Appendix 1

TERMS OF REFERENCE

Project Name	:	Construction of Dual Gauge Railway Line from Bogura to Sirajganj
Position	:	**Financial Management Specialist**
Duration	:	12 months
Implementing Agency	:	Bangladesh Railway
Supported By	:	Asian Infrastructure Investment Bank (AIIB) and Government of Bangladesh

A. Project Background

1. Bangladesh Railway (BR), to connect Bogura and Sirajganj districts, is planning to construct a dual-gauge railway line under the **Construction of Dual Gauge Railway Line from Bogura to Sirajganj** project. The project includes the development of approximately 85 km of main line, together with 11 stations (including three existing stations to be transformed to junctions), bridges, culverts, and modern signaling and telecommunications systems. The corridor will bypass the existing circuitous alignment, shorten the rail distance between Bogura/ northern districts and Dhaka by more than 110 km, and cut travel time by approximately 3 to 4 hours for both passenger and freight services. Upon completion, this line is expected to improve BR's service attractiveness, operational efficiency, and reliability, enabling BR to better respond to growing demand and unlock suppressed passenger and freight flows from the north-western region.

2. The objective of the project is "*to enhance national railway connectivity and reduce travel time by developing a climate-resilient dual-gauge railway corridor between Bogura and Sirajganj*". The project is considered a priority project of the Government of Bangladesh (GoB), and all procurements are expected to be initiated shortly. The project will be financially supported by the Asian Infrastructure Investment Bank (AIIB). This assignment is intended to hire a **Financial Management (FM) Specialist** (hereinafter referred to as 'Consultant') to expedite preparation progress and support the project implementing unit (PIU) under the BR, ensuring smooth implementation.

B. Objective and Purpose of the Assignment

3. The objective of this assignment is to provide hands-on support to the PIU in carrying out and completing all FM activities in accordance with the AIIB Policy and associated guidance. The Consultant will support the preparation of withdrawal applications, provide budgetary support to the PIU, keep a record of invoices/ payment guarantees/ insurances, prepare the unaudited reports, financial statements, maintain contract registrars, and support the PIU in internal/ external audits in line with the approved Scope of Work, under the overall leadership and supervision of the PIU of BR.

C. Scope of Work

4. The Consultant will work closely with the PIU staff and will provide comprehensive FM support to the PIU, including but not limited to the following:

- Ensure that all Project funds have been used in accordance with the conditions of the relevant financing agreement, with due attention to economy and efficiency, and only for the purposes for which the financing was provided.

- Support the PIU in collecting and collating all necessary supporting documents as required by AIIB's loan disbursement handbook, records, and accounts in respect of all project ventures. Clear linkages should exist between the books of account and reports presented to the AIIB.
- Provide support to the PIU to ensure all financial transactions are completed following the a) Loan and project agreements, b) Project Delivery Strategy, c) AIIB's/ loan disbursement procedure, and d) national and AIIB's anti-corruption policy.
- Support the PIU to ensure an effective internal control system on (a) all payments are duly prepared, reviewed, authorized, and recorded in the accounting system correctly and in a timely manner, and (b) all expenditure items meet the eligibility criteria as defined in the AIIB financing agreement, and are supported by adequate documentation (invoice, contracts, evidence of payments etc.) as outlined in the AIIB Loan Disbursement procedure as well as applicable government of Bangladesh rules and regulations.
- Support the PIU in maintaining a well-organized and up-to-date filing system and contract registrars for all accounting and financial records.
- Support the PIU in maintaining an up-to-date fixed asset register and an annual inventory of equipment, supplies, and materials procured under the project.
- Conduct a periodic verification of the completeness of transactions recorded in the accounts.
- Conduct quarterly bank reconciliations for all accounts, including advance account (if any), counterpart accounts, project accounts, and petty cash. List and analyse all the reconciliation items, if any.
- Conduct a quarterly analysis of account balances in the general ledger and verification of trial balance and advise the PIU on necessary corrections and adjusting entries (omissions, coding errors, double-counting, etc.) as required.
- Support the PIU in providing the necessary entry into GoB accounting System and prepare any FM reports aligning to the GoB requirements.
- Support the PIU in analysing and preparing the ADP budget and secure the budget in a timely manner.
- Conduct an analysis of the financial execution of the approved budget (budget-to- actual by activity) and explain any significant variations in the financial report or the notes of the financial statements.
- Assist the PIU in preparing Withdrawal applications in AIIB format, and in filing of all supporting documentation in accordance with AIIB loan disbursement procedure.
- Ensure that all requirements are met before making any payment to the contractor (IPCs are signed, guarantees are received, and insurances have been obtained)
- Conduct quarterly reconciliation of the project disbursement records and AIIB's disbursement data to ensure the correctness and completeness of the project records. Follow-up on any discrepancies to ensure these are resolved in a prompt manner.
- Support the PIU in preparing quarterly and annual financial statements/reports in the format in accordance with AIIB requirements in a timely manner. Ensure timely submission of the reports, including audited project financial statements, to the relevant stakeholders, including AIIB as required.
- Support the project in the follow-up of internal and external audit recommendations to further improve the internal controls of the project.

- Assist in the annual audit process and ensure that the project auditors have access to all necessary files, and assist in producing financial statements to the external auditor, including (a) Receipt and Payment Statements, (b) Reconciliation Statements, (c) Budget vs Actual expenditures analysis Statements, and (d) Notes to the Financial Statements.
- Follow-up on the implementation of audit recommendations as well as AIIB's recommended actions to improve the quality of the audited financial statements. Develop time-bound action plans as necessary.
- Assist the project in implementing financial recommendations as agreed between the project and AIIB during the review mission.
- Provide training to finance and accounts staff of PIU on the Financial Management Manual prepared for this Project.
- Provide inputs to Progress Reports as and when required by PIU; and
- Perform any other activities pertinent to their expertise as required by the PIU.

D. Reporting and Outputs

5. The Consultant will work closely with the PIU staff and will report to the Project Director (PD) of the project. The Consultant will submit a monthly timesheet to the PD clearly indicating the tasks completed in that particular month.

6. The outputs will be generated based on the PIU requirement. The format and mode of reporting will be discussed with the PD/ PIU staff beforehand

E. Minimum Qualification Requirement

7. It is expected that the selected consultant will maintain the highest standard of professional ethics and integrity and promote a result-oriented approach in the area of his/her responsibility and accountability. The other qualification requirements are provided below:

- ✓ Hold at least a bachelor's degree in finance, accounts, or business administration; master's degree preferred; requires professional designation in accounting (e.g., CPA, CA); chartered accountant preferred.
- ✓ Have overall 12 years of experience, of which at least 8 years of working experience in all the stages of procurement with projects funded by the Asian Infrastructure Investment Bank, and/or World Bank, and/or the Asian Development Bank, and/or other multilateral development banks (MDBs) /donor agencies.
- ✓ Knowledge of Computer based budgeting and accounting packages and direct working experience with infrastructure implementation project is an advantage.
- ✓ Must be familiar with the financial rules and regulations of the Government of Bangladesh.
- ✓ Experience in IBAS++ will be given an advantage.
- ✓ Experience in working with international organizations preferred.
- ✓ Be able to communicate and write reports in English.
- ✓ Have good computer literacy in MS Office and be proficient in email communication.
- ✓ Have experience in organizing and delivering FM training, workshops, and seminars.

F. Duration and Duty Station of the Assignment

8. The duration of the contract is 12 months with a one-month probation. Subject to satisfactory performance and evolving project needs, the contract may be extended upon agreement between the PIU and consultant. The commencement and completion dates will be finalized prior to contract signing, taking

into account the consultant's availability and the requirements of the PIU. The engagement modality (full-time or intermittent basis) will also be determined accordingly before contract execution. This is a time-based contract, and payment will be made against the actual time spent. The PIU will be responsible for reviewing the actual time spent by the consultant and the quality of his/her work/reports, and other outputs during the contract duration.

9. The Consultant will be based in Dhaka, at the PIU of BR.

G. Support to the Consultant by the PIU

10. The PIU will make all documents and data available to the Consultant. The PIU will introduce the Consultant to the PIU staff and AIIB staff. The PIU will provide fully equipped working office space and other logistic facilities (except laptop) for the smooth implementation of the assignment, as required.

11. No field visit is anticipated for this assignment. However, if required, for each field visit, the Consultant, in consultation with the PIU, will finalize the plan, obtain approval of the travel plan with associated logistics (i.e., hotel accommodation, transportation, and per diem), and get it reimbursed from the PIU.