**Terms of Reference**

**Modernize HR processes in the petroleum sector in Egypt and launch the Leadership Talent Management Centre of Excellence (CoE)**

1. Introduction

The Ministry of Petroleum (MOP) is the Egyptian Governmental authority that supervises exploration, production, marketing and distribution of [oil](https://en.wikipedia.org/wiki/Petroleum), gas and [mineral resources](https://en.wikipedia.org/wiki/Natural_resources). Oil and Gas sector in Egypt now consists of 4 state-owned holding entities, which are: the [Egyptian General Petroleum Corporation](https://en.wikipedia.org/wiki/Egyptian_General_Petroleum_Corporation) (EGPC), [Egyptian Natural Gas Holding Company](https://en.wikipedia.org/wiki/Egyptian_Natural_Gas_Holding_Company) (EGAS), [Egyptian Petrochemicals Holding Company](https://en.wikipedia.org/w/index.php?title=Egyptian_Petrochemicals_Holding_Company&action=edit&redlink=1) (ECHEM), and South Valley Egyptian Petroleum Holding Company (GANOPE). It was identified that the current sector structure is not optimal and requires sector structure reforms to meet international benchmarks.

The World Bank with financial support from the Government of the United Kingdom has launched the Strategic Partnership for Egypt’s Inclusive Growth (SPEIG) UK Trust Fund. Among the activities supported by SPEIG is the design and implementation support for a comprehensive modernization project of oil and gas sector in Egypt (Modernization Project). The modernization project is intended to attain the three government objectives for the sector of reducing fiscal deficit, attracting private sector capital - especially foreign investments in the petroleum and gas sector in Egypt-, and demonstrating a role model for improving public sector governance within Egypt.

One of the programs of the Modernization Project led by MOP is the improvement of human resource management in the sector, in particular performance management, competence development assessment and succession planning. MOP now wants to hire a consultant to support the next steps in the improvement of human resources management.

1. Objectives

The objective of this assignment is to modernize HR processes in the petroleum sector in Egypt related to performance evaluation, competency development and succession planning to better equip the sector with a qualified, capable and well performing work force and to create a Leadership Talent Management Centre of Excellence (CoE), in charge of coordinating/managing the core HR processes, in close collaboration with the HR Functions of the sector companies.

1. Scope of Work

The scope of work shall include:

1. Develop a Career Progression Planning System for the petroleum sector to more accurately assess employee competency development meeting the following criteria:

* Distinguishes detailed career progression plans for both technical and managerial tracks
* Is based on a competency framework across all job group levels in the sector with clear qualification requirements
* Has a process for advancing staff by evaluating readiness and competency development areas, constructive feedback and preparing development plans addressing competency development areas on a continuous basis.
* Embeds an objective assessment methodology for succession planning based on the competency framework that determines promotion readiness and identifies competency development areas.
* includes an effective talent development system to address competency development areas through training and development assignments.
* Includes a succession planning methodology for positions down to N-2 level aiming to have several candidates with readiness to fill in positions opened by attrition.
* Refocuses the hiring process on recruiting candidates qualified for entry-level jobs as well as more senior jobs based on the competency framework.
* is simple (i.e. leverages technology to create a unified approach to ensure consistency across business units, organizational levels, and geographic areas), transparent (i.e. encourages clarity and integrity, and minimizes politics), diverse (recognizes diversity as an organizational strength), and robust (builds leadership capabilities at every level and creates a “succession culture”).
* Is benchmarked with a few selected top companies to understand best-practice process options.

1. Develop a performance evaluation system for the petroleum sector to more accurately assess employee performance that:

* Has a process for evaluating staff performance on a continuous basis.
* Recognizes achievements as well as improvements areas
* Instils a cultural change of open constructive feedback focussed on supporting continuous improvement
* Introduces a reward and recognition program, instilling and stimulating a culture of performance, linked to the performance evaluation
* Is linked to the payroll system
* Is benchmarked with a few selected top companies to understand best-practice process options.
* Is applicable both pre- and post-restructuring of the petroleum sector.

1. Design the blueprint of the Leadership Talent Management Centre of Excellence

* Develop proposed role, mandate, objectives and core activities of CoE.
* Develop proposed governance structure and organization of the CoE.
  + Identify CoE governance bodies (e.g. Leadership/Operational Committee) that will be established by MOP.
  + Define organizational positioning of the CoE (e.g. reporting line to the Ministry)
  + Design organizational chart of the CoE and the required positions with the job descriptions
* Develop an implementation roadmap/plan to activate the CoE processes for Competency Assessment/Succession Planning, Career Development and Performance Management, including activities, milestones, deliverables, owners to achieve the full operationalization of the CoE

1. Implementation structure and deliverables

The Ministry of Petroleum wants to maintain strong ownership over the restructuring process. The Consultant will take a participatory approach, involving the Ministry of Petroleum. In the day-to-day work, the Consultant will liaise with Focal Points at the Ministry of Petroleum. The Consultant Team will work in Egypt for the duration of the assignment. The Ministry of Petroleum will make office space available to the consultant if necessary. The Consultancy Firm is expected to use its own computers and other equipment required for the task.

The key deliverables will be spread over 4 months from the signing of the contract with the following scheme.

|  |  |  |
| --- | --- | --- |
| **Deliverable** | **Payment** | **Date** |
| 1. Inception Report | 20% | One week from signing contract |
| 1. Draft Report and workshop | 50% | 12 weeks from inception report |
| 1. Final Report | 30% | 16 weeks from inception report |

For contractual matters, the consultant firm will report to Alexander Huurdeman, TTL of Modernization Project and Senior Gas Specialist.

1. Qualifications

The World Bank is seeking a consultancy firm to conduct the assignment.

The collective ability of the proposed team to complete and deliver this assignment successfully will be assessed. The proposal will further be evaluated based on multiple criteria, including:

* A comprehensive focus on Egypt and MENA market and its key players in the petroleum sector.
* In-depth international experience in advising clients in corporate restructuring, talent management and succession management practices and performance improvement hand in hand with operational transactions, preferably Oil & Gas Industry.
* Demonstrable track record of success with innovative and culturally sensitive approaches to performance evaluation, competency development and succession planning.
* At least 20 years of relevant experience and scope of work.
* Proficiency in Arabic language across the Consultancy team.

1. Notes

The attention of interested firm is drawn to paragraph 1.9 of the World Bank’s Guidelines: Selection and Employment of Consultants [under IBRD Loans and IDA Credits & Grants] by World Bank Borrowers January 2011 (“Consultant Guidelines”), setting forth the World Bank’s policy on conflict of interest.

Consultancy firm may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications.

1. Confidentiality

The Consultant agrees to keep confidential all information that the Consultant receives, directly or indirectly, from the World Bank, GoE, MoP or any other stakeholder, as well as all copies or analyses that the Consultant makes, or have been made by third parties, on the basis of such information (collectively, the Material). The Consultant shall use the Material exclusively for the purpose of providing the services described in these Terms of Reference. The confidentiality obligations shall not apply to information in the public domain.