BANQUE D'INVESTISSEMENT ET DE DEVELOPPEMENT DE LA CEDEAO
ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT
BANCO DE INVESTIMENTO E DE DESENVOLVIMENTO DA CEDEAO

Administration and General Services Department

Asset and General Services Division

SELECTION OF A CONSULTANT/CONSULTANCY FIRM

TERMS OF REFERENCE (TOR)

AUDIT OF THE IMPLEMENTATION OF EBID'S ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

DECEMBER 2024

ACRONYMS AND ABBREVIATIONS

AfDB	African Development Bank
CAP	Corrective Action Plan
E&S	Environmental and Social
EBID	ECOWAS Bank for Investment and Development
ECOWAS	Economic Community of West African States
EDFI	European Development Finance Institutions
ESA	Environmental and Social Audit
ESDU	Environment and Sustainable Development Unit
ESMS	Environmental and Social Management System
GCF	Green Climate Fund
GIIP	Good International Industrial Practices
GRM	Grievance Redress Mechanism
IFC	International Finance Corporation
ILO	International Labor Organization
ToRs	Terms of References

TABLE OF CONTENTS

BACKGROUND AND RATIONALE OF THE AUDIT

The ECOWAS Bank for Investment and Development (EBID) is a regional financial institution established to foster economic development in the ECOWAS member states by providing financing for investment projects and programs. EBID with this in mind, has developed an Environmental and Social Management System (ESMS)[1] to ensure that to ensure that environmental and social (E&S) risks and impacts are taken into account in the projects that it funds and its operations comply with international environmental and social standards and also are sustainable and socially responsible.

The Bank's Environmental and Social Management System (ESMS) is structured around core documents such as the Declaration of General Policy and Procedures for Lending, Investment, and Guarantee; the Strategic Plan 2021-2025; EBID's Governance Policy; the Policy and Procedure on Integrity, Fraud Prevention, and Anti-Corruption; and the Manuals of Procedures for Private and Public Sector Financing. Additionally, it includes E&S-specific policies like the Manual of Procedures for Considering Social & Environmental Criteria in Project Financing and the Policy on Social and Environmental Responsibility, both adopted in 2013. These documents have enabled the Bank to effectively promote sustainable development and collaborate with borrowers to protect people and the environment in financed activities.

In 2022, the ESMS was updated to align with international best practices in E&S risk management, driven by the Green Climate Fund's (GCF) accreditation process and the E&S requirements of other international investors. The updates incorporated an Exclusion List aligned with African Development Bank (AfDB), the World bank, and European Development Finance Institutions (EDFI), compliance with national laws of ECOWAS member States, the International Finance Corporation (IFC) Performance Standards, and the International Labor Organization (ILO) Core Labor Standards. A Grievance Redress Mechanism (GRM) was also added to the ESMS further strengthening the Bank's commitment to sustainable development and alignment with international standards.

PURPOSE OF THE AUDIT

This audit is to ensure that the Environmental and Social Management System (ESMS) is effectively managing the environmental and social risks associated with EBID's financing activities. It is part of the assessment of the implementation of the different components of the ESMS, particularly the application of the E&S evaluation procedure through the consideration of environmental and social criteria in all Bank operations.

These Terms of Reference (ToR) serve as a guide for the Bank to conduct an evaluation of its Environmental and Social Management System (ESMS). They outline the principles of a clear and systematic approach to obtaining relevant information from the Environmental and Social Audit (ESA), which should be conducted by a qualified consultant or consultancy firm.

[1] https://www.bidc-ebid.org/en/wp-content/uploads/EBID_Manuel_SGES2022_en.pdf

I – OBJECTIVES

1.1. Primary Objective

The Environmental and Social Management System (ESMS) Implementation Audit aims to evaluate and control the appropriateness of the Bank's ESMS, specifically its sizing in relation to the Bank's activities, as well as its implementation, compliance, operationalization, effectiveness, and overall performance since deployment. The primary objective of this audit is to assess the Bank's level of compliance with applicable E&S requirements, focusing on adherence to national legislation, regulations, norms, procedures, and Good International Industrial Practices (GIIP). Additionally, the audit will identify instances of non-compliance and shortcomings, examine their direct and root causes, and recommend corrective actions. This independent evaluation will provide a thorough assessment of the Bank's E&S performance.

1.2. Specific Objectives

The specific targets of the E&S Audit are as follows:

- Evaluate appropriateness and compliance with established environmental and social policies and procedures.
- Identify strengths and weaknesses in the ESMS.
- Provide recommendations for improvement.

Conducting the Audit and presenting the report requires a certain number of tasks to be performed by the certified consultant/consultancy firm to carry it out.

II - SCOPE OF WORK

The work will be conducted in two (2) phases:

- ***Phase 1: ESMS Audit***

The consultant will conduct a comprehensive audit of EBID's ESMS, reviewing its policies, procedures, and implementation processes. The audit will cover all aspects of the ESMS, including internal ESG Policy and the dedicated E&S Risk Management Framework (operational side) project screening, risk categorization, impact assessment, monitoring and follow-up. The audit will provide an action plan of recommendations to improve EBID's ESMS procedures and implementation.

- ***Phase 2: Capacity Building***

The consultant will provide capacity-building sessions for EBID staff to enhance their understanding of the ESMS and its application. Training will focus on best practices in environmental and social risk management, ESG compliance, and the operationalization of the ESMS.

The consultant/consultancy firm may suggest the methodology they consider most suitable for executing their activities, in consultation with EBID.

III - COORDINATION

The consultant will work with EBID's Audit Department and report to the Director of the Risk Department at EBID and provide regular updates on the audit's progress. All reports should be submitted in both English and French.

An indicative list of documents governing the audit assignment will include, but is not limited to:

- Internal Sustainable Development Policy.
- Environmental and Social (E&S) Policy.
    - Internal guidelines.
    - Strategic documents.
    - Annual reporting.
- a sample of E&S procedures for a selection of projects.

IV – DELIVERABLES AND TIMELINES

The work is anticipated to be carried out in two (2) phases over one (1) month. The individual consultant will propose a schedule for the execution of the study, considering the work to be carried out.

Phase 1 is scheduled for completion by February 2025, with Phase 2 expected to be finalized by March 2025.

- **Phase 1 Deliverables:**
    - Inception report outlining the audit plan and methodology to be submitted no later than 05 February 2025.
    - Draft audit report with findings and recommendations to be submitted no later than 15 February 2025.
    - Final audit report including a Corrective Action Plan (CAP), incorporating feedback from EBID to be submitted no later than 20 February 2025.
- **Phase 2 Deliverables:**
    - Training materials and presentations for capacity-building sessions are to be submitted no later than 25 February 2025.
    - Delivery of training sessions to EBID staff and stakeholders to be submitted not later than 28 February 2025.
    - Final training report, including evaluation and feedback from participants to be submitted no later than 05 March 2025.

V - MINIMUM QUALIFICATIONS AND EXPERIENCE

The consultant must have a team with at least a master's degree or in a relevant field or be a certified auditor with a minimum of ten (10) years of relevant experience in ESMS development, implementation, and evaluation within the development finance sector. They should have a proven track record of successful projects in West Africa that adhere to AfDB's Integrated

Safeguards System (ISS) and other international standards such as the IFC Performance Standards, Equator Principles, and ISO 14001/45001. Additionally, the consultant/firm must have demonstrated expertise in capacity building, training, and conducting environmental and social audits. Experience in the ECOWAS region of the project and the ability to provide a multi-disciplinary team of experts are also required. Case studies and references from previous relevant projects must be provided to verify the consultant/firm's capabilities.

VI – BUDGET AND PAYMENT SCHEDULE

6.1. Budget

Cost Estimates: The consultant will present a cost estimate for the audit, which will be finalized in agreement with EBID.

6.2. Payment schedule

Payments will be made in tranches, based on the successful completion of deliverables. The payment schedule will be as follows:

- 10% upon submission of the inception report.
- 40% upon submission of the draft audit report.
- 10% upon submission of the final audit report.
- 40% upon completing the training sessions and submitting the final training report.

VII - CONFIDENTIALITY

Data Protection

The selected consultant/consultancy firm should ensure that all information gathered during the audit even after is kept confidential.

VIII – RESPONSIBILITIES OF THE BANK

The mission will take place in Lomé, Togo and at the Bank's headquarters. It will also be conducted by the selected consultant/consultancy firm. It will work in close collaboration with the Bank staff. The Senior Management of the Bank will be responsible for the interaction of the Consultant with all other Departments of the Institution involved in the implementation of the project. It will also facilitate exchanges with the concerned Departments

IX – CONTACT PERSONS

To carry out this mission the Bank has designated the following persons to provide further information :

- Dr. Andrews AMANKWAH, Director, Treasury, and Resource Mobilization
  Tel : (+228) 22 21 68 64 ;
  E-mail : aamankwah@bidc-ebid.org

- Dr. Francis EZZIN, Director of Administration and General Services
  Tel : (+228) 22 21 68 64 ;
  E-mail : fezin@bidc-ebid.org

X – APPLICATION FILE AND DEADLINE

10.1. Application file

The consultant will be selected on the basis of his qualifications and experience. To this end, the consultant must attach a detailed curriculum vitae, together with copies of diplomas and certificates, as well as a list of similar assignments carried out over the last five years. Where appropriate, these references may be supported by certificates of satisfactory performance duly issued by the beneficiary contracting authorities.

10.2. Date and place of submission of applications

Applications must be sent exclusively by e-mail no later than January 13, 2025 at 11:59 pm to the following addresses: secretariatdasg@bidc-ebid.org/ichabimougnan@bidc-ebid.org.

XI - RECRUITMENT METHOD

The consultant will be recruited in accordance with the Bank's institutional procurement regulations.