

**ASIAN DEVELOPMENT BANK**

**TAR:TRA 36186**

**TECHNICAL ASSISTANCE**

**FOR**

**COORDINATING THE REVIVAL OF**

**COOPERATION ACTIVITIES IN**

**BIMP-EAGA**

**October 2002**

## ABBREVIATIONS

ADB	–	Asian Development Bank
ASEAN	–	Association of Southeast Asian Nations
BIMP-EAGA	–	Brunei Darussalam-Indonesia-Malaysia-Philippines-East ASEAN Growth Area
CPFU	–	Central Project Facilitation Unit
EABC	–	East ASEAN Business Council
MIS	–	Management Information System
MM	–	Ministerial Meeting
NS	–	national secretariat
RETA	–	regional technical assistance
SOM	–	Senior Officials Meeting
TA	–	technical assistance
TOR	–	terms of reference
WG	–	Working Group

## NOTE

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

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## I. INTRODUCTION

1. As part of their effort to revive regional cooperation initiatives, the governments of the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN<sup>1</sup> Growth Area (BIMP-EAGA) have decided to improve the coordination and monitoring of regional cooperation activities and of their projects. After inviting the Asian Development Bank (ADB) to become the BIMP-EAGA regional development advisor, the senior officials of the participating countries requested ADB to provide technical assistance (TA) for that purpose.<sup>2</sup> A Fact-Finding Mission visited the subregion from 30 August to 11 September 2002 to discuss the proposal with concerned stakeholders in the public and private sectors. Concurrence of government authorities in each participating country was obtained concerning the objectives, scope, cost, implementation arrangements, and terms of reference for the TA.<sup>3</sup> The TA is included in the Subregional Cooperation Strategy and Program for Southeast Asia in 2002.<sup>4</sup>

## II. ISSUES

2. After it was created in 1994, BIMP-EAGA rapidly became an active economic cooperation subgrouping in the Asia and Pacific region.<sup>5</sup> Originally, the governments adopted a decentralized structure to manage BIMP-EAGA activities through national secretariats (NSs) in the four countries, without a central body. The governments also anticipated that the private sector would be the engine of growth in the region, with the government expected to provide an enabling environment. In this context, BIMP-EAGA private sector representatives set up the East ASEAN Business Council (EABC) with a secretariat to coordinate private sector activity in the subregion.

3. Based on the above, BIMP-EAGA adopted an institutional framework comprising

- (i) working groups representing the priority sectors of cooperation;
- (ii) NSs that represent their respective countries' interests in the subregion to ensure that in-country BIMP-EAGA initiatives are maintained, and to coordinate BIMP-EAGA-related in-country projects and activities;
- (iii) the Ministerial Meeting and the Senior Officials Meeting (SOM), which are the highest level for consultation and decision making among the participating countries and the private sector; and
- (iv) the EABC,<sup>6</sup> which was given "fifth country status" to better catalyze the BIMP-EAGA private sector.<sup>7</sup>

4. Soon after the creation of the initiative, as cooperation activity increased and a larger number of stakeholders became involved, a growing number of increasingly complex cross-sector issues surfaced. Subsequently, as the Asian economic crisis deepened in 1998, subregional priorities gave way to national-level concerns, and strong political support for regional cooperation could not be maintained. In the absence of strong public sector support, the capacity of the private sector to spur growth and economic activity in the subregion was

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<sup>1</sup> Association of Southeast Asian Nations (ASEAN).

<sup>2</sup> 10<sup>th</sup> Senior Officials Meeting, Manado, Indonesia, 9 and 10 August 2002.

<sup>3</sup> The TA first appeared in *ADB Business Opportunities* in June 2002.

<sup>4</sup> ADB. 2002. *Subregional Cooperation Strategy and Program Status Report, Southeast Asia*, IN.225-02, Manila.

<sup>5</sup> Early manifestations of interest to develop commercial ties were dampened by the Asian economic crisis. Significant successes were noted, however, in the opening of air and sea links and in the growth of tourism.

<sup>6</sup> The EABC Secretariat was launched on 19 November, 1996.

<sup>7</sup> A more detailed description of the elements of the BIMP-EAGA institutional framework is in Appendix 1.

reduced. After the Asian economic crisis subsided, the governments reviewed the existing coordination arrangements as part of their effort to revive the BIMP-EAGA initiative. They agreed to the need for more systematic coordination of the mechanisms that would strengthen the framework supporting private sector activity in the subregion. Implementation of this agreement responds to three major concerns.

5. First is the need to tackle the development of the subregion from a new project-based approach. With this, delivering rapidly tangible results is expected to help regain the confidence of the stakeholders and demonstrate to interested investors and development partners that BIMP-EAGA has potential for profitable investments. Weak structures for project preparation, coordination, and implementation deprive the BIMP-EAGA initiative of much of its substance. This results from the absence of a coordinated capacity to (i) identify and formulate viable projects expected to generate benefits rapidly (i.e. projects with a short gestation period); (ii) avail of clear and effective mechanisms to sustain a dynamic pace of project implementation; (iii) address constraints that may arise in the course of project construction; and (iv) mobilize resources for project financing. In addition, little information is available in the different BIMP-EAGA areas on sector specific activity to assess needs, as well as to design, coordinate, and implement the necessary initiatives or monitor the changes in the economic environment of projects. This also contributes to inefficiencies in the formulation of quick-gestation projects. Accordingly, the participating governments agreed to the creation of a Central Project Facilitation Unit (CPFU)<sup>8</sup>.

6. The CPFU is expected to link all BIMP-EAGA NSs and undertake prioritization, implementation, and monitoring of BIMP-EAGA subregional development projects. Project implementation and monitoring will essentially involve persistent follow-up activities and an assessment of the compliance by the concerned governments and private sector groups with the terms and conditions of the project/s. All staff and operations expenses of the CPFU are expected to be charged to the Government of Sabah. Although the State Government of Sabah has offered to host the unit, discussions are still ongoing to determine the final location of the CPFU. The government of Malaysia is fully aware of the need to resolve the pending questions prior to the fielding of the consultants.

7. Second, at the country level, the coordination framework for sustained regional cooperation is weak, pointing to the need for a strengthened coordination structure to address the major constraints. The effective level of authority in the central government now varies from one country to the other. While the senior officials and NSs are positioned at levels that provide some capacity for oversight and coordination within ministries, their links with senior levels of government (i.e., ministers, cabinet members) are tenuous at times. Additionally, NSs are sometimes at pains to effectively support in-country BIMP-EAGA initiatives that need to be implemented by several government agencies in a coordinated manner. Originally, the coordination of BIMP-EAGA activities depended on a comparatively informal country framework. However, NS resources have not been upgraded systematically, although regional cooperation has become an increasingly popular development tool, and regional development activities have increased in number and complexity. In consequence, the cooperation and coordination output can decrease as the number of regional cooperation activities grows, despite the strength of political commitment. The organization and conduct of meetings are still based on formal and time-consuming protocols, at a time when stakeholders increasingly use faster information exchange and decision-making processes. Therefore, developing the capacity of the CPFU

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<sup>8</sup> Informal Senior Officials Meeting, Kota Kinabalu, Malaysia, 18–19 September 2002. The Federal State of Sabah, Malaysia is expected to host CPFU. Details on CPFU are provided at Appendix 1.

should enhance the coordinating role of the NSs. With this, the CPFU will be able to relate effectively to the national organizational frameworks in the participating countries.

8. Third, BIMP-EAGA lacks a suitable, modern information preparation and dissemination mechanism. Such a system is not consistently available in all NSs, working groups, the EABC, and other private sector organizations. Where it is, there is no capacity to address needs in a coordinated manner. Hence, most of the time, meetings are one of the few opportunities when information on BIMP-EAGA activities and decisions can be disseminated to media, which has a capacity that varies according to the quality of the media channels available at the different venues. This makes it difficult to generate consistent and regular flow of information of a quality that can attract and satisfy concerned stakeholders in either the public or the private sector.

### III. THE TECHNICAL ASSISTANCE

#### A. Purpose and Output

9. The TA will help define the requirements and build up the capacity of the newly created CPFU and develop a supportive and dynamic framework for the coordination of BIMP-EAGA activities. The TA framework is in Appendix 2.

10. The assistance provided is expected to directly improve coordination mechanisms within and between the public and private sectors of BIMP-EAGA. It is also expected to improve the flow and quality of information between the concerned public sectors and the private sector in the subregion through enhanced coordination and preparation. This is expected to result in an increase of the resources contributing to regional cooperation through (i) better preparation of policies and projects directly related to the development of the subregion; (ii) improved efficiency in the implementation of projects; and (iii) greater interest of concerned government and external assistance agencies, as well as private sector entrepreneurs, in becoming partners in the development effort.

#### B. Methodology and Key Activities

11. A first step towards strengthening the role of the public sector was the decision of the BIMP-EAGA governments to establish the CPFU after discussing concerns on cooperation mechanisms at the 10<sup>th</sup> SOM in August 2002 and at the informal SOM in September 2002. The TA will include the following activities.

12. **Provide a project facilitation framework.** Building up the capacity of the CPFU is critical for the success of the regional cooperation effort. This will be carried out through training in such activities as identifying, prioritizing, developing, implementing, and monitoring regional development projects under the guidance of the SOM for preparation and implementation. Special attention will be paid to (i) identifying and structuring high priority, pragmatic, and quick-gestation initiatives, to generate tangible outcomes as an incentive for increased cooperation; (ii) monitoring the implementation performance of regional cooperation activities; (iii) troubleshooting and resolving implementation bottlenecks; and (iv) mobilizing financial and technical resources. Considering the importance of this component in the success of the TA, training in this component will be dispensed to CPFU staff, and also to the NSs, as well as the preparation of projects submitted by the BIMP-EAGA working groups; and the planning, organization, and conduct of regional conferences, participatory workshops, and consultations. The project facilitation framework will also include the capacity for short-term specialists to

respond to unexpected demands, conduct short-term trade and investment missions, as well as prepare short business diagnosis studies related to specific BIMP-EAGA sectors where the lack of information on the corresponding economic environment prevents project development.

**13. Enhance communication mechanisms between the CPFU and concerned government agencies.** The CPFU will work in close coordination with concerned NSs of each participating country. Accordingly, the NSs' capacity will be assessed and strengthened as appropriate, to ensure that the CPFU and NS coordination mechanisms are consonant. In parallel, NSs will be encouraged to examine existing communication structures and processes with the corresponding government departments of each participating country. This will aim to identify major bottlenecks, and to establish mutually acceptable and clearly identified communications channels to be used by and between senior officials, the NSs, and the CPFU as well as various public and private sector institutions in the participating countries. This will include the creation of direct links with the ministry in-charge of ASEAN affairs in each participating country. In addition, the meeting organization process will be rationalized, and the CPFU will receive training to help implement the new approach to meeting preparation and conduct. This will include developing the capacity to (i) schedule meetings bearing in mind the involvement of concerned officials in multiple national and regional activities, (ii) coordinate the preparation of documentation and agendas; and (iii) ensure the dissemination of clearly identified results obtained at meetings.

**14. Enhance information dissemination.** Building up the capacity of the CPFU in effective communications, media affairs, and public relations is expected to help attract partners for BIMP-EAGA from within and outside the region. A major part of this exercise will be to define the BIMP-EAGA image for worldwide dissemination. Mechanisms will be defined for concerted preparation and dissemination of information on regional cooperation activities to interested parties (private sector, governments, nongovernment organizations, and aid agencies). Corresponding activities include collecting, storing, evaluating, and disseminating information, and providing information on the legal, trade, economic, and social environments of the EAGA focus areas. Basic knowledge of BIMP-EAGA activities will be built up at the CPFU to inform potential stakeholders of the business environment on the different areas of the subregion through different media.

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

**15.** The total cost of the TA is estimated at \$750,000 equivalent, comprising a foreign exchange cost of \$414,000 and a local currency cost of \$336,000 equivalent. ADB will finance the entire foreign exchange cost and \$186,000 equivalent in local currency cost on a grant basis from the ADB-funded TA program. The balance of the local currency cost of \$150,000 equivalent will be provided in kind by the governments of the participating countries through the contribution of staff time and use of government facilities in undertaking TA activities. Contributions by the Government of Brunei Darussalam include all direct local costs related to the implementation of the TA in Brunei Darussalam excluding the expenses related to consulting services, as currently Brunei Darussalam is not an ADB member. For the same reason, Brunei Darussalam will also meet the cost of its participation in meetings and workshops. The detailed cost estimates and financing plan are provided in Appendix 3.

### **D. Implementation Arrangements**

**16.** The CPFU will be the Executing Agency of the TA. Its exact location in the State of Sabah, Malaysia will be communicated to ADB prior to the commencement of the TA. The TA

will provide 51 person-months (30 person months of international and 21 person months of domestic) consultant services in (i) institutional strengthening, (ii) project facilitation, (iii) short-term project/sector-specific assignments, (iv) information dissemination, and (v) information technology services. The terms of reference for the consultants are given in Appendix 4. The consultants will be fielded after the CPFU is appropriately staffed.

17. Building up the capacity of the CPFU as the coordinator of cooperation activities among the participating countries will be carried out in close coordination with the NSs, which will be the focal contact points of the CPFU in the participating countries.

18. Coordination mechanisms will be defined in consultation with all concerned. Care will be taken to avoid disrupting ongoing processes while improving coordination to create efficient and consistent mechanisms.

19. The training program will be determined in consultation with NSs and CPFU staff. It will be conducted mostly through a hands-on approach, using learn-by-doing and direct knowledge transfer methodologies. A brief secondment scheme will be organized to introduce selected staff of the CPFU, NSs, and EABC to the NSs, private sector focal points, and other appropriate agencies.

20. A team of international and domestic consultants will be selected and engaged by ADB through a firm in accordance with its *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for the engagement of domestic consultants using the simplified technical proposal procedures under the quality cost-based selection system.

21. The consultant team will submit an inception report to ADB within 1 month of the start of services. The inception report will (i) make an initial assessment and prepare a realistic plan to ensure that the required TA outputs are completed on time; and (ii) make adjustments, as appropriate, in other key issues affecting the achieving of the TA objectives. Further, the consultant team will submit a midterm report on or about 6 months after fielding. Consultative meetings and training seminars will be conducted during TA implementation, and the corresponding training materials will be prepared as required. The final TA report will be submitted in December 2003.

22. The TA will be implemented over a period of 12 months starting in January 2003, and is expected to be substantially completed in December 2003.

23. Office space for the consultants will be provided in the premises of the CPFU by the Sabah Government. The consultants will report to and be responsible to the chief operating officer in the CPFU and the ADB TA task manager.

24. The CPFU will be expected to serve as the focal point for information dissemination in cooperation with EABC. Such dissemination will be implemented in coordination with the NSs.

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

25. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance on a grant basis, in an amount not exceeding the equivalent of \$600,000 for the purpose of Coordinating the Revival of Cooperation Activities in BIMP-EAGA, and hereby reports this action to the Board.

## **BRUNEI DARUSSALAM-INDONESIA-MALAYSIA-PHILIPPINES EAST ASEAN<sup>1</sup> GROWTH AREA (BIMP-EAGA)**

1. **The Working Groups (WGs):** They represent the priority sectors of cooperation. Their objectives are to (i) identify the opportunities and constraints in pursuing the objectives of the growth area, (ii) formulate a specific program of action to accelerate growth in the subregion, and (iii) provide direction in the identified sectors of cooperation. WGs are essentially the operational mechanism of the cooperation exercise and provide the flexibility to address a range of issues and demands. Initially, 13 WGs were created but have subsequently been reduced to 11 as a result of the merger of some. The designated lead country for each WG functions as its secretariat. WGs report to the Senior Officials Meeting.
  
2. **The National Secretariats (NSs):** Consistent with the agreement to adopt a decentralized structure, there is no subregional central secretariat. Instead, each participating country designates a ministry or agency as that country's BIMP-EAGA NS. The NS is the focal point for the exchange of information and coordination of programs related to the growth area and is tasked with ensuring that in-country initiatives are maintained. NSs (i) represent their respective country's interests in the subregion, (ii) ensure that in-country BIMP-EAGA initiatives are maintained, (iii) coordinate and monitor BIMP-EAGA-related in-country projects and activities, and (iv) provide administrative support to the ministers and senior officials.
  
3. **The Senior Officials Meeting (SOM):** It is the highest operation level of consultation among the participating countries. It decides on matters that need to be examined at the ministerial meeting. Each country designates a senior official who has director level in his or her organization of origin. The SOM meets at prearranged dates and venues. To date, 11 SOMs have been held.
  
4. **The Ministerial Meeting:** It is the highest level of consultation and decision making among the participating countries. Each country designates a signing minister. To date, seven ministerial meetings have been held.
  
5. **Private Sector Representation:** The East ASEAN Business Council (EABC) was created during the inaugural meeting, in recognition of the crucial role and participation of the private sector in accelerating the implementation of the subregion's programs and projects. Its functions are to (i) represent the private sector to EAGA governments, (ii) compile and make available economic and business information on EAGA, and (iii) promote and coordinate economic and business interaction among the private sector within and outside of EAGA. Subsequently, it was given (i) the status of official private sector representative and secretariat in BIMP-EAGA; and (ii) in 1997, fifth-country status, allowing the private sector to have its own delegation during SOMs. The implementation mechanisms provide for a parallel meeting among EABC, the SOM, and the ministerial meeting. A board consisting of two directors coming from each member country governs EABC. It has a secretariat<sup>2</sup> that manages its day-to-day operations and implements its programs and activities.

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<sup>1</sup> Association of Southeast Asian Nations.

<sup>2</sup> The EABC Secretariat was launched on 19 November 1996. The EABC Secretariat was launched on 19 November 1996.

### TECHNICAL ASSISTANCE FRAMEWORK

DESIGN SUMMARY	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>Goal</b></p> <ul style="list-style-type: none"> <li>• Enhanced regional cooperation in BIMP-EAGA through improved coordination of development activities</li> <li>• Establishment of the Central Project Facilitation Unit (CPFU)</li> </ul>	<ul style="list-style-type: none"> <li>• Improved coordination of activities</li> <li>• Improved project identification, facilitation, and implementation</li> <li>• Overall improvement in cooperation and coordination mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic review and assessment of coordination activities</li> <li>• Accomplishment reports of working groups (WGs), Senior Officials Meetings (SOMs), and Ministerial Meetings (MMs).</li> </ul>	<ul style="list-style-type: none"> <li>• Continued government support and commitment to BIMP-EAGA initiatives</li> <li>• Regained confidence of the private sector in trade and investments in BIMP-EAGA</li> </ul>
<p><b>Purpose</b></p> <ul style="list-style-type: none"> <li>• Strengthen coordination among participating countries, development partners, financiers, donors, and ADB</li> <li>• Provide a project facilitation framework</li> <li>• Improve the identification and prioritization of projects</li> <li>• Support the mobilization of resources for project implementation</li> <li>• Strengthen the implementation of SME and transport-related projects and investments</li> <li>• Enhance communications and information dissemination mechanisms</li> <li>• Establish a reliable database on trade and</li> </ul>	<ul style="list-style-type: none"> <li>• More effective coordination mechanisms among various institutions of BIMP-EAGA and at the in-country levels</li> <li>• Improved consultation mechanisms between the private and public sector in EAGA, between EAGA and the central governments and between EAGA and other external groups</li> <li>• Progress in trade and investment facilitation and implementation</li> <li>• Increased resource mobilization</li> <li>• Increased implementation of priority projects</li> <li>• Enhanced promotion of BIMP-EAGA to external stakeholders</li> <li>• Set-up MIS</li> </ul>	<ul style="list-style-type: none"> <li>• Trade and other relevant statistics</li> <li>• Working group reports</li> <li>• Reports of meetings, consultations, and conferences</li> <li>• Actions taken by the governments and private sector in the subregion on projects</li> <li>• Project accomplishment reports</li> <li>• Operational MIS</li> </ul>	<ul style="list-style-type: none"> <li>• Continued government support for and commitment to the CPFU</li> <li>• Rapid and efficient implementation of institutional reforms at the subregional level</li> <li>• Timely consensus and support for priority projects by participating governments</li> <li>• Resource constraints in implementing the priority projects</li> </ul>

<b>DESIGN SUMMARY</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>
other socioeconomic information in the subregion			
<p><b>Inputs</b> Consultant/staff time and other resources for</p> <ul style="list-style-type: none"> <li>• consultations with governments and private sector to build consensus on the coordination framework and the implementation of the coordination mechanisms;</li> <li>• implementing preparatory activities related to the implementation of projects; and</li> <li>• training and capacity building activities for CPFU staff on project preparation, implementation, and monitoring.</li> </ul> <ul style="list-style-type: none"> <li>• Consultation and collaboration with other financiers, donors, and development partners</li> <li>• Design and implementation of communications and media plan</li> <li>• Implementation of the MIS</li> </ul>	<p>Measurable deliverables and targets:</p> <ul style="list-style-type: none"> <li>• Coordination mechanisms successfully implemented</li> <li>• Number of training courses conducted and number of staff trained</li> <li>• Number of projects initiated and implemented</li> <li>• Number of private sector activities organized and implemented</li> <li>• Number and results of consultations conducted</li> <li>• Communications and media plan completed, accepted, and implemented</li> <li>• MIS completed</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic reports of accomplishments</li> <li>• Project reports</li> <li>• Conference/meeting proceedings and reports</li> </ul>	<ul style="list-style-type: none"> <li>• Adequacy of resources to implement mechanisms and projects</li> <li>• Support of external agencies and development partners</li> <li>• Strong and active participation of governments and the private sector</li> <li>• Availability of statistics and other relevant information specific to the subregion</li> </ul>
<p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Capacity building and institutional trainings and workshops for CPFU staff, NS, EABC, and other</li> </ul>	<ul style="list-style-type: none"> <li>• Effectiveness, quality, and timeliness of training, capacity building, and technical advisory</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic status reports on TA and subproject implementation</li> <li>• Regular and final</li> </ul>	<ul style="list-style-type: none"> <li>• Level of participation by private sector, SMEs, LGUs and other aid agencies</li> <li>• Cooperation and</li> </ul>

<b>DESIGN SUMMARY</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>
<p>organizations in the subregion</p> <ul style="list-style-type: none"> <li>• Consultations and dialogues with relevant government agencies and private sector organizations</li> <li>• Consultations and dialogues with external agencies and stakeholders and development partners</li> <li>• Trade and investment missions/ road shows to target markets</li> <li>• Special topic studies, sector diagnosis, and prefeasibility studies</li> <li>• Preparation of project and investment profiles</li> <li>• Project monitoring and supervision</li> <li>• Development of MIS</li> </ul>	<p>services provided by the TA</p> <ul style="list-style-type: none"> <li>• Sustainability of mechanisms identified under the TA</li> <li>• Institutionalization of coordination and collaboration mechanisms with other aid agencies. Number and results of missions conducted</li> <li>• Number and responsiveness of studies concluded</li> <li>• Number of profiles prepared</li> <li>• Rate of progress of projects before and after introduction of new mechanisms</li> <li>• Reliability of MIS</li> </ul>	<p>consultants' reports</p> <ul style="list-style-type: none"> <li>• Shared reports with other donors</li> <li>• Feedback from private sector stakeholders</li> </ul>	<p>collaboration among stakeholders and TA beneficiaries</p>

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

Item	Foreign Exchange	Local Currency	Total Cost
<b>A. Asian Development Bank Financing<sup>a</sup></b>			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	310	0	310
ii. Domestic Consultants	0	132	132
b. International Travel	9	0	9
2. Training, Seminars, and Workshops	50	0	50
3. Equipment		22	22
4. Editing, Translation, and Printing of Reports	0	4	4
5. Communications	0	10	10
6. Contingencies	45	18	63
<b>Subtotal (A)</b>	<b>414</b>	<b>186</b>	<b>600</b>
<b>B. Government Financing</b>			
1. Office Rental	0	38	38
2. Transport	0	20	20
3. Remuneration	0	42	42
4. Training (in-country)	0	20	20
5. Communications	0	10	10
6. Contingencies	0	20	20
<b>Subtotal (B)</b>	<b>0</b>	<b>150</b>	<b>150</b>
<b>Total</b>	<b>414</b>	<b>336</b>	<b>750</b>

Source: Asian Development Bank estimates.

<sup>a</sup> From the ADB-funded TA program

## OUTLINE TERMS OF REFERENCE

### A. Team Leader and Institutional Strengthening Consultant (12 person-months)

1. The team leader will be an international consultant who will serve as a resident consultant and institutional strengthening specialist for the Central Project Facilitation Unit (CFPU). He/she will be experienced in the analysis and strengthening of institutional coordination and networks, and will coordinate the activities of the consultants in the CFPU. He/she will ensure that CPFU staff are involved in all phases of the technical assistance (TA) activities as a form of hands-on mentoring and capacity building. The team leader will liaise regularly with the CFPU chief operating officer, the executive director of the East Association of Southeast Asian Nations (ASEAN) Business Council (EABC), and the Asian Development Bank (ADB) TA task manager. The team leader will be responsible for three areas (paras. 2-4).

2. For the coordination of regional cooperation activities, the team leader will do the following:

- (i) Guide a review of the existing public sector coordination framework and requirements within the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), in consultation with concerned officials in the national secretariats (NSs).
- (ii) Assist the CFPU in identifying major bottlenecks, drafting simple and acceptable solutions, and establishing clearly identified and efficient communications channels acceptable to all concerned.
- (iii) The exercise will be carried out (a) within concerned public sector areas in each participating country at the ministerial, senior officials and NS levels; (b) between the public sectors of each participating country; (c) between the public sectors and EABC and its private sector focal points;<sup>1</sup> and (d) between these public sector areas and concerned aid agencies. In the process, direct links with the ministry in charge of ASEAN affairs will be created in each participating country.
- (iv) Draft guidelines on the corresponding communication mechanisms for approval by NSs.
- (v) Define the electronic office equipment required for the performance of the above activities in the CFPU in consultation with the management information system (MIS) consultants.

3. For meeting coordination, the team leader will do the following:

- (i) Assess the existing structure of BIMP-EAGA meetings for NS meetings, senior officials meetings, and ministerial meetings.

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<sup>1</sup> Brunei Darussalam: BIMP-EAGA Business Council (tentative),  
 Indonesia: ASEAN Committee in Kadin,  
 Malaysia: BIMP-EAGA Malaysia Business Council, and  
 Philippines: Mindanao Business Council

- (ii) Propose a meeting organization framework that will cover the planning, scheduling, and conduct of meetings.
- (iii) Draw up guidelines for the preparation and conduct of meetings such that (a) the objectives of meetings are clear and achievable, and (b) protocol arrangements are minimized but remain adapted to the different meeting levels.
- (iv) Propose a consistent approach for documentation preparation and formatting, and prepare corresponding templates for relevant meeting documentation. Particular attention will be paid to the preparation of the format for the meeting agenda and the meeting concluding document.
- (v) Train CPFU staff in finalizing and updating the terms of reference and/or work programs of the working groups and in preparing resource papers and background documents for meetings of working groups, senior officials and ministers.

4. For TA implementation, the team leader will do the following:

- (i) Submit reports to the ADB TA task manager, the CFPU chief operations officer, and the EABC executive director (ED) as required, including (a) an inception report within 1 month after fielding, and (b) a midterm progress report on or about 6 months after fielding. Ensure that the consultants submit periodic accomplishment reports on their activities under each component of the TA. Submit a final report within 1 month after completion of the TA.
- (ii) Undertake full manualization and dissemination of the output of training activities in hard and electronic copy format, and dissemination of the same in hard copy format.
- (iii) Undertake overall supervision and management of the TA, including ensuring that the other consultants comply with their terms of reference.

**B. Project Facilitation Consultant (12 person-months)**

5. The project facilitation consultant will be an international consultant who will serve as a resident consultant for the CFPU. He/she will be experienced in project planning, packaging, processing, and implementation activities. While implementing the project facilitation activities, the consultant will ensure that CFPU staff are involved in all phases of the work as a form of hands-on mentoring and capacity building. The consultant will liaise on a regular basis with the NS staff, EABC, the team leader, the CFPU chief operations officer, and the ADB TA task manager.

6. For project facilitation, the consultant will do the following:

- (i) Advise the CPFU on all matters related to improving and strengthening the coordination of projects, programs, and activities in BIMP-EAGA, including coordination among the working groups, NSs, private sector organizations, local governments, and other stakeholders.
- (ii) Confirm and operationalize the scope of work of the newly created CFPU, using as a basis the agreements reached among concerned BIMP-EAGA officials on the objectives and scope of the newly created institution.
- (iii) Train CPFU staff in carrying out such activities as the identification, prioritization, financial packaging, processing, and monitoring of BIMP-EAGA regional development projects. Develop criteria for the identification of priority, sustainable, and quick-gestation initiatives.

- (iv) Assist in the preparation of implementation plans and work programs for priority projects.
- (v) As investment projects are identified for public and/or private sector financing, assist in the preparation of project profiles with clear financing needs for circulation through the different information dissemination mechanisms available to the CPFU and EABC.
- (vi) Assist in the planning, organization, and conduct of regional conferences, training, seminars, participatory workshops, consultation meetings, and dialogues.
- (vii) Devise and organize a workshop in Kota Kinabalu during the second quarter of the assignment for joint training of the CPFU, NSs and EABC on project facilitation.
- (viii) Establish criteria for assessing, on a regular basis, implementation performance of regional cooperation activities, agreements, and projects among the concerned governments and private sector groups at the different institutional levels of regional cooperation.
- (ix) Set up procedures for troubleshooting and resolution of implementation bottlenecks in project processing and monitoring.
- (x) Identify and document the nature of agreements among the parties, including memoranda of understanding, aide memoires, executive agreements, and private sector joint ventures.
- (xi) Establish a project mapping mechanism identifying such factors as the project sector, the area, the project amount and duration, and the financing agency in consultation with the team leader, the communications and media affairs consultant, and the MIS consultant, so that stakeholders may be aware of services provided by aid agencies in the region.
- (xii) Assist in supervising, coordinating, and reviewing the work of sector experts, particularly for (a) the identification, preparation, and assessment of new subregional projects and initiatives; (b) the conduct of specific topic studies, diagnostic studies, and prefeasibility studies; and (c) the preliminary economic analysis of readily identified priority projects.
- (xiii) Assist the team leader in complying with the administrative requirements under the TA, including reporting requirements of the CFPU and ADB.

**C. Communications and Media Affairs Consultant (6 person-months)**

7. This will be an international consultant who will serve as a resident consultant for the CFPU. He/she will be experienced in BIMP-EAGA regional economic activities, and in working with aid agencies and other institutions undertaking regional cooperation activities. He/she will also have a good knowledge of regional media and of working with regional and national media practitioners. While implementing the project facilitation activities, the consultant will ensure that CFPU staff are involved in all phases of the work as a form of hands-on mentoring and capacity building. The consultant will liaise on a regular basis with the NS staff, EABC, the team leader, the CFPU chief operations officer, and the ADB TA task manager.

8. For communications and media affairs, the consultant will do the following:

- (i) Prepare and conduct a training program in the following areas: (a) economic development reporting; (b) marketing/advertising in government; (c) social marketing planning, monitoring, and evaluation; (d) packaging of various communication materials; and (e) design and production of prototype media materials.

- (ii) Help draw up a corporate identity program for the CPFU.
- (iii) Help prepare dissemination materials such as information on the conduct of business in the different subregions; the legal, trade, economic, and social environment; and business opportunities.
- (iv) Prepare a manual documenting the systems and procedures relevant to communications and media affairs.
- (v) Assist the team leader in complying with the administrative requirements under the TA, including reporting requirements of the CFPU and ADB.

**D. Management Information Systems Consultant (6 person-months)**

9. The MIS consultant will be an international consultant who will be responsible for establishing the information systems, both manual and electronic, of the CFPU to facilitate the systematic acquisition, collection, organization, storage, processing, interpretation, and presentation of information to its clientele. The consultant will liaise on a regular basis with the team leader, the CFPU chief operations officer and the ADB TA task manager. This consultant will be responsible for supervising any other consultant involved in information technology activities under the TA.

10. For MIS strengthening, the consultant will do the following:

- (i) Conduct a needs assessments of the CFPU information systems to (a) define strategic information requirements and validate them in terms of the CPFU's mandate, operations, clientele, and core objectives; and (b) determine efficient workflow systems and applications for the organization.
- (ii) Define the terms of reference and schedule of the hardware specialist, and prepare the corresponding work program.
- (iii) Design, together with the computer hardware specialist, the architecture of the information and data management systems in consultation and close coordination with the CFPU's chief operations officer and EABC's executive director. Examine the possibility of establishing a dedicated Internet-based network for mutual consultations among the CPFU, NSs, and the senior officials of BIMP-EAGA. As part of this effort, direct links will be created with the ministry in charge of ASEAN affairs in each participating country for mutual information exchange on issues of common interest.
- (iv) Recommend, develop and install an efficient MIS within the CFPU, in coordination with EABC, which will include the following: (a) information flow from the CFPU to its stakeholders; (b) document flow and tracking systems; (c) template documents and standard forms, where necessary; (d) information documents; and (e) financial and administrative support system.
- (v) Design and oversee the installation of a local area network (LAN) for the CFPU that will allow sharing and accessing of information and data within the organization.
- (vi) Assess the capabilities and review existing arrangements with local internet service providers and explore the possibility of setting up a wide area network (WAN) facility at the CFPU, using such alternatives as leasing dedicated lines, sharing of leased lines, and inter-connection facilities that will allow interconnectivity and links to vital partner agencies in the governments of the participating countries and critical collaborating and cooperating intergovernmental organizations and agencies such as but not limited to ADB, ASEAN, the Canadian International Development Agency, the German Agency for

- Technical Cooperation, the Japan International Cooperation Agency, and the United States Agency for International Development.
- (vii) Determine the products and services including the appropriate software and hardware, with indicative costs, needed to put the entire MIS on-line supported at least by a local area network but with a potential for implementing a wide area network.
  - (viii) Coordinate with the other consultants on their MIS needs in their respective areas of activity.
  - (ix) Coordinate with and update the team leader regularly on the progress of implementation of the MIS component, particularly on matters that may cause delays or problems in implementation.
  - (x) Determine the necessary competencies of the staff required to run the information and data management systems and, in consultation with the team leader, draw up a training program that will enhance the capability of the concerned CPFU staff in managing and implementing such systems.
  - (xi) Facilitate the identified MIS training program and serve as a resource person whenever possible.
  - (xii) Prepare a manual of MIS systems and procedures.

**E. Short-Term Sector Specialists (5 person-months)**

11. The short-term sector specialists will be domestic consultants with demonstrated technical expertise in their fields. The scope of work and the duration of their engagement will be determined during the implementation of the TA.

12. In consultation with the team leader, the CPFU chief operations officer, and the ADB TA task manager, the specialists will provide specific advice and skills in such technical fields as trade finance, public and private resource programming and mobilization, project development and management, and feasibility study preparation. Other fields of expertise will be determined during the implementation of the TA. Subject to approval of the team leader and the CPFU chief operations officer, the specialists will do the following:

- (i) Consult with relevant local officials, local private business organizations, and existing and potential trade/investment partners on specific needs in identified fields, including issues, opportunities, risks, and constraints.
- (ii) Determine appropriate modalities for addressing specific needs, and develop the appropriate system for delivering the skills required to address these needs.
- (iii) Conduct the delivery of skills required.
- (iv) Prepare the appropriate reports to ADB and the CPFU on the activities undertaken as well as recommendations, if any.

**F. Computer Hardware Specialist (3 person-months)**

13. The computer hardware specialist will be a domestic consultant who will work under the supervision of the MIS consultant to improve the MIS procedures and facilities at the CPFU. The specialist will have comprehensive knowledge, skills, and academic and professional experience in the areas of information systems and information technology, specifically with the following expertise: (a) computer network design, development, and implementation; (b) systems administration and maintenance; (c) computer hardware and related devices; (d) data security systems and procedures; and (e) Internet service providers.

14. For MIS strengthening, the specialist will do the following

- (i) Design and install a separate local area network for the CFPU that allows sharing of and access to information and data within each organization and includes security features/ measures to avoid system corruption and virus infection.
- (ii) Install appropriate systems and procedures relating to the servers including the necessary backup and disaster recovery systems to be used with specific write-ups describing the detailed approach and procedures adopted for each.
- (iii) Help define, together with the MIS consultant and the CFPU management, systems availability to specific end-users.
- (iv) Prepare an acceptance procedure providing the design of an evaluation test and support documents used for preparing it.
- (v) Prepare complete documentation of the work accomplished, including a detailed description of the processes and implementation activities.
- (vi) Determine the products and services including the appropriate software and hardware, with indicative costs, needed to put the local area network online with the potential for implementing a wide area network.
- (vii) Help select a local information technology company capable of running and maintaining the local area network.
- (viii) Identify and list the required training program and conduct the same, when necessary, to enhance the capability of concerned CFPU and EABC staff in maintaining and managing the local area network.
- (ix) Provide inputs to the MIS consultant for the preparation of an operations manual of MIS systems and procedures.
- (x) Coordinate with and update the MIS consultant regularly on the progress of implementation of the local area network component, particularly on matters that may cause delays or problems in implementation.
- (xi) Assist the MIS consultant as appropriate.