ADMINISTERING GRANT-FINANCED TECHNICAL ASSISTANCE

A. Introduction

1. This Project Administration Instruction (PAI) provides guidelines for administering grant-financed technical assistance (TA) financed or administered by the Asian Development Bank (ADB).

2. These guidelines apply to transaction TA (TRTA) and knowledge and support TA (KSTA) including standalone TA, TA facility, TA cluster, regional technical assistance (RETA), small-scale TA (SSTA), nonsovereign TA operations, transaction advisory services (TAS), and knowledge partnerships.¹

3. They do not cover

   (i) TA processing, which is covered by the Staff Instruction on Business Processes for Transaction Technical Assistance and Staff Instruction on Business Processes for Knowledge and Support Technical Assistance; and

   (ii) the administration of TA loans, which is covered by the PAIs on implementing loan projects.

4. For TAs funded by the Japan Fund for Poverty Reduction, this PAI will be applied in conjunction with the JFPR Technical Assistance Grant Policy Guidelines, as amended from time to time.

B. Responsibilities During Implementation

5. The technical assistance supervising unit (TASU) for each TA supervises and administers its implementation, including all administrative changes to a component or output of the TA. TASU makes sure that the TA’s outcome and outputs are achieved and that the consultants and executing agency (EA) perform satisfactorily.² For cofinanced TAs, TASU should, in coordination with the Office of Cofinancing Operations (OCO) fulfill the reporting requirements stipulated in the cofinancing agreement. TASU will also oversee the charging of eligible expenditures to appropriate fund sources in coordination with the Technical Assistance Section of the Controller’s Department (CTLA–TA). The Procurement, Portfolio and Financial Management Department (PPFD) monitors and administers consultants’ contracts, advises staff on issues that arise during implementation, and reports to Management and the Board on implementation progress. OCO advises staff on issues that arise during the implementation of cofinanced TAs and coordinates with cofinanciers. CTLA-TA controls and monitors disbursements. The Office of the General Counsel (OGC) advises staff on legal issues that arise including contract-related issues. The

¹ This PAI also applies to ongoing TAs classified under the previous TA types—project preparatory, policy and advisory, capacity development, and research and development. If needed, they may be recategorized into the new TA types defined in the Staff Instruction on Business Processes for Transaction Technical Assistance and Staff Instruction on Business Processes for Knowledge and Support Technical Assistance.

² Throughout this PAI, consultants also refer to knowledge partners, suppliers or service providers. The term “executing agency (EA)” in this PAI also refers to implementing agencies, unless the context requires otherwise.
Office of Anticorruption and Integrity (OAI) advises staff on integrity issues, including guidelines on conflict of interest.

6. For regional technical assistance (RETA) with components or outputs involving two or more departments and/or office, a primary TASU will be identified who will serve as the coordinating TASU responsible for TA administration and supervision, including supervising outputs and managing contracts of consultants, submitting request for payments, confirming fund source allocation, and preparing TA completion reports.

C. Review Missions

7. For most TA operations, TASU’s first review mission is an inception mission which has a significant effect on the performance of the TA. TASU conducts the mission in collaboration with the EA and consultants and prepares an aide memoire or memorandum of understanding upon completion of the mission. The purposes of the inception mission include:

(i) ensuring that the EA and consultants understand the TA’s objectives and consultant’s terms of reference (TOR);
(ii) reviewing the consultant’s TOR and agreeing on the inception report including objectives of activities, methodologies, role of stakeholders and the method of stakeholder consultations, work plan, and budget for each activity, making alterations as necessary;
(iii) resolving any issues that may impede the consultant in completing the assignment;
(iv) confirming availability of EA counterpart support as indicated in the TA paper; and
(v) establishing the timetable and budget for the completion of the assignment, including any further tripartite meetings during the TA implementation.

8. TASU fields review missions as required to check the progress of TA implementation including consultant’s performance, reassess the expected completion date, and review the TA’s finances.

9. TASU arranges tripartite meetings with the EA and consultants to ensure common understanding of the progress of the TA and follow a participatory approach in reviewing the consultant’s outputs. TASU usually schedules a tripartite meeting shortly after receiving each major report. The anticipated schedule of tripartite meetings is shown in the consultant’s work plan and staffing schedule. For TA delegated to the recipient country, the EA arranges tripartite meetings with the implementing agency, ADB, and the consultant.

D. Progress Reports

10. TASU updates eOperations to record the progress of implementation at least quarterly.

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Refer also to PAI 6.02 (Project Administration Mission) for TA administration missions.
E. Disbursement

11. TA disbursement will follow the TA Disbursement Handbook, as amended from time to time, as special provisions in the TA report.

12. TA is typically financed in USD, unless otherwise specially approved. Ideally, contracts under the TA are to be signed in USD or other ADB approved currencies. TASU should coordinate with PPFD and the Treasury Department for list of ADB approved currencies.

F. Financing and Monitoring of Goods and Services

13. At TA processing stage, TASU needs to discuss with the EA whether goods and services need to be provided under the TA. If they are needed, the implementation arrangement section of the TA report should state the goods and services to be procured under the TA and indicate the institution/s (the government/recipient, consultant or ADB) which will procure them. If the consultant will procure the goods and services under the TA, the consultant’s TOR attached to the TA report should include the procurement arrangement for goods and services.\(^4\)

14. All TA-financed goods and services shall be procured in accordance with ADB Policy documents\(^5\) stated in the approved TA report and/or cofinancing agreement for donor-funded TAs administered by ADB. TASU, DMC government, or consultants may procure goods and services for TAs. Procurement of goods and services should be limited to indispensable items that the TA need to finance. It is generally recommended that goods be leased for administrative efficiency to avoid additional procedures for monitoring and disposal.

15. At least 3 quotations are required when procuring goods and services below $100,000. When procuring items in a remote area with few suppliers, the consultant or TASU should try to obtain at least one or two quotations locally, and, if practical, to obtain additional quotations from the capital or a regional city. Purchase order is required for each procurement contract. Signing authority of the contract is defined in line with the TA report and Administrative Order (AO) 1.03 on *Signature of Written Instruments*. Appendix 1 provides an overview of the standard procurement and asset management procedures.

16. Goods purchased under the TA remain as ADB property except when they are procured by the government. If usage of goods is under the control of the government, it is recommended that the government procures them using TA funds. Goods procured by the government will be owned by them upon delivery, under the condition that the goods will be used for TA activities until the completion of the TA. This arrangement should be confirmed by the government through a signed Memorandum of Understanding (MOU) during the TA processing stage and described in the TA report. The government is responsible for monitoring them based on agreement with ADB.

\(^4\) Contract variation is needed to change the procurement arrangement.

\(^5\) Policy document is either ADB Procurement Policy and Regulations, Guidelines on Use of Consultants by ADB and its Borrowers, or ADB Procurement Guidelines.
17. It is not recommended for ADB to procure goods under TAs. In case it is indispensable for ADB to purchase goods, TASU needs to establish a plan to monitor goods during TA implementation and disposal plan at TA completion. In exceptional cases when such arrangements are needed, TASU will follow the Institutional Procurement Process as defined in administrative order AO 4.07 *Institutional Procurement and Contract Administration*. TASU should ensure eligibility of procurement of goods and services in line with approved TA report, and cofinancing agreement for externally funded TAs administered by ADB. If ADB procures the goods, TASU shall monitor the assets and report item losses immediately to the TASU director or head.

18. The TA assets to be monitored are non-consumable goods with an acquisition cost of $100 or more. The non-consumable assets include, in addition to physical assets, software, licenses, electronic documents, websites, and social media.

19. When the consultant procures goods, the ownership of the procured goods shall remain with ADB until the end of the consulting contract. The consultant will be able to use such goods without charge during TA implementation period. Consultants shall cover equipment with appropriate insurance in case of damage or loss. The cost of such insurance is an eligible expense under TA consulting contract. The consultant should monitor the assets and report item losses immediately to TASU director or head. If the consultant causes damage or loss to goods, then the consultant should shoulder the cost of the loss.

20. Goods procured by ADB or consultants remain ADB’s property until transferred to the government or disposed by ADB even after CTLA-TA closes the TA account.

G. Use of TA Funds

21. TASU is responsible for ensuring that adequate due diligence is carried out, and that conference, event and hospitality expenditures are in line with the approved scope of the TA.

22. TAs are essentially for direct assistance to DMCs. Only direct and identifiable costs are charged to the TA, including but not limited to TA consultants, training, seminar materials including mailing, cost of publications, conference room charges, and DMC participants’ costs (per diem plus travel as required). In cases where ADB staff act as resource persons for purpose of effectiveness, travel costs are charged to the TA fund but their salaries and benefits are absorbed by ADB’s internal administrative expense budget. Support services (travel and related costs for secretarial and administrative services) by ADB staff for assisting TA implementation and administration can be covered by the TA only when clearly specified in the TA paper and included within its costs components.

23. Generally, all travel to and from a conference or event shall be arranged by the most economical direct route possible. In cases where deviations from benchmark routes are requested for personal reasons, the cost difference will need to be charged to the event participant. Subsistence allowances payable to out-of-town event participants shall be adjusted if meals are

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6 ADB staff acting as resource person is someone (i) having a sector, thematic, or specific technical expertise, and (ii) engaged as a facilitator, speaker, trainer, or panelist in a conference, workshop, or seminar, financed under TA.
provided as part of the accommodation booking or conference package. The TA Disbursement Handbook provides guidance on computation of allowance.

24. Meals may be provided when it is integral to the structure and the purpose of the event; the participants’ dispersal at meal times including breaks would be counterproductive to the efficiency and effectiveness of the event; and the standard of the meal or hospitality is appropriate for a development institution.

25. TASU is expected to supervise conference and hospitality events funded by ADB TAs. Where such direct supervision is not possible, TASU will submit a proper completion report with clear evidence for all expenditure items.

26. Representation may be charged to the TA, only if directly identifiable to the TA and clearly specified in the TA paper including costs in its budget estimates. The cost of representation should be kept at minimal level and the government should follow ADB’s guidelines for representation provided in AO 4.03 on Representation and the guidelines for beverage services subsidy for field offices. TASU is responsible for verifying and validating the eligibility and reasonableness of the costs.

27. Costs of rental for office space and related overhead expenses (e.g., cost of utilities) directly identifiable to the TA can be covered by the TA funds when clearly specified in the TA paper and included within its costs components.

H. Increasing the Budget

28. To increase the TA amount, TASU sends a draft memorandum for comments to PPFD, CTL, and OGC, including OCO if the TA is financed by an ADB-administered fund, and submits for approval based on the signing authorities defined in the Staff Instruction on Business Processes for Transaction Technical Assistance and the Staff Instruction on Business Processes for Knowledge and Support Technical Assistance. A memorandum format for an increase in TA amount which does not need to be approved by the Board is attached as Appendix 2. For an increase in TA amount which requires Board approval, refer to e-Board, Board documents and references.

I. Changing the Scope or Implementation Arrangements

29. TASU sometimes needs to change a TA’s scope or implementation arrangements in order to achieve the TA’s objectives. A change in a TA’s scope or implementation arrangements is classified as ‘major’ or ‘minor’. A ‘major’ change substantially affects the TA’s outcome, components, benefits or implementation arrangements. A ‘minor’ change does not substantially affect the TA’s outcome, components, benefits or implementation arrangements. Table 1 defines the approval procedure and responsibility depending on whether the change in scope or implementation arrangement is ‘major’ or ‘minor’. A memorandum format for a change of scope and implementation arrangements which does not involve an increase in TA amount is attached as Appendix 3.
Table 1: Procedure and Approval Responsibility for Changing the TA Scope or Implementation Arrangements

<table>
<thead>
<tr>
<th>Major</th>
<th>Minor</th>
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</table>
| **Vice President**<sup>a</sup>  
1. TASU sends draft memorandum to PPFD, CTL, OGC, and OCO<sup>b</sup> for comment  
2. TASU submits recommendation for approval to concerned Vice President.<sup>c</sup>  
3. Reported by PPFD to the Board through the Quarterly Portfolio Updates | **TASU Director or Head**  
1. TASU Director or Head decides if a change of scope is 'major' or 'minor'.<sup>c</sup>  
2. If necessary, TASU director or head may consult with PPFD, CTL, OGC, and OCO<sup>b</sup> on whether the change of scope is 'major' or 'minor'. If the consultation is inconclusive, the head of the TASU department or office decides whether the change is 'major' or 'minor'.  
3. TASU sends copies of the approved memorandum to PPFD, CTL, OGC, and OCO.<sup>b</sup> |

<sup>a</sup> Following the approval authority in the *Operations Manual Section D12 on Technical Assistance (including TAs approved before March 2017)*.

<sup>b</sup> If TA was initially cofinanced or later through additional financing from the special funds and/or ADB-administered external funds, then all memoranda should be sent to OCO.

<sup>c</sup> If an increase in TA amount is involved, TASU seeks approval from the higher approval authority between this table and the Approval Authority for Budget Increase in the Staff Instruction on Business Processes for Transaction Technical Assistance and Staff Instruction on Business Processes for Knowledge and Support Technical Assistance.

30. Changing a TRTA to KSTA or vice versa is discouraged. When a standalone TA is converted to a TA cluster or facility, the change memorandum would need to confirm fulfillment of the requirements specified in the Staff Instruction on Business Processes for Transaction Technical Assistance and Staff Instruction on Business Processes for Knowledge and Support Technical Assistance.

J. Cancellation of a TA

31. When a TA requires cancellation of the entire amount after the effective date, TASU prepares a memorandum approved by TASU director or head in consultation with the head of department or office. If the TA became effective upon ADB’s receipt of the TA signed letter or upon expiration of the period specified in the TA letter, TASU needs to confirm no-objection from the government before the cancellation. TASU sends a copy of the approved memo to the Portfolio Management Division (PFPM) of PPFD and CTL to effect the cancellation. If the TA is cancelled, the TA funds are no longer available for any disbursements. If the TA is cofinanced, TASU needs to consult OCO and cancel cofinanced funds in consultation with the cofinanciers.

K. Canceling Surplus Funds

32. At least once every six months, TASU monitors the financial progress of a TA it is administering to identify the funds needed to achieve the expected outputs. Surplus funds are uncommitted funds that TASU does not plan to use for a specific purpose or not needed to successfully complete the TA. When a surplus is identified, after TASU consults the government,
the TASU director or head approves the cancellation. TASU sends a copy of the approved memorandum to PPFM and CTL to effect the cancellation. This is applied in cases where part of TA committed funds are cancelled but the TA is kept active. Canceled TA funds may not be reinstated.

33. TASU may cancel identified cofinanced surplus funds in consultation with OCO and the cofinanciers. OCO will assist TASU in amending the agreement with the donor.

L. TA Completion

34. The TA completion date is the date on which all the activities financed by the TA are completed. It is sometimes called the physical completion date. For many TAs, it is the date that TASU receives the consultant’s acceptable final report. The TA closing date (90 days after TA completion date) is the date on which all TA-related financial transactions are finalized and the respective TA account is closed in ADB’s books. Reimbursements from the TA recipient must be received by TASU and paid prior to TA closing. TA completion date determines eligibility of the TA funded activities. Any costs incurred and paid after TA completion dates are not eligible for TA financing.

35. The TA report will indicate the expected completion date. Contract completion dates of consultant, supplier, knowledge partner, and service provider engaged under the TA must fall within the TA completion date.

36. During project implementation, TASU decides whether it is necessary to extend the completion date. An extension is often needed after a change in the scope or implementation arrangements. TASU director or head approves cumulative extensions of 1 year or less, and the head of the department or office approves cumulative extensions of more than 1 year. However, if the overall TA implementation period (including the proposed extension) exceeds 5 years from the date of TA approval, extensions require the approval from the concerned vice president. TASU needs to consult with OCO on proposed extensions for cofinanced TAs so that concurrence of cofinanciers can be obtained.

37. TASU is required to review and close TAs that have been implemented for more than 5 years from approval and has uncontracted balance of less than $100,000.

38. After the extension of the completion date is approved, TASU processes or requests PPFD to process the consultant’s contract variation and provides a copy of the extension approval and variation order to CTLA-TA. An extension of a consultant’s contract beyond the TA completion date first requires approval of TA extension.

39. TASU immediately advises CTLA-TA of extensions to ensure that final payments are disbursed before the TA closing date.

40. Upon completion of assignment, TASU promptly advises the consultant to submit its final claim and certificate of turnover or disposal of goods purchased under their contracts. TASU will resolve outstanding payment issues. In the event of a dispute between TASU and the consultant,
TASU advises the consultant that the contract will be closed unless a notice for arbitration is received.

M. Turn Over or Disposal of Assets at TA Completion

41. The consultant must promptly turn over any purchased goods to the government. It is recommended that the consultant submits the certificate of turn over within two weeks of completing the assignment, together with its final claim. If the consultant does not submit the certificate by the deadline but has confirmed compliance with required turnover of goods and equipment, TASU confirms the turn over and completes the certificate.

42. If goods are procured by ADB, TASU turns them over to the government or recipient, or take appropriate disposal procedures indicated in AO 4.02 Asset Management and Inventory Control in consultation with OAS. Any funds realized from disposal of items should be returned to the fund that financed the purchase of the item. TASU should coordinate with CTLA-TA and OCO on return to the fund (if the fund is cofinanced). When ADB hosted a website or social media account procured by ADB and there is no maintenance and financing plan beyond the TA completion date, the websites and/or social media will be automatically deactivated by the Department of Communications and/or Office of Information Systems and Technology within three months after the TA completion date. Appendix 1 provides an overview of the standard asset management procedures including the disposal.

N. Financial Closing of the Technical Assistance Account

43. TASU requests CTLA-TA to close the TA account after the closure of contracts have been completed as set out in PAI 2.06 (Consultant Contract Management). TAs that remain active after 90 days of TA completion date are reported in the Quarterly Portfolio Update circulated by PFPM.

44. When CTLA-TA has made no disbursements under a TA during a continuous period of 12 months, it notifies TASU that the TA has an inactive disbursement status. CTLA-TA closes the account 30 days after issuing the notice unless TASU asks CTLA-TA beforehand not to close it.

45. CTLA-TA can no longer disburse funds after closing the account. CTLA-TA makes the canceled funds available for new commitments. TASU advises the government and other concerned parties that ADB has closed the account.
## Financing, Monitoring and Disposal of Goods Procured Under TAs

<table>
<thead>
<tr>
<th>Type of Good or Services</th>
<th>General</th>
<th>Procurement organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goods</strong></td>
<td></td>
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<tr>
<td>Procurement</td>
<td>During TA processing stage, TASU should discuss with the government and/or recipient whether goods need to be provided under the TA. If they are needed, the TA report should state goods and services to be procured under the TA and how they are to be procured (the government, consultants or ADB).</td>
<td>If goods are to be used under the control of the government, it is recommended that the government procures them. The government will own the goods they procured once delivered, under the condition that they should be used for TA activities until the completion of the TA. This arrangement should be confirmed by the government through signed MOU during TA processing stage and described in the TA report.</td>
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<td></td>
<td>It is recommended that goods be leased. Goods should not be procured by consultants except when the government requests ADB to procure through the consultants and the government agrees that the goods are turned over to the government after the completion of the TA.</td>
<td>It is not recommended for ADB to procure goods under TAs. In exceptional cases when such arrangements are needed, TASU will follow the Institutional Procurement Process as defined in administrative order AO 4.07. If TASU is not familiar with monitoring and disposal procedures indicated in AO 4.02, it is not recommended that TASU procures goods under TAs.</td>
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<td></td>
<td>It is recommended that software licensing and similar intangible assets are procured directly by the EA to avoid problems where such ownership rights are not transferable to other parties. The EA shall follow ADB Procurement Policy if procurement is conducted by EA.</td>
<td>Until the end of the consulting contract, the ownership of procured goods shall remain with ADB. Consultants shall cover equipment with appropriate insurance in case of damage or loss. The cost of such insurance is an eligible expense under TA consulting contract. The consultant should monitor the assets and report item losses immediately to TASU. If the consultant causes damage or loss to goods, then the consultant should shoulder the cost of the loss.</td>
</tr>
<tr>
<td></td>
<td>TASU shall monitor the assets and report item losses immediately to TASU director or head.</td>
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</tr>
<tr>
<td>Monitoring</td>
<td>TA assets to be monitored are non-consumable goods with an acquisition cost of $100 or more. The non-consumable assets include in addition to physical assets, software, licenses, electronic documents, websites and social media.</td>
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1 In case of discrepancy with the Staff Instruction on Business Processes for Transaction Technical Assistance and Staff Instruction on Business Processes for Knowledge and Support Technical Assistance, the provisions set out in the Staff Instructions will apply.
<table>
<thead>
<tr>
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<th>ADB</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Government</td>
<td>Consultants</td>
</tr>
<tr>
<td>Disposal</td>
<td></td>
<td>Government will be responsible for disposal of goods.</td>
<td>The consultant must promptly turn over any purchased goods to the government. The consultant should submit the certificate within a week or two of completing the assignment, together with its final claim. If the consultant does not submit the certificate by the deadline, but has complied with required turnover of goods, TASU confirms the turn over of goods and completes the certificate.</td>
</tr>
<tr>
<td>Vehciles</td>
<td>Procurement</td>
<td>It is recommended that vehicles be leased. If vehicles are needed for occasional meetings and workshops, hiring vehicles only for these days should be considered. When vehicles need to be purchased, TASU makes sure they are appropriate for the TA activities and within the budget. ADB does not finance the purchase of luxury vehicles (for example, more expensive sedan or saloon cars, multipurpose vehicles, and 4-wheel-drive vehicles with luxury accessories) under the TA. When vehicles need to be purchased, TASU must justify its purchase in the TA paper, why it is necessary for TA activities, and should keep cost within the approved budget. TASU makes sure</td>
<td>It is recommended that vehicles be leased. If the purchase of vehicles is indispensable for TA activities and they are to be used under the control of the government, it should be procured by the government.</td>
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Vehicles should not be procured by ADB. Vehicles should be leased if they are needed.
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<thead>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Government</td>
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<tr>
<td>that the registration fees and insurance premiums for vehicles are paid during the TA implementation.</td>
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</tr>
<tr>
<td>Disposal</td>
<td>N/A</td>
<td>The ownership was already transferred to the government at the time of delivery. Disposal procedure will be decided by the government.</td>
</tr>
<tr>
<td>IT equipment (mainly computers and printers)</td>
<td>Procurement</td>
<td>It is preferable that IT equipment be leased. The type of the IT equipment must be defined in the TA paper.</td>
</tr>
<tr>
<td>Disposal</td>
<td></td>
<td>The ownership was already transferred to the government at the time of delivery. Disposal procedure will be decided by the government.</td>
</tr>
<tr>
<td>Websites and social media</td>
<td>Procurement</td>
<td>The TA report should provide a maintenance and financing plan beyond the date of TA account closing.</td>
</tr>
<tr>
<td>Type of Good or Services</td>
<td>General</td>
<td>Procurement organizations</td>
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<tr>
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<tr>
<td></td>
<td></td>
<td>Government</td>
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<tr>
<td></td>
<td></td>
<td>account closing should be agreed through the signed MOU during TA processing stage and described in the TA report. The agreement should also include that the ownership of the websites and social media belongs to the government under the condition that websites and social media are used for the TA activities. “Software-as-service” option is preferred, where provision of IT services is based on periodic fee and ownership is not transferred to the user. The data, however, shall be transferable to the government without further charge.</td>
</tr>
</tbody>
</table>

**Monitoring**

|                         |         | The government maintain or dispose as per the agreement. | The consultants shall maintain websites and social media as per the contracts. | TASU shall monitor the websites and social media. |
|                         |         | | | |

**Disposal**

|                         |         | The government shall transfer the ownership to the government after the completion of the TA or deactivate as per the contract. | The ownership will be transferred to the government after the completion of the TA or deactivated as per the contract. | If there is no maintenance and financing plan beyond the TA completion date, the websites and/or social media account hosted by ADB will be automatically deactivated by the Department of Communications and/or Office of Information Systems and Technology on the date of TA account closing. |
### Type of Good or Services

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<thead>
<tr>
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<th>Consultants</th>
<th>ADB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goods procured as part of pilot testing activity</strong></td>
<td><strong>Procurement</strong></td>
<td>Goods and services required for the pilot testing are listed in the implementation arrangements described in the TA report.</td>
<td>When the consultant procures goods, it is recommended that goods be leased. Goods should not be procured by consultants except when the government requests ADB to procure goods through the consultants and the government agrees that such goods are turned over to the government after the pilot testing (even if the government agrees to this arrangement, consultants are not allowed to purchase vehicles). Consultants may assist the government/TA beneficiary in the procurement process.</td>
</tr>
<tr>
<td><strong>Procurement</strong></td>
<td>If goods are used under the control of the government, it is recommended that the government procure them. If goods are procured by the government, they will be owned by the government upon delivery, under the condition that they should be used for the TA activities until the completion of the TA. This arrangement should be confirmed by the government through a signed MOU during TA processing stage and described in the TA report.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Monitoring</strong></td>
<td>The ownership of procured goods is the government. The government should monitor them as per the agreement with ADB.</td>
<td>The owner of procured goods is ADB. However, the consultant uses procured goods without charge during the pilot testing period. The consultant should monitor the assets and report item losses immediately to TASU. If the consultant causes damage or loss to goods, then the consultant should shoulder the cost of the loss.</td>
<td>TASU shall monitor the procured goods and report losses immediately to TASU director or head.</td>
</tr>
<tr>
<td><strong>Disposal</strong></td>
<td>Disposal of goods is under the responsibilities of the government.</td>
<td>The consultant must promptly turn any purchased goods over to the government/recipient after the pilot testing. The consultant should normally submit the certificate within a week or two of completing the assignment, together with its final claim. If the consultant does not submit the certificate by the deadline, but has complied with the disposal procedure indicated in Administrative order AO 4.02 in consultation with OAS.</td>
<td>TASU will follow the disposal procedure indicated in Administrative order AO 4.02 in consultation with OAS.</td>
</tr>
<tr>
<td>Type of Good or Services</td>
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<tr>
<td>Civil works procured as part of pilot testing</td>
<td>Procurement Civil works procurement under TA funding shall be avoided, unless essential. The major consideration for avoidance is the need for obtaining permits, licensing which should only be done by the government / TA recipient. Procedures necessary for making civil works feasible need to be covered by the MOU between ADB and the government/ TA recipient. All necessary permit, licenses, land ownership or associated issues need to be resolved prior to the civil works procurement. ADB reviews procurement procedures/ procurement documents and assists the government/ recipient in payment procedures (reimbursement or direct payment in accordance with TA Disbursement Handbook).</td>
<td>The consultant shall not procure any civil works directly. The consultants may assist the government/ TA recipient in preparation of the procurement documents and procurement support (bid evaluation or similar activities).</td>
<td>ADB should not procure civil works within the ADB premises.</td>
</tr>
<tr>
<td>Monitoring</td>
<td>Monitoring method of the infrastructure after civil works during pilot study should be confirmed with the government/TA recipients by MOU before the procurement.</td>
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</tr>
<tr>
<td>Disposal</td>
<td>The infrastructure after civil works should belong to the government / TA recipient. It should be confirmed by MOU.</td>
<td></td>
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Memorandum for an Increase in TA Amount

FOR APPROVAL OF PARA. 1

To: Approval Authority
From: TA Supervising Unit
Subject: TA No.__- [Country]: Title of the TA
– Increase in TA Amount [and Change in Scope and/or Implementation Arrangement]

I. Matter for Consideration

1. Pursuant to para. 28 of PAI 5.09, it is recommended that you approve the increase of the amount of the TA by $\text{[amount of the increase in figures]}$ as described in para. [ ] to [ ] \{which will finance the change in [scope] [and] [implementation arrangements] as described in para. [ ] to [ ]\}.

II. Background Information

2. Provide brief information on type of TA (TRTA or KSTA; standalone TA, TA facility, TA cluster, RETA, or SSTA), classification, TA amount, date of approval, date of TA Letter, completion date, financing plan, TA components, executing agency, etc.

III. Current Status of TA Implementation

3. Provide information on contracted amount and disbursed amount.

4. Provide brief information on the TA status including implementation progress (what has been done and what remains to be done), and the major issues and problems.

[IV. Change in TA Scope and/or Implementation Arrangements]

[Describe the proposed change in the TA’s scope and/or implementation arrangements and the reasons for it. Describe the implications for TA costs, the financing plan, implementation schedule, and implementation, consulting services and procurement arrangements, disbursement arrangements or inclusion of special items such as Advance Payment Facility, or Statement of Expenditure, inclusion of knowledge partnerships, delegated portion of TA operation to Government EA, where applicable.]

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1 This template should be used for an increase in TA amount where the approval of the Board is not required.
2 Only include where the increase in TA amount is required to finance a change in TA scope and/or implementation arrangements.
3 Only include this section if the increase in the TA amount is required to finance a change in the TA scope (new component, additional activities in an existing component, etc.) and/or implementation arrangements.
V. Increase in the TA Amount

5. Provide information on the current TA amount, proposed increase in TA amount and revised TA amount (after increase). Provide information on source(s) of funding for the increase in TA amount. If the source of funding is not from ADB funds (TASF, other Special Funds of ADB), specify whether ADB administers the funds (single-donor trust funds, multi-donor trust funds, or a TA specific grant). If the increase in TA amount is not due to a change in TA scope and/or implementation arrangements, explain the reason for the increase in TA amount (for example, increase in TA costs due to currency fluctuation or increase in price).

6. If increase in TA amount is funded from cofinanced funds, a special para need to be added like one required in TA templates for multi-funded new TAs, such as:

   (i) {For each ADB-administered fund, list the ineligible and/or eligible expenditure items as reflected in the R-paper on establishment of the trust fund, relevant fund regulation, implementation guidelines, or cofinancing agreements (e.g., vehicle and civil servants travel costs are ineligible expenditure under JFPR.)}

   (ii) {Cofinancier requirements.} {If financed by an ADB-administered fund, describe the additional monitoring and reporting requirements specific to the trust funds or cofinancers (in consultation with OCO and/or respective fund managers). In cases where the donor requires an audit, consult CTL and OAG before making a commitment.}

   (iii) {If additional financing results that TA is financed by two funding sources or more, define the disbursement arrangements (e.g., front-loading ADB-administered funds, cost-sharing, or pro-rata).}

7. The TA cost estimates and financing plan should be revised accordingly to include the reallocation process. In case the TA original and current cost estimates are not aligned and some cost categories are running negative balances, TA cost estimates and financing plan should also be adjusted to include the reallocation process.

VI. Staff Views

8. Provide the views of TASU. Include consultations with PPFD, CTL, OCO, OGC, and OAI and other departments and offices concerned, where applicable.

Attachment: Revised Cost Estimates and Financing Plan

Updated Design Monitoring Framework (when applicable)

Comments Matrix

cc: PPFD, CTL, OCO (footnote 4), OGC and other departments and offices concerned.

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4 Only when OCO is required.
Memorandum for a Change in TA Scope or Implementation Arrangements

FOR APPROVAL OF PARA. 1

To: Approval Authority

From: TA Supervising Unit

Subject: TA No. -- [Country]: Title of the TA
- [Minor] / [Major] Change in TA Scope or Implementation Arrangements

I. Matter for Consideration

1. Pursuant to paragraph 29 of PAI 5.09, it is recommended that you approve the [minor] / [major] change in [scope] [and] [implementation arrangements].

II. Background Information

2. Provide brief information on type of TA (TRTA or KSTA; standalone TA, TA facility, TA cluster, RETA, or SSTA), classification, TA amount, date of approval, date of TA Letter, completion date, financing plan, TA components, executing agency, etc.

III. Current Status of TA Implementation

3. Provide information on contracted amount and disbursed amount.

4. Provide brief information on the TA status including implementation progress (what has been done and what remains to be done), and the major issues and problems.

IV. Change in TA Scope and/or Implementation Arrangements

5. Describe the proposed change in the TA’s scope and/or implementation arrangements and the reasons for it. Describe the implications for TA cost categories (whether there is a need to reallocate funds from one category to another category, adding new category), the financing plan, implementation schedule, and implementation, consulting services and procurement arrangements, disbursement arrangements or inclusion of special items such as Advance Payment Facility, or Statement of Expenditure, inclusion of knowledge partnerships, delegated portion of TA operation to Government EA, where applicable.

6. In case the TA original and current cost estimates are not aligned and some cost categories are running negative balances, TA cost estimates and financing plan should be adjusted to include the reallocation process.

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1 This template should be used only for change in TA scope and/or implementation arrangements where there is no increase in the TA amount, and where the approval of the change in scope and/or implementation arrangements by the Board is not required.
V. Staff Views

7. Provide the views of TASU. If required\textsuperscript{2} include consultations with PPFD, CTL, OCO\textsuperscript{3} and OGC, and other departments and offices concerned, where applicable.

Attachment: Revised Cost Estimates and Financing Plan\textsuperscript{4}

Updated Design Monitoring Framework (when applicable)
Comments Matrix

cc: PPFD, CTL, OCO (footnote 3), OGC and other departments and offices concerned.

\textsuperscript{2} Consultation with PPFD, CTL, OCO and OGC is not required for the approval of a minor change in scope or implementation arrangement. Consultation with PPFD, CTL OCO and OGC is required for a major change in scope or implementation arrangements. See Table 1 for cases where consultation with OCO is required.

\textsuperscript{3} Only when required. See Table 1.

\textsuperscript{4} A revised cost estimates and financing plan should be attached where the change in scope or implementation arrangements requires a reallocation between cost categories.