

**RESTRICTED**

**TAR:PHI 23106**

**ASIAN DEVELOPMENT BANK**

*This Report has been prepared for  
the exclusive use of the Bank.*

**TECHNICAL ASSISTANCE  
(JSF-Financed)**

**TO THE**

**REPUBLIC OF THE PHILIPPINES**

**FOR THE**

**WESTERN VISAYAS AGRO-INDUSTRIAL DEVELOPMENT PROJECT**

**May 1994**

## **CURRENCY EQUIVALENTS**

(as of 15 April 1994)

Currency Unit	-	Philippines Peso (₱)
₱ 1.00	-	\$0.036
\$1.00	-	₱ 27.53

The exchange rate of the Peso is determined on the basis of a floating exchange rate system.

## **ABBREVIATIONS**

DA	-	Department of Agriculture
GRDP	-	Gross Regional Domestic Product
LGC	-	Local Government Code
LGU	-	Local Government Unit
NGO	-	Non-Government Organization
TA	-	Technical Assistance
WVR	-	Western Visayas Region

## **NOTES**

- (i) The fiscal year of the Government ends on 31 December.
- (ii) In this Report, "\$" refers to US dollars.

## I. INTRODUCTION

1. During the Country Programming Mission in February 1993 the Government of the Philippines requested technical assistance<sup>1</sup> (TA) from the Bank to prepare an investment project for agro-industrial development in the Western Visayas Region (WVR). The Project is based on the Bank-funded Development Master Plan Study.<sup>2</sup> This Study, initiated by the Regional Development Council, provides a framework for the economic and social development of the WVR, covering all sectors, for 15 years from 1993. The estimated expenditure of ₱19.540 billion for the first five years is allocated largely to social services (54 per cent) and infrastructure (35 per cent). The agriculture, forestry and fishery share is 7 per cent. A Bank Fact-Finding Mission visited the WVR from 3 to 17 November 1993 to identify development opportunities in the agriculture sector. The Mission visited all six WVR provinces (Aklan, Antique, Capiz, Guimaras, Iloilo, and Negros Occidental), and discussed development objectives, strategies and priorities with regional agencies, Governors, officials of provincial government agencies, non-government organization (NGO) personnel, and private sector representatives.

## II. BACKGROUND AND RATIONALE

2. The gross regional domestic product (GRDP) for the WVR from 1987 to 1991 averaged an annual growth rate of 2.3 per cent compared with national growth rate of 2.8 per cent. The services sector registered the highest growth at 3.2 per cent, followed by industry at 2.3 per cent and agriculture 1.4 per cent. The average annual growth rate of real GRDP per capita was 0.82 per cent.

3. The six provinces of WVR are located on three neighboring islands that can be traversed easily by road or sea within a day's journey. The WVR has the fourth largest population in the Philippines, with 5.4 million in 1990 and its population is growing at 1.7 per cent per annum. Poverty is particularly high in rural areas, where 62 per cent of the people have incomes below the poverty level of ₱ 6,174 (\$224) per annum.<sup>3</sup> Antique and Guimaras are part of the 19 provinces in the economic development catch-up program coordinated by the Presidential Commission for Countryside Development.

4. The Western Visayas Development Master Plan identified agro-industrial development as a key strategy to stimulate economic growth and reduce poverty in the WVR. Regional and provincial development plans, which have drawn on the Master Plan (see para. 1), have adopted agro-industrial development as a major strategy for development. The Master Plan recommended 28 financially viable project activities that could be (i) based on locally produced and/or processed agricultural, marine, aquatic and forest products; and (ii) undertaken by owner-operators, cooperatives and private companies at levels of investment ranging from \$12,000 to \$130 million (see Appendix 1).

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<sup>1</sup> The TA first appeared in *ADB Business Opportunities* in July 1993.

<sup>2</sup> TA No. 1496-PHI: Western Visayas Development Master Plan Study for Regional Development Council Region VI, for \$1,336,000, approved on 19 March 1991.

<sup>3</sup> National Statistics Coordination Board, "What Do You Know About Our Poverty Statistics", December 1992.

5. In 1988 the WVR had 5,992 or 7.6 per cent of the manufacturing establishments in the Philippines. Only 1 per cent are considered as medium or large (having more than 100 employees). About 95 per cent of the establishments are cottage industries (with less than 9 employees), dominated by food and garment activities. The WVR's main agro-industries are sugar, milled rice, shrimp and prawn processing, tropical fruits and juices, cassava starch and edible oil from copra.

6. The development of agriculture has focused on the production of primary products and industry has focused on import-dependent manufacturing and processing. Even with a substantial agricultural resource base, the linkages between agriculture and industry have not capitalized on the opportunities for joint development. Agriculture and industry are to be treated under a common framework to emphasize the links in the activities involved in producing, processing and marketing agricultural products. These activities include input suppliers, farmers, transporters, processors, distributors, financial entities, research agencies, government, industrial associations, chambers of commerce, training and educational institutions. The entities involved can be individuals, associations, cooperatives, private enterprise and government organizations. In pursuing agro-industrial development, an industry approach is required to accommodate the interdependencies and stakeholders' involved.

7. The major constraints to agro-industrial development in the WVR include disincentives emanating from government policies and regulations; inadequate transport including interisland shipping and communications infrastructure; inaccessibility of credit; limited research and extension; weak linkages between agribusiness firms and small farmers; lack of marketing knowledge and expertise; difficulties in accessing modern technologies; quantity and quality of raw materials; obsolete processing equipment; limited agricultural storage; and limited skilled technical, administrative and managerial personnel.

8. The process of agro-industrial development must be led by the private sector and driven by the market, yet it must benefit most rural smallholders in support of the Bank's and the Government's strategies for agricultural development. Agro-industrial development in the WVR requires a long-term (10-year) strategy to address the interdependency of activities and stakeholders involved and to provide an enabling environment for private sector led development.

9. With implementation of the Local Government Code (LGC)<sup>2</sup> there is greater opportunity for provincial governments to play an integrating role in supporting agro-industrial development. The technical, administrative, managerial and financial capability of local government units (LGUs) to meet the expectations of the private sector in providing this supporting role needs further examination. The growing cooperation among the private sector, government, NGOs, cooperatives and large private businesses should be encouraged. There will be an increasing need for private sector involvement in helping its own agro-industrial growth.

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<sup>1</sup> A stakeholder is any organization or person who has an interest in the project's success, contributes to or is affected by the objectives of the project, or can influence the problems and opportunities to which it responds.

<sup>2</sup> The Local Government Code of 1991, effective from January 1992, devolved considerable responsibility, power and resources to the local government units.

10. The goal of the Project designed under the TA is to stimulate regional economic development, and the purpose of the Project is to increase agro-industrial development with a focus on small and medium enterprises. The TA will formulate a comprehensive strategy for phasing agro-industrial development in the WVR. The Project, being the first phase, will focus on investments to support the private sector and will probably include institutional capability building and training, infrastructure, support services and pilot value-adding activities. Through the vertical integration of enterprises, particularly cooperatives, within industries, farmers will have increased control over their produce and can share in the value-adding process.

11. The TA will initially address mainstream industries such as rice, corn and sugar, and diversified industries based on products identified by the LGUs and in the Master Plan pre-investment studies. The final selection of industries for inclusion in the Project will be based on criteria agreed among the Government, LGUs and the Bank. The criteria will include (i) the availability of raw material; (ii) the regional, national and international market potential; (iii) the level and availability of technology and current industry capacity; (iv) the scope for increased vertical integration by involving small to medium enterprises; and (v) viability and sustainability.

12. The numerous stakeholders in agro-industrial development have their own objectives and approaches. However, their involvement and cooperation is essential to the formulation of the Project and their subsequent ownership to the Project is fundamental to sustaining the agro-industrial process. To ensure the participation of stakeholders, a process-oriented approach to Project formulation and implementation will be adopted. In the TA, the consultants will operate as facilitators, using workshops as the primary instrument of participation to share views, identify problems, and develop consensus and commitment to the solutions and the Project. This approach is in line with the Bank's Medium Term Strategic Framework (1993-1996), which encourages the gradual shift in emphasis from "blueprint" projects to "process-oriented" projects.<sup>1</sup>

13. The Project will be in accordance with the Bank's (i) Country Operational Strategy for the Philippines dated November 1993, which emphasizes growth and greater private sector involvement in the economy; and (ii) Agriculture Department Strategic Framework, 1993-1996, which recommends assistance in diversifying agricultural production and value-adding opportunities through agro-industrial development and assistance for strengthening cooperatives, NGOs and rural communities.

### III. THE PROPOSED TECHNICAL ASSISTANCE

#### A. Objective

14. The objective of the TA is to assist the Government in formulating a long-term strategy and designing the Project to stimulate agro-industrial development focusing on small and medium enterprises.

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<sup>1</sup> This TA will be supported by the ADTA: ZOPP Applications for Strengthening Community and Local Government Participation in Agriculture and Rural Development Project Implementation where this Project is identified as one of six projects involved.

## **B. Scope**

15. Within the framework of the LGC, the TA will (i) prepare a strategy for agro-industry development in the WVR to be implemented in phases over a ten-year period; (ii) determine the components of the Project to be funded in Phase I, clearly identifying the respective roles of the Government, LGUs and the private sector; (iii) assess the technical, financial, economic, social, institutional and environmental feasibility and sustainability of the Project; and (iv) develop appropriate implementation, monitoring and financing arrangements.

16. The preparation of the Project is to be based on three essential elements: (i) the need for the private sector to lead agro-industrial development in the WVR, (ii) the necessity for LGUs to be able to provide the essential supporting infrastructure and institutional building, and (iii) the necessity for all stakeholders from private sector and government to be actively involved. The TA will analyze factors that constrain or support the development of each selected industry, assess those that can and should be targeted for support, and define an investment project based on the initiatives identified.

## **C. Cost Estimates and Financing Plan**

17. The total cost of the TA study is estimated at \$860,750, of which the foreign exchange cost is \$739,200 and the local currency cost is \$121,550 equivalent. The foreign exchange cost and \$83,050 equivalent of the local currency cost will be financed by the Bank on a grant basis from the Japan Special Fund. The rest of the local currency cost will be financed by the Government. A breakdown of the cost estimates is given in Appendix 2.

18. The cost of the Project is currently estimated to be about \$50 million. The foreign currency requirements will be determined during the course of the TA. The Government has been informed that approval of the TA study does not commit the Bank to finance any ensuing project.

## **D. Implementation Arrangements**

19. The Executing Agency will be the Department of Agriculture (DA) of the Philippines. The DA will be responsible for the general administration and coordination of the TA with the relevant line agencies in the WVR (including the Regional Development Council and the regional office of the National Economic and Development Authority in Iloilo), provincial governments and other stakeholders. A steering committee will be formed to oversee and provide direction to the TA consultants. The DA will chair this committee which will include representatives of the Regional Development Council, the National Economic and Development Authority, the Department of Trade and Industry and the local business groups. Other agencies as required will be called on to participate. The provincial governments, through the planning and development office of each province, will be the implementing agencies for the TA. The DA will appoint a senior level officer as the counterpart Project Director for the TA. The DA and each implementing agency will assign counterpart professional and supporting staff (secretaries and drivers) to assist the consultants, and will provide suitable office space and amenities.

20. The TA will be undertaken over a period of 7.5 months by an international consulting firm to be recruited by the Bank in accordance with the Bank's *Guidelines on the*

*Use of Consultants.* The firm will be responsible for recruiting a team of about five international consultants to provide a total of 28 person-months of services in agribusiness/marketing (7.5 months), financial analysis (4 months), institutions/management and training (4 months), sociologist (2 months), environment (4 months) and various short-term specialists (6 months).<sup>1</sup> The firm will also provide about five local consultants for a total of 26 person-months. The local consultants will be experts in agriculture/agribusiness economics (7.5 months), workshop facilitation (3 months), agribusiness/marketing (6 months), sociology (2 months), civil engineering (3 months) and various specializations for short terms (4 months).<sup>2</sup> The detailed terms of reference for the consultants are in Appendix 3.

21. Some essential office equipment<sup>3</sup> and two vehicles will be procured for the use of the consultants under the TA. Procurement will be carried out in accordance with the Bank's *Guidelines on Procurement*.

22. The TA will be implemented over 7.5 months in two stages. The first stage will build on the Master Plan Study and will review recent developments in agro-industry, analyze the investment potential and constraints, undertake case studies of successful agro-industry projects and activities, select feasible investments, and determine the roles and commitments of the stakeholders. The stakeholders will be involved in this consultative process. Stage two will involve formulation of the long-term strategy and the Project, including feasibility studies of site-specific project activities.

23. The consultant team, in cooperation with the counterpart staff of DA and the implementing agencies, will prepare four reports. An inception report will be submitted to the Bank at the end of the third week. It will give details of the approach to be taken, and the work program for the TA in general and first stage in particular. At the end of the tenth week, the consultants will submit an interim report that summarizes the findings in the first stage, identifies and justifies the industries selected, develops the proposed Project and refines the approach and scheduling of activities for the second stage. This report will be followed by a tripartite meeting to discuss the report and refine requirements for the second stage. A draft final report will be submitted at the end of the twenty-fifth week and will be followed by a tripartite meeting to review the report. The final report, incorporating comments from the Government and the Bank, will be submitted at the end of the thirtieth week.

#### IV. THE PRESIDENT'S RECOMMENDATION

24. It is considered that the proposed technical assistance to the Government of the Philippines is necessary for the purpose of the Western Visayas Agro-Industrial Development Project. The President recommends that the Board approve the proposed technical assistance, on a grant basis, in the amount of \$822,250.

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<sup>1</sup> These short-term inputs will be based on the industries selected for inclusion in the Project.

<sup>2</sup> These short-term inputs will be determined by the industries selected for investment activities.

<sup>3</sup> Two, 386 kb microcomputers, each with a monitor, uninterruptible power source and software; one laser printer; one long carriage dot matrix printer; one photocopier.

**PROJECTS IDENTIFIED BY PRE-INVESTMENT STUDIES IN  
AGRICULTURE, MARINE AND AQUATIC ACTIVITIES**

Name	Unit Investment Cost (P '000)	Type of Enterprise
<b>Shrimp Production</b>		
1. Mussels Filtration for Shrimp Farms	203	Owner-Operated
<b>Finfish Production</b>		
2. Cage Culture of Tilapia Hybrids	97	
3. Modular Production of Milkfish	355	
4. Milkfish Fingerling Production	470	
5. Sea Bass Hatchery	296	Owner-Operated
6. Cage Culture of Groupers	204	Cooperative or
7. Polyculture of Sea Bass and Tilapia	277	Private Company
8. Multi-sized Stocking of Milkfish	314	
<b>Marine Fish Production</b>		
9. Artificial Reef	99	Cooperative
10. Flake Ice Plant	3,379	Owner-Operated or Cooperative
<b>Mussels Production and Processing</b>		
11. Mussels Production	29	Cooperative or Owner-Operated
12. Mussels Freezing	98,070	Private Company
13. Mussels Canning	130,000	Private Company
<b>Seaweed Production and Processing</b>		
14. Eucheuma Seaweed Production	12	Cooperative or Owner-Operated
15. Refined Carrageenan Processing	111,700	Private Company
<b>Poultry Production and Processing</b>		
16. Integrated Broiler Production		
Integrator	7,001	Private Company or Cooperative
Processors	6,038	Cooperative
Broiler Farms	143	Owner-Operated or Cooperative

(Reference in text: page 1, para. 4)

Name	Unit Investment Cost (P '000)	Type of Enterprise
17. Layer Production	426	Owner-Operated or Cooperative
<b>Animal Husbandry and Processing</b>		
18. Hog Breeding and Fattening	5,790	Cooperative or Owner-Operated
19. Feedmilling and Hog Fattening	7,474	Cooperative or Owner-Operated
20. Slaughterhouse Meat and Processing	54,077	Private Company
<b>Fruits, Nuts and Vegetables Processing</b>		
21. Multi-Fruit Processing	2,513	Owner-Operated or Cooperative
22. Cashew Nut Processing	1,609	Owner-Operated or Cooperative
23. Cucumber Pickles Processing	4,556	Private Company or Cooperative
<b>Piña Fiber Production and Processing</b>		
24. Integrated Piña Production and Processing	1,710	Cooperative or Private Company
25. Outgrower Production and Central Processing	15	Cooperative, Owner-Operated and/or
Outgrower Central Processing	2,189	Private Company
<b>Cut Flower Production</b>		
26. Tissue Culture Laboratory	1,369	Cooperative
27. Dendrobium Production	252	Cooperative or Owner-Operated
28. Anthurium Production	468	Cooperative or Owner-Operated

## COST ESTIMATE AND FINANCING PLAN

	Amount (\$)
<b>I. FINANCED BY THE BANK</b>	
<b>A. Foreign Exchange Cost</b>	
1. International Consultants' Remuneration	481,000
2. International Consultants' Per Diem	15,500
3. International Travel	40,500
4. Equipment and Vehicles	61,000
5. Seminars, Conferences, Workshops	18,000
6. Studies, Surveys, Reports	30,000
7. Contract Negotiations	5,000
8. Miscellaneous, TA Administration and Support Costs	21,200
9. Contingency	67,000
Subtotal (A)	<u>739,200</u>
<b>B. Local Currency Cost</b>	
1. Local Consultants' Remuneration	60,500
2. Local Consultants' Per Diem	8,000
3. Domestic Travel	7,000
4. Contingencies	7,550
Subtotal (B)	<u>83,050</u>
TOTAL (I)	<u>822,250</u>
<b>II. FINANCED BY THE GOVERNMENT (Local Currency Cost)</b>	
1. Counterpart Staff	10,000
2. Office Equipment and Supplies	5,000
3. Communications and Utilities	10,000
4. Workshop	10,000
5. Contingencies	3,500
TOTAL (II)	<u>38,500</u>
GRAND TOTAL (I + II)	<u>860,750</u>

(Reference in text: page 4, para. 17)

## DETAILED TERMS OF REFERENCE FOR CONSULTING SERVICES

### A. Terms of Reference

1. In undertaking the TA the consultants will adopt a process-oriented approach to facilitate the participation of all stakeholders and to seek cooperation in pursuing the overall strategy in general and in designing, financing and implementing the Project. The consultants will emphasize (i) building on already established and successful activities, including Government and foreign assisted activities; and (ii) increasing cooperation between larger business firms and small to medium organizations, the respective roles of all major stakeholders, the implications of the Local Government Code (LGC) and in particular the overall capability of Government to support their expected role, and the willingness and capability of the private sector to share or provide expected Government functions.

2. The TA will be 7.5 months duration and consist of two stages:

Stage I                      Analysis and Identification of Industries

Stage II                     Feasibility study of overall project and individual components.

3. The team leader will have the overall responsibility for ensuring the quality of the work of the team.

4. The terms of reference for the TA will include, but will not be limited to, the following:

#### 1. Stage I - Analysis and Identification of Industries (2 months)

- (i) prepare a work plan for the TA in consultation with DA and implementing agencies;
- (ii) prepare a profile of the agro-industry sector and its contribution to the economy of the WVR and the Provinces: major commodities processed, source of raw materials, processing capacity, ownership and management arrangements, technologies used, location and access to markets, value-added, financial performance, extent of vertical integration, major support services, and contribution to employment, export earnings and gross domestic product (GDP);
- (iii) review and assess general impediments to agro-industrial development arising from the following:
  - (a) existing policies and regulations, including the LGC;

(Reference in text: page 5, para. 20)

- (b) quantity, quality and availability of agricultural produce;
  - (c) lack of access, or development of, services and technologies (e.g., input supply, credit, energy, transport, technology, technical and marketing information, markets, competition); and
  - (d) the respective roles of the private and public sectors;
- (iv) describe and assess likely duplication or complementarity of ongoing private, Government and foreign assisted projects;
- (v) in consultation with the Government and the private sector:
  - (a) establish criteria for the selection of industries;
  - (b) select industries from pre-investment studies, and identified priorities of Government and the private sector;
  - (c) prioritize industries for further development;
- (vi) conduct industry-focused workshops to involve all stakeholders from input suppliers to agricultural production to retailers of agro-processed products to ascertain specific ongoing activities, problems and constraints; and identify specific investment requirements and the interest of stakeholders in participating in the implementation of the identified investments;
- (vii) where necessary, assess local and international markets for each of the major commodities/services produced or utilized in each industry;
- (viii) conduct short case studies of selected successful project activities involving cooperatives, non-government organizations (NGOs), government, and the private sector to identify and incorporate lessons learned into the selection and design of proposed activities for the Project;
- (ix) examine the constraints/problems to further development of each selected industry in terms of:
  - (a) sources and quality of agricultural produce and other raw materials; transport, communications, power supply, water supply, and other civil works; and existing procurement arrangements for the different commodities/inputs;
  - (b) the support services available to the industry including procurement of equipment and replacement parts (both imported and local), repair and maintenance facilities, and technical and marketing advice;

- (c) the current storage facilities, methods and infrastructure available and in use for raw materials and processed products;
  - (d) the transport and distribution network for domestic and international markets, including packaging and handling methods;
  - (e) the availability and accessibility of credit;
  - (f) appropriate organization/management arrangements for ownership and management of these industries;
  - (g) research and extension; and
  - (h) education and training;
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- (x) review the environmental standards required by type of industry and the potential risk by type of industry and identify major environmental issues that need to be incorporated into industry workshops and decision-making concerning the overall design of the Project;
  - (xi) assess the scope for small and medium-scale enterprises, particularly cooperative enterprises, to participate in the industry and seek support of larger private business in providing technical and service support;
  - (xii) assess the technical, administrative and financial capabilities of provinces and municipalities to provide the support required for agro-industry development, including maintenance of infrastructure, provision of research and extension and market information services;
  - (xiii) define the most appropriate administrative, managerial, financial, and corporate strategy to support and sustain the development of agro-industry involving both the government and the private sector;
  - (xiv) prepare an outline of investments for development of the selected industries and locations with expected participation from major stakeholders for feasibility study in Stage II;
  - (xv) participate in the Tripartite Review at the end of Stage I to reach agreement for the conduct of Stage II.

## **2. Stage II - Design of Investment Project (5.5 months)**

- (i) Based on the results of Stage I, prepare an investment strategy for the selected activities in the framework of a long-term program to develop an industry around each activity and prepare a Project that will include institutional capability building and training, infrastructure, support services, and pilot activities to vertically integrate industries through

cooperation within the private sector and between government and the private sector in developing small-medium scale enterprises; the Project should be designed using the Bank's Project (Logical) Framework as described in *The Project Framework*, September 1993.

- (ii) The Project design should continue the process-oriented approach and as such should be flexible in providing a mechanism to adjust the project objectives, implementation activities and budgets during the course of Project implementation. The design initially should be within existing policy and identified resource constraints.
- (iii) Prepare a program for institutional capability building and training in both the public and private sectors, relevant to the industries identified and the long-term development of agro-industry.
- (iv) Undertake economic and financial analyses of the project using the Bank's *Guidelines for Economic Analysis* and *Guidelines for Preparation and Presentation of Financial Analysis*, and evaluate the economic and financial viability of each component as well as of the whole Project including sensitivity and risk analysis.
- (v) Assess the social dimensions of the proposed investments, including their potential impact on producers, especially on women and the poor, in accordance with the *Guidelines for Incorporation of Social Dimensions in Bank Operations*.
- (vi) Prepare a general framework for Project monitoring and evaluation, which should include recommendations on the appropriate monitoring agency, key socioeconomic and other indicators, data collection and methods for monitoring Project impact, and format and frequency of report preparation.
- (vii) Conduct, and prepare a report on, an initial environmental examination of the activities/industries proposed for funding under the Project, including the Government's requirements for securing an environmental compliance certificate, based on the Bank's *Environmental Guidelines for Selected Agriculture and Natural Resources Development Projects*, *Environmental Guidelines for Selected Industrial and Power Development Projects*, *Environmental Assessment Requirements*, *Environmental Review Procedures* and the Bank's format for initial environmental examination report and summary.
- (viii) Prepare a realistic and detailed implementation schedule for each of the components proposed under the Project.
- (ix) Prepare an annual loan disbursement schedule in accordance with the implementation schedule, and draw up a financing plan, taking into account the Government and stakeholder contributions as well as external financing.

- (x) Review and make recommendations on an appropriate mechanism(s) for channeling loan funds to the provincial governments and private sector.
- (xi) Identify the appropriate Government agency/agencies for overall implementation of the project; and develop a mechanism for coordination among the implementing agency/agencies, financial intermediaries, cooperatives, NGOs and private entrepreneurs.
- (xii) Determine the nature and length of consulting services required for project implementation, if any, and prepare terms of reference for these services.
- (xiii) Assess the benefits of the Project on provincial and regional growth, income and income distribution at family level, poverty reduction, employment generation and balanced regional development.
- (xiv) Consider opportunities for co-financing with other aid agencies.
- (xv) Prepare a draft Memorandum of Understanding on the Project for signing between the Bank and the Government.

The preparation and printing of cost tables should be prepared using the software package "COSTAB" which will be provided by the Bank. The report text, cost tables and spreadsheet analysis should be submitted to the Bank on disk with the final report.

## **B. Reporting Requirements**

- (i) At the end of week three of TA implementation, the consultants will submit to the Bank an inception report detailing the approach to be taken and the work program for the TA in general and Stage I in particular.
- (ii) At the end of week 10, the consultants will submit an interim report that describes the findings in Stage I, identifies and justifies the industries selected, develops the proposed Project and refines the approach and scheduling of activities for Stage II. A tripartite meeting will be held at the end of Stage I.
- (iii) At the end of week 25, the consultant will submit a draft final report for review by the Government and the Bank at a tripartite meeting to be held at the end of week 28.
- (iv) Comments made at the meeting will be incorporated by the consultants and a final report will be presented at the Bank at the end of week 30.

(xv) participate in the Tripartite Review at the end of Stage I to reach