

## EXPRESSION OF INTEREST

### CMA Kenya and CMA Uganda Impact Study

#### 1. Introduction

Financial Sector Deepening Africa (FSD Africa) wishes to contract a reputable firm or individual ("the Consultant") to carry out an Impact Study of two of its Capital Markets projects, "Building capacity for innovation, investment and growth in Kenya and Uganda". The review will inform FSD Africa of the progress made in delivering the desired results and provide recommendations to inform future programming.

#### 2. Background

##### 2.1 Financial Sector Deepening Africa (FSD Africa)

FSD Africa is a specialist development agency working to reduce poverty by strengthening financial markets across sub-Saharan Africa. Based in Nairobi, FSD Africa's team of financial sector experts work alongside governments, business leaders, regulators, and policymakers to design and build ambitious programmes that make financial markets work better for everyone. Established in 2012, FSD Africa is incorporated as a non-profit company limited by guarantee in Kenya. It is funded by UK aid from the UK government.

##### 2.2 About CMA Kenya

Building Capacity for Innovation, Investment and Growth is a project implemented by Capital Markets Authority of Kenya ([CMA Kenya](#)) with the financial support of FSD Africa, with an aim to build the institutional capacity of the CMA, to provide targeted support in areas considered by CMA to be strategic priorities (Islamic finance and professional certification). CMA Kenya project ended in December 2018.

The aim of the "CMA - Building Capacity for Innovation, Investment and Growth" project was to:

- i. Enable CMA to carry out its statutory functions more effectively and drive the roll-out of the Capital Markets Master Plan (CMMP).
- ii. Implement a roadmap to build Shariah-compliant financial markets and position Kenya as a conduit for foreign direct investment (FDI) from the Islamic world.
- iii. Strengthen the professionalism of Kenya's capital markets by mandating the Chartered Institute for Securities & Investment's (CISI) International Introduction to Securities and Investment (IISI) certification<sup>1</sup>.

##### 2.3 About CMA Uganda

The project aimed to build the institutional capacity of Capital Markets Authority Uganda ([CMA Uganda](#)), to equip it with adequate resources to implement its 10-year Capital Markets Development Master Plan (CMDMP). Further support was provided to enable it to achieve quick wins on implementation actions included in its CMDMP.

The project commenced in 2016 and ended in December 2019.

Below were the project objectives:

- i. Create an appropriate organisational structure for CMAU that will enable it to successfully roll-out and implement the CMDMP.
- ii. Enable CMAU to carry out its statutory functions more effectively through stronger surveillance, supervisory and enforcement activities.

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<sup>1</sup> The IISI certification was endorsed by CMA in a MOU signed by Cabinet Secretary National Treasury Henry Rotich and the then Lord Mayor of London, Fiona Woolf, in September 2014

- iii. Increase the level of professionalism within the capital markets by supporting the tailoring of Level II International Introduction to Securities and Investment (IISI) examination, set by CISI, to the local regulatory setting.
- iv. Support a range of regulatory reforms aimed at rationalising, simplifying and modernising the regulatory framework for capital markets in Uganda. These included: Communications strategy, Corporate Bond Guidelines review (currently ongoing), Collective Investment Schemes Act review.

### **Objective**

The overall objective of this study is to facilitate a better understanding of the performance and impact of the projects. The Consultant is expected to measure the Projects' performance against the Projects' set targets and should tailor the methodology and tools for the Impact Study, specifically for that purpose.

The purpose of this call for expression of interest is, therefore, to enable FSD Africa to identify a consultant(s) who may be engaged to work with CMA Kenya, CMA Uganda and other relevant stakeholders.

Successful consultants under this call for EOIs will then be invited to submit bids based on specific terms of reference.

### **3. Expressions of Interest**

Procurement of the Services is subject to a full international tender. This requires a two-part process:

- In the first part, Expressions of Interest (EOI) are invited from qualifying firms in an open tender. This invitation is open for a minimum of 20 calendar days.
- In the second part, following a shortlisting process, FSD Africa will issue an Invitation to Tender to shortlisted firms.

At this point, FSD Africa is inviting EOIs from suitably qualified consulting/advisory firms. Consultants wishing to be considered for shortlisting will need to demonstrate some/all of the following:

- The firm must demonstrate experience in carrying out evaluations on Capital Markets and capacity building interventions. The firm or its Team Leader should, therefore, provide proof (attach reports) of having undertaken at least three similar assignments within the last five years.
- Demonstrated deductive reasoning skills, including the ability to make projections on project performance and make evidence-based recommendations to improve project performance
- The firm must have good knowledge of financial markets sub-Saharan Africa. Experience in similar work in Sub-Saharan Africa or other emerging economies or comparable markets
- A firm must have the capacity/networks to engage intensively with this assignment and available to start at the required time.

Please note - a fully costed proposal and/or detailed work plan is not required at this stage.

Your/your consortium's EOI should contain:

- names, CVs and location of key individuals
- an outline of team structure
- Daily rates of the team members. Currency preferably in USD/GBP
- a short statement of why you believe your firm has the right experience and blend of expertise for this assignment
- a short description of anticipated risks and how you would expect to deal with these

- confirmation of your firm's availability to carry out this work, giving details of any prior calls on your firm's time. (project lead to state potential start date for the RFP following the EOI process)
- Firm profile detailing registration certificate, tax compliance/returns status for purposes of WHT
- any other information that you believe should be considered in the shortlisting process

Your EOI, which should not exceed 3 sides of A4 (font size 11), excluding CVs, company profile etc., should be sent to FSD Africa at [bids@fsdafrica.org](mailto:bids@fsdafrica.org) by **12 noon (EAT) 13 November 2020**.

#### 4. Contact

Questions or comments in respect of this request for Expressions of Interest should be directed to [bids@fsdafrica.org](mailto:bids@fsdafrica.org). on or before **12 noon (EAT) 29 October 2020** and a response will be provided through the advertising platform on **12 noon (EAT) 3 November 2020**.

#### 5. Applicable Taxes

As per Kenya's tax law, FSD Africa will pay the Consultant after withholding the appropriate taxes at the applicable rate between Kenya and the Consultant's country of tax residence, considering any tax treaties in force. It is the responsibility of the Consultant to keep themselves apprised of these applicable taxes. The below table, however, provides guidance on the applicable rates as per tax regimes

Country	WHT Rate
Kenya	5%
United Kingdom	12.5%
Canada	15%
Germany	15%
Zambia	15%
India	10%
Non-resident rate for citizens of EAC member countries	15%
All other countries	20%