Government of Nepal
Ministry of Infrastructure Development
Department of Local Infrastructure Development

Provincial and Local Roads Improvement Program

Central Program Coordination Unit

Shreemahal, Pulchwok, Lalitpur

Terms of Reference (ToR)

for

Financial Management Expert

Contract ID: PLRIP-FME-IC-03-082/83

1.0 INTRODUCTION

1.1 Government of Nepal (GoN) has received the development credit to implement the Provincial and Local Roads Improvement Program (PLRIP) from the International Development Association (IDA). A part of this financial assistance is to be used for hiring consultancy services through individual consultants(s) in the capacity of **Financial Management Expert.**

1.2 Main objective of the program is to enhance all-weather connectivity, efficiency, and resilience of provincial and local road networks, provide critical connectivity to remote municipalities that are not yet connected to the national or provincial road network, and strengthen the capacity of the participating governments at federal, provincial and local levels. Following are the components of PLRIP:

Component 1: Enhancing efficiency and resilience of Provincial Roads

- Upgrading or rehabilitating provincial roads and bridges from existing fair-weather to all-weather standards,
- Preservation of road assets through routine, periodic and emergency maintenance of the existing provincial road and bridge network.

Component 2: Enhancing all-weather connectivity and access to Rural Municipalities

- Providing critical connectivity to remote municipalities that are not yet connected to the national or provincial road network,
- Improving the existing roads to remote municipalities to all-weather, green and safe roads and bridges.

Component 3: Institutional Strengthening and Capacity Development

- Harmonizing the program level guidelines and standards,
- Training and capacity building of the Provincial Governments and Local Levels, including establishing a Technical Center of Excellence at each Province and specialized laboratories facility at DoLID,
- Introduction of scientific planning and management systems as well as standard processes for feasibility and design studies and work execution considering environmental and social safeguards,
- Strengthening of the existing quality monitoring and evaluation system,

- Comprehensive policy and program for the sustainable development of both Provincial and Local Roads including adoption of an appropriate maintenance framework,
- Supporting preparation of future projects through relevant preparatory studies, feasibility, detailed design and E&S studies.

Component 4: Improvement of complimentary infrastructure and services

- Road Safety,
- Rural Transportation Services.

Component 5: Contingent Emergency Response

- Immediate response to an eligible crisis or emergency due to major natural disaster, pandemic, or any other unforeseen extreme events

1.3 PLRIP is being implemented through province government and local levels in close coordination with federal government. Central Program Coordination Unit (CPCU), established under Department of Local Infrastructure Development (DoLID), plays a coordination role from the federal government while Infrastructure Development Offices (IDOs) and Technical Units of participating local governments are the main implementing bodies of this program. Provincial Program Management Unit (PPMU) has been established under Transport Infrastructure Directorate (TID) in each province to manage the program at province level. PLRIP is being implemented in three provinces: Madhesh, Karnali and Sudurpashchim.

1.4 The PLRIP, CPCU/DoLID now intends to hire an individual consultant as Financial Mangement Expert (FME) to ensure that the financial management arrangements of the program comply with World Bank Financial and Disbursement Guidelines, Financial agreement provisions, Government of Nepal Financial Procedures Act and Regulations and Program Operational Manual.

2.0 OBJECTIVES OF THE CONSULTANCY SERVICES

2.1 General

The main objective of the consultancy services is to provide full fiduciary oversight support for financial management to the CPCU and PPMUs. The overall role and responsibility of a Financial Management Expert is to assist Project Co-ordinator and Finance Chief of CPCU in maintaining sound and efficient financial management system. The Expert will also guide Financial Management Specialists of PPMUs to maintain sound and efficient financial management system at the PPMUs and IDOs.

2.2 Specific

(a) Support in the CPCU, to ensure effective internal control, budgeting, accounting, reporting, funds flow and auditing of the Program;

(b) Assist CPCU, to ensure compliance with World Bank requirements and Government of Nepal Financial regulations

(c) Support CPCU, PPMUs and IDOs in financial management activities;

(d) Provide support in capacity building to program staff on World Bank financial management and disbursement guidelines;

(e) Support in financial management monitoring of the implementing units under the program and producing actionable solutions for gaps identified during monitoring

(f) Support in ensuring accurate and timely financial reporting from PPMUs and IDOs and reviewing their accuracy and eligibility under the program.

(g) Provide inputs for strengthening internal control systems and institutional capacity.

3.0 SCOPE OF THE CONSULTANCY SERVICES

The consultant shall work under the management of Central Program Coordination Unit (CPCU) in close coordination with Provincial Program Management Unit (PPMU) for the overall program financial management arrangements of the program. He/She shall work under the guidance of Program Coordinator of CPCU and Finance Chief or his/her authorized representative. The consultant shall however ensure that the services carried out are fully adequate to attain the objectives set out in **Para "2,"** of this Terms of Reference (ToR). The Consultant's duties, responsibilities and tasks shall include but not necessarily be limited to:

a. Familiarize themselves with the Program Documents including the Financing Agreement, Project Appraisal Document, Operations Manual and related documents of the Project;
b. Establishing and maintaining sound financial recording, documentation and reporting and bookkeeping system at CPCU and support the financial specialists in PPMUs for the same,
c. Compiling reports received from PPMUs in Government reporting templates and WB expenditure categories/components/sub-components as required by the Government's financial reporting system and WB project financing agreement reporting requirement.
d. Ensuring that all program consolidated report of PPMU, and IDOs are received by the CPCU for each month, trimester and year end,
e. Ensuring the correctness and accuracy of reporting figures,
f. Assisting the Finance Chief on quarterly and annual financial reporting through the interim Unaudited Financial Reports (IUFRs) to the World Bank within 45 days from the end of each trimester period; preparing unaudited project account for the project by allowing reasonable time to submit WB before reporting deadlines,
g. Ensuring that expenditures made by all implementation agencies are in accordance with the approved Annual Work Program and Budget (AWPB) and World Bank Program Financing Agreement,
h. Assisting the CPCU Finance Chief by preparing withdrawal applications,
i. Ensuring that the Project accounts and expenditures are audited in time and audit report are sent to the World Bank each year within the reporting deadline set out in the Project Financing Agreement,
j. Assisting the Project Coordinator and Finance Chief in maintaining the record of audit observations, findings and recommendations and assisting in the settlement of those findings and recommendation in a timely manner,

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k. Support Project Coordinator to ensure that the planning and budgeting in the budget information system of federal and provinces follows approved AWPB and signed MoU/Contracts with implementing units.
l. Ensuring that the flow of funds from MOF to CPCU, PPMU and all provincial Level Governments offices and Program Implementing agencies to program implementing partners are released in accordance with the approved budget,
m. Taking lead responsibility in capacity building activities of CPCU and PPMUs that includes but is not limited to institutional and individual staff i.e. assisting in establishing internal control system, training on accounting and reporting, training on computerized budgeting, accounting software, reporting requirements etc,
n. Conducting visits to PPMUs and other project implementing agencies if required for the purpose of internal control, expenditure review, reporting etc,
o. Contributing to the improvements in financial management arrangements for the program in all level of implementation,
p. Establishing effective communication and consultation system with two PPMUs Financial Management Specialists and relevant officials for quick troubleshooting of any issues that could arise in financial management during the program implementing period at provincial and local government levels,
q. Prepare training materials and carry out training activities for federal and provincial finance staff of the government agencies under the project,
r. Support both PPMUs to timely prepare Annual Work plan and Budget.
s. Assist Accounts Section in all FM related issue of the project,
t. Undertake any other work assigned by the CPCU.

Central Level Project Implementation Unit (CLPIU), Ministry of Federal Affairs and General Administration, Government of Nepal
Department of Local Infrastructure Development
Provincial and Local Roads Improvement Program (PLRIP)
Central Program Coordination Unit (CPCU)
Shreemahal, Pulchowk, Lalitpur

4.0 MINIMUM QUALIFICATIONREQUIRED FOR ELIGIBILITY

The applicants must satisfy the following eligibility criteria:

Area	Qualifications
Education	Minimum: • Bachelor's degree in Business Administration/Commerce/ Management or related field with an Accounting/Finance major. Preferable: • Master's degree in Business Administration/Commerce/ Management or related field with an Accounting/Finance major.
Experience	**A. Total Professional Experience:** Minimum 10 years **B. Specific (Project-related Experience):** • At least 7 years of work experience in public financial management (accounting, bookkeeping, monitoring and reporting); *Preferable:* • Experience of working in donor funded project, preferably with the World Bank/Asian Development Bank/other financing institutions working in Nepal • Working experience on central, provincial levels of government in Nepal and having sound knowledge of computerised budgeting and accounting software i.e. LMBIS, PLIMBS, CGAS, FMIS, SUTRA, PAM and any other relevant GoN system is preferable. • Excellent knowledge on the use of computer applications relevant to the proposed assignment.
Language and Computer Skill	• The consultant shall be capable in reading, writing and speaking **English** and **Nepali** Language. • Shall have sound knowledge of IT applications such as MS Office, Excel and other basic computer skills. • Shall have strong presentation, interpersonal and communication skill

5.0 SELECTION METHOD

The consultant selection shall be based on the World Bank's Procurement Regulations for IPF Borrowers Seventh Edition September 2025 ("Procurement Regulations"), Open Competitive Selection of Individual Consultants.

6.0 REMUNERATION AND LOGISTIC SUPPORT TO THE CONSULTANT

The Consultant shall be provided with the remuneration and other logistic supports as below:

(a) The Consultant's remuneration per month shall be finalized through negotiation within the ceiling of the budget, exclusive of VAT. The date of negotiation will be informed immediately after the submission of the financial proposal.
(b) The reimbursable expenses such as travel cost, DSA and others will be paid as per actual expenditure on submission of proof of payment; this also will be decided through negotiation.
(c) Transportation shall have to be arranged by consultant himself/herself within Kathmandu valley.
(d) In case of failure of negotiation, the consultants in waiting list in the order of merit will be called on for negotiation.
(e) Price escalation is not applicable to this consulting service.
(f) The Consultant shall be paid by CPCU every month on the submission of his/her invoice and timesheet with the obligatory reports as mentioned in subsequent **Para"7".** The invoice must be associated with the consultant's VAT bill having readable PAN.
(g) The office space and working furniture (Table & chair) will be provided to the consultant within CPCU, the premises of CPCU office.
(h) The CPCU shall avail the electricity, internet and printing facility to the consultant during working hours in CPCU office.
(i) The consultant shall have his/her own laptop for delivering the services.

7.0 CONSULTANT'S RESPONSIBILITIES

The Consultants shall not, during the term of this Contract and after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client. The Consultant shall keep full records relating to all aspects of the work covered by his service contract. All original drawings, work sheets, field notes, computer programs, reports and other documents relating to the study shall become the property of the Government.
In addition to the above, the Consultant shall submit the reports not limited to following during the course of services:

- Inception report; within 10 days of the start of the assignment,
- Periodic progress reports of financial activities under the project- monthly, quarterly, semi-annual and annual,
- budget status and disbursement reports (periodically and as and when required) and any other activities performed under the Project.
- Monthly work plan event reports and field reports as appropriate,
- Proceedings of conferences, seminars/workshops and trainings,
- Final assignment report; and
- Any other report as required by CPCU.

Note: Electronic / Editable copy of each report shall also have to be submitted along with hard / printed copy of the respective report.

Government of Nepal Ministry of Infrastructure Development Department of Local Infrastructure Development Provincial and Local Roads Improvement Program (PLRIP) Central Program Coordination Unit (CPCU) Shreemahal, Pulchowk, Lalitpur

8.0 DURATION OF CONSULTANCY SERVICES

The duration of the Contract shall be from the Commencement Date and up to June 15, 2029, with intermittent services not exceeding eighteen (18) person-months. The CPCU shall evaluate the Consultant's performance on a monthly basis. The CPCU reserves the right to terminate this Contract for default if the Consultant's performance is unsatisfactory or fails to meet the obligations set forth in the Terms of Reference. Prior to termination for default, the CPCU shall issue a written notice specifying the performance deficiencies and grant the Consultant a cure period of fifteen (15) days to rectify the issues. If the Consultant fails to remedy the deficiencies within the specified cure period, the CPCU may terminate the Contract immediately upon written notice.

9.0 TAXATION

The Consultant shall be fully responsible for paying all taxes as per prevailing rules of the Government of Nepal. The Consultant must be registered in the Value Added Tax (VAT) after the contract agreement signed. The consultant will be responsible for the costs of the premium of any insurance plan he/she takes up and no separate payment will be made for this.

10.0 AGREEMENT

The Consultant shall be required to enter into an agreement with PLRIP-CPCU/DoLID on time-based contract.