TERMS OF REFERENCE

FINANCIAL MANAGEMENT SPECIALIST

WITHIN THE PROJECT IMPLEMENTATION TEAM OF THE FEDERAL MINISTRY OF AGRICULTURE, WATER MANAGEMENT AND FORESTRY WATER AND SANITATION SERVICES MODERNIZATION PROJECT FEDERATION OF BOSNIA AND HERZEGOVINA

I Background

The project is supported by World Bank loan financing and is aligned with existing projects and available financial resources from other international financial institutions and bilateral donors. The loan amount for this project allocated to the Federation is up to EUR 25 million out of a total of EUR 51.5 million approved for Bosnia and Herzegovina. The repayment period is 32 years, including a grace period of 7 years, which is part of the overall repayment term. Initial grant funds for this project allocated to the Federation amount to USD 1,150,000. The loan amount that a municipality or city may borrow can reach up to 100% of the investment value.

The Water and Sanitation Services Modernization Project in Bosnia and Herzegovina aims to strengthen the institutional, financial, and legal framework as well as sector capacities in water and communal services, with the goal of ensuring the sustainability of infrastructure investments. The objective is to improve the operational efficiency of public utility companies at the municipal level in the Federation through a series of gradual improvements and to achieve the economic sustainability of local utility companies.

The Project Implementing Entity in the Federation of BiH is the Federal Ministry of Agriculture, Water Management and Forestry (the Ministry), responsible for implementing and coordinating the Project. In that regard, the Ministry established the Project Implementation Team (PIT), which shall maintain the Project in the Federation of BiH at all times during the implementation of the Project, with sufficient resources, competent staff in adequate numbers and responsibilities, all acceptable to the Bank and as outlined in the Project Operations Manual (POM). The PIT at the Ministry is responsible for day-to-day project management on behalf of the Ministry, including project procurement, disbursement and financial management, environment and social aspects and monitoring and evaluation activities.

The project consists of three components:

- Component 1: Modernization of the regulatory and institutional environment
- Component 2: Strengthening the municipal framework for water supply and

wastewater services delivery

- Component 3: Municipal investment projects – improving access, quality, and efficiency of water supply and wastewater services, including construction of water supply and sewerage networks, drinking water treatment plants, and wastewater treatment facilities.

Direct participation of the Founders (municipalities) is planned in Components 2 and 3, whereby Component 2 will provide technical support for activities aimed at achieving good or high sustainability performance of water services. This serves as a prerequisite for access to loan funds that finance capital investment projects under Component 3, as well as other investments related to improving the quality and efficiency of water service delivery.

Loan funds approved under Component 3 will be implemented under the conditions established in the Sub-Project Loan Agreement, which the Founders will sign with the Federation of BiH (Federal Ministry of Finance).

II Objectives

The objective of engaging the Financial Management Specialist is to ensure professional, efficient, and transparent management of all financial activities in accordance with the rules and procedures of the World Bank, as well as the applicable legislation of Bosnia and Herzegovina, with a particular focus on the planning, budgeting and reporting of all financial activities under the Project.

Detailed Tasks and Responsibilities

The Financial Management Specialist will have the following duties and responsibilities:

- Assist the PIT management staff in carrying out financial management tasks essential for the successful implementation of the Project
- Contribute to the planning and budgeting process of the Project, compiling related financial forecasts and analyses
- Prepare the annual budget for the Project and assist in the preparation of the annual work plan
- Collaborate with the Ministry’s finance and accounting department to establish and maintain the financial management systems
- Execute all necessary tasks related to planning, disbursements, payments, accounting, and financial reporting in coordination with the Ministry
- Act as a support and reference point for all financial management tasks related to the Project.
- Oversee all financial aspects of the Project and provide timely administrative

and financial information to the PIT Head/Project Coordinator and staff

- Set up and maintain disbursement arrangements for the Project, ensuring compliance with IBRD procedures
- Manage the Designated Account, conducting regular bank reconciliations and ensuring timely availability of loan proceeds
- Prepare Withdrawal Applications and ensure compliance with Disbursement Guidelines and Financial Information Letter
- Review and process payment requests for project-related expenditures in collaboration with the Project Coordinator
- Verify that invoices and supporting evidence comply with contract terms before processing payments
- Maintain accurate accounting records and systems, ensuring they are up to date.
- Prepare quarterly Interim Unaudited Financial Reports (IUFRs), including monthly, bi-annual, and annual cost accounting statements
- Develop and implement internal control rules and regulations, updating the Financial Management sections of the Project Operations Manual as needed.
- Prepare the personnel payroll for consultants hired under the Project
- Establish and maintain communication with auditors during the annual audit of the Project, reviewing and addressing audit observations
- Review the financial aspects of bidding documents and provide input for the preparation of contract payment terms, ensuring conformity with the project budget
- Undertake any other activities related to the implementation of the Project as assigned by the Project Coordinator

III Experience and Qualifications

- University degree in Economics, Business Administration, Finance or Accounting; Master degree would be considered an advantage
- Professional accounting/auditing certificates would be considered an
- advantage
- Minimum 5 years of relevant professional experience in finance and accounting
- Proficiency and experience in Program financial management including budgeting, accounting and audit
- Good understanding of Government financial management regulations
- Knowledge and experience with financial management procedures under
- World Bank-financed projects for credits will be considered as an advantage
- Demonstrated ability to work in a team

- Proficient computer skills (MS Office)
- Excellent command of one of the official languages of BiH and English, both written and spoken;
- Ability to work under pressure and meet deadlines

IV Reporting obligations

The Financial Management Specialist will be responsible for generating quarterly financial reports, semi-annual progress reports, annual budgets, and work plans, alongside providing ad hoc financial analyses and reports as necessitated by the project's demands.

V Duration of the assignment

The initial duration of the assignment is 12 months, with the possibility of extension based on performance and project needs.

The application for the Public Call, which includes the submission of a Motivation Letter and a Curriculum Vitae, should be sent to the following address:

Federal Ministry of Agriculture, Water Management and Forestry

Hamdije Čemerlića 2

71 000 Sarajevo

With the mandatory note: For the Public Call ___________________ (insert the full title of the project being applied for)

The deadline for submitting applications is fifteen (15) days from the date of publication of the Public Call in the daily newspaper “Oslobođenje.”