

**Government of Uttarakhand, Finance Department
Center for Training and Research in Financial Administration, (CTRFA)**

**REQUEST FOR EXPRESSIONS OF INTEREST
(CONSULTING SERVICES – INDIVIDUAL SELECTION)**

UTTARAKHAND, INDIA

Uttarakhand Public Financial Management Strengthening Project

**Assignment Title: Individual Consultant - Appointment of Resident Adviser –
Cash and Debt management (Part time) for Government of Uttarakhand**

Reference No.: IN-CTRFA- 123222- CS-INDV

Date: 23rd July 19

The Government of Uttarakhand has received a loan from the World Bank toward the cost of the Uttarakhand Public Financial Management Strengthening Project and intends to apply part of the proceeds for appointment of Resident Adviser – Cash and Debt management

The Resident Advisor will support functioning of effective, efficient, transparent and accountable Debt and Cash Management functions within the state. GoUK intends to appoint a resident advisor on a part time basis (2 weeks in a month) for initial one year to be followed by one-year extension

The Finance Department through the Center for Training and Research in Financial Administration (CTRFA) now invites eligible **individual consultant to** indicate their interest in providing the Services. Individual consultant should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The minimum required qualifications/criteria are available in Annexure 1 and terms of reference of the assignment can be accessed on the website <http://www.uttarakhandaudit.uk.gov.in> or from CTRFA.

The attention of interested Consultants is drawn to paragraph 3.14 and 3.17 of the World Bank Procurement Regulations, July 2016 revised in November 2017 and August 2018 (“Procurement Regulations”), setting forth the World Bank’s policy on conflict of interest.

A Consultant will be selected in accordance with the **Open Competitive Selection of Individual Consultants method set out in the Procurement Regulations.**

Further information can be obtained at the address below during office hours *1000 to 1700 hours IST.*

Expression of Interest should include a covering letter expressing your interest for the assignment and a detailed CV which can be delivered either as a hard copy at the address given below or as soft copy to the mail id given below latest by **1700 hours IST on 7th August 2019.**

Project Director

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Annexure- 1

Terms of Reference for a Resident Adviser – Cash and Debt management

1. Cash management is crucial to a government to establish credible budget execution, strengthen institutional capacity and establish tools for effective life-cycle management of debt. Debt management plays a critical role in ensuring that data on debt is well maintained and debt is appropriately sourced and sustainable.
2. The current debt management structure in GoUk is like other Indian states, with responsibilities shared amongst the Government of India (GoI), the Reserve Bank of India (RBI) and GoUk, with formal coordination mechanisms between these entities. The debt management function within GoUk is distributed between the Budget Cell and Finance section (called FS-1) in the Finance Department.
3. While the State does not directly borrow from external sources, external loans may be contracted by the GoI and the proceeds are passed on to the GoUk as domestic debt and disbursed in local currency. Therefore, Uttarakhand debt profile is currently insulated from exchange rate risks. The maturity profile of State's debt is relatively long-term. NSSF borrowings are usually for 25 years (with a moratorium of 5 years), and State government securities are of 10-year maturity, though other options exist.
4. GoUk prepares an annual borrowing plan and the Budget Cell prepares estimates of interest payments and loan repayments for the budget. The borrowing limit is set within the targets specified in the UFRBM Act, 2005 (amended in 2011 and 2016). UKFRBM Act, 2005 mandates that the borrowing can be taken for development activities and not for covering revenue expenditures. GoUk interest payout and debt contracted during the year has been increasing in the last three years during to increasing revenue deficit. Due to improving finances it is expected that the future interest cost and debt would contained by the government.
5. Cash flow forecasts are presently consolidated on spreadsheets monthly. A Resource Mobilization Committee, chaired by the Chief Secretary, meets monthly to review cash flow forecasts and compare actuals against the previous year and current year budget. Explanations for significant variations are sought from line departments. A daily report on the cash balance in the Treasury Single Account is obtained from RBI. The cash balance is monitored daily and decisions are taken relative to the minimum or target balance. Issuance of guarantees is governed by the UKFRBM Act and Uttarakhand Ceiling on Government Guarantee Act, 2016 and Government Orders.

6. RBI provides several cash management facilities for the States. The States can utilize the WMA provided by RBI as a WMA and as special drawing facility (SDF) where the credit is backed up with collateral in form of direct holdings of GoI securities or indirect
7. GoUK intends to appoint a resident advisor on a part time basis (2 weeks in a month) for initial one year to be followed by one year extension.

Objective:

8. The Resident Advisor will support establishment of the Debt and Cash Management Cell (DCMC) and the functioning of effective, efficient, transparent and accountable Debt and Cash Management functions within the DCMC.

Detailed Tasks & Responsibilities

9. The key tasks and responsibilities of the Resident Advisor will be to support effective Debt and Cash Management activities in GoUK and set up the framework for DCMC. This will entail, among others:
 - a) Advise GoUK is setting up the DCMC Section.
 - b) Support DCMC in preparing a robust debt management strategy and annual borrowing plan based on the budgetary and macroeconomic forecasts for a forward looking 3 years.
 - c) Advise DCMC in preparing timely auction calendar.
 - d) Further develop the simple cash flow forecasting model based on time series analysis and complement it with selective request of cash flow forecasts from key line ministries.
 - e) Analyze and recommend size of the cash buffer.
 - f) Develop an overall framework for how to utilize the WMA/SDF facilities offered by RBI to ensure that expenditures can always be executed while minimizing the cost of carry.
 - g) Undertake and teach DCMC staff debt sustainability analysis and providing debt service estimates, with sensitivity analysis for budget preparation.
 - h) Along with relevant units, assisting in ensuring that the total debt database is well managed and monitored.
 - i) Strengthen GoUK's capacity to monitor compliance with the UKFRBM targets.
 - j) Supervise the drafting a 6-monthly debt statistical report/bulletin.
 - k) Advice on management notes, analytical inputs for debt and cash management issues.
 - l) The Resident Advisor will provide technical guidance and support and work closely with the Head of DCMC and the FS.
 - m) Design and conduct trainings, workshops to educate officials.

- n) Technical support to GoUK in reviewing the Debt Procedures Manual being prepared by another consulting firm and provide comments and recommendations to make the Manual practical. Subsequently, support DCMC to implement the Manual
- o) Periodically, advise GoUK on the trends of interest rates and other parameters relating to the debt markets
- p) Advise GoUK in the selection of a Debt Recoding and Management System
- q) Other tasks, relevant to debt and cash management advisory issues.

Qualification

10. The consultant should have worked in similar role and worked with RBI in similar capacity dealing with states market borrowings and investment. The consultant should be able to guide the team of staff appointed by GOUK in this area.

11. The following are the key criteria for the consultant

S. No.	Basic Requirement	Specific Requirements	Documents Required
1)	Experience of RBI	<ul style="list-style-type: none"> • Must have worked in RBI for at least 10 years • Must have worked in IDMD at senior Level for at least 5 years 	CV.
2)	Overall experience in debt	<ul style="list-style-type: none"> • Looked after Policy issues relating to Cash and Debt Management operations of Govt of India/ State Government for at least 05 Years 	CV.
3)	Experience as Debt and Cash Advisor	<ul style="list-style-type: none"> • Should have proven track record of being involved in at least one/ two such assignment as Adviser, Cash and debt Management on contract basis in similar capacity as Resident adviser with any State Government. 	CV. Any experience certificate from the concerned State Government would be additional advantage.