



MINISTRY OF WATER AND IRRIGATION

KENYA WATER SECURITY AND CLIMATE RESILIENCE PROJECT

COASTAL REGION WATER SECURITY AND CLIMATE RESILIENCE PROJECT

TERMS OF REFERENCE

GRANTS MANAGEMENT OFFICER – KWALE SMALL GRANTS FACILITY (PP Ref. C017 – KWSCR-2)

1. Introduction and Context

The government has planned a large-scale water investment program to close the massive water infrastructure gap that has been estimated at US\$5–7 billion. This is to be supported by the establishment of a strong and modern institutional and legal structure that aligns the water sector with the Constitution of Kenya 2010 through a Water Bill reflecting the new devolution principles under discussion in Parliament. Towards this end, the Ministry of Water and Irrigation (MOWI) is undertaking an ambitious agenda for the water sector through a long-term, transformational program aimed at building water security and climate resilience for economic growth and social well-being. The Kenya Water Security and Climate Resilience (KWSCR) program responds to this need. The overarching development objective of the program is to improve water security and build climate resilience in Kenya.

The first phase of the program, Kenya Water Security and Climate Resilience Project (KWSCR-1) was approved by the World Bank board on June 18, 2013 and declared effective on October 24, 2013. The project development objectives of KWSCR-1 are to: (i) increase availability and productivity of irrigation water for project beneficiaries; and (ii) enhance the institutional framework and strengthen capacity for water security and climate resilience for the country. KWSCR-1 focuses on the progressive development of a water investment pipeline, integrated and participatory basin planning, and technical assistance to the evolving water sector institutions and sector reforms at a critical period of constitutional and political transition.

The Coastal Region Water Security and Climate Resilience Project (KWSCR-2) is the second operation under the program and its design is consistent with the approach envisaged for the program in that investment preparation follows a sound investment framework and incorporates a multi-sectoral, multi-dimensional approach. The project will improve access to water and sanitation, general health conditions and quality of life among poor urban and rural households that currently rely on expensive water sources and are exposed to serious health risks due to lack of sanitation. It will also contribute to Kenya's Vision 2030, MTP 2 and sectoral plans for water and sanitation to ensure that improved water and sanitation are available and accessible to all. These activities are being developed

and aligned with Kwale and Mombasa County Integrated Development Plans (CIDPs). Mwache Dam and related infrastructure would in particular act as a buffer against the most severe hydrologic shocks (including floods and droughts), as well as address food insecurity, low productivity, and constrained growth in Mombasa County and throughout the coastal region more broadly. The project has three main components supporting the project development objective: (i) Component 1 - Mwache Dam and Related Investments; and (ii) Component 2 - Kwale County Development Support. In addition, Component 3 - Project Management will support project implementation.

Component 1: Mwache Dam and Related Infrastructure (US\$165 million)

Sub-Component 1.1: Civil Works and Related Infrastructure (US\$160 million)

This comprises the development of Mwache Dam which is ultimately expected to provide 186,000 m³/day (67.9 MCM/year) for urban water supply to Mombasa County and Kwale County. An additional potential supply of 41,000 m³/day (about 15 MCM/year), with lower reliability of 75 percent vis-à-vis an urban water supply reliability of 99 percent, will be available from the dam.

Sub-Component 1.2: Mwache Catchment Management (US\$5 million)

This sub-component aims to improve sustainability of the Mwache catchment, integrating conservation activities with the needs of local communities to develop sustainable economic activities. Recognizing that a robust watershed management strategy entails addressing ecosystem degradation at the watershed level, this sub-component supports an integrated, participative approach to water resources management, introducing sustainable livestock, agriculture, forestry and land management practices, and integrating conservation activities with the needs of local communities to develop sustainable economic activities. Activities under the sub-component will be based on livelihoods, to ensure that communities will have incentives to play an active and engaged role in conservation activities.

Component 2: Kwale County Development Support (US\$25 million)

The Kwale County Development Support (KCDS) component supports development in Kwale County, where the Mwache Dam is located. The following is an outline of the sub-components under KCDS.

Sub-Component 2.1: Water Supply Investments (US\$12 million)

This sub-component will support increased access to water supply in small towns and rural communities in Kwale County based on the priority for Kwale County through rehabilitation and expansion of existing water supply schemes in urban areas. In terms of rural supply, priority will be given to communities affected by the construction of the dam while rural water investments will be informed by the Kwale Water Resources Assessment and Water Supply Development Master Plan that will be prepared under KWSCR-1.

Sub-Component 2.2: Sanitation Investments (US\$4 million)

This sub-component will support increased access to improved sanitation facilities in both urban and rural areas, with priority being given to the later. On the policy side, the project will support the development of a strategy to promote household sanitation, taking into account cultural beliefs and training on sanitation and hygiene. Specifically, and in line with the Kenya Ministry of Health's approach and guidelines, the sub-component will support Kwale County in strengthening the

programmatic conditions to implement Community-Led Total Sanitation (CLTS) and sanitation marketing at scale, while strengthening supply and household demand for improved sanitation.

Sub-Component 2.3: Sustainable Livelihoods Improvement (US\$5.5 million)

This sub-component seeks to improve livelihoods in Kwale County, considered as the wider area of influence of the Mwache Dam through support to benefit-sharing and sustainable livelihood paradigms for the largely rural communities in the area. The Sustainable Livelihoods sub-component in the KCDS seeks to improve livelihoods in Kwale County, considered as the wider area of influence of the Mwache Dam through support to benefit-sharing and sustainable livelihood paradigms for the largely rural communities in the area. Focus will be where required. Catchment conservation practices are not sustainable per se, such as in steep slope and river bank crop cultivation, where alternative livelihoods need to be supported. In these areas, the component will aim to develop alternative livelihood activities for common interest groups currently dependent on the unsustainable use of natural resources, focusing on new income-generating activities. This component will adopt a demand-driven approach, whereby proposals will be sought from communities in the catchments and forest perimeters to invest in livelihood-enhancing micro-projects that support the natural resource base. These could include opportunities to establish afforestation schemes; the development of private sector/community partnerships for timber, fuel-wood and/or fodder production; the production/sale of seedlings; the introduction of productivity-enhancing techniques of agro-forestry or conservation farming, beekeeping, and other investments in farm agriculture development will be supported. Proposals will be vetted and shortlisted for support by the Livelihoods Steering Committee (LSC).

Sub-Component 2.4: Irrigation Demonstration Scheme (US\$3.5 million)

This sub-component will support the final preparation and implementation of an irrigation demonstration scheme on an area of about 100 ha. The demonstration project will also establish the viability of developing a larger (between 2,000 and 3,000 ha) irrigation scheme in the area.

This terms of reference is for consultancy services to support the implementation of sub-component 2.3 on Sustainable Livelihoods Improvement under KCDS.

2. Overall Project Institutional and Implementation Arrangements

2.1 Project Implementation and Role of PMU

Ministry of Water and Irrigation (MOWI) is the implementing agency of the project through the Project Management Unit (PMU), reporting to the Principal Secretary (PS), Water. The core functions of the Nairobi based PMU will be coordination and facilitation, fiduciary (procurement and financial management), environmental and social safeguards supervision, monitoring and evaluation (M&E) and impact evaluation (IE), annual work programming and budgeting, and reporting. The PMU also provides technical support to executing agencies the designated Project Implementation Unit (PIU) such as that of Kwale County. PMU support to PIUs involves developing the required capacities for procurement, financial management, monitoring and evaluation, environmental and social safeguards implementation, and investment and activity implementation. PIUs typically implement most project activities.

2.2 Role of Coast PMU

The Coast PMU will on behalf of PMU Nairobi office be responsible for day to day coordination of CWSCRIP from the Coast office. It will in particular also facilitate and provide the fiduciary

(procurement and financial management), monitoring and evaluation (M&E) support to PIUs. The Coast PMU will also develop the annual work programming and budgets in addition to regular reports of CWSCR. This PMU will also be responsible for providing demand based technical support to Coast based executing agencies designated PIUs and to source for additional technical support from Nairobi PMU based specialists. PMU technical support to PIUs will involve developing the required capacities for procurement, financial management, monitoring and evaluation, environmental and social safeguards implementation, and investment and activity implementation.

2.3 Role of Kwale County as the executing agency for this sub-component.

Kwale County as the executing agency is responsible for:

1. Signing an Implementation Agreement with MOWI /PMU which sets out the role of PIU in respect of execution of KCDS component 2 under KWSCR-2 within the overall KWSCR project, and setting out the complementary services of the MWI/PMU.
2. Collecting all necessary information for the preparation of Annual Work Program for KCDS, and preparing draft Annual Work Programs, budgets, implementation plans, procurement plans and disbursement forecasts in a format and on a timetable agreed with MOWI/PMU, and submitting them to the PMU. The overall Implementation plans are available in the KWSCR Project Implementation Manual for reference.
3. Mobilizing the human resources required in the PIU and work material resources necessary for the execution of the Annual Work Plan.
4. Coordinating M&E of inputs, outputs and outcomes according to the Results Framework for KCDS, and providing information to the MOWI-PMU in a timely way in a format agreed with PMU.
5. Reporting quarterly on activities and results against the Annual Work Program, and preparation of a comprehensive report on progress of execution at the end of each year, all according to a timetable and formats agreed with MOWI/PMU
6. With the required assistance, coordinating with the PMU on the preparation of annual financial reports and audits for KCDS.
7. Providing PIU all support necessary for the successful realization of the KCDS objectives.

3. Objective of the Consultancy

3.1 The Post: Grants Management Officer – Kwale Small Grants Facility

Reporting to the PMU Project Manager, the Grants Management Officer – Kwale Small Grants Facility is responsible for providing technical expertise and support of the Kwale County Sustainable Livelihoods Investments under Kwale County Development Support Sub-component.

3.2 Scope of the Consultancy

The purpose of this consultancy is to:

1. Support implementation of the process of grant making, subsequent payments, financial reporting and close out in accordance with the KWSCR Finance and Grants Manual.
2. Assist in implementing financial aspect of Grant activities to support project goals.
3. Oversee grants compliance as per the rules and regulations governing grants with reference to financial management aspects.
4. Draft grant agreements based on the pre-defined templates.
5. Provide support to the Livelihoods Steering Committee (LSC) in reviewing and negotiate budgets.

6. Review financial reports from grantees, and ensure they are completed according to grants reporting requirements and submit to PMU.
7. Maintain a detailed record of grant agreements issued, disbursements to grantees according to payment/ delivery schedules.
8. Develop and review quarterly grants table, monitor the status of grants spending, highlight the concern of under/overspend of grants and take action.
9. Review grant financial reports to ensure that requisite endorsements and documented approvals are available for payment, inventory with grantee organizations working with Social/Community Development Officers (S/CDOs) in Kwale County.
10. Support management with provision of technical assistance to grantees in the areas of financial management as and when required through SDOs.
11. Support processing of all grants ensuring compliance with the livelihoods manual and regulations.
12. Verifies and updates reporting schedules and keeps PMU & PIU informed of related matters.
13. Work with external auditors to prepare grant audit as per grants requirement and follow up grants audit action points.
14. Maintain proper auditable documentation with adequate detail about the processed grants.
15. Build grants management capacity for various Kwale county staff and personnel.
16. Prepares and updates quarterly budget monitoring report and accounting documents.

4.0 Qualifications and Experience

The consultant must have the following skills and expertise:

- (i.) A degree in commerce/finance/accounting or related field.
- (ii.) Professional qualification of ICPAK or equivalent.
- (iii.) At least 8 (eight) years of relevant work experience in grants management.
- (iv.) The candidate should have proven abilities in managing Civil Society Organization (CSO) grants, understanding of community development issues, proven capacity building and mentoring for grass-root CSOs, pre-funding assessment, contract design, compliance management, data analysis, budget and report review for CSOs.
- (v.) Practical experience and knowledge of the government of Kenya accounting procedures.
- (vi.) Proven communications skills, both oral and written;
- (vii.) Computing competence in Word, Excel, PowerPoint and accounting packages;
- (viii.) Ability to work with a multi-professional team.

5. Place of Work

The post will be based in PMU Coastal Region office and may utilize office space provided by the MOWI/Kwale County Government in Kwale County.

6.0 Time-frame, Duration and Commencement of the Consultancy

The consultancy duration will be for an initial period of 12 (twelve) months and will be subject to annual extensions based on acceptable performance.

7. Reporting Scheme and Work Base

The Position will be engaged on full time basis based on agreed work schedule at the negotiation stage and will report to the Project Manager of the Project Management Unit (PM, PMU). S/her will

also work on a day to day basis with the PMU Accountant, Kwale PIU Livelihoods Coordinator and Social Development Officers, as well as other KWSCRIP team members.

8.0 Remuneration and Payment Schedule

Remuneration will be based on competitive rates for this field of knowledge and will reflect the selected candidate's area of expertise and relevant work experience, provided he or she has satisfactorily fulfilled all requirements to become a candidate for this Consultancy. The Consultant will be paid on a monthly basis, based on schedules agreed at the negotiation stage where the actual calendar of payments and the specific amounts to be paid per month will be disclosed. Costs incurred by the consultant in the realization of duty will be agreed upon in advance with the PS, MOWI and should abide to the regulations established by the Government of Kenya and World Bank for this type of disbursements. Costs will be reimbursed upon submission of a statement of expense and supporting documentation that thoroughly complies and satisfies the aforementioned regulations.

9.0 Selection Method

Selection of an Individual Consultant in accordance with World Bank's *Guidelines for Procurement under IBRD Loans and IDA Credits* dated January 2011, and the *Guidelines for Selection and Employment of Consultants by World Bank Borrowers* dated January 2011.