

PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. The PPTA will review and assess the performance of the secondary education subsector in Viet Nam and identify the challenges, which are a bottleneck of socio-economic growth. The PPTA will help develop a sector development program suitable for ADB financing in terms of technical, financial, economic, institutional, and safeguard dimensions.

B. Major Outputs and Activities

2. The objective of the PPTA is for ADB to agree with the Government of Viet Nam on a project design that will help achieve the better quality education services by 2030 through the policy and performance review of the education/secondary education sector, the mid-term budget and expenditure review, and technical, economic, financial, and social due diligence. The PPTA will produce the inception reports, mid-term report, the Project Outline, the draft TA final report, Feasibility Study report, the TA final report, due diligence reports, and the draft Project Administration Manual. The major outputs and activities are summarized in Table A3.1.

Table A3.1: Summary of Major Outputs and Activities

Major Activities	Expected Completion Date	Major Outputs	Expected Completion Date
A. Inception Mission	November 2014	Inception Report	
B. Midterm Review (PO Appraisal)	May 2015	Midterm report/Final PO	
C. Loan and FS fact-finding/Due Diligence including FMA/FS Report Appraisal	July 2015	Draft TA final report, draft FS report, draft due diligence reports, IPSA, and draft GEMAP	
D. Final Review	November 2015	Final report, finalized FS report, draft PAM, draft RRP and linked documents, FMA, Detailed Cost Estimates	

FMA = Financial Management Assessment, FS = feasibility study, GEMAP = gender and ethnic minority action plan, IPSA = Initial Poverty and Social Analysis, PAM = project administration manual, PO = project outline. TA = technical assistance.

Source: Asian Development Bank.

C. Cost Estimate and Proposed Financing Arrangement

3. The TA is estimated to cost \$1,100,000 equivalent, of which \$1,000,000 equivalent will be financed on a grant basis by the Japan Fund for Poverty Reduction, and administered by ADB. The government will provide counterpart support in the form counterpart staff, office and housing accommodation, office supplies, secretarial assistance, domestic transportation, provision of office space, communication facilities for consultants, and other in-kind contributions. The detailed cost estimate is presented in Table A3.2. ADB's Technical Assistant Disbursement Handbook 2012 will be applied for the financial management of the TA.

Table A3.2: Cost Estimates and Financing Plan
(\$'000)

Item	Total Cost
A. Japan Fund for Poverty Reduction ^a	
1. Consultants	

Item	Total Cost
a. Remuneration and per diem	
i. International consultants (23 person-months)	580.0
ii. National consultants (34 person-months)	62.0
b. International and local travel	45.0
c. Reports and communications	15.0
2. Equipment ^b	25.0
3. Workshops, local training, seminars, and conferences ^c	100.0
4. Surveys ^d	70.0
5. Miscellaneous administration and support costs ^e	15.0
6. Representative for contract negotiations	3.0
7. Contingencies	85.0
Subtotal (A)	1,000.0
 B. Government Financing ^f	
1. Office accommodation and transport	50.0
2. Remuneration and per diem of counterpart staff	30.0
3. Others	20.0
Subtotal (B)	100.0
Total	1,100.0

^a Financed by the Japan Fund for Poverty Reduction. This amount also includes ADB's administration fee, audit costs, bank charges, and a provision for foreign exchange fluctuations (if any), to the extent that these items are not covered by the interest and investment income earned on this grant, or any additional grant from the Government of Viet Nam.

^b Equipment

Type	Quantity	Cost (\$)
Desktop Computers	5	7,500
Notebook Computers	4	8,000
Photo Copier/Printer	1	5,500
Fax machine with scanner	1	1,000
Audio Projector	1	2,000
Screen	1	1,000

^c Workshops, training, seminars, and conferences

Purpose	Venue
3 Project Milestone Workshops (Inception, Midterm, Final)	60,000
1 Policy Consultation Workshop	20,000
1 National Consultation Workshop on Government's Project Detailed Outlines	10,000
1 National Consultation Workshop on Government's Feasibility Study Report	10,000

^d Includes costs for field survey to be conducted by the consulting firm.

^e Includes costs of consumption items.

Source: Asian Development Bank estimates.

D. Consulting Services

4. ADB will finance 57 person-months (pm) of consulting services including (i) 6 international consultants totaling 23 pm; and 6 national consultants totaling 34 pm for the TA. An international firm will be engaged to provide the international and national consultants in accordance with Guidelines on the Use of Consultants by ADB and its Borrowers (2013, as amended from time to time). The selection and engagement of the international firm will be done through quality-and cost-based selection (QCBS) using simplified technical proposal. The QCBS weighting will follow the standard quality-cost ratio of 80:20. Consulting services are summarized at Table A3.3 below, and the outline terms of reference for the project preparatory TA consultants are described in paragraphs 5 to 12.

Table A3.3: Summary of Consulting Services Requirement

Positions	Person-Months Required
International	
Team Leader / Education Policy Planning and Administration	9
Education Quality Assessment and Control	4
Education Economist / Financial Analyst	3
Procurement Specialist	3
Pro-poor Secondary Education	2
Gender and Ethnic Minority	2
National	
National Team Leader / Education Policy Planning and Administration	11
Education Quality Assessment and Control	6
Education Economist / Financial Analyst	5
Procurement Specialist	5
Pro-poor Secondary Education	4
Gender and Ethnic Minority Specialist	3

Source: Asian Development Bank staff estimate.

5. **Team Leader/Education Policy Planning and Administration** (international–9pm, national–11pm). The consultant should have (i) an understanding of the policy framework and targets for secondary education in Viet Nam; (ii) strong management and analytical skills needed to design a feasible and high quality project; (iii) experience in education policy planning and administration including human resource management and quality assurance of schooling, preferably in both developed and developing countries; (iv) good communication and coordination skills required for a participatory approach to project design involving local authorities and donor coordination/co-financing; and (v) a degree in education or other relevant fields from an internationally recognized university. As a team leader, the consultant will have overall responsibility for planning and implementing the TA, and will be primarily responsible for preparing all the required reports.

6. The specialist's tasks will include, but not be limited to, the following:
- (i) Preparing, in formats satisfactory to the Government and ADB, the inception report, the mid-term report, the draft TA final report, the TA final report, the Project Outline (PO), and the Feasibility Study (FS) report, and the investment report for the Second Secondary Education Sector Development Program (SESDP II) composing a policy reform matrix and a feasibility study report with detailed cost tables for the investment project;
 - (ii) Developing an overall work plan and a participation strategy with major stakeholders, including the counterparts at the national, provincial, district, and school levels, as well as other donor partners;
 - (iii) Proposing monitoring measurement and indicators for the projected impact of the proposed project on subsector performance and poverty reduction;
 - (iv) Assessing the training needs of the local counterparts and organizing workshops for participatory project design and dissemination;
 - (v) Overseeing the preparation of cost estimates for the proposed loan project based on project components in close collaboration with the Executing Agency, relevant ministries and agencies;
 - (vi) Analyzing the constraints and challenges encountered in implementing past and ongoing official development assistance (ODA) projects and proposing remedial measures;

- (vii) Recommending appropriate loan covenants for compliance with timely project implementation;
- (viii) Preparing the draft implementation plan for the proposed project; and
- (ix) Reviewing the Government's regulations and decrees on nonpublic schools in order to improve accreditation, encourage greater private investment and ensure good quality performance.

7. All the reporting requirements (including those from the national consultants) in formats satisfactory to ADB and the Government (Inception report, draft interim report, interim report, draft TA final report, TA final report, draft PO, PO, draft FS report and FS report) are the responsibility of the international team leader.

8. **Education Quality Assessment and Control** (international–4pm, national–6pm). The specialist should have (i) in-depth understanding of Viet Nam's secondary education system and of international practices for developing teaching, curriculum, textbooks, and instructional materials; (ii) experiencing and knowledge of national testing and evaluation of student learning outcomes; and (iii) a degree in education or other relevant fields from an internationally recognized university. The education quality and management improvement specialist/team leader will be responsible for the following tasks: (i) overall coordination of the team; (ii) technical review of the feasibility studies of the proposed project; (iii) sector review; (iv) education policy study; (v) development of various project documents including donor matrix, implementation schedule, staff development plan, organizational chart; stakeholder consultations; capacity development plan for the executing agency (EA); (vi) development of baseline survey and monitoring and evaluation indicators; (vii) study of international experiences with Public and Private Partnership (PPP) models in the secondary education sector both for construction and maintenance of education facilities and delivery of secondary education services and assessment of potential implication of PPP model for USE subsector in Viet Nam; (viii) development of recommendation for appropriate loan covenants for compliance; (ix) helping the PMU organize the PPTA workshops; (x) reviewing past/secondary ongoing curriculum revision facilitated by MOET; and (xi) reviewing quality of teacher training provided by the teacher training universities and prepare recommendations for improvement.

9. **Education Economist/Financial Analyst** (international–3pm, national–5pm). The specialist should have an advanced degree in finance, economics or related field with extensive experience (8–10 years minimum) in education sector and fiduciary assessments. The specialist's tasks will include the following, but not limited to (i) prepare a financial management capacity assessment; (ii) review the government's income and expenditure for secondary education and budgeting policy, procedure, system and capacity for sustainable and effective budget allocation; (iii) undertake fiduciary risk assessment of government mechanisms for fund releases, cash flow managements, financial reporting, internal control, including delineation and mapping of responsibilities between central, provincial government levels for financial management of loan proceeds; (iv) assess the capacity of concerned government agencies for internal control, staffing requirements and skills, accounting hardware, software and training needs; (v) assess the capacity of external auditors to provide timely report in accepted auditing standards; (vi) design a fund flow mechanism and identify appropriate ADB disbursement procedures for the ensuing project based on an assessment of EA/Implementing Agency's capacity, (vii) review the financing plan for the investment component; (viii) assess the likelihood that counterpart funds and/or co-financing will be available; (ix) complete a projection of forward incremental recurrent costs and assess the impact of incremental recurrent costs on the budget of the MOET; (x) identify financial risks; and (xi) prepare summary and detailed cost tables for the Project.

10. **Procurement Specialist** (international–3pm, national–5pm). The specialist should have extensive experience in procurement in education and related projects, as well as good knowledge of Excel. The specialist's tasks will include the following, but not limited to: (i) prepare procurement plan and procurement capacity assessment of the EA in accordance with ADB Procurement Guidelines (2013, as amended from time to time); (ii) help the EA prepare a plan prior to loan negotiations covering the whole implementation period of procurement activities; (iii) review the inputs and outputs of civil works components in target regions of the past and ongoing ADB-funded projects and identify the constraints and challenges in procurement operations in disadvantaged regions; (iv) collect data and analyze cost norms for civil works and equipment procurement; and (v) prepare a realistic schedule and cost estimates for design, supervision, inspection, and maintenance of proposed civil works.

11. **Pro-poor Education Specialist** (international–2pm, national–4pm). The specialist should have (i) in-depth understanding of Viet Nam's secondary education system, (ii) general knowledge of national education policies and programs, and (iii) substantial experience in assignments related to the extension of the access to secondary education for poor people. The specialist's tasks will include, but not limited to, the following: (i) conducting research and providing assessments on existing barriers for poor people in accessing education, (ii) identifying potential difficulties in encouraging poor people to go to school, (iii) proposing activities to attract parent's attention to the impacts of education as well as the community's potential involvement in helping poor people to access secondary education.

12. **Gender and Ethnic Minority Specialist** (international–2pm, national–3pm). The specialist should have (i) in-depth understanding of the socioeconomic status of ethnic minority groups and of gender issues in Viet Nam; and (ii) a degree in sociology, anthropology, gender studies, or other relevant fields from an internationally recognized university. The specialist's tasks will include the following, but not limited to (i) prepare profiles of the project-affected communities in the project sites in terms of household sizes, demographic trends, income sources and levels, occupations, socio-economic conditions as gender and ethnic minority group profiles; (ii) identify the disadvantaged groups as the project beneficiaries; (iii) undertake an initial poverty and social analysis and assess a prospective social impact of the proposed loan project in accordance with *Guidelines for Incorporation of Social Dimensions in ADB Operations*; (iv) identify challenges and constrains in secondary education in the disadvantaged areas and propose suitable measures for mitigation; (v) develop procedures to assess and a gender action plan based on ADB's *Policy on Gender and Development* for the Project if necessary; (vi) assess the number of indigenous people and their socioeconomic status using ADB's checklist and Indigenous People Impact Categorization Form, and develop a short indigenous people's development plan based on ADB's *Policy on Indigenous People and on Gender and Development*, if necessary; (vii) ensuring that GEN project category threshold requirements are satisfied vis-à-vis current guidelines for Gender Mainstreaming Categories; (viii) elaborating the gender issues identified in the IPSA; (ix) collecting the baseline; and (x) developing the specific gender design elements.

E. Implementation Arrangements

13. **Project Management.** MOET will be the EA and will provide the counterpart support including a qualified TA project manager and project staff acceptable to ADB. The Project Management Unit (PMU) will be established in MOET. The equipment to be procured under the PPTA will be turned over to the EA upon the PPTA completion.

14. **Financial Management.** Disbursements will be done in accordance with ADB's Technical Assistance Disbursement Handbook (2012, as amended from time to time), as amended from time to time). The Government was advised that approval of the TA does not commit ADB to financing any ensuring loan.

15. The proposed TA processing and implementation schedule is listed in Table A3.4.

Table A3.4: Technical Assistance Processing and Implementation Schedule

Major Milestones	Expected Completion Date
Reconnaissance Mission	November 2013
VP concept clearance and PPTA approval	June 2014
Midterm Review/PO Appraisal	May 2015
FS Appraisal/TA Final Review/Loan Fact-Finding	November 2015
FS Approval	February 2016
TA Account Closure	April 2016

Source: Asian Development Bank staff estimate.

16. **Implementation Period and Reporting Requirements.** The Project will be prepared in three phases over 13 months, tentatively from September 2014 to October 2015. The first phase will be 6 months. In month 6, the interim workshop will be organized to discuss and obtain consensus on the basic design and scope of the Project and present the draft PDO. A tripartite meeting is scheduled in the middle of month 5 based on the final PDO and draft FS report. The second phase will be from month 7 to month 10 during TA implementation. Selected national consultants will help PMU collect additional data, finalize cost-tables, and incorporate the inter-ministerial comments to finalize the FS report. In the third phase, the appraisal workshop for the FS report will be organized jointly by the Government and ADB in month 11. The revised FS will be approved by the Government in month 13.