



**PROJECT DIRECTORATE  
PROJECT IMPLEMENTATION UNIT  
SINDH IRRIGATED AGRICULTURE PRODUCTIVITY  
ENHANCEMENT PROJECT (CR.5604 PAK) - HYDERABAD**



**ISLAMIC REPUBLIC OF PAKISTAN  
Government of Sindh  
Irrigated Agriculture Productivity Enhancement Project – World Bank Assisted**

**FINANCIAL MANAGEMENT SPECIALIST**

**TERMS OF REFERENCE (TOR)**

**INTRODUCTION**

**Background of the Project:**

The Government of Sindh is implementing Sindh Irrigated Agriculture Productivity Enhancement Project (SIAPEP) with financial assistance of the World Bank under IDA Credit No. Cr.5604 Pak aims to improve water and agriculture productivity for small and medium size farmers in Sindh. The project supports Government of Sindh's efforts in efficient management of scarce water resources and is designed to augment adaptation under different climate change scenarios and population growth. Most of the project interventions are well tested and demand driven, with reasonable co-financing from beneficiary farmers.

The project interventions include: improvement of watercourses, improved field irrigation practices, introduction and promotion of a High Efficiency Irrigation System (HEIS), promotion of laser land leveling, introduction of deep plowing, provision of emergency community flood shelters, and assistance in improving agronomic practices through Integrated Pest Management (IPM), crop diversification. These interventions will also provide leverage for substantial investments from the beneficiaries and entail only moderate risks due to strong participation by the farmers in the design and implementation of all activities. It comprises of four components briefly described below:

**Component A: Community Water Infrastructure Improvement**

**Sub-Component A1: Community Water Course Improvement.** The component will assist Government of Sindh efforts to improve the tertiary level water distribution systems (watercourses) where water losses are highest. In Sindh, there are 46,699 water courses out of which 28,856 have been improved. Of the remaining 17,843, about 5,500 will be improved through the provision of lining (corresponding to 30 percent of watercourse length). Activities under this sub-component will include development of selection criteria for watercourse selection, farmer mobilization, and establishment of Water Course Associations (WCAs) and their registration, survey and design, and construction. Generally, two types of lining will be available for the farmers to choose from: Precast Concrete Parabolic Lining (PCPL) segments or traditional rectangular brick masonry lining. The lining will be provided after the earthen section has been improved and realigned. In addition to lining, concrete water outlet structures will be installed for water diversion to the field over the entire length of watercourse.

The farmers will co-finance 24 percent of the costs through provision of skilled and unskilled labour. An estimated 137,000 farm families will benefit during the first phase of the project, which covers 5,500 watercourses in 24 districts.







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Farmer mobilization, survey and design will be carried out by 100 Field Teams based in all 24 districts. Training in farmer mobilization and other aspects will be provided to the field teams by Technical Assistance & Training Consultants (TATC). Design verification and construction supervision and quality control will be performed by Project Implementation Supervision Consultants (PSIAC). Monitoring and Evaluation (M&E) consultants will carry out the third-party monitoring of physical progress, impact assessment, and implementation of environmental and social management plans.

**Sub-Component A2: Mitigating Flood Risk for the Poor.** To extend the benefits of the project to rural poor, this subcomponent will finance the provision of 380 flood shelters of three types in the most vulnerable seven districts of Sindh. Current design provides shelter for 121,000 people and about 129,000 cattle in the most affected districts. Some of the shelters are designed to be used for community activities during non-flood seasons. The land for construction will be largely public or community owned land located in non-cultivable areas preferably on higher ground. An agreement has been reached with the Provincial Disaster Management Authority (PDMA) that once constructed, these shelters will be transferred officially to them for operations and maintenance with additional agreement for some that will be used for community activities. The PDMA will be invited to engage closely during implementation.

**Sub-Component A3: Supervision and Implementation Assistant Consultants (PSIAC).** Under this subcomponent will finance the provision of supervision and implementation assistance consultants (PSIAC) for project design and construction supervision for activities under Component A. PSIAC will assist the Project Implementation Unit (PIU) in construction supervision, engineering and designs, procurement, financial management, quality control, and the timely completion of strategic studies and pilot projects.

**Component B: Promotion and Installation of High Efficiency Irrigation Systems**

This component will support (a) the introduction and installation of high efficiency irrigation systems (HEISs) such as drippers and bubblers for horticulture, floriculture, vegetables, and other high value crops grown on small commercial farms as well as (b) the introduction and distribution of kitchen garden drip irrigation kits for female headed households and farmers with limited access to land. The system will be provided to the farmers on a 40 percent cost sharing basis and will be installed by service providers who will also provide a technical assistance package for the farmers in operations and maintenance of the system. Additional training and assistance will be provided by the HEIS specialist in the field teams assisted by the TATC.

**Sub-component B1: Small and medium-sized HEISs for 2 ha (5 acres), 4 ha (10 acres), and 10 ha (25 acres) farms.** This sub-component will support in installation of HEIS drippers and bubblers for growing high value crops on irrigated and irrigable land; provide technical assistance packages to farmers on operations and maintenance of HEIS; and provide additional training and assistance to farmers in the use of HEIS by specialists and consultants. Approximately 2,600 HEIS's Farms will be installed on 14,300 ha (35,000 acres) of Irrigated and irrigable land. HEIS will be provided (on demand) to the farmers on a 40 percent cost sharing basis. They will be installed by Sales, Supply and Service Companies (SSCs) who will also provide a technical assistance package for the farmers in operation and maintenance of the system.

**Sub-component B2: HEIS Demonstration Sites and Kitchen Garden HEIS kits.** This sub-component will include 48 demonstration sites of 2 ha (5 acres), two in each district; and finance the associated training of department staff, Supply and Service Companies (SSCs) and farmers including women in the installation, operation, and maintenance of the HEISs. A kitchen garden HEIS kit consists of drip irrigation equipment for female-headed households and landless farmers.







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**Component C: Improved Agriculture Practices**

To increase the benefits of enhanced water availability from watercourse lining and high efficiency irrigation systems, and to improve the application use of appropriate crop inputs, this component will support precision land leveling and deep ripping; improvement in irrigation agronomy; demonstration of and training and assistance in improved and modern technologies and methods to increase irrigation efficiency and agriculture productivity. In particular, the component will provide assistance in crop protection, input application, crop diversification, field irrigation techniques, and training, covering training of service providers and farmers, training of trainers, and establishment of farmers' information kiosks. This component will include the following sub-components:

**Sub-Component C1: Laser Land Leveling and Deep Ripping.** Under this sub-component, the project will provide laser guided precision land leveling and associated deep ripping equipment and training in its use to help farmers save irrigation water, curtail irrigation time, improve efficiency of agriculture inputs such as fertilizers, and achieve uniform seed germination, resulting in increased crop yields.

**Sub-Component C2: Improved Agriculture Production Technology.** Under this sub-component the project will support training of farmers to improve their crop and irrigation agronomy practices. Interventions will include: (a) establishing Farmer Field Schools (FFS) with a focus on Integrated Pest Management (IPM) (b) training of FFS facilitators (c) in-country exposure visits for farmers (d) demonstration of rearing beneficial insects on the farm and (e) training in crop production under High Efficiency Irrigation System (the drip system).

**Sub-Component C3: Technical Assistance and Training Consultants (TATC).** To implement the above activities, including the necessary training for farmers' mobilization and HEIS, an experienced consultant firm will be employed with expertise in community mobilization, field irrigation techniques, salinity management, irrigation scheduling, crop production technologies, irrigation agronomy, integrated pest management under the FFS methodology, and post-harvest management technologies. In addition, the consultancy will support management of the various piloting activities such as HEIS, and training of trainers for operators in laser land leveling and deep ripping.

**Component D: Project Management and Monitoring and Evaluation**

This component will support the cost of project implementation and management, technical assistance for design and construction supervision, M&E consultants, studies, audits and staff training.

**Sub-Component D1: Monitoring and Evaluation (M&E) Consultants.** This sub-component will cover M&E of the project and impact assessment by third party independent consultants, who will report directly to the Project Steering Committee. The M&E activities will provide continuous feedback to the Government of Sindh on the project's performance and impact of its various components. To implement this sub-component, independent consultants will be recruited to monitor and evaluate before and after each construction season to review: (a) implementation progress, including spot checking of works and quality of construction, and targeting of works as compared to agreed criteria; (b) project intermediate impacts; and (c) environmental and social impacts particularly on small and marginalized farmers and female farmers. The consultants will also be responsible for establishing a Management Information System (MIS) and Information Communication Technology (ICT) based monitoring program for all project components and activities.







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**Sub-Component D2: Project Management.** This sub-component will provide support for the Project Implementation Unit and Project district offices and field offices, and for carrying out strategic and feasibility studies for pilot activities.

The project completion date is December 2021, which is likely to be extended. The financial management plays a vital role in order to satisfactorily implement all the required components as planned within the fiscal agreed budget. It would involve preparation of yearly expenditure budget against the planned activities and its disbursement accordingly. It would require preparation of various financial statements and returns to comply with WB's and government's regulations, for WB funded projects.

In order to guide and assist the project management in steering the project complying with financial regulations, a Financial Management Specialist will be required. He will work in the PIU under the Project Director laying all guidelines to regulate project budget and expenditure. He will be hired from local sources as per WB's and government's stipulated guidelines (as applicable).

**Institutional and Implementation Arrangements**

A specific Project Implementation Unit (PIU) consisting of appropriate experts headed by a Project Director SIAPEP within the Directorate General Agriculture On-farm Water Management, Sindh (DGOFWM) will have the overall responsibility for implementing the project and will report to the Agriculture Secretary of the Government of Sindh (GoS). The PIU will be responsible for all aspects of project implementation, including technical, operational, procurement, financial management, disbursement, and overseeing the technical assistance and training program. The PIU will be supported by a group of highly qualified staff at headquarters in Hyderabad and its regional implementation offices.







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**SCOPE OF WORK**

The Financial Management Specialist will be responsible to maintain financial records, to provide timely financial information to PD-PIU and to ensure compliance with Government of Sindh's a) Financial Rule, b) Delegation of Powers c) Finance Department's standing orders/ instructions circulated from time to time and World Bank's Financial/ Procurement Guidelines as referred to in the Project Appraisal Document, Financial Agreement and Project Agreement of SIAPEP project.

Devise and implement modern methods of financial management of project in line with the requirement of World Bank funded projects.

Organize and train PIU staff in modern management methods including training of Directorate and District staff.

Render assistance and advise to PIU staff in all financial matters related to the project.

Prepare periodic financial statements/ returns updated with the progress of the project and ensure project not to over-run financially.

**QUALIFICATION AND EXPERIENCE**

The Financial Management Specialist shall have:

- Nationally/ internationally recognized degree in ACCA/CA/ICMA
- 05 years' post qualification experience in financial management, audit or accounts. Prior experience of donor funded projects will be accorded due weightage
- Demonstrated Computer Skill (Proficiency in using computer desktop application MS Office (Word, Excel, and Power Point).

**DUTIES OF ASSIGNMENT / DELIVERABLES**

The Financial Management Specialist shall be responsible for

**Specific Tasks and Responsibilities**

**Budgeting and Planning**

- Support the project team in preparing annual Work Plan of the project. Prepare project's annual Cash Plan on the basis of Work Plan.
- In accordance with Government of Sindh budgeting rules and regulations, prepare annual budget estimates and revised budget estimates based on Work Plan/Cash Plan. Submit the budget estimates to Planning and Development Department for inclusion in Annual Development Plan of the relevant year. Follow-up for the release of approved budget.
- Upload annual budget on National FMIS and prepare monthly monitoring reports comparing actual expenditure against the budget. Highlight weak performing areas for attention of 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.







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#### **Funds Management**

- Prepare cash forecasts on quarterly basis in coordination with the project team and submit to the donor for advance and replenishment of advance, once allowed.
- Prepare and process withdrawal application in accordance with the Bank's Disbursement Guidelines
- Track funds and follow up with National Bank of Pakistan and the World Bank to ensure timely credit of funds into the project's assignment account.
- Liaison with Planning & Development Department, CGA/AG, EAD and Finance Department in connection with Budget, Fund releases, disbursement and other issues of financial management.

#### **Expenditure/Payment Processing**

- Ensure compliance with internal control framework (*Operations Manual, SOPs and the Bank's fiduciary guidelines etc.*) and government rules and procedures while processing payments.
- Analyze, plan, design, implement, and monitor a system to augment internal controls in line with best practices in the process of payment and expenditure management.
- Apply pre-audit checks on all payments before payment from the assignment accounts including budget availability, sanction of 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 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.

#### **Taxation**

- Act as a focal point for all taxation related matters including deduction of tax, deposit of tax, coordination with tax authorities and monthly tax filing.
- Coordination with Regional Tax Office (RTO) regarding all taxation issues and to submit all required documentation to RTO.
- Facilitate the tax requirements of all procurement contracts, verify tax registration and filing for all vendors before release of payment.
- Ensure that the tax deductions i.e. Income tax, GST, SRB etc. are ensured in accordance with Income Tax Ordinance 2001 and will keep abreast with the changes issued by the Federal and Provincial Government.

#### **Accounting and Record Management**

- Record all transactions timely and accurately in the books of accounts (*both in Pak Rupees and US\$*) and ensure that no expenditure remained unaccounted.
- Maintain 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 being implemented at the project.
- 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 analyzing the financial information for monitoring the project progress.







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- Prepare supplementary record which provides timely and up-to-date financial information of community contracting and consultancies.
- Maintain imprest of petty cash and ensure maintenance of separate petty cash book and petty cash vouchers and compliance with petty cash SOPs approved by the World Bank.
- Prepare monthly bank reconciliation statements of assignment account both in Pak Rupee and US\$.
- Reconcile the expenditure on government prescribed format with the office of Accountant General on monthly basis.
- Be the payroll manager and process monthly payroll of project employees. Ensure proper payroll controls are applied and the payments are made directly in the Bank accounts.
- Prepare and process monthly payroll and submit to Project Director for approval prior to making any payment under salaries.
- Ensure that the fixed assets records are maintained for the project identifying location and user of each asset and arrange for the annual and periodical inventory of the assets and updating of the records.
- He / she has to ensure the periodic asset verification.
- 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 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
- Ensure that all government financial reporting requirements are complied with, specifically:
  - a. Schedule of Cheques prepared and submitted to Project Director for onward submission to the office of Accountant General.
  - b. Statement of Receipts and Payment as per CoA prepared and submitted to Project Director

**Controls over Regional / District / Field offices**

- Quarterly disbursement of funds for recurring expenditure to Directorates, Districts and Field offices after carryout detailed review of performance, available funds and utilization of funds.
- Keep track of payments released to Directorate, Districts and Field offices and coordinate with all offices for timely submission of periodic financial reporting. Analysis / review of periodic financial reports submitted by all offices, verification of reported expenditure on sample basis and reporting to PD relating to any discrepancies identified.
- Ensure effective controls are in place in all Regional, District and Field offices of SIAPEP through review of financial records maintain at district level.
- Obtain and review monthly bank reconciliation statements from all district offices and ensure funds available in the bank account matches with the books of accounts.
- To carryout effective resource management at district and field level for efficient financial management







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- Regular on job training of Field staff to improve financial control over payments being made at regional, district and field offices.

**Watercourse Association Fiduciary Arrangements**

- Ensure proper fiduciary arrangements including transfer of funds to the watercourse association, for example, control over cash disbursement and third-party validation or audit arrangement exists.
- Undertake periodic reviews to review financial management arrangements at the watercourse association level.
- Ensure that the watercourse association submits periodic reports timely and accurately for the cash/advance disbursement and the related physical progress.
- Review the cash/advance disbursement report provided by the watercourse association.

**Audit**

- Make arrangements for timely initiation and completion audit of project and ensure that report produced is in compliance with audit requirements of the Government and the Bank
- Ensure that the project is adequately reflected in audit plan of internal auditors and that internal audit is periodically conducted in accordance with the internal audit plan.
- Cooperating with World Bank, Government and other partners to improve project financial management, particularly in terms of following up 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 appropriate format, supply of information and documents responding to queries, initiate actions for holding tripartite meetings and coordinating with various units of PMU in meeting audit objections.
- Prepare working papers on audit observations raised by external auditors and arrange to convene Departmental Accounts Committee (DAC) meeting to settle the audit observations to the extent legally and logically possible.

**Reporting Arrangements**

The Financial Management Specialist shall report to the PD and will lead a team of 5-6 professional staff.

**DURATION AND TIMING**

The **Financial Management Specialist** shall be engaged till December 31, 2021 which can be renewed, if the time extension of the SIAPEP is granted.

**SELECTION PROCESS**

The **Financial Management Specialist** will be selected in accordance with Section V of World Bank Guidelines for Selection & Employment of Consultant under IBRD Loans & IDA Credits & Grants, January 2011 through Individual Consultants method.

