



Terms of Reference (ToR)

Consultant to Prepare a Consolidated Annual for STF

Department Special and Trust Funds

Division: Admin Unit

August 2024

Islamic Development Bank

Terms of Reference

“STF Consolidated Annual Report”

1. Introduction

since the late 1990s, the Islamic Development Bank (IsDB) has established numerous Special Funds and Trust Funds, collectively referred to as Funds, in accordance with Articles 22 and 23 of its Articles of Agreement. These Funds provide concessional financing and can take the form of endowment (Waqf), replenishing funds, or a hybrid of the two. While each Fund has a clear overarching purpose, they offer flexibility in financing specific activities.

IsDB establishes and administers Funds as a complement to OCR financing to mobilize concessional finance in support of its development priorities. By bringing in external financing and building new partnerships, Funds enable IsDB to extend its financial reach in support of its core mission to foster economic development and social progress of member countries and Muslim communities in accordance with Shari’ah.

IsDB acts as a “full trustee” in relation to all the Funds it has established. This means that IsDB retains full fiduciary responsibility for Fund financial resources all the way down to their end use, either through IsDB’s own implementation or through IsDB’s monitoring and supervision of a recipient’s implementation. Accordingly, the Fund Management Framework has been developed on the basis that IsDB always acts as a “full trustee”.

2. Background

The Bank has established the Special & Trust Funds Department on June 2022 as an umbrella to house all major funds within the Islamic Development Bank (IsDB). This department assumes a critical role in managing existing funds and pioneering the establishment of new ones across IsDB.

The Principal Function of the Special and Trust Funds (STF) Department is to build and lead the teams in the management of existing and the establishment of new funds in IsDB. The Department will support achieving the specific objectives of each Fund through operational activities in Member Countries and Muslim Communities in non-Member Countries. Developing policies and procedures and leading work in setting strategic direction and delivering on the mandate of all STF. Preparing Charter for establishment of specific Funds in IsDB with resources provided by various donors and ensure compliance with Bank’s policies and procedures.

Manage and report on portfolio of all STF covering aspects related to operational, impact/results, financial and investment performance, and annual audit. Make efforts

to improve engagement and relationship building with the trustees and/or donors of these Funds and beneficiaries. Liaise with the various internal and external stakeholders within the Bank to fulfil its mandate and ensuring projects and programs implemented under the various Special and Trust Funds achieve their objectives. The Department will be responsible for maintaining working relationship with existing and exploring opportunities with potential donors and maintaining effective communication.

The Department has five subunits: *briefs on funds are in Annex I*

- Al Aqsa and Palestine Funds Division
- The King Abdullah bin Abdulaziz Program for Charity works (KAAP) Division
- Lives and Livelihoods Fund Management (LLFMU) Section
- Waqf Fund Section
- Special and Trust Funds Administration Section

3. Objective, Scope and Methodology

3.1 Scope of work

The STF Department is entrusted to develop a consolidated annual report covering all Funds. This report provides an overview of the performance and key developments in relation to all IsDB Funds. Using quantitative and qualitative evidence and analysis, the report highlights the value that the Funds business brings to IsDB, its constituents, its development partners and its intended beneficiaries. The report also describes significant changes that have already taken place, or are expected to happen soon, in order to highlight, inter alia, achievements in resource mobilization (including the addition of new Funds) and key enhancements and reforms in how IsDB manages Funds. It should also provide a review of any major changes in strategic context and their implications for IsDB's Funds business. The scope of work entails the following:

1. Data Collection and Analysis:
 - a. Review all relevant data sources related to IsDB Funds.
 - b. Analyze quantitative and qualitative data to identify trends, performance metrics, and significant developments.
2. Report Preparation:
 - a. Draft, revise, and finalize the consolidated annual report.
 - b. Ensure that the report includes detailed sections on performance analysis, strategic changes, achievements in resource mobilization, fund management enhancements, and reforms.
3. Stakeholder Collaboration:
 - a. Liaise with internal stakeholders to gather relevant insights and validate findings.
 - b. Incorporate feedback and adjustments provided by STF.

4. Recommendations:
 - a. Provide actionable recommendations for improvements based on report findings.
 - b. Suggest enhancements to the reporting process itself.

3.2 Objective

The consultant will support STF in preparing a comprehensive, data-driven, and insightful consolidated annual report that reflects the overall status and performance of the IsDB Funds mentioned above, while also providing actionable insights and recommendations. The report will learn from relevant funds reporting i.e. Annual Reports, financial statements, etc.

5. Deliverables and Scope of Services

Comprehensive Consolidated Annual Report : (Draft Report & Final Report) The consultant is expected to produce a comprehensive consolidated annual report covering all IsDB Funds. This report should include:

- Detailed analysis of the performance of each Fund, encompassing financial metrics, operational achievements, and impact assessment where applicable.
- Identification and assessment of challenges faced by the Funds, along with opportunities for improvement or expansion, including issues related to sustainability, governance, and stakeholder engagement.
- Integration of stakeholder perspectives, incorporating feedback and insights from IsDB management, donors, beneficiaries, and development partners to ensure a holistic view.
- Projections and recommendations for future actions based on current performance and anticipated trends in the development landscape, including strategic initiatives, policy changes, and resource mobilization strategies.
- Alignment and contribution of interventions to the global 2030 SDGs.
- Additionally, the report will include infographics and photos showcasing the projects, as well as success stories from some of the projects, to provide a comprehensive and visually engaging overview of the impact and outcomes achieved. These visual elements will enhance the report's effectiveness in communicating key messages and highlighting the tangible results of the Funds' activities.
- The report will be available in digital format, allowing for the inclusion of visual elements such as links to success stories and testimonials.

6. Duration of the Assignment

The consultancy is expected to last for approximately 8-12 weeks, starting from the date of signing the contract.

Deliverables	Duration
1. Desk Review	2 Weeks
2. Findings	1 Week
3. Consultation With STF Team	1 Week
4. Draft Report	3 Weeks
5. Consultation With STF Team	1 Week
6. Final Version Report	3 Weeks

7. Selection Criteria

- Advanced degree in evaluation, economics, statistics, international development or a related field.
- At least 10 years of experience in fund management, preferably with multilateral development institutions.
- Proven experience in Fund management in the context of MDBs
- Strong analytical and research skills.
- Proven ability to write comprehensive and impactful reports.
- Excellent communication and interpersonal skills.

8. Instructions to Consultants

Potential consultants are requested to submit their proposals electronically to the focal person at the STF Department. Proposals should be compiled into a single PDF document (Presented on PowerPoint) and include the following sections:

1. **Cover Letter:** A brief introduction outlining the consultant's understanding of the TOR, their interest in the assignment, and a summary of their qualifications and relevant experience.
2. **Methodology:** A detailed description of the proposed approach to conducting the assignment, including methodologies for data collection, analysis, and report preparation. This section should demonstrate the consultant's ability to fulfill the requirements outlined in the TOR effectively.
3. **Work Plan:** A comprehensive work plan outlining the proposed timeline for completing each phase of the consultancy, aligning with the project timeline

specified in the TOR. The work plan should include key milestones, deliverables, and activities.

4. **Budget:** A clear and detailed budget breakdown indicating the total estimated cost for the assignment and how it aligns with the lump sum amount specified in the TOR. The budget should be accompanied by a justification for each expense category.
5. **Consultant Qualifications:** A curriculum vitae (CV) or resume detailing the consultant's qualifications, relevant experience, and expertise in fund management, evaluation, economics, statistics, or international development. The CV should highlight any previous work with IsDB, multilateral development institutions and experience in producing comprehensive reports.

Proposals must be submitted by the deadline specified in the TOR to be considered for evaluation. Any questions or requests for clarification regarding the TOR or the proposal submission process should be directed to the designated focal person at the STF Department.

Expression of Interest

STFD invites eligible consultants to indicate their interest in providing the above-mentioned services. Interested consultants must provide to the following designated email addresses:

1.1 Interested candidates are requested to submit their Expression of Interest (EOI) through IsDB Procurement System through email message to EOI Submission - BCC2024-065 Consolidated Annual Report for STF 5b27a095.isdb.org@emea.teams.ms , Attn : Consultancy Service Unit , Corporate Procurement Division, Administrative Services Department, Islamic Development Bank; template and instructions for submitting the EOI will be provided in the invitation for Expression of Interest (IEOI). The Expression of Interest should be submitted not later than **September 22nd, 2024**. Please note that this Expression of Interest entails a non-binding commitment.

1.2 **For clarification email:** CSP - BCC2024-065 Consolidated Annual Report for STF c0be42f5.isdb.org@emea.teams.ms

1.3 All Consultant requested to complete their registration within IsDB Supplier a management system, SAP ARIBA for current and future opportunities:
<http://isdb.supplier.mn2.ariba.com/ad/selfRegistration/>

2. Absence of Conflict of Interest

According to IsDB rules, the consultant 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 consultant will be requested to sign a declaration that the s/he has not worked in this program in any capacity.

Annex I

Funds Briefs

Al-Aqsa & Palestine Funds:

Objective of the Fund: Strengthening the internal capacity of the Palestinian economy in the long term and addressing the humanitarian needs of the Palestinian people in the immediate term. Funding development projects in all vital sectors of the economy.

Background: The origin of the organizational establishment of Al-Aqsa and Palestine Funds goes back to the decision of the President of the Islamic Development Bank to establish two units under his direct supervision, which are the "Al-Quds Intifada Fund Unit" and "Al-Aqsa Fund Unit". This follows the decision of the extraordinary Arab summit (Cairo - October 2000) to establish these two funds and the Islamic Development Bank trusted their management. The Arab Summit resolution was to establish vital funding support and financial mechanisms to help the Palestinian people and its once vibrant economy. The decision was taken by the Arab League States to create two financial mechanisms to provide immediate social and economic support as well as reconstruction funding for the Palestinian people in the short term and to strengthen the internal capacity of the OPT in the longer term. With a committed capital at that time of US\$1 billion, two funds were created – the Al Aqsa and Al Quds Funds. The shareholders of the Funds include Algeria, Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, Oman, Qatar, Saudi Arabia, Syria, Sudan, United Arab Emirates and Yemen.

Within the past 20 years many other funds and funding initiatives established to support the economic and social development of the Palestinian people such as the Gulf Countries Cooperation (GCC) Program for Reconstruction of Gaza (1 March 2009), the Grants from Arab funds (AFESD, AMF, BADEA, AAAID) decided to allocate 10% of their annual net profits to finance development projects in Palestine,

The King Abdullah bin Abdulaziz Program for Charity works (KAAP):

Objective of the Fund: Alleviate the suffering of needy people and victims of natural disasters and conflicts. KAAP portfolio consists of several programs covering health, education, livelihood, microfinance, and humanitarian relief in fragile settings and communities.

Background: The King Abdullah bin Abdulaziz Program for Charity Works (KAAP), formerly known as the Fael Khair Program (FKP), is portfolio of Funds commenced since 2007, through a series of generous donations to alleviate the suffering of needy people and victims of natural disasters and conflicts. Which carries amounted funds to US\$ 697.8 Million by the late King Abdullah bin Abdulaziz Al Saud, may Allah rest his soul in peace. KAAP portfolio consists of several programs (each with its separate Fund allocation) covering health, education, livelihood, microfinance, and humanitarian relief in fragile settings and communities.

The program is managed by the Islamic Development Bank (IsDB) as the trustee and implementation partner in coordination with the King Abdullah Humanitarian

Foundation (KAHF), which carries the humanitarian and noble mission will of the late King Abdullah bin Abdulaziz and provide necessary oversight.

Lives and Livelihoods Fund (LLF):

Objective of the Fund: Scale up concessional support to poor communities in least-developed and lower middle-income countries. The LLF addresses critical health, agriculture, and basic infrastructure issues affecting the poor in 33 IsDB Member Countries.

The Lives and Livelihoods Fund (LLF) is a US\$2.5 billion multi-donor effort to scale up concessional support to poor communities in least-developed and lower middle-income countries. Initial support to the Facility comes from the Abu Dhabi Fund for Development (“ADFD”), the Bill & Melinda Gates Foundation (“BMGF”), the Islamic Solidarity Fund for Development (“ISFD”), the King Salman Humanitarian Aid & Relief Centre (“KSRelief”), the Qatar Fund for Development (“QFFD”), the UK’s Foreign, Commonwealth and Development Office (FCDO, formerly DFID) and the Islamic Development Bank (“IsDB”), and it is open to other donors who are aligned with its goals. The Facility is an innovative financing mechanism, combining the traditional project-based modes of a Multilateral Development Bank operating through large-scale interventions, with the considerable buy-down potential of grant-based Donors.

The LLF addresses critical health, agriculture, and basic infrastructure issues affecting the poor in 33 IsDB Member Countries, by increasing the amount of concessional financing that IsDB is able to provide to its Member Countries in these sectors. This is achieved by blending IsDB ordinary financing with grant funding contributed by Donors to the Facility for the financing of Projects. In short, eligible Projects in the target sectors in target countries co-financed by IsDB market resources and Donor Grant Funds will enjoy concessional terms. The LLF, as of 2021, has 37 active projects in 22 countries with a portfolio size of US\$1.43 Billion.

Waqf Fund:

Objective of the Fund: To cater to the development needs of Muslim communities, organizations in non-member countries, and Least Developed Member Countries, with particular emphasis on social sector development. And to ensure Fund’s long term financial Sustainability.

Background: Following the establishment of the Bank (IsDB-OCR) in 1394H (1974H), IsDB invested the share capital receipts from member countries to earn a return until the funds could be deployed to approved projects. In the early days of the emergence of Islamic banking, however, relatively few Islamic financial products were available for liquidity management and investment. Consequently, IsDB-OCR had to invest its idle members’ equity resources in conventional products. Over the years, the investment income accumulated to ID 865 million. Since the income was not Shari’ah compliant, it remained apart from the retained earnings of IsDB-OCR, instead accumulating as special account resources within OCR. The special account resources comprised three

distinct accounts: the Principal Amount (Principal); the Special Assistance Account (SA Account); and the Special Account for Least Developed Member Countries (LDMC).

On 1st Muharram 1418H, the Board of Governors (BoG) approved the establishment of the Waqf Fund by transferring ID 865 million from IsDB-OCR to the Special Account Resources Waqf Fund. As per the BoG resolution, the Principal (ID 624 million) should be invested until it reaches ID 1 billion. The resources relative to the SAA (ID 196 million) and LDMC (ID 45 million) shall be invested and utilized to finance the intended objectives (technical and special assistance, scholarship, training and research, Adahi, and so on).

Until recently, the Fund has been IsDB's only additional concessionary and charity arm. It provided loans to LDMCs and has been the IsDB's largest and single source of assistance to member countries and to Muslim communities in nonmember countries by carrying out various programs and providing grants.

The business model of the Fund involves investing its resources to earn incomes as well as receipts of OCR allocations. Such income streams are expended on various grants, programs (as mentioned above), and costs to administer them.

ANNEX -II

Invitation for Expression of Interest (IEOI) – Individual Consultant

Invitation for Expression of Interest

Date _____

[Copy the Name of the Assignment/Project from the IEOI]

1. The Islamic Development Bank (IsDB) has approved an administrative budget for financing consulting services (the Services) for the above project. The Terms of Reference (TOR) of the Services is in Appendix A. The Services will be provided by consulting firm. IsDB will select and engage the Consultant in accordance with the IsDB Corporate Procurement Policy (Policy).

2. IsDB now invites Expression of Interest (EOI) from potential individual applicants for consideration by IsDB in determining a shortlist of candidates to be invited to submit proposals. Depending on the number of the EOIs received and the qualifications of the applicants, IsDB may or may not short list all potentials who have submitted EOIs.

3. Applicants who wish to submit an EOI should complete the EOI Form in Appendix B and submit it through IsDB's online IEOI facility or by email, fax or courier to the following authorized representative of IsDB:

Consultant Selection Panel
Islamic Development Bank
Email: Designated email address

Appendix A: Terms of Reference

Appendix B: EOI Form

Expression of Interest (EOI) by Applicant

[Copy the Name of the Assignment/Project from the IEOI]

Date: _____

Consultant Selection Panel
Islamic Development Bank
Email: Designated email address

I have read carefully your Invitation for Expression of Interest for the captioned assignment/project and find the Terms of References (TOR) and Scope of Work match my skill mix and experiences for providing the services required in the TOR. I would like to express my interest for our firm being considered for the Shortlist. I understand that IsDB does not have an obligation that I must be shortlisted.

I have attached to this EOI supporting documents highlighting the relevant expertise and Experience for your consideration. Some of the key information is highlighted below:

Personal Profile

Nationality:
Date of Birth:
Permanent Address:
Phone No.:
Email:

Past Consultancy Assignment References

[Notes to consultant: Please select most relevant consultancy assignments you have recently completed to demonstrate your technical qualifications and experience.]

Period	Client	Project	Country	Your role (As lead consultant or as member of a team?)	Value of the Contract

III. Availability

I shall be available for the services from _____ to _____.

IV. Eligibility Declaration

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

- I have read terms of reference (TOR) and Scope of Work (Appendix A), for this assignment.
- I confirm that the project references submitted as part of this EOI accurately reflect the experience of myself.
- I confirm that I have never been convicted of an integrity-related offense or crime related to theft, corruption and fraud.
- I understand that any misrepresentations that knowingly or recklessly mislead, or attempt to mislead may lead to the automatic rejection of the proposal or cancellation of the contract, if awarded, and may result in further remedial action, in accordance with IsDB’s Integrity and Anti-corruption Policy.

*Signature:
Applicant*

Name of the

