



## Technical Assistance

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Project Number: 50098  
Project Preparatory Technical Assistance (PPTA)  
November 2016

## Socialist Republic of Viet Nam: GMS Corridor Connectivity Enhancement Project

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Asian Development Bank



## CURRENCY EQUIVALENTS

(as of 29 November 2016)

Currency unit	–	Vietnam Dong (D)
D1.00	=	\$0.000044
\$1.00	=	D22,765

## ABBREVIATIONS

ADB	–	Asian Development Bank
GMS	–	Greater Mekong Subregion
MOT	–	Ministry of Transport
PPSSF	–	Project Preparation and Startup Support Facility
PPTA	–	project preparatory technical assistance
TOR	–	terms of reference

## NOTE

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

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## PROJECT PREPARATORY TECHNICAL ASSISTANCE

### A. Justification

1. A project preparatory technical assistance (PPTA) is necessary to provide sound evidence to justify proceeding with the loan project. It will define the scope, cost, financing plan, implementation arrangements, procurement strategy, capacity development needs and post-project operation and maintenance arrangements. It is necessary to establish measures for adherence to the safeguard policies of both the government and Asian Development Bank. The PPTA would provide guidance to maximize the socioeconomic benefits such as impacts on poverty, gender and fair employment practices. It would also provide project advance action support.

### B. Major Outputs and Activities

2. The PPTA will detail a project design that is economically, financially and technically feasible. It will provide advance drafts of the complete set of documentation necessary for the ADB to proceed with internal processing. It will prepare feasibility studies which will cover engineering, economic, financial, social, and environmental aspects. Table A3.1 summarizes the major outputs and activities.

3. Major outputs will be (i) finalization of pre-feasibility studies; (ii) feasibility study of project roads; (iii) project components and capacity building programs; (iv) safeguards planning documents, including environmental impact assessment (EIA) and environmental management plans (EMPs); resettlement plans (RPs), and Indigenous Peoples plan (IPP); (v) northwestern and central region-wide transport infrastructure analyses for identification and prioritization of needed investments; and (vi) project start-up assistance including master bidding documents for each method for procuring works, goods, and services. Activities to achieve these outputs include broad stakeholder consultations, desk and field studies, and preparation of documents required by ADB. Delivery of reports may be staggered in time depending on the scheduling of subcomponents. The major outputs and activities are summarized in Table 1.

**Table 1: Summary of Major Outputs and Activities**

Major Activities	Expected Completion Date	Major Outputs	Expected Completion Date
<b>1. Inception</b>		Inception report	April 2017
1.1 Conduct stakeholder consultations	March 2017		
1.2 Establish TA methodology and develop work program	April 2017		
<b>2. Feasibility study</b>		Mid-term report	August 2017
2.1 Review and finalize pre-Feasibility study	March 2017		
2.2 Conduct engineering study to prepare the engineering design, master bid documents, and detailed cost estimate	July 2017		
2.3 Conduct environment and social studies to prepare environmental and social safeguard reports	July 2017		
<b>3. Project design</b>		Draft final report	Oct 2017
3.1 Prepare a link document in draft RRP for each Output	December 2017		
3.2 Prepare relevant sections of draft PAM	December 2017	Final report	December 2017

IEE = Initial Environmental Examinations, PAM = Project Administration Manual, RRP = Report and Recommendation of the President, TA = Technical Assistance.

Source: Asian Development Bank.

### C. Cost Estimate and Proposed Financing Arrangement

4. The PPTA is estimated to cost \$2 million equivalent, of which \$1.8 million will be financed on a grant basis by the Technical Assistance Special Fund (TASF-Other sources). The government will provide in-kind counterpart support. Climate Change Fund (CCF) resources are being considered to undertake a Climate Risk and Vulnerability Assessment (CRVA). In addition, the MOT intends to use the Project Preparation and Startup Support Facility (PPSSF) to prepare detailed designs. The government was advised that approval of the PPTA does not commit ADB to finance any ensuing project. The detailed cost estimate is presented in Table 2.

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

Item	Total Cost
<b>Asian Development Bank Financing<sup>a</sup></b>	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	788.8
ii. National Consultants	359.4
b. International and Local Travel	117.7
c. Reports and Communications	10.0
2. Equipment (computer, printer, etc.) <sup>b</sup>	15.0
3. Workshops, training, seminars, and conferences <sup>c</sup>	40.0
4. Vehicles <sup>d</sup>	33.8
5. Surveys <sup>e</sup>	290.0
6. Miscellaneous Administration and Support Costs	32.5
7. Representative for contract negotiations	12.0
8. Contingencies	100.8
<b>Total</b>	<b>1,800.0</b>

<sup>a</sup> Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-other sources).

<sup>b</sup> Equipment

Type	Quantity	Cost
Printer - photocopiers / projectors / computers	6	\$15,000

<sup>c</sup> Workshops, training, seminars, and conferences

Purpose	Venue
To consult / inform with relevant stakeholders including provincial authorities	Provincial capitals, project locations, DRVN, etc.
PPTA Inception, tripartite progress review meetings, provincial and DRVN consultations, etc. Includes participants' travel and related logistical costs, fees, and related costs for external resource persons. Fees for resource persons and facilitators, who are government officials, will be covered by the government.	

<sup>d</sup> Vehicle

Justify the use of and the need to lease a vehicle	Expected length of use
To enable project management unit and/or consultants to carry out site surveys, and public consultations over the itineraries	14 months

Equipment and vehicles will be procured in accordance with ADB's Procurement Guidelines (April 2015, as amended from time to time). The equipment and vehicles purchased will comply with the guidelines on accountability of TA purchased assets. Upon PPTA completion the equipment and vehicles will be turned over to the executing agency.

<sup>e</sup> Surveys comprise road condition data, traffic surveys, hydrological, geological and topographical surveys, as well as socio-economic and environmental surveys.

The Government will provide in-kind counterpart support in the form of counterpart staff, office accommodation, simple office supplies, and counterpart staff domestic transportation. The estimated value of the contribution is about 10% of the total TA cost.

Source: Asian Development Bank.

## D. Consulting Services

5. An international consulting firm will be engaged to implement the TA. Indicative consultant inputs are 39 person-months (p-m) of international and 69 p-m of national specialists. ADB will select and engage the consulting firm in accordance with Guidelines on the Use of Consultants (2013, as amended from time to time) and other arrangements satisfactory to ADB. ADB will use the quality and cost-based selection (90:10) with full technical proposal to select the consulting firm. Table 3 below shows the summary of consulting services requirement.

**Table 3: Summary of Consulting Services Requirement**

<b>Positions</b>	<b>Person-Months Required</b>	<b>Positions</b>	<b>Person-Months Required</b>
<b>International</b>		<b>National</b>	
Team Leader/ Sr. Highway Engineer	10.0	Deputy Team Leader/ Sr Highway Engineer	15.0
Geotechnical Engineer	3.0	Highway design Engineer	6.0
Structural / Bridge Engineer	2.0	Geotechnical Engineer	4.0
Tunnel Engineer	1.5	Bridge/Structure engineer	4.0
Transport Economist	4.0	Transport Economist	7.0
Financial Management Specialist	4.5	Procurement Specialist	4.0
Procurement Specialist	1.5	Financial Management Specialist	3.5
Environment Specialist	4.0	Social Safeguards/ Resettlement Specialist	4.5
Social/Gender/Ethnic Minority Specialist	2.5	Social/Gender/Ethnic Minority Specialist	5.0
Social Safeguards/ Resettlement Specialist	2.5	Environment specialist	3.5
Road Safety Specialist	1.5	Ecologist and biodiversity specialist	2.5
Traffic System Engineer	1.0	National communication specialist	3.0
Road Asset Management Specialist	1.0	Traffic Engineer	2.0
		Hydrologist/River Training Specialist	2.0
		Road Safety Specialist	1.0
		Road Asset Management Specialist	2.0

6. The following experts will be key experts: (i) Team Leader/Sr Highway engineer (int), (ii) Tunnel Engineer (int), (iii) Transport Economist (int), (iv) Financial Management Specialist (int), (v) Climate change specialist (int), (vi) Road Asset Management specialist (int), (vii) Deputy Team Leader/ Senior Highway Engineer (nat) and (viii) Road Safety Specialist (nat). The consulting firm will have to propose a team composition in its methodology. The contract will be output based. The list, number, specific standards (all deliverables will be prepared in accordance with relevant ADB guidelines) and timeline of the deliverables as well as minimum expert qualifications will be specified in the detailed terms of reference (TORs). A summary of the outline terms of reference for the PPTA consultants is described below (Outline TORs are in supplementary Appendix B).

7. **Scope.** The scope includes finalizing the pre-feasibility study for proposed project roads in Northwestern provinces and preparing the feasibility studies for proposed project roads in Northwestern and Central regions. The consultants will also provide support to the procurement of civil works upon the government's request and provide supports to ADB missions for loan processing. The scope also covers the following broader regional and/or national level studies: (i) region-wide transport infrastructure analyses in the northwestern and central regions for identification and prioritization of needed investments, (ii) analysis on the current annual vehicle registration fee collection process of the selected 2 Regional Centers in the project provinces, and (iii) the National Program to Control Overloaded Vehicle (NPCOV) implementation assessment.

8. **Outline Tasks for project roads.** For each project road, the consultant will carry out the following tasks.

- Task 1. Inventory, Condition, and Traffic Survey**
- Task 2. Engineering Study and Design**
- Task 3. Road Safety Audit**
- Task 4. Economic and Financial Assessment**
- Task 5. Poverty and Social Assessment**
- Task 6. Resettlement and Indigenous People Planning**
- Task 7. Environmental and Climate Change Risk Assessment**
- Task 8. Procurement Assessment and Assistance**

9. **Outline tasks for broader regional and/or national level studies.** The consultant will carry out the following tasks.

- Task 9. Control of Overloaded Vehicles:** Review and revise the existing government legislations, assess the operation of the weight stations, propose cost-effective approaches and formulate a project component
- Task 10. Regional transport infrastructure analyses in the northwestern and central regions:** Review national level and local development plans and strategies and formulate an outline program for transport infrastructure with a prioritized list of potential investment projects based on a multiple criteria selection (e.g. poverty incidence, economic and financial viability, accessibility to GMS Corridors, environmental impacts, social impacts, financing mechanisms and options available, both for construction and maintenance, interconnection integrity of the network, consistency in cross border road standards, etc.)
- Task 11. Working paper on annual vehicle registration fee collection process:** Review the current annual vehicle registration fee collection process and based on the review findings, propose more efficient and simple approaches for collecting fees and timely transferring funds

## E. Implementation Arrangements

10. The Ministry of Transport will be the executing agency of the TA. The TA will be implemented from March 2017 to September 2018. The proposed TA processing and implementation schedule is listed in Table 4.

**Table 4: Technical Assistance Processing and Implementation Schedule**

<b>Major Milestones</b>	<b>Expected Completion Date</b>
Concept Clearance / PPTA approval	November 2016
Fielding of PPTA consultants	March 2017
Midterm Review	July 2017
Submission of Final Feasibility Study Report	December 2017
Government approval of Feasibility Study	April 2018
Financial Closure of TA	December 2018

PPTA = project preparatory technical assistance, TA = technical assistance.

Source: Asian Development Bank.