

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: SPSO

TA No. and Name TA 2850-FIJ: Road Sector Reform and Safety Improvement		Amount Approved: 1,400,000	
		Revised Amount:	
Executing Agency Ministry of Works & Energy, Fiji	Source of Funding: JSF	TA Amount Undisbursed 103,359.49	TA Amount Utilized 1,296,640.51
Date		Completion Date	
Approval 26-Aug-97	Signing 02-Mar-98	Fielding of Consultants Jan 1999 – Jun 2005	Original 31-Aug-99
			Actual 30-Jun-05
		Account Closing Date	
		Original 31-Aug-99	Actual 16-Aug-2005
Description			
<p>To support the Government's development goal of generating inclusive and broad-based growth, the Government's sector objective is to improve the efficiency of road administration and commercialize the delivery of road transport services. The Government is also concerned with the high cost of road accidents. To accomplish its sector goals and to reduce accidents, the Government requested the technical assistance (TA) in conjunction with Loan no. 1530-FIJ: Third Fiji Road Upgrading Project (FRUP III).</p>			
Objectives and Scope			
<p>The objectives of the TA were (i) to promote improved efficiency and effectiveness of road sector management and increased private sector participation in road sector operations; (ii) commercialization of road transport administration leading to savings and improved efficiency of road transport; and (iii) effective implementation of the Fiji Road Safety Action Plan (FRSAP).</p> <p>The three components of the TA were: (i) reorganizing the Public Works Department (PWD) of the Ministry of Works, Infrastructure and Transport (the Ministry) in the context of the newly enacted Public Enterprise Act; (ii) establishing the Land Transport Authority (LTA) under the Land Transport Bill scheduled for discussion in Parliament in July 1997, to merge the Central Traffic Authority (CTA), Transport Control Board (TCB), and Principal Licensing Authority (PLA) into a single, self-funding, more integrated and commercial Land Transport Authority (LTA); and (iii) building the capacity of stakeholders to implement FRSAP, to identify and solve institutional, financing, and coordination constraints hindering its implementation, and to strengthen the design of safety improvement civil works.</p>			
Evaluation of Inputs			
<p>Component (i) of the TA was to reorganize the Public Works Department (PWD) of the Ministry in the context of the Public Enterprise Act with 18 person months of consultant input. In November 2003, the Cabinet approved transition of the Roads Section within the Ministry to an independent Fiji Road Authority (FRA) under a two-step process, first establishing the Department of National Roads (DNR) within the Ministry, with a subsequent transition to the FRA by the end of 2006. The TA terms of reference required a revision as a single change process had been thus converted to a more gradual process. As a result, the first step in the transition process to establish the DNR was assisted by three independent consultants during the period July 2004 – March 2005 through the development of a human resource plan, a financial management plan, and working papers on business processes and procedures. The inputs of the consultants proved highly satisfactory. The services of the financial specialist were extended to support the consultant's recommendations. This implementation process remains ongoing with Government's resources.</p> <p>Component (ii) assisted the Government in establishing the Land Transport Authority (LTA) under the Land Transport Bill, enacted in October 1998. The firm of consultants was fielded in February 1999 and completed the first phase of the assignment by September 1999, preparing functions and roles of the LTA; position descriptions, organization structure, strategic and business plans; requirements for the financial management and information (FMIS) and quality management systems. Industry consultations on regulations for motor vehicle dealers and motor vehicle design rules were undertaken and working papers were prepared for opportunities for outsourcing of LTA's functions to the private sector. In February 2000, a change in scope was approved for additional assistance in the areas of financial management, human resources management, and transport regulations. LTA was established and became effective on 10 July 2000. The 12 person months inputs of the consultants were completed by end-2000 and were satisfactory.</p> <p>Component III. Capacity building to implement FRSAP and to strengthen design of road safety improvements. International consultants were fielded for short-term inputs over the period August 1999 – June 2005, including for (a) assisting the Government prepare the Second FRSAP (FRSAP II); (b) conducting ongoing monitoring and reviews of FRSAP II; and (c) providing specialist advice to sector stakeholders on vehicle emissions, traffic police enforcement, vehicle testing and accident database upgrading. A road safety engineer was engaged intermittently from 1999-2005 to coordinate activities (a) and (b), and was assisted by two short-term consultants in the preparation FRSAP II. Stakeholders agreed that the road safety advisor should continue to make annual visits to Fiji to monitor the progress of FRSAP II, assisting ADB's review missions and preparing a monitoring report after each visit. Four specialists under activity (c) worked in close collaboration with transport sector stakeholders, particularly the LTA and the police. Each specialist consulted road users, organized stakeholder workshops, and prepared final reports, recommending follow-up actions. The 43 person months of consultant inputs included: Road Safety Adviser; Road Safety Engineer; Accident Database Specialist; Traffic Police Enforcement Specialist; Vehicle Inspection Control Specialist; Driver Training and Testing Specialist; and a Vehicle Emission Detection & Control Specialist. The input of the consultants was satisfactory.</p> <p>The performance of the EA and ADB was satisfactory. The delay was due to political conditions at the time that diminished the Government's decision making capacity, particularly for reforms and by extension caused implementation delays of the TA.</p>			

Evaluation of Outputs

Component I: The reorganization of PWD was successfully implemented to the satisfaction of the Ministry through the preparation of an inception report, various working papers for the department, and a final report. The consultants worked in very close collaboration with PWD/DNR to implement the recommendations and provided considerable hands-on support in establishing the FMIS. The final report contained recommendations on the next steps required to fully implement the transition from a line department within the Ministry to an independent FRA, anticipated to occur at end of 2006 in accordance with the Cabinet Decision. Further assistance to DNR to move towards FRA was programmed under TA 4540-FIJ: Fourth Road Upgrading Sector.

Component II: The establishment of LTA was highly successful. LTA operates as a profitable entity.

Component III: Preparation of FRSAP II of the TA was carried out in the context of participatory consultation with transport sector stakeholders, road users, and beneficiaries. Development of the FRSAP II took longer to develop than anticipated, partially due to the coup in 2000. FRSAP II was finalized in 2001 with a total investment requirement of F\$33.5 million, of which F\$16 million was to be financed by the Government through fiscal funding of road safety activities under various ministries over a 4-year period. Strategic objectives under FRSAP II included: (a) Traffic Law Enforcement, implementation of which had become affected by the shortfall in funding for procurement of equipment and vehicles; (b) Safer Roads, addressed through a road safety civil works program funded under L1580-FIJ (FRUP III) in addition to accident prevention and reduction programs; traffic management measures, manpower development; (c) Safer Drivers; (d) Safer Vehicles, advocacy programs representing one of the most successful activities under the FRSAP II; (e) Road Safety Education & Public Awareness; (f) Post Accident Care; and (g) Accident Data System & Research. While the overall FRSAP II was fully endorsed by all stakeholders, it did not receive formal endorsement of Cabinet, and the funding commitment by the Government was not fully realized, with only about \$2 million provided over the course of TA implementation. Funding for other elements of FRSAP through FRUP III, contributions to the Fiji Road Safety Council by the insurance industry and other commitments were reasonably consistent with FRSAP II expectations. The overall monitoring of FRSAP II under the TA activities ensured that progress was achieved towards the objectives of the FRSAP II and FRSAP III was proposed for 2006-2010.

The physical completion of the TA was delayed as a result of the political conditions. After the coup of 2000, the short-lived interim Cabinet did not prioritise the reforms. The reform process was not endorsed by Cabinet until November 2003.

Overall Assessment and Rating

Overall, the Project is rated as partly successful. The expected outputs delivered and the intended objectives of the TA were generally achieved. The TA provided valuable assistance to the Ministry in developing and implementing institutional and policy reform in the road sector in Fiji. This was achieved through both the establishment of the LTA and in the reorganization of PWD into DNR. In addition, the TA provided an important catalyst to ensure the ongoing implementation of the FRSAP II, albeit under reduced budgetary support from Government, and in initiating the development of FRSAP III. The reports and documents produced by the consultants under all three components have been of considerable assistance to the EA and stakeholders in furthering the objectives of the TA. However, the TA implementation timeframe was extended considerably and the institutional reform was only partially accomplished.

Major Lessons Learned

Government and stakeholder ownership of the activities and outputs under the TA is essential for the successful implementation of TA. The original timetable for reform of the LTA and PWD proved optimistic, particularly accounting for the political events that intervened TA implementation. However, the structural reform in the transport sector is essential as defined under the TA to achieve both broad development objectives and sector performance improvement as given in the Government's Strategic Development Plan for 2005—2007. Ensuring that political commitment and ownership of the Government in support of an institutional reforms has proven crucial. This lesson is particularly relevant in ensuring that the transition process is adequately resourced with Government's own funding in addition to the grant-funded technical assistance. Clear indication of commitment of the Government's approved reforms upfront will help to improve the design of ADB's assistance including ensuring an appropriate sequencing and delivery of TA and loan support to the Government's reform agenda.

Recommendations and Follow-Up Actions

Improving policies and assisting the Government to develop capacity in management of its transport infrastructure is an ongoing and a critical process to achieve the desired, broader development outcomes of inclusive and broad-based growth. Continuation of the reform efforts in the road sector has been included under TA 4540-FIJ: Fourth Road Upgrading (Sector), proposed loan for the Fourth Road Upgrading Sector Project and the associated TA for Road Sector Performance Improvement. These together, aim to support a transition from a public sector road agency to a statutory authority, maximizing the involvement of the private sector and performance-based management arrangements.