



Brussels, 23/07/2015

Dear Sir/Madam,

**Subject: Invitation to Tender**

## Reference Framework for the FERMA Certification Programme

### **Background**

The Federation of European Risk Management Associations (FERMA) brings together 22 national risk management associations in 20 countries and is the only pan-European association for risk and insurance managers.

FERMA has over 4,500 individual members representing a wide range of business sectors from major industrial and commercial companies, not for profit organisations, partnerships, financial institutions and local government bodies. FERMA members play a crucial role for their organisations in the management and treatment of risk and/or insurance ("risk management").

FERMA has initiated a project for creating an international certification of "Risk Management Professional".

Certification is based on a 4 pillar model:

- Knowledge;
- Experience;
- Continuous Professional Development (CPD); and
- Ethics.

Certification has three elements:

- Element one- for risk managers applying for assessment to become Certified through application and examination processes;
- Element two - for education bodies applying for their risk management programmes to be accredited in line with criteria set by FERMA; and
- Element three - for event organisers, including member associations, applying for their events to be licensed for delivering CPD points which are required for Certified Risk Management Professionals to maintain their Certification.

FERMA has developed a Body of Knowledge for each of the 4 pillars, in coordination with representatives designated by member associations.



The FERMA Certification ("Programme") will be available to any individual practicing risk management in any organization and in any sector, regardless of geographic location.

FERMA's objective is to launch the Certification Programme by the end of 2015.

After a testing phase, FERMA has concluded that a Certification Reference Framework ("Framework") of relevant knowledge should be developed. The objective of the Framework is to provide stakeholders with a freely available summary of what knowledge is required of the Programme, unmodified by local regulation or practices, sector specific practices, or previous education in risk management or insurance. The Framework will also provide the vehicle for accessing relevant references and further relevant reading, which must also be available without charge.

FERMA is seeking risk management and insurance experts willing to become the authors of the Reference Framework which will be used by:

- Certification applicants to prepare themselves for Certification
- Education bodies to assess, align or review their risk management programmes
- CPD event organisers to align their events and as a guide for their speakers

### **The FERMA Certification Programme Framework**

The examination which forms part of element one of the Programme, is based on a multiple choice questionnaire delivered and completed electronically. The examination questions will refer to the Framework. To ensure that the Framework is tailored to the needs of the Programme, the Framework will be prepared and published by FERMA and will not be an off-the-shelf product.

To develop the Framework Guides, the Programme Body of Knowledge will be used as a benchmark to be mandatory used. The successful Candidates will be provided with the Body of Knowledge.

The Framework has been divided into seven Guides or "Lots", each of which will require an author.

### **Creation of the FERMA Certification Reference Framework**

FERMA is looking for authors with experience in risk management, working in an international environment, and in the area of the knowledge content described.

### **Submission by a Tender Candidate**

Each Tender should be submitted in "British English" with at least the following elements:

- The candidate profile (CV, a publication list, a sample of one publication)
- The methodological approach (two pages maximum)
- The Financial offer of the Tender Candidate



The deadline for submission of Tenders is:

**21 September 2015**

Tenders should include the personal information requested below and sent **by email** to the following email address:

[julien.bedhouche@ferma.eu](mailto:julien.bedhouche@ferma.eu)

<b>First Name</b>		<b>Last Name</b>	
<b>Organisation</b>		<b>Position</b>	
<b>Email address</b>		<b>Telephone number</b>	
<b>Address</b>			
Street			
Town/City			
Country			
Post/Zip Code			

It should be confirmed here which Lot/s you are tendering for:

- |                                |                                |
|--------------------------------|--------------------------------|
| Lot 1 <input type="checkbox"/> | Lot 5 <input type="checkbox"/> |
| Lot 2 <input type="checkbox"/> | Lot 6 <input type="checkbox"/> |
| Lot 3 <input type="checkbox"/> | Lot 7 <input type="checkbox"/> |
| Lot 4 <input type="checkbox"/> |                                |

**1. Tender Candidate Profile**

*Application selection criteria*

- a) Candidates should be able to demonstrate at least one of the following:
  - 1. Professional experience in management of businesses of at least 20 years and in risk management at a very senior position (i.e. Chief Risk Officer or equivalent) of at least 7 years in an international organization or public body
  - 2. Teaching experience at a graduate level of at least 10 years, and in risk management of at least 5 years, and a close relationship with the risk management profession
- b) Candidates must be published with sufficient evidence provided so that FERMA will be able to appreciate the area of expertise and ability to align with the FERMA Body of Knowledge. Any publication supported by a FERMA association member will be considered as an added value.



- c) Candidates must be able to draft an executive summary in English. The detailed document can be drafted in the native language of the Tenderer, but the Tenderer must be able to review a translation provided by FERMA.
- d) Candidates must include a CV which should include a list of experience in leading or teaching risk management, a document/s providing evidence of competence and experience and present this in such a way as to demonstrate a high quality of written language for reporting and presentation.
- e) Candidates endorsed or sponsored by a FERMA association member will be considered as an added value.

#### *Approach and Methodology*

- f) Candidates are requested to outline the proposed methodological approach.
- g) Candidates are encouraged to use references and materials which are available without charge on-line and notably those published by FERMA member associations.
- h) Candidates will explain in no more than two pages how they would approach the subject and will provide a list of publications and a sample of one publication they have authored.

NOTE: The methodology will be discussed with Candidates prior to signature of a contract.

## **2. Financial Offer**

In order to be considered by FERMA, the Candidate must propose a Financial Offer ("Offer") which should include:

- A fixed price for each lot for which a Candidate is tendering, which should include an allowance for two revisions of the text based on discussion with FERMA, and as applicable, revision of a native language version translated into English, provided by a FERMA.
- Offers must be expressed in Euros.
- The Offer constitutes the maximum amount payable for the final product provided.
- The Offer will be fixed and not subject to revision.
- The Offer should be quoted inclusive of all duties, taxes and other charges, including VAT.

## **3. Contract requirements**

#### *Contract*

- a) All successful Candidates will receive a draft contract to be made between the Candidate and FERMA

#### *Intellectual Property*



- b) The Candidates will confer to FERMA the full rights of usage of the documents (work product) they produce, including in particular the right of publication in any country, in any language, publication through any kind of media, the right of updating the document in any way, the right of quoting the document, either fully, in part or in extracts.
- c) For these purposes, the Candidate must agree to a permanent transfer of a full usage of the Intellectual Property of the work product to FERMA and ensure that there are no restrictions related to confidentiality and/or intellectual property rights expected from a third party.
- d) The Candidates must provide FERMA with an exclusivity of the usage of the final work product fully, in part or in extracts.
- e) All successful Candidates will receive a full copy of the FERMA Certification Body of Knowledge to guide their work. The FERMA Certification Body of Knowledge is the intellectual property of FERMA and the draft contract to be made between the Candidate and FERMA will include confidentiality provisions designed specifically to protect the confidentiality of the Body of Knowledge.

#### **4. Format and timing of documentation**

All Tenders must be submitted in line with requirements set out in this document and delivered in electronic form to the email address provided and to the timescale indicated.

Action	Timeline	Deliverable
Publication of the tender	23 July	Document sent to National Associations and published on FERMA website
Submission of tenders	21 September	Application documents & Executive summary of the reference framework
Selection of candidates	21 – 30 September	
Notification to preferred candidates	01 October	
Contract signature	16 October	
1 <sup>st</sup> draft provided to FERMA	16 November	Draft of the full document in the native language
1- Comments on the 1 <sup>st</sup> draft by FERMA 2- Translation provided by FERMA as necessary	30 November	
Translation and remarks provided	14 December	



to the candidates for revision		
Final draft and revised translation to FERMA	18 December	

## 5. Description of tasks and technical specifications for each Lot

Each Lot should conform to the following specification:

- Title page
- Table of Contents
- Executive Summary drafted in English
- Introduction
- Research methodology
- CONTENT :
  - at least 10 000 words and illustrations in addition (graphs, schemes as needed)
  - in native language, FERMA in charge of English translation revised by the author.
- Sample of at least 20 questions for the examination
- Annexes and bibliography including how the document is linked to the FERMA Body of Knowledge

The services to be provided will be divided into the following 7 Lots:

- **Lot 1: BASIC - Risk Essentials**

One document will contain at least 10000 words each and the content should be linked to the Body of Knowledge as follows:

**COVERAGE:** Block 01: Essentials of Risk Management

1. Introduction To FERMA Risk Manager Certification (4 Pillars System)
2. Principles and Aims Of Enterprise-Wide Risk Management (Includes Ethics)
3. Risk Management Frameworks And Standards
4. Risk Management In The Organisation: Governance, Context, Internal Audit, Compliance (3 Lines Of Defence), Internal Control, Risk Culture, Policy
5. Company Strategy, Objectives, Responsibilities, Structure, Program ... Etc.
6. Risk Appetite, Risk Tolerance, Risk Attitude, Risk Capacity, Limits
7. Types And Impact Of Risk On Organisations
8. Risk Management Process: Identification, Assessment, Treatment, Control, Financing
9. Added Value, Cost and Benefits Of Risk Management



## 10. Risk Leadership

The content related to advanced level of professionalism (ie.: Chief risk officer) will be identified by a special mark, so as to split it into the expert level and the advanced level. Questions will address both part of the content.

- **Lot 2: BASIC - Business Basics for Risk Managers**

The document will contain at least 10 000 words and the content should be linked to the Body of Knowledge as follows:

**COVERAGE:** Block 00: Business Essentials for Risk Managers

1. Essentials of Business And Economics
2. Basic Statistics and Financial Mathematics
3. Basic Corporate Finance
4. Financial Statements
5. Basic Management
6. Legal and Contract Management
7. Basic Marketing
8. Communication
9. Information Technology and Computer Skills
10. Change Management

- **Lot 3: ADVANCED - Enterprise Risk Management and Strategic Risks**

The document will contain at least 10 000 words and the content should be linked to the Body of Knowledge as follows:

**COVERAGE:** Block 02: Risk Assessment

1. Risk & Uncertainty and Impact On Strategy
2. Risk Identification and Classification
3. Risk Evaluation Techniques
4. Qualitative Risk Analysis Tools and Techniques
5. Quantitative Risk Analysis Tools and Techniques
6. Risk Consequence, Likelihood and Severity
7. Risk Modelling
8. Risk Register, Risk Matrix, Risk Profile
9. Others

**COVERAGE:** Block 05: Risk Communication, Monitoring & Review



1. Risk Culture and the Human Factor
2. Corporate Social Responsibility
3. Communication, Consultation, Corporate Governance and Role Of The Board
4. Risk Management Information Systems (RMIS)
5. Risk Monitoring
6. Risk Review
7. Risk Assurance
8. Risk Reporting

- **Lot 4: Operational Risks**

**COVERAGE:** Block 06: Specific Risk Management Topics

1. Operational Risk Management
2. Supply Chain Risk Management
3. Incident And Claims Management
4. Portfolio, Programmes and Project Risk Management
5. Mergers & Acquisitions
6. Business Continuity: Emergency and Crisis Management
7. Emerging And Future Risks
8. Other Topics (projects risk management, credit risk management)

- **Lot 5: ADVANCED - Financial Risks**

The document will contain at least 10 000 words and the content should be linked to the Body of Knowledge as follows:

**COVERAGE:** Block 02: Risk Assessment

1. Risk and Uncertainty and Impact On Strategy
2. Risk Identification And Classification
3. Risk Evaluation Techniques
4. Qualitative Risk Analysis Tools and Techniques
5. Quantitative Risk Analysis Tools and Techniques
6. Risk Consequence, Likelihood and Severity
7. Risk Modelling
8. Risk Register, Risk Matrix, Risk Profile
9. Others





- **Lot 6: ADVANCED - Risk Transfer**

The document will contain at least 10 000 words and the content should be linked to the Body of Knowledge as follows:

**COVERAGE:** Block 03: Risk Treatment I

1. General Aspects (Company Risk Appetite, Inherent and Current Level of Risk; Risk Tolerance, Treatment, Transfer and Termination, Etc.)
2. Types Of Risk Treatment/Response
3. Risk Control Techniques: Loss Prevention, Claims Management and opportunities
4. General / Financial Risk-Related Controls
5. Business Continuity Management: Emergency and Crisis Management
6. Other Techniques

**COVERAGE:** Block 04: Risk Treatment II

1. Risk Financing Techniques
2. Insurance Sector And Solutions
3. Insurance
4. Reinsurance
5. Captive Insurance Companies
6. Alternative Risk Transfer Methods, Products/Hedging Instruments
7. International Insurance Market

- **Lot 7: Ethics**

The document will contain at least 10 000 words and the content should be linked to the FERMA Code of Ethics.

**6. Formatting and style**

The Candidate must where possible follow the "APA Formatting and Style Guide".

The document should be produced with the following features:

- Times New Roman



- font size 10.5
- space 1.0
- Text in boxes e.g. points of emphasis/case studies are in font size 10.

NOTE: The APA (American Psychological Association) style is one of the most commonly used global standard by writers, editors, students, and educators in the social and behavioral sciences. The Publication Manual of the American Psychological Association, (6th ed., 2nd printing) offers examples for the general format of APA research papers, in-text citations, endnotes/footnotes, and the reference page. For more information, please visit:

<https://owl.english.purdue.edu/owl/resource/560/1/>

<http://www.apastyle.org/manual/index.aspx>

<http://www.nova.edu/library/dils/lessons/apa/print.htm> on how to cite sources and references.

**Submission Deadline:** 21 September 2015