

PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. The Government of the Maldives has requested the Asian Development Bank (ADB) to undertake project preparatory technical assistance (PPTA), to conduct due diligence for the development of district roads and harbor project in Laamu Gan-Fonadhoo islands. This project will bring about inclusive socioeconomic benefits to the inhabitants in Laamu Atoll region.

B. Major Outputs and Activities

2. The major outputs and activities are summarized in Table A3.1.

Table A3.1: Summary of Major Outputs and Activities

Major Activities	Expected Completion Date	Major Outputs	Expected Completion Date
1. Inception	February 2016	Inception Report	March 2016
1.1 Inception Committee meetings			
1.2 Establish PPTA methodology and work program		Establish steering committee	March 2016
2. Project Design	June 2016	Preliminary Design Report	May 2016
2.1 Environmental assessment		Environmental safeguards documents	June 2016
2.2 Perform surveys			
2.3 Demand estimation			
2.4 Conduct social analyses and prepare social assessment reports		Social safeguard documents	June 2016
3. Feasibility Study	June 2016	Feasibility document	June 2016
3.1 Feasibility design			
3.2 Preliminary cost estimates			
3.3 Economic assessment		Economic analysis report	June 2016
3.4 Financial management		Financial management report	June 2016
3.5 Mid-term review meeting			
4. Project Management, Procurement and Technical Advisory supports to the Implementing Agency	Throughout PPTA	Draft RFP for project management consultant. Draft procurement plan	Throughout PPTA
		Draft Final Report	July 2016

PPTA = project preparatory technical assistance; RFP = request for proposal

Source: Asian Development Bank estimates.

C. Cost Estimate and Proposed Financing Arrangement

3. The PPTA is estimated to cost \$600,000 equivalent and will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF); \$72,000 from TASF-V and \$528,000 from TASF-others. The government will provide support in the form of counterpart staff, office and housing accommodation, office supplies, secretarial assistance, domestic transportation, provision of office space, and communication facilities for PPTA consultants. The detailed cost estimate is presented in Table A3.2.

Table A3.2: Cost Estimates and Financing Plan
(\$'000)

Item	Total Cost
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (15.5 person-months)	348.8
ii. National consultants (12 person-months)	30.0
b. International and local travel	51.0
c. Reports and communications	10.0
2. Equipment ^b	10.0
3. Workshops, training, seminars, and conferences	10.0
4. Vehicle ^c	10.0
5. Surveys	80.0
6. Miscellaneous administration and support costs	15.0
7. Contingencies ^d	35.2
Total	600.0

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF) - TASF-V (\$72,000) and TASF-Other sources (\$528,000).

^b Includes computers, printers, photocopiers, etc., to be turned over to the Ministry of Housing and Infrastructure following completion of the PPTA.

^c Vehicle rental for local land transport on Laamu Gan-Fonadhoo.

^d Contingencies of 6.3%.

Source: Asian Development Bank estimates.

D. Consulting Services

4. One international individual consultant (1.5 person-months) will be recruited to review the regional development plan and to scope and prepare an investment plan for the subsequent project design phase. An international consulting firm will then be engaged to implement the PPTA. The services will require 7 international consultants (14 person-months) and 4 national consultants (12 person-months). ADB will use quality- and cost-based selection (90:10) in accordance with ADB's *Guidelines on the Use of Consultants* (2013, as amended from time to time) due to the need for higher quality consultant services because of the project's complexity. A simplified technical proposal will be required. Lump sum payments/output-based contracts will be considered for consulting services. Table A3.3 shows the summary of consulting services requirement.

Table A3.3: Summary of Consulting Services Requirement

Positions	Person-Months Required
International (individual consultant)	
Regional Development Specialist/Economist	1.5
International	
Engineer/Team Leader	6.0
Procurement Expert	3.0
Environmental Specialist	1.0
Involuntary Resettlement Specialist	1.0
Social Development Specialist	1.0
Transport Economist/ Financial Specialist	1.0
Climate Change Specialist	1.0
National	
Environmental Specialist	2.0
Involuntary Resettlement Specialist	2.0
Social Development Specialist	2.0
Civil Engineer/Deputy Team Leader	6.0

Source: Asian Development Bank estimates.

5. The outline terms of reference for the PPTA consultants are described in paras. 6 to 14. The detailed individual consultant terms of reference will be prepared at the time of issuance of the request for proposal.

6. **Regional Development Specialist/Economist** (international, 1.5 person-months). The international consultant will have a bachelor's degree in economics, business management, regional development, or related discipline, and 10 years of experience in investment appraisal and project evaluations. The consultant will review and prioritize investment options from the regional development perspective and identify an economically viable investment plan.

7. **Engineer/Team Leader** (international, 6 person-months). The international consultant will have a bachelor's degree or above in engineering with at least 20 years of experience in road planning and design, managing multidisciplinary team and administering large civil works projects. The consultant will prepare engineering feasibility studies and road designs, and provide inputs to ADB processing documents.

8. **Procurement Expert** (international, 3 person-months). The international consultant will have (i) a bachelor's degree in civil engineering, (ii) a minimum of 10 years of professional experience in this expertise, and (iii) adequate knowledge of ADB's procurement procedures. Having working experiences in ADB's developing member countries are preferable. The expert will establish civil work contract packaging and consulting service packaging, assess the needs for consultant inputs for construction supervision, and prepare bidding documents.

9. **Environmental Specialist** (international, 1 person-month; national, 2 person-months). The international consultant will have a master's degree or above and at least 10 years related experience in preparing environmental impact assessment for small island countries and relevant environmental report preparation and implementation. The national consultant will have a bachelor's degree in a relevant field, and at least 5 years of experience in preparing environmental impact assessment for infrastructure development project in the Maldives. The consultants will prepare environmental safeguards requirement as described in ADB's SPS.

10. **Involuntary Resettlement Specialist** (international, 1 person-month; national, 2 person-months). The international consultant will have appropriate degree qualification and 10 years related experience in involuntary resettlement preparation and implementation. The national consultant will have a bachelor's degree in social development, and experience in preparing resettlement reports for government projects in the Maldives. The consultants will prepare all requirements related with social safeguards particularly involuntary resettlement as described in ADB's SPS.

11. **Social Development Specialist (poverty, participatory, gender, and labor specialist)** (international, 1 person-month; national, 2 person-months). The international consultant will have a second level degree in social development and 10 years related experience in preparing poverty and social assessment for ADB projects. The national consultant will have a bachelor degree in social sciences and at least 3 to 5 years of experience in dealing with social development issues such as poverty, gender, labor and public participation. The consultants will prepare all project requirements on social aspects other than social safeguards, and prepare poverty and social assessment report with clear assessment on the project impacts on poverty reduction, gender equality, compliance with core labor standards, and community participatory.

12. **Transport Economist/Financial Specialist** (international, 1 person-month). The international consultant will have a bachelor's degree or above in economics, financial

management, or closely related fields, and 8 years related experience in conducting economic and financial analysis of similar transport projects. The consultant will prepare an economic analysis in accordance with ADB's Guidelines for the Economic Analysis of Projects and other relevant publications. The consultant will (i) review the cost estimates and financing plan; (ii) review the implementation arrangements; (iii) review the fund flow mechanism, auditing, and disbursement arrangements; (iv) review the risk analysis, financial risks and mitigation, and covenants; (v) review financial analysis; (vi) assess the executing and implementing agencies capability to manage imprest funds and statement of expenditures procedures, and financial management assessment; and (vii) review other financial due diligence of the project.

13. **Climate Change Specialist** (international, 1 person-month). The international consultant will have a master's degree or above in environmental sciences/engineering or related field(s) to climate change, and at least 10 years of experience in designing and implementing infrastructure projects especially in the road sector using climate change adaptation techniques. The consultant tasks will focus but not be limited to: (i) assessing the sensitivity of project components to climate change risks; (ii) evaluating and classifying the level of impacts to the project from climate change; (iii) developing of a climate risk framework to help better cope with climate variability and change through selected measures; and (iv) calculating the costs for adopting the measures identified.

14. **Civil Engineer/Deputy Team Leader** (national, 6 person-months). The national consultant will have a bachelor's degree or above in science and/or business management and at least 8 years of experience in managing and implementing projects. The consultant will assist the team leader in coordinating project activities and preparing and submitting to ADB required documents and developing project cost estimates.

E. Implementation Arrangements

15. The Ministry of Finance and Treasury (MOFT) (executing agency) and the Ministry of Housing and Infrastructure (MOHI) (implementing agency) have implemented a number of ADB-assisted transport projects. MOHI will appoint a project manager dedicated to the PPTA to monitor the day-to-day progress of implementation and prepare necessary documents and reports. The project manager will oversee the consultants' activities and facilitate all facets of PPTA administration with the support of additional staff appointed by MOFT and MOHI. MOHI will provide (i) counterpart staff who will work closely with the consultants; (ii) office facilities in Male; and (iii) local transport for field trips. Disbursements will be done in accordance with ADB's *Technical Assistance Handbook* (2010, as amended from time to time). The proposed PPTA processing and implementation schedule is listed in Table A3.4.

Table A3.4: Technical Assistance Processing and Implementation Schedule

Major Milestones	Expected Completion Date
PPTA approval	October 2015
Inception mission	February 2016
Mid-term review mission	April 2016
Submission of PPTA draft report	May 2016
Final Report Submission of PPTA Final Report	June 2016
PPTA physical closing date	July 2016
PPTA financial closing date	March 2017

PPTA = project preparatory technical assistance.
Source: Asian Development Bank estimates.