

TERMS OF REFERENCE

MANAGER FINANCE

KARACHI WATER & SEWERAGE SERVICES IMPROVEMENT PROJECT

1. Introduction

Karachi is Pakistan's largest city, main seaport and international trade hub. It encounters numerous challenges among which water supply and sewerage are the worst affected services, falling far short of the city's expanding needs. To mitigate this gap, develop these services for Karachi and strengthen the Karachi Water and Sewerage Corporation (KWSC) to become a financially viable and technically well performing water utility that ensures clean, safe drinking water and sewerage services to public, the Government of Sindh GoS / KWSC partnered with the World Bank Group through the Karachi Water and Sewerage Services Improvement Project (KWSSIP). The Karachi Water and Sewerage Services Improvement Project (KWSSIP) encompasses a USD 1.6 billion reform-led investment program, to be implemented in four phases over a period of 12 years. Phase 1, with an investment portfolio of USD 100 million, is currently under implementation, and a Project Implementation Unit (PIU) has been established for this purpose. The PC-1 for the Second Phase of KWSSIP amounting to US\$600 Million (PKR167.10 Billion) has been approved by ECNEC. The project has been approved by the World Bank Board on 12th December 2024. The project is being implemented by the Government of Sindh (GoS) and the Karachi Water and Sewerage Corporation (KWSC) through multiple procurement processes, expected to occur within a short timeframe. The project activities aim to achieve key milestones, including addressing environmental aspects associated with the proposed project components.

2. Objectives of the Assignment:

The primary objective of the assignment is to provide overall leadership and strategic direction to the financial management function of the PIU, KWSSIP. The Manager Finance will be responsible for ensuring that the project's financial operations are fully compliant with the Project Operations Manual (POM) approved by the World Bank, as well as with the fiduciary requirements of the development partners and the financial rules of the Government of Sindh. The position entails strengthening and enforcing robust internal controls, maintaining transparency, and embedding accountability in all financial processes to minimize fiduciary risks and safeguard project resources.

The Manager Finance will also play a central role in planning, budgeting, disbursement management, accounting, and reporting, while ensuring timely fund flows and efficient utilization of resources. A critical aspect of the role is to guarantee that all financial records are properly filed, archived, and digitized, thereby supporting audit readiness and institutional memory. Moreover, the Manager Finance will lead the integration and effective use of the Financial Management Information System (FMIS) and introduce system improvements to enhance efficiency, transparency, and governance. By providing strategic financial advisory support to the Project Director, the Manager Finance will contribute not only to compliance but also to the overall governance and continuous improvement of the project's financial management environment

3. Scope of Work:

A. Strategic Financial Leadership & Governance

- Act as the overall head of Finance & Accounts, directly accountable to the Project Director.

- Ensure that all financial procedures, decisions, and documentation strictly follow the POM and are consistent with World Bank fiduciary standards.
- Develop and implement an internal control framework covering payment authorization, segregation of duties, approvals, and monitoring to prevent misuse of funds.
- Recommend and enforce measures to enhance financial transparency, accountability, and governance across the project.
- Provide advisory support to the Project Director, Steering Committee, and key stakeholders on financial implications of project decisions.

B. Budgeting & Planning

- Lead preparation of the Annual Work Plan & Budget (AWPB) in consultation with procurement and Project Director.
- Consolidate activity-based budgeting with clear linkages to procurement and disbursement plans.
- Conduct variance analyses of budget versus actual expenditure, recommend corrective actions, and present findings to management.
- Ensure that quarterly and annual forecasts reflect realistic resource needs for smooth implementation.

C. Funds & Treasury Management

- Oversee fund flow mechanisms, including Withdrawal Applications (WAs), Designated Accounts, Revolving Funds.
- Coordinate with the Finance Department, Planning & Development Department, and National Bank of Pakistan (NBP) for timely fund releases.
- Maintain a real-time log of fund flows and ensure proper reconciliation of donor disbursements, GoS releases, and project expenditures.
- Guarantee that all fund movements are properly supported, transparent, and compliant with donor requirements.

D. Expenditure Management & Fiduciary Oversight

- Ensure all expenditures comply with the POM, Government rules, World Bank/AIIB fiduciary controls, and SOPs.
- Supervise processing of payments, ensuring completeness of supporting documentation, proper budget allocation, and timely authorization.
- Establish a transparent invoice and payment tracking system accessible to management and auditors.

E. Accounting & Record Management

- Supervise the maintenance of project accounts under GoS rules, IPSAS (cash basis), and donor guidelines.
- Ensure proper accounting of all receipts, disbursements, payrolls, and assets.
- Guarantee proper filing, digitization, and archiving of financial records, ensuring long-term accessibility and audit readiness.
- Maintain a comprehensive Fixed Assets Register with periodic physical verification.
- Ensure all project accounts are fully integrated with and updated in the FMIS.

F. Financial Reporting

- Lead preparation of Interim Financial Reports (IFRs), quarterly and annual financial statements, and donor submissions in line with agreed timelines.

- Present consolidated financial updates to the Project Director, Steering Committee, and World Bank/AIIB review missions.
- Ensure compliance with GoS reporting requirements (e.g., Schedules of Cheques, Receipts & Payments).
- Oversee statutory tax compliance, including deduction, deposit, and reporting of income tax, GST, and other applicable levies.

G. Audit & Compliance

- Act as focal point for external audit by Auditor General of Pakistan (AGP), internal audit, and World Bank/AIIB fiduciary reviews.
- Ensure timely preparation of audit schedules, responses to audit queries, and presentation of supporting records.
- Maintain an Audit Compliance Register and follow-up system to resolve audit observations.
- Recommend systemic improvements based on audit findings to strengthen governance.

H. FMIS, Digitization & Innovation

- Ensure effective implementation and integration of the Financial Management Information System (FMIS) in the PIU.
- Recommend digitization of payment processing, document filing, and financial reporting to improve efficiency and transparency.
- Continuously identify opportunities for process improvements and adoption of innovative financial practices.

I. Capacity Building & Coordination

- Build and mentor a team of financial staff (FMS, Jr. FMS, accountants, and assistants), ensuring skill transfer and sustainability.
- Conduct trainings for PIU staff on compliance with POM, internal controls, and fiduciary practices.
- Liaise with GoS Finance Department, Planning & Development Department, and donor fiduciary teams.

J. Other Responsibilities

- Provide strategic recommendations for overall improvement of financial governance, transparency, and compliance.
- Undertake any other assignments related to financial management, as directed by the Project Director.

4. Qualifications and Experience

The consultant shall possess a recognized professional accounting qualification, such as CA, ACCA, CPA, or ICMA/ICMAP, which is mandatory. A Master's degree in Accounting, Finance, Commerce, or a related discipline from an HEC-recognized university shall be considered an additional advantage.

A minimum of ten (10) years of progressive experience in financial management, accounting, budgeting, or auditing, preferably within public sector or donor-funded projects, including at least five (5) years in a managerial or leadership capacity. Prior exposure to the financial management practices of the World Bank or other multilateral development partners will be considered a strong advantage.

5. Reporting Line

The Manager Finance will be will report to Project Director, KWSSIP.

6. Contract Duration

The Manager Finance is required to work for the period of three (03) years. The Probation Period will be for 3 months during/up to which contract may be terminated owing to unsatisfactory performance. Contract can be terminated with one month notice period by either party. The position is based in Karachi with travel requirements to the site as & when required.

7. Salary And Benefits

Market competitive salary based on qualification and experience will be offered.

8. Selection Process

An individual will be selected in accordance with process stipulated in Section VII of “Approved Selection Methods: Consulting Services, Clause 7.34, Approved Selection Methods for Individual Consultants under The World Bank Procurement Regulations for IPF Borrowers (Fifth Edition September 2023).

<https://thedocs.worldbank.org/en/doc/6c0602876d68949e80820507d90a14ed-0290012023/original/Procurement-Regulations-September-2023.pdf>.