

Brief Note on OIC Business Intelligence Center

(The OIC Institutions are expected prepare one-page brief notes regarding the main programs/activities (limited to 2 pages) in line with the sample template)

Brief Description of the Programs/Activities:

1. Taking into account the specific mandate of The Islamic Corporate for the Insurance of Investment and Export Credit (ICIEC) as mentioned in its Articles of Agreements “The objective of the Corporation shall be to enlarge the scope of trade transactions and the flow of investments among Member States”, ICIEC has embarked on initiating a study on the possibility to create an OIC Credit Information Bureau where the main goal was to replicate the success story of the Aman Union’s database.
2. After multiple internal and external consultations with stakeholders, ICIEC has decided to widen the initial scope of Credit Information so to include the setting up of an OIC Business Intelligence Centre where it will tackle, across the OIC region, the deficiencies in the availability of Business Intelligence Data to enabling Decision Making..
3. The COMCEC’s Follow Up Committee (08-10 May 2010, Ankara, Turkey) took note of the First Interim-Report on the OBIC and recommend to ICIEC to submit the said Interim-Report to MCs in order to enrich the document with their feedbacks by July 30, 2018.
4. Comments and inputs from distinguished MCs and OIC organs, among them, Turkey, Sudan, Egypt, Brunei and Azerbaijan, which commended the ICIEC’s proposal as well as the Interim Report and they provide us with guiding principles and technical updated information captured in the Report and Resolutions in front of the Distinguished Representatives from MCs.
5. During the 34th COMCEC Ministerial Meeting (29 November 2018), the following ministerial resolution was adopted and which reads as follows “ *Takes note with appreciation of the IDB Group’s initiative called “OIC Business Intelligence Center” led by the ICIEC and requests the IDB Group, in particular the ICIEC, to start operationalization of this initiative as an OIC Program under one of the IDB Regional Hub, in close partnership with SESRIC and other relevant OIC institutions as required”*
6. The main objectives of the OBIC:
 - a. Build best-in-class business intelligence ecosystem development capability to serve all OIC MCs (regulatory guidelines, data collection, security, consumer/creditor rights, cross-border data flow frameworks, PPP, Industry Association, other);
 - b. Develop a best-in-class business intelligence database/digital platform that covers cross-border credit registry and linked credit bureau services (OIC wide with potential Hub & Spoke model);
 - c. Provide advisory services including capacity building to MCs across the different maturity levels to drive business/credit intelligence impact across all members;
 - d. Deliver an optimal operational model with key strategic partnerships and potential regional offices network and adoption model that serves all MCs at various maturity levels; and
 - e. Establish a strong business model for the Center to ensure long-term sustainability and impact.
7. Enhancing the OIC’s credit information ecosystem will impact positively on the following:
 - a. It could boost private-sector lending in the least developed OIC member states by an estimated \$670 bill a year.¹ In addition, rates of non-performing loans could potentially be reduced by 7.75 percentage points;
 - b. It will boost the OIC Intra-Trade from its current level of US\$ 539 bn which represents 19.9% share of total OIC Trade;
 - c. It will potentially reduce the rates of Non-Performing Loans By at least 7%;
 - d. Credit information systems boost lending by up to 50% of GDP, reduce costs substantially and can financially assimilate the 2 billion unbanked, with an observable impact on FDI. In 2016, OIC countries had \$ 96.3 bn in FDI (only 6.6% of global FDIs); and

¹ Based on applying credit information to private-sector loan correlation evidence by a World Bank & Harvard University study of OIC member countries.

- e. Other key benefits include financial inclusion of MSME's, FDI growth and Intra-OIC trade boost.

Target Audience/Beneficiaries:

- OIC MCs;
- Private and Public Stakeholders; and
- Business community.

Main Achievements:

- ICIEC and SESRIC have jointly submitted a Proposal to the President of IDB Group, H.E Dr. Bandar Hajjar so to set up three specialized Committees²: Executive Streeting, Quality Assurance and Project Unit;
- ICIEC and SESRIC have also submitted Implementation Roadmap of the OBIC; and
- SESRIC and ICIEC have discussed the funding aspect of the OBIC.

Challenges & Recommendations:

Recommendations

- SESRIC has offered to host temporarily the OBIC as OIC programme;
- SESRIC will host temporarily the OBIC Technical Team;
- IsDB Group including ICIEC and SESRIC shall co-finance the operationalization of the OBIC;
- Other potential donors from MCs and private and public sectors shall be invited to co-fund the OBIC project;
- The ToRs of three Committees need to be finetuned and aligned by ICIEC and SESRIC so to ensure proper implementation of the project;
- The roadmap of the joint implementation of the OBIC will require further consultation with both technical teams from ICIEC and SESRIC; and
- ICIEC and SESRIC will develop a communication strategy toward Tier A Group so to ensure buy-in by OIC MCs as well as a proper regional presence of the OBIC across the OIC region.

Follow up actions & Timeline:

May -October 2019

1. Finalise the ToRs of the Steering Committees and its composition

2. Discuss and recommend for 35th COMCEC Ministerial Session, the following:

- Review/Update the OBIC Report which need to include: Strategic Plan (vision, mission and mandate), strategic and operational pillars, benchmarking study, SWOT analysis, stakeholder's expectations analysis, market segmentation analysis and solution framework;
- Review and Update the Budget and Business Plan for the next 5 years;
- Discuss and recommend the OBIC future headquarters as well as the location of regional hubs across Tier A, Tier B, Tier C, and Tier D categories
- Discus and submit the OBIC Governance Structure (including Board of Executive Directors and Board of Executive Management);

November 2019- April 2020

1. Discuss and recommend for 36th COMCEC Follow Up Committee, the following:

- Discus and submit the Legal Documents such as Articles of Agreements between the States Parties namely MCs, IsDB, ICIEC and SESRIC as well as Charter including operating procedures and operations regulations and Delegation of Authority (DOA); and
- Provide a cost-effective IT solution architecture of the OBIC Platform.

April 2020- Nov 2021

1. Discuss and recommend for 36th COMCEC Ministerial Session:

- Official launching of the OIC Business Intelligence Centre

² See enclosed draft Admin Instruction

ADMINISTRATIVE INSTRUCTION

**Subject : Designation of the OBIC Management Arrangements for the OIC
Business Intelligence Centre (OBIC).**

The Chief Executive Officer, ICIEC;

Having regard to:

- Article 41(2) of the Articles of Agreement establishing the ICIEC;
- Article 31(1) of the Articles of Agreement establishing the ICD;
- Article 10(1) and (2) of the Statute of IRTI;
- Article 20(1), (22) and (55) of the Articles of Agreement establishing the International Islamic Trade Finance Corporation (ITFC);
- Resolution No. 2/8-E adopted by the Eighth Islamic Conference of Foreign Ministers (ICFM), held in Tripoli in May 1977, establishing The Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) as a subsidiary organ of the Organisation of Islamic Cooperation (OIC);
- Report on Business Intelligence Center (CBIC) with its recommendations which was endorsed by the 34th COMCEC Ministerial Session held in Istanbul 28 and 29 November 2018 (See enclosed Annex I); and
- The 34th COMCEC Ministerial Session Resolution No 68 “Takes note with appreciation of the IDB Group’s initiative called “OIC Business Intelligence Center” led by the ICIEC and requests the IDB Group, in particular the ICIEC, to start operationalization of this initiative as an OIC Program under one of the IDB Regional Hub, in close partnership with SESRIC and other relevant OIC institutions as required” (see enclosed Annex II).

DECIDES:

1. The CEO of ICIEC, is the highest authority and program sponsor of the OIC Business Intelligence Centre and chairs the OBIC Executive Steering Committee.
2. Establish the following Management Arrangements for the operationalization of the OBIC project as follow:

- i. OBIC Executive Steering Committee;
- ii. OBIC Project Assurance Committee; and
- iii. OBIC Project Management Unit.

I. THE OBIC EXECUTIVE STEERING COMMITTEE

3. The OBIC Executive Steering Committee is responsible for overseeing the project implementation and ensuring successful operationalization of the OBIC through its roadmap. In order to ensure ultimate accountability, Executive Steering Committee decisions should be made in accordance to standards that shall ensure best value to money, fairness, integrity and transparency. In case a consensus cannot be reached, final decision shall rest with the Chairman.
4. Composition: The OBIC Executive Steering Committee (ESC) includes:
 - DG of SESRIC (Member), Alternate Chairman of ESC
 - The Vice President, Sector Operations (Member);
 - The Vice President, Corporate Services (Member);
 - The Vice President, Partnership Development (Member);
 - CEO of ITFC (Member);
 - CEO of ICD (Member);
 - DG of IRTI (Member);
 - Advisor to the President to STI;
 - Head of the IsDB Turkey Hub (Member); and
 - Convener and Rapporteur: Representative from ICIEC
5. The Chairman of the ESC may invite any internal or external parties whenever the need arises.

Terms of References of the Executive Steering Committee:

6. The OBIC Executive Steering Committee is the highest internal governing body, ultimate responsible for strategic management and successful implementation of the OBIC project and roadmap. It sets vision, priorities, provides strategic orientation and direction, advises the Chairman on the best course of action to operationalize the OBIC project, resolves any issues, and monitors corporate performance.
7. Functions and key responsibilities of the Executive Steering Committee include:
 - Provide overall guidance, direction, and oversight to the OBIC project, ensuring it remains within any specified constraints;
 - Review and approve the OBIC project workplan, results framework, and the budget allocation in line with the organizational and strategic priorities;

- Agree on the overall partnership’s strategy, resource mobilization action plan, as well as the communication strategy;
- Review the OBIC project critical risks, and provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Review the Human Capital Strategy and oversee its implementation, including the hiring of the critical personnel during the first year of project operations;
- Oversee the progress against the results framework through the various oversight mechanisms: monitoring, reporting, and evaluation;
- Conduct regular meetings to review the Project Progress Reports and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Review and approve the progress reports/annual reports submitted to the COMCEC Ministerial Sessions on strategic and operational achievements;
- Submit periodical reports to the President of IsDB Group and Chairman of the ICIEC BED;
- Commission independent reviews/assessments of the overall OBIC project performance; and
- During project closure, ensure that all project deliverables have been produced satisfactorily and review and approve the Final Project Review Report, including Lessons-learned, if any.

II. THE OBIC PROJECT ASSURANCE “PA” COMMITTEE

8. The OBIC Project Assurance “PA” of the OIC Business Intelligence Centre (OBIC), represented by a Senior Management with related experience and background as follows:
 - The DG of SESRIC, Chairman;
 - Representative from ICIEC, Alternate Chairman;
 - Representative from the Sector Operations Complex (Member);
 - Representative from the Corporate Services Complex (Member);
 - Representative from the Partnership Development Complex (Member);
 - Representative from ITFC (Member);
 - Representative from ICD (Member);
 - Representative from SESRIC (Member);
 - Representative from IRTI (Member);
 - Representative from STI Department (Member);
 - Head of the IsDB Turkey Hub (Member);
 - Representative from the IT Department, ICIEC, (Member); and
 - Convener and Rapporteur; Representative from ICIEC.

9. The Project Assurance is the responsibility of each OBIC Executive Steering Committee member, however the role can be delegated. The Project Assurance role supports the OBIC Executive Steering Committee by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.
10. The OBIC Executive Steering Committee cannot delegate any of its assurance responsibilities to the Project Manager.
11. The implementation of the assurance responsibilities needs to answer the question “What is to be assured?”. The following list includes the key suggested aspects that need to be checked by the OBIC Project Assurance throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality.
 - Maintenance of thorough liaison throughout the project between the members of the OBIC Executive Steering Committee;
 - Member States’ needs, and expectations are being met or managed;
 - Risks are being controlled;
 - Adherence to the Project Justification (Business Case);
 - An acceptable solution is being developed;
 - The project remains viable;
 - Internal and external communications are working;
 - Applicable IsDB and OIC rules and regulations are being observed;
 - Any legislative constraints are being observed;
 - Adherence to monitoring and reporting requirements and standards; and
 - Ensure OBIC Executive Steering Committee decisions are followed, and revisions are managed in line with the required procedures.

12. Specific responsibilities would include:

- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the risk log is regularly updated;
- Ensure that critical project information is monitored;
- Ensure that Project Quarterly Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
- Ensure that financial reports are prepared and submitted to the OBIC Executive Steering Committee;
- Perform oversight activities, such as periodic monitoring visits and “spot checks”.

- Ensure that the project is operationally closed, and ensure that all financial transactions are recorded; and
- Ensure that project accounts are closed.

III. PROJECT MANAGEMENT UNIT

13. The Project Management Unit is the nucleus of OBIC and in charge of day-to-day operations and activities to operationalize the OBIC Roadmap. It is chaired by a Project Coordinator and supported by operational staff/project personnel.

14. **Project Manager:** The Project Manager has the authority to run the project on a day-to-day basis on behalf of the OBIC Executive Steering Committee with defined terms of references. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the OBIC Roadmap document, to the required standard of quality and within the specified constraints of time and cost.

15. **Specific responsibilities** would include:

Overall project management:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Liaise with any suppliers;
- Plan the activities of the project and monitor progress against the initial quality criteria.
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the OBIC Report and its recommendations, submit new risks to the OBIC Executive Steering

Committee for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;

- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the OBIC Executive Steering Committee and Project Assurance;
- Prepare the Annual review Report, and submit the report to the OBIC Executive Steering Committee and the Outcome Board;
- Based on the review, prepare the Annual workplan for the following year, if required.
- Prepare Final Project Review Reports to be submitted to the OBIC Executive Steering Committee and the Outcome Board;
- Identify follow-on actions and submit them for consideration to the OBIC Executive Steering Committee; and
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;

16. Project Support Team: The team provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager.

17. Specific responsibilities: Some specific tasks of the Project Support would include:

Provision of administrative services:

- Set up and maintain project files;
- Collect project related information data;
- Update plans;
- Administer the quality review process; and
- Administer OBIC Executive Steering Committee meetings.

Project documentation management:

- Establish document control procedures; and
- Compile, copy and distribute all project reports.

Financial Management, Monitoring and reporting

- Assist in the financial management tasks under the responsibility of the Project Manager.

Provision of technical support services

- Provide technical advices;
- Review technical reports; and
- Monitor technical activities carried out by responsible parties.

Roadmap of the implementation of the OBIC Program

	Activity	Lead	Coordination	Deliverables	Timeline	Pre-requisites
1	– Submission of the Administrative Instructions	– ICIEC and SERIC	– ICIEC, SESRIC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, IRTI, STI and IsDB Turkey Hub	– Approved the Administrative Instruction related to the: <ul style="list-style-type: none"> – OBIC Executive Steering Committee; – OBIC Project Assurance Committee; and – OBIC Project Management Unit. 	– April 2019	– Follow up by the OBIC Project Assurance Committee (DG of SESRIC)
2	– First meeting of the Executive Steering Committee	– ICIEC	– ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI, STI and IsDB Turkey Hub	– Approved ToR of the Operational Executive Committee <ul style="list-style-type: none"> – Review implementation of the following decisions on the: <ul style="list-style-type: none"> ○ OBIC vision, mission, mandate and objectives ○ Funding ○ Organizational structure /Reporting Line ○ OBIC KPIs ○ OBIC IT Platform architecture ○ OBIC Functional areas ○ Required roles and responsibilities of each involved stakeholders 	– Sept 2019	– Follow up by the OBIC Project Assurance Committee (DG of SESRIC)
3	– First meeting of the Project Management Unit.	– ICIEC	– ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI, STI, and IsDB Turkey Hub	– Recommendations contained in the OBIC report endorsed and ready for implementation of the CBIC which include the operationalization of the following: <ul style="list-style-type: none"> ○ Governance Structure 	– December 2019	– Follow up by the OBIC Project Assurance Committee (DG of SESRIC)

				<ul style="list-style-type: none"> o (including Board of Executive Directors and Board of Executive Management). o Legal Document which include Articles of Agreements between the States Parties namely MCs, IsDB and ICIEC, as well as Charter including operating procedures and operations regulations and Delegation of Authority (DOA). o Host Agreement to be developed <ul style="list-style-type: none"> - Budget allocated for implementation - OBIC Roadmap discussed and endorsed 		
4	- Second meeting of the Project Management Unit.	- Office of the CEO of ICIEC	- ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI STI, IsDB Turkey Hub	- OBIC Roadmap operational plan developed and approved	- Second week of March 2020	- Follow up by the OBIC Project Assurance Committee (JG of SESRIC)
5	- Second meeting of the Executive Steering Committee	- ICIEC	- ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI, STI, and IsDB Turkey Hub	- Finalize the Roadmap to be submitted to the forthcoming the 35th Meeting of the COMCEC Follow-up Committee will be held on April 2020 in Ankara (Turkey).	- Second week of April 2020	- Follow up by the OBIC Project Assurance Committee (JG of SESRIC)
6	- Third meeting of the Project Management Unit	- Office of the CEO of ICIEC	- ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI,	- Review the implementation of the COMCEC Follow-up Committee recommendations	- Last week May 2020	

			STI, and IsDB Turkey Hub			
7	– Fourth meeting of the Project Management Unit	– Office of the CEO of ICIEC	– ICIEC, IDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI and STI	– Implementation of the COMCEC Follow-up Committee recommendations.	– Last week of June 2020	– Follow up by the OBIC Project Assurance Committee (DG of SESRIC)
8	– Fifth and last meeting of the Project Management Unit	– Office of the CEO of ICIEC	– ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI and STI	– Final recommendations to the COMCEC Follow-up Committee recommendations	– Last week of September 2020	– Follow up by the OBIC Project Assurance Committee (DG of SESRIC)
9	– Third meeting of the Executive Steering Committee	– ICIEC	– ICIEC, IsDB (Country Operations, Partnership and Corporate Services Complexes), ITFC, ICD, SESRIC, IRTI, STI, and IsDB Turkey Hub	– Review and endorse the recommendations and the deliverables of Operational Steering Committee	– Last week of October 2020	– Follow up by the OBIC Project Assurance Committee (DG of SESRIC)

Key considerations to be addressed during the implementation phase:

- Ownership: A critical question is how OBIC ownership and governance structure be done and, in particular, how various partnerships will work especially in the credit registry, and whether public, private, a joint venture, or perhaps a partnership between a local and a foreign entity. A consultation is recommended across all MCs to determine the optimal ownership structures that ensure robust geographical regional representation.
- Technology: Advanced technology is important for data collection, dissemination and analysis. Reportedly, there is lack of technical know-how in building IT systems for credit bureaus. Robust partnerships are suggested to ensure the center has a strong technological platform.
- If required, the Committees may hire the services of specialized Consultancy Firm in the relevant fields of expertise.