



Technical Assistance Report

Project Number: 49193-001
Capacity Development Technical Assistance (CDTA)
August 2016

Mongolia: Strengthening of Public Procurement for Improved Project Implementation

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 13 July 2016)

Currency unit	–	togrog (MNT)
MNT1.00	=	\$0.0004953
\$1.00	=	MNT2,019.00

ABBREVIATIONS

ADB	–	Asian Development Bank
BEC	–	bid evaluation committee
CSO	–	civil society organization
FIDIC	–	International Federation of Consulting Engineers
GPA	–	Government Procurement Agency
LPPD	–	Legal and Procurement Policy Department
MNAO	–	Mongolian National Audit Office
MOF	–	Ministry of Finance
ODA	–	official development assistance
PPLM	–	Public Procurement Law of Mongolia
TA	–	technical assistance

NOTE

In this report, “\$” refers to US dollars.

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CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 49193-001	
Project Name	Strengthening of Public Procurement for Improved Project Implementation	Department /Division	EARD/MNRM
Country	Mongolia	Executing Agency	Ministry of Finance
2. Sector	Subsector(s)	ADB Financing (\$ million)	
Public sector management	Public administration		0.75
		Total	0.75
3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Public financial governance	No gender elements (NGE)	✓
Knowledge solutions (KNS)	Knowledge sharing activities		
5. Poverty Targeting		Location Impact	
Project directly targets poverty	No	Nation-wide	High
6. TA Category:	B		
7. Safeguard Categorization	Not Applicable		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		0.75	
Capacity development technical assistance: Technical Assistance Special Fund		0.75	
Cofinancing		0.00	
None		0.00	
Counterpart		0.05	
Government		0.05	
Total		0.80	
9. Effective Development Cooperation			
Use of country procurement systems	No		
Use of country public financial management systems	No		

I. INTRODUCTION

1. The Government of Mongolia requested assistance from the Asian Development Bank (ADB) to strengthen public procurement for improved project implementation. A fact-finding mission took place in Ulaanbaatar in June 2016, and ADB and the government reached an understanding on the impact, outcome, outputs, implementation arrangements, cost, financing arrangements, and terms of reference of the capacity development technical assistance (TA). The design and monitoring framework is in Appendix 1.¹

II. ISSUES

2. As of 31 December 2015, the total value of the official development assistance (ODA)-funded portfolio in Mongolia reached \$3.2 billion.² ADB's active loan and grant portfolio at the time was \$835.0 million, compared with \$487.5 million on 31 December 2012. The increase in ADB's portfolio in Mongolia is due to the country's access to ordinary capital resources since 15 August 2011, and an increase in demand for ADB lending to address pressing development needs. The sharp increase in portfolio size and complexity requires improved government project implementation capacity to deliver timely and quality project results. The government has requested ADB TA to strengthen its capacity in moving from a decentralized system in which procurement is handled by line ministries and agencies, to the centralization of public procurement in the Government Procurement Agency (GPA).

3. Procurement capacity issues are often aggravated by weak governance standards, which pose risks. These risks have been partially mitigated through the involvement of civil society organizations (CSOs) as bid evaluation committee (BEC) members. However, lack of centralized oversight of the appointment of CSO representatives on BECs results in the arbitrary appointment of members who often lack the necessary expertise. Moreover, procurement audits and inspections do not have widespread civil society engagement. Greater involvement of CSOs in procurement audits and inspections will reduce governance risks and strengthen public sector financial management in Mongolia, a view shared by development partners and Transparency International Mongolia.

4. ADB and its development partners regularly experience slow project start-ups, as a result of delays in procurement and the selection of consultants. This has direct impacts on project implementation and partly explains why project completion dates need to be extended frequently to complete most projects (since 1991, 26 out of 28 closed ADB loans were extended beyond the original closing date, with an average extension of 2 years). These implementation delays could be mitigated through the introduction of advance procurement and consultants' recruitment in Mongolia.³ However, the Budget Law, 2012 and the Public Procurement Law of Mongolia, 2015 (PPLM), do not allow budget resources to be committed to a project before parliamentary approval.

5. Procurement delays are mainly explained by (i) insufficient capacity of executing and implementing agency staff participating in tender evaluation committees, specifically in the

¹ The TA first appeared in the business opportunities section of ADB's website on 22 February 2016.

² Source: Ministry of Finance. The data include assistance funded by development partners in Mongolia such as the Japan International Cooperation Agency, ADB, the World Bank, German development cooperation through KfW, the Korea International Cooperation Agency, the Peoples' Republic of China, and others.

³ ADB. 2015. *Enhancing Operational Efficiency of the Asian Development Bank*. Manila. This policy paper, which became effective in February 2016, allows advance contracting and retroactive financing by default for all financing and TA proposals involving procurement and/or the recruitment of consultants.

preparation of qualitative bidding documents (i.e., lack of technical specialization, knowledge, and skills to perform procurement functions, including the design of technical requirements, tender document preparation, and evaluation and decision making); (ii) frequent staff rotation, which reduces institutional memory and the benefits of training programs; and (iii) poor understanding of ADB's procurement guidelines by BEC members.

6. The capacity constraints of executing and implementing agencies can be shown through the delays incurred in finalizing bid evaluation reports and contract award recommendations by BECs. Frequent complaints are also received from bidders under both government- and ODA-funded projects.⁴ To address these long-standing issues, the government, with ADB support, has promoted a gradual shift of procurement responsibilities to the GPA—the only professional public procurement institution in Mongolia.⁵ The centralization of public procurement responsibilities in a professional procurement agency is in line with the Budget Law, 2012 and the PPLM, 2015; and could facilitate more transparent, timely, quality procurement functions, and ensure consistent adherence to procurement rules and procedures. Centralization would also allow line ministries to focus on core work, such as policy formulation and implementation, rather than procurement, which can be better handled by a professional agency.⁶ Since its establishment in November 2012, the GPA has handled procurement transactions worth MNT684.8 billion compared to a Government of Mongolia approved budget of MNT726.4 billion, resulting in MNT41.6 billion in savings to the Government of Mongolia highlighting agency efficiency.

7. Adequate regulations on procurement audit and inspections are also lacking. Since its introduction in 2000, the PPLM has provided principles and policy mechanisms on procurement audit and inspections, but procedural regulations have not been developed because of lack of expertise and limited knowledge of best international practices. The absence of regulations on how to interpret and implement the PPLM in connection with procurement audits and inspections, combined with weak capacity in government institutions, affects public trust in the transparency and rigor of the national public procurement system—and the proper use of public funds. The Ministry of Finance (MOF), ADB, and other development partners agree on the need to strengthen the capacity of the Mongolia National Audit Office, which conducts procurement audits and inspections as part of performance audits. However, many performance audits do not audit procurement. In addition, inspectors and auditors often lack specialized training. This highlights the importance of having a legal framework and procedures in place for conducting procurement inspections and auditing.

8. Economic development in Mongolia and decisive reforms to achieve a market-oriented economy require the MOF and line ministries to manage contractual relations with international contractors, suppliers, and consulting firms. However, many line ministries lack the experience to identify and choose appropriate contracts, and manage them in accordance with international good practices for successful project implementation. The government plans to train relevant staff on the most common types of international civil works, supply, and consulting services contracts, and to improve understanding of and skills in contract management in accordance

⁴ According to MOF data, more than 200 complaints were received from bidders in 2015 on government-funded projects, of which 47% were declared misprocurement or resulted in rebidding. On ADB-funded projects, at least seven complaints were filed in 2015, with one case resulting in misprocurement.

⁵ According to Article 53 of the PPLM, the GPA is tasked to handle public procurement in Mongolia using government funds except for projects implemented by the Development Bank of Mongolia, national security and defense-related procurement, and road construction implemented by state-owned enterprises (PPLM, Articles 3.4–3.6).

⁶ The GPA has two main technical advantages over line ministries: (i) it has technical experts from various sectors; and (ii) it has a data archive, including previous tenders for all sectors, which ensures continuity.

with international good practices. The MOF has requested ADB assistance to build and strengthen procurement capacity.

III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

9. The impact will be strengthened country portfolio performance. The outcome will be a strengthened public procurement system in Mongolia for implementing government and ODA-funded projects.

B. Methodology and Key Activities

10. The TA will support the government to (i) enhance its capacity to upgrade the regulatory framework for procurement inspections and audits through training and workshops; (ii) build government staff capacity to handle the procurement transactions of ODA-funded projects; and (iii) provide advisory support for the introduction of advance procurement and consultant recruitment actions in the national legal framework to reduce project start-up delays, and to speed up project implementation. These will be achieved through four outputs.

11. Output 1 will be the application of advance procurement action for ADB and other ODA-funded projects in Mongolia. It will focus on raising awareness in executing and implementing agencies and in Parliament of the benefits of advance procurement actions and advance recruitment of consultants to speed up project implementation. The output includes an assessment of the existing legal environment to formulate recommendations to the government to adopt international tools of advance procurement and consultant recruitment actions in government and ODA-funded projects in Mongolia.

12. Output 2 will be strengthened institutional capacity building at the Legal and Procurement Policy Department (LPPD) of the MOF. It will include capacity building of LPPD staff by providing overseas and in-country training to increase experience in procurement audit and inspection operations, and international good public procurement practices. The output will also provide technical advice and recommendations for developing regulation manuals and guidelines for public procurement inspectorate and audit operations in Mongolia.

13. Output 3 will be improved procurement capacity of government agencies, including the GPA. It will provide institutional and technical capacity building from an international procurement expert specialized in the procurement guidelines and procedures of ADB and other multilateral development banks. It will include in-house support to government agency (including GPA) staff in charge of preparing bid documents, recruiting consulting firms, good international practices in bid evaluation, and preparing bid evaluation reports. The output will also assess the training needs of government agencies, design training programs, prepare training materials, deliver presentations, and examine CSOs' involvement in BECs to increase procurement transparency. The TA output will provide opportunities for relevant staff to attend on-the-job training to gain experience and sharpen skills in international best public procurement practices.

14. The implementing agencies will (i) organize an international study tour to countries that have been successful in the focus area and (ii) prepare a short report outlining the main contents and findings of the study tour.⁷

15. Output 4 will be enhanced skills of implementing agencies and the MOF in project and contract management. Under this output, the TA will organize targeted training in the International Federation of Consulting Engineers and consulting services contracts, and in project and contract management. This will help develop a solid understanding of international project management good practices, and improve the skills of government staff in various sectors to implement complex contracts successfully with contractors, suppliers, and consulting firms.

C. Cost and Financing

16. The TA is estimated to cost \$800,000, of which \$750,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The government will provide counterpart support in the form of office space (fully furnished and equipped with computers, a printer, and related equipment for the project implementation unit and with operational telephone and internet access), meeting and workshop venues, counterpart staff, other services to the consultants, assistance in arranging meetings with counterpart agencies, and other in-kind contributions.

D. Implementation Arrangements

17. The MOF will be the executing agency. The LPPD and the GPA will be the implementing agencies. The TA will establish a steering committee chaired by the MOF that will include officials from the GPA, the LPPD, and ADB.⁸ The steering committee will convene at least twice a year. ADB, in consultation with the MOF, will recruit a TA coordinator and an administrative and finance officer to manage and facilitate project implementation and day-to-day organizational and technical matters. The TA will be implemented over 24 months from 1 November 2016 to 31 October 2018.

18. In dialogue with the executing agency, ADB will recruit international and national consultants to provide 17 person-months of international and 79 person-months of national consulting inputs. The main tasks will include introducing the advance procurement and consultant recruitment action, enhanced procurement inspection and audit regulations, improved contract and project management, and strengthened capacity building. All consultants will be recruited in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The consultants will be recruited on an individual basis since the TA requires varied expertise on a short-term engagement. Professional input from home office is not required, and the skills required are of unique nature where the quality of these services is of paramount importance. Highly specialized procurement policy experts are more easily recruited individually than through a firm.

⁷ The international study tour and overseas training will be conducted in an ADB member country. The country will be determined at TA inception, but could include Ireland, Singapore or the United Kingdom.

⁸ ADB staff costs for assisting in the implementation and administration of the TA will be in accordance with the joint Budget, Personnel and Management Systems Department and Strategy and Policy Department memo dated 26 June 2013 on the Use of Bank Resources, which provides guidance on charging costs either to the TA or to the internal administrative expenses budget.

19. Consultants will be responsible for producing the TA outputs and deliverables in a timely and effective manner, and for organizing and carrying out all TA activities. To support monitoring and evaluation, consultants will submit inception, interim, draft final, and final reports to the government and ADB.

20. TA support for workshops may include costs related to logistic arrangements; venue; travel of resource persons, including ADB staff and experts; supplies; and materials that will be used in training, seminars, and workshops. In line with standard ADB procedures, the TA will not support the implementing agency's management fees or related costs such as staff salaries and allowances, and the use of implementing agency resources (such as office accommodation), which will be provided as part of the counterpart contribution. Given the nature of the TA and to facilitate preparation and implementation, ADB may establish an advance payment facility with the MOF to support certain agreed cash expenditures, including workshops, training, seminars, the study tour, and conferences. Details of the proposed activities, including cost estimates, will be submitted through the executing agency to ADB for approval. ADB may also make certain direct payments (e.g., for workshop venues).⁹

21. The executing agency will provide a suitably furnished office with computers, utilities, and telecommunications access (including broadband internet connection). It will also supply data and documents as required under the TA, and will cover the cost of office utilities for consultants. Project managers designated by the MOF and GPA will have strong English speaking and writing skills, and will facilitate all TA activities and links to local government representatives and providers to ensure the effective implementation of TA activities.

22. The TA will have project-specific indicators and targets, including timely implementation and quality progress reports. Policy dialogue will be maintained with the government and the steering committee of experts established by the executing agency. Consultation and dissemination events will be organized at different stages of the TA implementation. Project-specific issues will be addressed during review missions. ADB and the team leader will monitor TA implementation milestones.

IV. THE PRESIDENT'S DECISION

23. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$750,000 on a grant basis to the Government of Mongolia for Strengthening of Public Procurement for Improved Project Implementation, and hereby reports this action to the Board.

⁹ Any advances provided in this facility will be liquidated within 30 days after the conclusion of the training activity.

DESIGN AND MONITORING FRAMEWORK

Impact the TA is Aligned with
Country portfolio performance strengthened (*Strategy 2020; Mongolia COBP 2016*)^a

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome Public procurement system in Mongolia for implementing Government of Mongolia and ODA-funded projects strengthened	By 2020, at least 95% of sovereign operations' performance at implementation rated <i>satisfactory</i> (2015 baseline: 80%)	a. Government's annual financial statement, MOF ^b b. Project completion report, MOF	Frequent changes to the government and in line ministry staff may render training in project and contract management less effective.
Outputs 1. Advance procurement action for ADB and other ODA-funded projects in Mongolia applied	1a. Legal environment for advance procurement action developed by Q3 2018 (2016 baseline: 0)	1a. Draft legal document for advance procurement action, MOF ^c	Parliament may not support proposed draft amendments to the budget law and the PPLM to allow advance procurement and consultant recruitment actions. Changes in the government's institutional restructuring following the 2016 election may reduce ownership and institutional memory.
2. Institutional capacity building of the MOF LPPD strengthened	2a. Two regulation manuals or guidelines for public procurement audit and inspections finalized and approved by Q2 2018 (2016 baseline: 0) 2b. Two study tours and overseas training for at least eight officials, and four in-country trainings for at least 40 officials organized in 2017 and 2018 (2016 baseline: 0)	2a. Regulation manuals for public procurement audits and inspections, MOF ^d	
3. Procurement capacity of government agencies, including the GPA, improved	3a. One training program for at least 30 officials completed by Q2 2017 (2016 baseline: 0; 2017 target: 1) 3b. Four trainings (including three in-house and one overseas, and excluding numerous on-the-job training) for at least 60 officials conducted by Q2 2017 (2016 baseline: 0)	3a. Training program and reports ^e	

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
4. Skills of implementing agencies and the MOF in project and contract management enhanced	4a. Two training programs for at least 50 officials completed by Q1 2017 (Baseline: 0) 4b. Two training materials finalized and distributed by Q1 2017 (Baseline: 0) 4c. Two training projects for at least 50 officials on project and contract management conducted by Q2 2017 (2016 Baseline: 0)	4a. Training programs, materials, and reports ^f	

Activities with Milestones
<p>1. Advance procurement action for ADB and other official development assistance-funded projects in Mongolia applied</p> <p>1.1 Analyze and assess the current legal environment, including relevant laws (Q1 2017)</p> <p>1.2 Draft amendments to the Budget Law and the PPLM to allow the use of advance procurement and consultant recruitment actions (Q3 2017)</p> <p>1.3 Review and provide recommendations on draft amendments to the Budget Law and the PPLM to allow the use of advance procurement and consultant recruitment actions (Q2 2018)</p> <p>1.4 Assist the MOF in organizing consultative meetings with the LPPD, line ministries, and members of Parliament to reach a consensus and introduce the recommendations on advance actions (Q4 2017)</p> <p>2. Institutional capacity building of the Legal and Procurement Policy Department strengthened</p> <p>2.1 Review international regulation documents and analyze best international practices in procurement audit, inspection, and advance procurement actions applicable to Mongolia (Q1 2017)</p> <p>2.2 Prepare manuals and guidance for procurement audit and inspection (Q1 2017)</p> <p>2.3 Review and provide recommendations on draft manuals and guidance to the LPPD and the MNAO (Q2 2018)</p> <p>2.4 Assist the MOF in organizing consultative meetings and workshops with the LPPD, the MNAO, line ministries, and CSOs to reach a consensus and introduce the recommendations on procurement audits and inspections (Q4 2017)</p> <p>2.5 Enhance the knowledge and qualifications of the LPPD staff in charge of procurement policy, audit, and inspection via an overseas study tour and in-country training (Q4 2017)</p> <p>3. Procurement capacity of government agencies, including the Government Procurement Agency, improved</p> <p>3.1 Assess training needs to enhance the knowledge and understanding of ADB and other multilateral development bank procurement and consulting services guidelines and other good international practice procurement documentation, such as the ADB Guide on Bid Evaluation⁹ (Q1 2017)</p> <p>3.2 Assess the CSOs' involvement in bid evaluation committees to improve procurement transparency (Q2 2017)</p> <p>3.3 Design training programs on procurement for government agencies and CSOs (Q2 2017)</p> <p>3.4 Prepare training materials, covering procurement planning, packaging, advertisement, bidding and evaluation, contract awards, contract administration, and anticorruption policy and measures in ADB procurement and consultant selection for government agencies and CSOs (Q3 2017)</p> <p>3.5 Deliver presentations at the workshops (Q4 2017)</p> <p>4. Skills of implementing agencies and the Ministry of Finance in project and contract management enhanced</p> <p>4.1 Design training programs on FIDIC and consulting services contracts, including contract provisions and contract management for executing and implementing agencies (Q1 2017)</p> <p>4.2 Prepare training materials covering FIDIC and consulting services contracts, including contract provisions and contract management (Q1 2017)</p>

4.3 Deliver presentations at the workshops (Q2 2017)
<p>Inputs</p> <p>ADB: \$750,000</p> <p>Note: The government will provide counterpart support in the form of office space (fully furnished and equipped with computers, printer, and related equipment, with operational telephone and internet access), meeting and workshop venues, counterpart staff, other services to the consultants, assistance in arranging meetings with counterpart agencies, and other in-kind contributions.</p>
<p>Assumptions for Partner Financing</p> <p>Not Applicable</p>

ADB = Asian Development Bank, CSO = civil society organization, FIDIC = International Federation of Consulting Engineers, GPA = Government Procurement Agency, LPPD = Legal and Procurement Policy Department, MNAO = Mongolia National Audit Office, MOF = Ministry of Finance, ODA = official development assistance, PPLM = Public Procurement Law of Mongolia, Q = quarter, TA = technical assistance.

^a ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila; and ADB. 2016. *Country Operations Business Plan: Mongolia, 2016*. Manila.

^b Procurement statistics from the Government of Mongolia's annual financial statements, prepared by the MOF and endorsed by the cabinet.

^c The TA consultants will prepare a draft legal document for approval by the MOF and ADB, and circulation to Parliament.

^d The TA consultants will prepare the regulation manuals for approval by the MOF.

^e The TA consultants will prepare the draft training programs and reports for approval by the GPA and ADB.

^f Individual consultants will prepare the training programs and reports for approval by the MOF and ADB.

^g ADB. 2010. *Guide on Bid Evaluation*. Manila.

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	350.0
ii. National consultants	200.0
b. International and local travel	50.0
c. Reports and communications	10.0
2. Training, study tour, seminars, and conferences ^b	
a. Training, seminars, and conferences	30.0
b. Overseas training	30.0
c. Study tour	30.0
3. Miscellaneous administration and support costs ^c	10.0
4. Contingencies	40.0
Total	750.0

Note: The technical assistance (TA) is estimated to cost \$800,000, of which contributions from the Asian Development Bank are presented in the table above. The government will provide counterpart support in the form of office space (fully furnished and equipped with computers, printer, and related equipment, with operational telephone and internet access), meeting and workshop venues, counterpart staff, assistance in arranging meetings with counterpart agencies and other services to the consultants, and other in-kind contributions. The value of government contribution is estimated to account for 6.25% of the total TA cost.

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

^b Four training programs (with a total of 100 participants) will be developed. Venues for the planned training are the offices of the Ministry of Finance and the Government Procurement Agency. Relevant costs will include representation expenses in accordance with the memorandum on Use of Bank Resources: Regional Technical Assistance and Technical Assistance vs. Internal Administrative Expenses Budget, issued by the Budget, Personnel and Management Systems Department and the Strategy and Policy Department on 26 June 2013.

^c Includes translation and interpretation costs.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The technical assistance (TA) will require 17 person-months of international and 79 person-months of national consulting services. The Asian Development Bank (ADB) will select and engage individual consultants in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time). The government will provide counterpart support to the consultants. The terms of reference of the consulting services will include, but not be limited to, the tasks in the following paragraphs.

A. International Consultants (17 person-months)

2. **Procurement capacity development specialist** (8 person-months, intermittent). The specialist should have a bachelor's or higher degree in business administration, public administration, or a related field; and must be fluent in English. They should have preferably 12 years of relevant experience in the procurement of goods, works, and services; and 8 years of relevant work experience in procurement-related capacity development strategies, training programs, and seminars. The specialist will have experience and advance knowledge of the procurement procedures of international organizations or agencies, especially of ADB. They will report directly to ADB and the Government Procurement Agency (GPA) on a monthly basis. The specialist will

- (i) assess training needs to enhance the knowledge and understanding of ADB's and other multilateral development banks' procurement and consulting services guidelines and other good international practice procurement documentation, such as ADB's Guide on Bid Evaluation;¹
- (ii) develop a comprehensive training program on procurement and consulting services;
- (iii) prepare training materials and operations manuals, covering procurement steps, such as procurement planning, packaging, advertisement, bidding and evaluation, contract awards, contract administration, and anticorruption policy and measures in ADB procurement and consultant selection;
- (iv) conduct training based on an agreed comprehensive training program;
- (v) transfer skills and build capacity using a learning-by-doing approach during the execution of procurement transactions;
- (vi) assess the involvement of civil society organizations (CSOs) in bid evaluation committees, to improve procurement transparency;
- (vii) assist the GPA and line ministries to evaluate bids and consultant proposals and prepare bid evaluation reports, consultant proposal evaluations, and other procurement documents required by ADB; and
- (viii) work as an interface between ADB, the GPA, and line ministries during the civil works, supply, and consulting services proposal evaluation process.

3. **Procurement regulations and training specialist** (5 person-months, intermittent). The specialist should have a bachelor's or higher degree in law, business administration, public administration, or a related field; and must be fluent in English. They should have preferably 12 years of relevant experience in the procurement of goods, works, and services, and 8 years of relevant work experience in advising on procurement legislation or regulations. The specialist should have capacity building experience. They will have experience and advance knowledge of the procurement procedures of international organizations or agencies, especially of ADB. The specialist will perform under the supervision of the team leader, and report directly to the team leader on a monthly basis. The specialist will

- (i) review international regulation documents and analyze best international practices in procurement audit, inspection, and advance procurement actions

¹ ADB. 2010. *Guide on Bid Evaluation*. Manila.

- applicable in Mongolia;
- (ii) review legal, policy, and other documents governing public procurement in Mongolia;
- (iii) review and provide recommendations on draft manuals and guidance prepared by the national procurement regulations specialist to the Ministry of Finance (MOF) Legal and Procurement Policy Department (LPPD) and Mongolia National Audit Office (MNAO);
- (iv) review and provide recommendations on draft amendments prepared by the national legal drafter for advance procurement action to the Budget Law, 2012 and the Public Procurement Law of Mongolia, 2015 (PPLM) to allow the use of advance procurement and consultant recruitment actions;
- (v) assist in organizing consultative and consensus meetings with the LPPD, line ministries, and members of Parliament to reach a consensus and introduce the recommendations on advance procurement actions;
- (vi) assist the team leader in preparing all reports, and participating in training and workshops as a resource person;
- (vii) assist in organizing consultative and consensus meetings with the LPPD, MNAO, and line ministries in consultation with CSOs to reach a consensus and introduce the recommendations on procurement audit and inspection; and
- (viii) review and provide comments on the draft capacity development plan, prepared by the national procurement regulations specialist.

4. **Contracts and project management specialist** (4 person-months, intermittent). The specialist should have a bachelor's or higher degree in business administration, contract or project administration, or a related field; and must be fluent in English. They should have preferably 12 years of relevant experience in contract and/or project management; and 8 years of relevant work experience in capacity building and training. The specialist will have experience and knowledge of contracts including the International Federation of Consulting Engineers (FIDIC) and in management of projects financed by international organizations or agencies, ideally ADB. They will report directly to ADB and the MOF on a monthly basis. The specialist will

- (i) develop training programs on FIDIC and consulting services contracts, including key contract provisions in admeasurement, lump sum, and time-based contracts, contract negotiations and contract management for executing and implementing agencies, and project management, including a project design and monitoring framework, project performance report, and project monitoring and evaluation, as well as an introduction to tools for project management;
- (ii) prepare training materials, covering FIDIC and consulting services contracts including contract provisions, contract management, and project management, including a project design and monitoring framework, project performance report, and project monitoring and evaluation, as well as an introduction to tools for project management;
- (iii) conduct trainings based on an agreed comprehensive training program;
- (iv) assist in the preparation of annual country portfolio review meetings, background papers, and memorandum of understanding action plans; and
- (v) review draft deliverables developed by the national consultant, and provide inputs and recommendations in consultation with the MOF.

B. National Consultants (79 person-months)

5. **Team leader and procurement regulations and training specialist** (20 person-months). The specialist should have a bachelor's degree in law, business administration, public administration, or a related field; must be fluent in English; and preferably have at least 10 years of relevant experience in the procurement of goods, works, and services. They should have preferably 5 years of relevant work experience in providing a technical lead or management. The specialist should have capacity building experience. They will have experience and advance knowledge of the procurement procedures of international organizations or agencies, especially of ADB. They will report directly to ADB and the MOF on a monthly basis. The specialist will

- (i) have overall responsibility for the quality and timely delivery of outputs, including all reports of the team members, and completion of relevant activities under the guidance of the implementing agency and ADB project officer;
- (ii) review, analyze, and assess legal, policy, and other relevant documents governing public procurement operations in Mongolia;
- (iii) prepare and finalize manuals and guidance for the LPPD and the MNAO;
- (iv) assist the MOF in organizing consultative and consensus meetings with the LPPD, the MNAO, line ministries, and members of Parliament to reach a consensus and introduce the recommendations on procurement audit, inspection, and advance actions;
- (v) prepare and finalize capacity development plans;
- (vi) lead the preparation of workshops and training;
- (vii) organize and conduct training;
- (viii) organize a study tour in coordination with the implementing agencies and ADB; and
- (ix) translate training material and meeting minutes.

6. **Consultant for advance procurement action** (12 person-months). The consultant should have a bachelor's or higher degree in law, business administration, public administration, or a related field; and must be fluent in English. They should have preferably 10 years of relevant experience in developing legal documents or regulations; and 5 years of relevant work experience in advising on policy related legislation or regulations. The consultant should have capacity building experience. They will perform under the supervision of the team leader, and report directly to the team leader on a monthly basis. The consultant will

- (i) review the current legal environment, including the Budget Law, PPLM, and other relevant laws and documents;
- (ii) draft amendments to the budget law and PPLM to allow the use of advance procurement and consultant recruitment actions;
- (iii) assist the MOF in organizing consultative and/or consensus meetings to reach the best possible decisions that cover all potential concerns about advance procurement actions;
- (iv) assist the team leader in preparing all reports, and participate in training and workshops as a resource person;
- (v) organize and conduct training; and
- (vi) translate training material and meeting minutes.

7. **Technical assistance coordinator** (22 person-months). The coordinator will have a postgraduate degree in public management, economics, or project management; and must be fluent in English. Eight or more years of experience in multilateral development bank-funded project management is an advantage. The TA coordinator will report to the MOF and ADB, and perform the following tasks:

- (i) ensure smooth implementation of the TA;
- (ii) manage day-to-day activities of the TA through timely and effective coordination and facilitation of TA activities;
- (iii) in consultation with the MOF, the GPA, and ADB, finalize TA implementation plans and assist in reviewing and finalizing the work plans of all consultants;
- (iv) monitor TA implementation, including the timely submission of deliverables;
- (v) coordinate TA activities, deliverables, and outputs with all stakeholders, especially consultants, the MOF, the GPA, and ADB;
- (vi) translate the reports and related documents produced by international consultants;
- (vii) provide interpreting services from Mongolian to English and English to Mongolian at meetings;
- (viii) facilitate the recruitment of consultants in accordance with ADB policies and procedures;
- (ix) authorize expenditures related to implementation of the TA in line with ADB policies and procedures;
- (x) report to ADB on new legal and regulatory issuances and guidelines related to the TA;
- (xi) report to ADB and the executing agency on the progress of TA implementation on a quarterly basis;
- (xii) support other national consultants by providing data and background information support;
- (xiii) organize steering committee meetings to review working reports and final project reports; and
- (xiv) prepare a draft TA completion report.

8. **Administrative and finance officer** (national, 25 person-months). The officer will have a graduate degree in administration or a related field (e.g., public or business administration, accounting) with preferably 5 years of experience in administering an office and providing accounting support; and must be fluent in English. Good command of computer skills is a must. The candidate will report to the TA coordinator and will perform the following tasks:

- (i) provide support in the performance of all tasks assigned by the TA coordinator;
- (ii) call and organize the logistics for meetings and workshops, and prepare and disseminate the agenda and other meeting or workshop materials;
- (iii) ensure the minutes of meetings are recorded, distributed, and maintained;
- (iv) translate the reports and related documents produced by international consultants;
- (v) provide interpreting services from Mongolian to English and English to Mongolian at meetings;
- (vi) maintain comprehensive and clear accounts, and monitor project implementation unit expenditures and fund flows;
- (vii) prepare withdrawal applications, financial statements, and any other activity required to manage the financial operations of the TA;
- (viii) keep the financial records of the project implementation unit;
- (ix) provide quarterly financial progress reports to the MOF and ADB;
- (x) handle administrative issues related to the TA;
- (xi) assist in preparing the quarterly TA progress reports;
- (xii) file project documents in accordance with ADB guidelines; and
- (xiii) provide secretariat support as required.