



Technical Assistance Report

Project Number: 37183
November 2005

Technical Assistance The Republic of the Fiji Islands: Private Sector Development Roadmaps

CURRENCY EQUIVALENTS

(as of 14 November 2005)

Currency Unit	–	Fiji dollar (F\$)
F\$1.00	=	\$0.5838
\$1.00	=	F\$1.7128

ABBREVIATIONS

ADB	–	Asian Development Bank
FIAS	–	Foreign Investment Advisory Services
GDP	–	gross domestic product
PSA	–	private sector assessment
PSD	–	private sector development
SDP	–	Strategic Development Plan
SOE	–	state-owned enterprise
TA	–	technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sector	–	Law, economic management, and public policy
Subsector	–	Economic management
Themes	–	Private sector development, sustainable economic growth
Subthemes	–	Policy/institutional/legal/regulatory reforms, promoting economic efficiency, and enabling markets

NOTE

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

Vice President	J. Eichenberger, Operations 2
Director General	P. Erquiaga, Pacific Department
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I. INTRODUCTION

1. The Government of the Fiji Islands recognizes that economic diversification and an improved business environment are required to address the country's economic challenges, including post-coup recovery and structural changes. The Government has, therefore, committed to implementing private-sector-friendly policies and structural reforms, as reflected in the Government's medium-term Strategic Development Plan (SDP) 2003–2005 and reiterated in the 2005 and 2006 budget statements.

2. In response, the Asian Development Bank (ADB) initiated in 2004 the preparation of a private sector assessment (PSA) for the Fiji Islands¹ with a view toward (i) identifying and assessing the major issues impeding private sector growth; (ii) stimulating discussion on these issues and commensurate solutions among government officials, the private sector, and the general public; (iii) providing a broad reform framework as a basis for relevant government policies, strategies, and decision making; and (iv) informing ADB's country assistance strategy and program. The PSA emphasizes the central role of the private sector in promoting the rapid economic growth that the Fiji Islands needs in order to create employment and prosperity. It recognizes recent government initiatives as important first steps in reforming the business environment. It suggests ways in which this momentum can be sustained and further progress assured. It points out several factors that could promote enterprise, investment, and economic growth.

3. A series of extensive consultations on the draft PSA² led to presentations of the final PSA to senior government leaders, including the Prime Minister and the Minister of Finance, the Cabinet Subcommittee for Investment, a development subcommittee comprising all Government Chief Executive Officers, and other senior government officials. The Government endorsed the main thrust of the PSA and requested that ADB assist further by formulating detailed, prioritized, and sequenced private sector development (PSD) reform roadmaps and action plans to help translate the priority reform areas identified by the PSA into reform action. The proposed technical assistance (TA) will support the Government in achieving this goal.

4. The TA design was agreed upon with the Government in October 2005. The Government agrees with the proposed project framework, implementation arrangements, costs and financing arrangements, and outline terms of reference. The TA framework is in Appendix 1.³

II. ISSUES

5. Political and economic uncertainties in the Fiji Islands have created an environment of minimal business confidence. The economy is growing too slowly to generate jobs and reduce poverty. Annual economic growth rates have averaged 2.3%. Investment has hovered around 12% of gross domestic product (GDP) over the past 20 years. The Fiji Islands' exceptionally high economic growth rate of 9.2% in 1999 was reversed by political uncertainty associated with

¹ ADB. 2005. *Private Sector Assessment for Fiji Islands: Promise Unfulfilled*. Manila/Sydney (Consultant report; July).

² ADB missions visited Suva, the Fiji Islands, in October 2004, March 2005, April 2005, and June 2005 for fact-finding and comprehensive consultations on the PSA findings and recommendations, options to translate the recommendations into reform action, and broader PSD policy dialogue with government, private sector, donors, academe, and the general public. The PSD consultations were closely linked to the process leading to the formulation of ADB's country strategy and program for the Fiji Islands.

³ The TA first appeared in *ADB Business Opportunities* (internet edition) on 12 August 2005.

the 2000 coup d'état, which resulted in GDP contracting 2.8%. While aggregate growth has picked up since then, driven especially by tourism and construction, current projections forecast declining growth for the coming years. Total investment in the country is currently around 16% of GDP (with private investment accounting for just over 4% of GDP), well below the Government's target investment rate of 25%. In addition, the Fiji Islands is going through a difficult phase of structural change, with sugar and garments—two major, labor intensive industries—facing eroding tariff preferences. This is likely to result in major job losses and exacerbate the trends of rapid urbanization and increasing poverty. Infrastructure is generally poor, while services like telecommunications, port handling, and air transportation are expensive. This undermines the Fiji islands' competitive position and distances the country even further from international markets. The legal and financial systems are costly to access and use, and nominal tax rates on companies are high, especially in light of the low quality of basic services delivered. The regulatory system is burdensome and lacks a compensating public policy objective. As a result, the cost and time involved in starting up, operating, and closing down business is substantial. Rural entrepreneurs suffer disproportionately from this distorted, costly operating environment.

6. The Government's Medium Term Strategic Development Plan 2003–2005⁴ provides a political and social foundation for sustained economic development and poverty reduction. It includes 12 strategic priorities, five of which are orientated toward rebuilding confidence in the economy, including maintaining macroeconomic stability, raising investment levels, reforming the public sector to reduce the cost of doing business; developing rural and outer-island areas; and promoting competition and efficiency through structural reforms. The mid-term review of the SDP, published in November 2004,⁵ recognized that despite improvements in economic growth and private sector investment since 2000, substantial reform measures are still required in (i) the public sector (especially in the areas of financial management, increased public–private partnerships, and the privatization and corporatization of state-owned enterprises); and (ii) the private sector (especially in the area of improved private sector productivity through reduction in business transactions costs and distortions). The successor SDP, likely to be released after the general elections in the second half of 2006, is expected to largely preserve the structure and approach of the original SDP, albeit with the adoption of a number of new initiatives. However, the Government's policy focus on PSD has, by and large, not been matched by the necessary reform measures. This has partly been due to stretched Government capacity in the analysis of underlying issues, and partly due to the Government's limited experience with PSD reform.

7. ADB's PSA aims to start filling that gap. Based on a survey of businesses in the Fiji Islands, and a review of the existing private sector environment, it recommends the following priorities for PSD in the Fiji Islands:⁶ (i) improve access to finance and further develop the domestic financial market;⁷ (ii) accelerate state-owned-enterprise reform; (iii) enhance infrastructure service provision through public–private partnerships; (iv) modernize the commercial legal and regulatory framework (on the basis of a recent diagnostic report⁸ on

⁴ Government of the Fiji Islands, 2002, *Rebuilding Confidence for Stability and Growth for a Peaceful, Prosperous Fiji*, Strategic Development Plan 2003–2005, Parliamentary Paper No. 72 of 2002, November.

⁵ National Planning Office, 2004, *Strategic Development Plan 2003–2005: Mid-Term Review*, Ministry of Finance and National Planning, November. Material in the Government's strategy is drawn from the original SDP for 2003–2005 and the midterm review.

⁶ The full report is available on ADB's website (<http://www.adb.org/documents/Reports/PSA/FIJ/default.asp>).

⁷ ADB is conducting a diagnostic study of the collateral system in the Fiji Islands (under regional TA No. 6202-REG).

⁸ ADB. 2005. *Fiji Islands: Reforming Commercial Law to Advance Private Sector Development*. Consultant report prepared under TA No. 6162-REG for Improving the Legal Business Environment in the Pacific Region, approved in 2003. Manila.

priorities for reforming the legal business environment); (v) address property rights issues, including the simplification of procedures to unlock land for productive and economic uses within a traditional landownership framework; and (vi) improve the tax and incentive system.

8. Although initial steps toward reform in some areas have been taken,⁹ these are not being implemented as part of a comprehensive framework directed at improving the business environment. Achieving sustained growth in the longer term will necessitate some fundamental changes in the institutions supporting the Fiji Islands' business environment. Developing and managing the reform agenda poses a key challenge. Central to this is building understanding of the underlying issues, while engendering confidence in and ownership of the necessary reform activities, among politicians, key government decision makers, the larger bureaucracy, and private sector-support institutions (such as chambers of commerce). The Fiji Islands' reform champions, scattered through all levels of the government, private sector, and wider society, need to be identified and consulted. At the same time, public awareness and understanding of economic reform issues needs to be enhanced to underpin public support of the reform process.

9. The TA will provide more in-depth expert analysis in the PSA reform priority areas, and support the Government in formulating and packaging reform roadmaps for private sector development in a participatory fashion. This assistance will be catalytic in initiating a comprehensive reform process, for which there is currently strong momentum. ADB is well positioned to act as an "honest" broker by providing expert advice and helping promote vital dialogue, cooperation, and coordination between the public and private sectors, as well as among interested development partners. For its part, the Government has reiterated its commitment to managing the reform process in a participatory and consultative fashion. It will establish new or use existing implementation mechanisms, such as reform steering committee(s), to drive the reform design and implementation process, with a view toward minimizing the risks of political interference, bureaucratic inertia, and reform "cynicism" on the part of the private sector and civil society.

10. The proposed TA directly supports implementation of the SDP in its strategic priority areas, focusing on private-sector-led economic growth. It is fully consistent with ADB's private sector development strategy¹⁰ and ADB's Pacific Strategy 2005–2009,¹¹ which emphasizes PSD as a key development pillar for the Pacific Islands. The TA directly supports ADB's country assistance strategy for the Fiji Islands, which seeks to address private sector issues and constraints. The TA will support ADB's ongoing and planned PSD-related activities in the Fiji Islands by ensuring that linkages of respective activities are effectively drawn. Donor cooperation, coordination, and harmonization will be proactively promoted.

⁹ For instance, ADB supported in 2005 the drafting of policy and legal frameworks for public–private partnerships. Moreover, ADB provided in early 2005 a diagnostic of the broader legal business environment, and is currently examining problems and solutions concerning the use of collateral to improve access to finance. The Ministry of Commerce, Business Development and Investment, with support from Foreign Investment Advisory Services (FIAS), has effected amendments to the Foreign Investment Act that move away from regulating the entry of foreign investment into the country, and move toward a position of simple registration. This has implications for the Fiji Islands Trade & Investment Bureau (FTIB), whose focus becomes investment promotion instead of screening and approvals. The Ministry of Commerce, Business Development and Investment is also developing an investment promotion strategy and is reviewing the investment regulatory processes. With support from FIAS, the Ministries and Justice and Commerce have jointly reviewed the system of company registration. A public–private regulatory reform task force, chaired by the Ministry of Commerce, Business Development and Investment, is guiding these activities with continued FIAS support.

¹⁰ ADB. 2000. *Private Sector Development Strategy*. Manila.

¹¹ ADB. 2004. *Pacific Strategy 2005–2009*. Manila.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

11. The expected impact of the TA will be increased private sector activity. Toward this end, the outcome of the TA will be approaches focusing on an improved, more enabling business environment. While the TA's impact will depend largely on how closely the Government implements the reform roadmaps, the TA is expected to contribute to improved access to finance, reform of state-owned enterprises, and reform of the legal business environment—essential ingredients of an enabling business environment that promotes enterprise, investment, and economic growth.

B. Methodology and Key Activities

12. The TA's major output will be private sector development reform roadmaps in the areas of financial market development, state-owned-enterprise reform, and the legal business framework. These roadmaps will directly link to the SDP. Expanding on the analysis of the PSA and supplementary diagnostic reports, the reform roadmaps will provide further in-depth analysis of the priority issues, and incorporate detailed reform action plans and implementation mechanisms, including monitorable performance indicators. Seminars and workshops on the larger PSD reform agenda and specific reform priority issues will be held to strengthen the reform momentum.

13. The TA is designed to link both upstream and downstream components, through diagnosis, policy dialogue, and communication. The TA will focus on upstream work, through analysis of, and roadmaps on, priority areas identified in the PSA, and the linkage to the SDP. A government-driven participatory and consultative approach will be applied, including policy dialogue with government and private sector organizations and stakeholders, and consultations and seminars on PSD issues and solutions. High-level seminars (and possibly retreats) with key stakeholders will be facilitated to ensure understanding of issues, options for solutions, and reform ownership. TA findings will be disseminated in various formats, including policy notes and media releases. On-the-job training will be provided at both line and coordinating ministries to build capacity in the analysis of PSD issues, formulation and prioritization of PSD strategies, and design of implementation mechanisms.

14. The PSA will provide the conceptual and analytical basis for TA approaches and activities. Current diagnostic work undertaken by ADB in the areas of legal reform and collateral reform will form an integral part of, and be further promoted by, the TA. The TA will provide expert advice in the larger PSA themes of state-owned-enterprise reform, financial sector development, and business law and property rights, as well as other areas closely linked to these themes. The TA will provide some degree of flexibility, with a view to allow responding to reform opportunities as they arise. The TA will cooperate closely with other development partners, including Foreign Investment Advisory Services (on administrative barriers and investment incentives), and Pacific Financial Technical Assistance Center (on tax and incentive systems). The TA will link directly to ADB's country strategy and program for the Fiji Islands by taking into account ongoing or recent projects, and by feeding into—thereby leveraging—initiatives in the pipeline.

C. Cost and Financing

15. The total cost of the TA is estimated at \$430,000 equivalent, comprising \$258,000 in foreign exchange and \$172,000 equivalent in local currency. ADB will provide \$258,000 equivalent to finance the entire foreign exchange cost and \$42,000 equivalent of the local currency cost. The TA will be financed on a grant basis by ADB's TA funding program. The Government of the Fiji Islands will finance the remaining \$130,000 equivalent of the local currency costs for counterpart staff salaries, office accommodation and transportation, support services, and seminars and workshops, as required. Detailed cost estimates and the financing plan are in Appendix 2.

D. Implementation Arrangements

16. The Ministry of Finance and National Planning will be the Executing Agency. The chief executive officer will provide overall guidance in TA implementation, in close cooperation with counterparts from the Ministry of Commerce, Business Development and Investment, the Ministry of Public Enterprise and Public Sector Reform, and other relevant ministries and agencies. The Executive Agency will proactively establish linkages between the TA and existing government and public-private task forces and committees relevant to private sector reform including, but not necessarily limited to, the Cabinet Subcommittee for Investment, the Development Subcommittee, the Prime Minister's Private Sector Think Tank, and the public-private regulatory reform task force.

17. The Executing Agency will secure good communications, cooperation, and coordination of inputs with relevant government ministries and agencies, thereby ensuring a consultative process and effectively making use of the ADB experts in the field. The objective is to encourage policy dialogue and open discussion with high-level government decision makers, politicians, and private sector participants. The Executing Agency is also expected to provide an overview of linkages to reform implementation plans underway, as well as to relevant government policy, strategy, and decision-making processes.

18. The TA will require 10 person-months of international and 3 person-months of domestic consulting services. Expertise will be required in the areas of state-owned-enterprise reform and public-private partnerships, financial-sector development, and business law and property rights. Consultants will be selected and engaged on an individual basis in accordance with ADB's *Guidelines on the Use of Consultants*. The outline terms of reference for consulting services are in Appendix 3.

19. The TA will begin in February 2006 and will be implemented over 24 months until January 2008, with intermittent inputs from the consultants. Consultants will be required to report to the Executing Agency, the line ministry concerned, and ADB, in line with specific reporting requirements to be specified for each consultant assignment in the detailed terms of reference.

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 \$300,000 on a grant basis to the Government of Fiji Islands for Private Sector Development Roadmaps, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Increased private sector activity.</p>	<p>Increased private sector share of GDP.</p> <p>Increased private sector investment rate.</p>	<p>Government statistics, Central Bank reports, ADB economic reports and updates.</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Government ownership of the PSD reform process can be achieved. • Support for proposed reform by private sector, unions, and other key stakeholders. • Government resources for reform implementation, supplemented by donor support, can be mobilized. <p>Risks</p> <ul style="list-style-type: none"> • Political stability. • Continued Government reform commitment on the political and ministry levels.
<p>Outcome</p> <p>Focused reform approaches for an improved, more enabling business environment, with emphasis on access to finance, state-owned-enterprise reform, and the legal business environment.</p>	<p>At least four Government PSD reform initiatives in key PSD areas underway by mid-2007.</p>	<p>Government reports and economic strategy documents; ADB country strategy and program updates; PSA updates; ADB review missions.</p>	<p>Assumption</p> <ul style="list-style-type: none"> • Government's commitment to, and approval and ownership of, high quality PSD reform roadmaps can be achieved. <p>Risk</p> <ul style="list-style-type: none"> • Senior government officials distracted by forthcoming general elections.
<p>Outputs</p> <p>1. Sound and action-oriented roadmaps in priority areas that are supported by key stakeholders from the Government and private sector.</p>	<p>At least four thematic or sector-specific PSD roadmaps, frameworks, or action plans in the PSA priority areas endorsed by Government by early 2007.</p>	<p>Consultant reports; ADB and government communications.</p>	<p>Assumption</p> <ul style="list-style-type: none"> • Government officials and other key stakeholders remain committed to the process and cooperate with TA activities accordingly; no reform fatigue.

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>2. Consultations, seminars, and workshops with key reform stakeholders on specific PSD reform issues and the larger PSD agenda.</p> <p>3. Increased awareness and understanding of PSD issues among the private sector, the general public, and key government decision makers.</p>	<p>Series of consultations, seminars, and workshops held throughout TA implementation.</p> <p>Public discussion on economic and legal-reform issues elevated; change in reform views and attitudes of relevant government decision makers and bureaucrats.</p>	<p>Government reports, ADB country strategy and program updates.</p> <p>Consultant reports; media reports; ADB review mission survey of views of government officials and private sector.</p>	
<p>Activities with Milestones</p> <p>1.1 Analytical work, preparation of issues papers, and development of action-oriented PSD reform roadmaps that incorporate options for sequencing, timing, and implementation mechanisms and responsibilities.</p> <p>1.2 Conduct policy dialogue on international good practices in each of the reform focus areas addressed.</p> <p>2.1 Consultations and workshops with, and presentations to, key stakeholders in government and private sector. Identify reform champions</p> <p>2.2 Build local capacity to follow through on PSD issues, and support coordination mechanisms between public and private sectors.</p> <p>3. PSD awareness raising and improving of understanding of PSD issues and strategic and tactical solutions for the bureaucracy at large, private sector organizations and operators, development partners, and the general public through public seminars, consultations and presentations, media exposure, and the publication of the issues papers in the form of PSD policy notes.</p>			<p>Inputs</p> <ul style="list-style-type: none"> • ADB: \$300,000 • Government: \$130,000 • Consulting services (10 person-months international, 3 person-months domestic)

ADB = Asian Development Bank, GDP = gross domestic product, PSD = private sector development, PSA = private sector assessment, TA = technical assistance.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank Financing^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	200.0	0.0	200.0
ii. Domestic Consultants	0.0	17.0	17.0
b. International and Local Travel	43.0	3.0	46.0
c. Reports and Communications	4.0	0.0	4.0
2. Miscellaneous Administration and Support Costs	1.0	2.0	3.0
3. Seminars and workshops	0.0	10.0	10.0
4. Contingencies	10.0	10.0	20.0
Subtotal (A)	258.0	42.0	300.0
B. Government Financing			
1. Office Accommodation and Transport	0.0	20.0	20.0
2. Remuneration and Per Diem of Counterpart Staff	0.0	60.0	60.0
3. Workshops and Seminars	0.0	20.0	20.0
4. Others	0.0	30.0	30.0
Subtotal (B)	0.0	130.0	130.0
Total	258.0	172.0	430.0

^a Financed by the Asian Development Bank's technical assistance funding program.
Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. International Consultants (10 person-months total)

1. Private sector development (PSD) experts will be recruited on an individual basis to produce sectoral or thematic issues papers and implementation plans (roadmaps) for PSD reform priority areas, as identified in Asian Development Bank's (ADB) private sector assessment (PSA) for the Fiji Islands, and as required to support the private sector reform process in the Fiji Islands. Specifically, experts will be recruited as follows.

1. Public Enterprise Reform Expert(s) (4 person-months total)

2. The expert(s) will have 10–15 years of experience in the analysis of enabling conditions for PSD and economic growth, the examination of the microeconomic impact of reform on the private sector; and the design of government-led reform processes. Specifically, the expert(s) will have extensive experience in public-enterprise-related policy, strategy, corporate governance, and reform processes, as well as public–private partnerships. Excellent communication skills and team leadership qualities are expected. Prior experience in the Pacific islands or in a small-states context would be an asset.

3. Expert(s) will develop a reform framework and implementation plan that is focused on, but not limited to: government policy on public-enterprise ownership, performance, and divestment; strategy and options for divestiture of selected public enterprises; promotion of public–private partnerships; corporate governance of public enterprises; linkages to capital market development; and reform design and management of change.

2. Financial Sector Reform Expert(s) (3 person-months total)

4. The expert(s) will have 10–15 years of experience in the analysis of enabling conditions for PSD and economic growth, the examination of the microeconomic impact of reform on the private sector; and the design of government-led reform processes. Specifically, the expert(s) will have extensive experience in the area of financial sector development. Excellent communication skills and team leadership qualities are expected. Prior experience in the Pacific islands or in a small-states context would be an asset.

5. Expert(s) will develop a reform framework and implementation plans that promote financial market development in the Fiji Islands to improve the financing of investment and entrepreneurship. Topics to be addressed include, but are not necessarily limited to, the following: secured transactions reform (building on and incorporating the ADB-supported diagnostic study on collateral reform); banking sector and capital market reform measures; the Fiji National Provident Fund reform issues; options for financial market development in the areas of rural finance, leasing, and additional financial products that could facilitate improved access to finance; and constraints to developing the Fiji Islands as a regional financial center.

3. Legal and Regulatory Reform Expert(s) (3 person-months total)

6. The expert(s) will have 10–15 years of experience in the area of legal and regulatory analysis, and formulation and implementation of related reform processes. Excellent communication skills and team leadership qualities are expected. Prior experience in the Pacific islands or in a small-states context would be an asset.

7. On the basis of the existing, ADB-supported legal diagnostic report, expert(s) tasks will include, but not be limited to: intensive stakeholder consultations and coordination with relevant government ministries and agencies that are affected by the priority reform areas and need to be involved in reform processes; additional legal and economic analysis required for the preparation of the issues paper; review of areas in which reforms might be instituted to facilitate the active and secure use of customary land right; implementation of key legal priority reform areas.

4. Approach and General Tasks

8. Each of the above experts will undertake the following activities in their areas of expertise:

- (i) Consultations with coordinating and line ministries on the larger PSD reform agenda and on the relevant priority issues to be addressed.
- (ii) Preparation of issues papers and implementation plans in the areas of expert responsibility, covering, but not be limited to, the priority issues identified in the PSA. Generally, roadmaps are expected to be reform policy and strategy documents that lay out in clear, unambiguous, and prioritized fashion, institutional reform prerequisites, expected reform benefits and estimated costs, respective stakeholder responsibilities and inputs, time schedules, as well as risks and mitigating measures. Roadmaps should be ambitious, yet politically feasible, and technically achievable in terms of implementation.
- (iii) Roadmaps should incorporate relevant donor activities and programs, and to the extent possible link to ADB's country program (ongoing and pipeline) with a view toward recommending options for increased PSD focus and leverage for consideration of future country programs. The political economy for each of the reform issues should be adequately considered. Experts will, for each reform area addressed, develop monitorable reform performance indicators, including baseline data and time-bound performance milestones. Rough cost estimates for each of the recommended actions should be provided.
- (iv) Leading discussions with relevant reform task forces and committees on key topics and issues through presentations and briefing papers.
- (v) Management of consultative reform processes, including policy dialogue through workshops, consultations, and one-on-one meetings with government officials, political leaders, and the private sector, with a view toward achieving agreement on and ownership by responsible line ministries with respect to the issues and recommended implementation plan and mechanisms for the PSA reform priority area.
- (vi) Ensuring linkages of PSD roadmaps with the Government's Strategic Development Plan.
- (vii) Involve to the extent possible—and thereby contribute to the capacity building of—government counterparts in the analysis of the relevant key PSD issues, formulation of appropriate strategies, and development of action plans and implementation mechanisms.
- (viii) PSD awareness raising and improving of understanding of PSD issues and strategic and tactical solutions for the bureaucracy at large, private sector organizations and operators, development partners, and the general public through seminars, presentations, consultations, media exposure, and the preparation of the issues papers in a format appropriate for publishing.

- (ix) Coordination with relevant donor agencies involved in the respective reform areas.
- (x) Undertaking of additional analytical work, as may be required.

B. Private Sector Development Expert (domestic, 3 person-months)

9. A domestic private sector development expert will be recruited to support the Government and international consultants in the core TA reform areas of financial market development, public enterprise reform, and legal and regulatory business environment. The expert will have a degree in business administration, economics, law, or engineering. The expert will be a locally recognized expert on private sector development, and have experience in managing and facilitating reform processes. This is a senior position requiring 10–15 years of relevant experience. Detailed terms of reference for the local expert will be determined depending on reform requirements, opportunities, and priorities identified during the early stages of TA implementation.

C. Timing and Reporting

10. The TA will begin in February 2006 and be implemented over 24 months until January 2008, with intermittent inputs from the consultants. Consultants will be recruited individually. While reporting requirements for each consultant assignment will be specified in the specific terms of reference, consultants will generally report to ADB, the Executing Agency, and the ministry or agency involved in the specific reform activity. Progress and final assignment reports will be required.