

TOR for the Independent Verification Agent (IVA)

A. Background and Context

The Government of Kenya, through the National Treasury, has been implementing multi-year public financial management (PFM) reform strategies since 2006. The current Strategy covers the period 2023-2028 and maintains the results-oriented approach that was used in the previous strategy, which covered 2018-2023. The Public Financial Management Reforms (PFMR) Secretariat coordinates the implementation of PFM reforms to facilitate effective and efficient public financial management.

The National Treasury is implementing the Second Program for Results for Strengthening Governance for Enabling Service Delivery and Public Investment in Kenya (GESDeK II Program), which is designed to support the implementation of the Public Financial Management Reforms Strategy 2023-2028. Accordingly, the program's strategic interventions, including the overall program development objective (PDO) and areas of results, are aligned with the PFMR strategy. The PDO is *“to enhance revenue mobilization and deepen accountability and transparency of public finance management at the national government level.”* Progress toward the achievement of the PDO will be measured through various indicators, including the reduction of the VAT gap, improved predictability, control, and transparency of budget execution, improved coordination of priority programs and projects, and audit recommendations regarding procurement, payroll, and public investment implemented and monitored. The Program is designed around four Result Areas: (i) Enhancing Revenue Mobilization, (ii) Strengthening the Accountability and Transparency of Public Spending, (iii) Improving the Implementation of Priority Programs and Projects, and (iv) Promoting Audit and External Oversight.

The GESDeK II Program is implemented through the World Bank's Program-for-Results (PforR) financing instrument. Under the financing arrangement, the achievement of agreed policy reforms, measured through Disbursement Linked Results (DLRs), is the basis for the disbursement of the allocated funds. To support the implementation of the PforR arrangement, an Independent Verification Agent (IVA) independently validates the DLRs' achievement as reported by the implementing MDAs and result teams in accordance with protocols and criteria defined in the Program Operations Manual (POM).

The Program is structured around four Result Areas (RAs), mapped to six Disbursement Linked Indicators (DLIs), eight Disbursement Linked Sub-Indicators (DLSIs) and 72 Disbursement Linked Results (DLRs). The implementing MDAs responsible for DLRs include various departments at the National Treasury, Kenya Revenue Authority (KRA), Office of the Prime Cabinet Secretary (OPCS), State Department for Parliamentary Affairs (SDPA), State Department for Public Services (SDPS), and the

Office of Auditor General (OAG).

B. The overall objective

The overall objective of the IVA is to provide technical support to the PFMR Secretariat in verifying the GESDeK II Disbursement Linked Results (DLRs) using the verification protocol outlined in the Program Operations Manual (POM). The IVA support is expected to be provided throughout the program's life.

C. Scope of Work of the IVA

The PFMR Secretariat will engage the Independent Verification Agent over the life of the Program. The IVA will be accountable to the PFMR Secretariat Coordinator during the verification process. The verification of results will be carried out on an annual basis between January to March of each year, starting January 2025.

D. Deliverables

The key IVA deliverables include:

- Inception report
- Annual IVA Workplan
- Preliminary Assessment of Results Team DLRs
- Draft IVA report
- Final IVA report

E. Reporting

The consultant will report to the Programme Coordinator, Public Financial Management Reforms Secretariat (PFMR-S) and work closely with the Contract Implementation Team.

F. Qualifications of IVA Key Staff

The team should be made up of the following skills – team members can have more than one skill.

- Two team members who are Public Financial Management (PFM) specialists.
- One team member with economic and budget analysis skills
- One team member with expertise in procurement
- One team member with expertise in human resource management /payroll

- More details are provided below

Position	Educational Requirements	Experience required
Overall Team Leader	A minimum of master's degree in accounting, economics, public financial management or related disciplines	A minimum of 10 years' work experience in public financial management out of which 3 years should be in public sector finance, planning and budgeting
Public Financial Management Specialist (at least 2 members)	A certified professional accountant with a minimum of master's degree in accounting, financial management or related fields	A minimum of 5 years' work experience in public financial management out of which 3 years in public sector finance, planning and budgeting
Economic and Budget Analysis (at least 1 member)	A minimum of master's degree in economics, accounting, financial management or related disciplines	A minimum of 5 years' work experience in public financial management out of which 3 years in LG finance, planning and budgeting
Procurement (at least 1 member)	A minimum of master's in economics, public administration, procurement, business administration or related disciplines	A minimum of 5 years' work experience out of which 2 years in procurement processes and systems
HR (at least 1 member)	A minimum of Masters Economics, Public Administration, Human Resource Management or Related Disciplines	A minimum of 5 years of work experience out of which 2 years related with HR administration, payroll systems consultancy or similar.