

Project Administration Manual

Project Number: 49215-001

Loan/ Grant Number(s): {LXXXX; GXXXX}

June 2015

Nepal: Earthquake Emergency Assistance 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 executing and implementing agencies 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 executing and implementing agencies of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At Loan Negotiation the borrower and ADB shall agree to the PAM and ensure consistency with the Loan agreement. Such agreement shall be reflected in the minutes of the Loan Negotiations. In the event of any discrepancy or contradiction between the PAM and the Loan Agreement, the provisions of the Loan 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
DOE	=	Department of Education
DOLIDAR	=	Department of Local Infrastructure Development and Agricultural Roads
DOR	=	Department of Roads
DUDBC	=	Department of Urban Development and Building Construction
EARF	=	environmental assessment and review framework
EMP	=	environmental management plan
IARS	=	Imprest Account Reconciliation Statement
GDP	=	gross domestic product
GESI	=	gender and social inclusion
GON	=	Government of Nepal
ICB	=	international competitive bidding
IEE	=	initial environmental examination
MOF	=	Ministry of Finance
NCB	=	national competitive bidding
NGOs	=	nongovernment organizations
PAI	=	project administration instructions
PAM	=	project administration manual
PDNA	=	Post-disaster needs assessment
PIU	=	project implementation unit
PMU	=	project management unit
R&R	=	recovery and reconstruction
SBD	=	standard bidding documents
SOE	=	statement of expenditure
SPS	=	safeguard policy statement
SPV	=	special purpose vehicle
TOR	=	terms of reference

I. PROJECT DESCRIPTION

1. The Earthquake Emergency Assistance Project will support the Government of Nepal to accelerate recovery and reconstruction following the devastating earthquake of 25 April 2015 and the major aftershock of 12 May 2015. The project will support the rebuilding of schools, roads, and district-level government buildings, and strengthen resilience to future disasters.

A. Impact and Outcome

2. The impact of the project is accelerated economic and social recovery in Nepal's earthquake affected districts. The outcome will be critical economic and social services resumed with disaster-resilient infrastructure.

B. Outputs

3. In response to and in line with the PDNA findings, the project has four outputs:¹
- (i) **Output 1: Schools are rebuilt and upgraded.** At least 700 schools will be rebuilt or retrofitted in line with school reconstruction plans to disaster-resilient standards and equipped with water and sanitation facilities, including sex-disaggregated toilets.² About five will be model schools built with information and communication technology equipment, science laboratories, and improved learning spaces.
 - (ii) **Output 2: Roads and bridges are rehabilitated and/or reconstructed.** About 135 km of strategic roads and about 450 km of rural roads damaged by the earthquake and landslides will be rehabilitated.³ Project roads and bridges will have built back better features for road safety and climate resilience. Construction and maintenance equipment will also be procured.
 - (iii) **Output 3: District-level government facilities constructed and/or rebuilt.** About 300 district-level government buildings will be rebuilt or retrofitted to disaster resilient standards with basic utilities, and furnished.⁴ Transitional district-level government offices will also be established to enable services to continue throughout the reconstruction period.
 - (iv) **Output 4: Disaster preparedness and management capacities strengthened.** All outputs are assured to be disaster risk resilient. Engineering divisions of all implementing agencies will be strengthened.

¹ Subproject Selection Criteria (accessible from the list of linked documents in Appendix 2)

² The total number of classrooms to be rebuilt or retrofitted is at least 7,000, or almost one-fourth of the 30,000 damaged classrooms, benefiting at least 350,000 children.










³ PDNA preliminary estimates are damages to 4,400 km of roads in rural areas, requiring \$250 million for reconstruction. Their reconstruction is critical to restore the livelihoods of the affected population.

⁴ This responds to the urgent need for restoration of public service delivery in district headquarters. PDNA preliminary estimates are \$250 million in damages to government buildings.

II. IMPLEMENTATION PLANS

A. Project Readiness Activities⁵

Table 1: Project Readiness Activities

Activities	2015				Responsible Party
	June	July	Aug	Sep	
Establish SPV					GON, SPV ⁶
Establish PIUs					DOE, DOLIDAR, DUDBC, DOR
Advance contracting for recruitment of consultants and award of contracts					DOE, DOLIDAR, DUDBC, DOR, SPV
Allocation of Government funds under retroactive financing					MOF
ADB Board approval					ADB
Government legal opinion provided					MOF
Loan signing					MOF
Loan effectiveness					ADB
Consultants fully mobilized, initial contracts awarded					DOE, DOLIDAR, DOR, DUDBC, SPV

ADB = Asian Development Bank, DUDBC = Department of Urban Development and Building Construction, DOE = Department of Education, DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DOR = Department of Roads, DUDBC = Department of Urban Development and Building Construction, GON = Government of Nepal, MOF = Ministry of Finance, PIU = project implementation unit, SPV = special purpose vehicle.

B. Overall Project Implementation Plan

4. The project will be implemented over a three year period. The overall project implementation schedule is provided below.

⁵ ADB is considering a technical assistance grant of \$1,500,000, to support the Government in undertaking advance actions relating to project management, financial management, procurement, and safeguards.

⁶ A special purpose vehicle (SPV) for reconstruction is intended to be established by the government, and the Ministry of Finance will be the executing agency in the interim.

Table 2: Overall Project Implementation Schedule

Activities	2015 /Qtr	2016 Qtr	2017 Qtr	2018 Qtr
A. Infrastructure upgrading and reconstruction				
Output 1. Schools are rebuilt and upgraded				
Activity 1.1 Establishing PIU in DOE and consultant recruitment	◆			
Activity 1.2 Selection of type designs for to be reconstructed schools and retrofitting design option for to be upgraded schools	▲	▲	▲	
Activity 1.3 Design, estimates and bid documents		▬	▬	
Activity 1.4 Procurement of civil works contract		▬	▬	
Activity 1.5 Construction		▬	▬	▬
Activity 1.6 Implementation of GESI Action Plan output-related activities		▬	▬	▬
Output 2: Roads and bridges are rehabilitated and/or reconstructed				
Activity 2.1 Establishing PIU in DOLIDAR and consultant recruitment	◆			
Activity 2.2 Design, estimates and bid documents	▬			
Activity 2.3 Procurement of civil works contract		▬		
Activity 2.4 Construction		▬	▬	▬
Activity 2.5 Implementation of GESI Action Plan output-related activities		▬	▬	▬
Activity 2.6 Establishing PIU in DOR and consultant recruitment	◆			
Activity 2.7 Design, estimates and bid documents	▬			
Activity 2.8 Procurement of civil works contract		▬		
Activity 2.9 Construction		▬	▬	▬
Activity 2.10 Implementation of GESI Action Plan output-related activities		▬	▬	▬
Output 3. District-level government facilities constructed and/or rebuilt				
Activity 3.1 Establishing PIU in DUDBC and consultant recruitment	◆			
Activity 3.2 Design, estimates and bid documents	▬			
Activity 3.3 Procurement of civil works contract		▬		
Activity 3.4 Construction		▬	▬	▬
Output 4. Disaster preparedness and management capacities strengthened				
Activity 4.1 Technical audits		▬	▬	▬
Activity 4.2 Carryout training and capacity building of technical staff in IAs		▬	▬	▬
R & R program management				
Annual/Mid-term review		▲	▲	▲
Project completion				▬

DOE = Department of Education, DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DOR = Department of Roads, DUDBC = Department of Urban Development and Building Construction, GESI = gender equity and social inclusion, IAs = implementing agencies, PIU = project implementation unit.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations – Roles and Responsibilities

5. The proposed implementation arrangements follow established procedures and practices under ongoing ADB-financed projects as much as possible to enable speedy and efficient implementation. ADB already has ongoing projects in each of the main sectors where financing will be provided: education, roads and urban and rural infrastructure.

6. A National Level Disaster Management Committee (NLDMC) has been formed by Government of Nepal (GON) to steer the recovery and reconstruction (R&R) program in Nepal. This Committee will act as a policy-making body providing overall advice and guidance to the proposed special purpose vehicle (SPV) for reconstruction, which is being set up by the government. In the interim, the Ministry of Finance (MOF) will be the executing agency for the Project.

7. A dedicated project management unit (PMU) will be established in the executing agency, consisting of managerial staff and technical experts assisted by the project management consultants (PMC).⁷ To provide strategic direction and oversight, a Project Steering Committee (PSC) will be constituted, with the concerned ministry secretaries. Each line Ministry will also have its Project Coordination Committee (PCC) headed by the respective Secretary. The PCC will review and approve subprojects.

8. A dedicated project implementation unit (PIU) will be established in the implementing agencies headed by a Project Implementation Director. The PIU will be supported through its district implementation units (DIUs) to supervise and implement the approved subproject activities.

9. The implementing agencies are:

- (i) The Department of Education of the Ministry of Education for schools (outputs 1 and 4),⁸ supported by the Department of Urban Development and Building Construction of the Ministry of Urban Development.
- (ii) The Department of Local Infrastructure Development of the Ministry of Federal Affairs and Local Development and the Department of Roads of the Ministry of Physical Infrastructure Transport for rural roads and strategic roads, respectively (outputs 2 and 4).
- (iii) The Department of Urban Development and Building Construction of the Ministry of Urban Development for district headquarters buildings (outputs 3 and 4).

10. Output 4 will provide consultancy support and capacity building for all implementing agencies. The implementation arrangements are summarized in Table 3.

⁷ ADB TA to provide partial financial support for consultants to the new SPV.

⁸ Output 4 includes consultancies to support all four implementing agencies; and outputs 1 to 3.

Table 3: Implementation Arrangements

Aspects	Arrangements		
Implementation period	September 2015–September 2018 The project will be implemented over 3 years. The extended implementation period beyond the EAL norm of 2 years is justified given the extensive nature of the disaster, low capacity, the need for building back better, and Nepal's historically low disbursement record.		
Estimated completion date/loan closing date	30 September 2018/31 March 2019		
Management			
(i) Oversight body	Project steering committee comprised of the secretary, Ministry of Finance (chair); ^a secretary, Ministry of Urban Development; secretary, Ministry of Education; secretary, Ministry of Federal Affairs and Local Development; secretary, Ministry of Physical Infrastructure and Transport; representative, National Planning Commission; and project directors (four implementing agencies)		
(ii) Executing agency	Ministry of Finance (for interim period)		
(iii) Key implementing agencies	Department of Education, Department of Local Infrastructure Development, Department of Roads, Department of Urban Development and Building Construction		
(iv) Implementation unit	Four implementing agencies; about 40 full-time staff proposed		
Procurement	ICB	2 contracts	\$ 15.0 million
	NCB	Numerous contracts	\$ 157.5 million
	Shopping	Numerous contracts	\$ 6.5 million
Consulting services	QCBS	1,683 person-months	\$ 6.3 million
	ICS	930 person-months	\$ 2.2 million
	CQS	90 person-months	\$0.3 million
Retroactive financing and/or advance contracting	For eligible expenditures incurred for consulting services; procurement of goods, services, and civil works; and project administration after 25 April 2015, and up to a maximum of 30% of the loan amount.		
Disbursement	The loan proceeds will be disbursed in accordance with ADB's <i>Loan Disbursement Handbook</i> (2015, as amended from time to time) and detailed arrangements agreed upon between the government and ADB.		

ADB = Asian Development Bank, CQS=consultants' qualification selection, EAL = emergency assistance loan, ICB = international competitive bidding, ICS = individual consultant selection, NCB = national competitive bidding, QCBS = quality- and cost-based selection, SSS = single source selection.

^a The special purpose vehicle chief executive officer will chair the committee once the special purpose vehicle is established.

Sources: Asian Development Bank; Government of Nepal.

Project implementation organizations	Management Roles and Responsibilities
• ADB	<p data-bbox="821 258 1166 283">Inclusion (GESI) Action Plan.</p> <ul style="list-style-type: none"> <li data-bbox="776 289 1430 346">➤ Prepares progress reports, as outlined in PAM, for submission to PMU. <li data-bbox="776 352 1430 436">➤ Submits accounts and withdrawal applications to ADB for imprest fund, direct payments and reimbursements. <hr/> <ul style="list-style-type: none"> <li data-bbox="776 443 1430 562">➤ Conducts field review missions, midterm review mission and project completion review missions to assess project implementation progress and compliance of loan covenants. <li data-bbox="776 569 1430 688">➤ Reviews PMU's and PIUs' submissions for procurement of goods, civil works and services and provides comments and no objection on the submissions. <li data-bbox="776 695 1430 741">➤ Checks statement of expenditure, and disburses the loan funds as agreed in Loan Agreement.

ADB = Asian Development Bank, DOE = Department of Education, DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DOR = Department of Roads, DUDBC = Department of Urban Development and Building Construction, IEE = initial environmental examination, PAM = project administration manual, PIU = project implementation unit, PMU = project management unit.

B. Key Persons Involved in Implementation

Executing Agency

Ministry of Finance (interim)

Officer's Name: Mr. Suman Sharma
 Position: Secretary
 Telephone: +977 4211332
 Email address: ssharma@mof.gov.np

International Economic Cooperation
 Coordination Division (IECCD)

Officer's Name: Mr. Madhu K. Marasini
 Position: Joint Secretary/Chief
 Address: Singha Durbar, Kathmandu
 Telephone: +977-1-4211837
 Fax: +977-1-4211165
 Email address: mmarsini@mof.gov.np

Implementing Agency

DOE

Officer's Name: Dilli R. Rimal
 Position : Director General
 Telephone: +977 1 6631075
 Email: drrimal2004@gmail.com

DOLIDAR

Officer's Name: Mr. Jeevan K. Shrestha
 Position: Director General
 Telephone: 977-9851045085
 Email address: Shrestha.JeevanK@gmail.com

Officer's Name: Mr. Maheswor Ghimire

Position: Senior Divisional Engineer
Telephone: 977-9841256306
Email address: maheswor2015@gmail.com

DOR

Officer's Name: Mr. Madhab Kumar Karki
Position: Director General
Telephone: +977 1 4262675; Fax: +977 1 4262993
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Officer's Name: Mr. Umeshanand Mishra
Project Director
Project Directorate (ADB)
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DUDBC

Officer's Name: Mr. Shambhu K.C.
Position: Director General
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Officer's Name: Mr. Shiva H. Sharma
Position: Deputy Director General
Telephone: 977 9851058699
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ADB**Nepal Resident Mission**

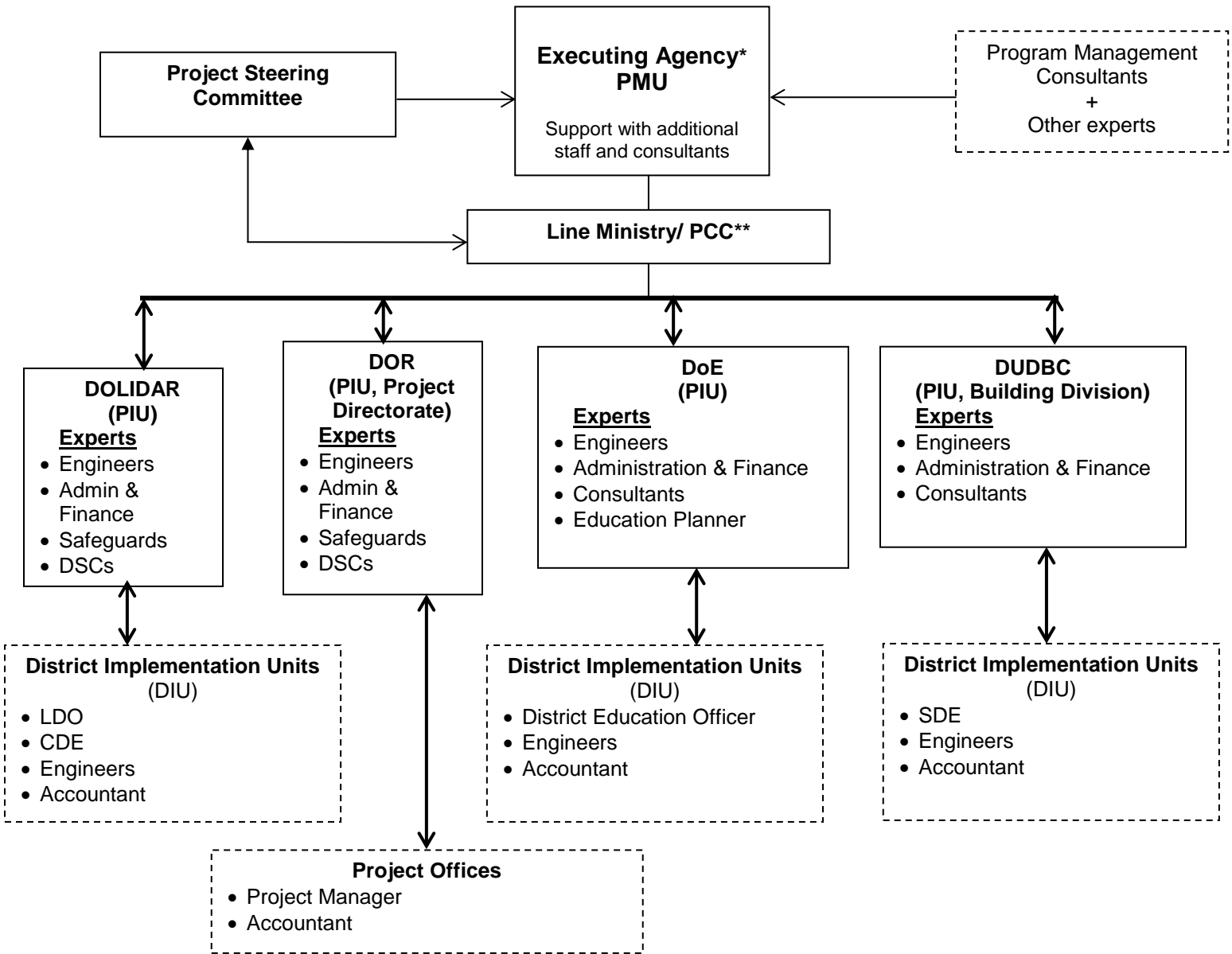
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Position: Country Director
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Mission Leader

Staff Name: Ms. Vivian Castro-Wooldridge
Position: Urban Development Specialist, SAUW
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C. Project Organization Structure

Figure 1: Project Management Structure



CDE = Chief District Engineer, DOE = Department of Education, DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DOR = Department of Roads, DUDBC = Department of Urban Development and Building Construction, DSCs = Design and Supervision Consultants, LDO = Local Development Officer, PIU = project implementation unit, PMU = project management unit, SDE = Senior Divisional Engineer.

* MOF is the interim executing agency.

** The Project Coordination Committee (PCC) will be established under the chairmanship of the respective Secretary of each Implementing Agency to coordinate sector activities.

IV. COSTS AND FINANCING

11. The project is estimated to cost \$232 million (Table 5), inclusive of taxes and duties and financing charges on the loan during construction.¹¹ The government has requested a loan amount of \$200 million equivalent from ADB's Asian Development Fund (ADF).

Table 5: Project Investment Plan
(\$ million)

Item	Amount ^a
A. Base Cost^b	
1. Schools	86.5
2. Roads and bridges	81.3
3. District-level government facilities	35.8
4. Disaster preparedness and management capacities	9.0
Subtotal (A)	212.7
B. Contingencies^c	15.9
C. Financing Charges During Implementation^d	3.4
Total (A+B+C)	232.0

^a Includes taxes and duties of about \$30 million to be partially financed by ADB.

^b In mid-2015 prices.

^c Physical contingencies computed at 5% for civil works; and 4% for consulting services. Price contingencies computed at 0.3% to 1.5% on foreign exchange costs and 7.0% to 7.7% on local currency costs in line with escalation rates published by ADB at <http://lnadbg1.asaindevbank.org/erd004p.nsf/>; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

^d Includes only interest. Interest during construction for ADB loan(s) has been computed at 1% per annum.

Note: Figures may not add up precisely due to rounding.

Source: Asian Development Bank.

12. **Financing Plan.** The financing plan is in Table 6. The government has requested a loan in various currencies of \$200 million equivalent to SDR143,212,000 from ADB's Special Funds resources to help finance the project.¹² The loan will have an interest charge at the rate of 1.0% per annum; a term of 40 years, including a grace period of 10 years; repayment of principal at 2% per annum for the first 10 years after the grace period and 4% per annum thereafter, and such other terms and conditions set forth in the draft loan agreement. The loan from ADB will finance (i) civil works and equipment for the school, roads and building infrastructure; (ii) consulting services; (iii) capacity building; (iv) financing charges during construction on ADB's loan and (v) part of taxes and duties on ADB financed project expenditures. The GON will provide \$32 million equivalent to cover (i) land acquisition and resettlement costs, (ii) taxes and duties and (iii) incremental recurrent costs.

¹¹ ADB financing includes part of tax and duties of about \$4 million. The estimated expenditure is not excessive (2.0% of ADB financing amount) and will apply only to ADB-financed expenditures. The amount is within a reasonable threshold identified during the country partnership strategy preparation process. Financing of the taxes and duties is material and relevant to the success of the project and to simplify and expedite disbursement arrangements. Any incidental expenditures relating to bank charges, local transport, freight, and insurance are eligible for ADB financing.

¹² Request letter from Ministry of Finance dated 27 May 2015.

Table 6: Financing Plan

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank		
Asian Development Fund	200.0	86.2
Government of Nepal	32.0	13.8
Total	232.0	100.0

Sources: Asian Development Bank and Government of Nepal.

A. Detailed Cost Estimates by Expenditure Category

Table 7: Cost Estimates by Expenditure Category
(US\$, million)

Items	Gross^a	% of base costs
A. Investment Costs		
1. Civil Works	187.50	88.2%
2. Goods, Supplies and Equipment	6.50	3.1%
3. Environment and Social Mitigation (Resettlement)	2.00	0.0%
4. Consultancy Services and Capacity Building	8.99	4.2%
Subtotal (A)	204.99	96.4%
B. Incremental Recurrent Costs		
1. Sub-engineers (DOE)	3.71	1.7%
2. Other Project Management ^b	4.00	1.9%
Subtotal (B)	7.71	3.6%
Total Base Cost	212.70	100.0%
C. Contingencies		
1. Physical Contingencies	9.73	4.6%
2. Price Contingencies	6.19	2.9%
Subtotal (C)	15.92	7.5%
D. Financing Charges During Implementation		
1. Interest	3.38	1.6%
Subtotal (D)	3.38	1.6%
Total Project Cost (A+B+C+D)	232.00	109.1%

DOE = Department of Education.

Notes:

^a Includes taxes and duties of about \$30.0 million.

^b Project Management includes office equipment, staff salaries, office and travel expenses of PIU staff etc.

Source: Asian Development Bank estimates.

B. Allocation and Withdrawal of Loan Proceeds**Table 8: Allocation and Withdrawal of ADB Loan Proceeds**

Category			ADF financing basis
No.	Item	Total amount allocated for ADB financing	Percentage and Basis for Withdrawal from the Loan Account
1	Civil Works	165,000,000	88% of total expenditure
2	Goods, Supplies and Equipment	6,500,000	100% of total expenditure claimed
3	Consultancy Services and Capacity Development	8,990,000	100% of total expenditure claimed
4	Incremental Recurrent Costs: Sub-engineers (DOE)	3,710,000	100% of total expenditure claimed
5	Interest During Construction	3,375,000	100% of amount due
6	Unallocated	12,425,000	
Total		200,000,000	

DOE = Department of Education.

C. Detailed Cost Estimates by Financier

Table 9: Cost Estimates by Financier
(\$ million)

Item	ADB ADF		Government		Total Costs
	Amount	%	Amount	%	
A. Investment Costs					
1. Civil Works	165.00	88.0%	22.50	12.0%	187.50
2. Goods, Supplies and Equipment	6.50	100.0%	0.00	0.0%	6.50
3. Environment and Social Mitigation (Resettlement)	0.00	0.0%	2.00	100.0%	2.00
4. Consultancy Services and Capacity Building	8.99	100.0%	0.00	0.0%	8.99
Subtotal (A)	180.49	88.0%	24.50	12.0%	204.99
B. Incremental Recurrent Costs					
1. Sub-engineers (DOE)	3.71	100.0%	0.00	0.0%	3.71
2. Other Project Management ^a	0.00	0.0%	4.00	100.0%	4.00
Subtotal (B)	3.71	48.1%	4.00	51.9%	7.71
Total Base Cost	184.20	86.6%	28.50	13.4%	212.70
C. Contingencies					
1. Physical Contingencies	7.59	78.0%	2.14	22.0%	9.73
2. Price Contingencies	4.83	78.0%	1.36	22.0%	6.19
Subtotal (C)	12.42	78.0%	3.50	22.0%	15.92
D. Financing Charges During Implementation					
Interest	3.38	100.0%	0.00	0.0%	3.38
Subtotal (D)	3.38	100.0%	0.00	0.0%	3.38
Total Project Cost (A+B+C+D)	200.00	86.2%	32.00	13.8%	232.00
% Total Project Cost		86.2%		13.8%	100.0%

DOE = Department of Education.

^a Project Management includes office equipment, staff salaries, office and travel expenses of PIU staff etc.

Source: Asian Development Bank estimates.

D. Detailed Cost Estimates by Outputs

Table 10: Cost Estimates by Outputs
(\$ million)

Items	Output 1 Schools are rebuilt and upgraded	Output 2 Roads and bridges are rehabilitated and/or reconstructed	Output 3 District-level government facilities constructed and/or rebuilt	Output 4 Disaster preparedness and management capacities strengthened	Total Costs
A. Investment Costs					
1. Civil Works	78.50	75.00	34.00	-	186.00
2. Goods, Supplies and Equipment	3.00	3.00	0.50	-	6.50
3. Environment and Social Mitigation (Resettlement)	-	2.00	-	-	2.00
4. Consulting Services and Capacity Building	0.00	0.00	0.00	8.99 ^a	8.99
5. Incremental Recurrent Costs	5.04	1.33	1.33	-	7.71
Subtotal (A)	86.54	81.33	35.83	8.99	212.70
B. Contingencies					
1. Physical Contingencies					9.73
2. Price Contingencies					6.19
Subtotal (B)					15.92
Total Project Cost (A+B)					228.62
Financial Charges during Implementation					3.38
Total Project Cost to be financed					232.0

^a Consultancy amounts are allocated to the implementing agencies as follows: Department of Education (\$3.73 million); Department of Local Infrastructure Development and Agricultural Roads (\$2.59 million); Department of Roads (\$1.45 million); and Department of Urban Development and Building Construction (\$1.21 million).

E. Detailed Cost Estimates by Year

Table 11: Cost Estimates by Year
(\$ million)

	Total Cost	2015	2016	2017	2018
Annual Expenditure (%)		5%	30%	45%	20%
A. Investment Costs					
1. Civil Works	187.50	9.38	56.25	84.38	37.50
3. Goods, Supplies and Equipment	6.50	0.33	1.95	2.93	1.30
3. Environment and Social Mitigation (Resettlement)	2.00	0.10	0.60	0.90	0.40
4. Consultancy Services and Capacity Building	8.99	0.45	2.70	4.05	1.80
Subtotal (A)	204.99	10.25	61.50	92.25	41.00
B. Incremental Recurrent Costs					
1. Sub-engineers (DOE)	3.71	0.19	1.11	1.67	0.74
2. Other Project Management	4.00	0.20	1.20	1.80	0.80
Subtotal (B)	7.71	0.39	2.31	3.47	1.54
Total Base Cost	212.70	10.64	63.81	95.72	42.54
C. Contingencies					
1. Physical Contingencies	9.73	0.49	2.92	4.38	1.95
2. Price Contingencies	6.19	0.31	1.86	2.78	1.24
Subtotal (C)	15.92	0.80	4.78	7.16	3.18
D. Financing Charges during Implementation					
1. Interest	3.38	0.17	1.01	1.52	0.68
Subtotal (D)	3.38	0.17	1.01	1.52	0.68
Total Project Cost (A+B+C+D)	232.00	11.60	69.60	104.40	46.40

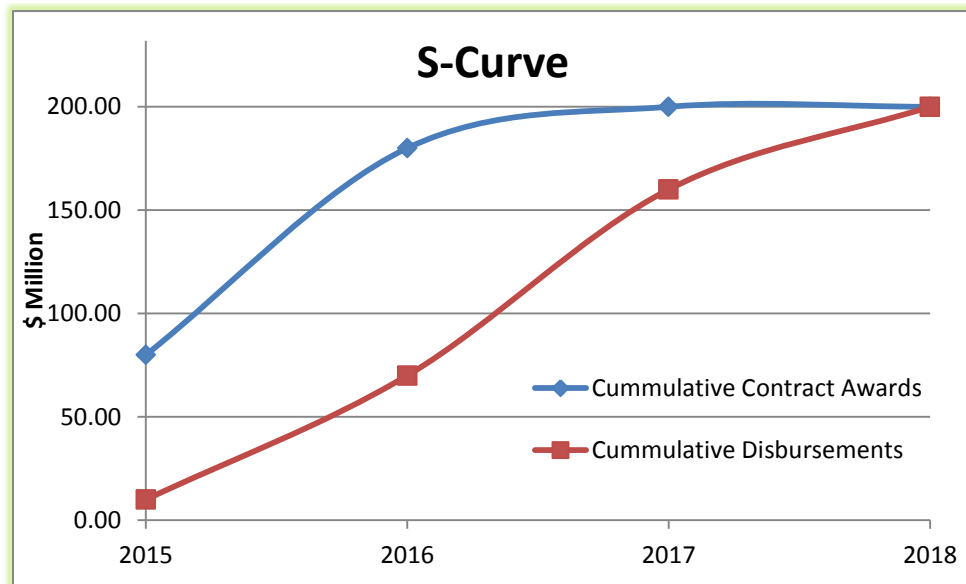
DOE = Department of Education

*Total may not add correctly due to rounding off.

Source: Asian Development Bank estimates.

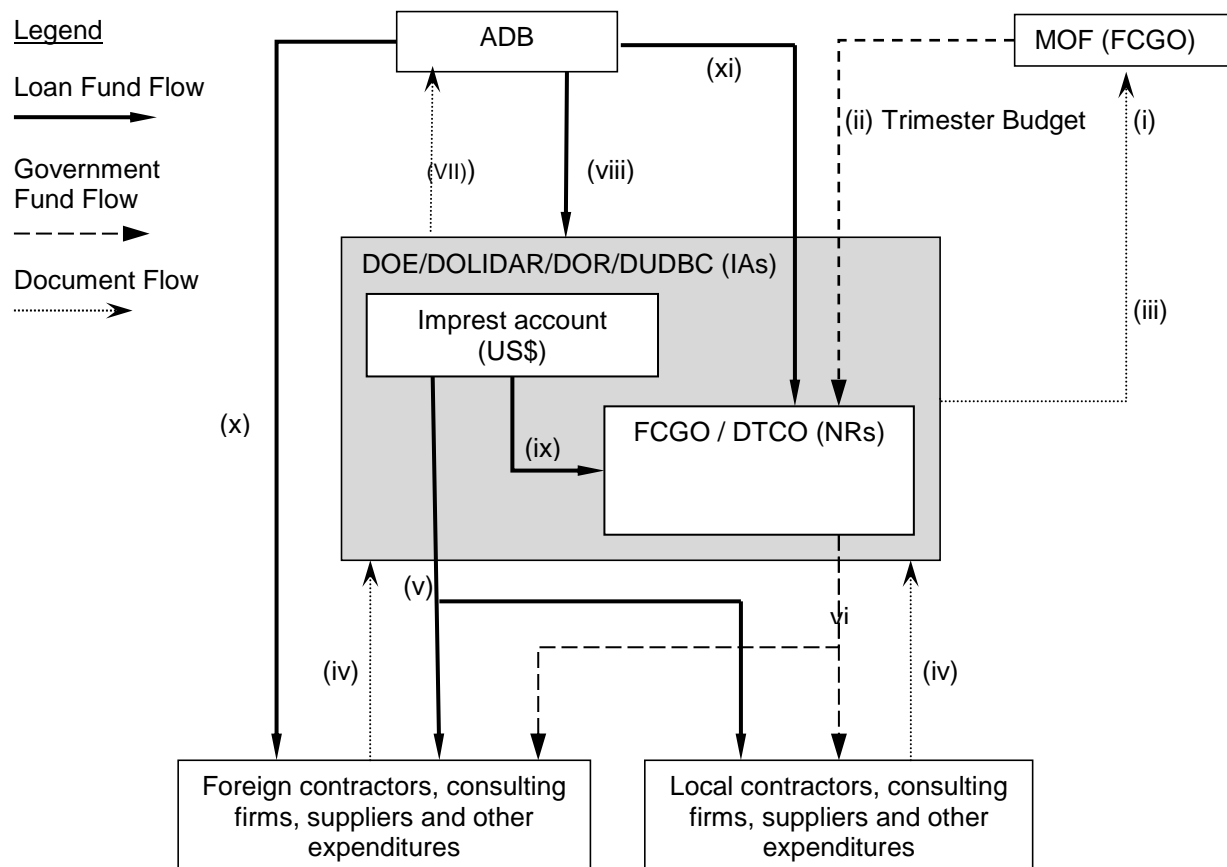
F. Contract and Disbursement S-Curve

13. The S-Curve in Figure 2 shows the estimated annual contract awards and disbursements over the life of the Project based on contract awards and disbursement projections for ADB loan portion only.

Figure 2: S-Curve based on values (ADB Portion)**G. Fund Flow Diagram**

14. Figure 3 shows the fund flow procedure to be used for the Project.

Figure 3: Fund Flow Diagram



ADB = Asian Development Bank, DOE = Department of Education, DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DOR = Department of Roads, DTCO = District Treasury Controller Office, DUDBC = Department of Urban Development and Building Construction, FCGO = Financial Comptroller General Office, MOF = Ministry of Finance.

For Payment to Contractors, Consultants and Other Expenditures

- (i) IAs annual request to MOF for release of government funds.
- (ii) MOF(FCGO) releases government funds on trimester basis to PIUs.
- (iii) Consolidated expenditure statement from DOE/DOR/DOLIDAR/DUDBC on monthly basis.
- (iv) Foreign and local contractors, consultants and suppliers submit invoices to the PIUs for payment.
- (v) IAs pay local and foreign contractors, consulting firms and suppliers for ADB share in US\$ and local currency.
- (vi) DTCO/FCGO make payment to local and foreign contractors, consulting firms and suppliers for government share and ADB share (reimbursable and replenishable) in US\$ and local currency.
- (vii) IAs request ADB for replenishment of imprest account/Reimbursement/ Direct Payment.
- (viii) ADB replenishes imprest account.
- (ix) IAs transfers the funds from imprest account to FCGO account.
- (x) ADB makes direct payment of ADB share to contractors, consulting firms and suppliers.
- (xi) ADB reimburses the government for financing the ADB share of reimbursable expenses.

V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

15. An updated financial management assessment (FMA) has been conducted for 4 Implementing Agencies (IAs) in accordance with Asian Development Bank (ADB)'s *Guidelines for the Financial Management and Analysis of Projects*¹³ (the Guidelines) and ADB's Financial Due Diligence A Methodology Note¹⁴ for the purpose of Nepal Earthquake Emergency Assistance Project.¹⁵ The FMA focuses on fund flows, staffing, accounting policies and procedures, internal controls, financial reporting and monitoring, and internal and external audit. The purpose of this updated FMA is to ensure that adequate financial management arrangements are in place for the proposed project. The IAs are responsible for the implementation of the Project. Implementing Agencies will be responsible for operation and maintenance of the Project assets once constructed.

16. The FMA draws on lessons learnt during the implementation of past and existing projects, various sector level governance assessments, and interviews with implementing agency's Project Management Units and other relevant government staff.

17. Project needs to address fiduciary risks in the government systems, such as (i) the fund release remains unreliable, (ii) the internal audit function is weak, (iii) project financial records are maintained manually, and (iv) human resource capacity requires to be supplemented by external consultants.

18. Risk mitigating measures to partially manage the weaknesses in the financial management process include:

- (i) Dedicated and competent accounting staff are appointed to each of the PIUs within 2 months of project inception;
- (ii) TA support for overall ongoing financial and accounting hand holding support, for at least the first two years of project implementation;
- (iii) Loan assurance on timely release of counterpart funds;
- (iv) Training of project implementation unit staff on government's and ADB's financial and procurement rules and guidelines by October 2015;
- (v) TA support for establishing adequate internal control systems of proposed SPV, including (a) development of an appropriate organogram with adequate segregation of duties and financial accounting manual (within four months of establishment), and (b) establishment of an independent and effective internal audit function and computerized financial accounting within a year of operations;
- (vi) Provision of a Statement of Audit Needs and capacity building of the project accounting staff to ensure that reporting and external audit of the project is more closely aligned to the international reporting and audit standards;
- (vii) Ensuring more rigorous follow up of resolution of audit issues on an ongoing basis;
- (viii) A unified web-based project monitoring and Management Information System (MIS) will be established by the executing agency in the PMU-PIUs-DIUs to monitor implementation, fund flows, accounting, audit and reporting functions

¹³ ADB. 2015. *Financial Management Assessment-Technical Guidance Note*.

¹⁴ ADB. 2009. *Financial Due Diligence, A Methodology Note*, Manila.

¹⁵ Updated Financial Management Assessment available upon request.

within a year of project commencement. The attached TA will also provide support for operationalizing an electronic tracking system of expenditures and outputs of the R&R program to promote transparency and reduce administrative burden; and

- (ix) Assurance of PIU that the annual work plan process complies with MOF and NPC's timeline for the annual budgeting cycle. This is to identify all counterpart funding and budget allocation requirements for the project on an annual basis.

19. On the positive side, despite the issues noted above, all 4 IAs of the Project are successfully implementing ongoing ADB funded projects. Audited project financial statements are submitted on time, auditor has issued a clean unqualified audit opinion and the IAs have established accounting, reporting and budgeting procedures in place in line with government regulations. DOR and DUDBC have adequate accounting staff and DOE/DOLIDAR PIUs will be supplemented by additional full time qualified accountants. Accordingly, adequate capacity exists for the purpose of removing the SOE ceilings.

Risk Analysis

20. Summary of the overall risks are given below

Table 12: Control Risk Summary

Risk Type	Risk Description	Risk Assessment	Proposed Mitigation Measures
1. Country Level	Absorption capacity of government departments for capital expenditure and adequacy of O&M budget	Substantial	TA support to implement project and assessment of financial sustainability as a sub project selection criteria
2. Executing Entity	The proposed SPV will need significant support to set up its overall internal controls and accounting environment	High	TA Support for Capacity Building
3. Funds Flow	Since MOF is the overall in charge and this is a high priority project with GON commitment, the usual delays in allocation and release of funds are not expected.	Moderate	Governments assurance to release the counterpart parts on timely basis SPV once set up, will manage overall project funds Direct Payment mechanism to be used as well
4. Staffing	Dedicated accounting staff for the project may not be assigned on time.	Substantial	Government commitment and budget allocation for dedicated accounting staff at SPV and PIUs.
5. Accounting Policies and Procedures	Policies and procedures are well-documented and IAs use Government accounting standards.	Moderate	Policies and procedures would be established for SPV.
6. Internal Audit	Internal Audit Function is generally weak.	Substantial	Full-time ongoing accounting support
7. External Audit (project level)	OAGN has the constitutional mandate to conduct external audits of donor-funded projects.	Low	

Risk Type	Risk Description	Risk Assessment	Proposed Mitigation Measures
	Annual project audit reports are typically produced within 6 to 9 months of the end of the financial year. Compliance reports are prepared and submitted in response to audit findings (paras) for disposal of the same.		
8. External Audit (entity level)	OAGN will carry out the audit of SPV	Low	
9. Reporting and Monitoring	Reporting systems are in place at the respective implementing agency's level. Routine reports are produced from the Accounting System – others are prepared on spreadsheets with figures extracted from the accounting system.	Low	
10. Information Systems	Mostly manual accounting	Substantial	Computerization of SPV accounts to be supported. A unified web-based Project Monitoring and Management Information System (PMIS) will be established by the Executing Agency in the PMU-PIUs-DIUs to monitor implementation, fund flows, accounting, audit and reporting functions. The attached TA will also provide support for operationalizing an electronic tracking system of expenditures and outputs of the R&R program to promote transparency and reduce administrative burden.
Overall Control Risk		Substantial	

GON = Government of Nepal, MOF = Ministry of Finance, O&M = operation and maintenance, PMIS = project monitoring and management information system, SPV = special purpose vehicle.

B. Disbursement

21. The Loan proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2015, as amended from time to time),¹⁶ and detailed arrangements agreed upon between the Government and ADB. Pursuant to ADB's Safeguard Policy Statement (2009) (SPS),¹⁷ ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth in the SPS. Online training for executing agency/implementing agencies staff on disbursement policies and procedures is available at http://wpqr4.adb.org/disbursement_elearning.

22. DOE, DOR, DOLIDAR and DUDBC will, immediately after loan effectiveness, each establish an imprest account for the ADB Loan at the Nepal Rastra Bank,¹⁸ which is required to fund the foreign currency portion of the contractor's claims. The currency of the imprest accounts will be US dollars. The advance, initial or outstanding, to each imprest account will be 6 months of the estimated expenditure to be financed by the ADB loan. The request for initial advance to the imprest account should be accompanied by an Estimate of Expenditure Sheet¹⁹ setting out the estimated expenditures for the first 6 months of project implementation. The total outstanding advance, in any event, should not exceed the estimate of ADB's share of expenditures to be paid through each imprest account for the forthcoming 6 months. For every liquidation and replenishment request of the imprest account, the borrower will furnish to ADB (i) Statement of Account (Bank Statement) where the imprest account is maintained, and (ii) the Imprest Account Reconciliation Statement (IARS) reconciling the above mentioned bank statement against MOF's records.²⁰

23. The statement of expenditure (SOE) procedure will be adopted for reimbursement and liquidation and replenishment of the imprest account. As all IAs have shown adequate capacity, based on the Financial Management Assessment, no ceiling is imposed on the amount of expenditure that may be submitted to ADB using the SOE procedures for reimbursing and liquidating the imprest account. SOE records should be maintained and made readily available for review by ADB's disbursement unit and review mission or upon ADB's request for submission of supporting documents on a sample basis, and for independent audit.²¹ Procedures for establishing and operating the imprest account and SOE procedures are detailed in the *Loan Disbursement Handbook* (2015, as amended from time to time). Each implementing agencies' PIU will be responsible for submitting withdrawal applications to ADB.

24. Some payments to the contractors and consultants will be made directly by ADB, for which PIUs will be required to submit approved invoices and other documents to ADB in accordance with ADB's *Loan Disbursement Handbook*.

25. With the consent of the MOF each PIUs will open a dedicated project imprest accounts in USD at a commercial bank or central bank. MOF will prepare the annual budget based on projected annual expenditure. The Government has generally been practicing pre-financing the ADB share of funds, through budget transfers, for ADB funded projects. For the Project, the FCGO will issue the trimester budget release letter to the related District Treasury Control Office (DTCO) with copy to the PIU and the IAs will request the DTCO for payment to the suppliers/

¹⁶ Available at: http://www.adb.org/Documents/Handbooks/Loan_Disbursement/loan-disbursement-final.pdf

¹⁷ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

¹⁸ ADB loan/grant may finance bank charges.

¹⁹ Available in Appendix 29 of the *Loan Disbursement Handbook*.

²⁰ Follow the format provided in Appendix 30 of the *Loan Disbursement Handbook*.

contractors within the limits set by the release letter which includes the ADB share of funds and counterpart funds. For the direct payment of ADB share of funds through direct payment procedure and imprest account, the PIU should ensure the approval of the MOF via annual budget.

26. Each PIU will submit to ADB, annual contract awards and disbursement projections before the start of each calendar year using the ADB's standard templates. Each PIU is responsible for (i) requesting budgetary allocations for counterpart funds, (ii) collecting supporting documents for the project, and (iii) preparing and sending withdrawal applications to ADB.

27. Before 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 borrower, together with the authenticated specimen signatures of each authorized person. Project directors at each of the four IAs shall be designated as the authorized signatories. The minimum value per withdrawal application is US\$100,000 equivalent. Individual payments below this amount should be paid (i) by the executing agency/implementing agency and subsequently claimed to ADB through reimbursement; or (ii) from the imprest account, unless otherwise accepted by ADB.

C. Accounting

28. Each of the four implementing agencies will maintain, or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project. IAs will prepare project financial statements (PFSs) in accordance with the government's accounting laws and regulations which are consistent with international accounting principles and practices. PFSs shall include at a minimum, a statement of receipts and payments with accompanying notes and schedules. PFS shall include all expenditure incurred under the project including loan and government counterpart funds. These shall be prepared to ensure maximum alignment to Nepal Public Sector Accounting Standards and Government of Nepal's Financial Procedures, Act and Rules. Detailed Statement of Audit Needs shall be provided during implementation. executing agency may submit consolidated PFS for the project, or each implementing agency may submit separate financial statements for their respective components

D. Auditing

29. MOF and each implementing agency will cause the project financial statements to be audited in accordance with International Standards on Auditing or International Standards for Supreme Audit Institutions and with the Government's audit regulations, by an independent auditor acceptable to ADB. As the constitutionally mandated supreme audit institution, it is expected that the OAGN shall conduct the audit. The audited PFSs will be submitted in the English language to ADB within 9 months of the end of the fiscal year by the SPV or individually by each implementing agency.²²

30. The annual audit report for the PFSs will include audit opinions which cover (i) whether the PFSs present a true and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting framework; (ii) whether loans proceeds were used only for the purposes of the project or not; (iii) the level of compliance for each financial

²² A three month extension is being given due to the need for consolidating financial data across multiple districts and cost centers spread-out in Nepal across departments, without full integrated computerized systems.

covenant contained in the legal agreements for the project; (iv) use of the imprest fund procedure; and (v) the use of the statement of expenditure procedure certifying to the eligibility of those expenditures claimed under SOE procedures, and proper use of the SOE and imprest procedures in accordance with ADB's Loan Disbursement Handbook and the project documents. A management letter shall also be provided.

31. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal project supervision, and followed up regularly with all concerned, including the external auditor. Each implementing agency and MOF will ensure that unaudited PFSs are provided to OAGN on a timely basis and no later than 5 months after the end of the fiscal year.

32. The Government, MOF, DOLIDAR, DOE, DOR and DUDBC have been made aware of ADB's approach on delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.²³ ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), 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.

33. Public disclosure of the PFSs, including the audit report on them, will be guided by ADB's Public Communications Policy (2011).²⁴ After review, ADB will disclose the PFSs 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 management letter and entity level financial statements will not be disclosed.

VI. PROCUREMENT AND CONSULTING SERVICES

A. Advance Contracting and Retroactive Financing

34. The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval. The Government has been advised that approval of advance contracting and retroactive financing does not commit ADB to finance the Project.

35. Advance contracting and retroactive financing are recommended for the recruitment of individual consultants for the executing agency and implementing agencies, operation of PMU, and PIUs. Retroactive financing will be up to 30% of the ADB loan amount, for eligible

²³ ADB approach 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 (9 months in the case of this particular project), 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 loan may be suspended if the audit documents are not received within the next six months.
- When audited project financial statements have not been received within 12 months after the due date, ADB may suspend the loan.

²⁴ Available from <http://www.adb.org/documents/pcp-2011?ref=site/disclosure/publications>

expenditures incurred prior to the effectiveness of the financing agreement but after 25 April 2015.

B. Procurement of Goods, Works and Consulting Services

36. All procurement of goods and works, and recruitment of consulting services will be undertaken in accordance with the simplified and expedient procedures permitted under the ADB's Disaster Emergency Assistance Policy (2004), Procurement Guidelines (2015, as amended from time to time), and Guidelines on the Use of Consultants (2013, as amended from time to time). As a general principle, the project's approach to procurement of Works will be in line with Procurement Guidelines para 3.18, which reads as follows:

Procurement under Disaster and Emergency Assistance. *“Procurement of goods and works under disaster and emergency assistance shall incorporate greater flexibility. ICB requirements will be relaxed in favor of NCB with an abbreviated bidding period. LIB will be the norm for procurement of goods with minimum bidding periods ranging from one to two weeks. Direct contracting to contractors and suppliers under existing loans or grants will be allowed for new contracts, with rates negotiated around those in effect for the existing contract with adjustments as required for inflation and physical considerations. Similarly, contractors and suppliers competitively selected under projects financed by other donors will be considered for direct contracting for new ADB-financed contracts.”*

37. Procurement capacity assessment of the executing agency and the implementing agencies has been undertaken. Based on these assessments, the thresholds for procurement of works and goods, as well as consulting services, have been agreed upon with the Government of Nepal. Likewise, ADB's prior review and post review thresholds have been established in the attached procurement plan in **Appendix 1**. Further, domestic preference will be provided to international competitive bidding (ICB) contracts for goods and works in accordance with *ADB Guidelines for Procurement (April 2015, as amended from time to time)*.

38. **Procurement of Works and Goods.** In order to expedite implementation and meet emergency needs, the procurement of urgent works and goods will be retroactively financed. All works to be contracted after project loan signing will use competitive bidding.

39. National competitive bidding (NCB) with a shortened bidding period of 15 days will be used. Bidding documents based on post-qualification with single-stage two-envelope procedure or single-stage one-envelope procedures are the preferred procurement options; any other procedure could be used based on assessment of suitability. DOLIDAR and DOR are following the procedure of e-submission of bids in addition to submission of physical bids simultaneously. DUDBC is allowed to use the e-submission of bids simultaneously with physical bid submission subject to following the requirements of ADB:

- (i) DUDBC must use the bidding document drafted using ADB's standard bidding document for the proposed contract packages;
- (ii) The above is applicable only to ADB's EAL financed contract packages, and shall not constitute a precedent for other transactions and only on an exceptional basis; and
- (iii) The system is enhanced to reflect ADB's PAI provisions (para. 15 of PAI 3.08) requiring DUDBC to ensure that the date and time of an automated closure of an

electronic bid deadline can be set only simultaneously by at least two authorized persons.

40. Flexibility in terms of choice of contract type (ad-measurement or lump-sum or milestone payments), bidding document (works; large or small and plant; design, supply and install or supply and install) will be available to project executing agency/implementing agencies. The executing agency/implementing agencies will choose the type of bidding document in consultation with ADB.

41. ICB procedures will be used for any civil works contracts estimated to cost \$5 million and above, and any goods contracts estimated to cost \$2 million and above. NCB procedures will be used for any civil works contract estimated to cost between \$200,000 and \$4.99 million and any goods contracts estimated to cost between \$200,000 and \$1.99 million. Shopping will be used for any civil works or goods contracts estimated to cost less than \$200,000.

42. For small, specialized equipment and materials contracts valued at less than \$30,000, direct contracting methods acceptable to ADB will be used, where relevant. The earthquake damaged structures that need urgent reconstruction by the various departments and agencies of the GON, can utilize the force account method in consultation with ADB. The EA's intention on how to use the force account method is expected to be informed to ADB. Contractors and consultants working in ongoing ADB and other development agency (World Bank, JICA) funded projects in Nepal may be directly awarded rehabilitation works through contract variations under their respective current contracts, where appropriate subject to ADB's approval.

43. The prior and post review by ADB and corresponding thresholds have been established in the procurement plan. First NCB bidding documents and procedures for works and goods from each of the implementing agencies and executing agency will be prior reviewed by ADB irrespective of contract value. Subsequent contracts will be subject to post procurement reviews in the field conducted semiannually. implementing agencies and executing agency are required to retain a record of all procurement documents, including copies of the signed contracts and the bid evaluation reports, to be available for post procurement reviews in the field.

44. ADB will conduct capacity building workshops for executing agency/implementing agency staff on ADB's procurement and consultant recruitment procedures, as well as for prior and post procurement review requirements. If ADB determines during the procurement review that the agreed procurement procedures were not adhered to, it has the option to not approve the award or terms of the contract; the government will not be able to use loan proceeds to finance these contracts. If the loan proceeds have already been used to finance such contracts at the time of such determination, the government will refund to ADB the expenditures made.

C. Procurement Plan

45. The procurement plan for each output is in **Appendix 1**.

D. Consultant's Terms of Reference

46. **Recruitment of Consultants.** All consultants will be recruited according to ADB's *Guidelines on the Use of Consultants*.²⁵ The terms of reference for all consulting services are

²⁵Checklists for actions required to contract consultants by method available in e-Handbook on Project Implementation at: <http://www.adb.org/documents/handbooks/project-implementation/>

detailed in **Appendix 2**. Individual consultants for PIUs and the PMU will be recruited using shortened advertising periods of 15 days and 5 days for consultant (firm) and consultation (individual) selection respectively. Detailed procedures for recruitment of firms under QCBS and under consultants qualifications selection (CQS) is been outlined in the Procurement Plan. In an effort to ensure executing agency / implementing agency's flexibility, a minimum 3 time submission to ADB (submission1, 2&3 and 4) is required instead of four time submission. All consultant firm selection will be processed by the executing agency / implementing agency with the aid of their consultants.

47. It is expected that a national Project Management Consultant for proposed SPV and three national design supervision and consultant firms will be recruited under the project using competitive selection methods. For quality assurance, a firm will be recruited through CQS. Until these firms are recruited, transitional support to the executing agency and implementing agencies will be provided by individual consultants. Experts will be engaged to address and support project management, design, financial management needs, safeguards, procurement, training and capacity building, road building technologies, disaster preparedness, communications, Gender and Social Inclusion (GESI), and overall project management and reporting.

48. Consulting firms will be recruited through Quality and Cost Based Selection (QCBS, Quality Cost ratio of 90: 10) using bio-data technical proposals. Since the project will be completed within 3 years, recruitment and mobilization of consultants will be done expeditiously with the option of reduced proposal submission period of 15 days, for expressions of interest and for requests for proposals.

49. The outline terms of reference are in **Appendix 2**.

VII. SAFEGUARDS

50. Safeguards frameworks, specifically an environmental assessment and review framework (EARF) and a resettlement framework were prepared in accordance with ADB's Safeguards Policy Statement 2009. A separate Indigenous Peoples Planning Framework is not required as the Project will not include subprojects that affect indigenous people. Initial environmental examinations and environmental management plans will be prepared and implemented for subprojects consistent with the EARF and will be incorporated into bidding documents and contract documents to be implemented by contractors. Resettlement plans will be prepared and implemented for subprojects consistent with the Resettlement Framework.

51. A PMU within the executing agency will have a Safeguards (Environment and Resettlement) Focal Person to coordinate environmental and social safeguards planning and implementation with assistance from project management consultants (PMC). The PMC will include an Environment Specialist and a Resettlement Specialist engaged intermittently during project implementation. The PMU will ensure that the EARF and resettlement framework are followed during subproject implementation. Four PIUs will be formed in the implementing agencies: DOE, DOLIDAR, DOR, and DUDBC. Each PIU will have a Safeguards Focal Person. The PIUs will be assisted by design supervision consultants (DSC) which will include Environment Specialists and Resettlement Specialists engaged during project implementation. The PIUs will undertake screening and classification of subprojects for submission to the PMU and ADB. PIUs will prepare safeguards documents for approved subprojects. Safeguards documents will be reviewed and approved by the PMU and ADB. PIUs will be tasked with the

day-to-day implementation and monitoring of safeguards plans. PIUs will also obtain all clearances and fulfill government requirements. The PIUs will work with DIU and District Implementation Monitoring Units (DIMU). DIUs will have a safeguards focal person who with the DIMU will be responsible for data required for safeguards plan preparation and monitoring and progress reports, and coordination with relevant departments such as departments of environment and forestry to consult and/or obtain endorsement if necessary. PIUs and DIUs will also be supported by DSCs. Institutional roles and responsibilities are detailed in the EARF and resettlement framework.

VIII. GENDER AND SOCIAL DIMENSIONS

52. The project is classified as Effective Gender Mainstreaming (EGM), and a Gender Equality and Social Inclusion (GESI) Action Plan has been prepared and is presented below. To ensure the effective implementation of the GESI Action Plan, the project will hire GESI experts each of them covering up to three disaster-affected districts. Social mobilizers will support GESI experts and safeguards experts in the districts. Financial allocation for the engagement of the GESI consultants is from resources earmarked for Consultancy Services and Capacity Building.

GENDER EQUALITY AND SOCIAL INCLUSION ACTION PLAN

Activities	Targets and Indicators	Responsibility	Time
A. Output 1: Schools are rebuilt and upgraded with improved learning environment			
1. Rebuild schools (at least 700) addressing GESI concerns meeting universal design and accessibility standards in six affected districts: Bhaktapur; Kathmandu; Kavrepalanchok Lalitpur; Nuwakot; and Sindhupalchowk.	<ul style="list-style-type: none"> Engineered school-premises rebuilt based on international best-practice and safety standards [$\geq 350,000$ students in six affected districts] Needs of girls and DAGs addressed in site selection for destroyed schools (high/secondary and primary) Sex-segregated toilets and access to water for teachers and students built according to accessibility standards 	DOE, district education offices, with support from EEAP district-GESI experts	1-36
2. Conduct GESI-sensitive risk assessment for schools (at least 700) and build capacity of teachers	<ul style="list-style-type: none"> GESI-sensitive risk assessments for all projects schools conducted in consultation with all student, teachers, parents, and school management committees 	Social mobilizers will support GESI experts and safeguards experts in the districts.	
3. Build capacity of schools and students for disaster preparedness and emergency	<ul style="list-style-type: none"> Capacity building for disaster preparedness and emergency carried out at times and venues that facilitate women's and girls' participation [Target: 50% women and girls] Ensure GESI considerations are addressed in the update of the MOEs <i>Strategy and Overall Plan for Increasing Disaster Resilient Schools in Nepal</i> and the <i>Type Designs for Classroom Construction</i> 		
B. Output 2: Roads and bridges are rehabilitated and reconstructed			
1. Engage women in rehabilitation and reconstruction of affected infrastructure	<ul style="list-style-type: none"> Women employed in construction of strategic roads (estimated 135 km) and district roads (estimated 450 km) work [Target: 20% women] Women employed in compensatory tree plantation for afforestation and slope protection works through bioengineering esp. for hill roads [Target: 20% women] 	DOR; DOLIDAR (DDCs), with support from EEAP district-GESI experts.	1-36
2. Install road safety features	<ul style="list-style-type: none"> Signage, speed breakers, safety barriers, and road shoulders constructed to benefit pedestrians, esp. women, children, elderly and differently-abled 	Social mobilizers will support GESI experts and safeguards experts in the districts.	
3. Ensure women's representation and participation in user and community-level groups and teams	<ul style="list-style-type: none"> Women's participation in: (a) user and community-level groups [Target: 40% women]; (b) Social Mobilization Teams for community-outreach [Target: 40% women] 		
4. Ensure that negative impact on vulnerable FHHs due to road construction is mitigated	<ul style="list-style-type: none"> All affected FHHs directly benefit from appropriate provision and mitigation measures provided in the Resettlement Plan Entitlement matrix contains additional mitigation measures as special provisions for affected FHHs 		

Activities	Targets and Indicators	Responsibility	Time
C. General (Applicable for Outputs 1 and 2)			
1. Provide GESI orientation to project staff at central level	<ul style="list-style-type: none"> Formal meetings held by the EEAP GESI experts with relevant EAs/IAs and project staff –as needed- to raise awareness on the need to ensure women’s equitable representation in the PMU, PIU, Design and Supervision Consultant firms; and District Implementation Monitoring Units (DIMUs) in line with global and GON-supported practices 	PMU, PIU, DSC, DIMUs with support from EEAP GESI expert	1-36
2. Provide GESI orientation to project staff at district level	<ul style="list-style-type: none"> Training sessions carried out targeting specific needs and constraints faced by EEAP IAs (DOLIDAR, DOR, DUDBC, DOE) in GESI concepts and activities during EEAP project implementation [Target: 1/year in participating IAs] Training session/year conducted by GESI experts in affected-districts at DDC/VDC level on GESI-related aspects of project implementation [Target: 2/year in each affected district] 	Social mobilizers will support GESI experts and safeguards experts in the districts.	
3. Ensure that bidding and contractual documents reflect GESI provisions and practices	<ul style="list-style-type: none"> All EEAP bidding documents include clauses on promoting equitable access to labor opportunities for women and DAGs All EEAP contracts will include specific clauses on STI prevention, human trafficking; adherence to CLS (incl. equal pay for work of equal value) and the prohibition of child labor Project affected communities and all contractors participate in STIs’ prevention, human trafficking and adherence to CLS awareness campaign [Target: 50% women] 	same as above	
4. Carry out human trafficking, STI and sexual/gender-based violence prevention campaigns in affected districts ²⁶	<ul style="list-style-type: none"> All district-based field personnel, contractors’ and local communities participate in the awareness-raising campaigns [Target: equitable participation from men and women from communities] 		
5. Appoint a team of GESI experts at central and district level to support implementation of EEAP GESI activities	<ul style="list-style-type: none"> GESI expert based in Kathmandu, to support IA Social Development Officers GESI experts each of them covering up to three disaster-affected districts²⁷ 		
6. Include sex-, caste- and ethnicity disaggregated indicators in monitoring system and collect data	<ul style="list-style-type: none"> System established for collection and analysis of sex, caste- and ethnicity disaggregated data and information at center and district levels and relevant information/data included in relevant reports (incl. Semi-annual Progress Reports) 		

BPL= below poverty line; CLS= core labor standard; DAGS= disadvantaged groups; DDCs= district development committees; DOE= Department Of Education; DOLIDAR= Department of Local Infrastructure Development; DOR = Department of Road; DUDBC= Department of Urban Development and Building Construction; EA=executing agency; EEAP= Earthquake Emergency Assistance Project; FHH= female headed household; GESI= Gender Equality and Social Inclusion; IA= implementing agency; MOE=Ministry of education; PIU=Project Implementation Unit; PMU= Project Management Unit; STI= sexually transmitted infections; SPV = special purpose vehicle; VDC = village development committee.

²⁶ Following the earthquake, the risks of human trafficking (child and girls/women trafficking), STI and sexual and gender-based violence have increased. To mitigate these risks, the EEAP will take a two-pronged approach: (i) first, it will ask the EEAP GESI experts to assess the coverage of mitigation measures in place in the EEAP project area (whether financed by Government, CSOs or private sector) and –based on the assessment– (ii) identify gaps in coverage and the need for EEAP financial support during project implementation.

²⁷ The most-affected districts are: Bhaktapur, Dhading, Dolakha, Gorkha, Kathmandu, Kavrepalanchok, Lalitpur, Makawanpur, Nuwakot, Okhaldhunga, Rasuwa, Ramechhap, Sindhuli, and Sindhupalchok.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Project Design and Monitoring Framework

53. The Design and Monitoring Framework for the Project is in **Appendix 3**.

B. Monitoring

54. **Project Performance Monitoring.** The executing agency, in consultation with ADB, will develop within 6 months of loan effectiveness, a project performance monitoring and reporting system. The executing agency shall develop a web-based project performance monitoring and reporting system which will include functions for accounting and expenditures the recovery and reconstruction (R&R) program, concurrent evaluation of impacts, outcomes, outputs and activities in relation to targets and milestones established for the project and the overall R&R program for the earthquake affected areas in Nepal. The executing agency will prepare monitoring reports in a pre-approved uniform format for all donors, covering key aspects of the R&R program, with an additional annex specific to the Project for periodic submission to ADB as agreed.

55. **Compliance Monitoring.** The borrower's compliance with covenants will be monitored through ADB's project administration missions – including the project inception mission, when the loan covenants' compliance timetable will be discussed and agreed upon. Project review missions will appraise the borrower's compliance with loan covenants vis-à-vis the timetable agreed in the loan agreement. Non-compliance or delay in compliance will be discussed and remedial measures shall be proposed to GON for timely compliance. If required, the midterm review mission will review compliance of loan covenants and also assess whether the set of covenants are still relevant or need to be revised or waived due to changes in circumstances; if so, the mission will recommend revisions or waivers for consideration of ADB and GON.

56. **Safeguards Monitoring.** The PMC will brief the PIU and DIU Safeguards Focal Persons and the DIMU on monitoring requirements for EMP and resettlement plan implementation. Monitoring data will be generated by the DIU and DIMUs and provided to the PIU. The PIU will then verify the monitoring data and submit these and other required information to the PMU. The PMU will prepare semi-annual monitoring reports (one for environment and one for involuntary resettlement) that describe progress of safeguards implementation, compliance issues, and corrective actions. Reports will be posted in a location accessible to the public. Safeguards monitoring requirements including suggested monitoring report formats are in the EARF and Resettlement Framework.

57. **Gender and Social Dimensions Monitoring.** A system will be established for collection and analysis of sex, caste- and ethnicity disaggregated data and information at central and district levels and the results will be monitored by the GESI experts at central and district levels. and be reflected in Semi-Annual Progress Reports.

C. Evaluation

58. **Project Review Missions.** In addition to the assistance provided regularly by Headquarters and Resident Mission staff, ADB will field regular project review missions to discuss implementation progress of subprojects. The missions will also review any changes in

implementation arrangements or any remedial measures that may be required for achieving the overall project outputs and outcome.

59. A midterm review of Project will be undertaken in 2017, focusing on institutional, administrative, organizational, technical, environmental and social safeguard compliance of the project.

60. **Project Completion Report (PCR).** A draft PCR will be prepared by the executing agency and shared with ADB for review during the last project review mission. Within 3 months of project completion the executing agency will submit a PCR to ADB.²⁸

61. **Impact Evaluation.** Given that the R&R Program is a multi-sector and multi-donor financed program, the executing agency will carry out parallel evaluations of the impacts of each sub-project intervention across the sectors on a sample basis. The evaluations will provide analysis on the multiple effects the program intervention may have had on the beneficiaries – it will answer the key question of how the interventions have impacted (positively or negatively) the quality of lives of people in the earthquake affected areas- the economic and cultural effects, outreach of public services deliveries and resultant impacts of application of “Build Back Better”.

62. The PDNA data available for all sectors financed under the project can be used as baseline data for impact evaluation purposes for both the project and the larger R&R program.

63. A consolidated midterm analysis report will be prepared and disseminated during the midterm review mission, expected in November 2015.

D. Reporting

64. The executing agency will provide ADB consolidated: (i) semi-annual progress reports in a format consistent with ADB's project performance reporting system; (ii) annual reports including (a) progress achieved at output level, as measured through the indicator's performance targets, (b) key implementation issues and solutions, (c) updated procurement plan and (d) updated implementation schedule for the next 12 months; and (iii) a PCR within 3 months of physical completion of the project. To ensure projects continue to be both viable and sustainable, consolidated project financial statements, together with the associated auditor's report, should be provided to and reviewed by ADB.

E. Stakeholder Communication Strategy

65. The project will comply with the policy of transparency and accountability of the ADB Public Communications Policy (PCP) 2011 through the use of communications strategy that will ensure (i) available information about the project reaches all people concerned, and (ii) stakeholders, including women and other vulnerable groups, are able to participate. This strategy will use a range of communication tools and technologies, which will be tailored according to the needs and conditions of specific audiences. Specifically, the stakeholder communications strategy of the EEAP will include the following approaches:

- (i) The government will cause the executing agency to ensure that all project staff are fully aware of –and capable of explaining to stakeholders– the ADB

²⁸Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-PublicSector-Landscape.rar>

- procedures, including, but not limited to, procedures for implementation, procurement, use of consultants, disbursements, reporting, monitoring, and prevention of fraud and corruption;
- (ii) The PMU and PIUs, through the assistance of its consultants and the ADB's technical assistance, will set up a website within 3 months of loan effectiveness and disclose all key project-related information, including the scope, cost, and financial and institutional arrangements of the project, project safeguard reports such as IEE and RPs, and project progress such as procurement, contract award and disbursement. The project will disclose the audited financial project financial statements as part of ADB PCP 2011. The website will also include information on project procurement including the list of participating bidders, name of each winning bidder, basic details on bidding procedures adopted, the value of each contract awarded, and the list and value of goods/services procured and the intended utilization of loan proceeds under each contract being awarded. The website will also provide contact details on the PMU and PIU counterpart staff in the English and Nepali languages, and will link to ADB's Integrity Unit website at <http://www.adb.org/Integrity/complaint.asp> for reporting to ADB any grievances or allegations of corrupt practices arising out of the project and/or project activities. The PMU and PIU consultants will assist to undertake disclosure;
 - (iii) For those without access to online technology, traditional methods shall be used, such as among others, the posting of project information documents (in Nepali and English languages) in bulletin boards of the PMU and PIU for public viewing; face-to-face communications (presentations during meetings and forums); and community media (brochures, posters) if applicable; and
 - (iv) Setting up of a multi-stakeholder participation mechanism, which will ensure sufficient consultation and participation of beneficiaries, including women, the poor and vulnerable groups, in all phases of the EEAP.

66. This strategy will be presented in detail in the EEAP communication program of the government and ADB, as well as in its safeguard and GESI plans.

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.²⁹ 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.³⁰

68. To support these efforts, relevant provisions are included in the financing agreement, project agreement and the bidding documents for the Project. In particular, all contracts financed by ADB in connection with the project will include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency, Implementing Agencies (IAs) and all contractors, suppliers, consultants, and other service providers as they relate to the project. ADB will disseminate ADB's anticorruption policy to executing agency and the IAs.

²⁹ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

³⁰ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>

69. The Commission for the Investigation of Abuse of Authority (CIAA), as the constitutional anticorruption agency, has powers to investigate any irregularities in the Project. This includes financial irregularities, as well as corruption of government officials and officers and employees of autonomous bodies.

70. Project-specific measures to enhance governance and prevent corruption, designed with the stages of project implementation and the disbursement chain in mind, include (i) the requirement for PMU and PIUs to follow government's Standard Operating Procedure for all expense and revenue items including cash and the proper and accurate maintenance of financial records; (ii) establishing a project website at PMU to provide transparency on project details; and (iii) adhering to risk assessment and risk mitigation plan, which is in **Appendix 4**.

71. For civil works, the major risks are of collusion to overprice bids and approve low volume and quality built works. PMU and PIUs will carry technical audit of randomly selected sample of projects twice a year. The report will be shared with MOF, CIAA and ADB on confidential basis. Contractors will be made to disclose basic information of contracts in each construction site through display board.

72. Furthermore, the project intends to maximize transparency, as described in Section IX above. Full information disclosure and participatory monitoring at both the central and the local levels are expected to be effective in reducing the risk of corruption and improving governance at central and local levels.

73. Within 12 months of project effectiveness, the PMU will prepare a grievance redress mechanism acceptable to ADB.

XI. ACCOUNTABILITY MECHANISM

74. 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 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.³¹

XII. RECORD OF PAM CHANGES

75. The first draft of the PAM was agreed upon at loan negotiations on 12 June 2015. All revisions/updates during the course of implementation should be retained in this Section to provide a chronological history of changes to implemented arrangements recorded in the PAM.

³¹ For further information see: <http://www.adb.org/Accountability-Mechanism/default.asp>.

PROCUREMENT PLAN

Basic Data

Project Name: Earthquake Emergency Assistance Project	
Project Number: 49215-001	Approval Number:
Country: Nepal	Executing Agency: Ministry of Finance (for interim period)
Project Financing Amount: ADB Financing: US\$ 200,000,000 Non-ADB Financing: tbd	Implementing Agency: - Department of Education (DOE) - Department of Local Infrastructure Development and - Agricultural Roads (DOLIDAR) - Department of Roads (DOR) - Department of Urban Development and Building Construction (DUDBC)
Date of First Procurement Plan: 2 June 2015	Date of this Procurement Plan: 11 June 2015

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

1. Procurement and Consulting Methods and Thresholds

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 for Goods	US\$ 2,000,000 and Above	
National Competitive Bidding for Goods	Between US\$ 200,000 and US\$ 1,999,999	
Shopping for Goods	Below US\$200,000	
International Competitive Bidding for Works	US\$ 5,000,000 and Above	
National Competitive Bidding for Works	Between US\$ 200,000 and US\$ 4,999,999	
Shopping for Works and Services	Below US\$200,000	
Force Account	Many work packages with a cumulative ceiling of \$500,000, individual FA not exceeding \$20,000	For urgent repairs, including shifting of utility lines.
Direct Contracting	Up to US\$ 30,000 each contract	Estimated at 100 schools.
Consulting Services		
Method	Comments	
QCBS		
Consultant Qualification Selection		
Individual Consultants Selection for Individual Consultant	Reduced advertisement period of 5 days	

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

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)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
DOE works packages	Schools in earthquake affected districts, both new ones and retrofitting.	Total \$71.5 million in multiple lots. Each lot between \$200,000 to \$1,500,000	NCB	PRIOR for first NCB. Post for all others.	1S2E	Q3 / 2015	Prequalification of Bidders: N Bidding Document: Works-small
DOE works packages	Schools in earthquake affected districts, both new ones and retrofitting.	Total \$2 million. Each contract less than \$30,000	Direct Contracting	PRIOR for all contracts.	Not applicable	Q3 / 2015	Prequalification of Bidders: N Bidding Document: Works-small
DOE works design and build packages	Schools in earthquake affected districts.	Total \$5 million in multiple lots. Each lot between \$200,000 to \$1,500,000	NCB	PRIOR for first NCB. Post for all others.	1S2E	Q3 / 2015	Prequalification of Bidders: N Bidding Document: Works / Plant (for large schools)
DOLIDAR works packages	Roads, bridges in 13 earthquake affected districts.	Total \$45 million in multiple lots for each district. Each lot between \$1 million to \$5 million	NCB	PRIOR for first NCB. Post for all others.	1S2E	Q3 / 2015	Prequalification of Bidders: N Bidding Document: Works
DOR works packages	Strategic roads, bridges in earthquake affected districts.	Total \$15 million in 2 packages	ICB	PRIOR	1S2E	Q2 / 2016	Prequalification of Bidders: N Bidding Document: Works
DOR works packages	Strategic roads, bridges in earthquake affected	Total \$15 million in 6 packages.	NCB	for first NCB. Post for all others	1S2E	Q2 / 2016	Prequalification of Bidders: N

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
	districts.						Bidding Document: Works
DUDBC works packages	Government buildings in 11 earthquake affected districts.	Total \$34 million in multiple lots, three lots for each district (transitional buildings, retrofitting and new). Each lot between \$ 30,000 to \$ 5 million	NCB	PRIOR for first NCB	1S2E	Q3 / 2016	Prequalification of Bidders: N Bidding Document: Works

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

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
CS-1	Construction Supervision Consultant for DOE	2,750,000	QCBS	PRIOR	Q3/2015	BTP	Assignment: national Quality-Cost Ratio: 90:10
CS-2	External construction quality audit of schools	310,000	CQS	PRIOR	Q3/2015	Not applicable	Assignment: national
CS-3	Construction Supervision Consultant for DOLIDAR	2,200,000	QCBS	PRIOR	Q3/2015	BTP	Assignment: national Quality-Cost Ratio:90:10
CS-4	Construction Supervision Consultant for DOR	1,370,000	QCBS	PRIOR	Q3/2015	BTP	Assignment: national Quality-Cost Ratio:90:10

4. Goods, Works and Services Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

The following table groups smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods, Works, Services								
Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
DOE goods packages	School computers, office equipment and supplies, lab equipment, study kits, furniture in various small lots	Numerous lots, each < \$200,000	Numerous total value \$3 million	Shopping	Prior for first package	1S2E	Q2/2016	
DOLIDAR goods packages	Computers, office equipment and supplies, furniture in various small lots	Numerous lots, each < \$200,000	Numerous total value \$0.5 million	Shopping	Prior for first package	1S2E	Q2/2016	
DOLIDAR goods packages	Road construction and maintenance equipment in various lots	Many lots	Numerous total value \$1 million	NCB	Prior for first package	1S2E	Q2/2016	
DOR goods packages	Computers, office equipment and supplies, furniture in various small lots	Numerous lots, each < \$200,000	Numerous total value \$0.5 million	Shopping	Prior for first package	1S2E	Q2/2016	
DOR goods packages	Road construction and maintenance equipment in various lots	Many lots	Numerous total value \$1 million	NCB	Prior for first package	1S2E	Q2/2016	
DUDBC goods packages	Computers, equipment and supplies, furniture in various small lots	Numerous lots, each < \$200,000	Numerous total value \$0.5 million	Shopping	Prior for first package	1S2E	Q2/2016	

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior/Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
26 individual national consultants 864 person months for 4 IAs	Consultant support for transitional phase (prior to recruiting consulting firms), continued implementation support	Total of \$1,647,059 [DOE – 168 pm, \$352,941; DOLIDAR - 144 pm, \$264,706; DUDBC - 552 pm, \$102,9412]	26	ICS	Prior	First advertisement by Q3/2015	-	Assignment: National
5 International individual consultants 66 person months for 4 IAs	Consultant support for transitional phase (prior to recruiting consulting firms), continued implementation support	Total of \$505,883 [DOE – 18 pm, \$123,529; DOLIDAR - 18 pm, \$123,529; DUDBC - 18 pm, \$176,471; DOR - 12 pm, \$82,353]	5	ICS	Prior	First advertisement by Q3/2015	-	Assignment: International
4 individual GESI experts, 144 person months	4 GESI experts covering affected districts	200,000	4	ICS	Prior	First advertisement by Q3/2015	-	Assignment: National

B. Indicative List of Packages Required Under the Project

The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods and Works							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Comments
None							

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior/Post)	Type of Proposal	Comments
None							

C. List of Awarded and Ongoing, and Completed Contracts

The following tables list the awarded and on-going contracts, and completed contracts.

1. Awarded and Ongoing Contracts

Goods and Works							
Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
None							

Consulting Services							
Package Number	General Description	Estimated Value	Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
None							

D. National Competitive Bidding

National competitive bidding (NCB) shall be in accordance with that described as "by inviting bids and a national level" as set forth in "The Public Procurement Act, 2007" (PPA) and "The Public Procurement Regulations, 2007" (PPR) and subject to the following:

- (i) The first NCB document for both goods and works procurement shall be reviewed and approved by ADB prior to issue. These will be used for all NCB procurement under the project. The document shall include qualification and evaluation criteria and ADB's right to audit and inspect in accordance with para 1.14 of ADB's Procurement Guidelines. No other criteria other than that described in the bidding document may be used to determine the lowest evaluated responsive bidder and no form of domestic preference may be employed. A positive assessment of a bidder's qualifications to perform a contract will be a pre-requisite to an award.
- (ii) All qualified ADB member bidders and ADB member produced goods, services and works shall be eligible. Registration and licensing shall be permitted only as a condition of contract award and not participation in bidding. No award may be withdrawn for failure to obtain tax registration; license or fulfill any similar requirement without ADB's prior concurrence. No bidder will be held ineligible based on provision 63 of the PPA without ADB prior concurrence.
- (iii) Invitations to bid shall be advertised in at least one widely circulated national daily newspaper or freely accessible, nationally-known website allowing a minimum of twenty-eight (28) days for the preparation and submission of bids. Invitations for bids for contracts estimated at \$500,000 or more for goods and \$1,000,000 or more for civil works shall be advertised on ADB's website. No restriction will be placed on the sale of bidding documents.

- (iv) The approved Standing List of a Procuring Entity prepared in accordance with the law shall only be accepted to supplement an advertised open qualification exercise for the specific contract provided that those on the standing list meet the qualification criteria.
- (v) Bids shall be opened at a single location immediately after the deadline for submission. Multiple locations for submission and opening are not acceptable.
- (vi) Government-owned enterprises in Nepal shall be eligible to participate only if they meet the conditions of para 1.8 (c) of the Procurement Guidelines.
- (vii) Extension of bid validity of more than 4 weeks beyond the original validity shall not be allowed without the prior concurrence of ADB.
- (viii) Cancellation of bidding and re-bidding shall not be carried out without the prior concurrence of ADB.
- (ix) Percentage variations from rates fixed by a district rate fixation committee shall not be used for the purpose of evaluating bids.

In the event of a conflict between these provisions and the law, these provisions shall prevail.

OUTLINE TERMS OF REFERENCE OF CONSULTANTS

A. LOAN CONSULTANTS

The terms of reference below briefly indicate the qualification and experience requirements of experts and the tasks to be performed. It is envisaged that identified individual experts will be hired in the beginning to help project implementation units (PIUs). Firms will be recruited with the support and assistance of individual experts. An overview of the consultancy inputs and positions by implementing agency are shown in Table 1 and 2.

Table 1 Summary of Consultant inputs

Implementing Agency	Individuals (person- months)	Firm (person- months)
Department of Education	186	670
DOLIDAR	162	646
Department of Roads	12	379
DUDBC	570	0
Total	930	1,695

DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DUDBC = Department of Urban Development and Building Construction.

Source: Asian Development Bank and Government of Nepal

Table 2 Summary of Consultant Positions

Implementing Agency	Expert	NCON/ICON	Individual/Firm	Person-months
DOE	Project Management Expert (1)	ICON	Individual	18
	Project Management Expert (1)	NCON	Firm	36
	Procurement & Contract Management Expert (2)	NCON	Individual(1), Firm (1)	72
	Financial Management Expert (2)	NCON	Individual(1), Firm (1)	72
	Monitoring and Evaluation Specialist (1)	NCON	Firm	36
	Construction Supervision Expert (10)	NCON	Firm	300
	Safeguards Expert (1)	NCON	Firm	30
	Design Engineer (4)	NCON	Individual(1), Firm (3)	144
	Water and Sanitation Engineer (1)	NCON	Firm	28
	Rainwater Harvesting Expert (1)	NCON	Firm	6
	Solar Lighting Expert (1)	NCON	Firm	6
	Architect, Educational buildings (1)	NCON	Individual	18
	Construction quality assurance (multiple)	NCON	Firm	90
	Project Management Expert (1)	ICON	Individual	18
	Project Management Expert (2)	NCON	Firm	54
	Procurement & Contract Management Expert (3)	NCON	Individual(1), Firm (2)	90
	Financial Management Expert (2)	NCON	Individual(1), Firm (1)	72

Implementing Agency	Expert	NCON/ICON	Individual/Firm	Person-months
DOLIDAR	Management Information System Expert (1)	NCON	Firm	36
	Construction Supervision Expert (12)	NCON	Firm	360
	Safeguards Expert (2)	NCON	Firm	40
	Design Engineer (3)	NCON	Individual(1), Firm (2)	108
	Materials Engineer (1)	NCON	Firm	30
DOR	Team Leader/ Road Construction Expert (1)	NCON	Firm	36
	Project Management, Procurement & Contract Management Expert (1)	ICON	Individual	12
	Resident Engineer (3)	NCON	Firm	84
	Assistant Resident Engineer (3)	NCON	Firm	75
	Materials Engineer (2)	NCON	Firm	72
	Safeguards Expert (1)	NCON	Firm	18
	Senior inspector of works (non-key experts – 4)	NCON	Firm	94
DUDBC	Project Management, Procurement & Contract Management (1)	ICON	Individual	12
	Civil Engineer-Building Code Revision (1)	ICON	Individual	6
	Structural Engineer (3)	NCON	Individual	36
	Interior Designer (1)	NCON	Individual	24
	Building Architect (2)	NCON	Individual	48
	Electrical Engineer (1)	NCON	Individual	36
	Materials Engineers (1)	NCON	Individual	36
	Management Information System Expert (1)	NCON	Individual	36
	Construction supervision engineers (3)	NCON	Individual	96
Assistant Engineers (8)	NCON	Individual	240	

DOE = Department of Education, DOLIDAR = Department of Local Infrastructure Development and Agricultural Roads, DOR = Department of Roads, DUDBC = Department of Urban Development and Building Construction.

A. Department of Education (DOE)

1. Project Management Expert (2 positions, 1 international as individual consultant 18 person months, 1 national for 36 person-months under consultant firm, Kathmandu PIU)

The Project Management Expert (PME) will have a Degree in Civil Engineering and preferably additional qualifications in project management, or equivalent. The PME will have preferably 10 years of project management experience and will be fluent in both English and Nepali. The PME will work closely with the PIU project director and is responsible for the day-to-day management of the Kathmandu PIU team and district field teams, and relationship with the local authorities and project beneficiaries. The main tasks of the specialist will include:

- (i) To support the project director in all aspects of the project management of schools reconstruction program;
- (ii) Take full responsibility for the effective functioning of PIU;

- (iii) Ensuring the PIU undertakes the schools reconstruction program according to project schedule, and capacity building of stakeholders;
- (iv) Take full responsibility for coordination and integrated action between field units, other consultants, various government institutions, project beneficiaries, NGOs, accounts, MIS and administration units of PIU and provide clear directions and decisions on all aspects of schools reconstruction program; and
- (v) Be responsible for preparation of reports to DOE, PMU, ADB and GON.

2. Procurement & Contract Management Expert (2 positions, 72 person-months, National, Kathmandu PIU)

An engineering or equivalent degree and over 5 years professional experience in public procurement of goods, services and civil works and contract management; hands-on experience in contract management for public investment projects financed by ADB and/or other multilateral agencies; and in-depth knowledge of ADB's procurement guidelines. The expert should have worked recently in an ADB or WB financed project. The main tasks of the specialist will include:

- (i) Assume full responsibility for all procurement to be conducted by PIU;
- (ii) Support the contract management of the schools reconstruction program;
- (iii) Support the engagement of nongovernment organizations (NGOs), local stakeholders, community associations and other agencies to undertake small program of works;
- (iv) Support the engagement of small contractors or community groups to undertake contracts including direct contracting arrangements;
- (v) Providing intermittent short training to key implementing agency staff and other relevant government staff in ADB's procurement guidelines and principles;
- (vi) Preparing concise reports regarding procurement matters, contracting and contract management;
- (vii) Assessment of the procurement capacity of implementing agency and propose institutional capacity building, if required;
- (viii) Supporting implementing agency in preparing procurement notices, documents for consulting services, pre-qualification, bidding and contract documents for goods, consulting and NGO services, civil works, considering ADB's and government's procurement guidelines and the participatory approach to schools reconstruction program adopted by the DoE;
- (ix) Assisting implementing agency in obtaining clearance on procurement matters from government and ADB as the case may be;
- (x) Preparation and updating of detailed procurement plan for goods, services and works for subprojects;
- (xi) Packaging of procurement contracts, in line with the thresholds established for ADB financed projects in Nepal for procurement of goods and works (comprising contracts that will be procured under international and national bidding procedures, shopping, etc.);
- (xii) Prepare tender and contract documents (including cost) for all procurement related to the schools reconstruction program; and
- (xiii) Advise on procurement strategies in accordance with the Government's and ADB's procurement guidelines and identify areas of discrepancy between the two, if any, and help in resolving them.

3. Financial Management Expert (2 positions, 72 person-months, National, Kathmandu PIU)

The Financial Management Expert will have preferably a degree in Accounting and additional qualifications in finance. Have preferably 7 years of experience of which 2 must be in ADB or other externally assisted projects in disbursement and finance areas. The main tasks of the specialist will include:

- (i) Preparing, developing, maintaining and using an accounting database system to maintain all transaction and procurement records of the PIU;
- (ii) Setting up an project specific bank account in the name of PIU and maintaining it;
- (iii) Tracking and expediting payments to suppliers, contractors, consultants and others;
- (iv) Preparing and submitting payment invoices to PMU and ADB under the appropriate disbursement categories;
- (v) Book keeping of all expenses, payments and accounts to meet the professional statutory requirements of GON;
- (vi) Facilitating and cooperating with auditors and procurement audits whenever required; and
- (vii) Ensuring all project financial activities are aligned to ADB & GON disbursement requirement and highest level of integrity is maintained in all financial transactions.

4. Monitoring and Evaluation Specialist (National consultant for 36 persons-months).

The Consultant shall have at least 10 years of relevant experience in project management and evaluation. The specialist should have a higher qualification covering statistics and social science/education and training, and be experienced in the application of general spreadsheet and database software used for monitoring, evaluation and reporting purposes. The specialist will work closely with the PIU and the EMIS section of Department of Education. The specialist will carry out the tasks including, but not limited to:

- (i) (working closely to support the PIU developing a comprehensive monitoring and reporting plan for project outputs, including all baseline data specifically to education;
- (ii) ensuring that all data related to project outcome, outputs is disaggregated by gender and disadvantaged groups and linked with EMIS in coordination with other team members, develop monitoring and reporting system for school reconstruction and rehabilitation;
- (iii) Assist PIU in data compilation and preparation of progress reports; and
- (iv) Train the PIU and District level staff for effective monitoring and evaluation of the project.

5. Construction Supervision Expert (10 positions, 300 person-months, National, based at district headquarters)

The Construction Supervision Expert (CSE) will have preferably a degree in Civil Engineering, and have preferably 3 years of experience supervising the construction of civil works, preferably buildings. The CSE should preferably have 1 year experience with ADB or other externally assisted projects. The main tasks of the CSE will include:

- (i) Leading the overall supervision of the construction of schools in his district;
- (ii) Leading and providing guidance to site supervision engineers in his district on construction supervision skills and reporting;
- (iii) Support the design engineers with improving designs and tailoring construction to suit specific location requirements;
- (iv) Manage the site supervision engineers and contractors; and
- (v) To report to the project management expert all construction supervision and construction quality issues and assist in resolving them.

6. Safeguards Expert (1 position, Environment and Resettlement) 30 person-months, National, based at selected district headquarter)

The Safeguards Experts will have at least an advanced social sciences or environmental science degree or equivalent, with at least 7 years of experience of which 2 years is working on international development projects. The main tasks of the Expert will include:

- (i) Assist Kathmandu PIU and DIU staff in safeguards planning and implementation guided primarily by the Environmental Assessment and Review Framework (EARF) and Resettlement Framework prepared for the Project. Work must be consistent with ADB's Safeguard Policy Statement (2009), and GON's laws and requirements;
- (ii) Conduct orientation and training for PIU and DIU staff on safeguards implementation;
- (iii) Conduct orientation and training for contractors on EMP implementation;
- (iv) Ensure all subprojects are properly screened and categorized; and for all subproject not categorized as C, ensure safeguards documents (initial environmental examination (IEE), environmental management plans, and resettlement plans (RPs) follow the EARF and Resettlement Framework;
- (v) Prepare an IEE to cover all education subprojects and template EMPs, and RPs for subprojects for the PIUs;
- (vi) Guide PIU and DIMU on monitoring, and ensure reporting requirements are met. Ensure timely reporting to the PMU and ADB;
- (vii) Assist the PIU and DIUs in tracking safeguards compliance, identifying breaches in compliance, and formulating corrective action plans as required;
- (viii) Plan and implement consultations with the project affected people and other stakeholders in accordance with the ADB Safeguard's Policy Statement (2009);
- (ix) As part of the annual work plans, prepare communications plan for disseminating information on consultation, design, construction activities throughout the project area;
- (x) Support district PIU staff to implement the communications plan and facilitate consultation meetings.
- (xi) Train and support the district PIU staff with public relation skills and handling of complaints; and
- (xii) Ensure all grievances are registered, and records are kept on how grievances are resolved through each stage. Draft reporting on GRM implementation which will form part of the semi-annual reporting of safeguards implementation to the PMU and ADB.

7. Design Engineer (4 positions, 144 person-months, National, 3 positions based at selected district headquarters, one expert for 5 districts; and 1 position at PIU Kathmandu)

The Design Engineers will have civil engineering masters degrees, or equivalent, preferably 5 years of experience designing buildings and practical experience of using AutoCAD design software. They will support all design modifications and vetting to be done. Their main tasks will include:

- (i) Review the designs of school buildings wherever initial design assumptions need to be revisited;
- (ii) Develop proposals for adjustments and changes in the designs incorporating best practices;
- (iii) Plan and conduct the necessary surveys and investigations (topographical surveys, geotechnical investigations, and structural assessments) for any design modifications. Carry out Geotechnical Investigation in accordance with Nepal National Building Code (NBC) 2060. Collect and refer to the available seismic data/ records of the area;
- (iv) Prepare drawings and cost implications of design modifications; and
- (v) Advise the procedure of structural inspections and advice on remedial and refurbishment matters associated with existing buildings retrofitting.

8. Water and Sanitation Engineer (1 position, 28 person-months)

The Water and Sanitation Engineer will have a civil or public health engineering masters degrees, with preferably 5 years of experience designing water supply and sanitation in rural areas, and have practical experience of using hydraulic design software. Their main tasks will include:

- (i) Assume full responsibility of ensuring each of the schools constructed will have adequate water and sanitation facilities;
- (ii) Make sure in coordination with design engineers that design and construction of toilets is disabled-friendly;
- (iii) Work with rainwater harvesting expert to integrate rain water storage and use in the school water system;
- (iv) Prepare and finalize detailed designs with quantities and ensure detailed designs accommodate water and sanitation requirements of schools. Prepare cost estimates, finalize bill of quantities and drawings for inclusion in bid documents;
- (v) Incorporate QA & QC as well as Safety aspects in design and bid documents; and
- (vi) Be available for site visits during construction phase, if required and make any modifications in designs and/or drawings, if necessary.

9. Rainwater Harvesting Expert (1 position, 6 person-months, National)

Graduate in science or engineering with proven experience of having worked on implementing simple rainwater harvesting systems for buildings in varied terrains. The scope of work to be undertaken by the Rainwater Harvesting Expert would be:

- (i) Work with PIU team, especially Water and Sanitation Engineer to assess water scarcity situation in selected pilot schools (around 10) and establish technical

- and economic feasibility and costs of harvesting and using rainwater for sanitation and other purposes;
- (ii) Provide type designs with costs of Rainwater Harvesting (RWH) System for pilot schools;
 - (iii) Impart hands on training of installing Roof Top RWH system to PIU engineers and contractor;
 - (iv) Facilitate installation of complete RWH system for 3 pilot schools by providing hand holding support to contractors and construction supervision engineers. Brief the school teachers, VDC members and ward members as appropriate on operation and maintenance requirements of RWH system;
 - (v) Prepare a tool kit in English and Nepali languages during the final period of consultant inputs summarizing experiences, challenges and roadmap for expanding RWH to all needy schools; and
 - (vi) Prepare a simple 'Standard Operating Instructions' booklet or brochure on RWH for schools in English and Nepali languages.

10. Solar Lighting Expert (1 position, 6 person-months, National)

Graduate in any discipline with proven experience of having worked on implementing simple solar lighting systems for buildings in varied terrains. The scope of work to be undertaken by the Solar Lighting Expert would be:

- (i) Work with PIU team, especially Construction supervision Engineers to assess quantum of solar insolation in selected pilot schools (around 10 of varied sizes) and establish technical and economic feasibility and costs of solar lighting;
- (ii) Provide type designs with costs of Solar Lighting System (SLS) for pilot schools;
- (iii) Impart hands on training of installing SLS to PIU engineers and contractor;
- (iv) Facilitate Installation of complete SLS for 3 pilot schools by providing hand holding support to contractors and construction supervision engineers. Brief the school teachers, VDC members and ward members as appropriate on operation and maintenance requirements of SLS;
- (v) Prepare a toolkit in English and Nepali languages during the final period of consultant inputs summarizing experiences, challenges and roadmap for expanding SLS to all needy schools; and
- (vi) Prepare a simple 'Standard Operating Instructions' booklet or brochure on SLS for schools in English and Nepali languages.

11. Architect, Educational buildings (1 position, 18 person-months, National)

Graduate in any discipline with proven track record of implementing construction of school buildings or graduate in architecture with experience in designing school buildings conducive for improved learning environments. The scope of work would be:

- (i) Work with the PIU team, particularly the design engineers to develop appropriate school designs that are conducive to improved teaching and learning processes;
- (ii) Develop appropriate design features that combine adequate educational requirements such as good lighting, air, and using walls and other spaces creatively to enhance the quality of learning;
- (iii) Identify different features in school designs that make learning more effective for (a) early childhood and primary school classrooms; (b) middle and secondary classes incorporating laboratories; and (c) middle and senior secondary schools

- that may offer training in soft skills and technical and vocational education and training; and
- (iv) Collaborate with design engineers to identify appropriate design options that combine disaster risk resilience features with improved space planning for more effective pedagogic and teaching and learning processes.

12. Construction quality assurance firm, to be selected through CQS (90 person-months, National)

The Construction quality auditors (CQA) will have preferably a post graduate degree in Civil or Structural or Earthquake Engineering, and have preferably 3 years of experience auditing quality of construction of civil works, preferably buildings. The main tasks of the CQA will include:

- (i) External quality assurance of the construction of schools;
- (ii) Leading and providing guidance to site supervision engineers on earthquake resistant construction/ retrofitting construction supervision skills;
- (iii) Support the design engineers with improving designs and tailoring construction to suit specific location requirements; and
- (iv) To report to PIU all construction quality issues and assist in resolving them.

B. Department of Local Infrastructure Development and Agricultural Roads (DOLIDAR)

1. Project Management Expert (3 positions, 1 international as individual consultant 18 person months, 2 nationals for 54 person-months under consultant firm, Kathmandu PIU)

The Project Management Expert (PME) will have a Degree in Civil Engineering and preferably additional qualifications in project management, or equivalent. The PME will have preferably 10 years of project management experience and will be fluent in both English and Nepali. The PME will work closely with the PIU project director and is responsible for the day-to-day management of the Kathmandu PIU team and district field teams, and relationship with the local authorities and project beneficiaries. It is intended the PME will take over the role of project director in his absence. The main tasks of the specialist will include:

- (i) To support the project director in all aspects of the management of rural roads reconstruction project;
- (ii) Ensuring the PIU undertakes the rural roads reconstruction project according to project schedule;
- (iii) Contributing to training and capacity building of government staff;
- (iv) Take full responsibility for coordination and integrated action between field units, other consultants, various government institutions, project beneficiaries, NGOs, accounts, MIS and administration units of PIU and provide clear directions and decisions on all aspects of rural roads reconstruction project; and
- (v) Be responsible for preparation of reports to DOLIDAR, PMU, ADB and GON.

2. Procurement & Contract Management Expert (3 positions, 90 person-months, National, Kathmandu PIU)

An engineering or equivalent degree and over 5 years professional experiences in public procurement of goods, services and civil works and contract management preferably in roads sector; hands-on experience in contract management for public investment projects financed by ADB and/or other multilateral agencies; and in-depth knowledge of ADB's procurement guidelines. The expert should have worked recently in an ADB or WB financed project. The main tasks of the specialist will include:

- (i) Assume full responsibility for all procurement to be conducted by PIU;
- (ii) Support the contract management of the rural roads reconstruction project;
- (iii) Support the engagement of NGOs, local stakeholders, community associations and other agencies to undertake small program of works;
- (iv) Support the engagement of small contractors or community groups to undertake contracts including direct contracting arrangements;
- (v) Providing intermittent short training to key implementing agency staff and other relevant government staff in ADB's procurement guidelines and principles;
- (vi) Preparing concise reports regarding procurement matters, contracting and contract management;
- (vii) Assessment of the procurement capacity of implementing agency and propose institutional capacity building, if required;
- (viii) Supporting implementing agency in preparing procurement notices, documents for consulting services, pre-qualification, bidding and contract documents for goods, consulting and NGO services, civil works, considering ADB's and government's procurement guidelines;
- (ix) Assisting implementing agency in obtaining clearance on procurement matters from government and ADB as the case may be;
- (x) Preparation and updating of detailed procurement plan for goods, services and works for subprojects;
- (xi) Packaging of procurement contracts, in line with the thresholds established for ADB financed projects in Nepal for procurement of goods and works (comprising contracts that will be procured under international and national bidding procedures, shopping, etc);
- (xii) Prepare tender and contract documents (including cost) for all procurement related to the rural roads reconstruction project;
- (xiii) Advise on procurement strategies in accordance with the Government's and ADB's procurement guidelines and identify areas of discrepancy between the two, if any, and help in resolving them.

3. Financial Management Expert (2 positions, 72 person-months, National, Kathmandu PIU)

The Financial Management Expert will have preferably a degree in Accounting and additional qualifications in finance. Have preferably 7 years of experience of which 2 must be in ADB or other externally assisted projects in disbursement and finance areas. The main tasks of the specialist will include:

- (i) Preparing, developing, maintaining and using an accounting database system to maintain all transaction and procurement records of the PIU;
- (ii) Setting up and maintaining a project specific bank account in the name of PIU;

- (iii) Tracking and expediting payments to suppliers, contractors, consultants and others;
- (iv) Preparing and submitting payment invoices to PMU and ADB under the appropriate disbursement categories;
- (v) Bookkeeping of all expenses, payments and accounts to meet the professional statutory requirements of GON;
- (vi) Facilitating and cooperating with auditors and procurement audits whenever required; and
- (vii) Ensuring all project financial activities are aligned to ADB & GON disbursement requirement and highest level of integrity is maintained in all financial transactions.

4. Management Information System Expert (1 position, 36 person-months, National, Kathmandu PIU)

The expert is required to have a Bachelor's degree in any related field. Relevant 3 years of experience in information systems, including GIS required. The main tasks of the specialist are likely to be:

- (i) In coordination with other team members of PIU, to develop the rural roads reconstruction program information system. The MIS should be able to present individual road level details and aggregate program wide information;
- (ii) To update regularly and maintain the scheme information systems, including the preparation of the key outputs and reports;
- (iii) Enable inputs to MIS from field by PIU members in districts; and
- (iv) Maintain feedback and complaints mechanisms and grievance redress mechanism.

5. Construction Supervision Expert (12 positions, 360 person-months, National, based at district headquarters)

The Construction Supervision Expert (CRE) will have preferably a degree in Civil Engineering, and have preferably 3 years of experience supervising the construction of civil works, preferably buildings. The CRE should preferably have 1 year experience with ADB or other externally assisted projects. The main tasks of the CRE will include:

- (i) Leading the overall supervision of the construction of rural roads in his district;
- (ii) Leading and providing guidance to site supervision engineers in his district on construction supervision skills and reporting;
- (iii) Support the design engineers with improving designs and tailoring construction to suit specific location requirements;
- (iv) Manage the site supervision engineers and contractors; and
- (v) To report to the project management expert all construction supervision and construction quality issues and assist in resolving them.

6. Safeguards Expert (2 positions (Environment and Resettlement) 40 person-months, National, based at selected district headquarters)

The Safeguards Experts will have at least an advanced social sciences or environmental science degree or equivalent, with at least 7 years of experience of which 2 years is working on international development projects. The main tasks of the Expert will include:

- (i) Assist Kathmandu PIU and DIU staff in safeguards planning and implementation guided primarily by the Environmental Assessment and Review Framework (EARF) and Resettlement Framework prepared for the Project. Work must be consistent with ADB's Safeguard Policy Statement (2009), and GON's laws and requirements;
- (ii) Conduct orientation and training for PIU and DIU staff on safeguards implementation;
- (iii) Conduct orientation and training for contractors on EMP implementation;
- (iv) Ensure all subprojects are properly screened and categorized; and for all subproject not categorized as C, ensure safeguards documents (initial environmental examination (IEE), environmental management plans, and resettlement plans (RPs) follow the EARF and Resettlement Framework;
- (v) Prepare an IEE to cover all rural roads subprojects and template EMPs, and RPs for subprojects for the PIUs;
- (vi) Guide PIU and DIMU on monitoring, and ensure reporting requirements are met. Ensure timely reporting to the PMU and ADB;
- (vii) Assist the PIU and DIUs in tracking safeguards compliance, identifying breaches in compliance, and formulating corrective action plans as required;
- (viii) Plan and implement consultations with the project affected people and other stakeholders in accordance with the ADB Safeguard's Policy Statement (2009);
- (ix) As part of the annual work plans, prepare communications plan for disseminating information on consultation, design, construction activities throughout the project area;
- (x) Support district PIU staff to implement the communications plan and facilitate consultation meetings;
- (xi) Train and support the district PIU staff with public relation skills and handling of complaints; and
- (xii) Ensure all grievances are registered, and records are kept on how grievances are resolved through each stage. Draft reporting on GRM implementation which will form part of the semi-annual reporting of safeguards implementation to the PMU and ADB.

7. Design Engineer (3 positions, 108 person-months, National, based at selected district headquarters)

The Design Engineers will have civil engineering masters degrees, or equivalent, preferably 5 years of experience designing roads and bridges, and practical experience of using road design software. They will support all design modifications and vetting to be done. Their main tasks will include:

- (i) Provide tender designs for roads/bridges and review designs of roads and bridges wherever initial design assumptions need to be revisited;
- (ii) Develop proposals for adjustments and changes in the designs incorporating best practices;
- (iii) Plan and conduct the necessary surveys and investigations (topographical surveys, geotechnical investigations, and structural assessments) for any design modifications; and
- (iv) Prepare drawings and cost implications of design modifications.

8. Materials Engineer (1 position, 30 person-months, National, based at district headquarters)

The expert must have preferably Bachelor's degree in Civil Engineering with preferably 7 years of work experience, of which about 4 years should be related to construction of roads, bridges. The expert should be competent in works specifications, field and lab construction material testing protocols. This includes quality assurance and safety control in compliance with safeguards. Specific tasks for the experts include, but are not limited to:

- (i) Checking the Contractor's laboratory facilities for storing, curing and testing samples;
- (ii) Investigating different types of asphalt, soils and construction material;
- (iii) Inspecting the quality and efficiency of hot mix plants, rolling and compacting activities;
- (iv) Taking regular samples of aggregates and testing;
- (v) Inspecting each construction stage and certifying quality;
- (vi) Commenting on the skill and professionalism of the Contractor's personnel;
- (vii) Checking daily reports and test results from the laboratory; and
- (viii) Examining and commenting on contractor claims.

C. Department of Roads (DOR)

1. Team Leader/ Road Construction Expert (1 position 36 person-months, National, Kathmandu, ADB directorate in DOR)

The Team Leader/ Road construction expert (TL) will have a degree in Civil Engineering and preferably additional qualifications in project management, or equivalent. The TL will have preferably 10 years of project management experience in roads sector and will be fluent in both English and Nepali. The TL will work closely with the ADB Directorate in DOR and is responsible for the day-to-day management of the Kathmandu PIU team and field teams, and relationship with the local authorities and project beneficiaries. The main tasks of the specialist will include:

- (i) To support the project director in all aspects of the management of roads reconstruction project;
- (ii) Ensuring the PIU undertakes the roads reconstruction project according to schedule;
- (iii) Contributing to training and capacity building of government staff;
- (iv) Take full responsibility for coordination and integrated action between field units, other consultants, various government institutions, project beneficiaries, accounts, MIS and administration units of PIU and provide clear directions and decisions on all aspects of roads reconstruction;
- (v) Examining and commenting on contractor claims; and
- (vi) Be responsible for preparation of reports to DOR, PMU, ADB and GON.

2. Project Management, Procurement & Contract Management Expert (1 position, 12 person-months, International, Kathmandu PIU)

An engineering or equivalent degree and 7 years professional experiences in public procurement of goods, services and civil works and contract management preferably in roads

sector; hands-on experience in contract management for public investment projects financed by ADB and/or other multilateral agencies; and in depth knowledge of ADB's procurement guidelines. Should have worked recently in an ADB or World Bank financed project. The main tasks of the specialist will include:

- (i) Assume full responsibility for all procurement to be conducted by PIU;
- (ii) Support the contract management of the roads reconstruction project;
- (iii) Providing intermittent short training to key implementing agency staff and other relevant government staff in ADB's procurement guidelines and principles;
- (iv) Preparing concise reports regarding procurement matters, contracting and contract management;
- (v) Assessment of the procurement capacity of implementing agency and propose institutional capacity building, if required;
- (vi) Supporting implementing agency in preparing procurement notices, documents for consulting services, pre-qualification, bidding and contract documents for goods, consulting services and works, following ADB's and government's procurement guidelines;
- (vii) Assisting implementing agency in obtaining clearance on procurement matters from government and ADB as the case may be;
- (viii) Preparation and updating of detailed procurement plan for goods, services and works for subprojects;
- (ix) Packaging of procurement contracts, in line with the thresholds established for ADB financed projects in Nepal for procurement of goods and works (comprising contracts that will be procured under international and national bidding procedures, shopping, etc);
- (x) Prepare tender and contract documents (including cost) for all procurement related to the roads reconstruction program; and
- (xi) Advise on procurement strategies in accordance with the Government's and ADB's procurement guidelines and identify areas of discrepancy between the two, if any, and help in resolving them.

4. Resident Engineer (3 positions, 84 person-months, National, based at district headquarters)

The Resident Engineer (RE) will have preferably a degree in Civil Engineering, and have preferably 7 years of experience supervising the construction of civil works, preferably roads. The Resident Engineer should preferably have 4 years of experience with ADB or other externally assisted projects. The main tasks of the CRE will include:

- (i) Leading the overall supervision of the construction of roads in his charge;
- (ii) Leading and providing guidance to Assistant Resident Engineers on construction supervision skills and reporting;
- (iii) Support the design engineer with improving designs and tailoring construction to suit specific location requirements;
- (iv) Manage the consultants and contractors; and
- (v) Report to the Team Leader all construction supervision and construction quality issues and assist in resolving them.

5. Assistant Resident Engineer (3 positions, 75 person-months, National, based at district headquarters)

The Assistant Resident Engineer (ARE) will have preferably a degree in Civil Engineering, and have preferably 4 years of experience supervising the construction of civil works, preferably roads. The Assistant Resident Engineer should preferably have 2 years of experience with ADB or other externally assisted projects. The main tasks of the ARE will include:

- (i) Carrying out day to day supervision of the construction of roads in his charge;
- (ii) Providing guidance to contractors Engineers on construction supervision skills and reporting;
- (iii) Support the design engineer with improving designs and tailoring construction to suit specific location requirements; and
- (iv) Report to the Team Leader and RE all construction supervision and construction quality issues and assist in resolving them.

6. Materials Engineer (2 positions, 72 person-months, National, based at district headquarters)

The experts must have preferably Bachelor's degree in Civil Engineering with preferably 7 years of work experience, of which about 4 years should be related to construction of roads, bridges. The experts should be competent in works specifications, field and lab construction material testing protocols. This includes quality assurance and safety control in compliance with safeguards. Specific tasks for the experts include, but are not limited to:

- (i) Checking the Contractor's laboratory facilities for storing, curing and testing samples;
- (ii) Investigating different types of asphalt, soils and construction material;
- (iii) Inspecting the quality and efficiency of hot mix plants, rolling and compacting activities;
- (iv) Taking regular samples of aggregates and testing;
- (v) Inspecting each construction stage and certifying quality;
- (vi) Commenting on the skill and professionalism of the Contractor's personnel;
- (vii) Checking daily reports and test results from the laboratory; and
- (viii) Examining and commenting on contractor claims.

7. Safeguards Expert (1 position, Environment and Resettlement, 18 person-months, National, based at selected district headquarter)

The Safeguards Experts will have at least an advanced social sciences or environmental science degree or equivalent, with at least 7 years of experience of which 2 years is working on international development projects. The main tasks of the Expert will include:

- (i) Assist Kathmandu PIU and DIU staff in safeguards planning and implementation guided primarily by the Environmental Assessment and Review Framework (EARF) and Resettlement Framework prepared for the Project. Work must be consistent with ADB's Safeguard Policy Statement (2009), and GON's laws and requirements;
- (ii) Conduct orientation and training for PIU and DIU staff on safeguards implementation;
- (iii) Conduct orientation and training for contractors on EMP implementation;

- (iv) Ensure all subprojects are properly screened and categorized; and for all subproject not categorized as C, ensure safeguards documents (initial environmental examination (IEE), environmental management plans, and resettlement plans (RPs) follow the EARF and Resettlement Framework;
- (v) Prepare an IEE to cover all strategic roads subprojects and template EMPs, and RPs for subprojects for the PIUs;
- (vi) Guide PIU and DIMU on monitoring, and ensure reporting requirements are met. Ensure timely reporting to the PMU and ADB;
- (vii) Assist the PIU and DIUs in tracking safeguards compliance, identifying breaches in compliance, and formulating corrective action plans as required;
- (viii) Plan and implement consultations with the project affected people and other stakeholders in accordance with the ADB Safeguard's Policy Statement (2009).
- (ix) As part of the annual work plans, prepare communications plan for disseminating information on consultation, design, construction activities throughout the project area;
- (x) Support district PIU staff to implement the communications plan and facilitate consultation meetings;
- (xi) Train and support the district PIU staff with public relation skills and handling of complaints; and
- (xii) Ensure all grievances are registered, and records are kept on how grievances are resolved through each stage. Draft reporting on GRM implementation which will form part of the semi-annual reporting of safeguards implementation to the PMU and ADB.

8. Senior inspector of works (94 person months, 4 positions) proposed as non-key experts.

D. Department of Urban Development and Building Construction (DUDBC)

1. Project Management, Procurement & Contract Management (1 position, 12 person-months, International, based at Kathmandu PIU)

An engineering or equivalent degree and 7 years professional experiences in public procurement of goods, services and civil works and contract management; hands-on experience in contract management for public investment projects financed by ADB and/or other multilateral agencies; and in-depth knowledge of ADB's procurement guidelines. He/ She should have worked recently in an ADB or WB financed project. The main tasks of the specialist will include:

- (i) Assume full responsibility for all procurement to be conducted by PIU;
- (ii) Support the contract management of the buildings reconstruction program;
- (iii) Providing intermittent short training to key implementing agency staff and other relevant government staff in ADB's procurement guidelines and principles;
- (iv) Preparing concise reports regarding procurement matters, contracting and contract management;
- (v) Supporting implementing agency in preparing procurement notices, documents for consulting services, pre-qualification, bidding and contract documents for goods, consulting services and works, following ADB's and government's procurement guidelines;
- (vi) Assisting implementing agency in obtaining clearance on procurement matters from government and ADB as the case may be;

- (vii) Preparation and updating of detailed procurement plan for goods, services and works for subprojects;
- (viii) Packaging of procurement contracts, in line with the thresholds established for ADB financed projects in Nepal for procurement of goods and works;
- (ix) Prepare tender and contract documents (including cost) for all procurement related to the buildings reconstruction program; and
- (x) Advise on procurement strategies in accordance with the Government's and ADB's procurement guidelines and identify areas of discrepancy between the two if any and help in resolving them.

2. International Civil Engineer- Building code Revision (1 position, 6 person-months, International)

The International expert will have civil engineering Masters degree and preferably 7 years of experience in working on policy, codes and guidelines for building construction. Specific expertise on earthquake resistant multi-storied buildings, and practical experience of using design software for designing earthquake resistant structures required. Main tasks will include:

- (i) Develop in close consultation with engineering professionals in Nepal and DUDBC draft building code incorporating multi hazard design and construction elements;
- (ii) Discuss draft building code widely in and outside Nepal with peer professionals and finalize the same incorporating the acceptable suggestions;
- (iii) Ensure draft building code incorporates earthquake and multi-hazard resistant design and recommend necessary changes in building by-laws to implement the draft building code; and
- (iv) Develop proposals for institutional improvements to implement draft building code effectively

3. Structural Engineer (3 positions, 36 person-months, National)

The Structural Engineer will have civil engineering masters degrees, or equivalent, preferably 7 years of experience designing buildings, and practical experience of using design software for designing earthquake resistant structures. He/ She will prepare all designs, drawings and bill of quantities. Main tasks will include:

- (i) Provide concept and detailed designs for buildings and revise wherever initial design assumptions need to be revisited;
- (ii) Ensure all designs incorporate earthquake and multi-hazard resistant design;
- (iii) Develop proposals for adjustments and changes in the designs incorporating best practices;
- (iv) Plan and conduct the necessary surveys and investigations (topographical surveys, geotechnical investigations, and structural assessments) for any design modifications; and
- (v) Prepare drawings and cost implications of design modifications.

4. Interior Designer (1 position, 24 person-months, National, based at district headquarters)

The expert must have preferably Bachelor's degree in design with preferably 5 years of work experience, of which about 3 years should be related to interior design. The expert should be

competent in concepts, visualization and 3-D software use. Specific tasks for the experts include, but are not limited to:

- (i) Schematic designs; prepare at least 2 alternative concepts, views, schematics, animations of buildings;
- (ii) Develop functional and space requirements for each room and common areas in the building;
- (iii) Prepare drawings and cost estimate for interiors considering acoustics, ergonomics, lighting;
- (iv) Provide technical and material specifications; and
- (v) Supervise and guide interior design works.

5. Building Architect (2 positions, 48 person-months, National, based at district headquarters)

Graduate in Architecture with proven track record of architectural design of public buildings. Experience of 5 years as a professional architect with independent practice. The scope of work would be:

- (i) Work with the PIU team, particularly the design engineers to develop appropriate building designs that are aligned to local culture, materials and visual landscape;
- (ii) Develop appropriate design features that combine adequate functional requirements such as good lighting, air, and using walls and other spaces creatively with form and style to enhance the quality of building; and
- (iii) Collaborate with design engineers to identify appropriate design options that combine disaster risk resilience features with improved space planning for more effective and pleasant buildings achieving economy of space.

6. Electrical Engineer (1 positions, 36 person-months, National, based at district headquarters)

Graduate in Electrical Engineering with design and installation of electrical works for buildings. Experience of 5 years as a professional. Awareness of energy saving practices essential. The scope of work would be:

- (i) Integrate the services, electrical, and energy-minimization-related systems into the building design;
- (ii) Utilizing the layout, orientation and design of the building to minimize energy use by maintaining as near to a constant internal temperature as possible to minimize the use of heaters in cold weather and the use of fans and air conditioning in warm weather;
- (iii) Consider construction materials that can insulate the building to keep heat inside during cold weather and reflect heat in hot weather, such as double glazing windows with reflectors, insulated external walls and cool roofs; and
- (iv) Provide layout drawings, cost estimates and effective supervision of building electrification.

7. Materials Engineers (1 position, 36 person-months, National, based at districts)

The experts must have preferably Bachelor's degree in Civil Engineering with preferably 7 years of work experience, of which about 4 years should be related to construction of large buildings.

The experts should be competent in works specifications, field and lab construction material testing protocols. This includes quality assurance and safety control. Specific tasks for the experts include, but are not limited to:

- (i) Checking the Contractor's laboratory facilities for storing, curing and testing samples;
- (ii) Investigating different types of construction materials;
- (iii) Inspecting the quality and efficiency of pre-mix plants, rolling and compacting activities;
- (iv) Taking regular samples of aggregates, cement, structural reinforcement and testing;
- (v) Inspecting each construction stage and certifying quality;
- (vi) Commenting on the skill and professionalism of the Contractor's personnel; and
- (vii) Checking daily reports and test results from the laboratory.

8. Management Information System Expert (1 position, 36 person-months, National, Kathmandu PIU)

The expert is required to have bachelor's degree in relevant field. Relevant 5 years of experience in information systems, including GIS required. The main tasks of the specialist are likely to be:

- (i) In coordination with other team members of PIU, to develop the buildings reconstruction program information system. The MIS should be able to present individual road level details and aggregate program wide information;
- (ii) To update regularly and maintain the scheme information systems including the preparation of the key outputs and reports;
- (iii) Enable inputs to MIS from field; and
- (iv) Maintain feedback and complaints mechanisms and grievance redress mechanism.

9. Construction supervision engineers (3 positions, 96 person-months, National, based at districts)

The Construction supervision engineers (CSE) will have preferably a degree in Civil Engineering, and have preferably 7 years of experience supervising the construction of civil works, preferably large buildings. The main tasks of the CSE will include:

- (i) Leading the overall supervision of the construction of buildings in his charge;
- (ii) Leading and providing guidance to Assistant Engineers on construction supervision skills and reporting;
- (iii) Support the design engineer with improving designs and tailoring construction to suit specific location requirements;
- (iv) Manage the construction supervision and contractors; and
- (v) Report to the Team Leader all construction supervision and construction quality issues and assist in resolving them.

10. Assistant Engineers (8 positions, 240 person-months, National, based at district headquarters)

The Assistant Engineer (AE) will preferably have a degree in Civil Engineering, and 4 years of

experience supervising the construction of civil works, preferably large buildings. The main tasks of the Assistant Engineer will include:

- (i) Carrying out day to day supervision of the construction of buildings in his charge;
- (ii) Providing guidance to contractors Engineers on construction supervision skills and reporting;
- (iii) Supporting the design engineer with improving designs and tailoring construction to suit specific location requirements; and
- (iv) Reporting to the Team Leader and CSE all construction supervision and construction quality issues and assist in resolving them.

The following consultants shall be recruited by PIU as individual consultants.

A. Gender and Social Inclusion (GESI) Consultant – Kathmandu-based (1) [national, 36 person-months]

1. The GESI consultant will assist in the implementation of the social development and gender mainstreaming activities according to the EEAP Gender Equality and Social Inclusion (GESI) Action Plan. S/he will work under the direction of the Team Leader of the Design and Supervision Consultant (DSC). The consultant will have the following qualifications: an advanced post-graduate degree in social sciences, gender and development (GAD) or related fields; sound knowledge of social inclusion issues in sectors relevant to EEAP; at least 5 years of experience in promoting gender equality, women's empowerment, and social inclusion. Knowledge on GESI in disaster management and in humanitarian setting will be an added advantage. Knowledge of GON's policies, administrative systems, and procedures, in the areas of education, transport (rural and strategic roads), and experience working with civil society organizations (CSOs) and development partners; good written and oral communication skills in Nepali and English; strong interpersonal skills and ability to work in a multidisciplinary team; and ability to work independently and undertake travel in earthquake affected districts.

2. The GESI Specialist will:

- (i) Provide overall guidance in the implementation and monitoring of GESI Action Plan;
- (ii) Support district-based GESI specialists in the implementation of GESI/AP activities and provide close guidance;
- (iii) Ensure GESI measures are incorporated in all project outputs and activities including in the rebuilding of school structures, the design of strategic and district roads, compliance with core labor standards (CLS) in construction-related works, and representation in user committees;
- (iv) Coordinate with CSOs and other development partners and provide guidance to district-based GESI specialists in building capacity and awareness on human trafficking, sexually transmitted infections (STIs) and sexual- and gender-based violence;
- (v) Establish and ensure collection of sex-, caste- and ethnicity-disaggregated data and information at central and district levels aligning with the project monitoring system and provide inputs to the finalization of the Quarterly Progress Reports;
- (vi) Orient district-based GESI specialists on monitoring, collection and analysis of disaggregated information and data;

- (vii) Carry out meetings and/or training sessions targeting EEAP EI/As (DOLIDAR, DOR, DUDBC, DOE), PMU, PIU and DSC on GESI in emergency response program and activities;
- (viii) Document lessons learnt and good practices in implementing GESI related approaches and activities.

B. Gender and Social Inclusion (GESI) Consultant – District-based (3) [national, 36 person-months/each]

3. The GESI consultant will assist in the implementation of the social development and gender mainstreaming activities according to the EEAP Gender Equality and Social Inclusion (GESI) Action Plan. He/ She will work under the direction of the Team Leader of the Design and Supervision Consultant (DSC). The consultant will have the following qualifications: an advanced post-graduate degree in social sciences, gender and development (GAD) or related fields; sound knowledge of social inclusion issues in sectors relevant to EEAP; at least 5 years of experience in promoting gender equality, women's empowerment, and social inclusion. Knowledge on GESI in disaster management and in humanitarian setting will be an added advantage. Knowledge of GON's policies, administrative systems, and procedures, in the areas of education, transport (rural and strategic roads), and experience working with civil society organizations (CSOs) and development partners; good written and oral communication skills in Nepali and English; strong interpersonal skills and ability to work in a multidisciplinary team; and ability to work independently and undertake travel in earthquake affected districts.

4. The GESI Specialist will:

- (i) Provide overall guidance in the implementation and monitoring of GESI Action Plan in the respective district assigned, in consultation with the GESI specialist (Kathmandu based);
- (ii) Liaise with the Kathmandu-based GESI specialist in the implementation of GESI/AP activities and seek guidance as needed;
- (iii) Orient DMIU staff, communities and other stakeholders on GESI concepts and activities related to GESI AP and ensure its adherence by different actors during project implementation;
- (iv) Ensure GESI measures are incorporated in all project outputs and activities including in the rebuilding of school structures, the design of strategic and district roads, compliance with core labor standards (CLS) in construction-related works, and representation in user committees;
- (v) Provide guidance and support to the social mobilizers in mobilizing communities to participate in project activities such labor opportunities, in user committees, in awareness raising and capacity building events;
- (vi) Work in close coordination with Women, and Children Offices in the district and attend and participate regularly in Protection, Gender-based Violence (GBV), Gender and other relevant cluster meetings in the districts;
- (vii) Assess the coverage of mitigation measures in place in the EEAP project area (whether financed by Government, CSOs or private sector) and – based on the assessment– identify gaps in coverage and the need for EEAP financial support during project implementation;
- (viii) Collect sex, caste- and ethnicity disaggregated data and information at district level as per the established system and provide quarterly update on a regular basis and provide for consolidation to the Kathmandu-based GESI specialist for the finalization of the Quarterly Progress Reports; and

- (ix) Document lessons learnt and good practices in implementing GESI related approaches and activities.

C. Nongovernment organization (1) [National, 24 person-months]

5. The nongovernment organization will be subcontracted by the DSC and be responsible for implementing activities to mitigate social- and health-related risks (sexually-transmitted infections (STI) and human trafficking (specifically, children and women) associated with post-earthquake reconstruction and rehabilitation work. The organization should have international expertise in providing support and appropriate approaches in mitigating social and health-related risks, especially in the context of post-disaster rehabilitation work. The nongovernment organization will be responsible for the overall coordination, management, implementation and report preparation for the project. The organization will undertake the following tasks:

- (i) Prepare a detailed GESI-responsive outreach plan for the information and education campaign and other appropriate activities in the project areas;
- (ii) Conduct extensive consultations with the community members and ensure effective participation of women;
- (iii) Ensure regular coordination and liaison with concerned public health and social development/welfare agencies and/or departments, CSOs, community members and community-based organizations;
- (iv) Ensure involvement of experts from relevant organizations in the conduct of activities;
- (v) Prepare and finalize appropriate information, education and communication (IEC) tools and materials;
- (vi) Train and assist women in taking leadership roles and involve local women's organizations in the conduct of activities related to mitigation of social and health-related risks; and
- (vii) Prepare and submit progress and completion reports to the DSC and the ADB.

B. TECHNICAL ASSISTANCE CONSULTANTS

Support for Project Implementation of the Nepal Earthquake Rehabilitation and Reconstruction Program

1. **General.** The Terms of Reference (TOR) are outline in nature and require a degree of flexibility on the part of the experts to be recruited to enable them to realign their tasks to meet the GON's emerging needs over the duration of the CDTA. In addition to the resources under the TA, the experts will also work closely with other ongoing TAs of ADB that may mobilize relevant resources.

2. The following activities are included as generic TOR for all consultants as a team:

- (i) Do a full mapping of the TOR within their sectors, and between international and domestic consultants;
- (ii) Work closely with all implementing agencies (IAs), any oversight agencies (or executing agency) to initiate the implementation of the emergency assistance project (EAP) assisted by ADB;
- (iii) Compile all relevant information on activities coordinated by the Government, including planning and implementation of other projects for rehabilitation and reconstruction;
- (iv) Engage the local communities in all consultations;
- (v) Where appropriate, further develop technical, economic and financial criteria for the selection of all sub-projects;
- (vi) Exploit any beneficial linkages ADB support could have to help the vulnerable segments of the affected population, including women and children; and
- (vii) Support preparing an implementation framework and schedule, formulate bidding documents, support procurement process; and supervise and monitor the initial implementation of the rehabilitation and reconstruction initiatives in the respective sectors.

3. **Specifics.** The specific outline TORs of the individual experts are shown below.

Project Management Specialist (24 international person-months, 36 national person-months)

Qualification and Experience: Post graduate/graduate in civil engineering with over 10 years of experience in project management of multi-sectoral investment program of externally funded projects, with at least 5 years of International experience in management and implementation of projects in difficult or conflict areas. The person shall also have exposure to social and environmental safeguard policies of external funding agencies.

Outline Tasks:

- (i) Assist executing agency and implementing agencies (IAs) for management and implementation of earthquake R&R programs in overall coordination with the ADB;
- (ii) Designing and establish a sound system to guide subproject reparation, approval, implementation and portfolio management, and monitoring and reporting;

- (iii) Monitor the performance and capacity of the program stakeholders including the executing agency, IAs, design and supervision consultants (DSCs), and contractors, and support improvements;
- (iv) Liaise effectively with the GON agencies concerned, and identify and assess key issues, problems and remedial measures related to all aspects of portfolio management, including procurement and contract management;
- (v) Support in ensuring overall integrity of implementation of the disaster management portfolio; and
- (vi) Assisting the Ministry of Finance/ executing agency in donor coordination and guide the MIS experts for establishment of a robust Web Based monitoring and evaluation system.

Procurement and Contract Management Specialist (4 international person-months, 18 national person-months)

Qualification and Experience: A degree in civil engineering with over 10 years of experience and at least 5 years of experience of working as procurement specialist in ADB funded projects.

Outline Tasks:

- (i) Assist the IAs in building capacities in undertaking procurement in compliance with the procurement guidelines and managing civil work contracts with a focus on new IAs;
- (ii) Support in developing procurement packages particularly for school safety subprojects;
- (iii) Review bid documents preparation, tendering and bid evaluation;
- (iv) Closely monitor procurement and submit observations/reports with recommendations for improvements; and
- (v) Help resolve contracts claims and disputes by advising appropriately to the PIU/DIUs of the IAs.

Financial Management Specialist (12 national person-months)

Qualification and Experience: A relevant degree to financial management and over seven years of professional experience including at least three years of experience in working for externally assisted projects.

Outline Tasks:

- (i) Establishing/ strengthening a system of financial management for the IAs;
- (ii) Establishing/ strengthening a subproject level fund-flow tracking mechanism for EAP components down to the final stage of utilization;
- (iii) Establish/ strengthening a sound system of recording of all information, and reporting such information to the IAs, EA, and ADB; and
- (iv) Establish/ strengthen internal controls, approvals, flow of funds, execution, and reporting.

MIS and Software Development Specialist (6 international person-months)

Qualification and Experience: Post Graduate degree in information technology, computer science or a related discipline. Have a minimum of 7 years of experience as MIS expert, good understanding of infrastructure sector requirements and administrative functioning of government. Experience on civil engineering related and application Geospatial technologies, GIS, Remote Sensing or similar area with experience in developing GIS based decision support systems will be advantageous. Prior experience of working with ADB/World Bank and or other multilaterals, bilaterals, United Nations, governments is required.

Outline Tasks:

- (i) Work closely with the executing agency and IAs;
- (ii) Understand the nature of the MIS to be built to ensure results-based tracking of project activities;
- (iii) Work closely with the AMP unit of MOF and the executing agency to develop an architecture for establishing robust web-based MIS system incorporating GIS based monitoring and reporting of program implementation, online accounting, aid management, procurement and financial management, etc.;
- (iv) Define the scope of information that needs to be pulled in from various sources, the number of tiers needed for the MIS architecture;
- (v) Prepare detailed design of the MIS after understanding requirements of information at different levels;
- (vi) Prepare a detailed architecture of the hosting environment and an implementation plan for MIS on the basis of accessibility, availability, compatibility, functionality, navigation, performance, reliability, scalability, security, usability and consistency;
- (vii) Develop a detailed computer based model that shall fit into the overall monitoring and supervision of each agency and special requirement of the project;
- (viii) Help in the development of the software upon approval of the MIS architecture; and
- (ix) Conduct training the respective agencies by conducting the training executing agency and IAs for use of the system.

Monitoring and Evaluation Specialist (18 national person-months)

Qualification and Experience: Degree in economics/ management and or sociology with additional qualification or extensive working knowledge of information systems. Should have working experience in development of M&E systems for at least three projects in Nepal or overseas. Prior experience in working with ADB or World Bank is desirable.

Outline Tasks:

- (i) Jointly work with the MIS consultant in the development of the architecture, scope and methodology for developing a robust M&E system, for the executing agency's programs;
- (ii) Coordinate with ADB team members, GON teams in identifying and finalizing final set of indicators that need to be monitored across various sector programs undertaken by the executing agency and IAs of the program, across various stages i.e. pre-planning stage, planning stage, execution stage, O&M stage and evaluation stages;

- (iii) This will be undertaken in consultation with a representative group of key stakeholders from executing agency, IAs and key donors (i.e. ADB, JICA, World Bank);
- (iv) Identify, with the guidance from the executing agency and IAs, the type of automated analysis required sector wise for executing agency's management and prepare a list of reports that are needed from the integrated systems and also their time frames as required – monthly, quarterly and annual reports.;
- (v) Work in tandem with MIS specialist to ensure these consolidated reports are available in the net for access by donors, public (upon clearance from executing agency) and executing agency management to assist them in taking decisions for appropriate course correction and issue guidance to implementing agencies, as required;
- (vi) Map the methods of data collection, for each indicator and extent of use of IT systems for the same;
- (vii) Identify the data which can be made available for public use in consultation with executing agency and IAs;
- (viii) Assist in designing a system to upgrade the existing website for improved internal use, integration of data from different units and also for making available appropriate information to the public at large on the progress of Earthquake R&R program;
- (ix) Support the process of software development, field testing, piloting and scaling up by training the staff from executing agency and IAs;
- (x) Review relevant literature, dialogue with all the key stakeholder groups and also seek their views in the entire process; and
- (xi) Design and coordinate workshops with stakeholders led by executing agency and involving ADB.

Structural Engineer for School Buildings (3 international person-months)

Qualification and Experience: A Master's Degree in building engineering with 10 years post-qualification experience preferably with externally funded projects in Asian region with familiarity with seismic designs.

Outline Tasks:

- (i) Review and advise on the type designs for school building construction and retrofitting for different school sizes and for primary, basic and integrated 1-12 schools and for plains, hills and mountains, which is being developed by DOE and DUDBC;
- (ii) Collaborate with the experts dispatched by JICA, UNICEF, and World Bank to support the process;
- (iii) Support MOE in updating the Master plan for school safety with an overall policy framework and plan for the reconstruction and retrofitting of school buildings; and
- (iv) Arrange and undertake training including training of trainers on the type designs for school building construction, and guidelines for designing retrofitting works, by identifying appropriate training institutions.

Quality Control Engineer for School Buildings (3 international person-months and 18 national person-months)

Qualification and Experience: Degree in structural and construction engineering or similar with 8 years' experience in carrying out technical quality control for various construction projects, supervision of contractors of infrastructure projects during construction. Specific/proven experience in checking adherence to material, labor, equipment and structural specifications is necessary for the assignment.

Outline Tasks:

- (i) Develop a quality assurance (QA) manual for school building construction and retrofitting, in consultation with DSC;
- (ii) Review and ensure operationalizing a quality control system for the school building construction and retrofitting under the school safety component of EAP, through strategic and intermittent spot checks on input materials, and ongoing and finished work;
- (iii) Organize field visits to assess the effectiveness of implementing QA plans, and advise on their improvements;
- (iv) Where any item is found to be sub-standard, reasons for poor performance should be identified and actions to improve quality suggested. Testing charges shall be borne by the contractor if they are carried out by an outside agency, but the tests are to be witnessed by technical auditor;
- (v) Prepare reports for each visit detailing date, time, persons met; works, materials, equipment and processes inspected; quality of work and any actions to be taken;
- (vi) Where work seems to be of extremely poor or dangerous quality, the expert shall inform the ADB and the IA (jointly) and suggest actions to be taken;
- (vii) Submit a comprehensive report on the QA compliance with recommended measures for improvements; and
- (viii) Arrange and undertake training for mason and DOE engineers with respect to QA, by identifying appropriate local training institutes.

Pedagogy and Teacher Professional Development Specialist (12 national person-months)

Qualification and Experience: The expert will have a social science degree with 10 years of experience in pedagogy, curriculum development and teacher training.

Outline Tasks:

- (i) Develop specific training modules for support to teachers in affected districts to carry out education in an effective manner;
- (ii) In consultation with NCED and MOE, identify key needs of teachers, particularly secondary school teachers to carry out lessons in schools that have been affected by the earthquake and in temporary learning centers;
- (iii) Review the current curriculum to provide advice and guidance on improving classroom processes in the context of multi grade classes that may have been necessitated by the damages to schools and classrooms;
- (iv) In collaboration with MOE and DEO, identify critical needs for reviewing the school time tables and the timely completion of education delivery in response to the delays in the start of the school and ongoing disruption as school reconstruction and retrofitting proceeds;

- (v) In collaboration with NCED, identify specific measures that would improve the quality of teaching and learning processes in the constrained circumstances of schools for the next 2-3 years, particularly focusing more on out-door learning modules and methodologies that better suit 'classrooms without walls' while at the same time ensuring the coverage of the necessary grade specific curriculum; and
- (vi) Undertake the training needs assessment for the relevant subject, and support organizing training, including training of trainers by identifying eligible local institutions.

Education ITC Specialist (3 international person-months)

Qualification and Experience: The expert will have a graduate degree in engineering or computers or information technology or any other discipline with extensive experience in delivering ICT solutions for development, particularly education. The expert will have ten years of experience.

Outline Tasks:

- (i) Collaborate with MOE and specialized departments dealing with curriculum and pedagogy to identify needs for ICT inputs to the schools;
- (ii) Review the national ICT strategy with MOE and other DPs to develop concrete plans for ICT interventions in education that will enhance the quality of teaching and learning processes;
- (iii) Review the possible merits of deploying low cost solar powered tablets pre-loaded with interactive lessons particularly as a measure to prevent drop outs, improve attendance and enhance learning at secondary level;
- (iv) Collaborate with the architect to provide designs for ICT laboratories and computer clinics;
- (v) Provide guidance on integrating ICT-solutions in the overall school development strategy and identify the challenges and opportunities; and
- (vi) Identify enabling conditions and support required to expand ICT in education for the benefit of teachers, students and administrators.

DESIGN AND MONITORING FRAMEWORK

Impact the Project is Aligned with:			
Accelerated economic and social recovery in Nepal's earthquake affected districts (Defined by project)			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome Critical economic and social services resumed with disaster-resilient infrastructure	By 2019 a. 28% of total earthquake damaged roads improved and operational b. Enrollment rates in basic and secondary schools, for boys and girls, restored to pre-earthquake level in project districts, with at least 350,000 students benefitting from new or improved facilities c. 10 district headquarters have permanent and safer buildings	a-c. Periodic project progress reports prepared by the executing agency b. Educational management information system, flash data, and surveys undertaken by the Ministry of Education	Extreme seismic or weather event occurs during construction
Outputs 1. Schools are rebuilt and upgraded	By 2018 1a. At least 700 schools (including 5 model schools) with water supply and sanitation facilities rebuilt or retrofitted to disaster-resilient standards with sex-segregated toilets	a. Periodic project progress reports prepared by the executing agency	Delays in implementation caused by the short working season, difficult terrain, low capacity of contractors, and labor shortage
2. Roads and bridges are rehabilitated and/or reconstructed	2a. About 135 km of strategic roads and 450 km of district roads rehabilitated (Target: 20% women in workforce) 2b. Project communities and all contractors participate in sexually transmitted infection prevention, human trafficking, and adherence to core labor standards awareness campaign (Target: 50% women)	a-b. Periodic project progress reports prepared by the executing agency	
3. District-level government facilities constructed and/or rebuilt	3a. About 300 district-level government buildings rebuilt or retrofitted to disaster-resilient standards with provision for select temporary offices	a. Periodic project progress reports prepared by the executing agency	

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
4. Disaster preparedness and management capacities strengthened	4a. All designs and works undergo technical quality assurance 4b. About 500 staff of implementing agencies acquire skills on disaster risk reduction technical approaches	a-b. Periodic project progress reports prepared by the executing agency	
<p>Key Activities with Milestones</p> <p>1. Schools are rebuilt and upgraded 1.1 Identify and appraise subprojects, as required (by Q2 2016) 1.2 Recruit consultants (by Q4 2016) 1.3 Prepare engineering designs and bid documents (by Q4 2016) 1.4 Construct assets (by Q2 2018) 1.5 Make assets operational (by Q2 2018)</p> <p>2. Roads and bridges are rehabilitated and/or reconstructed 2.1 Identify and appraise subprojects, as required (by Q2 2016) 2.2 Prepare engineering designs and bid documents (by Q2 2016) 2.3 Construct assets (by Q3 2018)</p> <p>3. District-level government facilities constructed and/or rebuilt 3.1 Identify suitable land in district headquarters (by Q3 2016) 3.2 Prepare engineering designs and bid documents (by Q2 2016) 3.3 Construct assets (by Q1 2018) 3.4 Make assets operational (by Q2 2018)</p> <p>4. Disaster preparedness and management capacities strengthened 4.1 Carry out quality assurance activities (by Q2 2018) 4.2 Complete disaster risk reduction capacity building for implementing agencies (by Q3 2018)</p>			
<p>Inputs</p> <p>ADB: \$200.0 million (loan) ADB: \$1.5 million (technical assistance grant) Government: \$32.0 million</p>			
<p>Assumptions for Partner Financing</p> <p>Additional cofinancing may be confirmed and added to the project after loan approval for any of the project outputs.</p>			

ADB = Asian Development Bank, km = kilometer, Q = quarter.
 Source: Asian Development Bank.

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan
Political economy		
Prolonged political transition may affect formulation and approval of the R&R policy and establishment of the institutional structure required to implement the R&R program, including the project	High	Development partners continue the dialogue with the government and key stakeholders to make sure that the R&R program can move forward under ongoing political processes. An SPV is expected to be established, and to be provided with adequate financial and approval authority through an ordinance or the 2015 Earthquake R&R Act, to allow the SPV to execute the R&R program successfully. An officer at the senior secretary level will be responsible for day-to-day affairs with the support of line ministries, technical experts, and consultants.
Weak interagency coordination between national agencies and stakeholders may undermine effective implementation of the R&R program	Medium	The Government of Nepal has set up the National Level Disaster Management Committee to steer the R&R program. It will act as a policymaking body and provide advice and guidance on reconstruction to the proposed SPV, and will coordinate with line agencies to formulate, implement, and monitor the program. Until the SPV is established, the Ministry of Finance will be the executing agency for the project. The procurement procedures for emergency and relief operations are flexible and relaxed to a certain degree, and this will ease coordination of efforts.
Implementation capacity		
Low implementing capacity of the government may curtail fast-track implementation of the R&R program and subprojects, including timely completion of due diligence required for subprojects	High	To fast-track implementation, the project will (i) support the new executing agency with project management consultants to help manage, monitor and evaluate, and report on project progress; and (ii) establish ministerial PIUs to provide technical, financial, and institutional support. PIUs will be reinforced with consultants to assist the implementing agencies with design, construction supervision, safeguard application, procurement, financial management, and reporting. PIUs will further establish district implementation units by drawing on experts from the consulting team to support construction supervision and on-site assistance, and expedite implementation. A DIMU will coordinate and monitor R&R program implementation at district level. It will oversee and report on technical compliance during implementation and redress grievances. ADB and consultants will support the executing and implementing agencies in procurement, disbursement, financial management, and safeguard policies and procedures.
Weak capacity of implementing agencies for procurement and contract management	Medium	Adequate consulting support will be provided to overcome the capacity constraints of the executing and implementing agencies with regard to procurement and contract management. The executing agency will periodically review and monitor progress of procurement and ongoing contracts to ensure timely completion of works.

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan
Low implementing capacity of contractors may delay delivery of large-scale emergency reconstruction and rehabilitation works within the scheduled period	High	The qualification requirements will be reduced since works are simple and repetitive, and skilled labor is in short supply. Contractors will receive training on preparation and submission of compliant and responsive bids and on contract conditions, especially variations, extra work orders or repeat orders; orders for additional delivery or modifications; time extensions; liquidated damages; bonus and contract amendments. To ensure contractors' cash flow, an advance of 20% will be provided against a reputable bank's guarantee.
Financial management Compliance with the financial management system may not be fully satisfactory	High	The executing agency will set up a unified web-based project monitoring and management information system in the PMU, PIUs, and district counterparts to monitor implementation, fund flows, accounting, audit and reporting functions within 1 year of project start. The attached technical assistance will also provide support for operationalizing an electronic tracking system of expenditures and outputs under the R&R program to promote transparency and reduce administrative burden. Dedicated full accounting staff shall be part of the PMU, and also of the SPV once it has been established.
Anticorruption measures Corruption-related issues may arise covering all aspects of project-financed activities	Medium	The R&R program has a monitoring and reporting mechanism that will promote better transparency. Disclosure of information about the use of funds will be required of the executing and implementing agencies. The DIMU, to be headed by the chief district officer and supported by technical, social, and legal experts to oversee and report on compliance, will also redress grievances. This will serve as one means to handle corruption-related concerns. Transparency will be further encouraged by representatives of civil society organizations (e.g., the Ward Citizens' Forum), donor representatives, and nongovernment organization, all of which will join DIMU in rotation.
Collusion to overprice bids	Medium	PMU and PIUs will carry out technical audits of randomly selected sample of subprojects twice a year. The reports will be shared with the Ministry of Finance, Commission for Investigative Abuse of Authority, and ADB on a confidential basis. Contractors will be required to display basic contract information at each construction site.
Other risks Difficulty in mobilizing labor and machinery, especially to remote areas at higher altitudes, because of damage and disruption to	High	Executing and implementing agencies will prepare contract cost estimates, keeping in mind appropriate tender premiums, as applicable, especially for more difficult work in remote locations or at higher altitudes, to ensure adequate contractor participation. Scheduling of labor and machinery mobilization will take into account the monsoon and winter season. Given the difficult topography, realistic timeframes for mobilization of labor and machinery have been agreed upon.

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan
access roads		
Delay in execution of works because of a limited working season and unpredictable and harsh weather conditions	High	The implementation schedule will factor in seasonal weather conditions, including the monsoon season, and expected snowfall in the fourth quarter of 2015, which will lead to snowmelt and runoff in spring and summer seasons, which often triggers further landslides and erosion, potentially damaging reconstructed infrastructure. Project construction activities will be scheduled in such a way that the available working season is efficiently utilized. Access and climate challenges will be managed by prioritizing reconstruction needs; so for this emergency loan, only those works that can realistically be completed in the given timeframe are included. Financial and human resources will be allocated to project areas for certain periods contingent on when and to what extent extreme weather conditions could restrict works. Works with longer timeframes will be scheduled under longer-term reconstruction programs, which the government is preparing, or under future ADB loans.
Lack of sufficient construction material and equipment may lead to delays in construction	Medium	To the extent possible, the project will source locally available materials (climate and earthquake resilient) and equipment for rebuilding. Where or when necessary, the executing agency will facilitate required statutory clearances to ensure adequate availability of construction materials for civil works under the project—this will need to be done in a way that does not crowd out other buyers (e.g., communities, individual households).
Lack of sustainability of infrastructure and physical assets rebuilt under the project	High	The assets will be transferred to the respective line ministry and/or the community to ensure utilization and maintenance. Line ministries will be encouraged to provide special operation and maintenance allocations in their annual budgets to ensure long-term sustainability.
Risk of further natural disasters and their adverse impact on regional economies	Medium	The underlying principle of the government's R&R policy is to build back better. The R&R program will incorporate higher building standards to withstand earthquakes, and climate proofing of existing infrastructure, including schools. While this will improve some infrastructure in the rebuilt parts of the project area, the country will remain at risk, and other unprotected areas will continue at high risk.
Overall	High	This is a high-risk environment, but the Government of Nepal, with the support of ADB and other development partners, is taking credible measures to manage the risks.

ADB = Asian Development Bank, DIMU = district implementation monitoring unit, PIU = project implementation unit, PMU = project management unit, R&R = rehabilitation and reconstruction, SPV = special purpose vehicle.

Sources: Asian Development Bank.

SUBPROJECT SELECTION CRITERIA AND APPROVAL PROCEDURES

1. Subprojects will be identified, evaluated and selected by the implementing agencies (IAs), and endorsed by the Executing Agency (Special Purpose Vehicle) through its Project Management Unit (PMU), on the basis of the following criteria:

- (i) will reconstruct, retrofit or repair the quake-damaged infrastructure for Primary/Lower secondary/secondary schools, Public administrative buildings in the district headquarters, rural roads affected by the quake and those critical to provide connectivity for villages/habitations in worst affected districts to district headquarters or feeder roads, markets, educational institutions, VDCs, hospitals/major health centers outside the settlements and or resettlement sites and other public services delivery establishments;
- (ii) will include works to restore the damaged facilities to pre-quake conditions, incorporating and strengthening to Disaster Risk Reduction (DRR) norms; compliance to multi-hazard resistance standards, cost effectiveness/alternatives based on a review of technical options available to address the identified problems and lessons learned from previous disasters/projects in the country/region; incorporation of technological improvements, and emphasis on GON/ADB's requirements for quality control;
- (iv) design and construction standards will be raised to appropriate level. The revised high flood levels of the rivers or the natural streams or drainage channels shall be considered, while designing facilities, as applicable. Geotechnical studies shall be undertaken and slope stabilization measures considered for slide zones, wherever applicable;
- (v) subprojects will be financed by the Project only if there is no duplication in funding from other agencies for the same activity;
- (vi) period for implementation will not extend beyond the project closing date, unless project duration extension is agreed between ADB and GON; and
- (vii) selection of subproject has incorporated beneficiary consultation.

2. The first subproject to be carried out by each implementing agency shall be subject to prior review and approval by ADB. Subsequent subprojects exceeding \$ 500,000 equivalent shall be sent through the PMU to ADB for information only, while all subprojects exceeding \$5 million equivalent will require prior review and approval by ADB.

A. Safeguards Criteria

3. Subprojects will conform with ADB's Safeguards Policy Statement, 2009 (SPS) with respect to social and environment considerations. Subprojects with significant (category A) environmental¹ and resettlement² impact, or with impacts on indigenous peoples (category A and B), will be excluded. Subprojects with activities described in ADB's Prohibited Investment Activities List will also be excluded.

¹ Subprojects or subprojects likely to have significant impacts that are irreversible, diverse, or unprecedented.

² 200 or more persons will be physically displaced from home, 200 or more persons lose 10% or more of their productive or income generating assets, or 200 or more persons experience a combination of both.

Environment:

- (i) Subprojects will not be undertaken in critical habitats and protected areas³ including those either legally protected or officially proposed for protection.
- (ii) Subprojects should follow environmental guidelines in the environmental assessment and review framework.

Social:

- (i) Subprojects will not result in involuntary restrictions on land use or access to legally designated parks and protected areas.
- (ii) Subprojects will not include: (a) commercial development of cultural resources or knowledge of indigenous peoples (IP), (b) physical displacement from traditional or customary lands, (c) commercial development of natural resources, (d) establishing legal recognition of rights to lands and territories, or (e) acquisition of land traditionally owned, customarily used, occupied, or claimed by IPs.

B. Procedures

4. Each subproject will be prepared and processed in accordance with the following procedures:

- (i) Technical study, for all subprojects, will be conducted by the executing agency including its cost estimate. The executing agency through the PMU will also prepare and fill out checklist for (a) involuntary resettlement; (b) indigenous people; and (c) an environmental screening in accordance with the relevant frameworks;
- (ii) All safeguards categorization and safeguards documents (resettlement plan, initial environmental examination (IEE) with environmental management plan (EMP) will be provided to ADB for review and concurrence;
- (iii) The executing agency or IAs will translate the resettlement plan into the local language and disclose it to the affected people and incorporate the results of the consultation. The resettlement plan and IEE (with EMP) will also be disclosed on the ADB website and the website of executing agency and implementing agency;
- (iv) The EA/IAs will prepare the appraisal reports for all subprojects to be considered under the project following the selection criteria, together with the required attachments and submit the same to ADB for approval;
- (v) ADB will review the summary appraisal report together with the required attachments. If ADB finds that a proposed subproject is not likely to satisfy the selection criteria and/or that the agreed procedures, ADB will advise the executing agency or IAs either (a) to modify the subproject proposal in a manner that will make it eligible for approval; or (b) that the subproject be rejected; and
- (vi) The above procedure described in (iv) will be applied only to those subprojects (a) whose estimated cost exceeds \$5 million; and (b) If the subproject in question is equal to or less than \$5 million in estimated cost, the above review would be carried out by the executing agency/implementing agency. ADB will conduct post-facto review of the subprojects on a sample basis.

³ Including national parks, wildlife reserves, conservation area, wetlands, ancient/cultural and archeological areas (Schedule 2, EPR).