



Technical Assistance Report

Project Number: 52099-001
Knowledge and Support Technical Assistance (KSTA)
June 2018

Supporting Environmental Safeguards in the Central and West Asia Region

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

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
CWRD	–	Central and West Asia Department
DMC	–	developing member country
OJT	–	on-the-job training
PSG	–	Portfolio, Results, Safeguards, and Gender
TA	–	technical assistance

NOTE

In this report, "\$" refers to United States dollars.

Vice-President	Wencai Zhang, Operations 1
Director General	Werner Liepach, Central and West Asia Department (CWRD)
Advisor and Head	Nianshan Zhang, Portfolio, Results, Safeguards, and Gender Unit, CWRD
Team leader	Duncan Lang, Environmental Specialist, CWRD
Team member	Maria Ava Golda Destura, Associate Project Analyst, CWRD

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

CONTENTS

	Page
KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE	
I. INTRODUCTION	1
II. ISSUES	1
III. THE TECHNICAL ASSISTANCE	2
A. Impact and Outcome	2
B. Outputs, Methods, and Activities	3
C. Cost and Financing	3
D. Implementation Arrangements	3
IV. THE PRESIDENT'S DECISION	5
APPENDIXES	
1. Design and Monitoring Framework	6
2. Cost Estimates and Financing Plan	8
3. List of Linked Documents	9

KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 52099-001
Project Name	Supporting Environmental Safeguards in the Central and West Asia Region	Department/Division CWRD/CWOD-PSG
Nature of Activity Modality	Capacity Development Regular	Executing Agency Asian Development Bank
Country	AFG, ARM, AZE, GEO, KAZ, KGZ, PAK, TAJ, TKM, UZB	
2. Sector		ADB Financing (\$ million)
✓ Agriculture, natural resources and rural development	Water-based natural resources management	0.15
Energy	Energy sector development and institutional reform	0.15
Public sector management	Public administration	0.15
Transport	Road transport (non-urban)	0.15
Water and other urban infrastructure and services	Other urban services	0.15
Total		0.75
3. Strategic Agenda		Climate Change Information
Inclusive economic growth (IEG)	Pillar 2: Access to economic opportunities, including jobs, made more inclusive	Climate Change impact on the Project Low
Environmentally sustainable growth (ESG)	Environmental policy and legislation	
Regional integration (RCI)	Pillar 4: Other regional public goods	
4. Drivers of Change		Gender Equity and Mainstreaming
Governance and capacity development (GCD)	Civil society participation Institutional development Organizational development	No gender elements (NGE) ✓
Knowledge solutions (KNS)	Knowledge sharing activities	
Private sector development (PSD)	Conducive policy and institutional environment Public sector goods and services essential for private sector development	
5. Poverty and SDG Targeting		Location Impact
Geographic Targeting	Yes	Regional High
Household Targeting	No	
SDG Targeting	Yes	
SDG Goals	SDG6, SDG8, SDG9, SDG11, SDG15	
6. Risk Categorization Low		
7. Safeguard Categorization Safeguard Policy Statement does not apply		
8. Financing		
Modality and Sources		Amount (\$ million)
ADB		0.75
Knowledge and Support technical assistance: Technical Assistance Special Fund		0.75
Cofinancing		0.00
None		0.00
Counterpart		0.00
None		0.00
Total		0.75

I. INTRODUCTION

1. This knowledge and support technical assistance (TA) project will foster more effective infrastructure development by improving the environmental safeguards performance of developing member countries (DMCs) in Central and West Asia. This will be accomplished by (i) engaging and deploying international consultants¹ and national consultants to strengthen projects with respect to safeguards compliance; (ii) building on knowledge products and relationships developed under *TA 7548-REG: Improving the Implementation of Environmental Safeguards in Central and West Asia*² and *TA 8663-REG Sustainable Environmental Management of Projects in Central and West Asia*³ to further promote country ownership of sound and efficient safeguards practices in projects financed by the ADB; (iii) identifying gaps between local practice and ADB policy, and developing a strategy to bridge these gaps in a timely manner on a project-by-project basis; (iv) providing specialist technical input from international consultants during project preparation and/or implementation, where assessment gaps or potential non-compliance issues are identified; and (v) providing capacity building, primarily in the form of on-the-job training (OJT), to increase governments' understanding of how to apply environment and social safeguards.

2. This TA will aid DMCs in Central and West Asia in meeting their sustainable development goals, and the TA is on the management-approved TA priority list for ADB's Central and West Asia Department (CWRD) for processing in 2018.⁴

II. ISSUES

3. Proper environmental safeguard management during project processing and implementation ensures that development projects are implemented in an environmentally sustainable manner. ADB recognizes the critical role that project executing agencies and implementing agencies play in successful environmental safeguard management. Through TA 7548 and TA 8663, ADB has provided technical assistance to strengthen the environmental safeguard capacity of executing and implementing agencies for ADB-funded projects in Central and West Asia. These TA projects have focused primarily on assessment improvements obtainable under existing laws in Central and West Asian countries, such as solving administrative bottlenecks, improving coordination, and providing technical guidance. The achievements of these TA projects have included the following:

- (i) Country assessment reports were completed in six participating DMCs (Armenia, Azerbaijan, Georgia, Kyrgyz Republic, Pakistan, and Tajikistan).
- (ii) Thirty-eight training workshops on good practice of environmental safeguards management and monitoring of environmental safeguards implementation were held in seven DMCs (Afghanistan, Armenia, Azerbaijan, Georgia, Kyrgyz Republic,

¹ International consultants with specific expertise in Asian Development Bank (ADB) safeguards application in countries within the Central and West Asia region.

² ADB. 2010. *Technical Assistance for Improving the Implementation of Environmental Safeguards in Central and West Asia*. Manila (TA 7548-REG, for \$800,000, approved on 21 June 2010, with a revised completion date of 31 March 2011, and additional funding of \$750,000 approved on 12 August 2013).

³ ADB. 2014. *Technical Assistance for Sustainable Environmental Management of Projects in Central and West Asia*. Manila (TA 8663-REG, for \$1.5 million, approved on 10 June 2014, with a revised completion date of 31 December 2018, plus additional funding of \$750,000 approved on 23 February 2016, and additional funding of \$500,000 approved on 29 August 2017. As of 28 May 2018, the uncommitted amount is \$200,135 and the undisbursed amount is \$491,917).

⁴ The TA will be financed and administered by ADB and will include no DMC government activities, financing, or counterpart support. A no-objection letter will be issued informing DMCs of the proposed TA activities prior to implementation. The TA first appeared in the business opportunities section of ADB's website on 30 March 2018.

- Pakistan, and Tajikistan); in addition, four subregional workshops were completed in Kyrgyz Republic, Georgia, and Pakistan (twice).
- (iii) A training manual on effective environmental management (Environmental Safeguard Information Kit) was prepared and printed in English and Russian to help executing and implementing agencies comply with ADB's Safeguard Policy Statement (2009) during project processing, and in 2018, an Environmental Safeguards Monitoring Manual was provided to executing and implementing agencies through TA 8663.
 - (iv) A network of trainers and a pool of third party auditors were established to conduct on-the-job training and also to audit environmental management and monitoring reports for implementing agency staff, their consultants, and contractors.
 - (v) The TA consultants assisted project teams and borrowers in addressing complaints elevated to ADB's Accountability Mechanism through the Office of the Compliance Panel Review or Office of the Special Project Facilitator.
 - (vi) OJT has proved to be the most effective component of TA 7548 and TA 8663. Both TA projects assisted key stakeholders with improving project preparation and delivering timely environment assessments in Armenia, Azerbaijan, Georgia, Kyrgyz Republic, Pakistan, Tajikistan, and Uzbekistan. Since February 2016, support for project processing and project administration through OJT has been the primary focus of the TA 8663.

4. While TA 7548 and TA 8663 were successfully implemented, further work needs to be done to improve project environmental standards in the DMCs of Central and West Asia. During project processing, projects require better scoping of initial environmental examinations and environmental impact assessments to ensure that impacts are properly addressed. Executing and implementing agencies must have a better understanding of international standards and the environmental impact assessment process. This is particularly relevant given the public's growing awareness of safeguards. Support through training and workshops is essential, especially for projects that experience heavy staff turnover within the executing and implementing agencies.

5. One issue highlighted in 2017 under the TA 8663 was the inability of ADB, executing agencies, or implementing agencies to rapidly undertake technical studies, either during processing or implementation, where existing environmental assessments were identified as lacking. This inability to quickly commission studies in CWRD projects caused considerable project delays, and financing for such studies was a regular problem. To address this, the TA will include a technical studies facility whereby specialist studies can be commissioned at short notice, enabling project processing and implementation to continue with minimal disruption. The TA design and monitoring framework is in Appendix 1.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

6. As outlined above, the TA 8663 which is coming to an end, is working well and provides a valuable service to DMCs during the processing and implementation of projects. ADB staff and executing and implementing agencies during project missions agreed on the relevance of these previous TA projects and the need for the extension of the most useful components, which included: (i) deployment of consultants in DMCs to support project processing and implementation through OJT; (ii) workshops for executing and implementing agencies; (iii) dissemination of best

practices and updates of ADB procedures; and (iv) provision of technical studies assistance for problem solving.

7. The new TA will continue to foster coordination among national environmental stakeholders, build and/or maintain stakeholder networks, and promote better understanding of safeguards implementation within DMCs. The TA will also help ADB staff develop internal guidance notes on key environmental issues such as noise, air quality, and health and safety.

8. In summary, the TA is aligned with the following impact: effective infrastructure development that is compliant with ADB's Safeguard Policy Statement promoted in Central and West Asia. The TA will have the following outcome: quality of safeguard documents and safeguard implementation in the CWRD portfolio improved.

B. Outputs, Methods, and Activities

9. **Output 1: Quality and timeliness of environmental impact assessments and initial environmental examinations improved.** Executing and implementing agencies will be supported by TA consultants during project processing, providing OJT and advice to improve project screening and scoping, improve the quality of environmental assessments, and consequently reduce the number of reviews and time required for approval.

10. **Output 2: Quality and timeliness of environmental monitoring reports improved.** Executing and implementing agencies will be supported by TA consultants during project implementation, providing OJT to help improve the quality of monitoring reports, reduce the number of reviews prior to approval, and improve the speed at which reports are produced.

11. **Output 3: Executing agency performance on environmental management showcased.** TA consultants will support executing and implementing agencies in developing case studies to share as knowledge products where environmental performance has been exemplary, or where particular problems have been identified. TA consultants will also maintain environmental stakeholder networks in DMCs and support ADB staff in developing guidance notes on key environmental issues. Case studies and knowledge products will be shared internally within ADB and, where appropriate, will be disclosed publicly (with government approval).

C. Cost and Financing

12. The TA is estimated to cost \$750,000, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-other sources). The key expenditure items are listed in Appendix 2.

13. There will be no government counterpart support for this TA, which will be fully administered and financed by ADB.

D. Implementation Arrangements

14. ADB will administer the TA. The Portfolio, Results, Safeguards, and Gender (PSG) Unit in ADB's Central and West Asia Department will implement the TA in coordination with CWRD's resident missions and sector divisions. The PSG Unit will select, supervise, and evaluate consultants in accordance with ADB's Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. Resident missions

will provide country support for TA activities, including provision of work space for consultants and assistance in planning meetings, workshops, and training activities.

15. The TA will be implemented in three phases of 18 months each, considering the budget constraints and better matching between TA fund availability. The first phase, with a budget of \$750,000, will start in July 2018 and will close in December 2019. CWRD may increase the TA amount later, subject to fund availability.

16. The indicative implementation arrangements are summarized in the following table.

Implementation Arrangements			
Aspects	Arrangements		
Indicative implementation period	July 2018–December 2019 (Phase 1) ¹		
Executing agency	Asian Development Bank		
Consultants	To be selected and engaged by ADB		
	Individual consultants selection	84 person-months National environmental safeguards consultant(s)	\$430,000 ²
	Individual consultants selection	18 person-months International environmental safeguards consultant(s)	\$250,000 ²
	Individual consultants selection	2 person-months International consultant (technical studies)	\$50,000 ²
Procurement	All goods to be procured by consultants. All procurement will be carried out in accordance with ADB's Procurement Policy (2017, as amended from time to time). All goods purchased will be turned over to ADB after completion of the TA.		
	Shopping Method	Number of contracts to be confirmed	\$3,000
Disbursement	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2010, as amended from time to time).		

¹ The TA is planned to be implemented in three phases of 18 months each.

² Includes remuneration, per diem and out-of-pocket expenses.

Source(s): Asian Development Bank.

17. **Consulting services.** ADB will engage the consultants following ADB's Procurement Policy and its associated project administration instructions and/or staff instructions. Field activities will be carried out using a mix of international and national consultants to be selected based on criteria including (i) existing country portfolios, (ii) upcoming country project pipeline, and (iii) availability of qualified consultants with relevant in-country experience. The consultants will be based at resident missions and national consultants may be required to operate in more than one DMC as needed.⁵

18. A technical studies assistance allowance is included in the TA. This will allow for experienced international consultants to be engaged on an intermittent basis during project preparation and implementation to assist executing and implementing agencies in a trouble shooting capacity. Inputs that these experts will provide might include giving detailed advice, completing key environment assessment studies, or helping project teams address complaints or assessment gaps identified during implementation.

⁵ Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 3).

19. In addition, ADB will ask technical studies assistance experts to provide OJT training and capacity-building support to executing and implementing agency staff on the application of international best practices for current and future projects.

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 \$750,000 on a grant basis for Supporting Environmental Safeguards in the Central and West Asia Region, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Impacts the TA is Aligned with Effective infrastructure development compliant with ADB's Safeguard Policy Statement promoted in the Central and West Asia			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Outcome Quality of safeguard documents and safeguard implementation in CWRD portfolio improved.	By 2019: a. 100% of EIAs and IEEs fully endorsed and disclosed prior to the SRM or MRM (2017 Baseline: 80%). b. 100% of projects rated as fully compliant during country safeguard review (2017 Baseline: 70%). c. Number of complaints submitted and accepted to the Accountability Mechanism reduced to less than 3 per year (2017 Baseline: 6).	a. ADB website (disclosure). b. Chief compliance officer's annual review report of SPS compliance; CWRD monitoring sheets. c. ADB Accountability Mechanism Annual Report and Complaints Registry.	Change in leadership at the participating executing agencies, or high turnover in staff; Change in political direction.
Outputs 1. Quality and timeliness of EIAs and IEEs improved. 2. Quality and timeliness of environmental monitoring reports improved. 3. Executing agency performance on environmental management showcased.	By 2019: 1a. At least 30% of EIAs and IEEs submitted to ADB needing only single round of review by ADB staff prior to approval (2017 Baseline: <5%). 1b. 90% of projects without fundamental comments raised by SDES during peer review or RRP circulation (2017 Baseline: 70%). 2a. 90% of EMRs received only one round of ADB review before approval and disclosure (2017 Baseline: 70%). 2b. At least 85% of EMRs submitted on-time, e.g., within 1 month (2017 Baseline: 65%). 2c. 100% disclosure of EMRs maintained (2017 Baseline: 100%). 3a. At least two case studies developed as knowledge products and published (2017 Baseline: 0). 3b. Environmental stakeholder's network maintained in DMCs (2017 Baseline: N/A). 3c. At least two guidance notes on key environmental issues developed and distributed to operational departments in CWRD (2017 Baseline: 0).	1a. ADB website (disclosure). 1b. ADB website (disclosure). 2a-c. ADB website (disclosure); chief compliance officer's annual review report of SPS compliance. 3a. ADB approved case studies; ADB website. 3b. N/A 3c. ADB internal memo.	Prolonged decision-making process at EAs; Change in project scope with limited time and/or budget for updating environment documents; Inclusion of unassessed infrastructure during implementation.

Key Activities with Milestones

1. Quality and timeliness of environmental impact assessments and initial environmental examinations improved

- 1.1 Engage international and national environmental consultants at start of TA project to continue on from the existing TA 8663 (Q3, 2018).
- 1.2 Contribute to EA's EIA and IEE preparation, ensuring studies are scoped correctly, baseline data is collected correctly, and impact assessments use correct standards and are appropriate to the scale of the project (entire life of TA).
- 1.3 Undertake pre-review of EIAs and IEEs before submission to ADB and help PIU and/or consultants in addressing ADB comments within the review process (entire life of TA).
- 1.4 Assist EAs and IAs in liaising with national authorities for environmental approvals and permits and ensuring that all projects are in compliance with national legislation and ADB standards (entire life of TA).
- 1.5 Conduct workshops and OJT and capacity building on IEE and EIA preparation as needed throughout the TA (entire life of TA).
- 1.6 Training to also focus on key personnel in EA and IA who can continue to provide internal training without support from ADB using a "train the trainer" approach.

2. Quality and timeliness of environmental monitoring reports improved

- 2.1 Engage international and national environmental consultant at start of TA project to continue on from the existing TA 8663 (Q3, 2018).
- 2.2 Evaluate the success of monitoring manual training already conducted under TA 8663 in Q2 2018, and develop a training plan for the new TA in phase 1 and moving into phase 2 and 3. (Q4, 2018)
- 2.3 Establish regular meeting schedule with PMUs and introduce tracking system so that issues can be regularly monitored and discussed (Q4, 2018).
- 2.4 Identify key knowledge gaps in PIUs, develop a knowledge plan to plug these gaps, and conduct quarterly thematic training for PMUs and contractors on identified issues (Q4, 2018 onwards).
- 2.5 Conduct workshops and OJT and capacity building as needed on monitoring throughout the TA project (entire life of TA project).
- 2.6 Consultants to provide monthly project updates to country focal point for circulation to processing and implementation teams

3. Executing agency performance on environmental management showcased

- 3.1 Prepare biannual knowledge products based on field findings and Country Safeguards Review missions' results (Q4, 2018 until end of TA project).
- 3.2 Mobilize environmental stakeholders to regularly meet (Q3, 2018).
- 3.3 Develop and distribute internal guidance notes from SDES or operational departments on key environmental issues such as noise, air quality, and health and safety (Q4, 2018).

TA Management Activities

TA management will be ongoing throughout the life of the TA and will include monthly management of consultants through examination of tasks completed and approval of timesheets and expenses; management of contracts for technical studies on a needs basis (to conform to normal monthly management and invoicing and billing cycles); and conduct of annual TA reviews to monitor utilization of TA funds and progress on TA performance indicators, and to assess consultants' performance.

Inputs

ADB: \$750,000

ADB = Asian Development Bank, CWRD = Central and West Asia Department, EA = executing agency, EIA = environmental impact assessment, EMR = environmental monitoring report, IA = implementing agency, IEE = initial environmental examination, OJT = on-the-job training, PIU = project implementation unit, PMU = project management unit, Q = quarter, RRP = report and recommendation of the President, SDES = Environment and Safeguards Division, SPS = Safeguard Policy Statement, TA = technical assistance.

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	230.0
ii. National consultants	390.0
b. Out-of-pocket expenditures	
i. International and local travel ^b	49.0
ii. Reports and communications	5.0
iii. Miscellaneous administration and support costs ^c	3.0
iv. Goods (rental or purchase) ^d	3.0
v. Others (technical assistance studies) ^e	50.0
2. Training, seminars, and conferences ^f	10.0
3. Contingencies	10.0
Total	750.0

^a Financed by ADB's Technical Assistance Special Fund (TASF-other sources).

^b Travel may include international and regional travel for consultants, as approved by the team leader in accordance with project administration instruction 2.04 and 2.06.

^c Includes translation or interpretation and office support costs that may be incurred.

^d Equipment to measure noise/water/air standards may be purchased for use in conducting the technical assistance studies. The equipment will be turned over to ADB after completion of the TA project in accordance with project administration instruction 5.09.

^e The technical assistance studies will be implemented by international consultants and will be utilized on a needs basis.

^f Budget includes allowance for additional staff travel as resource persons, in accordance with the memorandum on Use of Bank Resources: Regional Technical Assistance and Technical Assistance vs. Internal Administrative Expenses Budget issued by the Budget, Personnel, and Management Systems Department and the Strategy and Policy Department on 26 June 2013. Use of TA resources for training, seminars, and conferences, in accordance with the memorandum on Hospitality, Conferences and Event Expenditures funded by ADB TAs issued by the Office of the Vice-President (Administration and Corporate Management) on 25 September 2017.

Source: Asian Development Bank Estimates.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=52099-001-TARreport>

1. Terms of Reference for Consultants