**TERM OF REFERENCEs (TORs)**
**INDIVUDAL CONSULTANT (PCAP-CMU)**
**FINANCIAL MANAGEMENT SPECIALIST (FMS)**

**Background:**
Government of the Punjab, in collaboration with World Bank is implementing Punjab Clean Air Program (PCAP). The PCAP Program is a comprehensive initiative aimed at reducing emissions and improving air quality, thereby enhancing public health, and contributing to sustainable transport infrastructure in Lahore Division. The overarching Program Development Objective (PDO) is to strengthen air quality management and reduce population weighted annual average PM 2.5 exposure in Punjab, with a specific focus on Lahore Division. For this purpose, a Coordination & Monitoring Unit (CMU) is going to be established under P&D Board which shall oversee the monitoring & coordination of this program under IPF Component.

The CMU will be staffed with individual consultants, having expertise in selected areas and will be headed by a Program Director. Financial Management Specialist will be one of the individual consultants with following credentials and responsibilities;

**Qualification and Experience**

i. 16 years(Maters) of education in Finance/ Accounts/ Economics/ Commerce/ C.A./ACCA/ACMA or equivalent qualification duly recognized by the Higher Education Commission (HEC) of Pakistan.
ii. Minimum 10 years' of post qualification experience in financial management, budgeting, planning, audit & accounts.
iii. Excellent knowledge of World Bank and government procedure of financial management.
iv. Experience of working in donor funded Programs will be an added advantage.

**Specific Tasks and Responsibilities**

i. Responsible for overseeing, analyzing, and improving financial processes to ensure the efficient allocation and use of financial resources.
ii. Develop and monitor annual budgets and forecasts.
iii. Analyze financial data to ensure alignment with organizational goals.
iv. Prepare comprehensive financial reports for stakeholders, including variance analysis.
v. Identify areas for cost reduction and process improvement.
vi. Implement cost control strategies while maintaining operational efficiency.
vii. Evaluate financial risks and recommend mitigation strategies.
viii. Ensure effective internal controls and compliance with financial regulations.
ix. Manage funding allocations and grant-related financial activities.
x. Monitor fund disbursement and ensure compliance with funding agreements.
xi. Work with internal departments & World Bank to ensure accurate financial records.
xii. Liaise with external auditors, government agencies, and other stakeholders.

xiii. Ensure adherence to local and international financial regulations and accounting standards.
xiv. Responsible for preparing the Withdrawal applications and submit to World Bank after approval of Program Director.
xv. Responsible for the overall financial administration and preparation of annual budgets and financial reports/statements, audit of accounts, supervise the loan withdrawal and disbursement functions.
xvi. Responsible for preparation of various Monthly, Quarterly and Year-End Financial Reports for Donors & Govt. of Punjab as per requirement.
xvii. Development of Assets management system.
xviii. Facilitate assessments of financial bids of consultants /contractors by working with Central Procurement Committee.
xix. Develop Financial Management Manual for PCAP.
xx. Liaise with the World Bank and implementing Departments on all aspects of project's financial management.
xxi. Any other assignment assigned by PD regarding PCAP Financial/ Administrative Matters

**Budgeting and Planning**

i. To Assist in preparation of annual work plans; and on the basis of which prepare annual Cash Plans.
ii. To assist by all means, in the approval of annual work plan from the Project Steering Committee.
iii. In accordance with Government of the Punjab budgeting rules and regulations, prepare annual budget estimates and revised budget estimates based on Work Plan/ Cash Plan and timely submit to P&D Board for inclusion in Annual Development Program of the relevant year and also to Project Steering Committee.
iv. Upload annual budget on SMDP; compare actual performance against the budget and underline weak performing areas for attention of Program Team.
v. Prepare annual, quarterly and semi-annually disbursement forecasts for all components of the project in line with project's procurement plan and Work Plan/ Cash Plan.

**Funds Management**

i. Ensure timely releases of funds from Finance Department against Disbursement Linked Indicators (DLIs) and counterpart funding.
ii. Prepare request for authorization of signatories to sign Withdrawal Applications, IFR and/or correspond with the World Bank. Ensure confirmation in this regard is received from the World Bank.
iii. Prepare realistic cash forecasts on quarterly basis in coordination with the project team and submit to the World Bank for advance and replenishment of advance, once allowed.
iv. Prepare and process withdrawal application in accordance with the Bank's Disbursement Guidelines for drawing funds from the assignment account(s) opened for the project.

v. 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(s).

**Expenditure/Payment Processing**

i. Ensure compliance with internal control framework (Operations Manual, SOPs and the Bank's fiduciary guidelines etc.) and government rules and procedures while processing payments.
ii. 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.
iii. Apply pre-audit checks on all payments before payment from the assignment account(s) including budget availability, sanction of competent authority and compliance with applicable financial rules & regulations.
iv. Ensure that procurable items are entered in STEP, and No Objection Letter (NOL) is obtained from the Bank for every prior review activity before processing any payment.
v. Prepare request for payment and forward it for approval after fulfilling all codal formalities.
vi. Ensure that only eligible payments are forwarded for approval and drawing funds from theassignment account.
vii. Manage financial aspects of the contracts under implementation, including payment terms, purchase orders and variation orders.

**Accounting and Record Management**

i. Record all transactions timely and accurately in the books of accounts (both in Pak Rupees and JPY) and ensure that no expenditure remained unaccounted.
ii. Maintain accounts on cash basis as per government accounting procedure IPSA
iii. Ensure up-to-date maintenance of adequate registers, books of accounts and records in appropriate order and format to meet the government and World Bank's requirements and to facilitate classification and analyzing the financial information for monitoring the project progress.
iv. Prepare supplementary record, which provides timely and up-to-date financial information of contracts.
v. Maintain imprest /petty cash account (where applicable) and ensure maintenance of separate petty cash book and petty cash vouchers in compliance with petty cash SOPs as approved by the government from time to time.
vi. Prepare monthly bank reconciliation statements of assignment account both in Pak Rupee and JPY.
vii. Reconcile the expenditure on government prescribed format with the office of Accountant General on monthly basis.
viii. 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.
ix. 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 the records.

x. Ensure safe custody of all financial records for review by Bank Missions, third party monitoring agents; and external & internal auditors.

**Financial Reporting**

i. Prepare half yearly Interim financial reports and submit to Bank in a timely fashion for review and approval.
ii. Generate financial reports/data that includes information on budget execution under Eligible Expenditure Programs and the Technical Assistance Component.
iii. Ensure that annual financial statements and other monthly and quarterly reports as specified under the Financing Agreement and as per recommended/ suggested by Bank supervision missions are accurately prepared and timely submitted – annual financial statements to be prepared in accordance with Cash Basis IPSAS 'Financial Reporting under Cash Basis of Accounting'.
iv. Prepare annual financial statements as per Cash Basis IPSAS and submit to the Auditors within two months of the close of the financial year.
v. Define and produce other financial reports, as and where required on utilization of funds to facilitate Program Director in decision-making process.
vi. Ensure that all government financial reporting requirements are complied with:
    - Specifically monthly financial reports to AG Office and regular/ timely reporting in SAP.
    - Schedule of Cheque to be prepared and following up on outstanding/ un-cleared cheque with NBP.
    - Statement of Receipts and Payment should be prepared and submitted to Program Director.
    - Prepare Grant Disbursement Estimates (Budget and Revised) on EAD format andsubmit to P&DB/Finance Department for onward submission to EAD on annual basis.

**Internal Controls:**

Suggest strengthening of internal control practices towards ***Institutional strengthening.***

**Audit**

i. Make arrangement for timely initiation and completion audit of project and ensure that report produced is in compliance with audit requirements of the Government and the World Bank.
ii. 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. Liaison as focal person for conducting internal audit activity.
iii. 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.
iv. 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 etc.

v. Prepare working papers on audit observations raised by external auditors and arrange to convene Special Departmental Accounts Committee (SDAC) meeting to settle the audit observations tothe extent legally and logically possible.

**Duration of Assignment**

The candidate shall be hired for a period of 01 year, further extendable to the life of the program based on satisfactory performance.

**Reporting**

FMS shall report to the **Program Director, PCAP**

**Selection Method:**

The selection will be made in accordance with the “World Bank Procurement Regulations for Investment Project Financing (July 2016) revised in November 2017, August 2018, November 2020 & September 2023.