

Project Administration Manual

Project Number: 47320
Grant Number: GXXXX
October 2015

Samoa: Samoa Submarine Cable Project

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Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with Government and Asian Development Bank (ADB) policies and procedures. The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Ministry of Finance, the Samoa Submarine Cable Company, the Office of the Regulator and the Ministry of Health are wholly responsible for the implementation of ADB financed projects, as agreed jointly between the borrower and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by the Ministry of Finance, the Samoa Submarine Cable Company, the Office of the Regulator and the Ministry of Health of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At Grant Negotiations the borrower and ADB shall agree to the PAM and ensure consistency with the Grant agreement. Such agreement shall be reflected in the minutes of the Grant Negotiations. In the event of any discrepancy or contradiction between the PAM and the Grant Agreement, the provisions of the Grant Agreement shall prevail.

After ADB Board approval of the project's report and recommendations of the President (RRP) changes in implementation arrangements are subject to agreement and approval pursuant to relevant Government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval they will be subsequently incorporated in the PAM.

Abbreviations

ADB	=	Asian Development Bank
ADF	=	Asian Development Fund
DMF	=	design and monitoring framework
EIA	=	environmental impact assessment
EMP	=	environmental management plan
ICB	=	international competitive bidding
ICT	=	Information communication technology
IEE	=	initial environmental examination
IRU	=	Indefeasible rights of use
LIB	=	limited international bidding
MCIT	=	Ministry of Communications and Information Technology
MOF	=	Ministry of Finance
MOH	=	Ministry of Health
MOU	=	Memorandum of understanding
OOTR	=	Office of the Regulator
PAM	=	project administration manual
PFM	=	public financial management
PMU	=	project management unit
PRIF	=	Pacific Regional Infrastructure Facility
PSC	=	project steering committee
RAO	=	reference access offer
RRP	=	report and recommendation of the President to the Board
SBD	=	standard bidding documents
SCCN	=	Southern Cross cable network
SCS	=	Submarine cable system
SPS	=	Safeguard Policy Statement
SPRSS	=	summary poverty reduction and social strategy
SSCC	=	Samoa Submarine Cable Company
TA	=	technical assistance
TOR	=	terms of reference
WHO	=	World Health Organization

I. PROJECT DESCRIPTION

1. Under the proposed project, the Asian Development Bank (ADB), the World Bank and the Government of Australia will support the development and operation of a submarine fiber optic communication cable system linking Samoa to Fiji where an existing international submarine cable network will provide onward cost-effective access to the rest of the world. The proposed project will also support reforms to strengthen the regulatory and legal environment for the information and communication technology (ICT) sector, and facilitate investments in e-health solutions.¹

2. The impact of the project is universal access to reliable and affordable ICT services. The outcome of the project is quality broadband services available at an affordable price and used for enhancing e-health.

3. Output 1 is the establishment of the SSCC, a special-purpose vehicle to procure, own, and operate the cable system; and it will be the sole wholesaler of the cable capacity to the retail service providers. The SSCC will be a limited liability company, with local shareholding comprising existing ICT service providers and three state-owned enterprises: the Samoa National Provident Fund, the Unit Trust of Samoa, and the Samoa Life Assurance Corporation. The Government of Samoa will onlend the grants from the financiers to the SSCC. The government will retain strategic control of the asset through covenants in the subsidiary agreement relating to dividend and capacity pricing policies as well as its consent to any major decisions that may impact the availability and affordability of capacity.

4. Output 2 is the construction and efficient operation of the SCS. This will comprise (i) the design, supply, and installation of the SCS to connect Samoa to Fiji; and (ii) construction of landing stations, terrestrial cable placement, and ancillary equipment in Upolu and Savai'i, and system connections in Suva. In Fiji, the cable will use an existing landing station where the Samoa cable is connected to the Southern Cross Cable Network.

5. Output 3 is an improved legal and regulatory environment for ICT. The proposed activities will deepen the regulatory capacity of the OOTR by (i) reviewing and developing effective regulation for the ICT sector with a focus on the wholesale market; (ii) establishing wholesale tariffs, including price and nonprice terms for access to all international fiber-optic bandwidth services; (iii) procuring spectrum management monitoring equipment; (iv) training the OOTR staff; and (v) conducting a nationwide consumer survey on the benefits of ICT and examining possible differences across demographic groups, including gender.

6. Output 4 supports investments in e-health solutions through a health information system. Activities include (i) validating the needs of the health sector and clearly defining the requirements for the system; (ii) conducting technical and financial due diligence; (iii) procuring the integrated health information system components; (iv) installing and configuring the system's hardware and software components; (v) connecting to all users; (vi) migrating data sets from existing systems and other sources; (vii) ensuring effective operations through comprehensive testing; and (viii) conducting training for users and system administrators.

¹ ADB provided technical assistance, complementing preparatory activities by the World Bank and the Government of Samoa (ADB. 2013. *Pacific Information and Communications Technology Investment Planning and Capacity Development Facility*. Manila).

II. IMPLEMENTATION PLANS

A. Project Readiness Activities

Indicative Activities	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Responsibility
Establish project implementation arrangements	X									GOS, ADB, WB
WB Board approval		X								WB
Obtain Cabinet approval of SSCC structure ^b					X					Cabinet, PSC
ADB SRM					X					ADB
ADB grant negotiation					X					GOS, ADB
Advance contracting for SCS ^a						X				MOF, MCIT, PMT, WB, ADB
Sign MOU collaborative arrangements (ADB – World Bank)						X				WB, ADB
ADB Board approval							X		X	ADB
Grant signing								X	X	ADB, GOS
Government legal opinion provided								X		AG
Grant effectiveness									X	ADB

ADB = Asian Development Bank; AG = Attorney General; GOS = Government of Samoa; MOU = memorandum of understanding, PMT = project management team; PSC = project steering committee; SCS = submarine cable system, SSCC = Samoa Submarine Cable Company, WB = World Bank.

^a Advance contracting approved as per Memo approved on 6 July 2015.

^b Finalize structure, secure equity financing, incorporation, appoint Board of Directors, hire CEO.

Source: ADB estimates.

B. Overall Project Implementation Plan

Indicative Activities	2015		2016				2017				2018				2019				
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
A. DMF																			
Output 1: Special purpose vehicle – the Samoa Submarine Cable Company (SSCC) – to operate and manage the SCS established																			
Activity 1.1: Obtain Cabinet approval of structure	■																		
Activity 1.2: Finalize incorporation of the SSCC		■																	
Activity 1.3: Appoint board of directors		■																	
Activity 1.4: Hire CEO and other staff		■																	
Output 2: SCS established and efficiently operated																			
Activity 2.1: The government to prepare and issue bid documents	■	■																	
Activity 2.2: The government, World Bank and ADB to review bids	■	■																	
Activity 2.3 Award contracts			■																
Activity 2.4: Carry out marine survey and complete marine operations for laying cables				■	■														
Activity 2.5: Install terminal equipment						■													
Activity 2.6: Equip cable landing systems with necessary cross-connected facilities for their customers						■	■												
Activity 2.7: Put in place appropriate cable repair and maintenance agreement before completion of cable lay							■												
Activity 2.8: Commissioning, provisional acceptance and ready for service								■	■										
Activity 2.9: Train SSCC staff on landing facility operation and maintenance and update skills and knowledge periodically									■	■									
Activity 2.10: Final acceptance										■									
Activity 2.11: Continue regular monitoring and supervision											■	■	■	■	■	■	■	■	■
Output 3: Legal and regulatory environment improved																			
Activity 3.1: Review and develop effective regulation for the sector with particular focus on wholesale markets		■	■	■	■	■													

Activity 3.2: Establish wholesale tariffs, including price and nonprice terms for access to all international fiber-optic bandwidth services in Samoa																			
Activity 3.3: Carry out a nationwide consumer survey to understand the benefits of ICT																			
Activity 3.4: Procure spectrum management monitoring equipment																			
Activity 3.5: Develop capacity of OOTR staff																			
Output 4: Investments in e-health solutions																			
Activity 4.1: Validate the needs of the health sector and clearly define the requirements for the proposed system																			
Activity 4.2: Conduct technical and financial due diligence																			
Activity 4.3: Procure selected integrated health information system components																			
Activity 4.4: Install and configure the system's hardware and software components																			
Activity 4.5: Ensure connection to all users																			
Activity 4.6: Migrate data sets from existing systems and other sources																			
Activity 4.7: Ensure proper operations in production stage through comprehensive testing routines																			
Activity 4.8: Conduct necessary training for users and system administrators																			
Activity 4.9: Carry out regular monitoring																			
Management Activities																			
Tender, award and manage contracts																			
Provide timely progress reports																			
Carry out regular accounting and annual audits																			
Follow up safeguards issues and risk management plan in a timely manner																			
Inception Mission																			
Annual/Mid-term Review																			
Project Completion Report																			

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations – Roles and Responsibilities

Project implementation Management Roles and Responsibilities organizations

- | | |
|--|--|
| <ul style="list-style-type: none">➤ Ministry of Finance (MOF) | <ul style="list-style-type: none">➤ Responsible for the overall execution and management of the project;➤ Oversee financial management of the Project;➤ Submit appropriate withdrawal applications and annual audit reports;➤ Implement Output 2(a) (before SSCC is established and in operation).➤ Facilitate preparation of bidding documents➤ Lead bidding process;➤ Supervise technical project team; and➤ Implement Output 1 |
| <ul style="list-style-type: none">➤ Project management unit | <ul style="list-style-type: none">➤ Support day-to-day operation of the project;➤ Track, update and monitor the status of relevant activities;➤ Manage contracts;➤ Validate financial claims;➤ Manage accounts and produce financial statements;➤ Monitor progress against implementation plan; and➤ Provide regular project progress reports to the PSC via the EA. |
| <ul style="list-style-type: none">➤ Project Steering Committee | <ul style="list-style-type: none">➤ Provide project oversight for outputs 1 to 3 in accordance with Cabinet Decision FK(14)11. |
| <ul style="list-style-type: none">➤ E-Health Project Working Committee | <ul style="list-style-type: none">➤ Provide oversight for output 4 in accordance with Cabinet Decision FK(14)40 |
| <ul style="list-style-type: none">➤ Ministry of Communications and Information Technology (MCIT) | <ul style="list-style-type: none">➤ Support MOF/SSCC in facilitating the preparation of bidding documents, managing the bidding process and evaluation of bids;➤ Obtain the necessary landing permits and operating licenses in Fiji and Samoa; and➤ Support MOF/SSCC in supervising the project team. |
| <ul style="list-style-type: none">➤ Samoa Submarine Cable Company (SSCC) | <ul style="list-style-type: none">➤ Implement and manage Output 2➤ Finalize bidding process and sign contract;➤ Implement, manage and operate the submarine cable system;➤ Provide wholesale internet to local service providers following Samoa telecom regulations; and➤ Operate and maintain the system. |

Project implementation Management Roles and Responsibilities organizations

- | | |
|--|--|
| ➤ Planning and Urban Management Unit (Ministry of Natural Resources and Environment) | ➤ Monitor and report environment and safeguard related recommendations. |
| ➤ Office of the Regulator (OOTR) | ➤ Implement and manage output 3
➤ Supervise team of consultants providing capacity building;
➤ Liaise with MOF to manage procurement of technical equipment;
➤ Assist IA in obtaining necessary permits and licensing; and
➤ Process to approve reference access offer (RAO) from SSCC once established. |
| ➤ Ministry of Health (MOH) | ➤ Implement and manage output 4 – support investments in health e-solutions;
➤ Liaise with MOF to manage procurement of necessary equipment and consulting services for component 4; and
➤ Provide progress reports to MOF for compilation of project report for the e-Health committee and ADB. |
| ➤ Project management support (output 4) | ➤ Collaborate with WHO TA to validate needs assessment of health sector and requirements for health information system;
➤ Support MOH in procuring system;
➤ Support MOH is preparing progress reports. |
| ➤ ADB and World Bank | ➤ Facilitate implementation and review progress on a regular basis. |
-

B. Key Persons Involved in Implementation

Executing Agency

Ministry of Finance

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Mission Leader

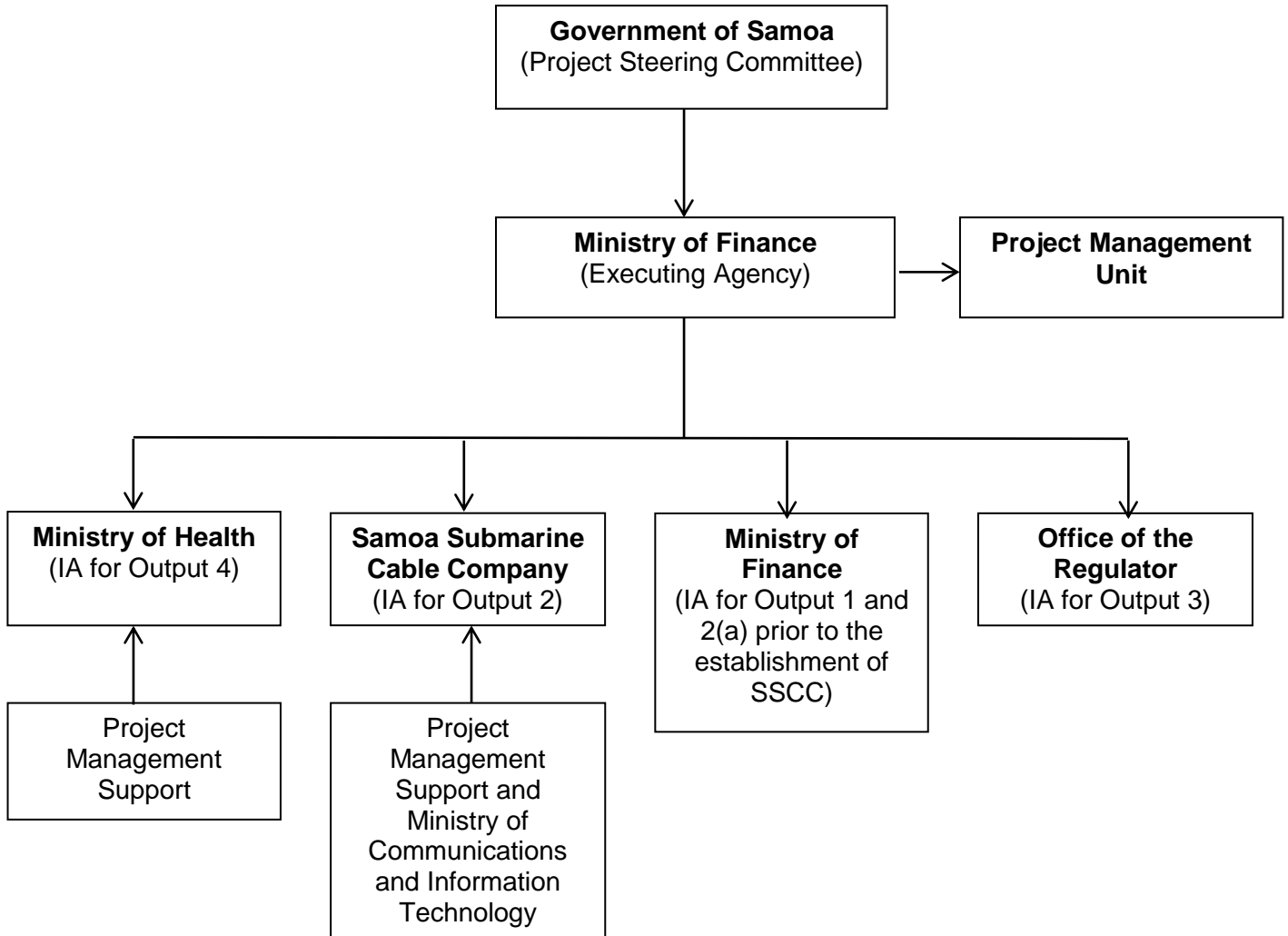
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C. Project Organization Structure



IA = implementing agency
 SSCC = Samoa Submarine Cable Company

D. Ownership, Governance and Management of Samoa Submarine Cable Company

7. SSCC will be a limited liability Samoan registered company which will own and operate the new submarine cable and related assets on a commercial basis. Apart from the Board and chief executive officer, the company will have one or two permanent staff while finance, IT and technical support functions will be outsourced. MOF will submit an independent appraisal of the SSCC structure prior to its establishment. Once SSCC is established, the World Bank will conduct a fiduciary assessment (financial management and procurement) before entering a Project Agreement with SSCC. Based on the World Bank assessment, ADB will also enter into a similar Project Agreement with SSCC.

8. Equity investment in the company will be sourced entirely from Samoan companies, including existing telecommunications operators and other parties such as unit trust, provident fund, insurance, and superannuation organizations. It is intended that telecommunications operators will hold at least 50% of the available equity. This is to ensure that the board of SSCC when making strategic decisions will be likely to strike a balance between providing an attractive dividend while maintaining the core objective of an ongoing reduction in the cost of broadband internet in Samoa.

9. The Government of Samoa, being the recipient of the World Bank, ADB and Government of Australia grant financing, will onlend the funds to the SSCC at a concessional rate of 1.0% over 30 years with a 7-year grace period.² A review after the 7-year grace period will assess whether SSCC can sustain principal repayments while maintaining low wholesale prices of capacity, in line with the project's objectives. If not sustainable, SSCC can apply for a price subsidy through the annual budget.³ The subsidiary loan agreement between the Government and SSCC will provide for a level of strategic control by the government over SSCC. These covenants will require SSCC to comply with the agreed dividend and capacity pricing policies, and to obtain the prior consent of the Government before making major decisions, which could impact on the accessibility and affordability of capacity.

10. Access to capacity will be offered by SSCC on a fair and equitable basis to any licensed operator. Sales and services will be overseen by the OOTR who will ensure the cost offered by SSCC is cost-based and consistent with the company's primary objective.

IV. COSTS AND FINANCING

11. The total cost of the project is \$57.41 million including taxes and duties. The project costs consist of:

- (i) Establishment of the SSCC to be financed by SSCC equity;

² Cabinet at its meeting FK(15)31 on 16 September 2015, approved the onlending arrangement, to be formalized in a subsidiary agreement between the Ministry of Finance and SSCC. The draft terms and conditions, which are subject to ADB endorsement, are (i) 1.0% interest; and (ii) 30-year payback period, including a grace period of 7 years. The 1.0% interest payment to government will go towards financing activities to strengthen ICT sector development and regulation. The economic and financial analysis (see linked documents) assumes principal repayments will be paid back to SSCC as price subsidy after the 7-year grace period to maintain low wholesale price of capacity.

³ Government considers a price subsidy essential to facilitate greater uptake of broadband access, including by small and medium enterprises and the wider population thus ensuring its benefits are more broadly spread. It is estimated the subsidy will provide for a 25% reduction on the non-subsidized wholesale bandwidth price. The OOTR will ensure that price subsidy is passed onto consumers through low prices.

- (ii) Design, supply and installation contract for the SCS. ADB and the World Bank will finance this contract. The government will finance taxes and duties;
- (iii) Construction of landing stations at Fagalii, Upolu and Tuasivi, Savaii and purchase of ancillary equipment, to be financed by the Government of Australia and SSCC equity;
- (iv) Indefeasible rights of use (IRUs) from the SCCN and Fiji to be financed by SSCC equity;
- (v) Regulatory technical assistance to support OOTR to be financed by the World Bank;
- (vi) Investments in e-health information solutions to be financed by ADB; and
- (vii) Project management and administration costs to be financed by the World Bank.

12. ADB, the World Bank, the Government of Australia, the Government of Samoa and SSCC investors will finance the project. ADB will provide a grant in the amount of \$25.0 million from the Asian Development Fund country and regional allocations. ADB and the World Bank will enter into a memorandum of understanding (MOU) to set out the implementation, coordination and procurement matters.

13. The World Bank will provide \$16.0 million parallel grant financing from International Development Association resources. The Government of Australia's grant financing of \$1.5 million will be disbursed through a designated trust fund, to be managed by the World Bank.

14. Equity contribution of \$8.18 million is being provided by local investors to SSCC. The Government of Samoa will borne taxes and duties of \$6.73 million.

15. Detailed cost estimates are presented in Tables A, C D and E.

A. Detailed Cost Estimates by Expenditure Category

Item	Total Cost (\$m)	% of Total
A. Investment Costs		
A.1. Samoa-Fiji submarine cable system	29.32	51.07%
a. Route survey	2.30	4.01%
b. Cable material	10.45	18.20%
c. Marine operations	10.47	18.24%
d. Equipment and system	6.10	10.62%
A.2. Landing stations & ancillary equipment	2.48	4.32%
A.3. Southern Cross and Fiji IRUs	5.80	10.10%
A.4. Regulatory TA	1.25	2.18%
A.5. e-health solutions	5.91	10.29%
a. health information system	5.45	9.50%
b. project management support	0.45	0.79%
A.6. Project management and administration	0.75	1.31%
Subtotal (A)	45.51	79.27%
B. SSCC Costs	1.40	2.44%
Subtotal Total Base Cost (A + B)	46.91	81.71%
C. Contingencies	3.77	6.57%
D. Taxes and Duties	6.73	11.73%
Subtotal (C + D)	10.50	18.29%
Total Project Costs (A + B + C + D)	57.41	100.00%

B. Allocation and Withdrawal of Grant Proceeds

ALLOCATION AND WITHDRAWAL OF GRANT PROCEEDS (Samoa Submarine Cable Project)				
Number	Item	Total Amount Allocated for ADB Financing (\$)		Basis for Withdrawal from the Grant Account
		Category	Subcategory	
1	Samoa-Fiji Submarine Cable System	16,520,000		
1A	Route surveys and marine operations**		12,770,000	100.0 percent of total expenditure claimed*
1B	Equipment and system**		3,750,000	61.5 percent of total expenditure claimed*
2	Health Information System	5,454,545		100.0 percent of total expenditure claimed*
3	Project Management Support	454,545		100.0 percent of total expenditure claimed*
4	Unallocated	2,570,910		
	Total	25,000,000		

* Exclusive of taxes and duties imposed within the territory of the Recipient.

** Disbursement subject to meeting the conditions set out in paragraph 5 of the Schedule 2 of the Grant Agreement

C. Detailed Cost Estimates by Financier

Item	Total Cost		ADB Grant (ADF)		World Bank Grant (IDA)		DFAT Grant		SSCC Equity		Gov. of Samoa	
	(\$m)	(%)	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Output 1 - Establishment of a SPV (SSCC)	0.75	1%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.75	100.0%	0.0	0.0%
Output 2 - Investment costs												
2.a. Samoa-Fiji submarine cable system	29.32	51%	16.52	56.3%	12.8	43.7%	0.0	0.0%	0.0	0.0%	0.0	0.0%
2.a.i. Route survey	2.3	5%	2.3	100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
2.a.ii. Cable material	10.45	5%	0.0	0.0%	10.45	100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
2.a.iii. Marine operations	10.47	5%	10.47	100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
2.a.iv. Equipment and system	6.1	5%	3.75	61.5%	2.35	38.5%	0.0	0.0%	0.0	0.0%	0.0	0.0%
2.b. Landing stations & ancillary equipment	2.48	5%	0.0	0.0%	0.0	0.0%	1.5	60.5%	0.98	39.5%	0.0	0.0%
2.c. Additional SSCC capital and management expenses	0.65	5%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.65	100.0%	0.0	0.0%
2.d. Southern Cross and Fiji IRUs	5.8	5%	0.0	0.0%	0.0	0.0%	0.0	0.0%	5.8	100.0%	0.0	0.0%
Subtotal (Component 2)	38.25	67%	16.52	43.2%	12.8	33.5%	1.5	3.9%	7.43	19.4%	0.0	0.0%
Output 3 - Regulatory TA	1.25	2%	0.0	0.0%	1.25	100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Output 4 – e-health solutions												
4.a. Health information management system	5.45	10%	5.45	100%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
4.b. Project management support ^a	0.45	1%	0.45	100%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Subtotal (Component 4)	5.91	10%	5.91	100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Other costs												
Project management and administration	0.75	1%	0.0	0.0%	0.75	100.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Contingencies (Component 2(a) and 4.)	3.77	7%	2.57	68.2%	1.2	31.8%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Taxes and Duties (excluding 2(d))	6.73	12%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	6.73	100.0%
Subtotal (Other costs)	11.25	20%	2.57	22.8%	1.95	17.3%	0.0	0.0%	0.0	0.0%	6.73	59.8%
Total Project Costs (Outputs 1 + 2 + 3 + 4 + Other costs)	57.41	100%	25.0	43.5%	16.0	27.9%	1.5	2.6%	8.18	14.2%	6.73	
% Total Project Costs	100%		43.5%		27.9%		2.6%		14.2%		11.7%	

^a consulting firm to provide project implementation support to the Ministry of Health to implement output 4 in collaboration with WHO TA.

D. Detailed Cost Estimates by Outputs

	Item	\$ million
A. Base Cost^a		
	Output 1 – Establishment of special purpose vehicle – Samoa Submarine Cable Company	0.75
	Output 2 – Establishment and efficient operation of the submarine cable system	38.25
	Output 3 – Improved legal and regulatory environment	1.25
	Output 4 – Investments in e-health solutions	5.90
	Subtotal (A)	46.15
B. Project management and administration		0.75
C. Contingencies^b		3.77
D. Taxes and Duties		6.73
	Total Project Costs (A+B+C+D)	57.41

^a includes taxes and duties of \$6.73 million to be financed from government resources

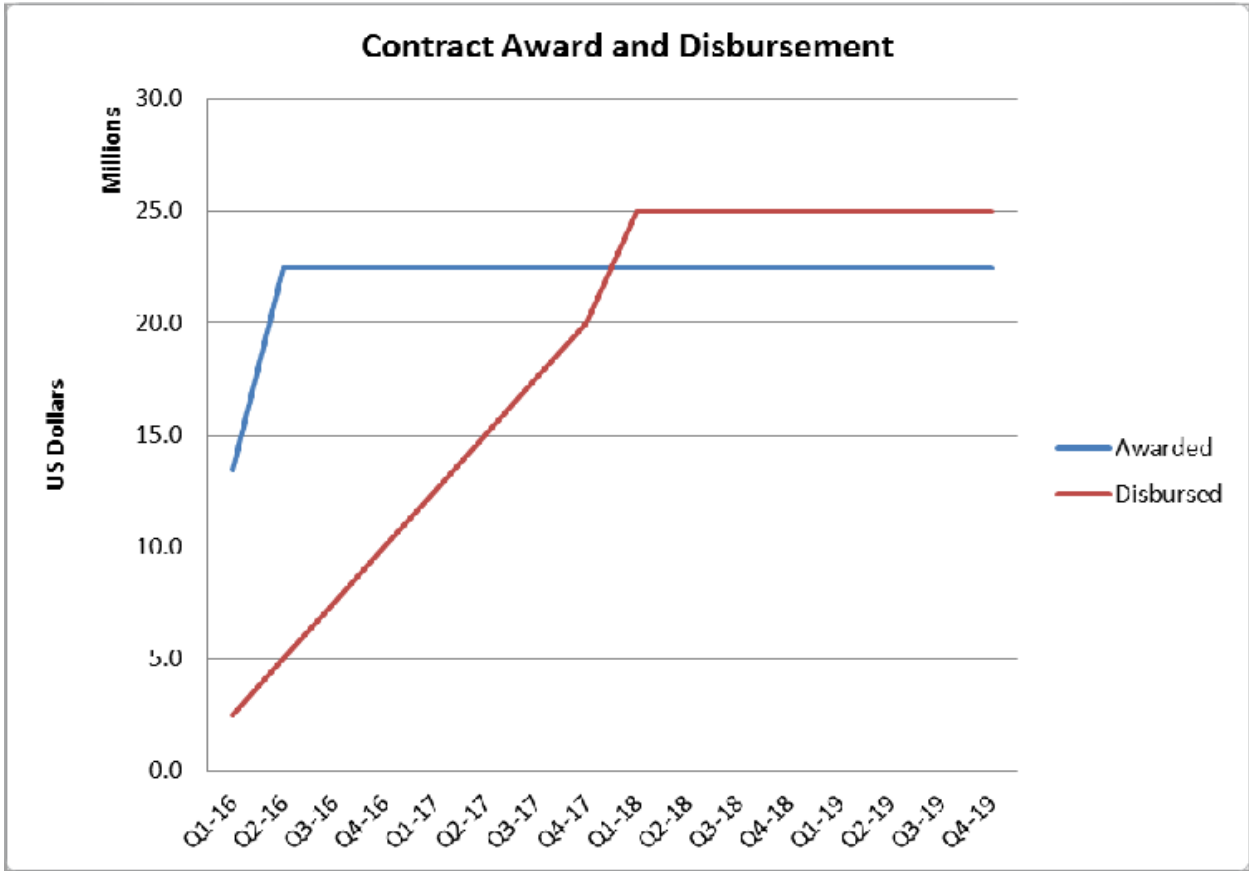
^b Physical contingencies computed at 11% for the submarine cable system (output 2), including World Bank contingencies of \$1.2 million; and 10% for e-health solutions (output 4)

E. Detailed Cost Estimates by Year

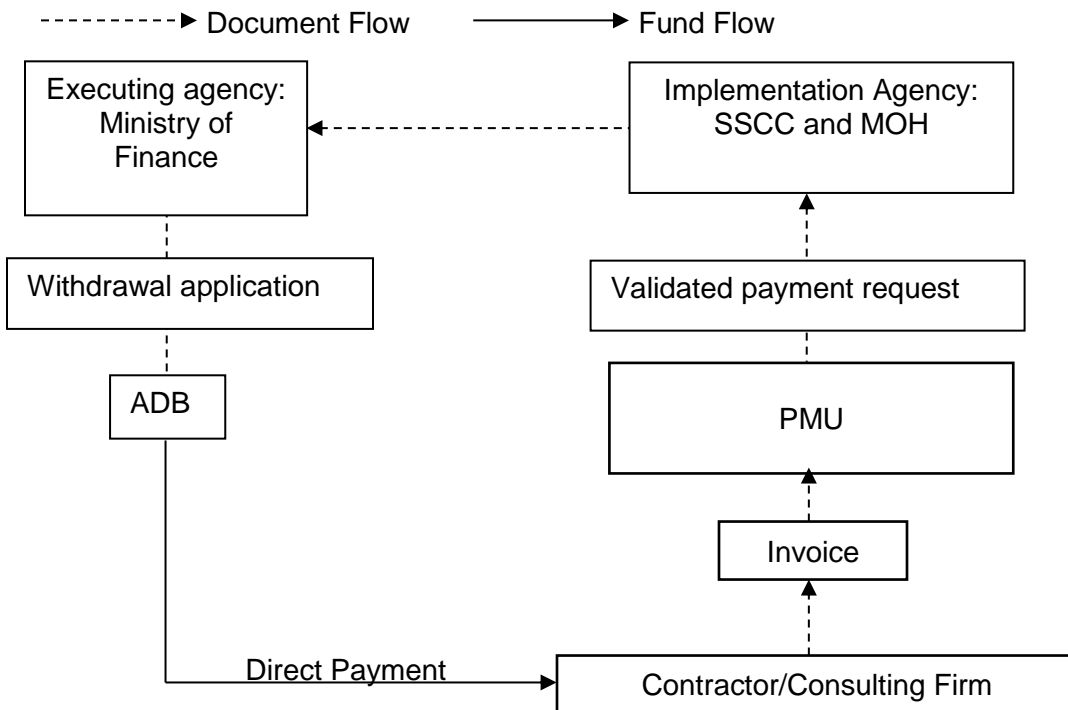
Item	Total (\$m)	ADB (\$m)	2016	2017	2018	2019
Output 1 - Establishment of a SPV (SSCC)	0.75					
Output 2 - Investment costs						
2.a. Samoa-Fiji submarine cable system	29.32	16.52	7.44	9.08		
2.a.i. Route survey	2.32	2.32	1.05	1.27		
2.a.ii. Cable material	10.45					
2.a.iii. Marine operations	10.47	10.47	4.71	5.76		
2.a.iv. Equipment and system	6.1	3.75	1.69	2.07		
2.b. Landing stations & ancillary equipment	2.48					
2.c. Additional SSCC capital and management expenses						
2.d. Southern Cross and Fiji IRUs	5.8					
Subtotal (Component 2)	38.25	16.52	7.44	9.08		
Output 3 - Regulatory TA (OTR)	1.25					
Output 4 – e-health solutions						
4.a. Health information management systems	5.45	5.45	2.18	2.18	1.09	
4.a. Project management support ^a	0.45	0.45	0.18	0.18	0.09	
Subtotal (Component 4)	5.90	5.90	2.36	2.36	1.18	
Other costs						
Project management and administration	0.75					
Contingencies (Component 2.a. and 4.)	3.77	2.57	1.17	1.41		
Taxes and Duties (excluding 2.d.)	6.73					
Subtotal (Other costs)	11.25	2.57	1.17	1.41		
Total Project Costs (Outputs 1 + 2 + 3 + 4 + Other costs)	57.41	25.0	10.95	12.86	1.18	
% Total Project Costs	100.0%	44.0%	4.0%	9.0%	2.0%	

^a consulting firm to provide project implementation support to the Ministry of Health to implement output 4 in collaboration with WHO TA.

F. Contract and Disbursement S-curve



G. Fund Flow Diagram



V. FINANCIAL MANAGEMENT

16. Samoa undertook comprehensive reviews of public financial management in April 2010 and December 2014⁴ which identified significant improvements across a number of public expenditure and financial accountability assessment criteria, the latter with technical support from the Pacific Finance Technical Assistance Centre. ADB's latest Samoa country partnership strategy considered Samoa's public financial management system to be robust, in terms of incorporating all revenue and expenditure into government accounts and documenting fiscal risks.

17. A financial management assessment was carried out for the proposed project by the World Bank, in accordance with the *Principles Based Financial Management Practice Manual*, issued by their Board on 1 March 2010. The assessed financial management risk of the project is considered moderate⁵ and ADB will rely on the findings of the World Bank assessment.

18. The Ministry of Finance (MOF) is the proposed executing agency and will be responsible for handling all financial management requirements, under the project. MOF is the executing agency for ADB's ongoing projects in Samoa and is also one of the implementing agencies for the AgriBusiness Support Project.⁶ Also, under the Community Sanitation Project⁷, staff of the Aid Coordination and Debt Management Division within the MOF, are responsible for preparing withdrawal applications and annual financial statements for the project. The staff who handle this work are well-versed with ADB's disbursements and financial reporting and auditing requirements and attended in-country training, which was conducted by ADB in 2012 and 2013.

19. ADB carried out a financial management assessment of the MOF, in accordance with ADB's *Guidelines for Financial Management and Analysis of Projects*⁸ and the publication *Financial Due Diligence: A Methodology Note*⁹ under the Samoa AgriBusiness Support Project, which was approved by the Board in June 2014.

20. MOF will be the implementing agency for output 1, and initially for output 2(a). Prior to the establishment and full operation of the SSCC, MOF will facilitate initial project implementation activities in particular, advance contracting for the SCS, until the contract is ready to be signed. Once the SSCC is established and fully operational, and a Board of Directors and chief executive officer appointed, the SSCC will be the implementing agency for output 2 and will sign the contract for the SCS. The OOTR will be the implementing agency for output 3 and the MOH will be the implementing for output 4.

21. When the SSCC is operationalized, the World Bank will undertake a fiduciary assessment (financial management and procurement), before it enters into a Project Agreement with the SSCC. Based on the World Bank's assessment, ADB will also enter into a Project

⁴ Samoa: Public Financial Management Performance Report. Final Report April 2010; Samoa: Public Financial Management Performance Report. Final Report December 2014. Available at: <http://www.mof.gov.ws/AboutUs/PublicFinanceManagementReforms/tabid/6008/Default.aspx>

⁵ Available at <http://documents.worldbank.org/curated/en/2015/06/24585645/samoa-third-phase-pacific-regional-connectivity-program-project>.

⁶ ADB. 2014. *Report and Recommendation of the President to the Board of Directors on a Proposed Grant to the Independent State of Samoa for the Samoa AgriBusiness Support Project*. Manila (G0392-SAM approved on 17 June for \$5,000,000).

⁷ ADB. 2012. *Proposed Grant Assistance to the Independent State of Samoa for the Community Sanitation Project* (Financed by the Japan Fund for Poverty Reduction). Manila (G9166-SAM approved on 31 July for \$2,000,000).

⁸ Available at: <http://www.adb.org/documents/financial-management-and-analysis-projects>.

⁹ Available at: <http://www.adb.org/documents/financial-due-diligence-methodology-note>.

Agreement with the SSCC. A Subsidiary Financing Agreement between MOF and the SSCC will be drawn up and once these three agreements are in place, the SSCC will take over responsibility for the financial management of output 2.

22. The key findings and mitigation proposals of the assessment by the World Bank are summarized in Table 1.

Table 1. Financial Management Assessment – Risks and Mitigation Measures

Type of Risk	Risks Rating	Summary Comments and Risk Mitigation
A. Inherent Risk (risk that arises from environment in which the project is situated)		
Entity Level	Substantial	
MOF will be responsible for the overall financial management of the project but have limited staff.		A suitably-qualified Project Accountant, financed by the Project, will be recruited to prepare withdrawal applications, maintain the project accounts and prepare the project financial statements (by September 2015).
A newly established entity, the SSCC, to oversee construction of the cable and manage its operations.		MOF will submit an independent appraisal of the proposed structure of the SSCC, not later than 6 months after the World Bank's Grant Effective Date. By no later than 12 months after the World Bank's Grant Effective Date, MOF will ensure that the SSCC is established and operational. Once the SSCC is established and operating, the World Bank will undertake a fiduciary assessment (financial management and procurement) before it enters into a Project Agreement with the SSCC.
Project Level	Substantial	
Total Project cost of \$57.41 million, with \$25.0 million of ADB financing. Project complexity arising from several co-financiers.		ADB financing will support components 2a (submarine cable system) and 4 (e-health solutions) and will use direct payment procedure, reducing the complexity in financial management and burden on the executing agency.
OVERALL INHERENT RISK	SUBSTANTIAL	
B. Control Risk (risk that the project's financial management system is inadequate to ensure funds used economically and efficiently for intended purpose)		
Budgeting	Substantial	Given the limited number of activities, a project life budget, broken into fiscal years, will be prepared by MOF with assistance from the Project Accountant. As the Project is implemented and more details become available of the specific consultancies, the budget will be updated. Potential currency fluctuations also need to be monitored through the budget.
Accounting MOF currently uses Finance One accounting software which only records project expenditure under one line.	Moderate	Project accounts will be maintained separately. The Project Accountant will reconcile all project records against MOF's records, as part of the normal monthly reporting. ADB and the World Bank will provide the necessary training to the Project Accountant.
Internal Controls MOF accounting processes ensure authorization and payment processes are clearly segregated.	Moderate	Withdrawal applications will be prepared by the Project Accountant for authorization by MOF (responsible ACEO or CEO). As part of the Government's internal control systems, there is a pre-audit review by the Samoa Audit Office, of all project transactions.
Funds Flow	Moderate	Withdrawal applications will be prepared, with inputs from MCIT, SSCC, MOH and OOTR, by the Project Accountant, for approval by MOF, before they are submitted to ADB and World Bank for payment. Disbursements will be based on a percentage allocation of

		each invoice, to be allocated to each development partner. ADB disbursement will be by direct payment to the contractor. Disbursement arrangements should be set out in the payment schedule of the contractor.
Financial Reporting MOF has experience in managing ADB, World Bank and DFAT funds.	Moderate	Quarterly unaudited interim financial reports will be required for joint review by ADB and the World Bank. The reporting format will be agreed upon by negotiations.
External Audit The Samoa Audit Office has extensive experience in auditing government departments, ADB and World Bank financed projects	Moderate	The Samoa Audit Office will conduct an annual audit of the project accounts and these will be received by ADB and World Bank, within six months of the end of each fiscal year. The Samoa Audit Office is an auditor acceptable to ADB.
OVERALL CONTROL RISK	MODERATE	
OVERALL FM PROJECT RISK	MODERATE	

ACEO – Acting Chief Executive Officer; ADB – Asian Development Bank; CEO – Chief Executive Officer; MCIT – Ministry of Communication and Information Technology; MOF – Ministry of Finance; MOH – Ministry of Health; OoTR – Office of the Regulator; SSCC – Samoa Submarine Cable Company.

a. Disbursement

23. The grant proceeds will be disbursed in accordance with ADB’s *Loan Disbursement Handbook* (2015, as amended from time to time),¹⁰ and detailed arrangements agreed upon between the Government and ADB. Online training for project staff on disbursement policies and procedures is available at: http://wpqr4.adb.org/disbursement_elearning. Project staff are encouraged to avail of this training to help ensure efficient disbursement and fiduciary control.

24. The Government will not have any imprest account for the project as Government has requested ADB to make direct payment to the suppliers or consulting firms. The Government will submit withdrawal applications to ADB, against validated invoices from the suppliers and ADB will directly pay them (subject to minimum WA amount).

25. Direct payment procedure will be used for Works and Goods under component 2(a), in accordance with the terms of the contract for the submarine cable system. The payment schedule in the contract will be structured in accordance with service delivery milestones. Invoices, consistent with delivery milestones, will be provided to enable the disbursement and documentation of the funds. The contractor will issue two invoices per milestone, which should exclude taxes and duties (borne by the government as counterpart contribution). The Ministry of Communications and Information Technology will certify that the works, corresponding to the relevant milestone, have been completed in accordance with the contract terms and other documentation that may be required by ADB and the World Bank specific guidelines, and will forward the invoices together with its certification to MOF.

26. Direct payment procedure will also be used for Works and Goods and consulting services under component 4, in accordance with the terms of the contract for the health information system and project management support. The payment schedule in the contract will be structured in accordance with service delivery milestones. Invoices, consistent with delivery milestones, will be provided to enable the disbursement and documentation of the funds. The contractor will issue invoices per milestone, which should exclude taxes and duties, as these will be separately paid by MOH. MOH will certify that the works, corresponding to the relevant milestone, have been completed in accordance with the contract terms and other documentation that may be required by ADB specific guidelines, and will forward the invoices

¹⁰ Available at: <http://www.adb.org/documents/loan-disbursement-handbook>.

together with its certification to MOF.

27. The MOF will be responsible for (i) preparing disbursement projections, (ii) requesting budgetary allocations for counterpart funds, (iii) collecting supporting documents, (iv) preparing the withdrawal applications for signature by the authorized signatories, and (v) uploading the signed withdrawal applications on ADB's Client Portal for Disbursements System or forwarding hardcopies to ADB, for payment.

28. Before the submission of the first withdrawal application, MOF will submit to ADB, sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the recipient, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is US\$100,000 equivalent. Individual payments below this amount should be paid by the EA/IA and subsequently claimed from ADB through reimbursement, unless otherwise accepted by ADB.

29. No withdrawals shall be made from the Grant Account for any activities under output 2 until the SSCC is established, fully operational and enter into a Project Agreement with ADB.

30. All disbursements under government financing will be carried out in accordance with regulations of the government and prevailing ADB guidelines.

b. Accounting

31. The MOF will maintain separate project accounts and records by funding source for all expenditures incurred on the project. Project accounts will follow international accounting principles and practices or the national equivalent, acceptable to ADB.¹¹

c. Auditing

32. The MOF will (i) prepare the annual financial statements for the project, in accordance with accounting principles acceptable to ADB; (ii) have such financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with international standards for auditing or the national equivalent acceptable to ADB; and (iii) furnish to ADB, not later than 6 months after the end of each related fiscal year, copies of the audited financial statements, audit report and management letter, all in the English language, and other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.

33. The MOF and the SSCC will also cause the entity-level financial statements to be audited annually, as required under statutory or regulatory requirements by independent auditors acceptable to ADB, in accordance with international standards for auditing or the national equivalent acceptable to ADB. The audited entity-level financial statements shall be submitted to ADB annually, for each reporting period, from the date of the SSCC's incorporation until the grant closing date or as agreed for the purpose of the project. These financial statements will be submitted to ADB in the English language, within one month of their approval by the relevant authority.

34. The annual audit report will include an audit management letter and audit opinions which cover (i) whether the project financial statements present a true and fair view or are presented

¹¹ The Government of Samoa uses the International Financial Reporting Standards.

fairly, in all material aspects, in accordance with the applicable financial reporting framework; (ii) whether grant proceeds were used only for the purposes of the project or not; and (iii) the level of compliance for each financial covenant contained in the legal agreements for the project.

35. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

36. The Government and MOF will be made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.¹² ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the recipient) or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing, is used in accordance with ADB's policies and procedures.

37. Public disclosure of the project financial statements, including the audit report on the project financial statements, will be guided by ADB's Public Communications Policy (2011).¹³ After review, ADB will disclose the annual audited financial statements for the project and the opinion of the auditors on the financial statements within 30 days of the date of their receipt, by posting them on ADB's website. The audit management letter will not be disclosed.

VI. PROCUREMENT AND CONSULTING SERVICES

38. The project will require contracts for a submarine cable system and landing stations, contracts for a health information system, and consulting services for regulatory technical assistance and project management support. The procurement plan is presented in Section C.

A. Advance Contracting and Retroactive Financing

39. **Advance contracting.** To expedite project implementation, the government requested advance contracting of the SCS. Advance contracting allows the government to commence procurement activities, prior to signing of the grant agreement but does not allow for the award of contract until grants from all co-financiers have become effective. The steps to be concluded in advance include (i) preparation of bidding documents to procure materials, equipment and services; (ii) receiving bids through limited international bidding; and (iii) evaluation of bids. To ensure consistency with ADB's Procurement Guidelines, bidding documents for such advance contracting were submitted for prior review by ADB. The Government has been informed that

¹² ADB Policy on delayed submission of audited project financial statements:

- When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (i) the audit documents are overdue; and (ii) if they are not received within the next six months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- When audited project financial statements have not been received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement, such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (i) inform the executing agency of ADB's actions; and (ii) advise that the grant may be suspended if the audit documents are not received within the next six months.
- When the audited project financial statements have not been received within 12 months after the due date, ADB may suspend the grant.

¹³ Available at: <http://www.adb.org/documents/pcp-2011>.

approval of advance contracting does not commit ADB to finance the project.

40. **Retroactive financing.** No retroactive financing is envisaged for the submarine cable system contract.

B. Procurement of Goods, Works and Consulting Services

41. All procurement of goods and works for the submarine cable system (output 2(a)) will be undertaken in accordance with ADB's *Procurement Guidelines (April 2015, as amended from time to time)*.

42. An SCS is an integrated system of plant, materials, equipment, civil works, and services. For technical reasons, consideration of economy and efficiency, management risks, and in view of the limited number of suppliers, the SCS is best procured as one contract. The contract will be financed by ADB and the World Bank, using limited international bidding. The borrower will undertake, in its financing agreement with ADB, to conduct all procurement in accordance with ADB's *Procurement Guidelines (2015, as amended from time to time)*. ADB and the World Bank will enter into a memorandum of understanding that sets out detailed collaboration and coordination arrangements in relation to this procurement, and the project more generally. Pursuant to the memorandum of understanding, the World Bank's guidelines and standard bidding documents will be used, but all procurement decisions will be taken by mutual agreement. The World Bank's and ADB's procurement guidelines are largely harmonized, except for references to debarment lists. The final bidding documents will be agreed between ADB, the World Bank, and the government. ADB will be involved throughout the review process and exercise procurement oversight in accordance with its usual procurement procedures and practices to ensure that the procurement is also undertaken in accordance with ADB's *Procurement Guidelines*, and that no company on ADB's sanction list participated in the bidding process and is awarded the contract. The World Bank and ADB will use their best efforts to give effect to the other's eligibility requirements and debarment lists. Furthermore, contracts between the bidder and the borrower will contain a provision permitting the World Bank and/or ADB to inspect the project and to inspect and audit all records and accounts of any bidders, contractors, suppliers, or service providers as they relate to the project in accordance with their respective policies and procedures.

43. If no mutually agreed decision can be reached on any procurement matter, and given that the World Bank is the coordinating and lead financier, the World Bank's decision will prevail. ADB will have the right to take such actions as it reasonably considers necessary to (i) ensure compliance with its procurement and anticorruption policies and related procedures, the terms and conditions of its agreement(s) with the borrower; and (ii) realize the intended development objectives of the project.

44. A blanket waiver by ADB's Board of Directors of member country procurement eligibility restrictions for operations funded by the Asian Development Fund applies to the procurement of the SCS, thereby permitting participation of bidders from non-ADB members and/or procurement of goods and services from non-ADB members.

45. The integrated health information system will include hardware, software, installation costs, testing, and training. The system will be procured as one contract. A consulting firm will be engaged to provide project management support to MOH to implement output 4. Both contracts will be fully financed by ADB, and procurement will be carried out in accordance with ADB's *Procurement Guidelines*, (2015, as amended from time to time) and the firm will be

engaged in accordance with ADB's Guidelines for the Use of Consultants (2013, as amended from time to time).

46. An 18-month procurement plan indicating threshold and review procedures, goods, works, and consulting service contract packages is in Section C.

C. Procurement Plan

Basic Data

Project Name: Samoa Submarine Cable Project	
Project Number: 47320	Approval Number: xxxx
Country: Samoa	Executing Agency: Ministry of Finance
Project Procurement Classification: B	Implementing Agencies: Samoa Submarine Cable Project; Ministry of Health
Procurement Risk: Moderate	
Project Financing Amount: \$57.41 million ADB Financing: \$25.0 million Cofinancing (ADB Administered): n/a Non-ADB Financing: \$32.41 million	Project Closing Date: 31 December 2019
Date of First Procurement Plan: 15 April 2015	Date of this Procurement Plan: xxxx 2015

A. Methods, Thresholds, Review and 18-Month Procurement Plan

1. Procurement and Consulting Methods and Thresholds

47. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding (ICB) for Works (Plant) ^a	≥ \$3.0 million	

^a Including limited international bidding.

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	For consulting firm

2. Goods and Works Contracts Estimated to Cost \$1 Million or More

48. The following table lists goods and works contracts for which the procurement activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Procurement Method	Review [Prior / Post/Post (Sample)]	Bidding Procedure	Advertisement Date (quarter/year)	Comments
1	Main cable system	\$32.5 million	ICB	Prior	1S1E	Q3/2015	Prequalification of bidders: N Domestic Preference Applicable: N Document: Plant (ADB and World Bank financed)
2	Integrated health information system	\$6.0 million	ICB	Prior	1S1E	Q1/2016	Prequalification of bidders: N Domestic Preference Applicable: N Document: Goods

3. Consulting Services Contracts Estimated to Cost \$100,000 or More

49. The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
1	Project management (output 4)	500,000.00	QCBS	Prior	Q1/2016	STP	Assignment: international Quality-Cost Ratio: 90:10

B. Non-ADB Financing

50. The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources.

Goods and Works				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
Supply of Quality standards monitoring hardware for OoTR	250,000	1	S	WB
Supply of QoS software for OoTR	150,000	1	S	WB
Supply of IM software for OoTR	197,000	1	S	WB
Station construction – Apia	2,000,000	1	ICB	SSCC/DFAT
BMH construction – Savaii	100,000	1	NCB	SSCC
Duct route construction – Apia	250,000	1	NCB	SSCC
Duct route construction – Savaii	60,000	1	NCB	SSCC
Establish and condition Savaii and Suva	70,000	1	NCB	SSCC
Consulting Services				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Comments
OoTR training international	210,300	1	QCBS	WB
Project Administration services	250,000	1	IC	WB
Technical implementation advisory services/transactional support	500,000	1	QCBS	WB
TA for OoTR – Establishment of new legal/regulatory framework	725,000	1	QCBS	WB
Development, conduct and analysis of consumer surveys and awareness campaigns	135,000	1	CQS	WB
Capacity building consultants	120,000	1	IC	WB
Technical implementation project management	750,000	1	QCBS	SSCC
Implementation legal advisory services	30,000	1	IC	WB

C. Consultant's Terms of Reference

51. ADB will engage a consulting firm as project management to support implementation of output 4: investments in e-health solutions. The project management team will be responsible for:

- (i) Conducting a full appraisal to clearly define and detail the needs of the health sector to be addressed by a robust health information system;
- (ii) Produce technical requirements for the proposed health information system and conduct necessary technical and financial due diligence;
- (iii) Supporting MOH in managing the procurement process for system;
- (iv) Helping MOH to develop a project workplan;

- (v) Provide technical overview of selected system supplier to ensure that the system is implemented to specifications on time;
- (vi) Process and validate the invoices against milestones;
- (vii) Prepare project status reports;
- (viii) Liaise with Project Accountant and MOF to manage financial transactions and bookkeeping;
- (ix) Help in audit process;
- (x) Provide the e-health project working committee, MOH and other relevant stakeholders with regular and clear project progress reports.

VII. SAFEGUARDS

52. **Environment.** The project is classified category B for environment. Prior to the construction, the environmental management plan, prepared during project preparation will be updated during the marine route survey and detailed design. Any data gaps identified during project preparation will be filled at this time. During the construction and installation phase of the project, the environmental impacts are expected to be site specific and limited to the route of the cable laying, landing sites and landward cable routes. Operation phase impacts will be confined to the land-based cable stations.

53. **Involuntary Resettlement.** The project has been classified category C for involuntary resettlement. The due diligence confirmed that the cable landing sites and stations will be on government land and the cable route will follow existing road corridors. No livelihoods impact or physical displacement is expected.

54. **Indigenous People.** The project is classified category C for indigenous people. The project due diligence confirmed that the project areas comprises Samoa's mainstream population. The project will not impact any distinct and vulnerable indigenous peoples.

55. Cross reference should be made to the environmental safeguards covenants in the Grant Financing Agreement. Pursuant to ADB's Safeguard Policy Statement (2009), ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth in Appendix 5 of the Safeguards Policy Statement. All institutions will ensure that their investments are in compliance with applicable national laws and regulations.

VII. GENDER AND SOCIAL DIMENSIONS

56. As of end-2014, over 95% of the population was covered by mobile networks, while mobile penetration had reached 89% -one of the highest rates of mobile phone coverage and access in the Pacific. However, internet access is lagging significantly, due to high costs and unreliable internet services. This impacts the potential for connectivity to external markets particularly for people in the rural areas involved in micro, small and medium enterprises, including small family-owned tourist operations. The proposed project will indirectly reduce poverty by decreasing communication costs for businesses and individuals, while increasing access to information and services essential for socio-economic development. The project will open up new business opportunities, such as business process outsourcing and web-based services, thus creating employment. Additionally, the project will enhance regional integration and cooperation through expanded network; hence, increasing traffic volume. This encourages trade in goods and services, particularly through improved market access for micro businesses. A spur to the less populated island of Savaii aims to promote social equity in terms of access.

57. The project will help improve the efficiency and effectiveness of private sector activities as well as public services. The project will impact in particular health and education with improved access to information and building on ongoing ICT initiatives like SchoolNet¹⁴ and the Feso'otai Center projects.¹⁵ The aim of the SchoolNet project was to improve the quality of education by providing electronic teaching learning materials to support teacher development and improved student learning outcomes. Although the project has connected 37 secondary schools throughout Samoa with ICT equipment and e-library resources, high interconnection cost and issues with reliable service delivery have also inhibited greater take up of e-learning opportunities. In health, Samoa suffers from a shortage of in-country medical and health expertise. ICT is underutilized in the sector where there is an opportunity to use ICT services for tertiary tele-medical care based on international expertise and knowledge exchange. ICT based processes for remote tertiary care as well as equipment to allow for remote diagnostics, treatment and digital data processing can be made available with improved connectivity. To establish the basic building blocks for ICT usage in the health sector, the project includes a component to facilitate investments in e-health solutions starting with establishment of an integrated health information system aimed at improving patient care.

58. The project is classified as some gender elements. With improved telecommunications, increased availability of access points in communities, and more affordable communication costs, women will have better access for a variety of purposes including for education and health services. In particular, more affordable access to IT services can facilitate women's income generating activities, especially small business development with new business ideas. Under the project, a nationwide consumer survey on the benefits of ICT will ensure to explore possible differences in the use and benefits of ICT services across different demographic groups, particularly between women and men, and develop targeted outreach activities based on the results. Project design elements that ensure women's participation and access to project benefits include requirements for (i) gender equality of participation in the project design and implementation; (ii) equality in Board representation and employment in SSCC; (iii) nationwide consumer survey to produce disaggregated data to inform development of targeted outreach activities for women; and (iv) improved internet services providing new business opportunities and improving existing businesses operated by women.

¹⁴ ADB. 2007. *Schoolnet and Community Access Project (Samoa)*. Manila.

¹⁵ In 2006, the government established 10 Feso'otai telecentres in rural parts of Upolu and Savaii with support from the International Telecommunications Union. The telecentres are operated by women's groups.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Project Design and Monitoring Framework

Impact the Project is Aligned with

Universal access to reliable and affordable ICT services (Strategy for the Development of Samoa 2012–2016)^a

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
<p>Outcome Quality broadband services available at an affordable price and used for enhancing e-health</p>	<p>By 2021:</p> <ul style="list-style-type: none"> a. Wholesale internet bandwidth price decreased to \$300 per Mbps per month (2014 baseline: \$1,500 per Mbps per month) b. Speed performance of fixed-line internet connection has increased by 60% (2014 baseline: to be confirmed) c. Retail prices of internet services decrease to \$19 per Mbps per month for residential users and to \$200 per Mbps per month for businesses (2014 baseline: \$43 and \$630 per Mbps per month) d. Health information system provides timely, complete, and patient-centric data. 	<ul style="list-style-type: none"> a. Internet service price list published by internet service providers b. 'Ping' time at consumer level as measured by tools such as web-based speed tests (e.g., www.speedtest.net) 	<p>Economic shocks reduce the purchasing power of the Samoan public</p> <p>Weaker-than-expected demand for web-based service offerings</p>
<p>Outputs</p> <p>1. Special-purpose vehicle—the SSCC—to operate and manage the SCS established</p> <p>2. SCS established and efficiently</p>	<p>By 2019:</p> <p>1a. The SSCC is operational with a board of directors and CEO selected.</p> <p>2a. The SCS is in place and achieves 99.9% system availability.</p>	<p>1a. Relevant documentation (certificate of incorporation, articles of association, shareholders agreement)</p> <p>2a. Progress report</p> <p>2b. Operational reporting logs</p>	<p>Limited pool of expertise to staff the SSCC</p> <p>Cost overruns in the SCS</p> <p>Inability of the OOTR to</p>

operated	2b. 12 months after the SCS is ready for service, the SSCC's fault-handling time measured by mean time to recovery is equal to the industry standard of 1 hour.		enforce regulations and legislations
3. Legal and regulatory environment improved	3a. Required amendments to ICT regulations and legislations will facilitate the SCS approved. 3b. The OOTR has capacity to regulate and ensure compliance with amended legislations and regulations. 3c. A nationwide consumer survey on ICT benefits was conducted with attention to gender differences.	3a. Parliamentary reporting 3b. OOTR annual reports	Lack of broad-based support for ICT legislative reforms Staff turnover at the OOTR
4. Investments in e-health solutions	4a. Health information system is installed and operating. 4b. Improved quality of available medical information and data disaggregated by sex	4a. Progress report 4b. Operational reports	Limited MOH capacity to operate and maintain the system Reluctance of relevant stakeholders to make information and data available because of lack of faith in privacy regulations

Key Activities with Milestones

1. Special-purpose vehicle—the SSCC—to operate and manage the SCS established

- 1.1 Obtain cabinet approval of structure by October 2015.
- 1.2 Finalize incorporation of the SSCC by November 2015.
- 1.3 Appoint board of directors by November 2015.
- 1.4 Hire CEO and other staff by November 2015.

2. SCS established and efficiently operated

- 2.1 The government to prepare and issue bid documents by October 2015.
- 2.2 The government, the World Bank, and ADB to review bids by December 2015.
- 2.3 Award contracts by February 2016.
- 2.4 Carry out marine survey and complete marine operations for laying cables by August 2016.
- 2.5 Install terminal equipment by end of September 2016.
- 2.6 Equip cable landing systems with necessary cross-connected facilities for their customers by January 2017.
- 2.7 Put in place appropriate cable repair and maintenance agreement before completion of cable lay by March 2017.
- 2.8 Commissioning, provisional acceptance, and ready for service by September 2017
- 2.9 Train SSCC staff on landing facility operation and maintenance, and update skills and

knowledge periodically (ongoing to December 2017)

2.10 Final acceptance by December 2017

2.11 Continue regular monitoring and supervision until December 2019.

3. Legal and regulatory environment improved

3.1 Review and develop effective regulation for the sector with particular focus on wholesale markets by December 2016.

3.2 Establish wholesale tariffs, including price and nonprice terms for access to all international fiber-optic bandwidth services by December 2016.

3.3 Carry out a nationwide consumer survey on the benefits of ICT by December 2016.

3.4 Procure spectrum management monitoring equipment by December 2016.

3.5 Develop capacity of OOTR staff by December 2016.

4. Investments in e-health solutions

4.1 Validate the needs of the health sector and clearly define the requirements for the proposed system by April 2016.

4.2 Conduct technical and financial due diligence by July 2016.

4.3 Procure selected integrated health information system components by December 2016.

4.4 Install and configure the system's hardware and software components by December 2017.

4.5 Ensure connection to all users: hospitals, health centers, and clinics by June 2018.

4.6 Migrate data sets from existing systems and other sources (ongoing to December 2019).

4.7 Ensure proper operations in production stage through comprehensive testing routines by September 2017.

4.8 Conduct necessary training for users and system administrators (ongoing to December 2019).

4.9 Carry out regular monitoring until December 2019.

Project Management Activities

Tender, award, and manage contracts until December 2019.

Provide timely progress reports until December 2019.

Carry out regular accounting and annual audits until December 2019.

Follow up safeguards issues and risk management plan in timely manner until December 2016.

Inputs

Grants

ADB: \$25.00 million

Government of Samoa: \$6.73 million

World Bank: \$16.00 million

Government of Australia: \$1.50 million^b

Private sector: \$8.18 million

Assumptions for Partner Financing

Outputs necessary to reach design and monitoring framework outcome, not administered by ADB, include the World Bank Group (50% SCS financing and regulatory technical assistance), the Government of Australia (landing station and ancillary equipment on Savai'i), and private sector (pre-purchased capacity and SSCC management costs). Taxes and duties will be borne by the Government of Samoa.

ADB = Asian Development Bank, CEO = chief executive officer, ICT = information and communication technology, Mbps = megabits per second, OOTR = Office of the Regulator, SCS = submarine cable system, SSCC = Samoa Submarine Cable Company.

^a Government of Samoa. 2012. *Strategy for the Development of Samoa 2012–2016*. Apia.

^b The Government of Australia will provide parallel financing to be managed by the World Bank.

Source: Asian Development Bank.

B. Monitoring

59. **Project performance monitoring.** Within 6 months of the grant effectiveness, the project monitoring unit (PMU) will establish a project performance monitoring system. The ADB and the government will agree on a set of indicators for monitoring project progress and performance on a quarterly basis. This will include, but not be limited to, the targets and indicators in the design and monitoring framework and the implementation schedule. The PMU shall monitor and evaluate the indicators according to the agreed framework on a quarterly basis to determine the efficiency and effectiveness of the project. Disaggregated baseline data for output and outcome indicators gathered during project processing will be updated and reported quarterly through the MOF quarterly progress reports and after each ADB review mission. These quarterly reports will provide information necessary to update ADB's project performance reporting system. Beneficiaries will be involved in project monitoring and evaluation. In addition, the project steering committee will oversee and monitor overall implementation.

60. **Compliance monitoring:** Compliance monitoring will be provided through regular quarterly progress reports and during regular ADB review missions.

61. **Safeguards monitoring:** The Planning and Urban Management Agency of the Ministry of Natural Resources and Environment will monitor compliance of the contractor and report on work progress and compliance with the EMP mitigation and monitoring tasks. The MOF will submit a semi-annual safeguard monitoring reports to ADB, and the findings will be incorporated into the progress reporting of the SSCC. Before commencing work, the contractor will comply with the EMP safeguard requirements. Monitoring of the contractor's work will be undertaken by the resident technical consultant with assistance of the safeguards specialist. The ADB review missions will also check the progress of implementation of safeguard requirements, if any subproject involved significant safeguard issues. The checklist for safeguard supervision and the outline of safeguard monitoring report on resettlement for ADB missions, respectively, are provided below. The outline contents of a safeguards monitoring report are also provided below, this focuses on environment given that this project is category C for both involuntary resettlement and indigenous peoples.

Checklist for Safeguard Supervision/Monitoring (Resettlement)

Checklist for Safeguard Supervision: Involuntary Resettlement								
PROJECT INFORMATION								
Loan/Grant No.:	Project Name:							
Approval Date:	Closing Date:		Cumulative Progress (%):					
Project Team Leader(s):			Project Analyst:					
1) Resettlement Categorization								
(Original)	A	<input type="checkbox"/>	B	<input type="checkbox"/>	C	<input type="checkbox"/>	FI	<input type="checkbox"/>
(additional financing, if any)	A	<input type="checkbox"/>	B	<input type="checkbox"/>	C	<input type="checkbox"/>	FI	<input type="checkbox"/>
<i>(Please complete the following sections if the project has been categorized as A, B or FI involving land acquisition/resettlement issues)</i>								
2) Resettlement Planning								
Resettlement Planning Documents:	RF	<input type="checkbox"/>	RP	<input type="checkbox"/>	Number of RPs _____	ESMS	<input type="checkbox"/>	
RP Finalized or Updated after Detailed Design: (Attach a list of subprojects and status if necessary.)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
Final/Updated RP Disclosed and Posted on ADB Website:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
Compensation Rates Approved by the Government:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
3) Institutional Setup for Resettlement								
PIU/PMU Resettlement Staff Assigned:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
	If yes, Name: _____			Since: _____ / _____		(month) (year)		
Resettlement Specialist Consultant Mobilized:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
	If yes, Name: _____			Since: _____ / _____		(month) (year)		
Grievance Redress Mechanism Established:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, why?			
Allocation of Government Budget:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
	If yes, amount\$: _____							
4) Resettlement Monitoring and Reports								
Internal Monitoring System Established:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
External Monitor Engaged (if needed):	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
	If yes, Name: _____			Since: _____ / _____		(month) (year)		
Monitoring Report Submitted to ADB:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
	If Yes, provide information below							
	Baseline Report	Report 1	Report 2	Report 3	Report 4			
Submission Date (m/yr)								
ADB Review Date (m/yr)								
Web-posting Date (m/yr)								
Name of ADB Reviewer								
5) Resettlement Field Review with Participation of Safeguard Specialist/Officer/Staff Consultant								
	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?			
	If Yes, provide information below							
Mission Date (m/yr)								
Type of mission								
Name of safeguard specialist/officer/staff consultants								

Checklist for Safeguard Supervision/Monitoring (Environment)

PARD Safeguards Implementation Checklist: Environment										
Date: _____										
PROJECT INFORMATION										
Loan/Grant No.:		Project Name:								
Approval Date:			Closing Date:			Cumulative Progress (%):				
Project Team Leader(s):						Implementing Agency				
1) Categorization										
(Original)		A		B		C		FI		
(additional financing, if any)		A		B		C		FI		
<i>(Please complete the following sections if the project has been categorized as A, B or FI)</i>										
2) Planning										
Documents:		EARF	<input type="checkbox"/>	IEE/EIA	<input type="checkbox"/>	No. of IEE/EIA			EMP	<input type="checkbox"/>
IEE/EIA Disclosed and Posted on ADB Website:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
EMP Finalized or Updated after Detailed Design:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
CEMP submitted, reviewed and approved:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
(Attach a list of subprojects and status if necessary.)										
3) Institutional Setup										
PIU/PMU Environment Staff Assigned:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
If yes, Name:						Since:		/		
						(month)		(year)		
Environmental Specialist/Consultant Mobilized:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
If yes, National Specialist's Name:						Since:		/		
						(month)		(year)		
If yes, International Specialist's Name:						Since:		/		
Participation of Gov. Environment Agency/Division:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
If yes, Name:						Since:		/		
						(month)		(year)		
Grievance Redress Mechanism Established:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, why?				
Allocation of Government Budget:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
If yes, amount\$:										
4) Monitoring and Reports										
Internal Monitoring System Established:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
Compliance monitoring incorp. into Q Progress Reports:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
External Monitor Engaged (if needed):		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
If yes, Name:						Since:		/		
						(month)		(year)		
Monitoring Report Submitted to ADB:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?				
If Yes, provide information below										
	Baseline Report	Report 1	Report 2	Report 3	Report 4					
Submission Date (m/yr)										
ADB Review Date (m/yr)										
Web-posting Date (m/yr)										
Name of ADB Reviewer										
5) Field Review with Participation of Safeguard Specialist/Officer/Staff Consultant										
						Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions?
If Yes, provide information below										
Mission Date (m/yr)										
Type of mission:										
Participants (safeguard specialist/officer/staff consultants)										

Outline Contents of Safeguards Monitoring Report

Heading/Section	Contents
Introduction	Brief background on the project and subproject; Institutional arrangements for project management and environmental management.
Monitoring Activities	Who participated in the monitoring; Methodology for monitoring (whether checklists prepared etc); When the monitoring was undertaken and what period it covers; Summary of other monitoring undertaken in the period (i.e. form contractor's monthly reports and if any survey/sample monitoring undertaken); Main activities – observations/inspections, consultations, interviews with contractor staff etc.
Works in Progress	Details of the works being undertaken, (with photographs); Include whether any environmental training/awareness has been provided to contractor staff in the period (what, by whom etc)
Monitoring Results and Actions Required	Whether works and measures comply with the approved EMP/CEMP; Should follow sequence of items identified in EMP/CEMP and verify that all mitigations measures noted are being implemented; Corrective actions cited (date to be resolved and person responsible on contractor team and verification by IA/PMU)
Summary and Conclusions	Summary of main findings; Main issues identified and corrective actions noted; Can include summary table which can be updated each period to track completion of actions required
Attachments	Monitoring checklist (based on items identified in the EMP/CEMP) refer annex 1 Additional photographs Additional information as required

62. Gender and social dimensions monitoring: A safeguard specialist will provide guidance to the SSCC in developing and establishing an effective monitoring and reporting systems and processes. Baseline surveys will be undertaken at the start of project implementation and all indicators will be continuously monitored and reported. These will be included in the SSCC quarterly reports and project monitoring reports. A mid-term review will be carried out and a project completion report will be undertaken at project end.

C. Evaluation

63. Soon after the PMU and technical support consultants are mobilized, ADB will field an inception mission to agree with the MOF, the World Bank and the SSCC on implementation requirements of the project as well as discuss in detail the procedures relating to procurement of works, goods and disbursements. Within 6 months of physical completion of the Project, the MOF will submit a project completion report to ADB.¹⁶

64. The ADB and the government (preferably jointly with the World Bank) will undertake semiannual reviews of the project to consider the (i) scope of the project; (ii) implementation arrangements; (iii) compliance with loan covenants; (iv) physical achievements against targets and milestones; and (v) project implementation issues requiring resolution or action. A midterm review will be conducted within 2 years of the loan effectiveness date or sooner if construction activities are ahead of schedule. Prior to the midterm review, the MOF, with the assistance of PMU, will prepare a position paper outlining any proposals for any changes required under the project which will not adversely affect the project's outcomes. The midterm review will examine in detail the implementation progress and project design (institutional, administrative, organizational, technical, environmental, social, poverty reduction, economic, and financial aspects), and identify courses of action that would improve project performance, viability, and the achievement of targets and project objectives. All the assumptions and risks noted in the design and monitoring framework will be reviewed.

65. ADB will undertake a project completion review (PCR) of the project within 6 months of commissioning the submarine cable. The PCR will evaluate the processing and design of the project, both by ADB and the borrower, among others, (i) assess and evaluate the performance of the borrower, executing agency (EA) and implementing agency (IA) in managing and implementing the project, and in complying with ADB's guidelines, policies, practices, procedures, and loan covenants, and evaluate project costs, disbursements, and institutional improvements; (ii) assess the performance of consultants; (iii) review problems encountered during implementation and the effectiveness of measures to resolve them, by the borrower, EA, IA, and ADB; (iv) assess whether the borrower, EA, IA, and ADB monitored progress effectively in comparison with quantifiable and monitoring targets; (v) reevaluate the financial and economic performance of the project at its initial stage of operation and compare with the qualified indicators in the design and monitoring framework and project performance report; (vi) assess the project's transition to operations, and identify any remedial measures needed; (vii) assess future operation and maintenance schedules to ensure sustainability of the project; (viii) recommend any other steps that the borrower and IA need to take to ensure the project's sustainable operation; (ix) assess the performance of the monitoring and evaluation system established for the project and reexamine the indicators selected for monitoring operations and assessing development impact; (x) assess significant environmental and poverty reduction impacts (include socio-cultural impacts when applicable) of the project, and evaluate the

¹⁶ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>.

implementation and effectiveness of any environmental control measures, resettlement plans, and poverty reduction measures; and (xi) assess whether the immediate development objective has been met and the likelihood of attaining long-term development goal.

D. Reporting

66. The Ministry of Finance will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions; (c) updated procurement plan and (d) updated implementation plan for next 12 months; and (iii) a project completion report within 6 months of physical completion of the Project. To ensure projects continue to be both viable and sustainable, project accounts and the executing agency AFSs, together with the associated auditor's report, should be adequately reviewed.

E. Stakeholder Communication Strategy

Stakeholder Group	Objective of Their Involvement	Approach to Participation/ and Depth	Participation Methods	Responsible	Timing	Cost Estimate
Project Communities of Fagali'i and Tuasivi	Direct stakeholders of the project, continue community engagement. Prevent and/or resolve safeguards concerns as soon as possible.	Partnership (High)	<ul style="list-style-type: none"> • Information. Community meetings and written information materials on project scope, final design, alignment, participation mechanism, and grievance mechanism. 	Contractor Technical Coordinator MCIT	During detailed design Implementation/ Construction Operations	Refer to Output 1
People of Samoa including lower income rural and urban communities, poor and vulnerable households	Direct beneficiaries of project as current consumers to benefit from lower cost for mobile services (text and call).	Collaboration (High)	<ul style="list-style-type: none"> • Information: Public information activities using tri-media (radio, television, newspaper), and social media on project scope, design and benefits of faster and cheaper broadband services for personal use and income potentials. Also grievance mechanism to communicate and receive resolutions of complaints. • Consultation: With existing consumers or their representatives on affordability and fee changes. 	Technical Coordinator, MCIT	During detailed design stage Throughout project implementation	Refer to RP, cost of Output 1
National government agencies i.e. Ministry of Health, Ministry of Education, Ministry of Natural Resources and Environment, Ministry of Women and Internal Affairs, etc.)	Representing public service interest and commitment to further improve government service delivery through improved communications.	Collaboration (High)	<ul style="list-style-type: none"> • Information: Through inter-agency meetings prior to, during and after project construction; to include project scope, design and timing. 	Technical Coordinator, MCIT	During detailed design stage Throughout project implementation	
Small and Medium Businesses (SMEs)	Representing interest of business community; faster service at lower price; avoid monopoly.	Collaboration (High)	<ul style="list-style-type: none"> • Information. Through meetings with private sector representatives and dissemination of information 	Technical Coordinator, MCIT	During detailed design stage Throughout	

Stakeholder Group	Objective of Their Involvement	Approach to Participation/ and Depth	Participation Methods	Responsible	Timing	Cost Estimate
			materials, participation mechanisms (e.g. grievance redress mechanism)		project implementation	
Telecommunication Operators	Representing interest of business group and ensuring 'level playing field'.	Collaboration (Medium)	<p>Information: Through stakeholder meetings prior to, during and after project construction; to include project scope, design and timing.</p> <p>Consultation: On changes on any regulatory policy of the industry and equity to avoid monopoly.</p> <p>Strategic Decision Making: Meetings and forum to gain public and private consensus on regulation and charges.</p>	Technical Coordinator, MCIT Contractor	During detailed design stage Throughout project implementation	Refer to Output 2.
Internet Service Providers (ISPs)	Representing interest of business group, 'level playing field'.	Collaboration (Medium)	<p>Information: Through stakeholder meetings prior to, during and after project construction; to include project scope, design and timing.</p> <p>Consultation. On changes on any regulatory policy of the industry and equity to avoid monopoly.</p> <p>Strategic Decision Making: Meetings and forum to gain public and private consensus on regulation and charges.</p>	Technical Coordinator, MCIT Contractor	During detailed design stage Throughout project implementation	Refer to Output 2.
Government Ministries on Steering Committees	Setting policy and guidelines, coordinating, issuing approvals or finance.	Collaboration (Medium)	<p>Policy Guidance and Approvals: Regular meetings with steering committee to provide direction on project implementation matters.</p>	Technical Adviser MCIT	Minimum of two meetings a year	Refer to Output 3.

X. ANTICORRUPTION POLICY

67. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the Project.¹⁷ All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all Project contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the Project.¹⁸

68. To support these efforts, relevant provisions are included in the grant agreement and the bidding documents for the Project.

¹⁷ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

¹⁸ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>

XI. ACCOUNTABILITY MECHANISM

69. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.¹⁹

¹⁹ For further information see: <http://www.adb.org/Accountability-Mechanism/default.asp>.

XII. RECORD OF PAM CHANGES

70. All revisions/updates during course of implementation should be retained in this Section to provide a chronological history of changes to implemented arrangements recorded in the PAM.