

TERMS OF REFERENCE

Contract:	ICS-07		
Project:	Kyrgyz Republic: "Skills Development System Transformation Program (SEFF2 A5)"		
Expertise:	Financial Management Specialist		
Source:	International	Category:	Independent Individual Consultant

Background

The Government of the Kyrgyz Republic has requested the small expenditure financing facility (SEFF) activity to support project preparation activities for the \$39.5 million Skills Development System Transformation Program (SDSTP) planned for ADB Board approval in 2026. The SDSTP, which uses results-based lending (RBL) modality, aims to (i) enhance the employability and competitiveness of the country's youth by building a more inclusive, skills-oriented education system; and (ii) increase the seismic resilience of educational infrastructure. The program will support the implementation of the National Education Development Program for 2021–2040, its Action Plan for 2027–2032, and the State Program for Safe school and preschool educational institutions in the Kyrgyz Republic for 2015–2024.

The program will i) expand the government's ongoing effort to transform the general education system by creating smooth pathways from general to vocational and higher education and better aligning it with labor market demand; and ii) further scale up government investments in seismic resilience and improved learning environments. Project outputs will be: (i) Governance and system efficiency of secondary education and TVET improved; (ii) Seismic resilience and learning environments of educational infrastructure improved; (iii) Quality and labor-market relevance of TVET programs enhanced; (iv) Skills track integrated into upper-secondary education (grades 10–12). ADB financing of the program is \$44.5 million, comprising \$20.0 million (COL), \$19.5 million (an ADF grant from the thematic window to support geophysical³ risk reduction),

Objectives and Purpose of the Assignment: The objective of this consultancy assignment is to conduct comprehensive financial management due diligence for the SDSTP. The fiduciary management specialist support the government and ADB to undertake Fiduciary system assessment and expenditure analysis including expenditure framework following RBL procedures. The consultant will assess financial management arrangements of the executing and implementing agencies, evaluate their capacity to manage program funds, identify fiduciary risks, and propose mitigation measures to ensure efficient and transparent use of financial resources throughout program implementation.

Financial due diligence (FDD) is guided by ADB's Financial Management policies, staff instructions, and guidance notes ([Financial Management | Asian Development Bank](#)) and plays a critical role during project processing, implementation, and completion. The fiduciary assessment of the financial management system focuses on accountability and transparency, covering critical financial management aspects of the RBL. The assessment of the program expenditure framework examines the effectiveness, efficiency, economy, and adequacy of the RBL's program expenditure. The FDD aims to ensure the degree to which it manages fiduciary risks and provides a reasonable assurance that RBL program funds will be used appropriately.

Scope of Work: The scope of work entails (i) undertake program's fiduciary system assessment (PFSA) based on country's system using ADB's RBL programs guidelines and templates in coordination with national procurement and financial management specialist; (ii) assess government expenditure framework, prepare expenditure framework for the RBL program including program's expenditure system assessment (PESA); (iii) conduct Financial Management Assessment (FMA) as per ADB's FMA TGN (2025), (iv) support the program design and scope in formulating the results, disbursement linked indicators(DLIs) and program action plan (PAP) based on the PFSA and PESA.

Detailed Tasks and Expected Outputs

Task 1: PFSA (standard length of the paper per ADB policy requirements is 10 pages)

- The consultant will coordinate with national financial management and procurement specialist to review financial management and procurement systems at the country, sector and program level.
- Based on the inputs provided by the consultants including desk review and missions prepare the PFSA for the RBL program for review and finalization.
- Prepare the RBL program's financial reporting system including the fund flow arrangement and statement of audit needs for necessary inclusion in the Program Implementation Document (PID).
- Other tasks that are directly related to due and timely finalization of the PFSA

Task 2: PESA (standard length of the paper per ADB policy requirements is 6 pages)

- In close coordination with national financial management specialist, undertake the expenditure analysis including program budget heads to be used to prepare the expenditure framework
- Support the government in preparing the costing of the RBL program in relation to the government program with special attention to budget categories, allocation, release and recording of expenditures.
- Prepare PESA for the RBL program using ADB RBL guidelines and templates for necessary review and confirmation by government and ADB.
- Support on any other asks that are directly related to due and timely finalization of the PESA

Task 3. FMA - Conduct of financial management assessments of the:

- (i) country's public financial management systems and
- (ii) executing and/or implementing agency of proposed program, including
 - (a) assessing whether previous financial management assessments conducted by other agencies, and if so, reviewing the results and ascertaining whether these can be used as input;
 - (b) assessing the usability of the agency systems in the program;
 - (c) reaching agreement on staffing, funds flow, accounting, financial reporting, external and internal auditing, internal controls, and information systems;
 - (d) reviewing proposed disbursement and funds-flow arrangements; and
 - (e) concluding on the financial management risk rating and identifying and confirming measures for addressing identified deficiencies;
- (iii) If deemed, applicable, lead in the preparation of financial projections and conducting financial analyses and incremental recurrent costs to determine the executing and implementing agencies' financial sustainability;

Task 3: Support the Program processing and implementation Team

- Based on the PFSA and PESA, support ADB and government team in recommending related DMF, DLI and PAP actions
- Provide inputs in the PID sections related to financial management, procurement and expenditure.
- Participate in virtual or physical missions as required
- Deliver (with close collaboration from ADB) a training to the FM staff of the executing and/or Implementing Agency/prepare a PPT on the FM arrangements and requirements during the RBL project implementation;
- Support on any other related tasks as needed

Expected Outputs/Deliverables:

- Submission of draft PFSA, PESA and FMA for review (April 2026)
- Submission of Final PFSA, PESA and FMA (May 2026)
- Draft inputs on financial management, fund flow, statement of audit needs, expenditure framework, DLI and PAP action in the PID (May 2026)

Minimum Qualifications:

Education and qualifications:

- The specialist should have a professional qualification in accounting or finance (e.g., CPA, CA, ACCA) or a postgraduate degree in accounting, finance, or business.

Work experience:

- He/She must have at least 10 years of experience in financial management of development projects, including conducting FM assessments and designing FM arrangements for donor-funded projects.
- Experience in designing and implementing results-based lending program is highly desirable.
- The expert should be very familiar with public financial management systems, preferably in Central Asia or similar contexts, including budgetary processes and government accounting standards.

Other requirements (knowledge and skills):

- Strong analytical skills in evaluating expenditure framework internal controls and financial risks are required, as well as excellent communication skills to explain and train financial concepts.
- Fluency in English is required.

Reporting Arrangements: The Specialist will report to the Team Leader and coordinate with ADB’s financial management specialist assigned to the RBL program (if any, for compliance with ADB policies). The input of 44 days on an intermittent basis with expected completion by July 2026 and may require 1 country visit for finalization of the assessment.

Place of Execution:	Duration:	Dates:
Duty station is in PIU, located at the address: Bishkek, Manas ave. 22A.		Contract Commences _____, subject to ADB approval. Contract Validity _____.
Contract Period:	The input of 44 days on an intermittent basis	-----