properly improve Serbian capital market.

**Objectives of the Project**

The project’s overall objectives are to (i) improve the enabling environment for capital markets development and (ii) deepen the corporate bond market, including through green and other thematic issuances.

The project’s objective will be addressed from three angles, with two components and several sub-components. The three angles are: (1) improving the enabling environment – by (i) setting up a capital markets unit in the MoF and strengthening the capital market institutions, particularly the SSC and the Central Security Depositary (CSD) by aligning them with the relevant international principles (i.e., the IOSCO Principles); (ii) creating a one-stop shop and supporting technical assistance (TA) for implementing the CMDS as well as for strengthening BELEX, (2) deepening the supply side (issuing more corporate bonds and/or other non-government securities instruments) – by creating a corporate bond issuance program, including a specific focus on green and other thematic issuances, with an explicit emphasis on climate financing, and 3) deepening the demand side (attracting more investors) – by simplifying the taxation regime for capital markets based on a comprehensive analysis completed in 2022 and aiming to identify a solution for dormant accounts. The project design will be structured around two main components with several sub-components: Component 1 - Institutional, Legal and Regulatory Reforms and Component 2 - Corporate Bond Issuer Program.

Component 1 of USD 20 million supports institutional, legal and regulatory reforms with sub-components: 1.1 MoF Capital Markets Unit, 1.2 Strengthening SSC and CSD, 1.3 Strengthening of BELEX, 1.4 Capital market taxation reform, and 1.5 Other Technical Assistance to support implementation of the Capital Markets Development Strategy. The component will also finance three performance-based conditions (PBC) expenditures related to the implementation of the CMDS. PBCs 1 through 3 are related to the institutional, legal, and regulatory reforms supported under this Component. The PBCs focus on important reforms that are of essence for the success of the Project. PBC 1: Completing an assessment of implementation of the relevant IOSCO principles by the public capital market institutions is a prerequisite to strengthening these institutions. PBC 2: Complete installation of hardware and software upgrade and launched new website for BELEX. Finally, PBC 3: the web-based portal on capital markets is an important deliverable from the one-stop shop that will improve transparency and visibility.

Component 2 of USD 10 million aims to focus on expanding the corporate bond issuer base. Broadly, this component will facilitate corporate bond issuances in local currency (RSD) starting from the identification of potential CBIs to the completion of issuance of bonds either privately placed or publicly listed. In select cases, post-issuance activities will also be supported, especially around green and thematic bonds. A special taskforce in the MoF supported by the SSC and other relevant stakeholders will identify an initial long list of potential CBIs, assess their needs regarding technical assistance, training, and guidance to enable these companies to prepare for issuance, and then guide them through the bond issuance process. This will involve building a comprehensive program by working with entities such as law firms, financial advisory firms, credit rating agencies, and other critical professional service providers as needed. Participating and selected CBIs will not receive funds from the project directly. Thus, the project will provide capacity building and technical assistance to the MoF to support potential CBIs throughout the preparatory process to issue corporate bonds. The component will also finance two related PBC expenditures linked to the following PBCs: PBC 4 will support the establishment of a task force to administer and implement the CBIP and PBC 5 is directly related to the number of corporate bonds issued by first-time issuers, a PDO indicator under the Project.

Bearing in mind all above mentioned, it is necessary to secure TA to the MoFFS/SSC/CSD/Belex in order to create conditions for engagement of consultants, who will be in charge for further upgrade of performance and capacity of the MoFFS/SSC for overseeing and implementing the CMDS and its Action Plan and capital market development.

**Scope of Work**

**The scope of work of the Project Manager shall include, but not be limited to the following:**

* Organize, coordinate, integrate, and monitor operations of the Project Implementation Unit (PIU), and the institutions involved in the Project during its implementation and drafting and submission of reports;
* Coordinate with the focal points in the Ministry of Finance involved in the Project, who will be responsible for monitoring and reporting on implementation in their respective entities;
* Develop, improve, and implement project procedures and protocols as established under rules and regulations of the relevant financier, and ensure adherence to such procedures, as well as any other relevant documents;
* Manage preparation and implementation of the Project's activities and cooperate with the Ministry of Finance, line ministries and institutions, and the CFU to ensure timely and sound accomplishment of projects' activities and adherence to terms and conditions of the specific Loan Agreement and timely project budgeting;
* Oversee day-to-day activities of the PIU, evaluate performance and operational effectiveness, and recommend changes where necessary;
* Develop and supervise implementation of standardized administrative and operating procedures for the PIU;
* Regularly monitor the status of projects' activities (by drafting and updating preparation and implementation plans and schedules, operational manuals, payment projections, etc.), including by drafting and submitting comprehensive progress reports, as mandated under the terms and conditions of the specific Loan Agreement; drafting proposed changes to projects' documents to reflect the expected results; and delivering other reports regarding the projects (such as annual reviews and semi-annual financial statements);
* Assesses whether the Terms of Reference for experts who will be engaged for the projects, contain specific conditions, tasks and activities defined by the financiers’ relevant rules and regulations, to ensure full compliance;
* Submit other reports per request of the Assistant minister in charge in the MoFFS;
* Provide internal training on project-related matters to staff of the Ministry;
* Perform other duties in support of project preparation and implementation, as required;
* Work closely with other consultants engaged in the realization of the Project and representatives of international financial institutions;
* Other duties as instructed by the Assistant minister in charge in the MoFFS.

**Reporting requirements**

The Consultant will report to the Assistant minister in charge. In addition, the Consultant shall regularly inform the Assistant minister in charge on the progress of the Projects realization and assist in the preparation of the progress reports for reporting to the World Bank.

**Profile of the Project Manager**

The Project Manager should possess:

* University degree in organizational sciences, economics, public affairs or related academic fields;
* Minimum 15 years of total professional experience;
* Minimum 5 years of experience managing projects and staff;
* Minimum 5 years of working in banking or financial advisory sector;
* Knowledge of local regulations related to capital and financial market is considered a distinct advantage;
* General knowledge of managing resources, business processes, procurement and cost structuring;
* Ability to organize and motivate teams, deliver when working under pressure and within changing circumstances;
* Excellent knowledge of MS office;
* Excellent writing/reporting and presentation skills;
* Excellent interpersonal, networking and team building skills;
* Excellent knowledge of written and spoken Serbian and English;
* Ability to work under pressure and meet deadline.

**Length of assignment**

The Consultant assignment will be for a period ending with August 31, 2028 conclusively with a probationary period of six (6) months.

The Consultant shall provide full time service for the life of the Project. If contracted, the Consultant will have to declare that he/she will not have other full or part-time assignment during his/her engagement under this contract.

**Facilities to be provided to the Consultant**

MoF/SSC will provide the Consultant with suitable office space and office equipment (PC, telephone, internet connection, etc.) and access to office services as required.

Services are to be performed predominantly in Belgrade.

**Confidentiality**

The Consultant 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 Consultant**

Selection procedure will be conducted in accordance with the World Bank’s Procurement Regulations for IPF Borrowers – Procurement in Investment Project Financing Goods, World, Non-Consulting and Consulting Services, July 2016, revised November 2017, August 2018 and November 2020, as given in article 7.36 and 7.37 "Open Competitive Selection of Individual Consultants”.

The candidates will be evaluated applying the following evaluation criteria:

•             Qualifications and General experience                  (40 Points)

•             Specific Experience relevant to the Assignment        (60 Points)

The Consultant is eligible and his selection does not create any conflict of interest as provided in the Bank`s Procurement Regulations.