SUPPLEMENTARY APPENDIX G
OUTLINE TERMS OF REFERENCE FOR CONSULTING SERVICES

I. BACKGROUND
1. The assignment is an implementation consultancy funded as part of an Asian Development Bank loan to assist the implementation of an urban transport and environmental improvement project (the Project). The Project will help the Project Cities, Altay, Changji, Hami, Kuytun and Turpan in XUAR to improve their urban transport and environment in achieving long-term sustainable development.

2. The Consultants will assist the implementation, commissioning and operational elements of the Project to be carried out in accordance with the policies and guidelines of the Asian Development Bank and thereby to improve the urban transport and environment of Altay, Changji, Hami, Kuytun and Turpan in XUAR. The outline and more detailed terms of reference (TOR) of the consultancy are described in the following sections.

II. PROJECT OBJECTIVES
3. The project objectives are to (i) implement the urban transport infrastructures and achieve the environmental objectives approved in city master plans and 11th Five Year Plan; (ii) facilitate the accessibility and enable the proper functioning of the built environmental facilities; (iii) improve air quality and reduce the dust caused by poor surface road conditions; (iv) improve the comfort of road users including pedestrians and drivers, enhance road safety, and reduce traffic delay; (v) improve environmental hygiene and public health through the provision of environmental sanitation equipment and facilities; (vi) introduce environmental management in urban town centre areas and expanding urban areas; (vii) catalyze economic growth in XUAR, which will improve poor people’s income and well-being in five cities (Altay, Changji, Hami, Kuytun and Turpan) which are consistent with PRC’s development priorities.

4. The objective of the services is to provide adequate technical, institutional, managerial, financial and operational supports in the project implementation.

III. SCOPE OF SERVICES
5. With the help of international consultants, the XUAR PMO, City PMOs and the IAs will develop the aspects of expertise in (i) efficient construction & operation of the facilities; (ii) functional areas covering, administration, finance and accounting; (iii) human resource development; and (iv) financial sustainability.

6. The Consultant will work with XUAR PMO and the senior management of City PMOs and IAs. They will, based on a sound understanding of local conditions and the Project provide assistance and advice to the City PMOs and IAs. The Consulting services require (i) building the capacity of staff in the PMOs and IAs; (ii) monitoring the construction and operations, including the impact of social aspects and on environment; and (iii) monitoring the process of resettlement. These tasks, include (i) reviewing designs, specifications, and tender documents; (ii) construction supervision, quality control and monitoring of progress over the project implementation period; (iii) training for the PMOs and IAs in finance, accounting, mechanical, and O&M training; (iv) developing traffic and transport planning skills and a management information system for the PMO and the IAs; (v) social, resettlement and environmental monitoring; (vi) project management; (vii) efficient operating procedures; (viii) preventive maintenance; (ix) financial management; (x) human resources development; (xi) corporate...
governance; and (xii) providing advice to the PMOs and IAs on the improvements of their performance.

7. The Consultant will also provide construction management services for the duration of the construction period of the Project. The Consultant is expected to accomplish the following activities:

- Preparing and updating of the construction schedule for all the works as defined in the contract documents,
- Developing and implement procedures for monitoring the contractors quality, environmental and health and safety management systems,
- Developing and implementing procedures for monitoring and controlling the financial progress of the contracts, including assessment and approval of variation orders,
- Reporting to the PMOs and IAs at monthly intervals on the physical and financial progress of the contracts, including recommendations for managing/ameliorating delays and cost increases,
- Reviewing and commenting on the contractors proposed working methods (particularly in respect to environmental impacts and sustainability),
- Reviewing and approving contractors ‘as-built’ drawings,
- Overseeing all commissioning and putting to work activities.

IV. DETAILED TASKS BY AREA OF EXPERTISE

8. The Consultant will work with the XUAR PMO City PMOs and IAs and provide assistance and advice on the following:

I. (I) SKILLS, EXPERTISE AND QUALIFICATIONS OF CONSULTANTS

9. All candidates for international consultants must have at least ten years of working experience as full time employees in foreign projects of similar nature or local projects financed by international financial organizations. The candidates of the consultants who have both English and Chinese language ability will be preferable. The basic requirements of qualification and terms of reference for consultants are as follows:

(ii) International Consultants

Team Leader/Urban Transport Specialist

10. As the team leader, he/she will coordinate the activities of all consultants. He must have at least 20 years of international working experience in similar projects and 10 years of management experience. At least 5 years of working experience in projects of similar nature in China will be preferably considered. He / she should have had at least one previous assignment as the team leader of the consultants in similar project and have no difficulty in using English and have good skill and ability to communicate with EA and IAs. For the purpose of the consulting services, the team leader will, based on the knowledge and the experience of previous projects, establish the working arrangements, take overall responsibility for team performance, provide ongoing support to the EA and IAs and monitor project implementation. He/she will also assist the XUAR PMO, City PMOs and IAs in communication with ADB to ensure smooth project implementation, attend the meetings held by ADB missions for the Project and undertake the following:
(i) Oversee and coordinate the work of consultants engaged to assist with Project implementation;

(ii) Develop and help implement project implementation plans and procedures for monitoring and control;

(iii) Recommend a practical and effective design supervision system;

(iv) Review designs drawings and bidding documents, including the identification of potential technical problems and suggesting means of resolving these, avoid design mistakes which may increase cost, and also include the incorporation of environmental mitigation measures where appropriate.

(v) Advise on the development of reporting procedures to the Bank, including those covering withdrawal and payment;

(vi) Provide advice and assistance on start-up, commissioning and testing of the newly constructed facilities;

(vii) Review the IAs operation, maintenance and asset management programs and recommend improvements to these to help assure effective and sustainable service delivery;

(viii) Provide advice to the IAs on performance improvements; and

(ix) Provide training and on-the-job guidance on the above items.

(x) assist in preparing project progress reports required by ADB

(xi) Any other tasks which may be assigned by EAs or IAs

**Procurement and Contract Specialist**

11. The procurement and contract management specialist shall have at least 15 years of working experience and 5 years of working experience in similar projects in China. The contract management specialist should have sound and sufficient experience in contract negotiation and controlling procurement processes. He should have prior experience in similar projects and management position. He shall help the EA and IAs to prepare the bidding documents, draft contracts acceptable to the ADB, and provide practical procedures.

(i) Review bidding documents, Introduce document control and contract management systems;

(ii) Advise on the implementation of International competitive bidding, local competitive bidding and international shopping contract procedures in accordance with the Bank’s *Guidelines on Procurement*; Advise on the development of reporting procedures to the Bank, including those covering construction progress,

(iii) Advise on management control of construction supervision and construction quality; adherence to contract work programs and recovery of slippage; site health and safety procedures; record keeping systems to protect client interests in event of claims etc; and claims assessment and determination;

(iv) Develop monthly construction progress report

(v) Any other tasks which might be assigned by EA or IAs

**Social/Minority Development/Resettlement/PPMS Specialist**
12. This consultant shall have at least 15 years or working experience, including at least 5 years in similar assignments. He shall finish, in close cooperation with local engineers, the resettlement monitoring reports. He shall understand very well both ADB requirements and Chinese national regulations on the resettlement issue.

(i) **Review the social impact of the Project through the social impact indicators;**

(ii) **Review and monitor the progress in resettlement to ensure that implementation is in accordance with the Resettlement Plan (RP);**

(iii) **Assist the Executing Agency (EA) and the Implementation Agencies (IA) in conducting independent monitoring of the progress and effectiveness of RP implementation;**

(iv) **Evaluate the income restoration and post-resettlement conditions of the APs, AHs and host communities;**

(v) **Assess if the land acquisition and resettlement is implemented in accordance with the RP and if the goals and principles of the RP are achieved;**

(vi) **Recommend any measures to improve the implementation of the RP;**

(vii) **Prepare the monitoring report which should include: (i) conclusion of investigation and evaluation; (ii) major existing and potential problems; (iii) recommended mitigation or prevention measures which will be incorporated into a revised plan if necessary; and (iv) assessment of previous follow-up actions.**

(viii) **In consultation with the PMO, develop a detailed framework for the Project PPMS including overall system design; refinement of indicators, targets and goals; and design of report formats. Selected indicators should provide a practical and meaningful measure of key Project impacts and achievements. Specified targets and goals should be measurable and achievable. In consultation with the PMO and the IAs, develop a comprehensive training and capacity building program to ensure the institutional and operational sustainability of the Project. This task must be completed within the first 6 months of the contract.**

(ix) **Produce the first PPMS report in consultation with the PMO.**

(x) **Train the staff of PMO to use and maintain the PPMS framework and advise as needed in the preparation of periodic PPMS reports following the first report.**

**Environmental Specialist**

13. This consultant shall have at least 20 years or working experience, including at least 5 years in similar assignments. He shall finish, in close cooperation with local engineers, the resettlement monitoring reports. He shall understand very well both ADB requirements and Chinese national regulations on the environmental management issue.

(i) **Review the Project environmental management plan (EMP) and develop detailed plans and procedures to implement it. Revise the EMPs as needed to account for changes in engineering design or to overcome any apparent deficiencies. Review the EMPs and implementation plans and procedures with the PMO and the IAs for all sub-components and ensure that all understand these fully. This task must be completed within the first 6 months of the contract.**

(ii) **Develop the format of the EMP reports for each IA based on ADB specific requirements and conduct training in environmental monitoring, reporting and corrective actions. These inputs must be completed within the first 6 months of contract commencement.**
(iii) Review environmental monitoring reports prepared by the IAs and construction contractors and confirm that reporting requirements and other EMP procedures are being followed. This review will be conducted on a semi-annual basis.

(iv) Conduct semi-annual inspections at Project construction sites to monitor the implementation of mitigation measures and the residual impacts of construction activity. This monitoring will serve to assess and confirm the findings of the routine ongoing environmental monitoring which is the responsibility of the PMO and the IAs.

(v) Confirm that agreed EMP mitigation measures are implemented. Determine whether the measures effectively minimize adverse environmental effects. Advise on modifications to mitigation measures where residual adverse impacts violate standards or are otherwise deemed to be unacceptable.

(vi) Prepare mission reports to document the findings of EMP investigations.

(vii) Develop formats for semi-annual EMP reports submitted to the ADB and prepare the initial EMP report. Train the PMO staff to prepare subsequent EMP reports for the ADB and advise as needed in the preparation of subsequent reports.

(viii) Prepare inputs on environmental impacts to the first MIS and PPMS reports. Train PMO staff to prepare subsequent inputs for the subsequent MIS and PPMS reports.

(ix) Assist PMO and IAs to implement a public awareness program dealing with environmental protection. The program plans should identify (i) the target areas and stakeholders, (ii) the need for and scope of the program, (iii) a program implementation schedule, and (iv) a program resource and funding strategy. The potential program scope encompasses construction impacts, traffic safety and air quality and environmental sanitation. Public information and promotion materials should be visual and easy to understand. Stakeholders may include general urban residents, residents of impact areas, businesses, students, etc. The public awareness program should include a public complaints procedure. Planning for the public awareness program must be completed within the first 6 months of the contract and the program plan should be documented in a mission report.

(x) Monitor implementation of the public environmental protection awareness program on a semi-annual basis and advise the PMO as needed on its implementation.

(xi) Review the operation and maintenance program for project facilities to ensure environmental sustainability of the Project.

(xii) Assist with the development and implementation of environmental impact components of the PPMS. Develop implementation plans and procedures for water quality, air quality of project areas in consultation with the local Environmental Protection Bureaus and other responsible agencies within the project cities.

Financial Management Specialist

14. The financial specialist shall have at least 15 years of working experience in similar projects and fields. Previous working experience in China and in the field of financial program development will be preferable and knowledge of Chinese accounting regulations and practices would be a distinct advantage. He/she will participate in preparing the annual work plan and reviewing budget and expenditures of the Project and its components. He/she will help in preparing, establishing and operating computerised Project management information and accounting system and a financial management software, and take all the relevant assignments needed for the purpose of implementing a sound financial performance of this Project. Work closely with the XUAR Finance Bureau and other relevant Municipal Government units:
Supplementary Appendix G

(i) Review arrangements made by the PMO and IAs for Project budgeting, accounting, internal control, financial reporting and auditing. Assure that these arrangements are adequate for purposes of the financial management of ADB loan funds. Recommend improvements as required to these systems. This task must be completed within the first 6 months of the contract.

(ii) Plan and implement training programs for PMO and IA accounting and finance staff dealing with: (a) ADB procedures for disbursement, procurement, reporting and related matters; (b) Internal financial control including, among others, separation of functions, conflict of interest and other anti-corruption safeguards; (c) management of foreign exchange funds. ADB will provide training on ADB procedures. Suitably qualified specialists selected in consultation with the PMO and the ADB must provide training programs for items (b) and (c).

(iii) Assist the city and management companies develop dedicated road maintenance funds. Assess current funding sources and assist in the design of a road operations and maintenance fund. Identify specific sources of funding for these funds.

(iv) Evaluate the year by year compliance with ADB loan covenants dealing with counterpart funds, tariff reform, financial management, and the financial performance of revenue generating IAs.

Domestic Consultants

Deputy Team Leader/ Urban Transport Specialist

15. The Deputy Team Leader will work closely with the International team leader and will be responsible for ensuring that the overall work program is completed efficiently and effectively within the time concerned. He should be major in urban transport engineering and shall have at least 15 years of working experience in similar projects or fields. He/she will report to the team leader and EA. The Deputy Team Leader will work for virtually the whole period of the Project and will assist in preparing project progress reports required by ADB, and developing annual work plans and budgets and coordinate with other international consultants.

16. He shall cooperate with other consultants: review designs and drawings, including the identification of potential technical problems and suggesting means of resolving these, including avoid increasing cost due to potential design mistakes, ensure the quality and objective of the project and procurement.

17. The specialist may be required to visit the site, to check the construction procedures and develop solutions to problems occurred in construction.

18. The Deputy Team Leader shall make initial diagnostic analysis for the existed problems in each IAs. This should be included in the Inception Report prepared by the consultants. The consultant works closely with the engineers, technicians and staffs of EA and IA to discuss and find out the sound approaches to the existing problems in urban transport. The consultants should prepare the work plan according to the problem identified and complete a report of Institutional Development Action Plan (IDAP), which should be developed in 6 months after the commencing date of consulting service. He should develop or introduce a practical operation management program or advanced operational methods and equipment to identify and implement appropriate operational cost saving initiatives.

19. He will also be responsible for the technical training for concerned persons and make the investigations across the concerned agencies regarding their training need and prepare a training program which includes short term training, on job training and local & abroad training. The training program should be included in the IDAP. The improvements to service quality and
reliability through the use of operational standards and procedures linked to defined service standards and targets are also included in the TOR.

20. He will work closely with the other consultants and IA staffs and will help review the civil works or equipment contracts under this Project. He shall help the EA and IAs to review the bidding documents and draft contract in accordance with ADB requirements. He shall assist in protecting the Client from claims, and he will cooperate with the international consultants to do so.

21. He should work closely with the IAs and EA and assist in undertake construction supervision and management including: construction methods; compliance with contract specifications; control over construction quality; He shall work closely with the other consultants, each IA and EA.

22. Any other tasks which may be assigned by EA or IAs, and EA may adjust the assignment according to the actual requirement.

Social/Minority Development/Resettlement Monitoring / Social Specialist

23. This consultant shall have at least 10 years or working experience, including at least 5 years in similar assignments. He shall finish, in close cooperation with local engineers, the resettlement monitoring reports. He shall understand very well the ADB requirements and Chinese national regulations on the social, minority development and resettlement issues.

24. Any other tasks which may be assigned by EA or IAs, and EA may adjust the assignment according to the actual requirements.

Financial Management Specialist

25. The consultant shall have at least 10 years experience in similar projects and assignments. The finance specialist will work closely with the international financial consultant and the financial experts of EA and IA. He / she will be responsible for compiling and preparing the Project financial statements as required by ADB. He / she will also prepare the first annual work plans and budgets and monitor project expenditure. He will develop or introduce financial management software for this Project. He should be responsible for tutoring /training/assisting the financial staff from the EAs and IAs, to ensure all those staff can manage/operate the loan disbursement according to the ADB procedure.

V REPORTING

1) Inception report – to be submitted after one month outlining the methodologies and work plan

2) Quarterly report – to be submitted every three months outlining progress within the quarter

3) Project completion report – identifying total progress, key outstanding issues and future development path

VI INDICATIVE STAFFING SCHEDULE AND BUDGET

26. Table 1 provides an indicative staffing schedule based on the needs of individual component as assessed during project preparation. Table 2 provides an indicative budget for the consulting services.

Table 1: Indicative Staffing Schedule
Table 2: Indicative Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Budget (USD)</th>
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</thead>
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<tr>
<td>International Consultants</td>
<td>340,000</td>
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<tr>
<td>Domestic Consultants</td>
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<tr>
<td>Miscellaneous Expenses - Office Expenses/local transport</td>
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<td>Project Management</td>
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