



**REPUBLIC OF MOZAMBIQUE  
MINISTRY OF PUBLIC WORKS, HOUSING AND WATER RESOURCES**



**WATER SERVICES AND INSTITUTIONAL SUPPORT PROJECT II  
(WASIS II)  
IDA Grant D110**

**COMPONENT 3  
OUTPUT BASED PAYMENT FOR LOW INCOME HOUSEHOLD  
CONNECTIONS**

**INDEPENDENT MONITORING AND VERIFICATION AGENT  
FOR PEMBA & NACALA CITIES**

**Contract Nr. FIPAG/WASIS II/CON – 61/21**

**LUMP SUM**

**TERMS OF REFERENCE**

**December 2021**

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## ACRONYMS

IMVA – Independent Monitoring and Verification Agent  
OBA - Output Based Assistance  
GPOBA - Global Partnership for Output-Based Aid  
FIPAG – Investment Fund and Water Supply Asset Holder  
WASIS - Water Services and Institutional Support Project II  
GEMS - GeoEnabling Monitoring System  
WTP – Water Treatment Plan  
PS – Pumping Station  
DC – Distributions Centres  
NW – Network water supply  
HC – Household connections  
PAD – Project Appraisal Document  
DLP – Defect Liability Period  
OVR – Output Verification Report  
QOVR – Quarterly Output Verification Report

## Terms of Reference

### INDEPENDENT MONITORING AND VERIFICATION AGENT (IMVA) FOR PEMBA & NACALA.

## 1. BACKGROUND

### 1.1. General

The Republic of Mozambique has received a credit from the International Development Association toward the cost of the Water Services and Institutional Support II Project (WASIS II), and it intends to apply part of the proceeds of this credit to payments under the Contract for **Independent Monitoring and Verification Agent (IMVA)** for Component 3 of the Project's Output-Based Payment for Low-Income-Household Connections for the Cities of Tete, Moatize, Beira, Dondo, Nacala and Pemba.

The Government of Mozambique (GoM) is implementing reforms in the urban water supply sector aimed at improving coverage, quality and efficiency of services. The reform program has involved the reorganisation of sector Governance mechanisms, which have facilitated a transition towards decentralised water supply operations and management, including service regulation, investment planning, and private sector participation in operations.

More specifically, the GoM has taken steps to provide for:

- Reduced operating costs and increased efficiency, particularly through involving private sector in operations for water supply services in 28 major cities; Maputo, Matola, Boane, Beira, Quelimane, Nampula, Pemba, Dondo, Chokwe, Xai-Xai, Inhambane, Maxixe, Tete, Moatize, Chimoio, Manica, Gondola, Lichinga, Cuamba, Angoche, Nacala, Chibuto, Montepuez, Mocuba, Gorongoza, Chitima, Mueda and Ilha de Moçambique;
- Tariff adjustments that support financial sustainability; and
- Establishment of a Regulatory Board for the sector, which considers both service quality and financial performance.

The GoM's implementation agency for the new urban water program is Fundo de Investimento e Património do Abastecimento de Água– FIPAG (Investment Fund and Water Supply Asset Holder).

FIPAG is responsible for the water system infrastructure in the 28 cities and for the future investment in the systems. The program for urban water supply also includes investments in rehabilitation, operation and maintenance of systems. It has the mandate to ensure that the public receives an adequate and safe water supply services that meet Mozambique standards for health and hygiene (the public service obligation), and is empowered to ensure that these systems achieve autonomous, efficient and financially sustainable water supply operations.

The WASIS II Project, supported by the World Bank, has the following objectives to improve the performance, sustainability and coverage of water supply services in the cities of Beira, Dondo, Tete, Moatize, Nacala and Pemba. Component 3 of the Project supports the Output Based Payment Component for Low Income Household Connections, as described below.

### **1.2. The Output Based Assistance (OBA) Component for Low Income Household Connections**

This component will build upon the successful experience of the recently closed GPOBA project (P104945) in Maputo, which supported about 30,000 subsidized connections in peri-urban areas. Additionally, it will build on the successful experience of output-based payments implemented in WASIS-I (P104566) and aims at increasing access to piped-water connections for low-income households in the cities of the central and northern regions of the Recipient by providing Output-Based Payments to the Regional Utilities to support the provision of water services to the poor households by facilitating the uptake of connections for low-income households through grant payments to reimburse the costs of Eligible Connections.

Moreover, this component will support FIPAG to structure tariffs and establish mechanisms to improve poverty targeting for low-income customers to ensure sustainability of the proposed interventions, including related studies and hiring of an Independent Verification Agent.

About 20,000 household connections are expected to be subsidized over a three year period in the Central and Northern cities. In addition to covering the labour costs of eligible connections, this component will finance the verification process. The verification process will ensure eligibility requirements are adhered to, providing assurance towards the component objectives of targeting and expanding access specifically for the poor. Socio-economic characteristics of beneficiaries (including gender considerations) and service quality indicators will be tracked to inform willingness, ability to pay and tariff reviews, sustainability considerations and risks to development outcomes more generally. The new connections would take place either through densification of already existing network (for low income customers without water services) or new network extension through the WASIS or other Projects (in areas previously without water services, with a mix of low and middle income families).

### **1.3. OBA Project Implementation and Management**

This component will be implemented by the Projects and Investment Directorate, a unit of FIPAG staffed by a number of FIPAG professionals and supported by a handful of international technical advisors. This Directorate has major project experience, including the original WASIS I, the water investments currently under implementation through the IDA-financed Integrated Growth Poles Project, and projects being financed by AfDB and the Embassy of the Kingdom of the Netherlands.

It will be the responsibility of the Operations Utilities to promote the OBA system, receive applications; do site visits to gather data, confirm eligibility and to install the metered water

connection. The Operator should provide sufficient resources to manage the technical and administrative process related to the OBA component. After completing the process listed below, the operators will be eligible to receive 70% of OBA's per unit subsidy. The remaining 30% of the subsidy payment will be claimed, on application, after the first 3 months of satisfactory service, supported by consolidated records. It should be noted that even if the household did not pay some of his accounts over the three-month period and the supply was stopped by the operator, the connection will still be eligible for the last 30% payment.

The process to enable the Operator to implement the subsidized household connections is as follows:

- Review and agree on the criteria for subsidizing household connection with FIPAG at Project commencement.
- Site visit to assess the property for each application for eligibility (against the agreed criteria). GPS coordinates, photographic records of the status of the applicant's property and other applied certification documents to be taken on the day of evaluation, with basic socio-economic data for the IMVA's review of the eligibility criteria applicable on the household.
- Receive the meters and connection fittings procured separately through the WASIS II Project.
- Receive a contribution from each approved household consisting of 16% of the installation cost.
- Schedule and implement metered household connections.
- The Operator will, on a monthly basis per area, make a payment application to FIPAG. The Application shall be supported by consolidated records, complete with GPS Coordinates and photos taken during evaluation, of all eligible new connections made in the period as well as a separate list of all connections operational for a period of three months, including all remarks. Unless approved, the validation of social/gender-based evaluation criteria should be backed up by social declaration issued by the local authorities, confirming the social/gender vulnerability of the applicants.
- FIPAG shall obtain the approval from the Independent Monitoring and Verification Agent (IMVA) before any payment is made to the Operator.
- The IMVA shall visit a random representative sample of the applicable sites to assess application for eligibility (against the agreed criteria) and the successful installation of the connection.

The output-based payments would be made by FIPAG to the utility companies based on the results of a two-phase verification process: (i) after the installation of functioning household connections to eligible households (70 percent of the payment); and (ii) a second verification after the demonstration of continued service for a period of three months (30% of the payment). This second phase of verification is intended to ensure continuity of service delivery, but it should be noted that even if the household did not pay some of his accounts over the three-month period and the supply was stopped by the operator, the connection will still be eligible for the last 30% payment

#### **1.4. Preliminary Insights of Eligibility Criteria for OBA Subsidy for Pemba and Nacala**

The OBA Subsidy is aimed at the less privileged who cannot afford to pay the full price of a metered less privileged connection. The OBA component relies on the identification of low income households through the review of Eligibility criteria. The OBA criteria Scheme will be reviewed and further elaborated by the IMVA, during the Beneficiary assessment phase. Preliminary insights of the eligibility criteria were previously developed as indicated in the tables 1 and 1.1 below. However, there is a need to further refine, dissect and innovate on the eligibility criteria, in order to secure sustainability of service payment by beneficiaries after a subsidized connection.

Table 1: Initial and preliminary insights of previous proposed individual household eligibility criteria for Project Cities (Beira, Dondo, Nacala, Pemba, Tete e Moatize)

Order	Evaluation indicator	Proposed inclusion criteria
01	Backyard fence	<b>Construction details (Exterior)</b>
		1.1 Unfenced.
		1.2 Fence from unconventional material.
		1.3 Fence from conventional material - un-plastered blocks.
02	Roof covering	1.4 Fence from conventional material - plastered blocks but not painted.
		2.1 Houses covered with zinc corrugated iron sheets, roof tile, grass or fibre-cement.
03	Doors and Windows	2.2 Houses covered with zinc corrugated iron sheets or fibre-cement and with slab in the varanda.
		3.1 Softwood Doors or no doors. Windows of grid blocks with wooden frames or net, with mesh or glass, with or without bars.
04	House walls	4.1 Build from reeds, corrugated iron sheets or homemade burned bricks.
		4.2 House in cement blocks not grouted/plastered.
05	House floor	<b>Construction details (Interior)</b>
		5.1 Un-tiled house floors.
		5.2 Burned floor or coloured cement.
06	Bathroom	5.3 House with second-hand tile floors (re-use of tile).
		6.1 Outdoor bathroom.
07	Kitchen	6.2 Indoor bathroom with a toilet and tap
		7.1 Outdoor kitchen.
08	House compartments	7.2 Indoors kitchen with tap and incomplete sink
		8.1 House with only one compartment.
09		8.2 House made of grass, reeds, zinc sheets or burnt bricks with up to two compartments.
		Informal settlements.

Table 1.1. Proposal of social and gender-based eligibility criteria:

Order	Evaluation indicator	Proposed inclusion criteria
10	Head of Household	10.1 Widow/single female with no source of formal/secure income
		10.2 Total or permanent disability, with no livelihood formal/secure support
		10.3 Orphan children, with no livelihood formal/secure support

Past experience showed that there can be further development/improvement of the property after the property's eligibility had been assessed as qualifying for a subsidized connection. It is therefore required that photographs be taken of all the approved properties **at the time of assessing their eligibility** for a subsidized connection. These photographs shall be properly filed with reference to the specific stand for later use during the Independent Monitoring and Verification Agent's (IMVA's) evaluation of the property or at project audits in order to prove that the site was eligible at the time of assessment. Subject of approval by FIPAG, the Consultant can propose specific software for surveys, such as the GeoEnabling Monitoring System (GEMS)<sup>1</sup>, a georeferenced monitoring platform to create forms that can be used during the surveys by the Regional utility's staff and easily reviewed by the IMVA. The World Bank has developed this open source and free platform for such purpose. In this regard, the IMVA will have to train the Regional Utility Staff on the use of GEMS, or other proposed similar software for that purpose.

For validation of social and gender-based households, it should be required a narrative assessment to take place of all the approved properties at the time of assessing their eligibility for a subsidized connection. Wherever possible, it should be supported by a confirmative household declaration issued by a local authority, confirming the vulnerability status of the household. Because in some cases deprived families are excluded because they miss the papers from local authorities,

<sup>1</sup> Links: <https://olc.worldbank.org/system/files/Geo-Enabling%20initiative%20for%20Monitoring%20and%20Supervision%20%28GEMS%29.pdf>  
<https://www.youtube.com/watch?v=s7pyEVGNzMk>

alternatively, it can be used two or three neighbours to act as witness and the team can register names, address and contacts for any verification deemed necessary.

## **2. OBJECTIVE**

It is intended to hire an Individual Consultant for independent technical verification of the implementation of the Output-Based Aid (OBA) of the WASIS-II project in Pemba and Nacala Cities, by FIPAG, which should be preceded by a beneficiary assessment (eligibility criteria study), in order review the eligibility criteria. The consultancy must verify the progress of the OBA meanwhile to assist FIPAG in order to ensure the compliance of the respective OBA indicators as established in Section VIII of the Project Document (RESULTS FRAMEWORK AND MONITORING – Output-based payment for low income household connections).

The Objective of this verification process is to ensure the eligibility requirements to be elaborated are adhered to, providing assurance towards the component objectives of targeting and expanding access specifically for the poor and to confirm continued service delivery and payment for services regarding these connections for a period of three months.

The OBA program will be implemented in cities and districts where WASISII project is financing water supply intervention, namely in Pemba, Nacala, Tete, Moatize, Beira and Dondo. However, there will be hired three Individual Consultants for that purpose, as per the following:

1. Individual Consultant 1 – to cover Pemba and Nacala;
2. Individual Consultant 2 – to cover Tete and Moatize; and
3. Individual Consultant 3 – to cover Beira and Dondo.

Table 2 below illustrates the quantity of expected subsidized household connections per city. It also shows the schedule in which household connections are expected to take place, including beneficiary assessment and training to the Regional Utility Staff and reports, in light of the progress of the works.

Table 2: Tentative schedule for household connections including household subsidized connections.

WASIS - SCHEDULE FOR HOUSEHOLD CONNECTIONS (HC) & OBA IMPLEMENTATION																															
	Procurement for Consultancies				Procurement of Contractor				Household & Subsidized connections																						
	Designs				Works				DLP																						
CITY / Works	Summary Status	PAD - New HC	Installed HC up to Sep. 2021	Expected subsidized connections	2021				2022				2023				2024					2025									
					1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4							
Pemba (Wellfield, WTP, PS / NW, DC)	-WTP (April 2021 to Oct 2022).	15,000	11,776	4,300																											
	-CD,NW (July 2021 to Oct. 2022).											1	2																		
Nacala (WI, WTP, TM, PS / NW, DC)	-WI, WTP, TM, PS (April 2023 to October 2024)	10,000	6,247	2,900									1	2																	
	-NW,DC (April 2023 to Oct. 2024)																														
Tete and Moatize (TM / Wellfield, WTP, PS / NW, DC)	-TM (Oct. 2021 to Oct. 2022).	20,000	10,298	5,700																											
	-WTP (Aug. 2022 to Feb. 2024).																														
	-DC,NW (Jan. 2023 to Jan. 2023)											1	2																		
Beira and Dondo (Mutua PS / NW / WTP, Dingue-Dingue WI / DC)	-Mutua PS (April 2019 to Nov 2021)	25,000	12,455	7,100																											
	-NW (July 2018 to Oct. 2021)									1	2																				
	-WTP & Dingue-Dingue WI (Dec 2021 to Sep 2023).																														
	-DC (July 2022 to July 2023)																														
Total		70,000	40,776	20,000	<div>1 Beneficiary Assesemnt</div> <div>2 Methodology refinement and Training</div> <div>Quarterly Output Verification Reports (OVR)</div> <div>Completion report</div>																				Project Closing Date (October 2024)						
Proportion of Subsidized Connections				29%																											



**For this specific TOR, the assignment focus in the implementation of the OBA program in the cities of Pemba and Nacala.**

After hiring the three Individual Consultants, they will be called together to harmonize their methodology as per the scope of the assignment bellow, subject of approval by FIPAG.

### **3. CONSULTANT'S KEY RESPONSIBILITY**

After the beneficiary assessment phase which will inform the eligibility criteria and potential eligible beneficiaries, the Consultant responsibility is to, on a monthly basis, verify the Reimbursement Claim submitted by each Utility per area to FIPAG for payment. The first verification of the households that received connections is to confirm if they qualify for the subsidy and to confirm the amount payable, based on 70% of the subsidy amount, by FIPAG to the applicable Utility. A second verification shall be done for all households for which the 70% subsidy had been approved. If the connection is still functional the final 30% of the subsidy shall be certified for payment, but it should be noted that even if the household did not pay some of his accounts/invoices over the three-month period and the supply was stopped by the operator, the connection will still be eligible for the last 30% payment.

### **4. DETAILED SCOPE OF THE ASSIGNMENT**

This component will be built upon the successful experience of the recently closed GPOBA project (P104945) in Maputo, which supported about 30,000 subsidized connections in peri-urban areas.

Although GPOBA Project it was elaborated an Implementation Manual for the subsidized connections (ANNEX 1), which is the basis for the implementation subsidized connection under WASIS II. However, the Consultant will be requested to review and adjust the Implementation Manual to fit the current implementation environment of WASIS-II project.

The consultant (IMVA) is also invited to appreciate the ANNEX – 2: implementation completion report, 2015, by the independent evaluation group – World Bank.

The scope of Services is divided into three complementary phases for cities of Pemba and Nacala:

- i. Phase I: Beneficiary assessment for OBA. Among other things, at this stage the IMVA shall perform a beneficiary assessment, to study the beneficiary capacity to sustain the services after installation of a subsidized connection. Under this phase, the IMVA is requested to review and further elaborate on beneficiary eligibility criteria for subsidized connections, to be approved by FIPAG before implementation. This task should be based on experiences through GPBA and Greater Maputo Projects, from which the Consultant should use as basis and propose improvements.
- ii. Phase II: Implementation methodology preparation (pre-audit). The consultant is expected to prepare the methodology implementation guide to be carried out by the Client towards the implementation of the OBA. Under this phase the Consultant shall prepare a methodological report (indicating the implementation approach, detailed implementation methods, potential risks, proposed schedule, etc). This task should be

based on experiences through GPBA and Greater Maputo Projects, from which the Consultant should use as basis and propose improvements.

- iii. Phase III: Implementation of the OBA (audit). Among others, at this stage the IMVA must methodically and systematically monitor and document (monitoring and issue compliance measures) the progress of the Client's achievement of OBA targets towards compliance with the projects targets. Meanwhile, the IMVA must issue compliance measures for non-conformities found along the implementation of the OBA.

As there will be hired three Consultants for each region namely Pemba and Nacala; Tete and Moatize; and Beira and Dondo, the three consultant must coordinate their work with emphasis on the first two phases of the scope of services (beneficiary assessment and implementation methodology preparation). The three Consultant will be required to agree on the proposed methodologies and tools to communicate among themselves, with the ultimate objective of easing their work.

The performance of technical and management verification, monitoring and compliance, stemming from the preparatory phase should include, but not limited to the following main activities and tasks, to be performed by the IMVA:

- a) Phase I: Perform a beneficiary assessment for eligibility for the OBA implementation:
- Conduct a documental analysis to categorize low-income, according to the FIPAG objectives and principles of the OBA program.
  - Conduct a field survey to assess the low-income beneficiary's capacity, which are most likely to be benefitted by a subsidized connection program. The location of low-income beneficiary will be facilitated by FIPAG Operational Areas, to indicate the most low-income areas or informal settlements. A GPOBA field survey questionnaire for identification of low-income beneficiaries can be found in the GPOBA Implementation Manual attached. The consultant shall adjust it to the current environment and purposes were needed. The survey should categorize the low-income beneficiaries in two groups: i) the ones most likely to sustain the water provision services after a subsidized connection; and ii) others least likely to sustain the service, even after a subsidized connection. The consultant should explore in consultation with the last group, alternatives to maintain them on the pool of eligible beneficiaries for OBA program. Those alternatives should look into technical, institutional and commercial arrangements needed to sustain the least group into FIPAG's pool of users.
  - Review and further elaborate on beneficiary eligibility criteria for subsidized connections, which should be informed by the beneficiary assessment.
  - At this stage, an effective involvement and interaction with AURA (Water Regulatory Authority) is recommended and relevant to gather the available data in this subject and achieve the study's results.
- b) Phase II: Review and adjust the work methodology, including collection, analysis and data validation and results, based on experience from GPOBA Project (OBA implementation manual).
- Present the proposed work methodology to the technical team designated by FIPAG.
  - The proposed work methodology should include the evidence validation system, documental analysis and preliminary thoughts from interviews with public managers, partners and other interested parties, such as FIPAG headquarters, FIPAG Operational Areas, AURA, Municipalities, other entities deemed relevant for the assignment at the preparatory phase.
  - The IMVA shall submit a proposal for the reporting template, using as a reference standards acceptable to the Bank, to be previously discussed and approved by the Client.
  - Conduct training to the Client.

- After the Client's approval of the IMVA methodological proposal, the Consultant shall present and conduct a training plan for the Client. The training plan should, among other things, reflect the methodology for identification and validation of the beneficiaries of the OBA, build evidence database of identification, validation, connections and post-connection auditing; and
- The training should take place at FIPAG environment.
- Conduct/review the baseline survey of the beneficiaries for the Output-based payment for low income household connections, after approval of the eligibility criteria by FIPAG, as a starting point for tracking the OBA implementation.
- Assess the potential risks subject to hamper the implementation and sustainability of the Output-based payment for low income household connections, taking into account that are expected subsidized house connections with continuous water services for three months.
- Propose a simplified system (Excel spreadsheets, Access or other software proposed by the IMVA, such the GEMS Software suggested above, for georeferenced beneficiary houses/households and have georeferenced pictures taken an appropriate software for such purpose should be adopted) for storing/querying, processing and viewing the progress of OBA, to be implemented by the IMAA on-the-job-training regime with the Client for its appropriation.

c) Phase III: Implementation of the OBA (audit).

- Capture, document and compile the progress of the OBA, including primary and secondary data and pre-condition processes that contribute to the realization of the OBA;
- Conduct field visits to the previously selected (at the beneficiary assessment phase) low-income beneficiaries to verify progress towards achieving the goals, complementing and cross-checking the information with the teams responsible for the subsidized house connections.
- The IMVA will have to visit all OBA beneficiaries as a certification condition through which the Regional Utilities can claim the output-based payment at FIPAG with auditing evidences (Quarterly Output Verification Report by the IMVA). Recommend an action plan for the registered “non-compliance”, in order to improve the next steps and reach the compliance of each OBA.
- Prepare the final report, using as a basis the documents related to the WASIS-II, supervision missions carried out, minutes meeting and periodic reports of the OBA implementation.

## **5. REPORTS / OUTPUTS**

In order to carry out the OBA activities, the IMVA shall produce the following progress reports:

- a) Inception report;
- b) Beneficiary assessment report;
- c) OBA methodological implementation report;
- d) Quarterly Output Verification Reports (OVR); and
- e) Completion report.

### **5.1. Inception Report**

The inception report shall address the Consultant’s general methodology and tentative work plan for preliminary conduction and management of the three phases of the consultancy. It should acknowledge past experiences of OBA implementation and bring some highlights to be taken into account. Detailed methodological reports will be prepared for specific phases.

## 5.2. Beneficiary Assessment Report

To be prepared after approval of the inception report and field survey of beneficiaries' capacity for eligibility of the OBA program. The report should provide information on, but no limited to:

- Potential universe for OBA beneficiaries and location
- Socio-economic profile of potential beneficiaries
- Actual status of beneficiaries in terms of water supply services (have they been connected, actual water source, level of water supply service affordability, willing to pay for the services, etc.)

## 5.3. Quarterly Output Verification Report (OVR)

To be prepared together with the certified payment request from the Utility on a quarterly basis. The deadlines for submission of reports, comments and approval are indicated in the Table 3.

The quarterly progress report / OVR must but not limited to, include the following information:

- Evidence on the targets achievement, with respective dates;
- Challenges for target achievement; and
- Recommendations/action plan for risky targets, so they can still be achieved within the deadlines.

The analysis contained in each monthly progress report must combine quantitative and qualitative methods, and the IMVA shall analyze statistical data, technical and financial information within the scope of the OBA. The quarterly progress report should explore continuously the views of the involved actors in the implementation of the OBA program, so whatever change or unforeseen risk can be discussed precociously.

All the reports must be produced and submitted to the Client in English language. The electronic version of spreadsheets must allow access to their content, with the appropriate formulas and links between spreadsheets that generated the results in editable format.

Once received, the reports will be submitted for review by the Client's technical team and the World Bank for comments. The deadlines for submission of reports, comments and approval are indicated in the Table 3.

## 5.4. Completion Report

The IMVA document outputs made by the Regional Utilities and the compiled Project Completion Report to be prepared per Utility including major findings and recommendations. Lessons learned should be derived in the report, so it can inform future initiatives, in terms of its relevance, efficacy, efficiency, consistency and sustainability. The required outputs are summarized in table 3 below.

Table 3: Deadlines for submission of reports by the IMVA and approval by the Client.

Product	Submission by the IMVA	Client and WB Feedback	Approval by the Client
Inception report	Within 20 days after commencement	Within 20 days after submission to the Client	Within 10 days after submission of the revised version by the Consultant
Beneficiary assessment report	Within 90 days after inception report	Within 20 days after submission to the	Within 15 days after submission of the revised

	submission	Client	version by the Consultant
OBA Methodological implementation report and Training	Within 30 days after submission of the Beneficiary assessment report	Within 20 days after submission to the Client	Within 15 days after submission of the revised version by the Consultant
Quarterly Output Verification Reports (OVR)	Within 15 days after the end of each quarter	Within 20 days after submission to the Client	Within 15 days after submission of the revised version by the Consultant
Final report of the consultancy	Within 30 days after the end of the OBA program	Within 20 days after submission to the Client	Within 20 days after submission of the revised version by the Consultant

The IMVA is expected to visit the Regional Utility areas to audit the subsidized connection in last month (30 days) of each Quarter, then presenting a QOVR 15 days after the end of the respective quarter.

Each QOVM report approved by the Client, depending on the target achieved, will be used by the World Bank as a proof of compliance with the targets agreed for the OBA program, having an impact on the amount to be claimed by the Regional Utilities and disbursed by FIPAG.

### 5.5. Duration of Works, Connections to Audit and Level of Effort

The OBA implementation (subsidized connections installation) in the Cities of Pemba and Nacala is expected to start in later 2022 and the period of engagement is estimated to be until October 2024, but can be revised pro rata for a longer or shorter implementation period if required and agreed by both parties. However, prior phases of beneficiary assessment and methodology design / training is expected to take place two quarters before the installation of subsidized connections.

In summary, the assignment duration is as follow:

- For Pemba, the total assignment duration is estimated in 8 quarters, from October 2022 to October 2024.
- For Nacala, the total assignment duration is estimated in 7 quarters, from January 2023 to October 2024.

While Table 2 above, shows a tentative schedule for household connections including household subsidized connections, Table 4 below indicates the days that the IMVA is expected to work, across the phases of the Consultancy (Beneficiary Assessment I, Review and adjust methodology II and Implementation III).

Table 4: Estimate time (days) for IMVA's work across all project phases.

Place	Working Days for Inception	Working Days for Beneficiary Assessment	Working Days for Review method & Training	Days of working on auditing and Reports				Completion report	Total of Working Days
				Time for achieving OBA targets connections		Days per Quarter for audit & QOVR	Sub-total of Working Days		
				In years	In quarters				
Pemba	20	90	30	1.75	6 <sup>a</sup>	45*	270	30	440
Nacala	20	60	30	1.5	5 <sup>a</sup>	45*	225	30	365

a - Time expected for the connections including subsidized connections (OBA). Additional two quarters will precede the connections for preparation works (Beneficiary assessment and methodology review and training).

\* - 30 days for field audit & 15 days for report writing, summing up 45 days.

## 5.5 Payments

Payments shall be made on the basis of agreed Lump Sums for each completed milestone of the assignment. The relative milestone payments in proportion to the total sum for the assignment are given below in Table 5:

Table 5: Payment Schedule

Milestone (after Approval/ Acceptance by the Client)	Qty	Percentage of Lump Sum	Milestone Schedule
<b>For Pemba</b>	<b>440</b>	<b>days</b>	
Inception report	1	10.0%	Within 20 days after commencement
Beneficiary assessment report	1	5.0%	Within 90 days after inception report submission
OBA Methodological implementation report	1	2.5%	Within 30 days after submission of the Beneficiary assessment report
Quarterly Output Verification Reports (OVR)	6x5%	30.0%	Within 15 days after the end of each quarter, preceded by 30 day of field audit.
Final report of the consultancy	1	2.5%	Within 30 days after the end of the OBA program
<b>Subtotal</b>		<b>50.0%</b>	
<b>For Nacala</b>	<b>365</b>	<b>days</b>	
Inception report	1	10.0%	Within 20 days after commencement
Beneficiary assessment report	1	5.0%	Within 90 days after inception report submission
OBA Methodological implementation report	1	2.5%	Within 30 days after submission of the Beneficiary assessment report
Quarterly Output Verification Reports (OVR)	5x6%	30.0%	Within 15 days after the end of each quarter, preceded by 30 day of field audit.
Final report of the consultancy	1	2.5%	Within 30 days after the end of the OBA program
<b>Subtotal</b>		<b>50.0%</b>	
<b>Total</b>		<b>100.0%</b>	

## 6. REPORTING AND CONSULTANCY MANAGEMENT

The IMVA will report formally to FIPAG's Director General, Mr Victor Tauacale, or his designated representative and liaise with the Director of Central Services of Project and Investments and his designated representative and counterpart.

The IMVA reports shall be to the Director of Central Services for Projects and Investments (SCPI) of FIPAG. FIPAG headquarters will appoint a technical team to monitor the consultancy, which will include Central Services for Operations (SCO), Regional Utilities (Operational Areas) and AURA representative, under the direction of the SCPI Director and secretariat by the Department of Project and Investment.

The IMVA's access to FIPAG to carry out the work, from data capture, field monitoring, interviews, will be facilitated by the members of the technical team.

The IMVA's summary/statistical reports will be integrated into the Global Project Progress Report, compiled by the SCPI.

All documents, stemming from contract management, progress reports of the OBA should be channeled to the SCPI and will subsequently be forwarded to the technical team.

The IMVA must participate in meetings with the technical team responsible and FIPAG's management level and whenever there is a need for clarification and provision of information. The IMVA will be invited to participate in specific sessions of the World Bank Oversight Mission to present and discuss his products.

The IMVA activities that require face-to-face access to servers (digital file) or consultation of documents that cannot be copied or physically removed, must be carried out at the headquarters or location defined by the representative of FIPAG during normal office hours.

All other reports shall first be submitted in draft form for review and comments. When all of the Client's and Financiers comments have been attended to the Client's satisfaction, three hard copies of the final reports will be delivered to the client together with two complete electronic versions on a pen-drive (USB), one in the PDF format for possible reproduction to interested parties or the public and two in the MS Word for text and MS Excel.

All documents, correspondence, instructions, communications, etc. related to the assignment shall be in English and/or translated to Portuguese where required.

## **7. VERIFICATION AND CONSULTANT PAYMENT CONDITIONS**

The IMVA Consultant shall use the Utilities' request for payment document as base to identify the households that received the connections in order to monitor and verify if they had met the qualification criteria to be refunded by the Utility. The Utility shall clearly identify each household give the applicable GPS coordinates, indicate on which basis the property was classified as Eligible and attach the applicable photo. All this information must be monitored and verified. The IMVA shall also monitor and verify those connections that were approved previously for (70%) payment and had been successfully operated for a period of three (3) months. It should be noted that even if the household did not pay some of his accounts over the three month period and the supply was stopped by the operator, the connection will still be eligible for the last 30% payment.

The Contract will be an equal monthly lump sum payment over the Project period, based on the Verification Component and subject to timely delivery of acceptable Output Verification Report and Semi-Annual Report. The final Invoice will be linked to the delivery of an accepted Final Report. All payments will be subject to local Withholding Tax to be paid by FIPAG.

An actual list of payments will be included when the ToR is used for each different Utility and the duration of the service is known.

## **8. QUALIFICATIONS AND RESOURCE REQUIREMENTS**

### **8.1. Consultants Qualifications**

The consultant shall have at least 10 years' experience in monitoring and evaluation of pro-poor projects, being five years of experience on water supply will be an advantage. Experience of OBA projects and Community participation in technical projects will also be an advantage.

The Consultant should hold a qualified degree in Engineering, Economics, Environment, Statistics, or Social Sciences. It should be noted that the most important qualification is the experience on

subsidized assessment or implementation program for low income people, in light of a public or private service provision.

The Consultant should demonstrate experience and knowledge on socioeconomic analysis, for social profile mapping of the low income people.

Inputs required for the verification will be according to subsidized connections estimated demand.

## **8.2. Facilities and Equipment provided by the Client.**

There will be no assistance from the Client and the Consultant should include for his own accommodation, transportation and all other operational costs as part of his financial proposal.

The financial proposal of the IMVA should be organized per city and should include at least the following elements:

- Fees;
- Reimbursable (air ticket, local transport, accommodation, communication, consumable; other local costs deemed necessary for the success of the activity); and
- Subcontracting for surveys and data processing, etc.

## **8.3. Form of Procurement and the Contract**

The Consultant will be selected using the Individual Consultant Selection method in accordance with the procedures set out in the World Bank's Procurement Regulations for IPF Borrowers November 2020, which can be found at the following website: [www.worldbank.org](http://www.worldbank.org).

This is an individual consultancy. However, taking into account the complex scope, the Consultant can present in his proposal, and duly justified, assistants to better address the objectives set on the ToRs.

The Contract will be the Standard World Bank Lump Sum Contract.

*FIPAG, Maputo, \_\_\_\_ December 2021*

## **9. ANNEXES FOR REFERENCE**

- 9.1.** ANNEX – 1: Project Implementation Manual of the Global Partnership on Output based Aid Project (**GPOBA**), 2007-2014 – Similar OBA Initiative.
- 9.2.** ANNEX – 2: Implementation Completion Report of the GPOBA Project 2015, elaborated by the Independent Evaluation Group – World Bank.