



REPUBLIC OF KENYA

**MINISTRY OF CO-OPERATIVES AND MICRO, SMALL AND
MEDIUM ENTERPRISES DEVELOPMENT (MCMSME)**

**STATE DEPARTMENT FOR MICRO, SMALL AND MEDIUM
ENTERPRISES DEVELOPMENT (SDMSME)**

**KENYA JOBS AND ECONOMIC TRANSFORMATION (KJET)
PROJECT**

(P179381)

PROJECT IMPLEMENTATION UNIT (PIU)

TERMS OF REFERENCE

RECRUITMENT OF A FINANCIAL MANAGEMENT SPECIALIST

PROJECT IMPLEMENTATION UNIT (PIU)

December, 2024

1.0 INTRODUCTION

The Government of Kenya (GOK), with the support of World Bank, is implementing the Kenya Jobs and Economic Transformation (KJET) Project, a significant initiative aimed at addressing key constraints within government and market systems that hinder the creation of high-quality jobs and the adoption of environmentally sustainable practices by Micro, Small, and Medium Enterprises (MSMEs). The Project Development Objective (PDO) is to ‘increase private sector investments, access to markets and sustainable finance to create and improve jobs.

The project targets several critical challenges including: overly complex regulatory frameworks; insufficient promotion of Foreign Direct Investment (FDI); lack of coordination between buyers and suppliers; information gaps about market capabilities and requirements; and the negative impacts of climate change.

KJET is designed to build upon and enhance the existing and planned analytical work of the World Bank and the GOK, as well as other Programmes that focus on different elements of the Jobs and Economic Transformation (JET) agenda. Its design is informed by insights from the 2019 Country Private Sector Diagnostic (CPSD), the 2022 sub-national Competitiveness for JET Analytical and Advisory Services (ASA), and the 2023 Country Economic Memorandum (CEM).

These Terms of Reference are for the recruitment of a **Financial Management Specialist** for the KJET PIU at SDMSME.

1.1 THE KEY COMPONENTS OF KJET PROJECT

KJET Project includes the following components and sub-components:

Component 1: Strengthening Business and Investment Enabling Reforms;

Component 2: Enhancing MSME Cluster Competitiveness;

- Subcomponent 2.1: Technical Assistance (TA) on Competitive Cluster Development Initiatives
- Subcomponent 2.2: Building Capacities of MSME Clusters;

Component 3: Scaling Up Green Financing and Strengthening Climatic Resilience for SMEs;

- Subcomponent 3.1: Scaling Up Green SME Financing;
- Subcomponent 3.2: Strengthening MSMEs Climatic Resilience; and

Component 4: Project Management, Monitoring and Evaluation.

1.3 PROJECT STRUCTURE

1.3.1 Implementing Ministries

The project will be implemented through both the Ministry of Cooperatives and Micro, Small and Medium Enterprises Development (MCMSME) and the Ministry of Investment Trade and Industry (MITI). While MITI will implement Component 1 (Strengthening Business and Investment Enabling Reforms) and Component 3 (Scaling up Green Financing and Strengthening Climatic Resilience for SMEs), the MCMSME will implement Component 2

(Enhancing MSME Cluster Competitiveness) and will act as the over-arching Ministry in charge of overall project reporting and management.

1.3.2 Project Steering Committee (PSC)

KJET will establish a governance structure through a Project Steering Committee that will be chaired by the Principal Secretary (PS), SDMSME under MCMSME and co-chaired by PS, State Department for Investments Promotion (SDIP) under MITI, with support from the Project Implementation Unit (PIU) acting as the secretariat.

The PSC will assume oversight over project implementation functions and PIUs including, among other functions: (i) Oversight of overall implementation of the project; (ii) Provision of supervision support, including monitoring project results; (iii) Ensuring inter-agency coordination within GOK required for project implementation and (iv) Review/approval of annual work plans, periodic progress reports, annual procurement plans, and budgets.

1.3.3 Project Implementation Unit (PIU)

Two (2) dedicated Project Implementation Units (PIUs), one in each ministry, will manage day-to-day project operations. The PIU under MITI's State Department for Investments Promotion will coordinate Components 1 and 3, with the Kenya Development Corporation (KDC) assisting in implementation. Meanwhile, the PIU under SDMSME-MCMSME will coordinate Component 2, spearheaded by the Micro and Small Enterprises Authority (MSEA), and oversee overall project reporting. Each PIU will include specialists in environmental, social safeguards, and communication. They will set annual performance targets approved by the respective Principal Secretaries and the World Bank.

The SDMSME's PIU will serve as the main coordinating unit, managing reporting, missions, and project manuals. SDMSME will closely collaborate with MITI's State Department for Investments Promotion.

2.0 SCOPE OF SERVICES

The scope of the assignment is for the Project Financial Management Specialist to:

- i. Perform all necessary Financial Management activities under SDMSME for the period of the assignment.
- ii. Coordinate the financial management functions with other project implementing entities.
- iii. Provide technical assistance and build the capacity of Financial Management staff within the project implementing entities.

3.0 OBJECTIVES OF THE ASSIGNMENT

The overall objective of this position is to provide financial management and accounting support to the SDMSME PIU and other project implementing entities in accordance with World Bank & GoK financial management regulations and accounting procedures.

4.0 KEY TASKS AND RESPONSIBILITIES

The Financial Management Specialist is expected to perform the following tasks:

- i. Maintain all Project accounting records in line with the approved accounting standards and in accordance with World Bank and GOK regulations;
- ii. Working under the PIU and coordinating closely with the National Treasury, ensure robust Project budgeting, funds flow, accounting, internal control, financial reporting and budget arrangements;
- iii. Render periodic reports (i.e. monthly/quarterly/annually) in the formats approved by World Bank;
- iv. Draw up activity budgets and work plans together with the PIU staff;
- v. Ensure prompt release of funds, once approved, to beneficiaries;
- vi. Maintain relevant books of account and accounting /financial records for the Project;
- vii. Ensure that all accounting records are updated promptly;
- viii. Prepare monthly bank reconciliations of all bank accounts;
- ix. Together with the PIU management, maintain Financial Management Manual;
- x. Together with the PIU staff ensure strict adherence to installed internal control systems for all areas of project operation;
- xi. Liaise with the internal/external auditors and follow up on audit queries and recommendations documented in management letters;
- xii. Issue receipts, prepare payment vouchers and maintain cash records in accordance with laid down procedures;
- xiii. Maintain an Advance Payments Register and monitor advances settlement;
- xiv. Manage the petty cash float and maintain the petty cash book;
- xv. Ensure petty cash disbursements are appropriately and adequately documented;
- xvi. Ensure invoices submitted for payment at the PIU are promptly attended to and processed in the IFMIS;
- xvii. Undertake IFMIS Ledger reconciliations;
- xviii. Perform any other duties assigned by the Project Coordinator; and
- xix. Undertake any other Project accounting duties as may be assigned from time to time by the Project Coordinator.

5.0 QUALIFICATIONS AND EXPERIENCE

The candidates should have the following desired qualifications and experience:

- i. A Bachelor's Degree in Finance or Accounting from a recognized institution;
- ii. Have CPA (K) qualifications from a recognized institution;
- iii. A minimum of 5 years' experience in financial management or accounting and demonstrated knowledge of public sector financial management;
- iv. Possess high level of integrity and responsibility;
- v. Good analytical, organizational skills and communication skills;
- vi. Excellent computer skills in Microsoft Office tools (Word, Excel, and PowerPoint) and Internet use, including database use is required; and
- vii. Two (2) years' experience working on a World Bank-funded Project or other donor funded project/program would be an added advantage.

6.0 REPORTING

The Financial Management Specialist will enter into contract with the State Department for MSMEs Development and will report to the SDMSMEs PIU Project Coordinator for day-to-day activities.

7.0 DELIVERABLES

The Financial Management Specialist is expected to perform the above-mentioned tasks on an ongoing basis during the term of his/her assignment, to the satisfaction of the Project Coordinator and adhere to the established guidelines.

8.0 DURATION OF CONTRACT

The Financial Management Specialist will be contracted for an initial period of one year. The contract will be renewed based on project requirements and the specialist's performance, ensuring continued alignment with the project's objectives and needs.

9.0 FACILITIES TO BE PROVIDED

The Project Implementation Unit (PIU) will provide the Financial Management Specialist with office facilities, essential utilities, office services, stationery and office supplies, use of a computer and printer, and other materials as necessary.

10.0 LOCATION OF ASSIGNMENT

The duty station for this role will be Nairobi, Kenya. The Financial Management Specialist will be based within the Project Implementation Unit (PIU) under the State Department for MSMEs Development.

11.0 INDICATIVE PAYMENT TERMS

This is a monthly-based contract where the Financial Management specialist shall be paid an agreed gross salary staff month rate.