

## TERMS OF REFERENCE

**Welfare Benefits Board (WBB)**  
**Ministry of Finance, Economic Stabilization & National Policies (MoF)**

### **SOCIAL PROTECTION PROJECT (SPP)**

#### **FINANCIAL MANAGEMENT SPECIALIST (FMS)**

## **1. BACKGROUND**

**1.1 Context.** Sri Lankans have been hit by a significant economic downturn over the past two years. The spread of the coronavirus pandemic, as well as fiscal and monetary indiscipline have shrunk the economy. Sri Lanka's gross domestic product contracted by 7.8% in 2022, while inflation peaked at 69.8% in September 2022, and the Sri Lankan Rupee (LKR) depreciated close to 80 percent against the US dollar in 2022. As a result, the poverty rate doubled from 13.1% to 25% (\$3.65 per capita, 2017 PPP) between 2021 and 2022. Around 75% of households were estimated to have experienced a reduction in their incomes, and 37% of households were facing acute food insecurity in November 2022. Moreover, women-headed households, which were already 60 percent poorer than male headed households, were pushed deeper into poverty.

**1.2 The Project.** The Social Protection Project (P178973), approved by the World Bank (WB) Executive Board, supports the Government of Sri Lanka (GoSL) in implementing key reforms that will increase efficiency and effectiveness of spending and improving the responsiveness of the social protection system. The Project Development Objective of the Project is to support Sri Lanka in providing better targeted income and livelihoods opportunities to the poor and vulnerable.

**1.3 Project Components and Funding.** The total value of the Project is US\$200 million. The first component of the Project is allocated with \$185 million to streamline and finance the new country welfare benefit payment Aswesuma. The second component is allocated with US\$7 million to pilot an economic inclusion program – which will be Sri Lanka's first comprehensive "Economic Inclusion Pilot" – using global experience, and the third component of US\$8 million is to strengthen the government's capacity to deliver the social protection programs.

**1.4 Implementation Arrangements.** The Project has two implementing agencies: Ministry of Finance, Economic Stabilization & National Policies (MoF) and Ministry of Women, Child Affairs, Social Empowerment (MoWCASE). The Welfare Benefits Board (WBB), under MoF, will manage the day-to-day operations for strengthening of the social registry and payments to beneficiaries for new cash transfer program Aswesuma, while the Department of Samurdhi Development (DSD), under MoWCASE, will manage the day-to-day operations for the economic inclusion pilot and integrated family support.

The Project Management Team (PMT) in WBB is looking for a qualified National Financial Management Specialist (FMS) to help WBB conduct financial management activities related to the above Project.

## **2. OBJECTIVE OF THE ASSIGNMENT**

The overall objective of the assignment is to provide technical support to WBB in implementing Project Financial Management activities in line with WB fiduciary requirements. The Financial Management Specialist will be responsible for establishing, maintaining, and overlooking financial management arrangements and procedures, including accounting systems, internal controls including internal audit, planning, budgeting and financial reporting systems, flow of funds and external auditing.

## **3. SCOPE OF WORK**

- Assist WBB to carry out Financial Management activities under the Project.
- Assist WBB with the project budgeting process & liaise with Ministry of Finance, Economic Stabilization & National Policies (MOF) to include the relevant budget provisions for the project annually in the Government of Sri Lanka (GoSL) budget estimates under the appropriate sources of financing.
- Maintain the Project accounting system and provide confirmation of the proper receipt and use of Project funds in accordance with the Project Financing Agreement between MOF and WB. This system should ensure timely and accurate accounting of all transactions under the Project and clear presentation of financial information.
- Lead the beneficiary payment process, reconcile transactions, and resolve issues on a regular basis.
- Ensure that Project financial statements are prepared as per applicable accounting standards and audit reports are submitted to WB by June 30 each year for the preceding year. The auditor's report should be accompanied by the auditor's management letter.
- Facilitate the external audit & internal audit process, prepare a consolidated response to WB on audit qualifications/exceptions/observations, analyze the same and take suitable corrective actions as required.
- Ensure that quarterly, semi-annual and annual project progress reports, including quarterly Interim Unaudited Financial Reports (IUFRs), are submitted to WB as per agreed timelines.
- Carry out financial performance reviews of Project activities in accordance with WB requirements and following internal controls as applicable.
- Verify invoices, bills and documents received from suppliers, contractors and consultants in order to ensure correct payments.
- Manage the Designated Account and other relevant bank accounts opened for the project; Verify disbursement information in signed contracts against Financial Agreement (the disbursement schedule and disbursement letter).
- Prepare withdrawal applications and obtain authorizing signature from WBB/MOF (or of designated persons).
- Track disbursements of WB loan and Government funds if any.
- Monitor project expenditure and costs (local and foreign).
- Liaise with key ministries and organizations concerned with the project implementation – such as MOF and other participants.
- Keep accurate filing system for all financial management documents.
- Conduct any other project related activity assigned by the Project Director.
- Prepare financial forecast for the project.

#### **4. REPORTING OBLIGATION**

The FMS will report directly to the Project Director/ Additional Commissioner Finance and work closely with other PMT and WBB staff.

#### **5. DURATION OF THE ASSIGNMENT**

This shall be a full-time work assignment as part of the Project Management Team (PMT) in WBB, MoF. The service of the FMS is required for a period of 1 year with possible extension for the Project duration.

#### **6. PERFORMANCE INDICATORS**

The following performance indicators shall be used for performance assessment:

- Positive progress and good performance of the entrusted financial management activities, as per the TOR.
- Timely production of accurate financial management reports and documents.
- Positive evaluation of performance by WBB and WB during prior and ex-post review.
- Timely monitoring, tracking and follow-up of the project financial management activities, including IUFRRs.
- Efficient team work and coordination of financial management activities.
- Efficient support in implementing the capacity building agenda related to Financial Management.
- Accurate and regularly updated financial management and filing system, in both hard and soft copies.

#### **7. CONFIDENTIALITY AND CONFLICT OF INTEREST**

The consultant undertakes to comply with GoSL's and WB's policies and rules with regard to corrupt and fraudulent practices, conflict of interest and confidentiality. The consultant shall maintain confidentiality on all sensitive information obtained during the assignment and shall not publish wholly or in part the findings or such information, without prior written consent by the WBB. Any draft reports and other documents produced by the consultant will be discussed and cleared by the PD before their final issue.

#### **8. QUALIFICATIONS AND EXPERIENCE REQUIREMENTS**

- Read web advertisement to find out Educational / Professional Qualifications.
- Knowledge and experience of WB financial management procedures is a strong advantage.
- High degree of computer literacy, and intermediate to advanced knowledge of Microsoft Office Package (Excel, Word and Power Point) and Internet; knowledge and experience using STEP (WB Projects) or similar software is a strong advantage.
- Experience in payment methods and bank transfer reconciliation is an advantage.
- Excellent report writing and good command of both spoken and written English and local languages are required.

#### **9. PROFESSIONAL COMPETENCIES**

- Ability to read and write excellent English and produce project reports in English for regular and continuous presentations to World Bank staff.

- Ability to guide and deliver the range of financial management activities required by the project.
- Ability to interact with staff in the relevant agencies.
- Effectiveness in analyzing and resolving project implementation issues.
- Familiarity with the relevant Government procedures and regulations.
- High level of computer literacy, including Word, Excel, email and the internet.
- Strong communication skills and good interpersonal relations.

## **10. METHOD OF PROCUREMENT**

The procurement method is (Individual consultant selection method) in line with the World Bank Procurement procedures.