



Request for Proposal

On

CONSULTANCY SERVICES FOR CORPORATE EVALUATION OF
IsDB GROUP's DECENTRALIZATION EXPERIENCE

For

Islamic Development Bank HQ

July 2024

LETTER OF INVITATION

1 July 2024

Consultancy Services for Corporate Evaluation of IsDB Group's Decentralization Experiences

1. The Islamic Development Bank (IsDB) has approved an administrative budget for financing consulting services for the above project. IsDB will select and engage the Consultants in accordance with the IsDB Corporate Procurement Policy (Policy).
2. IsDB now invites Proposals to provide the consulting services (Services) as described in the Terms of Reference. The firm will be selected using [Quality and Cost Based Selection \(QCBS\)](#) following the procedures in this Request for Proposal (RFP). This RFP is open to all interested consultancy firms.
3. The RFP includes the following documents:
 - Letter of Invitation (LOI)
 - Section 1: Definitions
 - Section 2: Instructions to Consultants (ITC)
 - Section 3: Data Sheet
 - Section 4: Eligibility Requirements
 - Section 5: Evaluation Criteria
 - Section 6: Standard Forms for Proposal Submission
 - Section 7: Terms of Reference (TOR)
 - Section 8: General Conditions of Agreement
 - Section 9: Consultancy Services Agreement (Particular Conditions of Agreement)

4. Please acknowledge the receipt of this Letter of Invitation and inform IsDB within 5 working days from the date of receipt of this Letter of Invitation:

- (a) Whether or not you will be submitting a Proposal; and
- (b) If so, whether you will be submitting a Proposal alone, as a Joint Venture or as a Lead Firm in an Association;
- (c) In the case of a Joint Venture, whether or not you will be submitting as the Lead Partner.

Yours sincerely,

Ahmed Ag Aboubacrine

Acting Director
IEvD

SECTION 1 DEFINITIONS

“IsDB” means **“Islamic Development Bank”**.

“IsDB Corporate Procurement Policy” is IsDB’s policy that sets out the general principles governing corporate procurement of IsDB. For details, please refer to www.isdb.org.

“Close relative” is defined as son, daughter, stepson, stepdaughter, adopted son, adopted daughter, mother, father, brother, sister, niece, nephew, grandmother, grandfather, granddaughter, grandson, aunt, uncle, cousin, stepmother, stepfather, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law..

“Consultancy Inputs” means the amount of the time in which the Consultant’s services are required to be performed during the term of the Contract. Unless otherwise provided in the Contract, Consultancy Inputs are measured in the unit of **“Working Day”**.

“Consultant”, for the purpose of this RFP, means **“consulting firm”**. A consulting firm may be private or public entity, or a non-government organization (NGO) or a Joint Venture of any of aforementioned, that has consultancy capacity and is invited to submit a proposal for the services and, if selected, shall provide the Services to IsDB.

“Contract” means the contract signed by the IsDB and the Consultant and all the attached documents listed in the Contract.

“Counterpart Facilities” means the facilities specified in the Data Sheet that shall be provided by the IsDB to the Consultant free of cost, and may include office accommodation, transportation equipment and other services.

“CQS” means Consultant’s qualification Selection.

“ETP” stands for **“Evaluated Total Price”**.

“Data Sheet” means the section of the RFP that contains specific data and information on the selection process and the services.

“Day” means calendar day, except where otherwise stated.

“Field Work” means the Consultant’s work at an assignment location other than the city or province where the Consultant holds permanent residence or office.

“FBS” means “Fixed Budget Selection”.

“Full-Time Employee” is an individual who is currently employed under a Contract or agreement of employment with the Consultant or the Sub-Consultant; has been employed by the Consultant or the Sub-Consultant for the last 12 consecutive months preceding the date of submission of the Proposal; is entitled to receive regular remuneration and benefits (e.g. social security, pension or medical contributions) from the Consultant or the Sub-Consultant; and is engaged to work for the Consultant or the Sub-Consultant for the number of hours per day and days per year that are considered the norm for full-time employees in the country of employment or in the country in which the person is assigned.

“Home Office” means the Consultant’s work at the Consultant’s own office or residence.

“HRMD” standards for **“Human Resources Management Department”**.

“Joint Venture” means a Consultant which comprises two or more Partners, each of which shall be jointly and severally liable to IsDB, if selected, for all the Consultant’s obligations under the Contract.

“Lead Partner” is the Partner designated in the Power of Attorney to represent the Joint Venture or an association. Lead Partner is the Lead Firm in a Joint Venture.

“LCS” means “Least Cost Selection”.

“Location of Assignment” means the place where the consultant is required to stay for providing the services in accordance with the contract. Further definitions are provided in the definitions of “On-Site Assignment” and “Off-Site Assignment”.

“On-site assignment” means an assignment that requires the consultant to work on the Bank’s premises (headquarters, Regional Offices, Country Gateway Offices).

“Off-site assignment” means an assignment that requires the consultant to work at a location other than IsDB’s premises.

“Partner” means any of the entities that make up the Joint Venture and Partners means all such entities.

“Personnel” means qualified individuals provided by the Consultant and assigned to perform the Services or any part thereof. In this RFP, the term “personnel” may be used interchangeably with the term “expert(s)” or “member(s) of the Consultant team”.

“Proposal” means a technical proposal or a financial proposal, or both.

“QBS” means Quality-based Selection.

“QCBS” means Quality- and Cost-based Selection.

“RFP” means this Request for Proposal.

“Requesting Department” or “RD” means the department within IsDB that requests for the Services.

“Services” means the work to be performed as described in the Terms of Reference and pursuant to the Contract.

“Shortlisted Consultant” means the firms and/or joint ventures invited by this RFP for submitting proposals.

“SSS” means “Single Source Selection”.

“Sub-Consultant” means any person or entity with whom the Consultant associates for the execution of any part of the Services and for whom the Consultant is fully responsible.

“Terms of Reference” or “TOR” means the Section 7 of the RFP, which explains the objectives, scope of work, activities, and tasks to be performed, respective responsibilities of ISDB and the Consultant, and expected results and deliverables of the Contract.

“Working Day” or “WD” means in the Terms of Reference (TOR) the day when the Consultant’s services are required or means in the Consultant’s invoices for payment the day the Consultant is required by the TOR to perform the services and the Consultant has done so.

SECTION 2. INSTRUCTIONS TO CONSULTANTS

1. **Selection Method** - IsDB intends to select Consultant from those that submitted a proposal using QCBS for providing Services to the IsDB in accordance with the TOR in Section 7.
2. **Client** – The IsDB is the Client of the Services. The Requesting Department, the authorized representative of the IsDB and the contact details are indicated in the Data Sheet.
3. **Contract** - The Consultants are invited to submit Proposals for the Services. The Proposal will be the basis for contract negotiations. The Form of Contract is in Section 8.
4. **Reservation Clause** - Consultants shall bear all costs associated with the preparation and submission of their Proposals and contract negotiation, if selected. The IsDB is not bound to accept any proposal, and reserves the right to postpone or annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Consultants.
5. **Counterpart Support** - Where specified in the Data Sheet and at no cost to the Consultant, the IsDB shall provide the Counterpart Facilities for contract implementation specified in the Data Sheet and make available relevant data and documents relevant to the Services.
6. **Conflict of Interest** – IsDB considers a conflict of interest to be a situation in which a party has interests that could improperly influence that party's performance of official duties or responsibilities, contractual obligations, or compliance with IsDB's policies, rules and procedures, or applicable laws and regulations and that such conflict of interest may contribute to or constitute a prohibited practice under IsDB's Group Integrity Policy which is accessible at www.isdb.org.
7. **Conflicting Activities** - Without limitation on the generality of the foregoing, Consultants (including Sub-Consultants) shall not be recruited under the circumstances set below:

- (a) Conflict between consulting activities and procurement of goods, works or services: Consultants that have been engaged by IsDB to provide goods, works or services for a project shall be disqualified from providing consulting services related to such project. Conversely, a Consultant hired to provide consulting services for the preparation of bidding documents shall be disqualified from subsequently providing goods, works or services resulting from or directly related to the consultant's services for such preparation.
 - (b) Conflict among consulting assignments: Consultants shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant. As an example, Consultants hired to implement a project shall not be hired again to conduct post evaluation of the same project.
 - (c) Relationship with IsDB staff: Consultants that have a business or family relationship with the IsDB staff member(s) who are directly or indirectly involved in any part of (i) the preparation of the TOR of the Contract, (ii) the recruitment process for such Contract, or (iii) supervision of such Contract may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to IsDB throughout the recruitment process and the execution of the Contract.
8. **Disclosure of Conflict of Interest** - Consultants have an obligation to disclose any situation of actual or potential conflict of interest. Failure to disclose such situations may lead to the disqualification of the Consultant or the termination of its Contract.
9. **Anticorruption** - IsDB's Corporate Procurement Policy requires that all IsDB staff as well as Consultants under IsDB Contracts, observe the highest standard of ethics during the selection process and in execution of such Contracts. IsDB:
- (a) will reject a proposal for award if it determines that the consultant recommended for award has directly, or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract in question;

- (b) will sanction a party, including declaring ineligible, either indefinitely or for a stated period of time, such party from participation in IsDB financed activities if it at any time determines that the consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, an IsDB financed contract; and
 - (d) will have the right to require consultants to permit IsDB or its representative to inspect their accounts and records and other documents relating to consultant selection and to the performance of the Contract and to have them audited by auditors appointed by IsDB.
- 10. **One Proposal** - Shortlisted Consultants, may only submit one Proposal. However, this does not limit the inclusion of Sub-Consultants in more than one Proposal. In each proposal, alternative experts shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position in the Proposal.
- 11. **Validity** - The time period during which the Consultants' Proposals must remain valid from the deadline for the submission of Proposals is indicated in the Data Sheet. During this period, Consultants shall maintain the availability of their personnel nominated in the Proposal. The IsDB will make its best effort to complete negotiations within this period. Should the need arise, the IsDB may request Consultants to extend the validity period of Proposals. Consultants have the right to refuse to extend the validity of their Proposals.
- 12. **Eligibility** – The Consultant and all personnel proposed in the Consultant's Proposal must meet IsDB's eligibility requirements in accordance with IsDB's Corporate Procurement Policy. Details are in **Section 4 Eligibility Requirements**. Consultants must seek clarifications following instructions in 15 if the Consultants have any question on eligibility.
- 13. **IsDB Member Country Preference** – The Consultant should check the Data Sheet if any preference is to be given to consultants from IsDB member countries for this selection. If a

preference is indicated in the Data Sheet, Section 5 shall contain evaluation criteria on how such preference will be applied in the evaluation.

14. **Registration in IsDB's Database for Consultants (DACon)** - A consulting firm, participating in the bidding for the Services through SAP ARIBA Registration, a for contract award and has not previously registered in SAP ARIBA, it must complete the registration process in SAP ARIBA. before engaging in contract negotiations if they have not previously registered in the platform. Please find the link for the registration:
<http://isdb.supplier.mn2.ariba.com/ad/selfRegistration/>
15. **Clarification of RFP**- Consultants may request a clarification of any contents of the RFP no later than seven days (7) before the deadline for the submission of Proposals. The request for clarification must be sent by email or fax to the the IsDB's authorized representative whose contact details are in Data Sheet. The IsDB will respond by email and/or fax. The response (including an explanation of the query but without identifying the source of inquiry) will also be sent by email and fax to all shortlisted Consultants except for cases where the query and answer involve company commercial information or personal information or information that is not appropriate for disclosure to a third party. Should the IsDB deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under 15.
16. **Amendment of RFP/Extension of Submission Deadline** - At any time before the deadline for the submission of Proposals, the IsDB may amend the RFP by issuing an addendum. The addendum will be sent to all shortlisted Consultants by e-mail and fax and will be binding on them. Consultants shall acknowledge receipt of all amendments through by email and/or fax. If the amendment is substantial, the IsDB may extend the deadline for the submission of Proposals in order to give Consultants reasonable time for taking the amendment into account in their Proposals. In any event, the IsDB can extend the deadline for the submission of Proposals at its discretion.
17. **Language** - The Proposal, as well as all related correspondences exchanged by the Consultants and the IsDB, shall be in Arabic, and/or English, and/or French.

- 18. Compliance with RFP** - In preparing their respective Proposals, Consultants are expected to examine in detail the documents comprising the RFP. Consultants whose proposals do not meet the requirements of the RFP may fail to meet the minimum qualifying score as indicated in the Evaluation Criteria in Section 5.
- 19. Joint Venture** - For the purpose of submitting a proposal, a shortlisted Consultant may enhance its expertise for the assignment by forming a Joint Venture with non-shortlisted firms, in which case the Consultant and the Partners of the Joint Venture shall be jointly and severally liable under the Contract.
- a) In the event that the Consultant constitutes a Joint Venture, the Consultant shall submit (i) a copy of the Joint Venture Agreement with its Technical Proposal and (ii) a power of attorney (executed by all partners) that authorizes the designated Lead Partner of the Joint Venture to act for and on behalf of the Joint Venture and to legally bind such Joint Venture in any contractual or similar documentation. Any Joint Venture agreement and Joint Venture power of attorney shall be attached to the Technical Proposal of such Consultant.
 - b) No shortlisted Consultant (including any Joint Venture partner) can associate with another shortlisted Consultant, and every Full-Time Employee of a shortlisted Consultant is not eligible to participate as an associate or Sub-Consultant of another Consultant shortlisted for the Assignment.
 - c) A shortlisted Consultant, in the case of a Joint Venture or an association (i.e., lead firm and sub-consultants), may add additional partners or associates/sub-consultants, subject to the restrictions in (ii) above, in its Proposal to broaden its range of expertise and experience.

- d) The Joint Venture Agreement shall identify the Lead Partner. All Partners in a Joint Venture shall sign the Proposal unless the Lead Partner is nominated to do so in the power of attorney.

20. Proof of Status - Prior to contract negotiations, the selected Consultant will be required to update or confirm its legal status as registered in the DACON. The proof of the legal status that should be entered into DACON may include certificate of incorporation (or registration, in the case of a partnership or joint venture) or any document required by the commercial laws of the relevant country establishing the Consultant's status to conduct or transact business as a legal entity.

21. Technical Proposal

- a) The Consultants are required to submit a Technical Proposal. The Technical Proposal shall provide the information required in the Technical Forms provided in Section 6.
- b) The Consultants must submit one CV for each and every position of key personnel as indicated in the Technical Proposal Evaluation Summary Sheet in Section 5. Proposals which do not comply with this requirement may be rejected.
- c) Should the Consultant wish to propose different number and combination of positions, it may do so by including a section named "Adjusted Team Composition" in its Proposal and attach the relevant CVs to this Section. Justifications must be provided if the adjusted team composition is proposed. The Client may consider this adjusted team composition after the Firm is selected based on the evaluation of its Proposal that complies with the original requirement in 21. a).

22. No price in Technical Proposal - The Technical Proposal shall not include any financial information. A Technical Proposal containing financial details will be declared non-responsive.

- 23. Financial Proposals** - The Consultants are required to prepare the Financial Proposal using the Financial Forms provided in Section 6. All activities and items described in the Technical Proposal must be priced in the Financial Proposal. For non-remuneration (e.g. out-of-pocket) related omissions, any activities or items described in the Technical Proposal but not priced, shall be assumed to have been included in the prices of other activities or items provided for in the Financial Proposal.
- 24. Maximum budget** – Consultants must check Data Sheet whether there is an indication of maximum budget. If a maximum budget is indicated, Consultant must prepare financial proposal within the maximum budget. Proposals with a total price, inclusive of provisional sums and contingency when applicable, exceeding the maximum budget may be rejected.
- 25. Currencies** - Consultants may express the price of their services in any fully convertible currency of an IsDB member country, singly or in combination. The same currency/currencies shall be used in the Contract for payment if the Consultant is awarded a Contract.
- 26. Exchange Rates** – For evaluation purposes, all currencies in the financial proposals will be converted into US Dollars using the exchange rates prevailing on the Proposal Submission Date. The source of the exchange rate data is indicated in the Data Sheet.
- 27. Submission of Proposals**
- a). An authorized representative of the Consultant will sign the Technical Proposal Submission Letter and the Financial Proposal Submission Letter separately in the format provided in Section 6. The authorization shall be in the form of a written power of attorney accompanying each of the two separate Letters demonstrating that the representative has been duly authorized to sign. An authorized representative of the Consultants shall also initial all pages of the Financial Proposals.
- b). The Technical Proposal file shall be submitted to the email address shared in the Datasheet.

- c). The Financial Proposal file shall be submitted in electronic format in PDF encrypted or password protected.
 - d). Financial Proposal Key/Password will be shared only with the authorized Corporate Procurement Representative separately as mentioned in datasheet.
 - e). The two files containing the Technical and Financial Proposals separately shall be send through email to the email mentioned in Datasheet.
 - f). The Proposals must be sent to the IsDB's authorized email address indicated in the Data Sheet and received by the IsDB at the specified email address no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with 16. Any proposal received by the IsDB after the deadline for submission shall be returned unopened.
 - g). The IsDB shall open the Technical Proposal immediately after the deadline for their submission. The envelopes with the Financial Proposal shall remain sealed and securely stored.
- 28. No Influence on Evaluation** - From the deadline for the submission of Proposals to the time the Contract is awarded, the Consultants should not contact the IsDB on any matter related to the Proposal. Any effort by Consultants to influence the IsDB in the evaluation and recommendation for award of Contract will result in the rejection of the Proposal.
- 29. Evaluation of Technical Proposals** - The IsDB shall evaluate the Technical Proposals on the basis of their responsiveness to the TOR, applying the evaluation criteria, specified in Section 5. Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to a mandatory requirement of the RFP or if it fails to achieve the minimum qualifying technical score of as indicated in Section 5.
- 30. Notification of Technical Evaluation Results** - After the technical evaluation is completed, the IsDB shall notify those Consultants whose Proposals did not meet the minimum qualifying

technical score or were considered non-responsive to the RFP, indicating that their Financial Proposals will be returned unopened after completing the selection process.

31. **Opening of Financial Proposals** – Financial Proposals shall be opened by the Consultant Selection Panel in the presence of a representative from IsDB's Group Internal Audit Department.
32. **Evaluation of Financial Proposals** - The IsDB will review the detailed content of a Financial Proposal. Financial Proposals will be reviewed to ensure they are complete (i.e. whether Consultants have priced all items of the corresponding Technical Proposal). For material omissions in remuneration, the IsDB will price them by application of the highest unit cost and quantity of the omitted item as provided in the other Financial Proposals and add their cost to the offered price and correct any arithmetical errors. If less than the prescribed minimum person months inputs are provided, the IsDB will increase the cost of the Proposal by applying the highest remuneration rate for the personnel, as the case may be, set out in the Proposal. When correcting computational errors, in case of discrepancy between a partial amount and the total amount the partial amount shall prevail; in case of discrepancy between words and figures, the words shall prevail. The evaluated total price (ETP) for each Financial Proposal will be determined. The ETP excludes non-competitive components (i.e. contingencies and provisional sums). The ETP will be converted to US dollars in accordance with Para 26 of this Section.
- (a) To allow comparison on a common basis, each Financial Proposal will be carefully scrutinized and an ETP in US dollars will be determined. The lowest evaluated Financial Proposal will receive the maximum score of 100 Points. The score for each other Financial Proposal is inversely proportional to its ETP and will be computed as follows:

$$S_f = 100 \times F_m / F$$

Where: S_f is the financial score of the Financial Proposal being evaluated,
 F_m is the ETP of the lowest priced Financial Proposal,
 F is the ETP of the Financial Proposal under consideration.

- (b) Following completion of evaluation of Technical and Financial Proposals, final ranking of the Proposals will be determined. The final ranking will be in a descending order of the combined total scores of each set of Technical and Financial Proposals. The total score is computed as follows:

$$S = W_t \cdot S_t + W_f \cdot S_f$$

Where:

S is the combined total score,
W_t is the weight of the technical score as indicated in Para 2 Section 5 Evaluation Criteria,
S_t is the technical score,
W_f is the weight of the financial score as indicated in Para 2 Section 5 Evaluation Criteria,
S_f is the financial score,

- (c) The first-ranked Consultants (with the highest total combined score) will be invited to contract negotiations.
- 33. Negotiations** – Unless otherwise indicated in the invitation to contract negotiations, the negotiations will be held at the date and address indicated in the Data Sheet or through correspondence. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm by email or fax availability and DACON registration of all experts named in its Proposal. Failure in satisfying such requirements may result in the IsDB proceeding to initiate the negotiation process with the next-ranked Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract.

- 34. Technical Negotiations** - Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan and schedule, organization and Personnel, and any suggestions made by the Consultant to improve the TOR. The IsDB and the Consultant will finalize the TOR, Personnel schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as "Scope of Services/TOR." Special attention will be paid to clearly defining the Consultancy Inputs and facilities required from the IsDB to ensure satisfactory implementation of the assignment.
- 35. Financial Negotiations** - The financial negotiations will generally fine-tune the duration of the Consultancy Inputs, and the quantities of out-of-pocket expenditure items may be increased or decreased from the relevant amounts shown or otherwise agreed in the Financial Proposal. The details of an expert's remuneration and specific unit rates for out-of-pocket expenditures will not be subject to negotiations unless there is a budget constraint.
- 36. Availability of Personnel** - Having selected the Consultant on the basis of, among other things, an evaluation of proposed Personnel, the IsDB expects to negotiate a Contract on the basis of the Personnel named in the Proposal. Before contract negotiations commence, the IsDB will require written assurances that the Personnel will be actually available. The IsDB will not consider substitutions prior to or during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. The IsDB may also request the replacement of any expert nominated by the invited firm who received a rating below 70% (average) or is deemed to be unsuitable for a proposed position. In the event that the IsDB requests a replacement, such replacement shall not have a unit rate exceeding the remuneration proposed for the original candidate by the firm in its Financial Proposal. Any proposed replacement shall have equivalent or better qualifications and experience than the original candidate and be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate. Failure to meet either of these requirements may result in disqualification.

37. **Conclusion of the negotiations** - Negotiations will conclude with a review of the draft Contract. To complete negotiations, the IsDB and the Consultant will sign the agreed Contract. If negotiations fail, the IsDB will invite the Consultant whose Proposal received the second highest score to negotiate a Contract.
38. **Award of Contract and Commencement of Services**- After completing negotiations, the IsDB will award the Contract to the selected Consultant and notify the other Consultants who were unsuccessful of such result. The Consultant is expected to commence the Services on the date and at the location specified in the Data Sheet unless otherwise notified by IsDB in the Notice to Proceed.
39. **Debriefing** - Consultants who were not awarded the Contract may request a debriefing from the IsDB within seven (7) days after receiving a regret letter from the IsDB, with respect to their respective Proposals.
40. **Confidentiality** - Information relating to the evaluation of Proposals and recommendations concerning award shall not be disclosed to the Consultants who submitted the Proposals or to other persons not officially concerned with the process until the publication of award of contract, except for the information explicitly permitted in this ITB.

SECTION 3 DATA SHEET

Reference Clauses in Section 3	Subject	Specifics for this RFP
1	Selection Method	QCBS 80/20
2	Client	Islamic Development Bank Administrative Service Department
3	Client's Authorized Representative	Abdul Rasheed Chandio & Tarek Wassal
4	Client's Authorized Representative telecommunication and electronic mail	agul@isdb.org twassal@isdb.org
5	Deadline for Submission	[02/08/2024/Standard time 1600 hours]
7	Validity	60 Days
8	Counterpart Support	General - CONSULTANCY SERVICES FOR CORPORATE EVALUATION OF IsDB GROUP's DECENTRALIZATION EXPERIENCE <8993fedb.isdb.org@emea.teams.ms>
9	Proposal Submission Designated email address	Proposal Submission - CONSULTANCY SERVICES FOR CORPORATE EVALUATION OF IsDB GROUP's DECENTRALIZATION EXPERIENCE <ccccb1fc.isdb.org@emea.teams.ms>
10	Expected Commencement Date	15/08/2024

SECTION 4 ELIGIBILITY REQUIREMENTS

1. General Eligibility Requirements

- 1.1 The IsDB has no restrictions on the source of its corporate procurement provided such sources comply with the Boycott Regulations of the Organization of Islamic Conference, the League of Arab States and the African Union.
- 1.2 A consultant or consulting firm that is on any IsDB sanction or suspension list due to misconduct, administrative actions, integrity violations, poor performance or on any recognized terrorism list shall be ineligible for IsDB corporate procurement contract.

2. Specific Eligibility Requirements for Consultants

- 2.1. IsDB prefers to hire consultants from Member Countries. When such preference is to be applied in selecting consultants, the invitation for expression of interest and/or the request for proposals shall define how such preference will be applied in the selection process.
- 2.2. Consultants must be competent and qualified for the work they are hired to perform.
- 2.3. Consultants must be medically fit for their assignments, including any travel.
- 2.4. There shall be generally a six-month “cooling period” after an IsDB staff or a member of IsDB Board of Executive Directors has retired or resigned from IsDB before the person can be hired as consultant by IsDB.
- 2.5. Human Resources Management Department (HRMD) clears proposals to engage former Bank personnel for the first time as consultants to be contracted by the Bank.
- 2.6. Former Bank personnel normally shall not be contracted by Bank as consultant for an assignment longer than six (6) months.
- 2.7. Former Bank personnel whose employments with the Bank were terminated due to disciplinary actions shall be ineligible for being hired as consultant by the Bank.

- 2.8. There are generally no restrictions on hiring spouse, close relatives of Bank personnel as consultant provided that the consultant is not hired for an assignment in the same department of, or supervised directly or indirectly, by the consultant's spouse or close relative. Close relative is defined as close relatives as son, daughter, stepson, stepdaughter, adopted son, adopted daughter, mother, father, brother, sister, niece, nephew, grandmother, grandfather, granddaughter, grandson, aunt, uncle, cousin, stepmother, stepfather, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law.
- 2.9. Close relatives of consultants currently engaged by the Bank may not work as consultants if such engagement creates an actual or potential conflict of interest situation.
- 2.10. Civil servants (public sector employees working for a government department or agency) may only be hired under consulting service contracts with the Bank, either as individuals or as team members of a consulting firm, if they are on leave of absence without pay, and are duly authorized to work under an IsDB consulting service contract and their employment would not create a conflict of interest. A letter from the candidate's agency may be required to certify that these requirements are met. Once engaged by IsDB as consultant, such individuals shall serve in their own capacity and shall not represent any government organization or any entity external to IsDB.
- 2.11. A consultant who is currently contracted by the Bank on a full-time assignment must not work as a consultant, resource person or service provider for another Bank financed contract, and for any other employer or project. A consultant who is currently engaged on an intermittent assignment for the Bank is allowed to work on another intermittent assignment, provided that the user-departments concerned are convinced that there would be no overlapping in working days and no conflict in time schedule and no conflict of interest between the assignments in question.

SECTION 5 EVALUATION CRITERIA

[Instructions to Requesting Department staff:

All numbers provided in the templates in this section are indicative and may be adjusted based on the specific requirements for each assignment in accordance with the TOR. For more details instructions, please consult RPC7.3]

1. Technical Evaluation Criteria

1.1 Technical Proposal Evaluation Summary Sheet - Each consulting firm submitting proposal shall be evaluated based on the criteria specified in the table below.

Evaluation Criteria			Firm 1		Firm 2		Firm 3		Firm 4		Firm 5		Firm 6	
			Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score
A. Firm's Qualification														
a.	Experience in similar Projects	5												
b.	Experience in similar Geographic Areas	5												
B. Methodology and Work Program														
a.	Understanding of Objectives	3												
b.	Quality of Methodology	10												
c.	Innovativeness/Comments on TOR	5												
d.	Work program	5												
e.	Personal Schedule	5												
g.	Proposal Presentation	2												
C. Qualifications of Key Personnel														
a.	Team Leadership *	10												
b.	Team Member 1 Nominated as Team Leader	10												
c.	Team Member 2	7.5												

d.	Team Member 3	7.5												
e.	Team Member 4	7.5												
f.	Team Member 5	7.5												
D. Transfer of Knowledge/Training		10												
Total		100												

Rating : Excellent 95%-100% Very Good 90%-94% Above Average 80%- 89% Average 70%-79% , Below Average <70%, Non-Complying 0%

Score : Maximum Weight x Rating /100

** The Team Leader must be expert*

1.2 Personnel Evaluation Sheet - Each member of key personnel proposed by each consulting firm shall be evaluated based on the criteria specified in the table below.

Position/Area of Expertise		Name	General Qualification		Specific Experience s Relevant to TOR		Experience in the Region		Language		Total
			20%		60%		15%		5%		
			Rating	Score	Rating	Score	Rating	Score	Rating	Score	
a.	Team Leadership *										
b.	Team Member 1 Nominated as Team Leader										
c.	Team Member 2										
d.	Team Member 3										
e.	Team Member 4										
f.	Team Member 5										
Rating : Excellent 95%-100% Very Good 90%-94% Above Average 80%- 89% Average 70%-79% , Below Average <70%, Non-Complying 0%											
Score : Rating x percentage assign*											
* <i>The Team Leader must be expert</i>											

Rating : Excellent 95%-100% Very Good 90%-94% Above Average 80%- 89% Average 70%-79% , Below Average <70%, Non-Complying 0%

Score : Rating x percentage assign*

** The Team Leader must be expert*

1.3 Minimum Qualifying Technical Score: 75

2. Weight Distribution in Final Score:

2.1 Technical Proposal: 80%

2.2 Financial Proposal: 20%

SECTION 6. STANDARD FORMS FOR PROPOSAL SUBMISSION

[Instructions to Consultants: Comments in brackets [] provide guidance to the shortlisted Consultants for the preparation of their Technical Proposals; they should not appear on the Technical Proposals to be submitted.]

6.1 Standard Forms for Technical Proposals

- TECH-1 Technical Proposal Submission Form
- TECH-2 Consultant's Organization and Experience
- TECH-3 Description of the Approach, Methodology and Work Plan
- TECH-4 Curriculum Vitae (CV) for Proposed Professional Experts
- TECH-5 Personnel Schedule
- TECH-6 Work Schedule

6.2 Standard Forms for Financial Proposals

- FIN-1 Financial Proposal Submission Form
- FIN-2 Summary of Financial Proposal
- FIN-3 Remuneration
- FIN-4 Other Expenses

Form TECH-1 Technical Proposal Submission Form

[*Location, Date*]

To: [Name and address of IsDB]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [*Insert title of assignment*] in accordance with your Request for Proposal dated [*Insert Date*] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We are submitting our Proposal in association with_____/as a Joint Venture: [*Insert a list with full name and address of each joint venture partner or associated firm*].¹ Attached is the following documentation: [Joint Venture Agreement or letters of association]²

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

Our technical and financial proposals shall remain valid for the period as defined in the Data Sheet of your Request for Proposal. If negotiations are held during the validity period, we undertake to negotiate on the basis of the proposed personnel. Our Proposal is binding upon us and subject to the modifications resulting from contract negotiations.

¹ [*Delete in case no association or Joint Venture is proposed.*]

² The relevant agreement must identify the lead Joint Venture partner or associate and specify the lead firm's authority to sign for, and on behalf of, the Joint Venture or association. For Joint Ventures, the Joint Venture agreement must include an undertaking of joint and several liability by each Joint Venture partner

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Clause Reference 37 of the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

Form TECH-2 Consultant's Organization and Experience

1. Consultant's Organization

[Provide here a brief (not more than two pages) description of the background and organization of the Consultant (including associate firms) and, if applicable, Sub-Consultant and each joint venture partner for this assignment.]

2. Consultant's Experience

[Using the format below, provide information on each assignment for which your firm, and each associated firm or joint venture partner for this assignment, was legally contracted either individually as a corporate entity or as one of the major companies within an joint venture for carrying out consulting services similar to the ones requested under this assignment. Please include not more than 10 of the most recently completed assignments.]

Assignment name:	Approx. value of the contract (in current US\$ or Euro):
Country: Location within country:	Duration of assignment (months):
Name of IsDB:	Total N° of person-months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (in current US\$ or Euro):
Start date (month/year): Completion date (month/year):	N° of professional person-months provided by the associated firms or joint venture partners or the Sub-Consultants:
Name of Joint venture partner, if any:	Name of senior regular full-time employees of your firm involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Narrative description of Project:	

Description of actual services provided in the assignment:

Firm's Name: _____

Form TECH- 3 Description of Approach, Methodology and Work Plan for Performing the Assignment

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal in the following three chapters:]

1) Technical Approach and Methodology

[In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.]

2) Work Plan

[In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones, and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology,

showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule of Form TECH-7.

3) Organization and Personnel

[In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support personnel. You shall also specify if you will be the lead firm in a joint venture. For joint ventures, you must attach a copy of the relevant agreement.]

Form TECH- 4 Curriculum Vitae (CV) for Proposed International or National Experts

1. **Proposed Position** *[only one candidate shall be nominated for each position]:* _____

2. **Name of Firm** *[Insert name of firm proposing the expert]:* _____

3. **Name of Expert** *[Insert full name]:* _____

4. **Date of Birth:** _____ **Citizenship:** _____

5. **Education** *[Indicate college/university and other specialized education of expert, giving names of institutions, degrees obtained, and dates of obtainment]:* _____

6. **Membership in Professional Associations:** _____

7. **Other Trainings** *[Indicate significant training since degrees under 5 - Education were obtained]:*

8. **Countries of Work Experience:** *[List countries where expert has worked in the last ten years]:*

9. Languages *[For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:* _____

10. Employment Record *[Starting with present position, list in reverse order every employment held by expert since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]:*

FROM [YEAR]: _____ To [YEAR]: _____

Employer: _____

POSITIONS HELD: _____

<p>11. DETAILED TASKS ASSIGNED</p> <p><i>[LIST ALL TASKS TO BE PERFORMED UNDER THIS ASSIGNMENT]</i></p>	<p>12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned</p> <p><i>[Among the assignments in which the expert has been involved, indicate the following information for those assignments that best illustrate the expert's capability to handle the tasks listed in line 11.]</i></p> <p>Name of assignment or project: _____</p> <p>Year: _____</p> <p>Location: _____</p> <p>IsDB: _____</p> <p>Main project features: _____</p> <p>Positions held: _____</p> <p>Activities performed: _____</p>
--	--

13. Certification:

I, the undersigned, certify to the best of my knowledge and belief that

- (i) this CV correctly describes my qualifications and my experience;
- (ii) I am not a close relative* of a current IsDB staff member;
- (iii) In the absence of medical incapacity, I will undertake this assignment for the duration and in terms of the inputs specified for me in the Personnel Schedule in Form TECH-5 provided team mobilization takes place within the validity of this proposal or any agreed extension thereof;
- (iv) I am committed to undertake the assignment within the validity of Proposal;
- (v) I am not sanctioned (ineligible for engagement) by IsDB.

I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

_____ Date: _____

[Signature of expert or authorized representative of the firm]³

Day/Month/Year

Full name of authorized representative: _____

* 'Close relative' for this purpose is defined in Section 4 of this RFP.

³ This CV can be signed by a senior representative of the Consultant provided that if the Consultant's proposal is ranked first, a copy of the CV signed by the expert and/or specialist must be submitted to the IsDB prior to the commencement of contract negotiations.

Form TECH- 5 Personnel Schedule

	Name of Team member /Position	Team Members input (in the form of a bar chart)														Total person-month/weeks input
		1	2	3	4	5	6	7	8	9	10	11	12	n	Total	
1	Assignment Location															
2	Assignment Location															
3	Assignment Location															
	Assignment Location															
n	Assignment Location															
Total																

Form TECH-6 Work Schedule

N°	Activity ¹	Months/Weeks ²												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														

n														

- 1 Indicate all main activities of the assignment, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as IsDB approvals. For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase.
- 2 Duration of activities shall be indicated in the form of a bar chart.

Form FIN-1 Financial Proposal Submission Form

[*Location, Date*]

To: [*Name and address of IsDB*]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [*Insert title of assignment*] in accordance with your Request for Proposal dated [*Insert Date*] and our Technical Proposal. Our attached Financial Proposal is for the sum of [*Insert amount(s) in words and figures*].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal indicated in Clause Reference 11 of the Data Sheet.

If negotiations are held during the validity of the proposal, we confirm availability of our team of proposed personnel. Our proposal is binding upon us and subject to the modifications resulting from contract negotiations.

We undertake, if our proposal is accepted, to initiate the consulting services for the services by the date indicated in Clause Reference 38 of the Data Sheet.

We hereby certify on behalf of the Consultant and myself that information provided in the Technical and Financial Proposals (collectively "Proposals") submitted by us for the Services is true, correct and accurate to the best of our knowledge and belief. We further certify that we have not taken any action which is or constitutes a corrupt, fraudulent, collusive or coercive practice and is not subject to any conflict of interest as defined in your RFP; and we agree to allow the IsDB, at its option, to inspect and audit all accounts, related documents, and records relating to the Proposals and, if we are engaged, to the ensuing contract.

We certify that neither the Consultant (including any associate firm) nor any Sub-Consultant or Joint Venture Partner, or expert nominated in these Proposals has been sanctioned by the IsDB.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

For and on behalf of: _____ [Name of Firm]

Address: _____

FIN-2: Summary of Financial Proposal

Item	Amount		
	Currency 1	Currency 2	Currency 3
Remuneration			
Other Expenses			
Total			

FIN-3: Remuneration

Team Leader	Regular Employee of The Firm (Y/N)	Currency	Remuneration Rate per working day	Inputs in working days	Subtotal Remuneration for the assignment
Team Leader					
Team Member 1					
Team Member 2					
Team Member 3					
.....					
Team Member N					
Total					

FIN-4: Other Expenses

Item	Unit	Currency	Unit Cost	Qty	Subtotal
Per Diem (daily subsistence allowance) ¹					
Air Travel ²					
[Other Expenses, if any]					

1 Covering cost for lodging, meals, local transportation, and other misc. Expenses for work outside the team member's home office or permanent residency					
2 Via most direct route					

SECTION 7. TERMS OF REFERENCE

A. BACKGROUND OF THE HIRING DEPARTMENT

1. The Islamic Development Bank (IsDB)'s Independent Evaluation Department (IEvD) is a specialized and independent body responsible for planning, designing, and conducting evaluations of the Bank's operations in accordance with internationally recognized evaluation principles. The primary objective of the IEvD is to conduct project, program, corporate, sector, thematic, process, and country assistance evaluations covering the activities of the IsDB. Evaluations conducted by the IEvD provide a thorough assessment of the relevance, efficiency, effectiveness, and impact of the IsDB's interventions, as well as the sustainability of the development results achieved. The IEvD reports directly to the IsDB's Board of Executive Directors (BED) and aims to guide future operational and policy decisions, enable collective and effective ongoing learning, and enhance accountability at all levels.

2. At the recommendation of IsDB BED, IEvD has initiated the Corporate Evaluation of IsDB Group's Decentralization Experience. In this regard, IEvD is seeking the services of an international consultancy firm to conduct the evaluation with the support of IEvD-designated staff.

B. BACKGROUND OF THE ASSIGNMENT

3. The IsDB Group's Decentralization Experience covered three main stages. First, prior to 2011, there were four Regional Offices in Kazakhstan, Malaysia, Morocco and Senegal. Secondly, in 2011, five Country Gateway Offices were established in Bangladesh, Egypt, Indonesia, Nigeria, and Türkiye. Thirdly, the Regional Hub decentralization was proposed in December 2017 and established in February 2018.

4. The IsDB decentralization process began with a series of strategic resolutions aimed at enhancing its operational efficacy and expanding its reach. Resolution BED/413/(142)/184 marked the initial step, establishing regional offices in Kuala Lumpur, Malaysia, and Rabat, Morocco. These offices were strategically placed to serve Southeast Asia and the countries south of the Sahara along with the Arab Maghreb Union, respectively. The rationale behind these offices was to facilitate closer and more effective engagement with a significant portion of IsDB member countries.

5. Following this, Resolution BED/417/(164)/18 approved the establishment of a liaison office in Central Asia, intended to enhance the IsDB's engagement with its member countries in this region. This office serves as a crucial link between the IsDB's headquarters and the Central Asian republics, addressing the region's significant developmental needs.

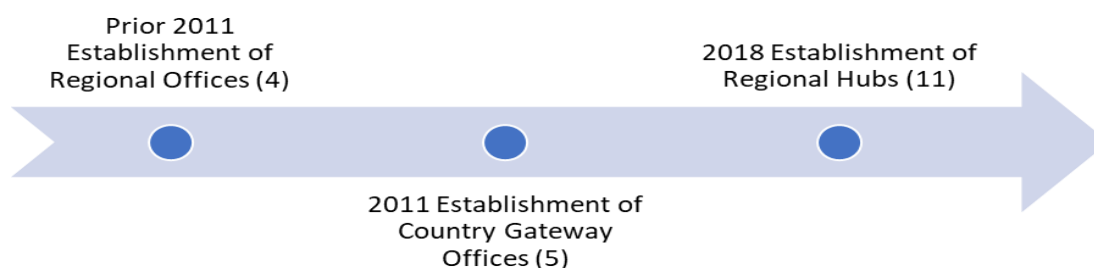
6. In West Africa, Resolution BED/17/08/427/(240)/84 led to the creation of a regional office in Dakar, Senegal. This office was strategically positioned to improve IsDB's involvement in addressing the developmental challenges of West African countries, enhancing the bank's ability to respond effectively to the needs of the region.

7. Resolution BED/24/12/432/(279)/145 expanded the IsDB's footprint further by establishing pilot offices in Egypt, Indonesia, Turkey, Bangladesh, and Nigeria. These offices were initiated to test the effectiveness of a decentralized operational model, providing valuable insights that would inform further strategic refinement. This approach not only aimed to enhance the bank's direct engagement with member countries but also provided a framework for evaluating the impact and efficiency of decentralization in meeting the developmental objectives across diverse regions.

8. In 2014, the Bank's 40-year performance assessment observed that: (i) only 6% of the Bank's staff were based in the field with a limited delegation of authority (DoA). This was in stark contrast to other Multilateral Development Banks (MDBs), which had 55% of their operational staff in the field with significant DoA, and (ii) A centralized operating model was noted as a major constraining factor contributing to the IsDB's slow responsiveness to the needs of its Member Countries (MCs) and delayed implementation of its projects. As of Q1-2024, the Bank's staff based in the field stood at 19% of the total workforce.

9. Lastly, informed by recommendations from the IsDB Group's 40-year performance review in 2016, which emphasized the need for improved proximity to Member Countries (MCs), a hybrid Regional Hub (RH) model of decentralization was proposed for business delivery in 2017. This model was specifically designed to minimize implementation delays and reduce costs by foregoing the establishment of individual country offices. Introduced by the management in December 2017, the Decentralized Business Delivery Model, or the RH Model of Decentralization, is built upon **four foundational pillars: Empowerment, Efficiency, Effectiveness, and Synergy**. Each Regional Hub is tasked with serving a specific geographical cluster of countries, with delegated authority to lead and manage the Bank's operations throughout the entire operational cycle, aiming to enhance portfolio performance, client satisfaction, and overall development outcomes.

Figure 1: Timeline of Decentralization Process



10. Major assumptions of the “Decentralized Business Delivery Model”: were (i) an annualized financial benefits of USD 57 million from shorter project lifecycle; (ii) the savings covers the one-time set up costs (USD 8.6 million) and estimated annual operational costs of USD 18.6 million; (iii) making the Group RHs as “One-stop shop” to ensure Group synergy in all facets of business development; (iv) ensuring coordination from Group Operations as well as cost sharing among the Group Members; (v) the expected benefits included USD 2-5 million to be saved annually, and RHs to become profit centers to improve cost-effectiveness; (vi) the expected benefits included 90% of IsDB clients to be satisfied with direct engagement with developers, hence improving client satisfaction; and (vii) the expected benefits included improved quality-at-entry, reduction in delayed projects, and CUC reduction to improve operational performance.

C. RATIONALE AND OBJECTIVE OF THE ASSIGNMENT

11. The rationale for the proposed evaluation of the IsDB Group’s decentralization initiative stems from a series of challenges identified in the implementation of its recently adopted decentralized model. These challenges, which emerged during the operationalization of regional hubs and the decentralization of functions from the headquarters to these hubs, have highlighted critical areas requiring thorough assessment and potential reevaluation. This prompted the IsDB’s Board of Executive Directors to request a comprehensive evaluation to ensure that the decentralization efforts align effectively with the Bank’s operational objectives and strategic goals.

12. This evaluation aims to scrutinize the effectiveness and efficiency of the decentralized model by examining specific operational issues that have surfaced post-decentralization. These include delays in project implementation, potential overlaps in regional functions, issues in

stakeholder communication, and discrepancies in the financial outcomes compared to initial projections. By conducting a detailed analysis of these areas, the evaluation seeks to provide actionable insights into how the decentralization has affected the IsDB Group's responsiveness to member countries' needs and its overall operational agility.

13. Furthermore, the evaluation will benchmark IsDB Group's performance against other similar institutions that have undergone decentralization, to draw comparative lessons, and best practices. This contextual assessment is designed to provide the Bank's management and board with evidence-based recommendations for refining the decentralization strategy (including the number, roles and functions of the regional hub), enhancing operational effectiveness, and better fulfilling the development objectives across its member countries.

14. **The overarching goal of this evaluation is to assess the induced effects of the IsDB Group's Decentralization Experience from 2018 to 2023.** Accordingly, the specific objectives of the evaluation are: (i) to document the Bank Group's field presence experience and underlying assumptions of the decentralization; (ii) to assess the operational efficiency and cost effectiveness of managing operations from Regional Hubs; (iii) to assess the effectiveness of managing operations from Regional Hubs; (iv) to benchmark the operational effectiveness, efficiency and cost structure of IsDB Group's field presence with other Multilateral Development Banks (MDBs); and (v) to provide the lessons learned and recommendations on the right-sizing, roles and function of the decentralized structure. The evaluation will focus on operational efficiency, effectiveness, cost efficiency, and risk management of Regional Hubs. The scope of the cost analysis will include IsDB and relevant IsDB Group entities (ITFC, ICD and ICIEC).

15. **Evaluation Questions.** In line with evaluation objectives listed above, the evaluation will seek to answer the following questions.

16. **Documenting the Bank Group's Field Presence Experience and Underlying Assumptions:**

- **What were the initial assumptions and strategic goals underpinning the establishment of IsDB Group's Regional Hubs?**
 - What were the initial decentralization steps and how has been the decentralization journey in IsDB Group?
 - What strategic objectives did the IsDB Group aim to achieve through the establishment of Regional Hubs?
 - What were the anticipated benefits of decentralization for the IsDB Group, its Member Countries, and its clients?

17. Assessing Operational Efficiency and Cost Effectiveness of Managing Operations from Regional Hubs:

- How has the implementation of the Regional Hubs model impacted the operational efficiency and cost-effectiveness of the IsDB Group's project management and administrative operations?

Efficiency Indicators:

- How have key efficiency indicators such as project cycle times (from approval to completion) and disbursement ratios evolved since decentralization?
- What factors have contributed to any observed changes in these indicators?
- What is the saving made or missed due to the IsDB Group Regional Hub model?

Cost-Effectiveness Measures:

- What specific measures have been undertaken by Regional Hubs to achieve cost savings in project management and operations?
- How have these measures impacted the overall cost structure of managing projects through Regional Hubs compared to the central management model?

18. Assessing the Effectiveness of Managing Operations from Regional Hubs:

- How have Regional Hubs contributed to the achievement of project milestones and objectives within the covered period?
 - In what ways have Regional Hubs improved the IsDB Group's responsiveness to Member Countries' needs?
 - How effectively have Regional Hubs managed project implementation challenges?
- What is the performance of IsDB Group Regional Hubs assessed on four dimensions: (i) Level of Operationalization, (ii) Operational Efficiency of RH Portfolio, (iii) Operational Effectiveness of RH Portfolio, and (iv) Cost Efficiency of the RHs?

19. Assessing the effectiveness of the Decentralization Risk Management Process

- What is the extent of the Decentralization Risk Identification?

- Has there been a relevant and effective decentralization risk identification process at the hub and HQ levels?
 - What are the main risks identified associated with the decentralization processes and their related categories and characteristics?
 - **To what extent the Decentralization Risk Mitigation Strategies have been effective?**
 - Were the mitigation strategies proposed adequate to address the identified risks?
 - Have these mitigation strategies been implemented and to what extent they have been effective?
20. **Benchmarking Operational Effectiveness, Efficiency, and Cost Structure with Other MDBs:**
- **How does the IsDB Group's operational effectiveness, efficiency, and cost structure compared to similar models in other MDBs?**
 - What are the best practices in operational efficiency and effectiveness from other MDBs that could be relevant for the IsDB Group?
 - How does the cost efficiency of IsDB Group's field presence compare with that of other MDBs?
21. **Documenting Lessons Learned and Recommendations:**
- **What are the major lessons learned from implementing the Regional Hubs model in terms of operational effectiveness and efficiency?**
 - What successes and challenges have Regional Hubs encountered since their inception?
 - How have these experiences informed potential improvements in the Regional Hubs model?
 - What is the best optimum decentralized operating model among MDBs?
 - **Based on the evaluation findings, what are the specific recommendations for improving the Regional Hubs model moving forward?**
 - What strategic and operational adjustments are recommended to enhance the effectiveness and efficiency of Regional Hubs?
 - What downsizing or upsizing is recommended for the current regional hub model of IsDB Group?
 - What are the recommendations in terms of roles and functions of the current regional hub model of IsDB Group?

D. SCOPE OF THE ASSIGNMENT

22. The proposed evaluation of the IsDB Group's Decentralization Experience covers a comprehensive scope designed to assess the strategic and operational impacts of the process from 2018 to 2023. It will compare these findings with those from the period of 2014 to 2017. The evaluation is structured to explore several key areas:

- **Operational Efficiency and Effectiveness:** The evaluation will assess the operational changes brought by the regional hubs, focusing on indicators like project start-up and implementation times, disbursement ratios, and the overall project lifecycle efficiency. The aim is to determine if the decentralized model has streamlined operations and made them more responsive to the needs of member countries.
- **Cost Efficiency ⁴:** This part of the evaluation examines the financial aspects of decentralization, including the cost structures of regional hubs and their financial performance. It involves analyzing expenses, cost-sharing mechanisms, and the financial outcomes of decentralization against the initial projections and ongoing operational costs.
- **MDBs Benchmarking and Comparative Analysis:** A critical aspect of the scope is to benchmark IsDB Group's performance against other Multilateral Development Banks (MDBs) to gauge the effectiveness of its decentralization in terms of operational and cost efficiency. This comparison will help identify best practices and areas where IsDB might improve its strategies.
- **Stakeholders Feedback Assessment:** The evaluation will collect qualitative data through interviews, surveys, and case studies from various stakeholders including HQ and regional hub staff, member countries, and beneficiaries. This is aimed at understanding the induced effects of decentralization on service delivery and stakeholder satisfaction. A list of external stakeholders mapping is provided in **Annex 3**.
- **Case Studies.** Case studies will offer in-depth insights into the effectiveness, challenges, and outcomes of decentralization efforts, complementing the broader evaluation framework. The case studies will spotlight specific operational topics such as project start-up efficiency, project procurement and project disbursement to elucidate how decentralization has influenced project cycle times (appraisal to effectiveness to implementation to completion), staff empowerment, cost management, and overall

⁴ An initial list of KPIs for measuring operational efficiency, effectiveness and cost efficiency is provided in **Annex 2**.

operational performance. The evaluation will document special experiences (failures and successes) of significant changes or notable trends related to the post-decentralization period.

- **Drawing Conclusions, Lessons and Recommendations:** The final component involves compiling the findings into a comprehensive report that provides actionable insights and recommendations. This will include lessons learned, identified challenges, and suggested strategic adjustments to enhance the effectiveness and efficiency of the decentralized model.

23. The objective of the consultancy assignment is to prepare a corporate evaluation report by incorporating above mentioned areas and collecting the necessary information and data. As the content of the evaluation report should be supported by solid information, statistics, documented references, and pictures from the assessed project, the consultancy firm is expected to collect and use charts, tables, and graphs to prepare the report and assessment.

24. The consultancy firm will undertake all tasks required to fulfill these TORs. In this connection, the firm's team will review all BED documents, operations documents and undertake missions to 5 to 6 once out of 11 regional hubs and to IsDB Group HQ twice. During the field missions, it will conduct interviews with all relevant stakeholders, and collect all necessary information and data for completing the evaluation assignment. In addition, the consultancy firm will collect necessary data and information from all related operational areas to facilitate the assessment. This could be through questionnaires provided by the consultancy firm, sample surveys, or in-depth interviews. The consultancy firm may be required to provide additional information/data which are deemed necessary for the proper discharge of the tasks to the satisfaction of IEvD.

E. DELIVERABLES OF THE CONSULTANCY FIRM

25. The consultancy firm will work under the supervision of and with the support of IEvD to conduct the Corporate Evaluation of IsDB Group's Decentralization Experience. The deliverables of this consultancy shall be in English. The evaluation must be done using a rigorous mixed-methods approach, combining quantitative and qualitative analysis. It will review key performance indicators, conduct trends and benchmarking analysis, collect stakeholder feedback, and develop case studies.

26. The consultancy firm will be responsible for producing the following deliverables:

- (a) An **Inception Report** taking stock of all background documents, outcomes of the desk review and preliminary stakeholders' consultations. The inception report will include also a detailed Approach Paper including: (i) the methodology of the evaluation; (ii) evaluation tools/questionnaires for data collection; (iii) the proposed schedule/work plan of the evaluation activities; and (iv) schedule for the meetings and the field missions. It will include a roadmap for the timely delivery of the final report to the BED latest by the mid-November 2024.
 - (b) **Three Technical Papers** on MDBs Benchmarking Analysis, Stakeholders Consultation Report and Case Studies Report; reflecting the main key findings, conclusions and their related implications for IsDB Group.
 - (c) A **Draft Evaluation Report (V0.1)** including all annexes (such as MDBs Benchmarking Analysis, Stakeholders Consultation Report and Case Studies Report) is to be submitted to the IEvD (three weeks after completion of all field missions) for review and comments. The IEvD will send its comments and feedback to the consultancy firm within five (05) working days after receiving the draft report. It should submit an updated draft report (V0.2) based on the IEvD review and comments within five (5) working days. IEvD will then share the updated draft report with the IsDB Group department(s) concerned for feedback and comments. The IEvD will send to the consultant the comments it receives from the department(s) concerned within ten (10) working days of receiving the updated draft report (V0.2).
 - (d) A **Final Evaluation Report** incorporating all feedback received is to be handed over to the IEvD within one (1) week after receiving comments from the IsDB Group department(s) concerned on the draft report. In addition, the consulting firm will submit a 2-page Digest reflecting the key findings, lessons learned, and recommendations; as well as a concise PowerPoint presentation of the final report (~10 to 15 slides max).
27. The main deliverables and activities of this assignment are expected to be delivered by the Consultancy Firm within the specified timeframe:
- i. **15th – 30th August 2024:** Finalize the Desk Review, and the Inception Report.
 - ii. **September – October 2024:** Conduct the field missions to IsDB HQ, and selected Regional Hubs for internal (IsDB Group) and external stakeholders' consultation, and prepare all the technical papers (MDBs Benchmarking Analysis, Stakeholders Consultation Report and

Case Studies Report).

- iii. **October - November 2024:** Draft & Final Evaluation Report
- iv. **8th December 2024:** Presentation to the Operations and Development Effectiveness Committee (ODEC).
- v. **14th December 2024:** Presentation of the findings to the full Board of Executive Directors.

F.QUALIFICATION

- 28. The consultancy firm must be an internationally reputed firm with ample experience in conducting large scale evaluation of organizational change, and decentralization, and working with multilateral development banks and/or international organizations.
- 29. It is expected that the external consultancy firm will identify and mobilize experts to cover the needs to assess each dimension under the scope of the evaluation. Tentatively, the expertise needed to carry-out this evaluation include the following: Team Leader or Principal Evaluator, International Development Operations Expert, Corporate Governance / Organization Management Expert, and Financial Expert. As part of the evaluation, most of the experts are expected to travel to the IsDB Group HQ (twice) in Jeddah, KSA and 5 to 6 regional hubs to conduct consultations, as per the methodology to be agreed upon. The consultations with the rest of the regional hubs shall be done virtually.
- 30. The required consultants' qualification includes: (i) relevant academic background as mentioned below with at least master's degree; (ii) at least ten years of subject matter experience, with special experiences in organizational change, corporate performance, and operational decentralization, and in development financing; (iii) sound knowledge and proven experience of corporate evaluation; (iv) excellent oral and written communication skills in English; and (v) computer skills in word processing, data analysis and presentations.

31. The details qualification of each expert under the consultancy firm are as follows:

Title of the Experts	Required Qualifications
Team Leader (Principal Evaluator)*	<p>Academic Background. Master's in economics, engineering, international development, management or related subject</p> <p>Years of Experiences. At least 10 years of multidisciplinary experiences</p> <p>Areas of Experiences. Experienced in leading large-scale evaluations, preferably with expertise in organizational change, corporate performance, decentralization, or development financing.</p>
Evaluation Expert*	<p>Academic Background. Master's in economics, evaluation, development economics, international development, or related subject</p> <p>Years of Experiences. At least 10 years of multidisciplinary experiences</p> <p>Areas of Experiences. Seasoned expert in evaluation methodologies with experience in both quantitative and qualitative research techniques.</p>
International Development Operations Expert*	<p>Academic Background. Master's in engineering, development economics, international development, or related subject</p> <p>Years of Experiences. At least 10 years of multidisciplinary experiences</p> <p>Areas of Experiences. Experience in fields relevant to the IsDB Group's operations, such as international development, infrastructure, social sectors, private sector finance. Specific knowledge of the regions where the IsDB Group operates is highly preferable.</p>
Corporate Governance / Organization Management Expert	<p>Academic Background. Masters in organization management, corporate governance, management, or related subject</p> <p>Years of Experiences. At least 10 years of multidisciplinary experiences</p> <p>Areas of Experiences. Expertise in organization management, corporate assessment, consulting, with a focus on multilateral institutions or international organizations.</p>
Financial Expert	<p>Academic Background. Master's in finance, risk management, and related subject. A specialized certification is highly preferable (CPA, CFA, etc.).</p> <p>Years of Experiences. At least 10 years of multidisciplinary experiences</p> <p>Areas of Experiences. Expert in financial analysis, risk management, ideally with experience in the financial mechanisms of MDBs.</p>

* A given proposed expert may have a combination of profiles such as evaluation, international development operations and team leadership/ management.

G. ABSENCE OF CONFLICT OF INTEREST

32. According to IsDB rules, the consultancy firm and consultants to work on this assignment must not have been involved in the design and/or implementation, supervision, and coordination of and/or have benefited from the program/project (or theme) under evaluation. The consultancy

firm and consultants to work on this assignment will be requested to sign a declaration that the s/he has not worked in any IsDB Group initiative related to the decentralization, in whatsoever capacity.

ANNEX-1: PROPOSED REPORT OUTLINE

The proposed outline of the Independent Evaluation Report is given below:

Table of Contents

- Acknowledgment
- List of Acronyms & Abbreviations
- Executive summary

Chapter 1: Introduction

- 1.1 Objective of the Corporate Evaluation of IsDB Group's Decentralization Experience
- 1.2 IsDB Group's Strategic Directions
- 1.3 Current Structure of Regional Hubs and KL Centre of Excellence

Chapter 2: Scope, Methodology and Underlying Assumptions

- 2.1 Scope of the Evaluation
- 2.2 Data Collection and Information Sources
- 2.3 Methodology and Underlying Assumptions
- 2.4 Multilateral Development Banks (MDBs) for Benchmarking

Chapter 3: Background on the IsDB Group's Field Presence Experience (2018-2023)

- 3.1 Evolution of Field Presence since inception
- 3.2 Current structure, mandate, and responsibilities of Regional Hubs and Bank Group's Delegation of Authority (DoA)

Chapter 4: Assessment of Operational Efficiency across time periods

- 4.1 Status of Key Performance Indicators (KPIs) for Operational Efficiency
- 4.2 10-Year Trends in KPIs for Operational Efficiency
- 4.3 MDBs Benchmarking on KPIs for Operational Efficiency

Chapter 5: Assessment of Operational Effectiveness across time periods

- 5.1 Status of Key Performance Indicators (KPIs) for Operational Effectiveness
- 5.2 10-Year Trends in KPIs for Operational Effectiveness

5.3 MDBs Benchmarking on KPIs for Operational Effectiveness

Chapter 6: Cost Structure of Regional Hubs and Assessment of Cost Efficiency

6.1 Status of Key Performance Indicators (KPIs) for Cost Efficiency

6.2 Comparative Analysis of Cost Efficiency

6.3 Group synergy on cost efficiency

6.4 MDBs Benchmarking on KPIs for Cost Efficiency

Chapter 7: Assessment of the Decentralization Risk Management Process

7.1 Assessment of the Decentralization Risk Identification

7.2 Assessment of the Decentralization Risk Mitigation Strategies

Chapter 8: Conclusions, Lessons and Recommendations

8.1 Key Conclusions

8.2 Lessons

8.3 Recommendations

Annexes

Annex 1: List of IsDB Group Regional Hubs with Staff Positions and Portfolio

Annex 2: MDBs Benchmarking Analysis

Annex 3: Stakeholders Consultation Report

Annex 4: Case Studies Report

ANNEX-2: INITIAL LIST OF OPERATIONAL EFFICIENCY AND EFFECTIVENESS INDICATORS FOR TIME PERIOD COMPARISON

Chapter	Objective	Key Performance Indicators (KPIs)
Chapter 4: Assessment of Operational Efficiency	Project Start-up Efficiency	Average period from Approval to Signing
		Average period from Signing to Effectiveness
		Average period from Effectiveness to First Disbursement
		Average Project Start-up Period in Months from Approval to First Disbursement (to be reduced by 30% by 2025 from the baseline of 2015 - IsDBG Strategy Map 2015)
	Project implementation Efficiency	Project Physical Closures
		Project Financial Closures
		Percentage of Ageing Projects in the active portfolio
		Average Implementation Age of Active Portfolio in Years (from First Disbursement to Last Disbursement)
	Disbursement Efficiency	Disbursement Ratio (OCR) (20% by 2025 from the baseline in 2015 - IsDBG Strategy Map 2015)
Chapter 5: Assessment of Operational Effectiveness	Operational Effectiveness	Increase in results per USD million invested (10% increase by 2025 - IsDBG Strategy Map 2015)
		People provided access to infrastructure (290 million target by 2025 - IsDBG Strategy Map 2015)
		People reached with basic social services (44 million target by 2025 - IsDBG Strategy Map 2015)
		Jobs created (1 million by 2025 - IsDBG Strategy Map 2015)
		People to attend training and learning events (1 million by 2025 - IsDBG Strategy Map 2015)
Chapter 6: Cost Structure of Regional Hubs and	Cost Efficiency	Expenses to active portfolio ratio (to be reduced by 10% by 2025 from the baseline in 2015 - IsDBG Strategy Map 2015)
		Mark-Up from Regional Hubs Portfolio
		Cost Efficiency (in USD) from conversion of international positions to local positions

Assessment of Cost Efficiency		Cost Efficiency (in USD) from business travel expenses from business missions undertaken for programming, project appraisal and project supervision
		Cost Sharing (in USD) between IsDB Group Members for establishment expenses of Regional Hubs
		Cost Sharing (in USD) between IsDB Group Members for operating expenses of Regional Hubs
		Planned vs Actual Start-up costs for establishing Regional Hubs
		Planned vs Actual operating expenses of Regional Hubs

ANNEX-3: EXTERNAL STAKEHOLDERS MAPPING

Stakeholder Categories	Engagement Strategy	Purpose
Governors/ Alternate Governors	Interviews to understand their experiences and satisfaction levels with IsDB Group's services post-decentralization	To assess how decentralization has affected IsDB Group responsiveness and effectiveness from the perspective of MCs
Executive Directors	Interviews to understand their satisfaction levels with IsDB Group's efficiency and effectiveness post-decentralization	To assess how decentralization has affected IsDB Group's responsiveness and effectiveness from the perspective of MCs
Line Ministries	Perceptions will be recorded through interviews	To assess how IsDB Group decentralization has helped to align its strategic focuses with the needs of MCs
Executing Agencies	Views and insights will be collected through interviews and focus group discussions	To assess how IsDB Group decentralization has helped project processing and implementation; and resolve operational efficiency issues
Project Management Units	Views and insights will be collected through interviews and focus group discussions	To gauge the impact of IsDB Group decentralization on project implementation efficiency and effectiveness

Private Sector Clients	Views and insights will be collected through interviews and focus group discussions	To identify the benefits of IsDB Group field presence on the private sector clients in member countries
Civil Society Partners (NGOs)	Views and insights will be collected through interviews and focus group discussions	To identify any enhanced collaboration with NGOs after IsDB Group decentralization
Philanthropists	Views and insights will be collected through interviews	To find out the enhanced engagement of IsDB Group after decentralization
Co-financiers (MDBs / Bilateral Organizations/ UN Agencies)	Benchmarking studies to learn from other institutions' decentralization efforts.	To contextualize IsDB Group's decentralization experience within the broader landscape of international development and identify best practices and lessons learned from peers.
Project End Beneficiaries	Views will be collected through other ongoing evaluations as much as feasible.	To gauge whether the end beneficiaries perceive the impact of IsDB Group's field presence

SECTION 8. GENERAL CONDITIONS OF AGREEMENT

[Guidance Note to the Requesting Department: For preparing a suitable contract for your consultant, please use the standard General Conditions of Agreement provided in Part III of this User's Guide based on the selection method identified in the BCC.]

SECTION 9: CONSULTANCY SERVICES AGREEMENT (PARTICULAR CONDITIONS OF AGREEMENT)

[Guidance Note to the Requesting Department: For preparing a suitable contract for your consultant, please use the standard General Conditions of Agreement provided in Part III of this User's Guide based on the selection method identified in the BCC.]