



Vanuatu: Infrastructure and Public Financial Management Support Facility

Project Name	Infrastructure and Public Financial Management Support Facility		
Project Number	52184-001		
Country / Economy	Vanuatu		
Project Status	Active		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	TA 9562-VAN: Infrastructure and Public Financial Management Support Facility		
	Technical Assistance Special Fund	US\$ 750,000.00	
	TA 9562-VAN: Infrastructure and Public Financial Management Support Facility (Supplementary)		
	Technical Assistance Special Fund	US\$ 1.50 million	
	TA 9562-VAN: Infrastructure and Public Financial Management Support Facility		
	Technical Assistance Special Fund	US\$ 800,000.00	
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development Knowledge solutions Partnerships Private sector development		
Sector / Subsector	Education / Non-formal education - Secondary Energy / Renewable energy generation - small hydro Public sector management / Public expenditure and fiscal management Transport / Transport policies and institutional development - Water transport (non-urban)		
Gender	Some gender elements		
Description	<p>This Transaction Technical Assistance Facility (TRTA-F) was approved on 14 August 2018 for \$750,000 financed on a grant basis from the Asian Development Bank's (ADB) Technical Assistance Special Fund (TASF-6) to support the effective and efficient implementation of projects funded by ADB in Vanuatu, including the Vanuatu Interisland Shipping Support Project (VISSP), Cyclone Pam Schools Project, and the Vanuatu Energy Access Project (VEAP). At the time of TRTA-F approval, several projects are faced implementation problems and delays because of the constrained project management capacity of government's implementing agencies. To minimize the reoccurrence of similar problems in future operations, the TA has been supporting the strengthening of institutional and policy frameworks for sound and sustainable project management in Vanuatu. The TRTA-F has three interlinked outputs: (i) Output 1 - VPMU's capacity for implementing ongoing project strengthened; (ii) Output 2 - measures to improve government project management and institutional arrangements recommended, and implementation supported; and (iii) Output 3 - implementation of Vanuatu's public financial management road map for improved public investments supported. The TRTA-F has been supporting ADB's Pacific Regional Department's portfolio in Vanuatu by providing advisory and capacity building support to counterpart agencies responsible for effective and efficient project implementation activities in the country. ADB administers the TRTA-F, and the Vanuatu Project Management Unit (VPMU) serves as the direct working counterpart. The Ministry of Finance and Economic Management is the executing agency.</p> <p>In 2019, it was assessed that while the original TRTA-F amount was adequate to complete inputs under Output 3 and that the TA was rated satisfactory and cotinued to deliver outputs, there was a need to provide further support to Outputs 1 and 2. On 29 August 2019, (i) an increase in TA amount by \$1,500,000 for a cumulative amount of \$2,250,000; (ii) a minor change in scope to include recruitment of additional consultants (firm and individuals); and (iii) the extension of completion date from 30 June 2022 to 30 June 2022, were approved. In 2021, additional support for Outputs 1 and 2 was required. On 16 September 2021, (i) a second increase in TA amount by \$800,000 for a cumulative amount of \$3,050,000; and (ii) further extension of the TA completion date from 30 June 2022 to 31 July 2023 for a cumulative TA implementation period of approximately 5 years, were approved. The increase in amount has provided further support for Outputs 1 and 2 and strengthened VPMU's capacity in project management and procurement covering (i) the full scope of the VISSP; (ii) implementation support to the VEAP and the Transport Sector Project Readiness Financing; and (iii) capacity enhancements in gender, social and environment safeguards and procurement to various government agencies.</p>		
Project Rationale and Linkage to Country/Regional Strategy	<p>Significant capacity weaknesses, particularly in the MIPU and VPMU, have severely affected the quality and timeliness of project execution by the agencies responsible for infrastructure operations in Vanuatu. At the time of TRTA-F processing and approval, government staff involved in projects were limited, and lacked experience and skills. Projects were also experiencing delays and needed support to ensure timely implementation. To help the government meet its urgent needs for technical expertise in managing project tasks and successfully implement projects, the TRTA-F has provided consultant support, filling gaps in human resources and improving the skills and abilities of national staff. The TRTA-F is in line with the government's 2015 National Recovery and Economic Strengthening Program Plan to strengthen the country's economic resilience by developing its domestic institutional and human resources and capacity. The TRTA-F's outputs are also aligned with the recommendations of the Vanuatu Transport Plan 2030.</p>		
Impact			
Project Outcome			
Description of Outcome			
Progress Toward Outcome			
Implementation Progress			
Description of Project Outputs			
Status of Implementation Progress (Outputs, Activities, and Issues)			
Geographical Location		Nation-wide	

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	Consultations were undertaken with the Vanuatu Government (MFEM, VPMU, MIPU, MOET, PWD and other relevant agencies), and development partners during the project preparation.
During Project Implementation	Ongoing consultations are undertaken with the Vanuatu Government (MFEM, VPMU, MIPU, MOET, PWD and other relevant agencies), and development partners during project implementation, in relation with the progress status of projects this TRTA-F is supporting.
Business Opportunities	
Consulting Services	Under Output 1 of the TRTA-F, two project management consultants (one international and one national), one international maritime specialist, one procurement specialist, and one national assistant project engineer were recruited to support the VPMU to implement VISSP, Cyclone Pam Road Reconstruction Project, Cyclone Pam School Reconstruction Project, the Port Vila Urban Development Project, and the VEAP. Two firms, one for design consultant survey, and the other one for independent design review, were also hired. Under Output 2, an institutional review specialist is planned to be hired to review the institutional support required to strengthen the project implementation in Vanuatu.
Procurement	No procurement envisage under the TA.
Responsible ADB Officer	Haider, Syed Hussain
Responsible ADB Department	Pacific Department
Responsible ADB Division	PATC
Executing Agencies	Ministry of Finance & Economic Management
Timetable	
Concept Clearance	-
Fact Finding	-
MRM	-
Approval	14 Aug 2018
Last Review Mission	-
Last PDS Update	20 Sep 2022

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
14 Aug 2018	06 Sep 2018	06 Sep 2018	30 Jun 2020	31 Dec 2025	-

Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
3,050,000.00	0.00	50,000.00	0.00	0.00	0.00	3,100,000.00	06 Jan 2023	2,281,577.79

Project Page	https://www.adb.org/projects/52184-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=52184-001
Date Generated	05 June 2023

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