



GENERAL PROCUREMENT NOTICE

NIGERIA

PROJECT NAME: RISK BASED SUPERVISION FRAMEWORK IMPLEMENTATION AND CAPACITY DEVELOPMENT PROJECT

GRANT NO.: G-NG-H00-SUP-001

1. The Securities & Exchange Commission, Nigeria (Otherwise referred to as "The Commission") has received a grant from the African Development Bank Group administered/Capital Markets Development Trust Fund to finance the Risk Based Supervision Framework Implementation and Capacity Development Project.

2. The principal objectives of this project are to:

- a. Provide technical assistance and capacity building on selected areas of the Commission's operations,
- b. Support implementation of Risk-Based Supervision framework
- c. Improve the Securities Markets regulatory environment and broadening of market instruments that will help deepen the Capital Markets in Nigeria
- d. Strengthen the Commission's supervisory tools as well as its capacity to achieve its mandate of investor protection and minimizing systemic risk.

The mode of procurement to be adopted is Quality and Cost Based System (QCBS)

3. The project includes the following components:

- a. **Risk-based Supervision Framework Implementation** - This component will involve the development of best practice risk-based supervision inspection manuals, tools and guidelines for the market. The activities include capacity building on prudential risk-based supervision approach such as the development or update of relevant risk matrices and models for data analysis and interpretation as well as expansion of existing Anti-Money Laundering (AML) /Combating the Financing of Terrorism (CFT) matrix. Capacity building in the area of risk-based supervision will focus on enhancing the Recipient's approach in carrying out its monitoring and supervisory role over all capital market operators namely fund management, exchanges, stockbrokers and issuing houses. The Nigeria Capital Market Master Plan 2015-2025 (CMMP) recognizes capacity and skills development as a core aspect and as a catalyst to enhance the Recipient's readiness to effectively play its securities market regulator role and promote the growth of the domestic capital markets.



- b. **Institutional capacity building on regulation of derivatives** - This component - aims to enhance the technical and regulatory capacity of staff of the Securities & Exchange Commission in the area of derivatives which is relatively less developed segment of the Nigerian capital markets. This component will also involve the development of operational guidelines on derivatives trading (surveillance and inspection manuals for derivative trading and clearing as well as frameworks for standardized OTC derivative contracts) and benchmarking with global best practices and in context of the local market. The use of derivatives in financial markets has grown rapidly in response to the need to manage risk in a complex financial environment. Derivatives are instrumental in portfolio risk management and an important instrument for stimulating secondary market development.
- c. **Capacity building on Green Bonds** – This component will focus on in-house capacity building and training for staff of the Securities & Exchange Commission and the Nigerian Exchange Group (NGX) to strengthen their capacity to oversee regulation, registration, listing, trading, verification, monitoring, etc. for green bonds and green finance; development of tailored framework for standardized green bond offerings; guidelines to enable regulatory review and processing of green bond offerings as well as templates for efficient post offer monitoring and inspection of green bond issues; and capacity building for market operators.
- d. **Financial Audit** – This component will focus on providing financial audit service for the entire grant utilization programme consisting of all the above listed components.

4. Selection of Consultants will follow the Procurement Policy and Methodology for Bank Group Funded Operations dated October 2015. The Request for Expression of EOI (REOI) is expected to be available in August 2021.

5. Interested bidders should look out for EOI advert on SEC website (www.sec.gov.ng), AfDB's website (www.afdb.org), two National Dailies and Federal Tenders Journal.

6. For any additional information, please contact:

The Project Implementation Unit Coordinator:

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