

## **TERMS OF REFERENCE**

### **Expertise to develop a training program to enhance technical capacity of staff of the Securities and Exchange Commission of Sri Lanka**

#### **1. Background**

##### **The Securities and Exchange Commission of Sri Lanka**

- 1.1 The Securities and Exchange Commission of Sri Lanka (SEC) was established in pursuance of the Securities and Exchange Commission of Sri Lanka Act, No 36 of 1987 as amended by Act No. 26 of 1991, Act No. 18 of 2003 and Act No. 47 of 2009 and is located on the 28<sup>th</sup> and 29<sup>th</sup> floors of the East Tower, World Trade Center, Colombo 1.
- 1.2 The SEC aims to promote, develop and regulate the capital market of Sri Lanka. The SEC, the apex regulatory body is entrusted with the regulation of stock exchanges, stock brokers, stock dealers, unit trust industry and market intermediaries consisting of underwriters, margin providers, credit rating agencies, investment managers and clearing and depository houses. Further, the SEC is also entrusted with the task of developing the capital market of Sri Lanka.

##### **World Bank's Financial Sector Modernization Project (FSMP)**

- 1.3 The Government of Sri Lanka intends to modernize the relevant financial infrastructure to fully meet the SEC's current and future regulatory and market development roles. Accordingly, under the FSMP, of the World Bank, the SEC stands to gain funding for strengthening of its supervisory, regulatory and market development capacity. As such, specific consultancy assistance under the project for capacity building of staff of the SEC was envisaged as being crucial to discharge the mandate of the SEC.
- 1.4 Human Capital the foremost asset of the SEC plays a vital role in carrying out the mandate of the SEC. Professionals with integrity, confidentiality, knowledge, skills, competencies and maturity play significant roles in achieving the goals and objectives in terms of the SEC mandate. Towards this end, the Human Resources Division is responsible to ensure all facets of Human Resources Management (HRM) are smoothly administered.
- 1.5 Currently the SEC comprises ten divisions namely the Director General's office, Capital Market Development, Surveillance, External Relations and Capital Market Education, Investigations, Corporate Affairs, Legal & Enforcement,

Finance & Administration, Human Resources & Information Technology and Supervision.

## **2. Objectives of the Consultancy**

- 2.1. To obtain consultancy assistance to develop a training program to enhance technical capacity of staff of the Securities and Exchange Commission of Sri Lanka.

## **3. Scope of the proposed assignment**

- 3.1 In agreement with the World Bank, the proposed assignment is expected to carry out the activities to ensure the achievement of the objectives under 2.1 but may not be limited to the following activities:
- 3.2 Perform a study to understand the existing procedures and practices pertaining to the training programs. The study should be performed through the review of existing procedural framework and consultations.
- 3.3 Study the recommendations by the International Organizations of Securities Commission (IOSCO) and in terms of the new SE Bill and make recommendations.
- 3.4 Develop HR Policies and Procedures Manual to provide the required training as per the Inception Report.

## **4. Brief description of the current staff profile of the SEC**

- 4.1 The SEC is a professional organization with an envisaged cadre of 137 in the next five years. Currently, the staff strength is 82. The gender composition as at date consists of 67% females and 33% males. The staff consists of 1 % of PhD holders, 24% holders of Masters, 12% Degree holders. The staff also consist of 54% of officials with professional qualifications such as 13% Lawyers, 28% Chartered Accountants (12% ICASL, 12% CIMA-UK, 4% ACCA), 10% of Economists, 2% Marketing qualification holders and 1% CFA holder.

## 5. Time Frame

- 5.1. The consultancy assignment is expected to be completed over a period of 3 Months. The consultant assigned for the project is expected to identify whether work will be performed on-site or via home office; remotely.

## 6. Project Deliverables

| Deliverable                  | Description   | Tentative Time period |
|------------------------------|---|-----------------------|
| <b>6.1. Inception Report</b> | <ul style="list-style-type: none"> <li>Diagnostic study of scope, adequacy and effectiveness of existing procedure relating to providing training to staff.</li> </ul>  | 1 Month               |
| <b>6.2. Interim Reports</b>  | <ul style="list-style-type: none"> <li>Based on the above study, identify the training needs to be bridged.</li> <li>Provide recommendations to enhance knowledge particularly relating to new areas introduced by the SE Bill.</li> <li>Identify and document key areas requiring training for staff, particularly relating to new developments in the world on Capital Markets and its dynamics.</li> <li>To recommend means and indicators in order to ascertain whether participant staff have acquired the required level of understanding to discharge the duties relating to areas identified above.</li> <li>Clearly identify short term, medium term and long term training programs to bridge any gaps on the key areas identified above.</li> <li>Provide recommendations on the frequency of training requirement in line with organisational policy for staff members considering the areas identified above.</li> </ul> | 1 Month               |
| <b>6.3. Final Report</b>     | <ul style="list-style-type: none"> <li>To recommend short term/medium term/ long term criteria to evaluate the application of training knowledge gained, particularly relating to comprehensiveness &amp; efficiency of responding to matters.</li> <li>To recommend criteria to evaluate training programs attended by staff to provide</li> </ul>   | 1 Month               |

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|--|---|--|
|  | <p>recommendation to training providers to make future programs more relevant and effective.</p> <ul style="list-style-type: none"> <li>• Final report to be submitted with recommendations to cover all the deliverables.</li> </ul> |  |
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## **7. Data, Personnel and Facilities to be provided by the Client**

7.1 Office space at the SEC will be provided by the SEC at the request of the Consultant in order to ensure efficient delivery of the assignment;

7.2 Documentation pertaining to existing HR practices and HR staff will be allocated as the focal point and for smooth functioning of the assignment.

7.3 No reimbursement of expenditure will be made. As this is a Lump-sum Contract, all costs are to be included in the deliverables of the assignment. The Consultant is responsible for Secretarial and administrative work, coordination of meetings & arranging own transportation during the tenure in Sri Lanka to ensure the project deliverables are submitted to the SEC in a timely manner.

## **8. Consultants Qualifications and other required Competencies**

### **Competencies:**

- a. More than 10 years of experience within the Human Resources Department of a Capital Market regulator or a similar regulatory body with demonstrable knowledge and experience in all aspects of the HRM function of a Capital Market regulatory body;
- b. A high degree of fluency in the English Language; please provide all references/ recommendation letters/ evaluation letters for previous consultancy assignments;
- c. Sound verbal and writing communication skills; please provide all references/ recommendation letters/ evaluation letters for previous consultancy assignments;
- d. Flexibility and ability to work with a diverse group of people particularly demonstrating engagements in similar cultural contexts; please provide all references/ recommendation letters/ evaluation letters for previous consultancy assignments;

**Qualifications:**

- a. An accredited first degree or a Masters degree in HRM  
and/or ;
- b. Any equivalent accredited professional HRM qualification.

**Experience:**

- a. Minimum 10 years of experience at a Managerial or above position responsible for overseeing the development and implementation of human resources policies, procedures relating to training needs of staff;
- b. Demonstrated hands-on experience in human resource management, performance management and/or developing competency frameworks;
- c. Experience in working with different departments in an advisory or consultancy role, assisting them to understand and implement policies and procedures with regard to HRM;
- d. Past experience in undertaking similar assignments at a Capital Market Regulatory body
  - Demonstrated knowledge and experience in working with state-of-the-art Human Resources Infrastructure systems and its functionalities.