

Development of an Organisational Risk Management System
For Lake Chad Basin Commission

TERMS OF REFERENCE (TOR)

I. BACKGROUND AND RATIONALE

The Lake Chad Basin Commission (LCBC) was established in 1964 by the 6 countries that share the Conventional Basin of Lake Chad: Cameroon, Niger, Nigeria, Chad, Libya, and the Central African Republic. Its purpose is to promote cooperation among Member States for the equitable and sustainable use of the natural resources of the Lake Chad Basin for economic purposes. It is funded by contributions from Member States and technical and financial partners in the implementation of projects and programmes.

For its governance and effective management, LCBC has several control tools, including a Manual of Administrative, Financial and Accounting Procedures, Staff Rules and Financial Regulations. These tools, which are essential requirements to the efficient management of any organisation, focus on the functioning of the Executive Secretariat. Unfortunately, the implementation of these tools does not include a risk management system to enable the organisation to identify, analyse, evaluate, and provide appropriate responses to each risk that could prevent the organisation from achieving its strategic and operational objectives. This systemic weakness has been regularly identified by both Price Waterhouse Coopers and KPMG our External Auditors.

It has therefore become imperative to produce for LCBC a risk management manual to implement a risk management system within the organisation to deal with governance and financial management risks. In response to this Challenge, the 2024 Annual Work Plan and Budget (AWPB) made provision for the recruitment of a consultant to develop a system for managing organisational risks which will culminate in the production of a Risk Manual.

consequently, the Executive Secretary would be requested to kindly approve a call for tenders with the aim of selecting a consultant to develop an organisational risk management system and a risk map for LCBC.

II. OBJECTIVE

The general objectives of the assignment include:

- Conducting a risk mapping to obtain a global overview of the areas of risks existing within the LCBC financial system; propose not only prevention measures but also mitigation or management measures,
- Train Financial Control and audit staff in risk mapping.

More specifically, the risk mapping will:

- Identify in depth, from both internal and external sources, the risks that may affect the organisation’s ability to achieve its objectives,
- Analyse the risks identified in relation to their consequences,
- Develop an appropriate risk management approach to identify the control activities needed to mitigate these risks in order to effectively and efficiently achieve the organisation’s objectives.

III. SCOPE OF SERVICES

The services to be conducted as part of the risk mapping and implementation of a risk management system include:

- Identification and coding of LCBC processes,
- Drawing up process identity sheets and their key performance indicators (KPIs),
- Identification of the risks to be mapped,
- Risk assessment and prioritisation,
- Assessing gross and residual risks in collaboration with the audit team,
- Prioritising risks and proposing the LCBC risk map,
- Assisting the audit team in defining an action plan to be implemented to prevent and manage risks and proposing risk mapping management tools: Risk management plan,
- Draft a provisional report on the assignment and then a final report after the LCBC’s amendments.

IV. METHODOLOGY

The Consultant will conduct a comprehensive review of our system, design the appropriate tools, and conduct the assignment.

Scoping and inception meetings to validate the working method, the tools and the terms and conditions for conducting the assignment will be defined by agreement between the parties and in accordance with the schedule provided by the Consultant.

Top management and key personnel will be trained or retrained in risk prevention and management and in updating the risk map.

V. PROFILES OF EXPERTS

7

The Consultant's team, a non-exhaustive list of which shall be submitted with detailed curricula vitae, to guarantee the efficient execution of the assignment. It should include, among others, the following expertise:

A CIA-Certified Internal Auditor

- At least a master's degree in a relevant area (Management, Economics, Accounting or Finance)
- Certified Internal Auditor (CIA) expert,
- At least 10 years of practical experience in auditing, risk management, knowledge and tools that guide the practice of internal audit in all types of organisations or management environments.

B. Chartered or Certified Accountant

- At least a master's degree in accounting.
- Member of an association of Chartered Accountants.
- At least 10 years of practical experience in Accounting, Finance in all types of organisations or management environments.

C. An expert in risk management, CRMA

- At least a master's degree,
- Advanced knowledge international organisations for standardization (ISO) to achieve ISO 9001, ISO 14001, and ISO 31000 certification (Internal Risks Standard).
- Certified Risk Management (CRMA) expert,
- Expert with 10 years professional experience, including at least 5 years in implementing management systems.

VI. EXPECTED OUTCOMES

The Consultant will ensure that the various current and potential risks affecting LCBC in the implementation of its activities are identified and prioritised.

The Consultant will, therefore, provide:

- A process map and KPI (Key Performance Indicators) sheets,
- Dynamic risk mapping, which the stakeholders themselves can update,
- An integrated action plan for the prevention and management of identified risks,
- Risk mapping management tools,
- A team of key personnel and LCBC focal points trained on risk mapping management.

The Consultant will also propose corrective measures to remedy weaknesses in the Internal Control System.