

Convergence
Country Senior Advisor
Terms of Reference

Sponsored initially by the World Bank, in close consultation with the European Bank for Reconstruction and Development, and supported by a grant from Italy's Ministry of Economy¹, the financial sector development program "Convergence" aims at fostering micro-structural market-building reforms conducted in consultation with market participants in seven South-East European countries².

By undertaking analytical activities and sharing its methodologies and findings with authorities, market participants, financial services users and local independent analysts, "Convergence" pursues the long-term objective of promoting a continuous self-sustaining reform process, in the context of a productive public-private dialogue.

To execute this challenging agenda, "Convergence" wishes to hire one or more Country Senior Advisors (CSA) who will report to the Program's CEO. The CSAs, together with the Senior Policy Advisor, the Senior Advisors (Market Participants) and the CEO, form the Convergence Management Group.

The Group will determine the strategy, identify the possible assignments, follow implementation, and ensure that the "Convergence" long-term objectives are pursued through appropriate outreach, communication, public engagement activities and institutional alliances. The Group will be supported by a two-person Operations Unit that will be located in the World Bank's Rome Office. It is envisaged that the Group will form an Advisory Board to enhance the independence, objectivity and rigor of its work.

Given the nature of Convergence's activities, the Country Senior Advisor needs to be a former senior public official of a country of Convergence operations, preferably a Governor, Deputy Governor or Minister of Finance. To emphasize the need to catalyze institutional alliances and to underline the collaborative and open nature of its activities, "Convergence" is keen to be represented by CSAs with professional links to other international financial institutions and organizations.

The CSA needs to have the following characteristics: to have gained considerable experience designing and executing financial sector policy decisions; to enjoy the highest personal and professional standing with country authorities and market participants in the region; and to have developed good relationship with international financial institutions and organizations.

The duties and accountabilities of the Country Senior Advisor are as follows:

1. To be responsible for all aspects of "Convergence" activities and operations in one or more countries.
 - a. This entails developing and leveraging relationships with the following:
 - i. Authorities (Central Bank, Ministries, other public agencies, Parliament)
 - ii. Market participants (banks and other financial institutions and their associations)

¹ Discussions with additional donors are underway.

² Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Romania, Serbia and Montenegro.

- iii. Users' associations (consumers and corporate borrowers)
 - iv. Academia and liberal professions with a professional engagement in the financial sector
 - v. Media
 - vi. International financial institutions and organizations.
- b. To identify, shape and deliver specific projects and assignments related to the "Convergence" mandate and objectives, with the support of the Operations Unit and the experts hired from time to time. This includes:
- i. Identifying the most promising topics where regulatory or policy changes, supported by sound analysis and consensus-building, will yield tangible market-building impact in a short time span
 - ii. Defining the approach with local stakeholders
 - iii. Establishing the ToR, with the support of the Senior Policy Advisor (when hired) and the Operations Unit, and hiring the relevant experts
 - iv. Seeking outside financing, if "Convergence" resources need to be supplemented
 - v. Monitoring work-in-progress, both with local stakeholders and with the project team, supported by the Senior Advisor (Market Participants)
 - vi. Shaping the various reports and communication activities
 - vii. Following-up with local stakeholders to ensure appropriate policy action takes place to reach the intended impact.
2. To participate in the activities of the Convergence Management Group with the joint accountability to achieve the dual objective: (a) short-term: to ensure that the overall activities are chosen, managed and delivered to maximize the market-building impact of the "Convergence" work and (b) long-term: to stimulate local design and implementation capacity building for financial sector reform.

Given the high fiduciary content of these duties, the CSA will be precluded from taking concurrent positions, even of a non-executive nature, in commercial financial institutions or as an advisor to governments or public authorities.

This activity will entail regular travel to the country(ies) of operations, to the WB Rome Office and other locations for the Management Group meetings and to other international destinations for the purpose of building and maintaining institutional partnerships and alliances.

The appointment will be documented as a World Bank Short Term Consultant contract, entered into for a period expiring on March 31, 2007. The period covers most of the activities that Convergence will be able to execute within the existing budget resources. Aligning the CSA contract with the budgetary envelope is meant to align program horizon and professional incentives to maximize effectiveness.

The contract will cover 120 professional full-time equivalent working days on a WB fiscal year basis (July-June), but may increase up to 150 days depending on the volume of activities that will be undertaken after the launch period. It will be settled on a monthly basis in arrears with the support of a detailed monthly activity report prepared by the CSA in respect of the duties and accountabilities described above discharged on a monthly basis. The monthly activity report will represent the actual deliverable, pursuant to the STC contract.

The contract should become effective as soon as possible, and will reflect work conducted as from the "Convergence" effective date that was July 1, 2005.