



# Technical Assistance Report

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Project Number: 37326  
July 2006

## Islamic Republic of Afghanistan: Preparing the Road Rehabilitation and Capacity Building Cluster

Asian Development Bank

## CURRENCY EQUIVALENTS

(as of 28 June 2006)

Currency Unit	–	afghani/s (AF)
AF1.00	=	\$0.02017
\$1.00	=	AF49.578

## ABBREVIATIONS

ADB	–	Asian Development Bank
EIA	–	environmental impact assessment
IEE	–	initial environmental examination
KPU	–	Kabul Polytechnic University
MOT	–	Ministry of Transport
MPW	–	Ministry of Public Works
TA	–	technical assistance

## TECHNICAL ASSISTANCE CLASSIFICATION

<b>Targeting Classification</b>	–	General intervention
<b>Sector</b>	–	Transport and communications
<b>Subsector</b>	–	Roads and highways
<b>Themes</b>	–	Sustainable economic growth, capacity development
<b>Subthemes</b>	–	Fostering physical infrastructure development, institutional development

## NOTE

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

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## I. INTRODUCTION

1. Since 2002, the Government of Afghanistan (the Government) has been making massive efforts, with external assistance, to reestablish the road network and so provide remote provinces with improved access to basic social services, heighten security, and involve the whole population in nation-building activities. With these efforts, the regional highways—consisting of the ring road, which connects the major population centers, and border access roads totaling about 3,300 kilometers (km)—have been or are being rehabilitated. While the condition of regional highways is dramatically improved, over 90% of national highways and provincial roads are still either earthen or gravel, and over 60% are in a poor condition. This situation calls for continued efforts to rehabilitate national highways and provincial roads. In the meantime, the road agency, the Ministry of Public Works (MPW), has improved its capacity to implement large-scale road rehabilitation projects financed mostly by aid agencies. However, the need still exists to systematically build the capacity of MPW to carry out its core function of sustainably planning, designing, managing, and implementing road investments. Considerably improved road infrastructure has brought a significant increase of the number of vehicles, which urgently calls for establishing a well-functioning regulatory framework for road transport and a capable regulatory agency. The Ministry of Transport (MOT), charged with road transport regulation, needs to restructure its organization for a new focus on policymaking and regulation and upgrade its capacity to properly discharge its function of regulating road transport. The Government requested the Asian Development Bank (ADB) to provide technical assistance (TA) to develop road rehabilitation projects for national highways and strengthen the capacity of MPW and MOT so that they can carry out their core functions properly. The TA is included in ADB's *Afghanistan Country Strategy and Program Update, 2005–2007*.<sup>1</sup>

2. The Fact-Finding Mission visited Afghanistan in February and May 2006 and reached an understanding with the Government on the objectives, scope, cost estimates, financing plan, implementation arrangements, and terms of reference for consulting services. This TA report was prepared on the bases of the Mission's discussions with the Government; its observations in the field; and its review of relevant data, studies, and reports.<sup>2</sup> The TA framework is presented in Appendix 1.

## II. ISSUES

3. The primary national roads are being rehabilitated with financial aid and TA from bilateral and multilateral funding agencies. The priority has been to rehabilitate strategic road connections, primarily comprising the ring road and access roads to surrounding countries. Once the current and planned projects are completed by 2008, the existing regional highways network will be improved to a two-lane bitumen-paved road standard, with four-lane sections near Kabul and Kandahar. In contrast, over 90% of national highways and provincial roads are either earthen or gravel, and over 60% are in a poor condition. Many of them are impassable at locations such as river crossings and sections where severe erosion or landslides have occurred. Except for newly constructed bridges, most bridges and culverts along national highways and provincial roads are in bad condition. Many are in danger of collapsing under heavily loaded vehicles or being washed away. Anticipating regional highways' completion by 2008, the Government made its next priority developing the north–south corridor and the east–west corridor, both of which connect to the ring road, and so provide better access to people in the hinterland of the center of the country.

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<sup>1</sup> ADB. 2005. *Country Strategy and Program Update (2005-2007): Afghanistan*. Manila.

<sup>2</sup> The TA first appeared in *ADB Business Opportunities* on 8 June 2006.

4. The road master plan, developed with ADB's assistance, set out as the 2nd phase priority road improvements (i) widening to four lanes 281 km of heavily trafficked regional highways, (ii) improving 2,700 km of high-priority national highways, and (iii) improving 5,000 km of high-priority provincial roads. As the rehabilitation of regional highways reaches completion, ADB now makes a priority of connecting the ring road to the north-south corridor and the east-west corridor as recommended by the road master plan and, accordingly, will concentrate its assistance on rehabilitating high-priority national highways.

5. Since aid agencies resumed their assistance to the road sector, a number of efforts have been made to strengthen the capacity of the key road agency, MPW, to manage projects. This assistance has been provided piecemeal, however, mainly to meet immediate needs as they arise to upgrade MPW's capacity to implement projects. Building capacity from scratch immediately following civil strife and conflict might have justified a piecemeal approach designed to quickly attend to urgent requirements. However, as MPW's operations normalize, with attention shifting from quick rehabilitation of damaged roads to long-term strategic planning and quality control of road works, the paradigm for building capacity in MPW needs to change toward establishing a sustainable arrangement that is self-sufficient with minimal support from outside.

6. To enhance the sustainability and self-sufficiency of capacity-building efforts, key players involved in MPW capacity building—i.e., MPW, the local construction industry, and the first tier training institutes, such as universities potentially able to produce qualified engineers—need to be twinned and to work together to establish a virtuous cycle of producing and training skilled engineers. ADB TA for Capacity Building for Road Sector Institutions, approved in 2005,<sup>3</sup> is designed to help this twinned group develop sustainable arrangements for capacity building in Afghanistan's road sector institutions, with a focus on improving the capacity of MPW's road database management and quality control of road works. Similar arrangements should be made in other priority areas, so that MPW can equip itself with necessary skills to reemerge as a capable sector manager.

7. Road accessibility around the country has dramatically improved, and consequently the number of vehicles has increased significantly over recent years. According to a recent International Monetary Fund country report on Afghanistan,<sup>4</sup> the transport of goods by road increased from 1.9 million tons in 2000 to 3.7 million tons in 2001 and 5 million tons in 2002. The number of taxicabs nearly doubled from 17,000 in 2000 to 33,500 in 2002. More than 147,000 vehicles were estimated to be registered in Kabul, which given certain assumptions would translate into about 304,000 vehicles countrywide.

8. With enhanced road accessibility around the country and the growing number of vehicles, driven mainly by private sector transport services, the importance of road transport regulation looms large. However, the current regulatory environment does not provide proper regulation for road transport services or road safety, as MOT, the regulatory authority, has become powerless, its staff and their relevant skills depleted after decades of conflict. Restructuring and strengthening MOT is a key need for policy reforms and institutional capacity building to ensure the provision of appropriate road transport services.

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<sup>3</sup> ADB. 2005. *Technical Assistance to the Islamic Republic of Afghanistan for the Capacity Building for Road Sector Institutions*. Manila.

<sup>4</sup> International Monetary Fund. 2003. *Islamic State of Afghanistan: Rebuilding a Macroeconomic Framework for Reconstruction and Growth*. Washington, DC: IMF.

9. The key issues of policy reform and institutional capacity building for MOT include the role of MOT in providing transport services, road transport service regulation, road safety regulation, and restructuring MOT to carry out these regulatory functions. In this regard, questions to be closely examined are (i) corporatizing MOT truck and bus operations, (ii) economic regulation and/or deregulation of road transport services and international transport and transit, and (iii) regulations regarding road safety and other matters of public interest. MOT's capacity to carry out these regulatory functions falls far short of its needs. To contain the reckless increase of vehicle fleets and the congestion it brings, and at the same time to ensure that people have access to affordable road transport services, MOT should be reenergized as a capable regulator equipped with necessary skills and staff.

### III. THE PROPOSED TECHNICAL ASSISTANCE

#### A. Impact and Outcome

10. The objective of TA is to (i) prepare a series of high-priority road improvement projects for ADB's follow-on investments that will support the priority road-improvement programs set out by the road master plan; and (ii) strengthen the capacity of MPW and MOT in project management, procurement, and regulating road transport services. Consequently, TA will have 3 components: (i) a project preparation component that will prepare road rehabilitation projects viable under established engineering, economic, social, and environmental perspectives; (ii) an MPW capacity-building component that will establish a project management and procurement unit in MPW, develop project management and procurement manuals (including handbooks for land acquisition and resettlement and environmental impact assessment for road sector projects) and develop and implement programs and training courses for developing human resources; and (iii) an MOT capacity-building component that will strengthen the capacity of MOT to carry out its regulatory functions for road transport services, particularly regarding operator licensing; refusing, suspending, and revoking licenses; license fees; appeals procedures; planning routes and terminals; controlling terminals; monitoring services; reporting offenses; enforcing license regulations; penalty provision; and establishing a system to monitor the payment of fines.

#### B. Methodology and Key Activities

11. **Project Preparation Component.** The project roads will be selected from the priority road improvement programs set out by the road master plan in consultation with the Government and ADB. After the project roads are identified, the appropriate level of rehabilitation and a design standard will be determined, based on traffic forecasts and other requirements. Then, preliminary engineering, economic, social, and environmental parameters will be assessed to consider alternative alignments and designs, and a preferred road alignment and design standard will be determined for detailed study and investment. This will be followed by the preparation of preliminary engineering designs and cost estimates. Economic, social, and environmental assessments will be conducted in accordance with ADB and Government policies, guidelines, and procedural requirements. Implementation arrangements and institutional requirements will be proposed for project execution and maintenance, particularly taking into account MPW's limited capacity for project management.

12. **MPW Capacity Building Component.** The TA will strengthen the curriculum of the road construction department of Kabul Polytechnic University (KPU) particularly for project management and procurement, including social, resettlement, and environmental impact assessment. This is intended to ensure a stable supply of qualified engineers conversant with

ADB's safeguards and requirements. The TA will strengthen the MPW retraining scheme, aided by faculty members of KPU, standardizing the retraining program to ensure the sustainability of capacity development. The TA will develop and implement a secondment program by which MPW staff will be seconded to local construction companies for agreed periods to gain hands-on experience in project management and procurement. To this end, the TA will

- (i) develop curricula for project management and procurement, including social, resettlement, and environmental impact assessment, for the road construction department of KPU;
- (ii) develop training courses for project management and procurement to be provided under the MPW retraining scheme;
- (iii) upgrade computer equipment in the project management and procurement unit of MPW;
- (iv) develop curricula synopses, operation manuals, handbooks, and training manuals for project management and procurement;
- (v) provide overseas training for faculty members of the road construction department of KPU and MPW staff as required; and
- (vi) provide local training through the MPW retraining scheme for MPW staff and selected engineers from local construction companies.

An initial poverty and social analysis is in Appendix 2.

13. **MOT Capacity Building Component.** After reviewing the road transport policies available for road transport services, the consultants will (i) define the objectives and responsibilities for policymaking, regulation, and service provision; (ii) clarify the roles of the Government and private sector in road transport services; and (iii) identify the bases for road transport service regulations designed to promote the efficient use of roads and vehicle fleets. The policy framework will endorse the primary role of market forces in determining price and service levels, with the role of the Government limited to ensuring that competitive conditions prevail and that safety and environmental considerations are met.

14. TA will (i) develop a time-bound restructuring plan for MOT and implement key areas of MOT restructuring; (ii) develop a regulatory framework for road transport services covering operator licensing; refusing, suspending, and revoking licenses; license fees; appeals procedures; route and terminal planning; control of terminals; monitoring services; reporting offences; enforcing license regulations; penalty provision; and establishing a system to monitor the payment of fines; (iii) draft laws, acts, and decrees necessary to support the regulatory framework; (iv) develop a capacity building program for MOT to help it carry out its regulatory function as defined in the regulatory framework; and (v) train MOT personnel with skills appropriate to carrying out their new role as regulators in a restructured organization.

15. The consultants will act as advisors to MPW and MOT during the TA period and provide day-to-day guidance for project management and procurement and road transport service regulation. In the course of this, they will provide on-the-job training for MPW and MOT staff. Outline terms of reference for consultants are in Appendix 4.

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

16. The total cost of TA is estimated at \$2.82 million equivalent. ADB will provide \$2.70 million equivalent, and the Government will finance the remaining \$120,000 equivalent to cover the costs of counterpart staff, office accommodation and equipment, and local communications. TA will be financed as a grant by ADB's TA funding program. Appendix 3 gives the detailed cost

estimates. The Government has been informed that approval of TA does not commit ADB to finance any ensuing project

#### **D. Implementation Arrangements**

17. MPW will be the Executing Agency for two components: (i) project preparation, and (ii) MPW capacity building. The deputy minister of MPW will be project director and responsible for TA implementation. For the MPW capacity-building component, a steering committee will be established and consist of the deputy minister of MPW, the president responsible for the project management and procurement unit, representatives of the local construction industry and the road construction department of KPU, the consultant team leader, and the ADB project officer. The steering committee, co-chaired by the project director and ADB project officer, will provide overall guidance for implementing TA and will specifically endorse consultants' proposals for (i) curricula and training courses in the road construction department of KPU and under the MPW retraining scheme, (ii) procuring computer systems, and (iii) curricula synopses, training manuals, operation manuals, handbooks, planning overseas and local training, and the secondment program.

18. MOT will be the Executing Agency for the MOT capacity-building component. The MOT deputy minister for transport services will be project director and responsible for TA implementation. MOT will assign two staff members with expertise in road transport services to serve under the project director full time, providing necessary assistance for the consultants.

19. Three separate teams of international consultants will be engaged through firms for the project preparation component, MPW capacity-building component, and MOT capacity-building component, using the simplified technical proposal procedures based on quality- and cost-based selection in accordance with ADB's *Guidelines on the Use of Consultants*. The project preparation component will require 35 person-months of international consulting services and 43 person-months of domestic, the MPW capacity-building component 28 person-months of international and 28 person-months of domestic, and the MOT capacity-building component 20 person-months of international and 24 person-months of domestic. Domestic consultants will be engaged separately after the mobilization of international teams in accordance with ADB's *Guidelines on the Use of Consultants*. TA equipment will be procured in accordance with ADB's *Guidelines for Procurement*.<sup>5</sup>

20. For the project preparation component, the consultants will be fielded in January 2007, with consulting services carried out over the 8 months to August 2007. For the MPW and MOT capacity-building components, the consultants will be fielded in November 2006, completing their work in the 12 months to December 2007 for MPW and the 10 months to August 2007 for MOT.

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

21. The President recommends that the Board approve the provision of technical assistance not exceeding the equivalent of \$2,700,000 on a grant basis to the Government of Afghanistan for preparing the Road Rehabilitation and Capacity Building Cluster.

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<sup>5</sup> Computer and testing equipment will be procured by the consultants and installed in the project management unit in MPW and in the General Directorate of Private Sector Transport of MOT. Vehicles for consultants' use will be leased.

### DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p><b>Impact</b> Economic and social development promoted and poverty reduced</p> <p>Improved road project management and procurement</p> <p>Improved transport service operations</p>	<p><b>5 years after TA completion:</b> Construction of road project commenced with the following project impacts:</p> <ul style="list-style-type: none"> <li>(i) Production and trade of major farm products increased in the project areas</li> <li>(ii) Increased use of transport services in the project areas</li> <li>(iii) No unlicensed freight or passenger transport service operators</li> <li>(iv) No separate project implementation unit established to manage donor-funded road projects within MPW</li> <li>(v) Project implementation average delays reduced by 50%</li> <li>(vi) Newly developed transport service regulations operational</li> <li>(vii) Number of legal public transport service increased</li> </ul>	<p>National, provincial, and district socioeconomic statistics from the Central Statistics Office</p> <p>ADB project performance audit report</p> <p>ADB policy dialogue with MPW for making functional road project management and procurement</p> <p>ADB policy dialogue with MOT for upgrading the functioning of transport service regulation</p>	<p><b>Assumptions</b> Political and security situation improves and is stable</p> <p>Increased availability of transport services following improvement of the project road</p> <p>Continued complementary assistance by other development agencies and nongovernment organizations to rehabilitate other economic infrastructure and provide basic social services</p>
<p><b>Outcome</b> Agreed loan project for implementation</p> <p>Strengthened capacity in MPW for project management and procurement</p> <p>Strengthened capacity in MOT for transport service regulation</p>	<p><b>Within 1 year of successful delivery of all outputs:</b> Project and financing scheme for immediate implementation formulated</p> <p>Project implementation units supervising road construction works without assistance from external experts</p> <p>All procurement works for road construction carried out by MPW without relying on external assistance</p> <p>All freight and passenger transport service operators registered</p> <p>An enforceable mechanism in place with penalties for unregistered vehicles</p>	<p>ADB country programming mission</p> <p>MPW report on the performance of its training center</p> <p>KPU report on the performance of the project management and procurement courses</p>	<p><b>Assumptions</b> Implementation capacity of MPW and MOT adequate</p> <p>MPW committed to strengthening project management and procurement</p> <p>Appropriate budgetary support for MPW and MOT to discharge their expanded responsibilities</p> <p>MOT committed to strengthening road transport service regulation</p> <p><b>Risk</b> Penalty provisions for unlicensed vehicles cannot be implemented</p>

<b>Design Summary</b>	<b>Performance Targets/Indicators</b>	<b>Data Sources/Reporting Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>Outputs</b></p> <p>1. Technical, economic, social, and environmental feasibility established and preliminary design for selected project roads prepared.</p> <p>2. Well-functioning project management and procurement unit in MPW</p> <p>3. MPW staff and students well trained</p> <p>4. Restructuring plan of MOT prepared</p> <p>5. Regulatory and legal framework for road transport service developed</p> <p>6. Well trained MOT staff</p>	<p><b>By end of TA:</b></p> <p>Feasibility study report completed, covering the identification of project components including their estimated costs, preliminary assessment of safeguard compliance issues, and preliminary design of project roads.</p> <p>Synopses of curricula for newly developed courses in KPU, operation manuals, handbooks, and training manuals for project management and procurement, including social, resettlement, and environment impact assessment, are available for use at MPW and KPU.</p> <p>Half of the students enrolled in the road construction department of KPU complete project management and procurement courses.</p> <p>Doubling of the number of trainees who have attended training courses under the MPW retraining scheme for project management and procurement.</p> <p>Restructuring plan of MOT available and agreed for implementation.</p> <p>Regulatory framework for road transport service is developed and ready for implementation. Draft laws, acts, and decrees supporting the regulatory framework prepared.</p> <p>Number of MOT staff trained.</p>	<p>Consultants' progress report</p> <p>ADB review missions</p>	<p><b>Assumptions</b></p> <p>Timely provision of counterpart resources</p> <p>MPW acceptance of consultants' advisory role on day-to-day operational matters</p> <p>KPU committed to assigning capable faculty members to jointly implement TA</p> <p>Retention of trained staff in MPW</p> <p>MOT acceptance of consultants' advisory role on day-to-day operational matters</p> <p><b>Risk</b></p> <p>Difficulty of mobilizing feasibility consultants to project sites caused by poor security</p>

<b>Activities with Milestones</b>	<b>Inputs</b>
<p><b>Project Preparation Component</b></p> <ol style="list-style-type: none"> <li>1. Selection of project roads within 1 month of TA commencement</li> <li>2. Traffic demand forecast within 3 months of TA commencement</li> <li>3. Assessment of engineering, economic, social, and environmental parameters for alternative alignments and designs within 5 months of TA commencement</li> <li>4. Determination of a preferred alignment and design standard within 5 months of TA commencement</li> <li>5. Preparation of preliminary engineering design and documentation of assessment of economic viability and safeguard compliance within 7 months of TA commencement</li> </ol> <p><b>MPW Capacity-Building Component</b></p> <ol style="list-style-type: none"> <li>1. Development of new courses on project management and procurement in KPU within 3 months of TA commencement</li> <li>2. Development of training courses for project management and procurement to be provided by MPW retraining scheme within 3 months of TA commencement</li> <li>3. Development of synopses of curricula, operation manuals, handbooks, and training manuals for project management and procurement, including social, resettlement, and environmental impact assessment</li> <li>4. Provision of overseas training for faculty members of KPU and MPW staff within 6 months of TA commencement</li> <li>5. Training of MPW staff and selected engineers from local construction companies through MPW retraining scheme until the completion of TA</li> <li>6. Secondment of MPW staff to local construction companies within 6 months of TA commencement</li> </ol> <p><b>MOT Capacity-Building Component</b></p> <ol style="list-style-type: none"> <li>1. Development of MOT restructuring plan and time-bound action plan within 3 months of TA commencement</li> <li>2. Implementation of key areas of MOT restructuring, including a department responsible for road transport service regulation, within 6 months of TA commencement</li> <li>3. Development of a regulatory framework for road transport service within 4 months of TA commencement</li> <li>4. Drafting of laws, acts, and decrees supporting the regulatory framework within 6 months of TA commencement</li> <li>5. Development of capacity-building program for MOT staff to carry out their regulatory function within 3 months of TA commencement</li> <li>6. Training of MOT staff until the completion of TA</li> </ol>	<ul style="list-style-type: none"> <li>• TA financing of \$2.7 million as a grant by ADB's TA funding program</li> <li>• Government's in-kind contribution to TA</li> <li>• 35 person-months of international consulting services and 43 person-months of domestic for project preparation component, 28 person-months of international and 28 person-months of domestic for MPW capacity-building component, and 20 person-months of international and 24 person-months of domestic for MOT capacity-building component</li> </ul>

ADB = Asian Development Bank, KPU = Kabul Polytechnic University, MOT = Ministry of Transport, MPW = Ministry of Public Works, TA = technical assistance

## INITIAL POVERTY AND SOCIAL ANALYSIS

### A. Linkages to the Country Poverty Analysis

<b>Is the sector identified as a national priority in country poverty analysis?</b>	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No	<b>Is the sector identified as a national priority in country poverty partnership agreement?</b>	<input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No
<p><b>Contribution of the sector or subsector to reducing poverty in Afghanistan:</b>            Road infrastructure development will connect remote provinces in Afghanistan and also reduce travel distances and travel time. Improved connectivity will ease access to markets, schools, and health facilities; promote economic growth; and contribute to job creation, income generation for the poor households, rehabilitation of internally and internationally displaced people and ex-combatants, thus reducing the incidence of poverty in the project area. Capacity building for the Ministry of Public Works (MPW) and Ministry of Transport (MOT) will improve road management and encourage more frequent and affordable transport services, including higher-quality services for poor households.</p>			

### B. Poverty Analysis

**Targeting Classification:** General intervention

<p><b>What type of poverty analysis is needed?</b></p> <p>A poverty and social analysis will be carried out to identify (i) the socioeconomic profile of the population in the project area, (ii) the expected benefits and constraints and the ability of the poor and vulnerable groups to benefit from the project and, (iii) where appropriate, the needs of the poor for incorporation in TA planning, as well as minimize adverse impacts on the poor and provide compensation. This will be done through a review of existing studies on poverty and social analysis, focus group discussions, key informant interviews with primary and secondary stakeholders, and a sample socioeconomic survey of the project influence area.</p>
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### C. Participation Process

<p><b>Is there a stakeholder analysis?</b>      <input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p>The project design will be developed through primary and secondary stakeholder consultations. The primary stakeholders will include road users; local men and women living in the project area; affected people; and people provided the opportunity of working on road construction, with the contractor firms, and on road maintenance after project completion. Secondary stakeholders will include MPW officials and other local officers, Ministry of Land Assets and Agriculture, Ministry of Public Health, other funding agencies, and contractors working on ongoing projects. This will facilitate understanding of the needs and priorities of the various stakeholders with regard to road development, capacity-building issues, and community participation with regard to road construction and maintenance, with the aim of maximizing women's participation in the project. It will also help identify the benefits and risks associated with different socioeconomic groups and their capacity to use the improved road.</p> <p><b>Is there a participation strategy?</b>      <input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p>Based on stakeholder consultations, a participation strategy will be prepared for application during project preparation, planning, and implementation.</p>
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### D. Gender Development

<p><b>Strategy to maximize impacts on women:</b></p> <p>A gender analysis will be prepared to address both the opportunities presented by the project in terms of employment opportunities for women during construction (though not directly in road construction but with agencies linked with road construction activities) and the potential negative impacts, including human trafficking and the transmission of HIV/AIDS. The project will ensure that women and men have equal opportunity to participate in designing and implementing the project and receive similar wages for similar work.</p> <p><b>Has an output been prepared?</b>      <input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No</p>
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**E. Social Safeguards and Other Social Risks**

Item	Significant/ Not Significant/ None	Strategy to Address Issues	Plan Required
<b>Resettlement</b>	<input checked="" type="checkbox"/> Significant <input type="checkbox"/> Not significant <input type="checkbox"/> None	Most of the improvement will be carried out on existing government land, but narrow strips of land may be acquired, and there may be impact on structures.	<input checked="" type="checkbox"/> Full <input type="checkbox"/> Short <input type="checkbox"/> None
<b>Affordability</b>	<input type="checkbox"/> Significant <input type="checkbox"/> Not significant <input checked="" type="checkbox"/> None		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Labor</b>	<input type="checkbox"/> Significant <input type="checkbox"/> Not significant <input checked="" type="checkbox"/> None	The project will utilize labor-intensive methods, which will provide employment opportunities during the construction and maintenance phases of the project.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Indigenous Peoples</b>	<input type="checkbox"/> Significant <input checked="" type="checkbox"/> Not significant <input type="checkbox"/> None	TA will identify probable impacts on indigenous people and prepare an indigenous people's development plan or specific actions as required.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Other Risks and/or Vulnerabilities</b>	<input checked="" type="checkbox"/> Significant <input type="checkbox"/> Not significant <input type="checkbox"/> None	TA will consider social issues such as the transmission of HIV/AIDS, human trafficking, and road safety and prepare appropriate mitigation measures.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

TA = technical assistance.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Amount
<b>I. Asian Development Bank (ADB) Financing<sup>a</sup></b>	
<b>A. Project Preparation Component</b>	
1. Consultants	
a. Remuneration	
i. International Consultants	700.0
ii. Domestic Consultants	86.0
b. Travel	20.0
c. Reports and Communications	10.0
2. Equipment	
a. Vehicle (leasing of four vehicles including operating cost)	40.0
3. Surveys	20.0
4. Miscellaneous Administration and Support	5.0
5. Security Assurance	30.0
6. Contingencies	89.0
<b>Subtotal (A)</b>	<b>1,000.0</b>
<b>B. MPW Capacity Building Component</b>	
1. Consultants	
a. Remuneration	
i. International Consultants	560.0
ii. Domestic Consultants	56.0
b. Travel	17.0
c. Reports and Communications	10.0
2. Equipment	
a. Computer Equipment and Software <sup>b</sup>	50.0
b. Vehicle (leasing of two vehicles including operating cost)	30.0
3. Human Resources Development	
a. Overseas Training	30.0
b. Local Training	120.0
4. Miscellaneous Administration and Support	10.0
5. Security Assurance	30.0
6. Contingencies	87.0
<b>Subtotal (B)</b>	<b>1,000.0</b>

Item	Amount
<b>C. MOT Capacity Building Component</b>	
1. Consultants	
a. Remuneration	
i. International Consultants	400.0
ii. Domestic Consultants	48.0
b. Travel	12.0
c. Reports and Communications	5.0
2. Equipment	
a. Computer Equipment and Software <sup>b</sup>	30.0
b. Testing Equipment	40.0
c. Vehicle (leasing of two vehicles including operating cost)	18.0
3. Human Resources Development	50.0
4. Miscellaneous Administration and Support	5.0
5. Security Assurance	30.0
6. Contingencies	62.0
<b>Subtotal (C)</b>	700.0
<b>Subtotal (I)</b>	<b>2,700.0</b>
<b>II. Government Financing</b>	
1. Counterpart Staff	36.0
2. Office Space in Kabul	36.0
3. Office Equipment	15.0
4. Communications <sup>c</sup>	18.0
5. Contingencies	15.0
<b>Subtotal (II)</b>	<b>120.0</b>
<b>Total</b>	<b>2,820.0</b>

MOT = Ministry of Transport, MPW = Ministry of Public Works.

<sup>a</sup> Financed by ADB's technical assistance funding program.

<sup>b</sup> Computer equipment includes computer (desktop and laptop) and associated accessories and software.

<sup>c</sup> Including fixed-line phones and facsimile machine.

Source: ADB estimates.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

### A. Project Preparation Component

#### 1. Scope of Work

##### a. International Consultants

1. The feasibility study will prepare a series of network improvement projects for roads covering 500–1,000 kilometers (km) selected from the highest priority roads identified in the road master plan.

2. Six international consultants—a highway engineer (8 person-months), a materials engineer (6 person-months), a pavement engineer (6 person-months), a transport economist (5 person-months), a social development and resettlement specialist (5 person-months), and an environment specialist (5 person-months)—will be engaged to carry out the following tasks.

3. **Engineering and Implementation Arrangements Study.** For this study, the consultant will undertake the following tasks:

- (i) Review the priority roads recommended for rehabilitation by the road master plan and the methodology of their prioritization, and determine whether they should be candidates for selection as project roads.
- (ii) Develop selection criteria in consultation with the Ministry of Finance and Ministry of Public Works (MPW), including economic and social impacts, for selecting project roads to be included in the Asian Development Bank (ADB) project.
- (iii) Select project roads from the priority roads recommended by the road master plan on the basis of the selection criteria agreed in consultation with the Ministry of Finance, MPW, and ADB.
- (iv) Review available engineering data and studies on the project road, identify alternative designs and alignments, and conduct the necessary survey.
- (v) Review the existing traffic data and studies on the project area, if any. Plan and carry out necessary traffic counts and origin-destination and axle load surveys. Forecast demand for both passenger and freight traffic over a 20-year period.
- (vi) Develop a design standard for rehabilitation and improvement based on the traffic forecast and other considerations relevant to determining design standards.
- (vii) Assess the technical feasibility of the alternative designs and alignments. With input from the economic, social, and environmental studies, recommend a preferred alignment for further study.
- (viii) Conduct a detailed condition survey, and prepare a preliminary geometric for the proposed road design.
- (ix) Conduct a road safety audit of the preliminary design adhering to ADB's *Road Safety Audit for Road Projects: An Operational Tool Kit* or a similar procedure acceptable to ADB; identify road safety issues, impacts, and prioritization for treatment in subsequent stages of project implementation.
- (x) Investigate the availability and costs of local and imported construction materials.
- (xi) Estimate quantities and unit costs of the items of work required and prepare cost estimates, including foreign exchange and local components, separately identifying taxes and custom duties.
- (xii) Prepare procurement and implementation arrangements including contract packaging and a project implementation schedule, taking into account the

- geographic and socioeconomic conditions in the project area. Prepare terms of reference for consulting services required for the project implementation.
- (xiii) Identify institutional and financial requirements for maintaining the project road.
4. **Economic Analysis.** The economic analyst will undertake the following tasks:
- (i) Review available data and economic analyses of the project road. Estimate the costs of required construction and/or improvement works and maintenance for alternative road alignments.
  - (ii) Determine the financial and economic vehicle-operating costs for representative vehicle types.
  - (iii) Using economic internal rate of return and other economic indicators, conduct a preliminary economic assessment of alternative road alignments and a comparative evaluation of the alternatives.
  - (iv) For the road alignment chosen for further study, prepare an economic evaluation of the proposed improvements, adhering to ADB's *Guidelines for the Economic Analysis of Projects*.
  - (v) Estimate the expected distribution of net project benefits among freight transport users, passenger transport users, vehicle owners, labor, the Government, and the economy in general, including international trade.
  - (vi) Conduct a poverty impact assessment in accordance with ADB's *Handbook for Integrating Poverty Impact Assessment in the Economic Analysis of Projects*.
  - (vii) Conduct a quantitative risk analysis in accordance with ADB's *Handbook for Integrating Risk Analysis in the Economic Analysis of Projects*.
5. **Social Analysis.** For social analyst will undertake the following tasks:
- (i) Review existing studies on poverty and social analyses, conduct a sample socioeconomic survey of the project influence area, and prepare a poverty and social analysis report in accordance with ADB's *Guidelines for the Incorporation of Social Dimensions in Bank Operations*. Conduct a preliminary social impact assessment, including an assessment of possible land acquisition and relocation impacts for the road alignments identified in task (i) of the engineering and implementations arrangement study. Apply relevant screening checklists provided by ADB.
  - (ii) Liaise and work closely with the relevant Government agencies and other members of the project preparatory technical assistance (TA) consultant team to prepare the resettlement plan and a summary resettlement plan in accordance with ADB's policy on involuntary resettlement and operations manual Section F2 on involuntary resettlement. Identify gaps between ADB safeguard requirements and the relevant national laws and recommend project-specific policy measures and entitlements to bridge the gaps.
  - (iii) Identify permanent and temporary socioeconomic impacts resulting from land acquisition, changes in land use, or restrictions of access to assets and common property resources. Define categories of impact and the eligibility of affected people for compensation, and prepare an entitlement matrix covering compensation for all lost assets and income and assistance to achieve full replacement costs for lost assets, income, and livelihoods.
  - (iv) Conduct a socioeconomic survey of affected people, prepare an inventory of affected assets and livelihoods, and conduct censuses as necessary to meet ADB requirements. Quantify impacts on affected people and ensure that gender and resettlement issues are identified and addressed using ADB's *Gender and Resettlement Checklist* as a guide.

- (v) Document in the resettlement plan the extent to which the project design has avoided or minimized land acquisition and displacement of people and businesses. Identify potential impoverishment risks and vulnerable groups, including those experiencing major impacts through the loss of assets and those with low income, and develop mitigation measures.
- (vi) Together with the MPW as the Executing Agency, prepare and carry out a consultation plan and a format for documenting consultation with affected people, listing events, people consulted, documents disclosed and timing of disclosure in accordance with ADB's *Public Communications Policy (2005)* and summarizing the issues raised, agreed actions, and improvements resulting from the consultation. Assess stakeholders' concerns and consider possible changes in project design to minimize resettlement impacts. Help MPW to finalize, disclose, and get Government endorsement of the resettlement plan prior to submission to ADB for review and approval.
- (vii) Assess whether the compensation standards for all types of assets, crops, and trees are based on replacement value and discuss in detail the valuation methodology used. Ensure that the resettlement budget is sufficient to acquire the land and implement the resettlement plan. Review the organizational structure and capacity for implementing resettlement and recommend improvements required before the start of land acquisition. Help MPW prepare a detailed resettlement schedule linked to the overall project schedule. The plan will include provisions for internal monitoring and supervision and for periodic external monitoring and evaluation by an independent agency. If the resettlement plan is prepared based on the feasibility study or preliminary project design, it should have provisions for updating based on detailed design and for disclosing the updated resettlement plan to affected people prior to submitting it to ADB for review and approval.
- (viii) Based on the preliminary social impact assessment, identify probable impacts on indigenous people and prepare an indigenous people's development plan or specific actions, if required, in accordance with ADB's policy on indigenous peoples.
- (ix) Prepare a participation strategy to apply when preparing and implementing the Project. With the participation of primary and secondary stakeholders, identify their needs, priorities with regard to road development, capacity-building issues, and community participation with regard to road construction and maintenance with the aim of maximizing women's participation in the project. Identify population groups at risk due from the project and identify and analyze the reasons for their vulnerability, including their exposure to risks as described in ADB's *Handbook for Poverty and Social Analysis and Strengthening Participation for Development Results: A Staff Guide to Consultation and Participation*.
- (x) In coordination with the economic analysis, design a time-bound benefit monitoring and evaluation program, including appropriate monitoring indicators and baseline data, for assessing the project's benefits to local communities. Address economic and other social benefits, such as regional stability and integration with other parts of the country.

6. **Environmental Assessment.** The environmental assessor will undertake the following tasks:

- (i) Gather and review all available environmental studies and data related to the project area.

- (ii) Conduct a preliminary environmental impact assessment (EIA) for the road alignment identified in the engineering and implementation arrangement study.
- (iii) Conduct field surveys as necessary to produce a comprehensive environmental assessment of the project roads.
- (iv) Prepare an initial environmental examination (IEE), including an environmental management plan and its summary, in accordance with ADB's environmental assessment guidelines, 2003, and the Government's environmental guidelines, if any.
- (v) If the IEE recommends undertaking a full EIA, prepare terms of reference acceptable to ADB and the Government, conduct the EIA, and prepare the EIA report, including the environmental management plan and its summary in accordance with ADB's environmental impact assessment guidelines, 2003.

#### **b. Domestic Consultants**

7. Seven domestic consultants—four highway engineers (8 person-months for two and 6 person-months for two), a project analyst (5 person-months), a social development and resettlement specialist (5 person-months), and an environmental specialist (5 person-months)—will be engaged to carry out the following tasks:

- (i) Help the international consultants collect socioeconomic information in the project area and translate it into English as required.
- (ii) Assist the international consultants in designing research and survey tools for the traffic survey, axle load survey, hydrologic survey, pavement survey, socioeconomic survey, traffic growth modeling, benefit forecast modeling, cost estimation modeling, poverty impact assessment modeling, social impact assessment modeling, resettlement planning, and environmental impact assessment modeling, and translate them into Dari, if required. Conduct field surveys as instructed by the international consultants and compile and analyze the results.
- (iii) Liaise for the international consultants with MPW and other stakeholders such as affected people, nongovernment organizations, and local governments.
- (iv) Carry out additional tasks as requested by the international consultants.

#### **2. Reports**

8. TA consultants will prepare the following reports and documents for the Government and ADB and will submit 5 copies. For ADB (and where appropriate to the nature of the report or document) the consultants may use electronic transmission, in which case the multiple copy requirement will not apply. All reports will be in English.

- (i) The inception report, to be submitted within 1 month of the start of services, should outline any changes in the approach, methodology, or work plan, as well as cost implications for the consultants' services (contained in the consultants' proposal) that are required to fulfill the terms of reference.
- (ii) The interim report, to be submitted within 3 months of the start of services, should include preliminary study results for the project road.
- (iii) The draft final report, to be submitted within 6 months of the start of the services, should include final study results for the project road together with reports on safeguard issues to be used for subsequent loan preparation.
- (iv) The final report is to be submitted within 1 month of receipt of comments from the Government and ADB.

## B. MPW Capacity-Building Component

### 1. Scope of Work

#### a. International Consultants

9. A project management specialist and a procurement specialist will be engaged for 12 person-months each, and a land acquisition and resettlement specialist and an environmental specialist will be engaged for 2 person-months each, to carry out the following tasks:

- (i) Collect and review information and data related to past and ongoing capacity-building efforts, particularly for project management and procurement.
- (ii) Conduct a baseline survey and collect baseline performance indicators presented in the technical assistance framework.
- (iii) Analyze the existing skills in MPW for project management and procurement, including social, resettlement, and environment impact assessment; forecast the demand for these skills in the short, medium, and long term; identify skills gaps to be filled; and develop a plan to fill skills gaps in the short, medium, and long term.
- (iv) Identify an appropriate staff strength and skills mix for the project management and procurement unit under MPW to meet the workload in the short and medium term and develop job descriptions for staff.
- (v) Review curricula in the road construction department of Kabul Polytechnic University (KPU); assess their adequacy to teach skills for project management and procurement, including social, resettlement, and environmental impact assessment needs, to fill identified skills gaps in the medium and long term; and identify additional curricula to teach the necessary skills to meet demand in the medium and long term.
- (vi) Develop curricula synopses for identified additional curricula needs in coordination with faculty members of the road construction department of KPU.
- (vii) Review training courses currently provided through the MPW retraining scheme, assess their adequacy to teach skills for project management and procurement, including social, resettlement, and environmental impact assessment needs, to fill identified skills gaps in the short, medium, and long term; and modify them in such a way as to teach the skills necessary to meet demand in the short, medium, and long term.
- (viii) Develop training manuals for newly identified training courses for project management and procurement in coordination with faculty members of the road construction department of KPU, and identify and procure necessary training materials.
- (ix) Arrange lecturers for newly identified training courses in consultation with faculty members of the road construction department of KPU.
- (x) Take inventory of computer facilities in the project management and procurement unit, assess computer equipment needs for the project management and procurement unit to properly carry out its function, and develop a plan for procuring computer equipment in the short, medium, and long term.
- (xi) Prepare specifications of computer equipment to be procured in the short term for the project management and procurement unit and procure the equipment according to ADB's *Guidelines for Procurement*.
- (xii) Conduct training sessions to allow the project management and procurement unit to properly use the computers.
- (xiii) Arrange overseas training programs for project management and procurement, including social, resettlement, and environment impact assessment, in

- consultation with faculty members in the road construction department of KPU, and select candidates from among the faculty and MPW staff in the project management and procurement unit.
- (xiv) Design a monitoring and evaluation tool for an overseas training program and overseas trainees, monitor the overseas training of each trainee, and evaluate the overseas training program and the performance of each trainee.
  - (xv) Prepare a plan for local training through the MPW retraining scheme for project management and procurement, including social, resettlement, and environment impact assessment, which will cover all MPW engineers and selected engineers from the local construction industry; intensive courses will be provided for MPW staff of the project management and procurement unit.
  - (xvi) Design a monitoring and evaluation tool for local training courses, lecturers, and trainees; monitor the proceedings of training courses; and evaluate training courses and the performance of lecturers and trainees.
  - (xvii) Develop a secondment program for MPW staff to be assigned to local construction companies for agreed periods of time in consultation with representatives from local construction industry, prepare detailed job descriptions for seconded MPW staff, and select candidates particularly from the project management and procurement unit.
  - (xviii) Design a monitoring and evaluation tool for the secondment program and secondees, monitor the proceedings of the program, and evaluate the program and the performance of secondees.
  - (xix) Develop operation manuals for project management and procurement, including standard bidding documents, and handbooks for environment impact assessment to be used throughout MPW.
  - (xx) Develop a handbook on land acquisition and resettlement for road sector projects covering aspects of resettlement planning and implementation in compliance with ADB's policy on involuntary resettlement (1995).
  - (xxi) Review constitutional provisions, the existing national legal framework, and Government orders to identify the gaps between the ADB and Government policy and recommend measures to bridge them.
  - (xxii) Review ongoing road projects to understand the probable socioeconomic impacts (temporary and permanent) on affected people, displacement and gender impacts, and impacts on vulnerable groups resulting from land acquisition and resettlement. Define the impact categories, eligibility, and recommended mitigation measures.
  - (xxiii) Review the country's land acquisition process, land records system, fund-flow system, and implementation constraints and suggest how these issues can be handled during resettlement planning and implementation.
  - (xxiv) Prepare sample questionnaires for the census and socioeconomic survey, consultation checklists, and recording formats for different stakeholders and resettlement monitoring and evaluation formats, and also indicate the resource and budgetary requirements.
  - (xxv) Prepare training modules detailing the steps for (a) preparing the resettlement plan and disclosure requirements, (b) resettlement implementation and consultation with affected people, (c) a detailed measurement survey and affected people database management, (d) resettlement monitoring, (e) grievance resolution mechanisms, (f) a methodology of replacement value assessment, (g) a fund-flow mechanism and disbursement arrangements, and (h) evaluation of resettlement implementation.

- (xxvi) Conduct classroom and field-based training workshops for MPW, the Ministry of Land Assets and Agriculture, and other relevant departments; train a group of officials who are and/or will be involved in project implementation.
- (xxvii) Act as advisors embedded in the project management and procurement unit in MPW and provide guidance for day-to-day operations of the unit, as well as on-the-job training for its staff.
- (xxviii) Prepare detailed terms of reference for domestic consultants as needed and find suitable candidates to engage.
- (xxix) Carry out additional tasks as requested by ADB staff.

## **b. Domestic Consultants**

10. A project management specialist and a procurement specialist will be engaged for 12 person-months each, and a land acquisition and resettlement specialist and an environment specialist will be engaged for 2 person-months each, to carry out the following tasks:

- a. Help the international consultants to collect information and translate it into English as required.
- b. Assist the international consultants in developing curricula synopses, training manuals, and operation manuals and translate them, as necessary, into Dari.
- c. Assist the international consultants in designing research and survey tools, equipment and facility inventories, and various monitoring and evaluation tools, and translate them into Dari, if required; conduct field surveys, research, inventorying, and monitoring and evaluation work as instructed by the international consultants, and compile and analyze the results.
- d. Liaise for the international consultants with the Government, the road construction department of KPU, and the local construction industry.
- e. Carry out additional tasks as requested by the international consultants.

## **2. Reports**

11. The following reports, all in the English language, will be submitted by the consultants to the Government and ADB. The final report will also be submitted in CD ROM.

- (i) The inception report, to be submitted within 1 month of the start of the services, should outline any changes in the approach, methodology, or work plan, as well as cost implications for the consultants' services (contained in the consultants' proposal) that are required to fulfill the terms of reference.
- (ii) Monthly progress reports, to be submitted within the first 2 weeks of the following month, should show the progress of all initiatives undertaken by TA, actions taken, and consultants' monitoring and evaluation.
- (iii) Curricula synopses for the road construction department of KPU; training manuals for MPW retraining scheme; and operation manuals and handbooks for MPW staff in project management and procurement, including social, resettlement, and environmental impact assessment, to be submitted within 3 months of the start of services
- (iv) An evaluation of the overseas training program and local training courses, to be submitted within 2 weeks after completion of all training programs and courses, should summarize the inputs, outputs, and outcomes of all training programs and courses.
- (v) The draft final TA evaluation, to be submitted by TA completion, should list all activities undertaken under TA, including the training and secondment program

and curricula and all manuals, and evaluate their impact on capacity strengthening in MPW.

- (vi) The final TA evaluation is to be submitted within 1 month of receipt of comments from the Government and ADB

## **C. MOT Capacity-Building Component**

### **1. Scope of Work**

#### **a. International Consultants**

12. Two international consultants—a road transport service specialist and a road safety specialist—will be engaged for 10 person-months each to carry out the following tasks:

- (i) Collect and review information and data related to past and ongoing capacity-building efforts in MOT, particularly for MOT restructuring and establishing a regulatory framework for licensing operators; refusing, suspending, and revoking licenses; license fees; appeals procedures; planning routes and terminals; control of terminals; monitoring services; reporting offences; enforcing license regulations; penalty provision; and a system to monitor the payment of fines.
- (ii) Conduct a baseline survey and collect baseline performance indicators presented in the technical assistance framework.
- (iii) Review policies related to road transport services.
- (iv) Analyze the structure and operational performance of the freight and passenger transport industries with due consideration to the types of ownership, size of companies, types of licenses, vehicle fleets, types and quality of services offered, load factors, vehicles utilization, financial positions, and safety features.
- (v) Examine (a) the average ratio of trucks per operator, indicating the ownership structure of the industry; (b) the proportion of traffic carried by own-account trucking, indicating important characteristics of the industry and the way it might be regulated; (c) the extent of specialization in trucking, indicating how developed transport businesses and services are; (d) logistics systems; and (e) the provision of cargo insurance.
- (vi) Examine the performance of passenger service providers, taking into account (a) passenger travel times, (b) the predictability of departure and arrival times, (c) the frequency of bus breakdowns, (d) passenger facilities at bus stations, (e) the availability of timetables for bus services, (f) the availability of passenger choice over type of service and operators, (g) the availability of private sector bus operators on route services, and (h) the availability of bus stations along highways.
- (vii) Conduct (a) roadside counts and interviews to obtain information about the characteristics of supply and demand; (b) interviews of transport operators, consignors, and freight forwarders to glean information about customer service and charges; (c) an analysis of operating records showing revenue and expenditure with supporting statistics like vehicle-kilometers operated and fuel consumed; and (d) interviews of informal operators to identify important issues and concerns of transport operators.
- (viii) Define the objectives and responsibilities for policymaking, regulation, and service provision; the roles of the Government and private sector in road transport services; and the bases for road transport service regulations to promote the efficient use of roads and vehicle fleets. The policy framework will endorse the primary role of market forces in determining price and service levels,

- with the role of the Government limited to ensuring that competitive conditions prevail and that safety and environmental considerations are met.
- (ix) Assess the current regulatory framework and identify key features that are not consistent with the regulatory objectives.
  - (x) Develop sets of regulatory frameworks for road transport services and road safety to be adopted through 2–3 phases in accordance with human resources, technical skills, and physical facilities available, or to be made available, for each phase. The scope of regulation will cover the (a) definition of the road transport system, (b) goals and objectives of the regulations, (c) role of various levels of government, (d) scope of the road transport development tasks and the role of central and local regulatory agencies, (e) development of effective trucking and bus transport industries, and (f) coordination needed among the government ministries and departments concerned.
  - (xi) Develop sets of draft laws, acts, and decrees necessary to put in practice the regulatory frameworks and that can accommodate the migration of regulatory frameworks over phases.
  - (xii) Carry out detailed staffing and workload analyses to help MOT to carry out its regulatory functions for road transport services and road safety (particularly regarding business licensing and renewal; route permits; fare control; vehicle design and specifications including vehicle weight, emissions, registration, and inspection; driver testing and licensing; and driver training), identify personnel positions required to implement the regulations for each phase, and prepare a job description for each position.
  - (xiii) Develop sets of restructuring plans for MOT, based on the phased regulatory frameworks and staffing and workload analyses, for phased implementation.
  - (xiv) Inventory existing equipment and facilities for road transport services and road safety regulation, assess requirements for new equipment and facilities to implement the regulations applicable in each phase, and prepare sets of investment plans for equipment and facilities, together with estimated costs.
  - (xv) Develop sets of human resources development plans applicable to each phase, taking into account existing and required skills to implement the regulations, particularly for operator licensing; refusing, suspending, and revoking licenses; license fees; appeals procedures; planning routes and terminals; control of terminals; monitoring services; reporting offences; enforcing license regulations; penalty provision; and a system to monitor the payment of fines.
  - (xvi) Develop and conduct MOT personnel training programs that focus on capacity strengthening of MOT staff in the areas of operator licensing; refusing, suspending, and revoking licenses; license fees; appeals procedures; planning routes and terminals; control of terminals; monitoring services; reporting offences; enforcing license regulations; penalty provision; and a system to monitor the payment of fines, and prepare an evaluation report for training programs conducted externally or internally.
  - (xvii) Develop sets of work manuals for road transport services regulation—particularly for operator licensing; refusing, suspending, and revoking licenses; license fees; appeals procedures; planning routes and terminals; control of terminals; monitoring services; reporting offences; enforcing license regulations; penalty provision; and a system to monitor the payment of fines—to guide MOT staff in each phase. These manuals will be used in internal training programs.
  - (xviii) Develop action plans applicable to each phase that spell out necessary action to be undertaken by MOT to adopt the regulatory framework and implement the regulations—particularly for operator licensing; refusing, suspending, and

- revoking licenses; license fees; appeals procedures; planning routes and terminals; control of terminals; monitoring services; reporting offences; enforcing license regulations; penalty provisions; and a system to monitor the payment of fines—as planned after the consultants complete their assignments and depart.
- (xix) Act as an advisor to MOT to provide guidance for day-to-day road transport services and road safety regulation issues and on-the-job-training for MOT staff.
  - (xx) Refine the terms of reference for domestic consultants as necessary and find suitable candidates.

## **b. Domestic Consultants**

13. Three domestic consultants—a road transport service specialist (10 person-months), a road safety specialist (10 person-months), and a legal specialist (4 person-months)—will be engaged to carry out the following tasks:

- (i) Help the international consultants collect information and translate it into English as required.
- (ii) Assist the international consultants in developing draft laws, acts, and decrees, operation manuals for regulatory functions, and training manuals, and translate them, as necessary, into Dari.
- (iii) Assist the international consultants in designing research and survey tools, equipment and facility inventories, and various monitoring and evaluation tools, and translate them into Dari, if required; conduct field surveys, research, inventorying, and monitoring and evaluation work as instructed by the international consultants; and compile and analyze the results.
- (iv) Liaise with the Government for the international consultants.
- (v) Carry out additional tasks as requested by the international consultants.

## **2. Reports**

14. The following reports will be submitted, in English for (i), (ii), (iv), and (v) and both English and Dari for (iii), will be submitted by the consultants to the Government and ADB. The final report will also be submitted by CD ROM.

- (i) The inception report, to be submitted within 1 month of the start of services, should outline any changes in the approach, methodology, or work plan, as well as cost implications for the consultants' services (contained in the consultants' proposal) that are required to fulfill the terms of reference.
- (ii) Monthly progress reports, to be submitted within the first 2 weeks of the following month, should show the progress of all initiatives undertaken by TA, actions taken, and consultants' monitoring and evaluation.
- (iii) A MOT restructuring plan, including detailed action plans, draft laws, acts, and decrees that support recommended regulatory frameworks; operation manuals for road transport service and road safety regulation; and training manuals to be used for training programs, to be completed within 4 months of the start of services.
- (iv) An evaluation of internal and external training programs and courses for training MOT staff, to be submitted within 2 weeks after the completion of all training programs and courses, should summarize the inputs, outputs, and outcomes of all training programs and courses.
- (v) The draft final TA evaluation, to be submitted by TA completion, should list all activities undertaken under TA and evaluate their impact on capacity

strengthening in MOT. The draft TA evaluation will be discussed in a workshop to be attended by all stakeholders before submission.

- (vi) The final TA evaluation is to be submitted within 1 month of receipt of comments from the Government and ADB.