TERMS OF REFERENCE FOR A CONSULTANT

MARKET CONDUCT SUPERVISION

1. Introduction

The Insurance Regulatory Commission of Sri Lanka (IRCSL) is established in terms of the provisions of the Regulation of Insurance Industry (RII) Act, No.43 of 2000 with effect from March 1, 2001, for the purpose of developing, supervising and regulating the insurance industry. The object and responsibility of the IRCSL is to ensure that insurance business in Sri Lanka is carried on with integrity and in a professional and prudent manner with a view to safeguarding the interests of the policyholders and potential policyholders. The IRCSL comes under the purview of the Ministry of Finance.

Please refer to https://ircsl.gov.lk for further details about the IRCSL.

The 'Market Conduct Supervision' unit of IRCSL aims to strengthen and expand the supervisory function of the IRCSL.

2. The Objectives of this Assignment are:

a) To assist in the execution of all Market Conduct Supervision–related duties of IRCSL, in line with current international standards and best practices.

b) To build Market Conduct Supervision skills and capacity within IRCSL.

c) To develop a Market Conduct Supervisory Manual.

d) To provide on-the-job support to the Market Conduct Supervision Unit's staff of IRCSL during the timeframe of the engagement to ensure the implementation of its full-fledged Market Conduct Supervision activities.

3. Scope of Services, Tasks (Components) and Expected Deliverables

The Consultant's services for IRCSL will include, but not be limited to the following:

a) Support the operational strengthening of the Market Conduct Supervision Unit of the IRCSL, which should include;

- The development of processes, procedures, and toolkits including market conduct risk assessment tool
- The development of templates, and formats to seek information from the industry
- The development of duties and responsibilities of the Unit's staff
- The preparation of guidelines, and protocols
- The preparation of any other documentation that supports the process

b) Develop a comprehensive Market Conduct Supervision Framework/Rules taking into consideration of the existing guidelines, the Insurance Core Principles (ICPs) of the International Association of Insurance Supervisors (IAIS), international standards and best practices.
c) Prepare content for new rules/changes required to be incorporated into the Act from the Market Conduct Supervision perspective.
d) Provide on-the job training for Market Conduct Supervision Unit's staff on onsite inspections, thematic reviews, follow-up activities, and enforcement actions.
e) Develop a Market Conduct Supervision strategy and a five-year roadmap for the effective implementation and enforcement of the Market Conduct Supervision Framework.
f) Provide advisory services in the implementation of the Market Conduct Supervision strategy and roadmap.
g) Develop Market Conduct Supervisory Manual covering entire supervisory process (market wide and firm-specific ongoing monitoring activities, planning, offsite and onsite inspections, thematic reviews, follow-up activities, and enforcement) and the regulatory reporting formats for the Market Conduct Supervision.
h) Carry out any other activity incidental to the carrying out of the above activities.

4. Contract Period and Working Hours

a) The assignment duration is six (06) months.
b) The Consultant shall be stationed at the IRCSL office on a full-time basis (8 hours from 8.30 am to 4.30 pm Monday to Friday), subject to 02 days' leave for each month in addition to public holidays. Any earned leave for each month (02 working days per month) can be accumulated and taken during the six-months period.

5. Qualification Requirements for the Consultant

The Consultant shall meet the following qualification requirements:

a) Masters Level Degree and Professional Qualification in Insurance or related field;

b) Minimum ten (10) years' experience in a senior managerial role within the financial or insurance sectors, with a dedicated specialization in market conduct supervision or financial consumer protection **OR** minimum ten (10) years' experience in providing consultancy services on market conduct supervision of insurance sector or financial consumer protection;

c) Local/ international work experience or consultancy experience in financial consumer protection/ market conduct supervision, including implementing supervisory approaches, tools and techniques, supervisory planning, follow-up activities, and enforcement actions in the insurance or other financial sectors;

d) Knowledge and practical exposure on "ICP 19 : Conduct of Business" issued by the International Association of Insurance Supervisors (IAIS);

e) Excellent communication skills and extensive experience in training staff;

f) Fluency in English, spoken and written;

g) A very good knowledge of Microsoft Office applications, particularly Word, Excel and PowerPoint;

The Consultant is required to have experience in conducting assignments of similar nature, complexity, and character. The supporting documents to verify the relevant qualifications and experience such as copies of degree certificates, professional qualification certificates, service letters detailing the job responsibilities, duties and special assignments/projects undertaken, project or assignment reports, etc. shall be enclosed with the EOI submission.

6. Reporting, Deliverables, and Time Schedule for Deliverables

a) The Consultant is expected to provide a work plan covering the deliverables of the scope with the expected timelines to complete each deliverable.
b) The Consultant is required to submit a statement to the Director General of IRCSL at the end of each calendar month detailing the work done during the relevant period performing the services as per the work plan.
c) Payments to Consultant will be made by IRCSL on a monthly basis, based on the agreed work plan and subject to completion of the expected deliverables on the specified timelines.
d) Tax liabilities of the Consultant need to be borne by the Consultant.

7. Client's Input and Counterpart Personnel

a) Facilities to be made available to the Consultant by IRCSL:

- Office space will be provided to the Consultant by IRCSL.

b) Professional support counterpart personnel to be assigned by the IRCSL to the Consultant:
- The Consultant is expected to work independently, while also coordinating with the staff of the Market Conduct Supervision Unit during the assignment period.