

PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. A project preparatory technical assistance (PPTA) is needed to: (i) assess the current status of the transport sector; (ii) analyze the operational effectiveness and efficiency of the Ministry of Infrastructure Development (MID) and other stakeholders including transport system owners and operators and the public; and (iii) identify required actions to improve the national transport systems. An ensuing program to be assessed and developed by the PPTA is expected to produce benefits for populations in rural and urban areas through facilitating the establishment of an improved transport sector capacity required to sustain improved mobility and accessibility to socioeconomic opportunities through achieving key policy reform actions focusing on strengthening transport sector development, finance investments, and providing comprehensive technical assistance for implementation.

B. Major Outputs and Activities

2. The PPTA will carry out required assessments and due diligence, including all economic, financial, technical, governance, social and poverty, and safeguards. The major outputs and activities are summarized in Table A4.1.

Table A4.1: Summary of Major Outputs and Activities

Major Activities	Expected Completion Date	Major Outputs	Expected Completion Date
Submission of inception report	7 February 2014	Sector analysis and governance and institutional analysis	21 March 2014
Submission of assessment report of program applicability	28 March 2014	Institutional arrangement plan	24 March 2014
Submission of program/project design report	30 May 2014	Proposed Policy matrix and the results of due diligence	30 May 2014
Submission of draft final report	27 June 2014		
Submission of final report	11 July 2014		

Source: Asian Development Bank.

C. Cost Estimate and Proposed Financing Arrangement

3. The PPTA is estimated to cost \$450,500 equivalent, of which \$400,000 equivalent will be financed on a grant basis by Asian Development Bank (ADB's) Technical Assistance Special Fund (TASF-IV). The government will provide counterpart support in the form of counterpart staff, office space and administrative support, logistics, local transport, and other in-kind contributions. The detailed cost estimate is presented in Table A4.2. Disbursement under the PPTA will be made in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). Procurement of equipment, if any, will be done in line with ADB's Procurement Guidelines (2013 as amended from time to time) and the equipment will be turned over to the EA at the time of PPTA closure.

Table A4.2: Cost Estimates and Financing Plan
(\$'000)

Item	Total Cost
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (14.5 person-months)	335.5
b. International and local travel	33.1
c. Reports and communications	2.0
2. Equipment (computer, printer, etc.) ^b	2.0
3. Workshops, training, seminars, and conferences ^c	
a. Facilitators	2.5
4. Surveys	2.5
5. Miscellaneous administration and support costs	2.0
6. Contingencies	20.4
Sub-total	400.0

Note: The total cost of the PPTA amounts to an equivalent of \$450,500, of which contributions from ADB's TASF-IV are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office space and administrative support, logistics, local transport and other in-kind contributions whose value is estimated to account for 11.2% of the total cost.

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-IV).

^b Equipment

Type	Quantity	Cost
Printer, fax, copier	1	\$2,000

^c Workshops, training, seminars, and conferences

Purpose	Venue
Stakeholder workshops (2 workshops)	Ministry of Infrastructure Development
Community consultations (3 meetings)	Villages

Source: Asian Development Bank.

D. Consulting Services

4. The PPTA will finance the services of 6 international consultants for a maximum total period of 14.5 person-months for: (i) transport sector assessment and stakeholder analysis to consider the applicability of program modality; (ii) program design through identification of required actions to improve the national transport system, and (iii) institutional analysis of MID and a central project implementation unit (CPIU) and other stakeholders to identify required actions for strengthening implementation capacity. About 5 months of intermittent counterpart staff services will be provided by the executing agency (EA). Individual consultants will be recruited in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time).

Table A4.3: Summary of Consulting Services Requirement

International Positions	Person-Months Required
Transport Specialist and Team Leader	5.0
Economist	2.5
Financial Specialist	2.0
Institutional Specialist	2.0
Environmental Specialist	1.5
Social, Gender and Poverty Specialist	1.5

Source: Asian Development Bank.

5. The outline terms of reference for the PPTA consultants are described in paras. 6 to 11.
6. **Transport Specialist and Team Leader** (international, 5.0 person-months). The consultant will assess transport sector, design and manage the detailed work program for all aspects of the PPTA, supervise and/or conduct the required analyses and consultations and workshops, and develop recommendations and an action plan. He/she will have (i) an advanced degree in transport planning and/or engineering or other related fields; (ii) experience in designing and analyzing more than 5 relevant development transport projects; and (iii) relevant work experience in Pacific developing member countries (DMCs) or similar environments.
7. **Economist** (international, 2.5 person-months). The specialist will conduct economic analysis of the overall program to determine the acceptability of the overall program in terms of economic efficiency and sustainability required by ADB. He/she will have (i) an advanced degree in economics or closely related fields; (ii) experience in designing and analyzing more than 5 relevant transport development projects; and (iii) relevant work experience in Pacific DMCs or similar environments.
8. **Financial Specialist** (international, 2.0 person-months). The specialist will assess financial practices in CPIU, MID, and other key functions (e.g., National Transport Fund (NTF) Board and Ministry of Finance and Treasury (MOFT)) to update country's risk assessment in line with the Second Governance and Anticorruption Action Plan¹ to evaluate public financial management, procurement and corruption matters, consider the applicability of the program modality, suggest improvements in financial practices, and conduct a financial due diligence exercise required by ADB. He/she will have (i) an advanced degree in financial management or closely related fields; (ii) experience in designing and analyzing more than 3 relevant transport development projects; and (iii) relevant work experience in Pacific DMCs or similar environments.
9. **Institutional Specialist** (international, 2.0 person-months). The specialist will assess the existing institutional capacity (e.g., procurement, disbursement, decision making process) of CPIU, MID, and other key functions (e.g., NTF Board, MOFT, and the private sector) to assess the applicability of the program modality, suggest improvements in the institutional arrangements and policy actions required for the program modality. He/she will have (i) a tertiary degree in social sciences, (ii) experience in designing and analyzing more than 3 relevant transport development projects, and (iii) relevant work experience in Pacific DMCs or similar environments.
10. **Environmental Specialist** (international, 1.5 person-months). The specialist will review ongoing practices including the ongoing technical assistance (TA),² analyze environmental risks associated with program intervention, and prepare a suitable environmental assessment and review framework (EARF) for the ensuing project/program. This will include updating the existing EARF for the Transport Sector Development Project (TSDP)³ and integrating suggested improvements and guidelines prepared under the TA. He/she will have (i) a tertiary degree in environmental engineering or a closely related field, (ii) experience in designing and analyzing

¹ ADB. 2006. *Second Governance and Anticorruption Action Plan*. Manila.

² ADB. 2012. *Technical Assistance to Solomon Islands for Strengthening Country Safeguards System in the Transport Sector*. Manila (TA 8217-SOL).

³ ADB. 2010. *Report and Recommendation of the President to the Board of Directors: Proposed Grant and Administration of Technical Assistance Grant to Solomon Islands for the Transport Sector Development Project*. Manila (Grant 0243-SOL)

more than 3 relevant transport development projects, and (iii) relevant work experience in Pacific DMCs or similar environments.

11. **Social, Gender and Poverty Specialist** (international, 1.5 person-months). The specialist will assess potential social, gender and poverty issues in the country, review ongoing practices including TSDP, analyze social, gender and poverty risks associated with program intervention, and suggest practical improvements such as development of a framework of a gender action plan and a checklist of social and poverty issues. He/she will have (i) a tertiary degree in social sciences, (ii) experience in designing and analyzing more than 3 relevant transport development projects, and (iii) relevant work experience in Pacific DMCs or similar environments.

E. Implementation Arrangements

12. The EA will be the MID. The consultants will work together with MID staff. The EA will provide in-kind contributions through the provision of full time counterpart staff, office space and administrative support, logistics, and local transport. Regular tripartite (MID, ADB and consultants) meetings will be held to ensure coordination.

13. Consultants will be provided all necessary information by the government and ADB.

14. The proposed PPTA processing and implementation schedule is listed in Table A4.4.

Table A4.4: Technical Assistance Processing and Implementation Schedule

Major Milestones	Expected Completion Date
Commencement	24 January 2014
Submission of inception report	7 February 2014
Submission of assessment report of program applicability	28 March 2014
Submission of program/project design report	30 May 2014
Submission of final report	11 July 2014
Completion	11 July 2014

Source: Asian Development Bank.