



African Reinsurance Corporation
Société Africaine de Réassurance

21 October 2024

Request for Proposal (RFP) for the Provision of Enterprise Risk Management (ERM) Consultancy Services for the Review and Enhancement of the ERM Framework and its associated processes

1. INTRODUCTION

- 1.1. The African Reinsurance Corporation ("Africa Re" or "the Corporation") is an international organization with headquarters in Lagos, Nigeria, and established by a multilateral agreement (or treaty) among 42 African countries members of the African Union (AU).
- 1.2. With a dual commercial and developmental mandate focused on the African insurance sector., the Corporation has a mission *"to foster the development of the insurance and reinsurance industry in Africa; to promote the growth of national, regional and sub-regional underwriting and retention capacities and to support African economic development."*
- 1.3. Africa Re operates mainly through six regional offices across the African continent, namely Casablanca (Morocco), Abidjan (Côte d'Ivoire), Nairobi (Kenya), Lagos (Nigeria), Cairo (Egypt) and Ebène (Mauritius).
- 1.4. In addition, Africa Re wholly owns four operating subsidiaries, namely: Africa Re South Africa Limited (Johannesburg, South Africa), Sherborne Number Ten Investment Limited (Johannesburg, South Africa), Africa Retakaful Company (Cairo, Egypt) and Africa Re Underwriting Agency Limited (Dubai International Financial Centre, United Arab Emirates).

- 1.5. Finally, the Corporation is an admitted reinsurer in Brazil and has contact offices in Addis Ababa (Ethiopia) and Khartoum (Sudan) with an additional Underwriting Representative Office in Kampala (Uganda).
- 1.6. Africa Re has a fully registered foundation, Africa Re Foundation, based in Ebène (Mauritius) that oversees all Corporate Social Responsibility initiatives.
- 1.7. The Corporation, created by a multilateral agreement in 1976, is owned by 42 member states of the African Union (AU), the African Development Bank (AfDB), 113 African insurance and reinsurance companies and three leading global insurance and reinsurance groups.
- 1.8. With a total premium income above US\$ 1.1 billion in 2023 and the strongest financial strength and credit ratings at "A" by AM Best (since 2016) and "A-" by Standard & Poor's (S&P), Africa Re currently maintains its leadership in the African and Middle East reinsurance companies among the locally registered reinsurers.

2. PROJECT OBJECTIVES

- 2.1. Africa Re is committed to strengthening its Enterprise Risk Management (ERM) framework to ensure it supports the Corporation's strategic goals and is effectively integrated across all operations. The aim is to build a risk-aware culture that enables informed decision-making and enhances the Corporation's resilience in a dynamic environment.
- 2.2. To this end, Africa Re seeks to engage a consultant to conduct a detailed review of the Corporation's current ERM practices, identify areas for improvement, and support the development of a robust ERM framework and internal risk management ecosystem including relevant policies, procedures, disclosures and guidelines that are fully integrated across the Corporation, its operating locations and its subsidiaries.
- 2.3. The objectives of this project are:
 - A. **Enhance Risk Management Effectiveness:** Elevate the Corporation's ERM practices by identifying and addressing gaps in the current framework, ensuring

that risk management processes are both comprehensive and aligned with global best practices.

- B. **Foster a Risk-Aware Culture:** Embed a culture of risk-consciousness and proactive risk management within the Corporation, its operating locations and its subsidiaries, where ERM is integral to operational and strategic activities as well as informs decision-making at all levels.
- C. **Align with Strategic Goals:** Ensure that the revised ERM framework and risk management ecosystem directly supports the Corporation's strategic objectives, enhancing its ability to manage operational, financial, and strategic risks effectively.
- D. **Improve Governance and Oversight:** Strengthen the governance structures that support ERM, enhancing the Corporation's capacity to manage risk at both the operational and strategic levels.
- E. **Adapt Governance and Oversight:** On the basis of the Corporation's special status as a supranational institution, without legal regulatory compliance in some markets, and with specific governance features, define an appropriate and fit-for-purpose risk management governance structure with clearly defined organs, responsibilities and functionaries within the context of the Corporation's supranational status and statutory governance mechanism.
- F. **Achieve International Standards Compliance:** Benchmark and align the Corporation's ERM practices and related documentation with leading international standards, including those set by COSO and relevant rating agencies, to maintain its competitive standing, risk responsiveness and organisational resilience, and without breaching its supranational entity status and statutory governance structure.
- G. **Sustain Continuous Improvement:** Establish a foundation for ongoing enhancement of the Corporation's risk management practices, ensuring they remain agile and responsive to emerging risks.
- H. **Promote Organisational Integration:** Harmonise risk management initiatives across the Corporation, creating a cohesive and unified ERM framework that is consistently applied throughout the organisation. Develop measures, procedures

and activities to ensure that risk management is embedded in routine decision making across the Corporation and its operating entities and locations.

- I. **Develop policies and procedures:** Review and develop required enterprise risk management policy and procedural documents for use across the Corporation.

3. PROJECT SCOPE

- 3.1. The Corporation seeks to undertake a comprehensive review and enhancement of its Enterprise Risk Management (ERM) framework.
- 3.2. This initiative is driven by the need to ensure that the Corporation's risk management practices are not only aligned with international best practices but also fully integrated across all levels of the organisation with due regard to its peculiar supranational governance arrangements.
- 3.3. The project aims to assess the current state of the Corporation's ERM framework, identify gaps and areas for improvement, and implement a robust, cohesive, and sustainable risk management structure that effectively supports its strategic objectives.
- 3.4. To achieve this, the scope of work for the selected consultant will include, but is not limited to the following key areas:
 - A. **Review of ERM Practices and Culture:** Conduct a comprehensive review of the Corporation's Enterprise Risk Management (ERM) practices and culture, including its operating locations and subsidiaries. Assess the appropriateness, level of integration, and effectiveness of ERM practices across all operational areas, particularly with respect to the identification, assessment and management of the Corporation's key risks.
 - B. **Benchmarking:** Benchmark the Corporation's current ERM practices against leading organisations, international standards and key regulatory requirements. Specifically, compare the Corporation's practices with those outlined by COSO, IAIS and other recognised frameworks to assess their effectiveness and relevance.

- C. **Gap Analysis:** Perform a detailed gap analysis of the Corporation's current ERM framework, risk policies, procedures, tools, and templates. Identify areas for improvement by comparing them against international best practices in ERM, such as the COSO framework and relevant International Standards.
- D. **Governance Structure Review:** Evaluate the current governance structure of the Corporation's ERM processes and its risk management ecosystem within the context of the Corporation's statutory governance framework. This includes the review of the terms of reference for existing elements of the governance structure, roles and responsibilities of risk functions, and reporting arrangements. Review the effectiveness of existing ERM frameworks, tools, applications, and other relevant documentation.
- E. **Framework Development:** Develop a revised ERM framework, including updated policies, procedures, tools, and templates. Ensure alignment with global best practice guidelines and the Corporation's strategic objectives without breaching the Corporation's statutory governance arrangements.
- F. **ERM Documentation:** Review the existing, and develop required, policy and procedural documentation to support the ERM framework. The documentation is to be clearly demarcated for policy stability and operational flexibility as well as between Board and Management approval requirements.
- G. **ERM Embedding Evaluation:** Evaluate how well ERM processes are embedded in the Corporation's operations and the extent to which ERM informs decision-making. Provide recommendations for enhancing the integration of ERM into everyday business activities.
- H. **Rating Agency Requirements Review:** Review and assess the Corporation's capabilities with respect to ERM criteria set by international rating agencies (e.g., AM Best, S&P). Provide guidance on meeting the ERM measures expected by these agencies to maintain or improve the Corporation's ratings.
- I. **Integration and Harmonisation:** Integrate and harmonise all risk management initiatives within the Corporation into a unified ERM framework.

- J. **Capacity Building:** Define, design and deliver capacity building for the Corporation's ERM program. Ensure the training promotes continuous identification, assessment, and management of key risks across all levels of the Corporation.

4. DELIVERABLES

4.1. Expected deliverables include, but are not limited to the following:

A. **Inception and Gap Analysis Report:**

- a. A detailed report identifying gaps in the Corporation's ERM practices relative to existing frameworks, international best practices, key and applicable regulatory requirements, rating agency requirements, and other relevant benchmarks.
- b. This report may include benchmarking to other similar entities with robust ERM policies and practices in place.
- c. Details on the approach the service provider plans to take to address the gaps alongside Africa Re should be included in the report.
- d. This should include how the service provider plans to work with the Ad-Hoc Committee constituted to oversee the project and to engage with stakeholders across the different operating departments, offices and subsidiaries of Africa Re to ensure the new ERM framework is integrated across the organization.

B. **Implementation Roadmap:**

- a. Provide a comprehensive roadmap outlining steps to address the areas of improvement identified in the gap analysis.
- b. The roadmap should include timelines, responsibilities, and key milestones.

C. **ERM Framework, Policies and Other Documentations:**

- a. Deliver a revised ERM framework, including updated policies, tools, templates, and documents such as Risk Appetite Statements, ERM Policy, Strategy, Charter, Risk Registers, reporting templates, and procedure manuals.
- b. A clear governance framework should be included within these policies.

D. ERM Culture and Practice Recommendations:

- a. Offer recommendations for fostering and sustaining a robust risk management culture and practices within the Corporation.
- b. Include strategies for embedding these practices at all levels of the organisation.

E. Presentation to Management and the Board:

- a. Whenever required, present the findings, revised framework, and recommendations to the Corporation's Management and/or the Board of Directors.
- b. These presentations will also serve as a sensitisation session to ensure that senior leaders of the Corporation are fully informed and engaged.

5. TIMELINES

- 5.1. The **overall project** is expected to be completed **within 6 months**. The details of the relevant project milestones will be discussed during the implementation phase of the project.
- 5.2. However, the **inception and gap analysis report** is anticipated **before the end of January 2025**, for presentation to Management, with the details of the service provider's approach to achieving the objectives of the project with the involvement, and under the supervision, of the ad-hoc committee established by Management for that purpose.
- 5.3. The Corporation also reserves the right to split the project into phases.

6. PRESENTATION OF PROPOSAL

- 6.1. To facilitate the analysis of responses to this RFP, the responding service providers are required to prepare their proposals following the instructions outlined in this section.
- 6.2. The firms/vendors whose proposals deviate from these instructions would be considered non-responsive and may be disqualified at the discretion of Africa Re.

6.3. The proposal should be clear and comprehensive. It should provide a straightforward, concise description of the vendor’s capabilities to meet the requirements of the RFP. Emphasis should be laid on accuracy, completeness and clarity of content. All parts, pages, figures and tables should be numbered and clearly marked. The proposal should be organised into the following major sections:

A. Executive Summary

- a. This part of the response to the RFP should be limited to a brief narrative highlighting the service provider’s proposal.
- b. The summary should contain as few technical details as possible and should be oriented towards non-technical personnel.
- c. The Executive Summary should not include cost quotations.

B. Experience of the Service Provider

- a. The service provider is expected to provide information to enable Africa Re to evaluate their qualification, suitability and ability.
- b. They are requested to provide as much evidence as possible to support any claim thereof.
- c. Africa Re may require additional documentation for clarification.
- d. The service provider should demonstrate that they have undertaken similar works with other organisations comparable in nature, size, diversity/complexity of operations, and reputation, including working with supranational entities. References, where existing, should be added as appendices.

[Using the format below, the proposal should provide information on each relevant assignment for which the service provider has carried out projects similar to the one requested in this RFP. Information on each assignment should not exceed a page.]

1	Project Name	
2	Project Duration	
3	Country	
4	Name of Client	
5	Client’s Contact Person	
6	Client’s Contact Address	
7	Description of Engagement	
8	Project Management Approach	

C. Approach and Methodology

- a. This section requires the service provider to detail how they intend to conduct the assignment and reach the desired outcomes.
- b. The service provider is expected to explain their understanding of the objectives of the assignment, the approach to be adopted, the methodology to be applied/followed for providing the service and the expected output.
- c. They should list the relevant benchmarks and frameworks they intend to reference in order to complete the assignment.

D. Work Plan and Duration

- a. The main activities should be outlined here.
- b. The work plan should be consistent with the schedule for deliverables.
- c. The estimation of the duration of the consultancy should be indicated concerning the scope, approach and methodology.

E. Relevant Standards

- a. The service providers should be able to affirm which standards they plan to utilise in guiding the creation of the ERM Framework and associated documents.

F. Organisation and Staffing

- a. The proposed structure and composition of the team should be provided along with the list of the key expert responsible as well as other technical and support staff. The curriculum vitae / résumés of key resources should be added as appendices.
- b. The service provider must select staff for the assignment based on the needs of the project.
- c. The résumés should, at the minimum, highlight the professional qualifications, certifications, number of years working for the firm and other organisations, as well as the nature and degree of responsibility held in various past assignments, and the expected role on the proposed project.

G. Cost Quotations

- a. All applicable cost elements relating to the engagement should be included in the proposal. If necessary, the cost quotations (excluding VAT and other taxes) can be itemised according to the services proposed and the deliverables.
- b. The quotations are to be stated in the domestic currency of the service provider.

H. Additional Information

- a. The audited financial statements of the consulting company for the last three (3) years should also be included in the proposal with the following additional information.

	Requirement	Response
	How long has the company been in business?	
1	How long has the company been in business providing the proposed consulting services?	
2	The number of employees in the company.	
3	The total number of employees to be dedicated to this engagement.	

7. INDICATIVE TECHNICAL EVALUATION

- 7.1. The indicative parameters to be used for technical evaluation of proposals are as follows:

	Criteria	Indicative Criteria	Weight
1.	Service Provider's Organisation	Brief description of the background and organisation of the bidding company. A list of partners or Board of Directors and beneficial owners will also be appreciated.	5
2.	Specific Experience relevant to the Assignment.	Experience in the last five (5) financial years of providing similar service. Experience in an international organisation like Africa Re and the insurance industry will be an added advantage. (Note: List only those assignments for which the bidding company was legally contracted by the client as a company or was one of the joint venture partners. Assignments completed by the	20

	Criteria	Indicative Criteria	Weight
		service provider's experts working privately or through other consulting firms cannot be claimed as relevant experience. The bidding company should be prepared to substantiate the claimed experience by presenting copies of relevant documents and references).	
3.	Relevant standards	Relevance of standards to Africa Re	10
4.	Key Expert's Qualifications and Competence for the Assignment	General education, training, experience in the sector/similar assignment of key staff should be in line with the requirements for this engagement.	20
5.	Approach and Methodology Work Plan	Approach and Methodology demonstrated in technical proposal and presentation. This covers the completeness, the robustness of approach and quality of ideas or solutions proposed to address our needs.	35
6.	Financials	Copy of duly certified Audited financial accounts for the last three years including <i>ESG Commitments of the Bidder</i> .	10

8. CLARIFICATION AND AMENDMENT

- 8.1. Clarifications can be requested by email only, up to five (5) business days before the date of submission of the proposal, using the Corporation's address indicated below.
- 8.2. The subject of the email should read "**Clarification - Provision of Enterprise Risk Management (ERM) Consultancy Services**".
- 8.3. Africa Re will respond by email to such requests. In the interest of fairness and a level playing field, all responses to such queries will be shared with all firms that have signified their intention to submit a proposal. The responses will include details of the query but without identifying the source.
- 8.4. **Email** contact for clarification: tender@africa-re.com

9. PROPOSAL SUBMISSION

9.1. The following guidelines are recommended for the submission of all proposals.

A. General Guidelines

- a. The proposal can be submitted by email or in hard copies or both.
- b. The proposals to be submitted as hard copies must be in a sealed envelope and marked as “**Provision of Enterprise Risk Management (ERM) Consultancy Services**” while those to be submitted by email should have the subject read “**Submission - Provision of Enterprise Risk Management (ERM) Consultancy Services**”.
- c. Proposals should be received by Africa Re **no later than 15 November 2024**.
- d. Any proposal received by Africa Re after the submission deadline will not be considered.
- e. **Hard copy submission address:**
The Chairman of the Tenders Committee
African Reinsurance Corporation
Plot 1679 Karimu Kotun Street Victoria Island PMB 12765 Lagos, Nigeria
- f. **Email submission address:** tender@africa-re.com

10. CONFIDENTIALITY

- 10.1. It is expected that the selected service provider will maintain the highest level of confidentiality regarding the information provided before, during and after the completion of the assignment.
- 10.2. The service provider shall also maintain the highest standard of professional and ethical values and norms in providing this consultancy service and shall be required to sign a non-disclosure agreement.

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1. The Corporation shall acquire the intellectual property rights on all materials, data, information and reports used, developed and produced on this engagement unless where this right is specifically excluded.

12. OTHER AFRICA RE RESERVED RIGHTS

- 12.1. Africa Re reserves the right, in its sole discretion, to take actions deemed in its best interest that may include any one or more of the following without incurring any liability to the affected bidder(s) or any obligation to inform the affected bidder:
- A. Accept or reject any, or all proposals in whole or in part at any time before engagement.
 - B. Waive any minor irregularities or informalities in the proposal.
 - C. Vary any timetable or schedule.
 - D. Suspend or modify the engagement process and/or the project.
 - E. Negotiate the details of a proposal before engagement.

13. OWNERSHIP AND RETURN OF PROPOSAL

- 13.1. All materials submitted in response to the request for proposals shall become the property of African Reinsurance Corporation and shall not be returned to the respondent.

For: African Reinsurance Corporation

Dr. Corneille Karekezi
Group Managing Director / Chief Executive Officer