

PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. A project preparatory technical assistance (PPTA) is required to complete due diligence for the ensuing investment project (the Project).

B. Major Outputs and Activities

2. The objective of the PPTA is to design a food security investment project through climate resilient dairy value chain development. The major outputs and activities are summarized in Table A3.1.

Table A3.1: Summary of Major Outputs and Activities

Major Activities	Expected Completion Date (draft)	Major Outputs	Expected Completion Date (final)
<ul style="list-style-type: none"> • Conduct a sector analysis and prepare policy matrix • Prepare detailed TA work plan and methodology • Develop a Tajikistan Dairy Development Stakeholder Forum¹ 	28 March 2017	<ul style="list-style-type: none"> • Sector analysis and draft policy matrix • Work program and methodology developed • Business model for increasing dairy products using a PPP framework 	15 May 2017
<ul style="list-style-type: none"> • Identify representative subprojects and commence feasibility studies • Develop a preliminary project framework including DMF 	30 April 2017	<ul style="list-style-type: none"> • Representative subprojects identified and feasibility studies completed. • Final project design prepared 	30 June 2017
<ul style="list-style-type: none"> • Conduct feasibility studies and prepare bidding documents for subprojects 	30 June 2017	<ul style="list-style-type: none"> • Feasibility studies and bidding document prepared 	30 August 2017
<ul style="list-style-type: none"> • Prepare the final report 	30 July 2017	<ul style="list-style-type: none"> • Final Report prepared in RRP and Linked Documents format 	30 September 2017

DMF = Design and Monitoring Framework, PPP = private-public partnership, RRP = report and recommendation of the President to the Board of Directors, TA = technical assistance.
Source: Asian Development Bank estimates.

C. Cost Estimate and Proposed Financing Arrangement

3. The PPTA is estimated to cost \$500,000 equivalent which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The government will provide counterpart support in the form of secretarial assistance, domestic transportation, office space, communication facilities, and other in-kind contribution. The detailed cost estimate is in Table A3.2.

¹ The functions envisioned are to (i) establish a dairy PPP framework with clarity on the roles and responsibilities of the government, dairy processors, and milk producers; (ii) identify the government's role in improving enabling environment for the growth of the dairy industry; and (iii) agree on a viable set of contract farming framework among dairy processors and milk producers (i.e. households, and commercial farmers).

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

Item	Total Cost
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (14.5 person-months)	281.6
ii. National consultants (30 person-months)	118.8
b. International and local travel	45.0
c. Reports and communications	5.0
2. Equipment (computer, printer, copier, scanner etc.) ^b	12.0
3. Workshops, training, seminars, and conferences ^c	9.6
4. Surveys	5.0
5. Miscellaneous administration and support costs	8.0
6. Representative for contract negotiations	5.0
7. Contingencies	10.0
Total	500.0

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

^b The equipment will be turned over to the executing agency upon completion of PPTA.

^c Workshops, training, seminars, and conferences

Purpose	Venue
Stakeholder consultation workshop	TBA
Inception, interim and final workshop	TBA
Advance action workshop	TBA

Source: Asian Development Bank estimates.

D. Consulting Services

4. ADB will recruit a team of consultants through a firm for a period of 6 months using quality- and cost-based selection method with 90:10 quality-cost ratio and simplified technical proposals. Consultants will provide 14.5 international and 30 national person-months of inputs, and will be engaged in accordance with ADB's *Guidelines on the Use of Consultants* (2013, as amended from time to time).

Table A3.3: Summary of Consulting Services Requirement

Positions International	Person-Months Required	Positions National	Person-Months Required
Team Leader/Value Chain Consultant	4.5	Deputy Team Leader	5.0
Economist	2.5	Value Chain Consultants	3.0
Livestock Farming Systems Consultant	3.0	Economist	4.0
Public-private Partnership Consultant	2.0	Public-private Partnership Consultant	4.0
Social and Resettlement Safeguard Consultant	0.5	Livestock Farming Systems Consultants	4.0
Environment and Climate Change Consultant	1.0	Environment and Climate Change Consultant	3.0
Financial Management Consultant	1.0	Environment and Climate Change Consultant	2.0
		Social Development and Gender Consultant	2.0
		Financial Management Consultant	3.0

Source: Asian Development Bank staff estimates.

5. The outline terms of reference for the PPTA consultants are described in paras. 6 to 14. As a general principle, international consultants will have a minimum academic equivalent of post-graduate degree and over 15 years of experience. National consultants will have a minimum of undergraduate degree in their areas of expertise and at least 10 years of experience relevant to their positions. The firm will conduct workshops, seminars, and training activities.

6. **Team Leader/deputy team leader, Value Chain Consultants (International: 4.5 person-months; 3 National: 8 person-months).** The team leader shall have at least 20 years international work experience preferably in central Asian countries. Two national consultants are provided (i.e., 5 months deputy team leader and 3 months for value chain support). The consultants will have at least 10 years work experience preferably in livestock subsector including value chain projects.

7. The team leader shall coordinate with counterpart staff and prepare comprehensive project proposals in a format suitable for ADB loan processing. The project proposals include preparation of subsector and policy analysis, project framework and policy matrix, public financial management, design and monitoring framework including baseline data, economic and financial analysis, financial management assessment, cost estimates and financing plan, procurement capacity assessment of the executing agencies/implementing agencies, procurement plan, terms of reference for consulting services, gender assessment and action plan, social and safeguard assessment (environment, involuntary resettlement, and indigenous peoples), selection criteria for subprojects, and project administration manual. In the role of a Dairy Value Chain Consultant, the consultants will develop dairy value chains identifying market demand, geographic properties, net value added and gaps, food safety to international standards. A public-private partnership (PPP) framework will be used for the dairy value chains development.

8. **Economists (International: 2.5 person-months; National: 4 person-months).** The economists shall have at least 15 years work experience in livestock projects with a post graduate degree in economics or related area. The economists will prepare (i) detailed budget and investment plan using the PPP framework; (ii) policy and/or strategy distortions in livestock industry and recommend appropriate policy adjustments; (iii) program framework and policy matrix; and (iv) undertake economic and financial analysis in accordance with ADB's *Guidelines for the Economic Analysis of Projects*.

9. **Livestock Farming Systems Consultant (International: 3 person-months; National: 4 person-months).** The consultants shall have at least 10 years work experience in developing livestock projects with a post graduate degree in agricultural sciences, animal husbandry or related areas. The consultants shall develop strategies and implementation plan for dairy industry, that shall (i) identify improved breed of cattle for range of producers and strengthening government breeding program; (ii) develop feed, fodder, and concentrate feed management using climate resilience technologies; (iii) recommend improved management practices including animal health, hygiene, and residue management; (iv) prepare livestock research and advisory services; and (v) prepare training program for producers, breeders, technicians, and private sectors.

10. **PPP Consultant (International: 2 person-months; National: 4 person-months).** The consultants shall have post graduate degree in related field with at least 10 years work experience in developing PPP frameworks. An experience working in dairy private sector is an advantage. The consultants shall (i) review current contractual practices and relevant legal issues; (ii) develop PPP framework to suit dairy industry with private sector in lead role; (iii) provide outlines of approaches to optimize PPP framework identifying area of support in policy, infrastructure, and finance; (iv) support the team leader to establish the Tajikistan Dairy Development Stakeholder Forum (TDDSF); and (v) provide outlines for the contractual interface between producers and dairy producers.

11. **Environment and Climate Change Consultants (International: 1 person-month; National: 4 person-months).** The consultants shall have a post graduate degree in relevant field and at least 10 years work experience on environmental issues in development projects. The consultants will (i) assess the potential environmental impacts including physical, ecological, and social environments; (ii) assess the likely impact of climate change in dairy industry; (iii) work with livestock farming system consultant to identify climate resilient technologies; (iv) assess potential environmental impact of the rotational grazing, development for fodder in pastureland and feed development practices, and (v) prepare environmental assessment report including climate risk and vulnerability assessment. The consultants will prepare an environmental assessment and review framework in line with ADB's Safeguard Policy Statement 2009.

12. **Social and Resettlement Safeguard Consultants (International: 0.5 person-month; National: 2 person-months).** The consultants shall have at least 15 years working experience in social safeguard issues such as resettlement and indigenous peoples. The consultant will assess and prepare resettlement and indigenous safeguard reports as necessary to ensure compliance with ADB's Safeguard Policy Statement 2009.

13. **Social Development and Gender Consultants (National: 2 person-months).** The consultant will have a post graduate degree in relevant field and at least 10 years work experience on gender issues. The consultant will conduct a gender assessment and provide the data disaggregated by sex. The assessment will include (i) current situation of women dairy farmers in different segment of the value chains; (ii) roles of women dairy farmers, division of labor, access to and control over productive resources and income from sell of dairy products, constraints in access to inputs and markets, and decision-making about food security matters at different levels; (iii) prepare a gender action plan; (iv) prepare a budget for gender and development activities; and (v) recommend steps to incorporate gender criteria into the project.

14. **Financial Management Consultants (International: 1 person-month; National: 3 person-months).** The consultants will have a post graduate degree in professional finance and/or accountancy qualifications. Preferably have at least 10 years work experience on financial management assessment. The consultants will undertake (i) financial intermediary arrangement proposal under PPP project; (ii) a financial management assessment of EA and IA to ensure compliance with ADB's *Financial Management and Analysis of Projects* and identify financial risks mitigation measures; (iii) provide information to the economist in preparing cost estimates of the project and standard cost table by ADB's cost category and financing plan; (iv) prepare disbursement schedule, including the S-curve for projection of contract award and disbursement; and (v) prepare an indicative implementation schedule with proposed consultant recruitment and procurement plan.

E. Consultant Implementation Arrangements

15. The Ministry of Agriculture (MOA) will be the EA of the PPTA. The PPTA implementation period will be from March 2017 to October 2017. All disbursements under the TA will be made in accordance with ADB's *Technical Assistance Disbursement Handbook* (May 2010, as amended from time to time).

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

Table A3.4: Technical Assistance Processing and Implementation Schedule

Major Milestones	Expected Completion Date
PPTA Approval	November 2016
TA Commencement	March 2016
TA Inception Report	April 2017
TA Midterm Report	June 2017
TA Final Report	October 2017

PPTA = project preparatory technical assistance, TA = technical assistance.
Source: Asian Development Bank staff.