

GOVERNMENT OF PAKISTAN

BALUCHISTAN WATER SECURITY AND PRODUCTIVITY IMPROVEMENT PROJECT (BWSPIP)

Terms of Reference and Scope of Services

Qualifications and Terms of Reference

Consulting Services – Financial Management Specialist (Individual Consultant) for Component B: Improvement of Quetta Water Supply Systems

Background

Quetta, the provincial capital of Balochistan, faces severe water scarcity driven by rapid urbanization, declining groundwater levels, climate variability, and aging infrastructure. The city depends heavily on over-exploited alluvial aquifers, with extraction exceeding recharge, resulting in falling water tables and deteriorating water quality. The existing water supply system suffers from limited storage, inefficient distribution, high non-revenue water, and weak operation and maintenance, leading to irregular and inadequate access to safe drinking water.

To address these challenges, the Government of the Islamic Republic of Pakistan, through the Government of Balochistan (GoB), with support of the World Bank (WB), is implementing the Balochistan Water Security and Productivity Improvement Project (BWSPIP). The project development objective is to improve flood protection, increase access to water for productive use, and improve water supply service delivery in selected areas of Balochistan.

The Improvement of Quetta Water Supply Systems (IQWSS) is a key sub-project under the BWSPIP, focusing on both infrastructure development and institutional strengthening interventions. The QWASA Project Implementation Unit (PIU) is responsible for the overall implementation and coordination of IQWSS activities. The sub-project includes a comprehensive set of activities such as improvement and rehabilitation of water supply and wastewater infrastructure, groundwater monitoring and management, assessment of bulk surface water transfers to Quetta, promotion of rainwater harvesting and watershed management, and strengthening the institutional capacity of Q-WASA.

The Financial Management Specialist will directly report to the Project Director and will be based full-time at the QWASA-PIU. The responsibilities will include, but not be limited to:

Budgeting and Planning

- Support the project team in preparing the annual Work Plan of the project. Prepare the project's annual Cash Plan based on Work Plan.
- In accordance with Government of Balochistan budgeting rules and regulations, prepare annual budget estimates and revised budget estimates based on Work Plan/Cash Plan. Submit the budget estimates to the Planning and Development Department for inclusion in the Public Sector Development Program of the relevant year. Follow-up for the release of approved budget.
- Upload annual budget on FMIS and prepare monthly monitoring reports comparing actual expenditure against the budget. Highlight weak performing areas for the attention of the Project Director.
- Prepare annual and quarterly disbursement forecasts for all components of the project in line with project's procurement plan and Work Plan/Cash Plan.

Funds Management

- Prepare cash forecasts on a quarterly basis in coordination with the project team and submit to the World Bank for advance and replenishment of advance.
- Prepare and process withdrawal application following the World Bank's Disbursement Guidelines.
- Track funds and follow up with the National Bank of Pakistan and the World Bank to ensure timely credit of funds into the projects' assignment accounts.

Expenditure/Payment Processing

- Ensure compliance with internal control framework (*Operations Manual, Financial Management Manual, SOPs, and the Bank's fiduciary guidelines, etc.*) and government rules and procedures while processing payments.
- Apply pre-audit checks on all payments under the Supervision of the Divisional Accounts Officer before payment from the assignment accounts, including budget availability, sanction of the competent authority, and compliance with applicable financial rules & regulations.
- Ensure that No Objection Letter (NOL) is obtained from the Bank for every prior review activity before processing any payment.
- Ensure that only eligible payments are forwarded for the Project Director's approval and drawing funds from the assignment account.
- Manage financial aspects of the contracts under implementation, including payment terms, purchase orders, and variation orders.

Accounting and Record Management

- Ensure all transactions are timely and accurately recorded in the books of accounts (*both in Pak Rupees and US\$*) and ensure that no expenditure remains unaccounted.
- Ensure maintenance of accounts on cash basis as per government accounting procedure, i.e., New Accounting Model and CGA's approved Financial Management Manual.

- Maintain PIFRA SAP R/3 (National FMIS) software and work to integrate BWSPIP (Component B) in the National FMIS as per legal requirements.
- Oversee the process of entering transaction-level data in National FMIS and generating vouchers from the system.
- Ensure up-to-date maintenance of adequate registers, books of accounts, and records in appropriate order and format to meet the government and donors' requirements and to facilitate classification and analysis of the financial information for monitoring the project's progress.
- Prepare supplementary record that provides timely and up-to-date financial information of civil works and consultancies.
- Maintain imprest of petty cash and ensure maintenance of a separate petty cash book and petty cash vouchers, and compliance with petty cash SOPs approved by the World Bank.
- Ensure preparation of monthly bank reconciliation statements of assignment account(s), both in Pak Rupee and US\$.
- Reconcile the expenditure on the government-prescribed format with the Accountant General, Balochistan, monthly.
- Prepare and process monthly payroll and submit to the Project Director for approval prior to making any payment under salaries.
- Ensure that the fixed assets records are maintained for both projects, identifying the location and user of each asset and arrange for the annual and periodical inventory of the assets and updating of the records.
- Ensure safe custody of all financial records for review by Bank Missions, third-party monitoring agents, and external & internal auditors.

Financial Reporting

- Prepare Quarterly Financial Summaries and submit to the Project Director and the World Bank in time for review and approval.
- Prepare annual financial statements as per Cash Basis IPSAS and submit to the Auditors within two months of the close of the financial year.
- Prepare periodic financial reports specified under the Legal Agreement or recommended by the World Bank.
- Capacity building of financial management staff through a systematic in-house training program that needs to be designed within 4 weeks of induction as the Financial Management Specialist.
- Ensure that all government financial reporting requirements are complied with, specifically:
 - a. Schedule of Cheques prepared and submitted to the Project Director for onward submission to the Accountant General, Balochistan.
 - b. Statement of Receipts and Payments as per CoA prepared and submitted to the Project Director.
 - c. Grant Disbursement Estimates (Budget and Revised) on EAD format submitted to the Project Director for onward submission to EAD.

Financial Monitoring and Internal Controls

- Monitor the financial performance of the Project and advise the Project Director on budget utilization, disbursement trends, expenditure forecasts, cash flow requirements, and financial risks.
- Ensure compliance with the Project Financial Management Manual, Project Operations Manual (POM), Financing Agreement, applicable Government financial rules and regulations, and the World Bank's financial management requirements.
- Monitor project commitments and expenditures against approved budgets, procurement plans, and Annual Work Plans, and recommend corrective measures to address financial variances and implementation bottlenecks.
- Follow up on financial management recommendations arising from World Bank implementation support missions, internal and external audits, and financial management reviews, and support the strengthening of the Project's internal control systems.

Audit

- Make arrangements for the timely initiation and completion of audits of the project and ensure that the report produced complies with the audit requirements of the Government and the Bank.
- Ensure the projects are adequately reflected in the audit plan and that internal audit is periodically conducted in accordance with the internal audit plan.
- Cooperating with the World Bank, the Government, and other partners to improve project financial management, particularly in terms of following up on the action points agreed in the project legal documents, during the World Bank supervision missions, Aide Memoires, and the recommendations of external auditors and internal auditors.
- Attend entry and exit meetings with external auditors, facilitate timely completion of audits by arranging timely submission of annual financial statement in the appropriate format, supply of information and documents responding to queries, initiate actions for holding tripartite meetings, and coordinating with various teams of QWASA-PIU in meeting audit objections.
- Prepare annotated replies or working papers on audit observations raised by external auditors and arrange to convene the Departmental Accounts Committee (DAC) meeting to settle the audit observations to the extent legally and logically possible.
- Assistance in providing documentation and advice for internal and external audits.

Community-Level Financial Management

The Project may involve pilot programs for community-based WASH operations and maintenance (O&M) including WASH tariff management, for which the consultant will be expected to provide the following support:

- Develop fiduciary guidelines for community -based activities, in coordination with the Procurement Specialist, and submit them to the World Bank for clearance.
- Arrange training for community representatives and project staff on financial management and fiduciary requirements.
- Conduct periodic reviews of financial management arrangements at the community level.

- Facilitate communities in opening bank accounts, maintaining books of accounts, and submitting financial reports in accordance with approved guidelines.
- Ensure community expenditures are in line with approved plans and budgets and that reports are submitted accurately and on time.

2. Consultant Qualification and Experience

- Should Be qualified CA/ACCA with 7 years' experience in public/private, preferably, development sector;
- MBA (Finance)/Master's in Commerce/Finance; Should have at least ten (10) years' experience (post-qualification) in public/private, preferably, development sector;
- Candidates with experience in community-driven development will be preferred;
- Familiarity with international financial reporting standards, specifically Cash Basis IPSAS, is a plus;
- Excellent command of MS Office and relevant Accounting Software;
- Experience of working in the Balochistan Province will be an advantage.
- Article-ship in a Chartered Accountant firm will be an added advantage

3. Core Competencies

- Ability to work independently and collaboratively within a multidisciplinary team.
- Excellent written, verbal, and interpersonal communication skills.
- Strong planning, organizational, analytical, and problem-solving skills, with the ability to manage multiple tasks and meet deadlines.
- Sound knowledge of Government of Pakistan financial rules and World Bank financial management policies and procedures.
- Proficiency in MS Office and relevant financial management software.
- Excellent command of English and Urdu.

4. Salary and Benefits

A market-competitive salary (lump sum with no additional benefits) will be offered based on qualifications and experience.

5. Time frame of Consultancy

The services of the Consultant shall be engaged for the duration of the Project. The continuation of the assignment shall be subject to the Consultant's satisfactory performance, as assessed by the Employer, and to the terms and conditions of the Consultancy Agreement/Contract.

6. Selection Process:

Consultant shall be selected following the procedures set out in the World Bank Procurement Regulations for IPF Borrowers (Fifth Edition, September 2023), under Open Competitive Selection of Individual Consultants.