



# Technical Assistance Report

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Project Number: 49444-001  
Regional—Capacity Development Technical Assistance (R-CDTA)  
March 2016

## Building Project Implementation Capacities in the Pacific

This document is being disclosed to the public in accordance with ADB's Public Communications Policy 2011.

**Asian Development Bank**

## ABBREVIATIONS

ADB	–	Asian Development Bank
DMC	–	developing member country
FIDIC	–	Federation Internationale Des Ingenieurs-Conseils (International Federation of Consulting Engineers)
PARD	–	Pacific Department
PAU	–	project administration unit
PMPS	–	project management and/or procurement specialist
PIAP	–	Project Improvement Action Plan
PPST	–	project and procurement support team
TA	–	technical assistance

## NOTE

In this report, "\$" refers to US dollars.

<b>Vice-President</b>	S. Groff, Operations 2
<b>Director General</b>	X. Yao, Pacific Department (PARD)
<b>Director</b>	O. Norojono, Transport, Energy and Natural Resources Division, PARD
<b>Team leader</b>	S. Muramoto, Unit Head, Project Administration, PARD
<b>Team members</b>	C. Janyna Rhor, Senior Procurement Specialist, Operations Services and Financial Management Department T. Morita, Counsel, Office of the General Counsel

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## CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number: 49444-001</b>	
<b>Project Name</b>	Building Project Implementation Capacities in the Pacific	<b>Department /Division</b>	PARD/PATE
<b>Country</b>	REG	<b>Executing Agency</b>	Asian Development Bank
<b>2. Sector</b>	<b>Subsector(s)</b>	<b>ADB Financing (\$ million)</b>	
✓ Public sector management	Public administration		0.50
Agriculture, natural resources and rural development	Land-based natural resources management		0.10
Energy	Energy efficiency and conservation		0.20
Transport	Road transport (non-urban)		0.20
		<b>Total</b>	<b>1.00</b>
<b>3. Strategic Agenda</b>	<b>Subcomponents</b>	<b>Climate Change Information</b>	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
Environmentally sustainable growth (ESG)	Environmental policy and legislation		
Regional integration (RCI)	Pillar 4: Other regional public goods		
<b>4. Drivers of Change</b>	<b>Components</b>	<b>Gender Equity and Mainstreaming</b>	
Governance and capacity development (GCD)	Client relations, network, and partnership development to partnership driver of change	No gender elements (NGE)	✓
	Civil society participation		
	Institutional development		
	Organizational development		
	Public financial governance		
Knowledge solutions (KNS)	Application and use of new knowledge solutions in key operational areas		
	Pilot-testing innovation and learning		
Partnerships (PAR)	Bilateral institutions (not client government)		
	Implementation		
<b>5. Poverty Targeting</b>		<b>Location Impact</b>	
Project directly targets poverty	No	Regional	High
<b>6. TA Category:</b>	B		
<b>7. Safeguard Categorization</b>	Not Applicable		
<b>8. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>1.00</b>	
Capacity development technical assistance: Technical Assistance Special Fund		1.00	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>1.00</b>	
<b>9. Effective Development Cooperation</b>			
Use of country procurement systems	No		
Use of country public financial management systems	No		

## I. INTRODUCTION

1. Implementing projects in the Pacific is challenging. Most Pacific island countries are in a fragile and conflict-affected situation, or close to such situation as defined by the Asian Development Bank (ADB). They are small, geographically isolated, dependent on aid, and vulnerable to the effects of climate change.

2. In the 2014 action plan developed to implement the Midterm Review of Strategy 2020,<sup>1</sup> ADB recommitted to improving operational performance by strengthening project implementation, streamlining procurement, and fast-tracking disbursement. In the Pacific, ADB's principal development partners and cofinanciers have repeatedly stressed the need for ADB to increase project implementation capacities and tailor procurement procedures to address the unique needs of and constraints facing Pacific island countries. In response, the ADB Pacific Department (PARD) and Operations Services and Financial Management Department prepared the Pacific Project Improvement Action Plan (PIAP) to improve project performance in the Pacific, which includes this proposed regional capacity development technical assistance (TA).<sup>2</sup>

## II. ISSUES

3. In developing the Pacific PIAP, PARD analyzed its portfolio performance in detail and found that (i) project performance ratings for Pacific projects at completion were relatively low, although ratings have improved in since 2010;<sup>3</sup> (ii) the performance ratings of ongoing Pacific projects are lower than the ADB average, with 59% of Pacific projects rated *on track* as compared to the ADB average of 73% at the end of 2015; (iii) the PARD contract award ratio was 23% in 2015, equal to the ADB average; (iv) the PARD disbursement ratio was 19.4% in 2015, higher than the ADB average of 17.2%; and (v) project implementation in the Pacific is typically delayed—all 27 investment projects completed in 2011–2015 were extended. The average implementation period for PARD projects was extended from 4.1 years to 6.6 years.

4. The major causes of poor project performance were (i) insufficient implementation preparation during project design; (ii) detailed designs were prepared following project approval; (iii) limited government essential capacity for project management, both in the number of staff and their skill levels, particularly in such fundamental areas of procurement, financial management, contract administration, and community engagement; (iv) time consuming land acquisition procedures and inadequate implementation of safeguard plans; and (v) communication difficulties as a result of remoteness and inadequate communication facilities in the region.

5. To overcome these difficulties, the PIAP proposes actions to (i) improve project preparation, (ii) increase implementation support, (iii) streamline procurement, and (iv) increase donor coordination. This TA is designed to increase implementation support and thereby strengthen the implementation capacities of executing agencies, and provide timely support for projects that face implementation delays.

6. The TA aims to improve the performance of all ongoing and future loan and grant projects in the Pacific. The TA is consistent with the ADB Pacific Approach, 2010–2014 and the

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<sup>1</sup> ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila; and ADB. 2014. *Midterm Review of Strategy 2020: Action Plan*. Manila.

<sup>2</sup> The TA first appeared in the business opportunities section of ADB's website on 22 February 2016.

<sup>3</sup> Of the Pacific projects completed in 2012–2014, 73% were rated *highly successful* or *successful*, compared with the ADB average of 90%.

Interim Pacific Approach, 2015 and will support the monitoring of key portfolio performance indicators.<sup>4</sup> The TA is included in the regional operations business plan, 2016–2018 for the Pacific,<sup>5</sup> and will be relevant in the future (improved project implementation remains a priority under the forthcoming Pacific Approach, 2016–2020). Although TA projects have been approved to assist the design and implementation of selected Pacific projects, there has been no regional TA to comprehensively strengthen the project implementation capacities of executing agencies, and thereby improve project performance.

7. The TA builds on the 10-point action plan for procurement reform to improve procurement performance by reducing procurement time, increasing administrative efficiency, and improving project delivery while maintaining sound fiduciary oversight.<sup>6</sup> The TA will also contribute to implementation of the ADB plan for enhancing its effectiveness in fragile and conflict-affected situations,<sup>7</sup> which focuses on supporting state-building and long-term institutional capacity development in fragile countries.

### III. THE REGIONAL CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

#### A. Impact and Outcome

8. The impact will be improved project implementation performance in the Pacific. The outcome will be strengthened capacity of executing agencies in the Pacific to implement projects effectively. The indicators will be (i) at least 75% of ongoing projects are rated *on track* under the project performance rating system; (ii) procurement processes are expedited, such that, the time from project approval to the first contract award of major works or goods is reduced to 24 months, from 29.6 months for projects approved in 2009–2012; (iii) the time to review bid evaluation reports is reduced to 10 working days, from 58 working days in 2015; (iv) the annual contract award ratio is increased to above 26%; and (v) the annual disbursement ratio is increased to above 22%.

#### B. Methodology and Key Activities

9. The TA outputs will be: (i) establishment of project and procurement support team (PPST) and capacity building training given to staff of executing and implementing agencies on project management, including procurement, consultant selection, social and environmental safeguard planning and measures, financial management including disbursement, and other aspects of project management; (ii) provision of on-the-job problem solving and training to staff of executing and implementing agencies by PPST to resolve project-specific implementation issues and constraints; (iii) conduct of country and/or regional portfolio review meetings; and (iv) establishment of a new business process using a “one consultant for one project” approach, including consulting contracts with novation.<sup>8</sup>

10. For output 1, 16 capacity building training will be held in four groups of Pacific developing member countries (DMCs), covering procurement, safeguards, and financial

<sup>4</sup> ADB. 2015. *Interim Pacific Approach, 2015*. Manila, which extends the validity of ADB. 2009. *ADB's Pacific Approach, 2010–2014*. Manila.

<sup>5</sup> ADB. 2015. *Regional Operations Business Plan: Pacific, 2016–2018*. Manila.

<sup>6</sup> ADB. 2014. *Operations Services and Financial Management Department. Procurement Reform—10 Point Action Plan: New Staff Instruction and Revised Project Administration Instructions 3.01 to 3.12*. Memorandum. 13 August (internal).

<sup>7</sup> ADB. 2013. *Operational Plan for Enhancing ADB's Effectiveness in Fragile and Conflict-Affected Situations*. Manila.

<sup>8</sup> Novation is a contractual term used for changes of contracting parties during the contract period.

management.<sup>9</sup> The TA will finance international and local travel and accommodation of participants, including the development coordination officers and national consultants working for ADB projects, to join the capacity building programs under the TA and other ADB training programs. The capacity building sessions will be supported by experienced ADB staff in addition to the PPST. In collaboration with the ADB Budget, Personnel, and Management Systems Department, training on International Federation of Consulting Engineers (FIDIC) conditions of contract, general conditions of contracts by the Engineering Advancement Association of Japan,<sup>10</sup> or other contract forms will also be organized for Pacific counterparts.

11. For output 2, on-the-job problem solving and training for executing and implementing agencies will be provided on demand for specific projects, and will supplement project preparatory TA or consulting services under loan and grant facilities. This on-the-job and project-specific support recognizes that (i) consulting services requirements under project preparatory TA projects, loans, and grants are often underestimated or reduced due to budget constraints; and (ii) mobilized consultants may be unfamiliar with ADB's procurement guidelines and safeguard requirements.

12. For output 3, the TA will help organize country and/or regional portfolio review meetings by financing participants' travel and accommodation, the venue, and other associated costs. The portfolio review meetings will provide cross-learning opportunities for both DMC and ADB staff by sharing project management experiences with participants who work for different projects. The TA will also finance expenses to organize business opportunity seminars where information on future projects and bidding opportunities will be disseminated to attract prospective contractors and consultants.

13. For output 4, a new business process will be established that responds to the unique needs of and constraints faced by small, remote Pacific island countries. Under the "one consultant for one project" approach, a single consultant will be responsible for a project from preparation to physical implementation. ADB's typical business process involves at least two consultants for a given project, one for project preparation and the other for implementation. But for smaller projects in the Pacific, involving two consultants can contribute to significant delays—requiring, for example discussions on engineering options or procurement procedures, in addition to the time needed for consultant recruitment; mobilization; and learning about the project, local conditions, and related issues. The new business process is expected to reduce the project period from concept establishment to completion by 9–15 months.

14. The risks in achieving the outcomes include (i) possible high staff turnover in executing and implementing agencies, (ii) political instability in some Pacific island countries, (iii) slow decision-making in governments due to bureaucracy and multiple organizational interventions, and (iv) possible fraud and corruption in procurement processes.

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<sup>9</sup> For Papua New Guinea, the capacity building session will be held in Port Moresby. For the Cook Islands, Fiji, Kiribati, Samoa, Tonga, and Tuvalu, it will be held in Suva. For Nauru, Solomon Islands, and Vanuatu, it will be held at the Pacific Liaison Coordination Office in Sydney, Australia. For the Marshall Islands, Federated States of Micronesia, Palau, and Timor-Leste, it will be held at ADB headquarters. Additional capacity building sessions will be programmed as needed.

<sup>10</sup> Used for the procurement of plant, design, supply, and installation in ADB-funded projects.

### **C. Cost and Financing**

15. The TA is estimated to cost \$1,000,000, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The detailed cost estimates are in Appendix 2.

### **D. Implementation Arrangements**

16. ADB will be the executing agency responsible for coordinating, supervising, and implementing all TA activities. PARD headquarters' project administration unit (PAU) will be the focal point for the TA, working closely with ADB's Procurement Division 2, Office of the General Counsel, Loan Administration Division, and Strategy and Policy Department; PARD resident mission PAUs; and executing and implementing agencies in the Pacific. One international consultant—a project management and/or procurement specialist—will serve as team leader. The project management and/or procurement specialist will organize capacity building programs and monitor the design and implementation status of PARD loan and grant projects, identify capacity building needs and projects that require assistance from the TA, and deploy necessary specialists to provide on-the-job training to executing agencies.

17. The TA will be implemented from April 2016 to March 2018. The TA will engage individual international and national consultants to form the PPST, including specialists in project management, procurement, social safeguards, environmental safeguards, and financial management; and a procurement-focused legal expert. The procurement, social safeguard, environmental safeguard, and financial management specialists will require at least two national and/or international consultants for each position. They will be fielded to project sites for on-the-job problem solving and training on a flexible and timely basis. The TA will also mobilize FIDIC specialists as resource persons for seminars on FIDIC conditions of contract. About 16 person-months of international consultants, 6 person-months of national consultants, and some resource persons will be required. All specialists will be recruited individually and engaged under an indefinite contract when appropriate.

18. To ensure the focus of the TA activities, the TA implementation plan will be reviewed quarterly in coordination with PAU heads and staff implementing loan and grant projects and based on information shared in PARD quarterly project performance review meetings.

19. Consultant selection will follow the ADB Guidelines on the Use of Consultants (2013, as amended from time to time). Proceeds of the TA will be disbursed following the ADB *Technical Assistance Disbursement Handbook* (2010, as amended from time to time).

## **IV. THE PRESIDENT'S DECISION**

20. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$1,000,000 on a grant basis to all Pacific developing member countries for Building Project Implementation Capacities in the Pacific, and hereby reports this action to the Board.



## DESIGN AND MONITORING FRAMEWORK

Impact the Project is Aligned with: Improved project implementation performance in the Pacific <sup>a</sup>			
Results Chain	Performance Indicators with Targets and Baselines	Date Sources and Reporting	Risks
<p><b>Outcome</b></p> <p>Strengthened capacities of executing agencies in the Pacific to implement projects effectively</p>	<p>By the end of 2018:</p> <p>a. At least 75% of ongoing projects are rated <i>on track</i> under the project performance rating system (Q4 2015 baseline: 59%)</p> <p>b. The time from project approval to the first contract award of major works or goods reduced to 24 months (Baseline: 29.6 months for projects approved in 2009–2012)</p> <p>c. The time to review bid evaluation reports is reduced to 10 working days (2015 baseline: 58 working days)</p> <p>d. Annual contract award ratio increased to above 26% (2015 baseline: 23%)</p> <p>e. Annual disbursement ratio increased to above 22% (2015 baseline: 19.4%)</p>	<p>a–e. ADB operations reports and PARD annual portfolio performance reviews</p>	<p>a–e. Political instability in Pacific island countries may delay project implementation</p>
<p><b>Outputs</b></p> <p>1. PPST established and capacity building training given to staff of executing and implementing agencies</p> <p>2. On-the-job problem solving and training provided to staff of executing and implementing agencies by PPST</p>	<p>By the end of 2018:</p> <p>1a. At least 16 capacity building training provided by PPST</p> <p>1b. 120 government staff trained on procurement, safeguards, financial management, and other aspects of project management</p> <p>2a. About 18 on-the-job training sessions provided by PPST</p> <p>2b. About 90 government staff trained on project management</p>	<p>1a–b. TA progress report</p> <p>2a–b. TA progress report</p>	<p>(i) Possible high staff turnover in executing and implementing agencies</p> <p>(ii) Political instability in Pacific island countries</p> <p>(iii) Slow decision-making in governments resulting from to bureaucracy and multiple organization interventions</p>

<b>Results Chain</b>	<b>Performance Indicators with Targets and Baselines</b>	<b>Date Sources and Reporting</b>	<b>Risks</b>
3. Country and/or regional portfolio review meetings conducted	3. Country and/or regional portfolio review meetings held	3. TA progress report, BTORs	(iv) Possible fraud and corruption in procurement process
4. A new business process using a “one consultant for one project” approach established	4a. A new business process established 4b. Consulting contract with novation developed	4a–b. TA progress report	
<b>Key Activities with Milestones</b>			
<b>1. PPST established and capacity building training given to staff of executing and implementing agencies</b>			
1.1 Individual consultants recruited by Q2 2016 (concurrently for on-the-job problem solving and training)			
1.2 Capacity building training and on-the-job training program established by Q2 2016			
1.3 Consultants fielded during Q2 2016–Q1 2018			
<b>2. On-the-job problem solving and training provided to staff of executing and implementing agencies by PPST</b>			
2.1 Implementation schedule of ongoing Pacific projects collected to program on-the-job training by Q2 2016			
2.2 Consultants fielded during Q2 2016–Q1 2018			
<b>3. Country and/or regional portfolio review meetings conducted</b>			
3.1 Country and/or regional portfolio review meetings planned in Fiji (including SPSO countries), Papua New Guinea, Solomon Islands, and Timor-Leste by Q2 2016			
3.2 Country and/or regional portfolio review meetings conducted during Q3 2016–Q1 2018			
<b>4. A new business process using a “one consultant for one project” approach established</b>			
4.1 Individual consultants recruited by Q3 2016			
4.2 New business process with a consulting contract with novation developed by Q4 2016			
<b>Inputs</b>			
ADB: \$1,000,000			
<b>Assumptions for Partner Financing</b>			
Not applicable			

ADB = Asian Development Bank, BTOR = back-to-office report, PARD = Pacific Department, PPST = project and procurement support team, Q = quarter, SPSO = Pacific Subregional Office, TA = technical assistance.

<sup>a</sup> ADB. 2015. *Interim Pacific Approach, 2015*. Manila, which extends the validity of ADB. 2009. *ADB's Pacific Approach, 2010–2014*. Manila.

Source: Asian Development Bank.

**COST ESTIMATES AND FINANCING PLAN**

(\$)

<b>Item</b>	<b>Amount</b>
<b>Asian Development Bank<sup>a</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	405,434
ii. National consultants	31,000
b. International and local travel	222,600
c. Reports and communications	1,100
2. Training, seminars, and conferences	
a. Resource persons <sup>b</sup>	246,120
b. Training programs	60,000
3. Contingencies	33,746
<b>Total</b>	<b>1,000,000</b>

ADB = Asian Development Bank.

<sup>a</sup> Financed by ADB's Technical Assistance Special Fund (TASF-V).

<sup>b</sup> ADB staff may travel for capacity building and on-the-job training as resource persons.

Source: Asian Development Bank estimates.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. All consultants will be recruited following Guidelines on the Use of Consultants (2013, as amended from time to time) of the Asian Development Bank (ADB).
2. Detailed terms of reference will be developed for actual recruitment of specialists.
3. **Project management and/or procurement specialist** (international). The project management and/or procurement specialist (PMPS) will take serve as the leader of the project and procurement support team (PPST), and report to the head of the Pacific Department (PARD) project administration unit. The PMPS will help plan PPST activities and supervise other PPST members. The PMPS will
  - (i) collect information from project officers and monitor project implementation progress for all PARD projects, and help plan PPST activities based on the collected information to provide timely support to executing and implementing agencies;
  - (ii) plan and organize capacity building sessions;
  - (iii) identify common procurement problems and develop practical solutions to improve quality and reduce procurement delays;
  - (iv) provide hands-on support to participating executing and implementing agencies in their procurement actions to facilitate efficient and transparent procurement;
  - (v) provide support during the bidding process, preparation of bidding documents, and bid evaluation, leading to the timely awarding of contracts;
  - (vi) conduct procurement and project management clinics and on-the-job training in response to demand;
  - (vii) assist in developing a procurement monitoring tool and core project implementation guidelines to be agreed with participating agencies, and conduct research on available e-procurement systems that participating agencies can use to facilitate procurement;
  - (viii) assist in conducting country portfolio review meetings;
  - (ix) assist in the prevention of fraud and corruption; and
  - (x) share good practices and lessons during technical assistance (TA) implementation and at the end of the TA.
4. The PMPS will have 15 years of experience advising public sector organizations in procurement and project management, capacity development, and contract administration; they must have a postgraduate degree in a relevant field, and work experience in the region.
5. **Procurement specialists** (international and national). The procurement specialists will support procurement of participating agencies and procuring entities. The work will be closely coordinated with the international procurement specialist. The procurement specialists will
  - (i) provide on-the-job problem solving and training to ADB resident missions and participating executing and implementing agencies to facilitate efficient and transparent procurement;
  - (ii) provide support during the bidding process, preparation of bidding documents, and bid evaluation, leading to timely awarding of contracts;
  - (iii) conduct procurement and project management clinics and on-the-job training in response to demand;
  - (iv) assist in conducting country portfolio review meetings;
  - (v) assist the international procurement specialist in documenting good practices and lessons during TA implementation and at the end of the TA;

- (vi) assist in the prevention of fraud and corruption; and
- (vii) assist in developing a procurement monitoring tool and core project implementation guidelines to be agreed with participating agencies.

6. The procurement specialists will have 10 years of experience in public procurement, project management, and capacity development and must have a bachelor's degree in a relevant field.

7. **Environmental safeguard specialists** (international and national). The specialists will provide implementation support and capacity building to participating executing and implementing agencies on environmental safeguards implementation. The specialists will have at least 10 years of experience in project supervision on environmental assessment in remote areas, and must be knowledgeable regarding environmental laws and policies in the region, and must have a bachelor's degree in a relevant field. The environmental safeguard specialist will

- (i) assist in preparing due diligence reports and environmental impact assessments for projects and facilitate disclosure of these reports to affected communities, including providing summary information in the local language;
- (ii) assist contractors to work harmoniously with participating beneficiary communities; and
- (iii) coordinate with other specialists and provide safeguards inputs to reports for participating projects, as needed.

8. The specialists should have at least 8 years of relevant professional experience in environment-related field, project preparation and administration.

9. **Social safeguard specialist** (international and national). The social safeguards specialist will assist the ADB team and the government in preparing necessary social safeguards documents during project preparation and assist in the implementation and monitoring of safeguards plans and other social safeguards activities according to ADB's Safeguard Policy Statement (2009) and relevant government laws. The specialist is likely to perform the following tasks:

- (i) undertake the necessary social safeguards assessment to identify the scope of land and social impacts of the proposed project and prepare necessary reports;
- (ii) assist in implementing involuntary resettlement and indigenous peoples plans during project implementation, including field visits to project sites to ensure safeguards compliance, particularly for the issuance of no-objection for civil works;
- (iii) assist in undertaking consultation and participation with affected persons and/or communities and key stakeholders during project preparation and implementation;
- (iv) assist in the monitoring and evaluation of the social safeguards implementation and in identifying noncompliance with the ADB Safeguards Policy Statement, and if so, to recommend corrective actions; and
- (v) assist in providing safeguards training and capacity building to executing and implementing agencies where required.

10. The specialists should have a bachelor's degree in sociology, applied social science, or a related field; and at least 8 years of relevant professional experience in social development, particularly social safeguards, participatory planning, and poverty-related issues across different sectors. Experience in project preparation and administration is preferred.

11. **Financial management specialist** (international and national). The consultants will provide project financial management expertise and capacity building to participating executing and implementing agencies regarding financial reporting and auditing. The consultants will (i) have at least 10 years of experience in project finance, public sector auditing, and accounting; (ii) be knowledgeable regarding the accounting procedures in the region; and (iii) have a bachelor's degree in a relevant field. The consultants will

- (i) provide guidance on project financial management, ensuring compliance with ADB policies and procedures;
- (ii) liaise with project and/or government external and internal auditors and be responsible for ensuring timely presentation of financial statements for audit of the participating projects; and
- (iii) prepare and deliver training courses on financial management for project and government personnel directly involved in project activities, including training on ADB financial management policies and procedures.

12. **Resource persons** (as needed). Resource persons (sector experts and/or government or ADB staff) will be engaged to review documents and serve as resource persons, facilitators, or discussants in related training, review meetings, seminars, or conferences. For example, an International Federation of Consulting Engineers contract specialist will be engaged.

13. **Public procurement and legal expert** (international). The expert will develop a new business process to implement the "one consultant for one project" approach. The consultant will

- (i) propose a new scheme for infrastructure development projects that aims to reduce project delivery by 9–15 months by having a single project preparatory TA and design and supervision consultant for the entire project cycle;
- (ii) identify and verify the merits of the new scheme, particularly the assumptions that (a) project delivery times can be reduced by 9–15 months; (b) developing member countries (DMCs) can establish a project management unit that will be responsible from the beginning to the end of the project, with stronger project ownership; (c) the accuracy of cost estimates can be increased by finalizing detailed designs prior to project approval; and (d) implementation can be improved;
- (iii) analyze and elaborate on the possible constraints of the new scheme, including: (a) the project scope must be clearly defined from the outset; (b) ADB's financing sources are different for project preparatory TA and project design advance and/or loan or grant investment; and (c) project preparatory TA consultants are hired by ADB, while DMCs employ implementation consultants.

14. More specifically, the public procurement and legal expert will

- (i) review the current project processing scheme, including precontractual business models of both project preparatory TA and project implementation consultants;
- (ii) review and/or research alternative legal schemes for transferring rights, benefits, and obligations (e.g., assignment or novation); and which legal option would be more appropriate in the ADB context;
- (iii) review and elaborate on the risks and/or liabilities of transferring the contract from one employer to another, specifically from ADB to an ADB DMC or vice versa;
- (iv) review and elaborate on the contractual documents to be transferred from one employer to another, specifically from ADB to an ADB DMC or vice versa, including bonds, collateral warranties, and payment guarantees;

- (v) review and elaborate on the commercial aspects of the novation option, including (a) payments under the original contract and subsequent payments under the transferred contract, (b) duration of the contract(s), and (c) insurance;
- (vi) review and elaborate on the costs of implementing the novation or transfer of the contract from one employer to another, including legal costs;
- (vii) review and elaborate on how the technical and financial proposals for the “one consultant for one project” scheme will be sourced;
- (viii) review and elaborate on the precontractual documentation requests for proposals for the project preparatory TA and the project implementation consultant and propose how existing contract templates will be updated, including whether new templates need to be developed;
- (ix) provide procurement and/or legal advice to PARD in responding to comments from ADB’s Operations Services and Financial Management Department, Office of the General Counsel, and the Controller’s Department’s loan and grant disbursement and/or technical assistance sections on the proposal of the new “one consultant for one project” scheme; and
- (x) formulate a draft of the final proposal for the “one consultant for one project” scheme after an interdepartmental review by ADB’s Operations Services and Financial Management Department and Office of the General Counsel.