

Project Administration Manual

Project Number: 44236
Loan and Grant Numbers: L2668 (SF) and G0217
September 2014

Kyrgyz Republic: Emergency Assistance for
Recovery and Reconstruction

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Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the Emergency Assistance for Recovery and Reconstruction (EARR) on time, within budget, and in accordance with Government and Asian Development Bank (ADB) policies and procedures. The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Ministry of Finance and the State Directorate for Reconstruction and Development of Osh and Jalal-Abad are wholly responsible for the implementation of ADB financed EARR, as agreed jointly between the beneficiary and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by Ministry of Finance and the State Directorate for Reconstruction and Development of Osh and Jalal-Abad of their obligations and responsibilities for EARR implementation in accordance with ADB's policies and procedures.

At Negotiations the government and ADB shall agree to the PAM and ensure consistency with the financing agreement. Such agreement shall be reflected in the minutes of the Negotiations. In the event of any discrepancy or contradiction between the PAM and the Financing Agreement, the provisions of the Financing Agreement shall prevail.

After ADB Board approval of the EARR's report and recommendations of the President (RRP) changes in implementation arrangements are subject to agreement and approval pursuant to relevant Government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval they will be subsequently incorporated in the PAM.

Abbreviations

ADB	=	Asian Development Bank
ADF	=	Asian Development Fund
AFS	=	audited financial statements
CQS	=	consultant qualification selection
CWRD	=	Central and West Asia Regional Department
DMF	=	design and monitoring framework
DSC	=	Design and Supervision Consultant
EARF	=	environmental assessment and review framework
EIA	=	environmental impact assessment
EMP	=	environmental management plan
EMoP	=	environmental monitoring plan
ESMS	=	environmental and social management system
GACAP	=	governance and anticorruption action plan
GDP	=	gross domestic product
IA	=	implementing agency
ICB	=	international competitive bidding
IEE	=	initial environmental examination
IPP	=	indigenous people plan
IPPF	=	indigenous people planning framework
LAR	=	land acquisition and resettlement
LIBOR	=	London interbank offered rate
NCB	=	national competitive bidding
NGOs	=	nongovernment organizations
PAI	=	project administration instructions
PAM	=	project administration manual
PIU	=	project implementation unit
PMC	=	Project Management Consultants
QBS	=	quality based selection
QCBS	=	quality- and cost-based selection
RRP	=	report and recommendation of the President to the Board
SBD	=	standard bidding documents
SAACCS	=	State Agency for Architecture, Construction and Communal Services
SDRD	=	State Agency for Reconstruction and Development for Osh and Jalal-Abad
SOE	=	statement of expenditure
SPS	=	Safeguard Policy Statement
SPRSS	=	summary poverty reduction and social strategy
TOR	=	terms of reference

I. EARR DESCRIPTION

1. The Emergency Assistance for Recovery and Restoration (EARR) will restore the government's immediate fiscal capacity to help it meet the sudden rise of incremental costs arising from the April and June 2010 emergencies in the Kyrgyz Republic.

- The EARR will ensure that fiscal resources are not constrained and public funds for critical social and infrastructure maintenance expenditures are not diverted. By creating fiscal space, it will also help fund expenditures associated with physical and social costs arising from the emergency.
- While recovering from the fiscal impact, the EARR will assist in rebuilding homes and support the Government's ongoing reconciliation efforts to provide shelter to families affected by the emergency.
- By rehabilitating and reconstructing water supply and sanitation systems, and community infrastructure, the EARR will improve municipal services through continuous and reliable water supply, safe sanitation services, and address reconciliation in the region.

2. The EARR's impact is accelerated economic recovery and social reconciliation. Its outcome is rebuilt critical assets and restored economic, social and governance activities in areas affected by the emergency.

3. The EARR components include (as appraised):

- Uninterrupted provision of education, health, social assistance, transport and urban services (Component 1: Fiscal Support)
- Damaged houses repaired and/or reconstructed and rehabilitated and reconstructed critical public infrastructure (Component 2: Housing Reconstruction)
- Improved water supply, sanitation, and other community and public infrastructure (Component 3: Critical Public Infrastructure Improvement)
- Consulting Services (Component 4)

4. The Ministry of Finance will be the EARR executing agency. It will implement the fiscal support component while the State Directorate for Reconstruction and Development of Osh and Jalal-Abad (SDRD) will implement the housing reconstruction, and water supply and sanitation (WSS) and community infrastructure improvement components as an Implementing Agency (IA).¹

5. EARR implementation assistance will include a firm for project management consultancy (PMC) who will assist the IA in EARR administration, information, education and communication on the housing reconstruction component. The Project Management Consultant (PMC) will also assist in registering the property and assets of all affected families benefiting from the EARR

¹ In January 2013, the operational mandate of SDRD ended in January 2013 and the State Agency for Architecture, Construction and Communal Services was assigned as IA; SDRD was abolished during the course of 2014.

through the Safeguards Unit in the Implementing Agency. A firm for design and supervision consultancy (DSC) will assist the IA in implementing component 3.

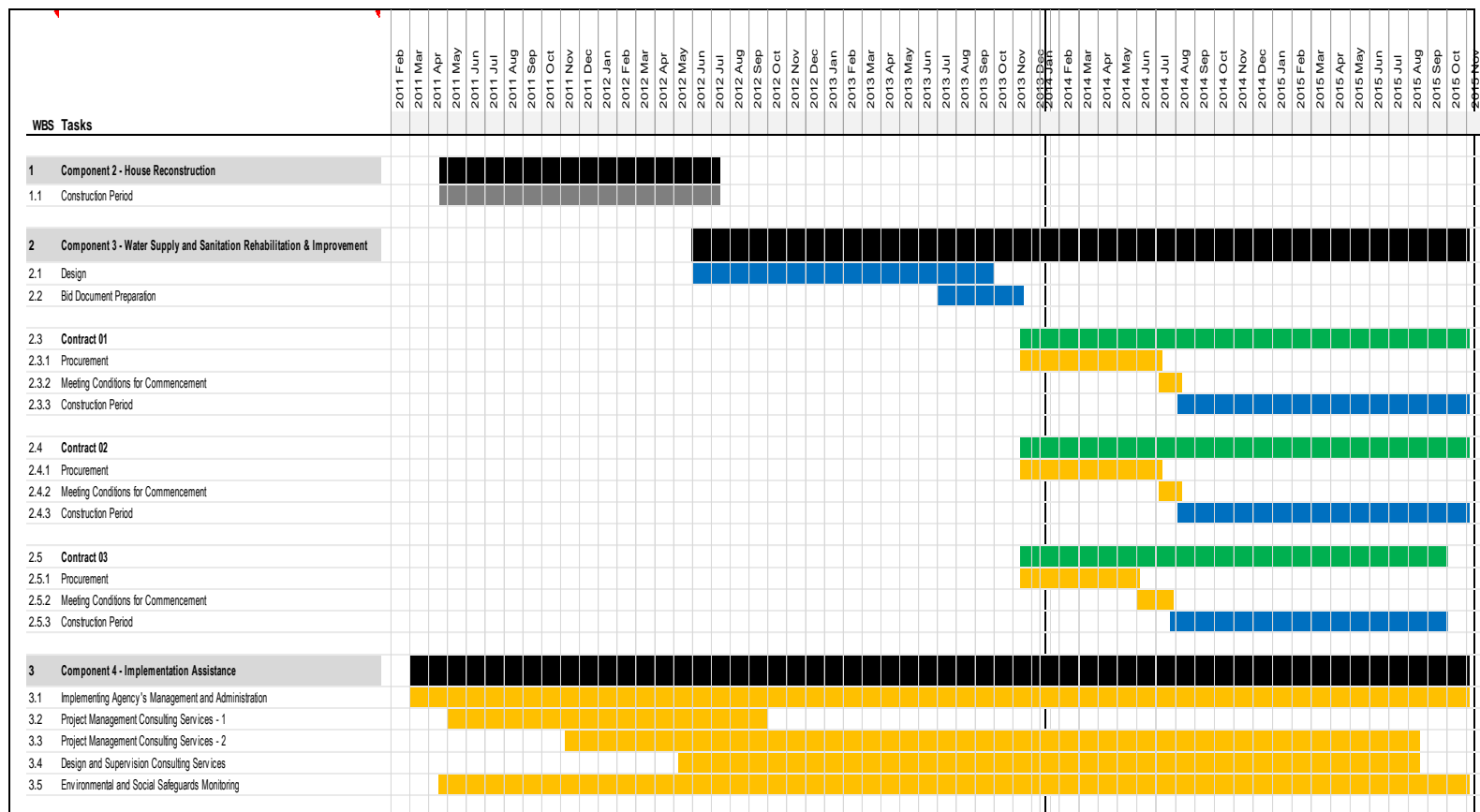
II. IMPLEMENTATION PLANS

A. EARR Readiness Activities

Indicative Activities	2010						Responsible Party
	Jul	Aug	Sep	Oct	Nov	Dec	
1. Advance contracting actions							SDRD, MOF
2. Retroactive financing actions							SDRD, MOF
3. Establish EARR implementation arrangements							SDRD, MOF, ADB
4. ADB Board approval							ADB
5. Loan and Grant signing							MOF and ADB
6. Government legal opinion provided							MOF
7. Government budget inclusion							MOF
8. Loan and Grant effectiveness							MOF

ADB = Asian Development Bank, MOF = Ministry of Finance

Components 2, 3 and 4



C. Project Implementation Progress

Activities	2011				2012				2013				2014				2015			Progress (%)	Wt (%)	Total (%)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3			
Fiscal Support																				100	15	15.00
House Reconstruction																				100	37.5	37.50
Water Supply and Sanitation Rehabilitation and Improvement																					37.5	6.32
Conduct surveys and investigations; prepare designs and cost estimates																				100	4	4.00
Invite bids and award contracts																				100	2	2.00
Construction																				1	31.5	0.32
EARR Implementation Assistance																					10	0.08
Implementing Agency's Management and Administration																				0.79	2.5	0.02
Project Management Consulting Services																				0.78	2.5	0.02
Design and Supervision Consulting Services																				0.69	2.5	0.02
Environmental and Social Safeguards Monitoring																				0.79	2.5	0.02
																					100	58.89

Note: as of end September 2014

III. EARR MANAGEMENT ARRANGEMENTS

A. EARR Implementation Organizations – Roles and Responsibilities

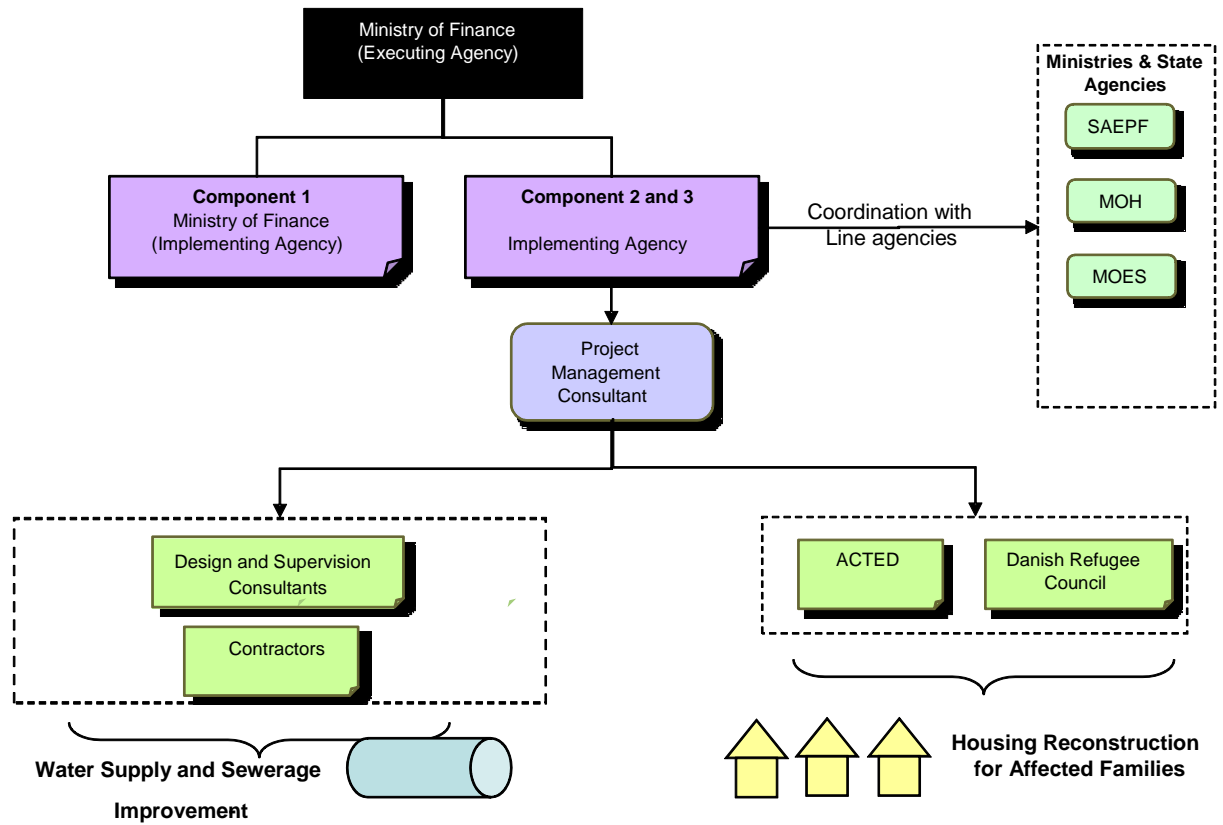
EARR implementation organizations	Management Roles and Responsibilities
<ul style="list-style-type: none"> Steering Arrangements 	<ul style="list-style-type: none"> Government convenes high-level meetings with the Executing Agency, the Implementing Agency and concerned ministries when required to review implementation progress
<ul style="list-style-type: none"> Executing Agency 	<ul style="list-style-type: none"> responsible for EARR oversight and administration hold regular meetings with the Implementing Agency to review progress ensure compliance with EARR covenants submit EARR documents, including audit reports, to ADB on time
<ul style="list-style-type: none"> Implementing Agency 1, Ministry of Finance 	<ul style="list-style-type: none"> responsible for EARR component 1 implementation and management oversee EARR accounting and auditing
<ul style="list-style-type: none"> Implementing Agency 2, State Directorate for Reconstruction and Development of Osh and Jalal-Abad (SDRD) until January 2013; thereafter the State Agency for Architecture, Construction and Communal Services (SAACCS) 	<ul style="list-style-type: none"> responsible for EARR components 2 and 3 implementation and management responsible for managing consultants under component 4 coordinate with all line ministries and state agencies to ensure smooth and efficient EARR implementation secure technical and ecological expertise for all civil works prior to bidding implement the asbestos management plan and environmental management plan under the EARR ensure city and oblast administrations comply with EARR covenants comply with social safeguards requirement detailed in the PAM, and specifically ensure re-registration of properties of all affected persons and their families invite bids, evaluate and prepare bid evaluation reports for ADB's approval award contracts prepare progress reports operations by the Implementing Agency for EARR implementation to be financed through government counterpart funds
<ul style="list-style-type: none"> Project Management Consultant 	<ul style="list-style-type: none"> responsible for technical, financial and social audit of all implementation activities under the EARR responsible for EARR planning and budgeting responsible for EARR implementation supervision, monitoring, reporting, and coordination

EARR implementation organizations	Management Roles and Responsibilities
<ul style="list-style-type: none"> Design and Supervision Consultant 	<ul style="list-style-type: none"> responsible for processing payments and withdrawal applications, coordinating with review missions responsible for conducting stakeholder consultations under the EARR and identifying critical public infrastructure improvement projects responsible for conducting information and communication campaigns responsible for designing water supply and sewerage systems in Osh and Jalal-Abad cities and Bazar-Korgon village responsible for supervising construction of water supply and sewerage systems in Osh and Jalal-Abad cities and Bazar-Korgon village carry out financial and economic analysis of water supply and sewerage subprojects
<ul style="list-style-type: none"> Implementing Partners 	<ul style="list-style-type: none"> ACTED and Danish Refugee Council responsible for designing and constructing approximately 1,700 damaged houses at an average built-up area of 72 sq. m per house to meet the government commitment of constructing up to 100 sq. m houses
<ul style="list-style-type: none"> State Agency for Environmental Protection and Forestry 	<ul style="list-style-type: none"> Approve initial environmental examinations and environmental management plans provide state ecological expertise for subprojects under Component 3 monitor asbestos and environmental management plan implementation
<ul style="list-style-type: none"> ADB 	<ul style="list-style-type: none"> Ensure technical and financial support and oversight according to the financing agreement

B. Key Persons Involved in Implementation

Executing Agency	Contact Information
Ministry of Finance	<p>Officer's Name: Mirlan Baigonchokov Position: Deputy Minister Telephone: Fax: 996 312 627 101/05 Email address: Office Address: Ministry of Finance</p>
State Agency for Architecture, Construction and Communal Services	<p>Officer's Name: Mambetov Turdubek Position: Director Office Address: 28, Manasa Street, Bishkek, 720001 Kyrgyz Republic Tel/Fax: (+996 312) 313200 Email: earr_gosstroy@mail.ru</p> <p>Officer's Name: Nazgul Asanalieva Position: Project Coordinator/Consultant Email address: nesnostluba@mail.ru</p> <p>Officer's Name: Altynbek Tokoshev Position: Deputy Chief Architect of Osh City/ SAACSS Representative in Osh for EARR Email address: alt.arh.osh@mail.ru</p>
Asian Development Bank	
Urban Services and Water Development Division Central and West Asia Regional Department (CWRD)_	<p>Staff Name: Anand Chiplunkar Position: Director Telephone No.: +63 2 632 6346 Email address: achiplunkar@adb.org</p>
Mission Leader	<p>Staff Name: Marko Davila Position: Urban Development Specialist Telephone No.: +63 2 632 Email address: mdavila@adb.org</p>

C. EARR Organization Structure



Component 1 = Fiscal Support, Component 2 = House Reconstruction, Component 3 = Water Supply and Sanitation, EARR = Emergency Assistance for Recovery and Reconstruction, MOES = Ministry of Emergency Situation, MOH = Ministry of Health, SEPFA = State Agency for Environment Protection and Forestry.

IV. COSTS AND FINANCING

A. Detailed Cost Estimates by Expenditure Category

		\$ million	
		Total Cost	% of Total Base Cost
A.	Fiscal Support		
	Subtotal (A)	40.00	39.31%
B.	Housing Reconstruction		
	Subtotal (B)	28.00	27.52%
C.	Investment Costs		
1	Civil Works	27.00	26.53%
2	Equipment and Machinery	1.00	0.98%
3	Consultants	4.00	3.93%
	a. Project Management Consultant	1.50	1.47%
	b. Design and Supervision Consultant	2.50	2.46%
	Subtotal (C)	32.00	31.45%
D.	Recurrent Costs		
1	Salaries	0.29	0.28%
2	Safeguards Unit	0.56	0.55%
3	Administration	0.91	0.89%
	Subtotal (D)	1.76	1.73%
	Total Base Cost	101.76	100.0%
E.	Contingencies		
1	Physical	5.56	—
2	Price	1.68	—
	Subtotal (E)	7.24	—
F.	Financing Charges During Implementation		
1	Interest During Implementation	1.00	—
	Subtotal (F)	1.00	—
Total EARR Cost (A+B+C+D+E+F)		110.0	

Source: Ministry of Finance and Asian Development Bank estimates at the time of project appraisal.

B. Allocation and Withdrawal of Loan and Grant Proceeds

1. Cost Category and Withdrawal from Loan Proceeds

Category No.	Category Name	Loan Allocation	ADB Financing Percentage & Basis for WA from the Loan Account	Contracted	Uncontracted Loan Balance	Disbursed	USD	
							Undisbursed Loan Balance	Undisbursed Contract Balance
		(A)		(B)	C = (A) - (B)	(D)	(E) = (A) - (B)	(F) = (B) - (D)
01	Fiscal Support (Component 1)	17,129,618	41.25	17,129,618	-	17,129,618	-	-
02	Civil Works - Water Supply and Sanitation Systems and Community Infrastructure (Component 3)	25,338,792	100.00	25,801,166.00	(462,374)	5,160,233	20,178,559	20,640,933
03	Goods - Equipment and Machinery (Component 3)	1,004,351	100.00	505,715.16	498,635	494,922	509,428	10,793
04	Consulting Services - (Component 4)	5,582,199	100.00	5,396,849.36	185,349	3,310,757	2,271,441	2,086,092
05	Compensation of Affected People	20,156	100.00	20,239.00	(83)	19,723	432	516
	Total	49,075,115		48,853,587	221,528	26,115,254	22,959,861	(22,959,861)

Note: Loan allocation and ADB financing percentage is based on ADB's Loan Financial Information System of 16 September 2014; other data are based on PMC records.

2. Cost Category and Withdrawal from Grant Proceeds

Category No.	Category Name	Grant Allocation	ADB Financing Percentage & Basis for WA from the Grant Account	Contracted	Uncontracted Loan Balance	Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance	USD
		(A)		(B)	C = (A) - (B)	(D)	(E) = (A) - (D)	(F) =	
01	Fiscal Support (Component 1)	23,500,000	58.75	23,500,000	-	23,500,000	-		
02	Civil Works - House Reconstruction (Component 2)	27,000,000	100.00	26,918,673	81,327	26,918,673	81,327		
03	Goods - Equipment and Machinery (Component 3)	1,000,000	100.00	0	1,000,000	0	1,000,000		
	Total	51,500,000		50,418,673	1,081,327	50,418,673	1,081,327		

Note: Grant allocation and ADB financing percentage is based on ADB's Loan Financial Information System of 16 September 2014; other data are based on PMC reports.

C. Detailed Cost Estimates by Financier

		\$ million				
	Item	Total	ADB		Government	
			Amount	% of Cost Category	Amount	% of Cost Category
A.	Fiscal Support					
	Subtotal (A)	40.00	40.00	100.0%	0.00	0.0%
B.	Housing Reconstruction					
	Subtotal (B)	28.00	24.36	87.0%	3.64	13.0%
C.	Investment Costs					
	1 Civil Works	27.00	23.49	87.0%	3.51	13.0%
	2 Equipment and Machinery	1.00	0.87	87.0%	0.13	13.0%
	3 Consultants	4.00	3.48	87.0%	0.52	13.0%
	a. Project Management Consultant	1.50	1.31	87.0%	0.20	13.0%
	b. Design and Supervision Consultant	2.50	2.18	87.0%	0.33	13.0%
	Subtotal (C)	32.00	27.84	87.0%	4.16	13.0%
D.	Recurrent Costs					
	1 Salaries	0.29	0.00	0.0%	0.29	100.0%
	2 Safeguards Unit	0.56	0.56	100.0%	0.00	0.0%
	3 Administration	0.91	0.00	0.0%	0.91	100.0%
	Subtotal (D)	1.76	0.56	31.9%	1.20	68.1%
	Total Base Cost	101.76	92.76	91.2%	9.00	8.8%
E.	Contingencies	7.24	7.24	100.0%	0.00	0.0%
F.	Financing Charges During Implementation	1.00	0.00	0.0%	1.00	100.0%
	Total EARR Cost (A+B+C+D+E+F)	110.0	100.0	90.9%	10.0	9.1%
	% Total EARR Cost	100%		90.9%		9.1%

Source: Ministry of Finance and Asian Development Bank estimates at the time of project appraisal; the overall EARR cost based on actual costs incurred until September 2014 and projected costs estimated for the remaining period is shown in the following table:

	\$ million		
	Total	ADB	Government
A. Fiscal Support	40.00	40.00	0.00
B. House Reconstruction	27.00	27.00	0.00

C. Investments	33.80	33.40	0.40
1. Civil Works	25.80	25.80	0.00
2. Equipment and Machinery	2.00	2.00	0.00
3. Consultants	5.80	5.40	0.40
a. Project Management Consultant	2.20	2.20	0.00
b. Design and Supervision Consultant	3.40	3.00	0.40
c. Others	0.20	0.20	0.00
4. Compensation of Affected People	0.20	0.20	0.00
D. Recurrent Costs	1.20	0.00	1.20
E. Contingencies	0.00	0.00	0.00
F. Financing Charges During Construction	1.00	0.00	1.00
Total EARR Cost	103.00	100.40	2.60

D. Detailed Cost Estimates by Outputs/Components

Item	Total Cost ^a	EARR		Housing Reconstruction		WSS and Community Infrastructure	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
A. Fiscal Support Subtotal (A)	40.00	0.00	0.00%	0.00	0.0%	0.00	0.0%
B. Housing Reconstruction Subtotal (B)	24.36	0.00	0.00%	24.36	87.0%	0.00	0.0%
C. Investment Costs							
1 Civil Works	23.49	0.00	0.0%	0.00	0.00	23.49	92.5%
2 Equipment and Machinery	0.87	0.00	0.0%	0.00	0.0%	0.87	3.1%
3 Consultants	3.48	3.48	60.6%	0.00	0.0%	0.00	0.0%
a. Project Management Consultant	1.31	1.31	22.7%	0.00	0.0%	0.00	0.0%
b. Design and Supervision Consultant	2.18	2.18	37.9%	0.00	0.0%	0.00	0.0%
Subtotal (C)	27.84	3.48	60.6%	24.36	87.0%	24.36	85.6%
C. Recurrent Costs							
1 Salaries	0.29	0.29	5.0%	0.00	0.0%	0.00	0.0%
2 Safeguards Unit	0.56	0.56	9.8%	0.00	0.0%	0.00	0.0%
3 Administration	0.91	0.91	15.9%	0.00	0.0%	0.00	0.0%
Subtotal (D)	1.76	1.76	30.6%	0.00	0.0%	0.00	0.0%
Total Base Cost	93.96	5.24	91.3%	24.36	87.0%	24.36	85.6%
D. Contingencies							
1 Physical ^b	5.56	0.00	0.0%	2.40	8.6%	3.16	11.1%
2 Price ^c	1.68	0.00	0.0%	1.24	4.4%	0.44	1.5%

Subtotal (E)	7.24	0.00	0.0%	3.64	13.0%	3.60	12.6%
E. Financing Charges During Implementation^d							
1 Interest During Implementation	1.00	0.50	8.7%	0.00	0.0%	0.50	1.8%
2 Commitment Charges	0.00	0.00	0.0%	0.00	0.0%	0.00	0.0%
Subtotal (F)	1.00	0.50	8.7%	0.00	0.0%	0.50	1.8%
Total EARR Cost (A+B+C+D+E+F)	102.2	5.74	100%	28.00	100%	28.46	100%

^a In mid-2010 prices.

^b Computed at 10% for all investment and recurrent costs.

^c Computed at 5% of costs.

^d Includes interest during construction.

Source: Ministry of Finance and Asian Development Bank estimates at the time of project appraisal.

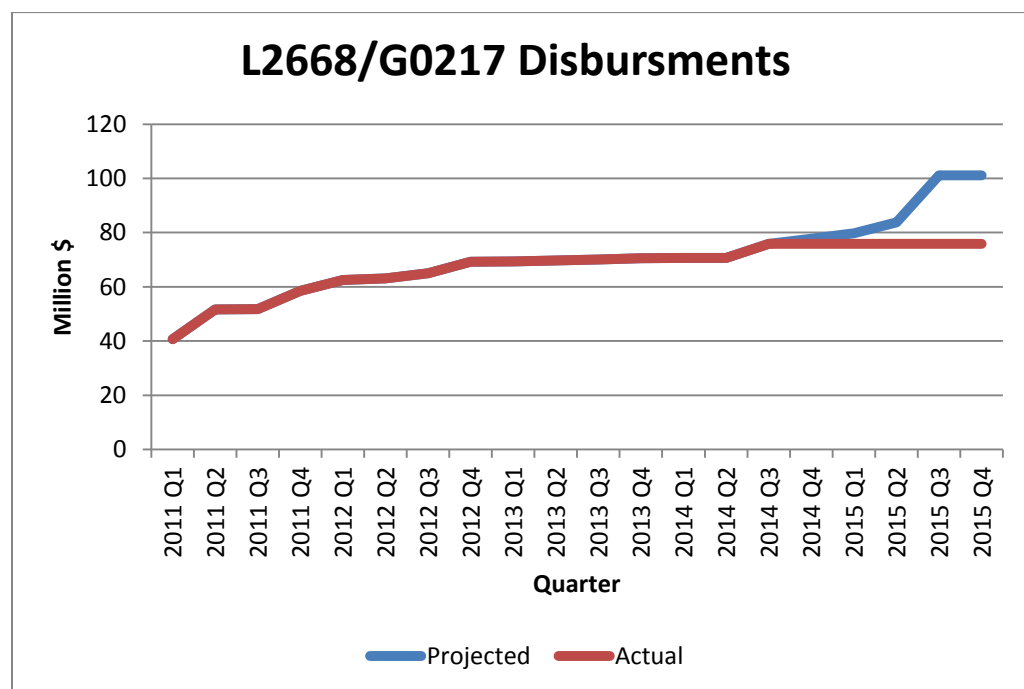
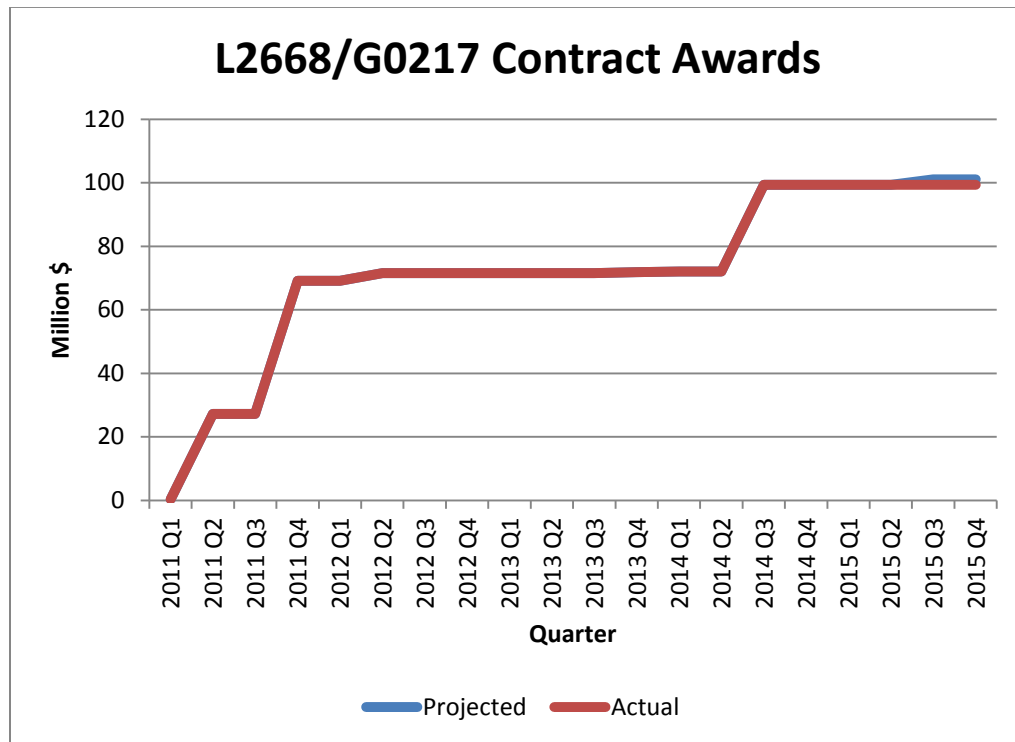
E. Detailed Cost Estimates by Year

		\$ million					
	Item	Total Cost	2010	2011	2012	2013	2014
A.	Fiscal Support	40.00	40.00	0.00	0.00	0.00	0.00
B.	Housing Reconstruction	28.00	0.00	28.00	0.00	0.00	0.00
C.	Investment Costs						
1	Civil Works	27.00	0.00	0.00	27.00	0.00	0.00
2	Equipment and Machinery	1.00	0.00	1.00	0.00	0.00	0.00
3	Consultants	4.00	0.00	4.00	0.00	0.00	0.00
	a. Project Management Consultant	1.50	0.00	1.50	0.00	0.00	0.00
	b. Design and Supervision Consultant	2.50	0.00	2.50	0.00	0.00	0.00
	Subtotal (C)	32.00	0.00	5.00	27.00	0.00	0.00
D.	Recurrent Costs						
1	Salaries	0.29	0.00	0.10	0.10	0.10	0.00
2	Safeguards Unit	0.56	0.00	0.20	0.20	0.16	0.00
3	Administration	0.91	0.00	0.30	0.30	0.31	0.00
	Subtotal (D)	1.76	0.00	0.60	0.60	0.57	0.00
	Total Base Cost	101.76	40.00	33.60	27.60	0.57	0.00
E.	Contingencies	7.24	0.00	3.94	3.24	0.07	0.00
F.	Financing Charges During Implementation	1.00	0.00	0.33	0.33	0.33	0.00
	Total EARR Cost (A+B+C+D+E+F)	110.00	40.00	37.87	31.16	0.97	0.00

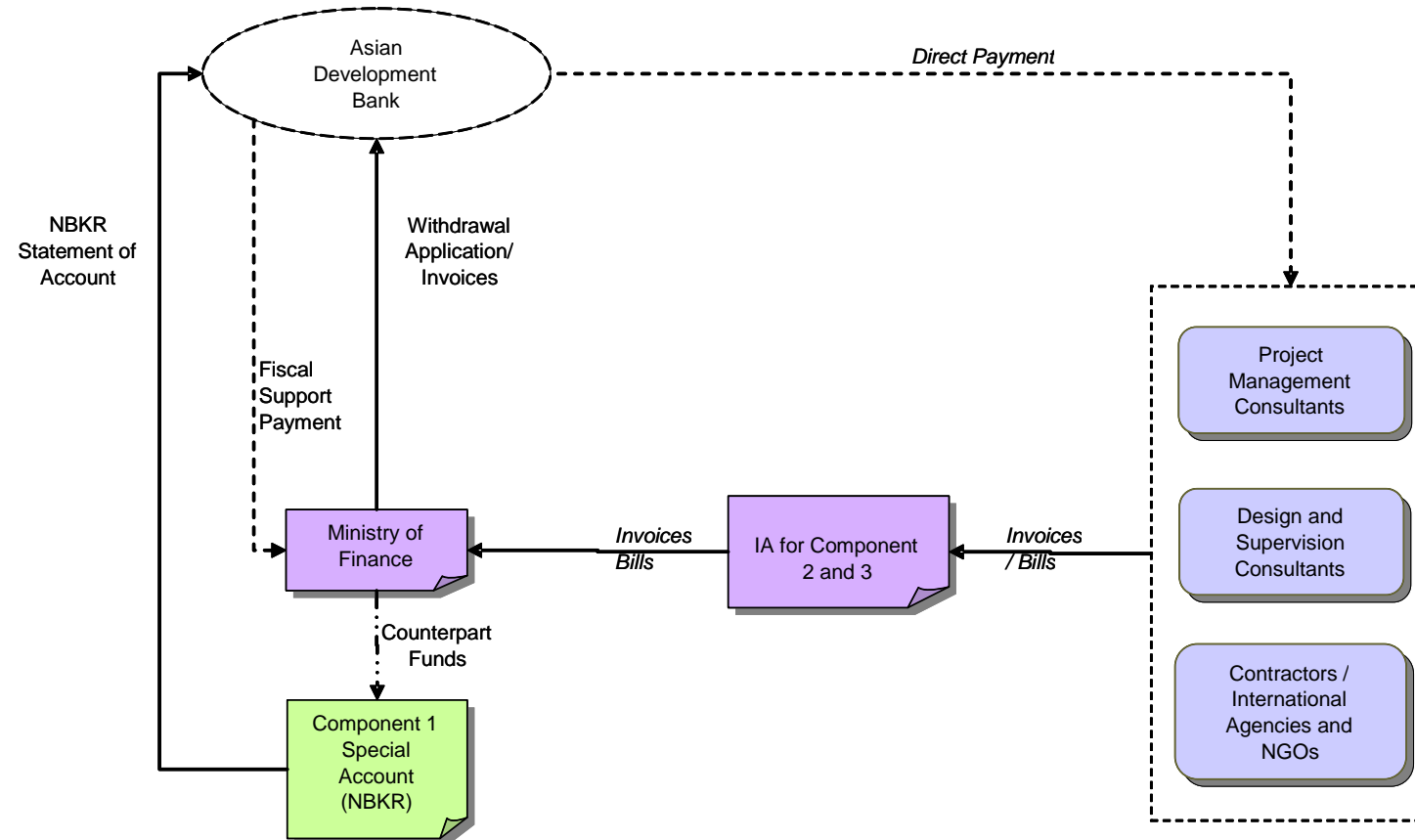
% Total EARR Cost	100%	36.4%	34.4%	28.3%	0.9%	0.0%
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Source: Ministry of Finance and Asian Development Bank estimates at the time of project appraisal.

F. Contract and Disbursement S-curve



G. Fund Flow Diagram



Component 1 = Fiscal Support, Component 2 = Housing Reconstruction, Component 3 = Component 3 = Water Supply and Sanitation and Construction Infrastructure Improvement, EARR = Emergency Assistance for Recovery and Reconstruction, IA = Implementing Agency, NBKR = National Bank of Kyrgyz Republic

V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

6. The 2009 Public Expenditure and Financial Accountability (PEFA) assessment found that the effectiveness of the public financial management systems varied across stages. The annual budget preparation process is guided by a clear legal framework and progress has been achieved in the budget preparation and execution reporting. Budget classification based on the Government Financial Statistics 2001 and a more comprehensive chart of accounts are being used. However, frequent budget reallocations and lack of transparency arising from poor access to budgetary information undermine the credibility of the budget. Overall, the PEFA assessment found fiscal discipline remains high.

7. Weaknesses in internal and external audits exist. While internal audit units have been established in various ministries, audits are not in line with international standards. An internal audit law was adopted in 2009 but is not fully implemented. The scope of external audit is not comprehensive. The Chamber of Accounts is the supreme audit institution in Kyrgyz Republic and audits MOF's consolidated financial statement but does not have a clear audit plan for other agencies. The government has adopted the practice of engaging internationally-accepted private auditors for auditing of development partner projects. To mitigate the weakness in country systems, the EPEA will establish a special account for counterpart funds, which will have an independent audit after the end of fiscal year 2010.

8. The JEA assessed the impact of the emergency on public financial management and fiduciary controls, and found that there has been no significant adverse effect. Findings of the 2009 PEFA remain valid. Further, the JEA noted that the MOF and the Central Treasury have tightened control over the execution of the 2010 budget. The institutional capacity of MOF and Central Treasury were maintained at pre-April 2010 levels.

9. The Kyrgyz Republic has a dedicated agency, the National Agency of the Kyrgyz Republic on Corruption Prevention, to address corruption. There is an action plan for the implementation of the State Strategy for Combating Corruption in the Kyrgyz Republic, 2009 - 2011. Although, the legal framework for anti-corruption is assessed to be strong, enforcement is weak.² This is attributable to the lack of cooperation across the different enforcement bodies, such as police, anti-corruption agency, national ombudsman, and judiciary. Financial management risks will be considered and updated throughout the life of the EARR.

B. Disbursement

10. The Loan and Grant proceeds will be disbursed in accordance with ADB's Loan Disbursement Handbook (2007, as amended from time to time),³ and detailed arrangements agreed upon between the Government and ADB.

11. Pursuant to ADB's Safeguard Policy Statement (2009) (SPS),⁴ ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of the SPS.

² This assessment is based on the Global Integrity Scorecard: Kyrgyz Republic 2008.

³ Available at: http://www.adb.org/Documents/Handbooks/Loan_Disbursement/loan-disbursement-final.pdf

12. The Implementing Agency and MoF will be responsible for (i) preparing disbursement projections, (ii) requesting budgetary allocations for counterpart funds, (iii) collecting supporting documents, and (iv) preparing and sending withdrawal applications to ADB.⁵

1. Component 1: Fiscal Support

13. An application for withdrawal from the Loan Account shall be submitted to ADB by the Beneficiary and shall be in a form satisfactory to ADB.

14. Withdrawals under Component 1 from the Loan and Grant Account shall be made for financing Eligible Expenditures. An application for withdrawal from the Loan and Grant Account shall be submitted to ADB by the Beneficiary and shall be in a form satisfactory to ADB.

15. Such withdrawal shall be accompanied by a certificate of the Beneficiary confirming that: (a) the aggregate amount of Counterpart Funds under Component 1 (\$40 million equivalent) shall be used to finance Eligible Expenditures; and (b) the value of Eligible Expenditures from 1 October 2010 to 31 December 2010 is greater than the amount of such Counterpart Funds.

16. (a) Immediately after the Effective Date, the Beneficiary shall establish, in a manner satisfactory to ADB, a Special Account at NBKR for Component 1.

(b) Whenever the Beneficiary withdraws proceeds of the Loan and Grant from the Loan and Grant Account, the Beneficiary shall promptly deposit the Loan and Grant proceeds into the Special Account.

(c) Except as ADB may otherwise agree, the aggregate amount of Counterpart Funds under Component 1 (\$40,000,000 equivalent) shall be utilized not later than 31 December 2010 to meet the Eligible Expenditures from 1 October 2010 to 31 December 2010.

17. Withdrawal from the Loan and Grant Account for Component 1 shall be liquidated based on:

(a) monthly statements of account from NBKR and monthly certified statements from MOF for the period between 1 October 2010 and 31 December 2010 as described in paragraph 5 of Schedule 5 to the Financing Agreement; and

(b) a certified copy of applicable sections from the Beneficiary's budget execution report for Financial Year 2010 as described in paragraph 4 of Schedule 5 to the Financing Agreement.

18. Notwithstanding any other provision of the Financing Agreement, no withdrawal shall be made from the Loan and Grant Account for Component 1 until the revised national (Republican) budget for Financial Year 2010 of the Beneficiary has been adopted in accordance with national legislation.

19. The categories of expenditures referred to are:

⁴ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

⁵ Available at: http://www.adb.org/documents/handbooks/loan_disbursement/chap-06.pdf

(a) recurrent expenditures for the education sector, excluding: (i) education sector categorical grants from the national (Republican) budget to the local budget; and (ii) expenditures financed by “special means” (i.e. special funding arrangements);

(b) recurrent expenditures for the health sector, excluding expenditures financed by “special means” (i.e. special funding arrangements);

(c) social assistance program;

(d) transfers from the national (Republican) budget to the local budget for education sector categorical grants, “equalizing grants” (to cover budget deficits of local governments), grants for utilities payments of local governments and “mutual settlements” (to meet the costs arising from legislative changes);

(e) road maintenance expenditures; and

(f) transfers from the national (Republican) budget to the state-owned district heating company.

2. Component 2: Housing Reconstruction

20. Withdrawals from the Grant Account may be made for reimbursement of expenditures incurred under Component 2 before the Effective Date, but not earlier than 12 months before the date of the Financing Agreement, in connection with reconstruction and safeguard-related matters, subject to a maximum amount equivalent to 20% of the Grant amount.

21. Save for paragraph above, no withdrawal shall be made from the Grant Account for Component 2 until the Beneficiary, through SDRD, has entered into an agreement with the Implementing Partners, in form and substance satisfactory to ADB, for the implementation of Component 2. Such agreement shall:

(a) include reconstruction of approximately 1,600 severely damaged houses, and repairs for approximately 40 partially damaged houses, in the provinces of Osh and Jalal-Abad and the cities of Osh and Jalal-Abad (“Component 2”);

(b) require that the Implementing Partner (in conjunction with the affected families) reconstruct its share of the severely damaged houses for up to 100 square meters per house (from approximately 28 square meters per house) and repair its share of the partially damaged houses. A list of the severely damaged houses and partially damaged houses which the Implementing Partner is responsible for is set forth in an annex to the agreement; and

(c) have 3 payment installments through ADB’s Direct Payment method⁶ for the reconstruction of the severely damaged houses and repairs of the partially damaged houses. Each Implementing Partner shall be paid by ADB: (i) on the first installment, an advance of 40% of the contract value under the agreement within 30 days following the execution of the agreement; (ii) on the second installment, 40% of the contract value under the agreement within 14 days following the date of approval of SDRD of a report from the Implementing Partner. Such report shall include certification from the relevant competent authorities for the reconstruction

⁶ See also ADB’s *Loan Disbursement Handbook*.

and repairs for that stage of works, reflect the level of reconstruction and repairs completed required under the agreement and be approved by SDRD within 5 (business) days following its submission by the Implementing Partner; and (iii) on the third installment, 20% of the contract value under the agreement within 14 days following the date of approval of SDRD of a report from the Implementing Partner and consultation with ADB. Such report shall include certification from the relevant competent authorities for the completion of reconstruction and repairs and be approved by SDRD within 5 (business) days following its submission by the Implementing Partner.

3. Component 3 and 4: WSS and Community Infrastructure Improvement, and Consulting Services

22. The government will not on-lend loan proceeds to the city governments of Osh and Jalal-Abad and the district government of Bazar-Korgon. Withdrawals from the Loan Account may be made for reimbursement of expenditures incurred under Components 3 and 4 before the Effective Date, but not earlier than 12 months before the date of the Financing Agreement, in connection with equipment, machinery and Consulting Services, subject to a maximum amount equivalent to 20% of the Loan amount.

23. Direct payment method based on ADB's *Loan Disbursement Handbook* will be used for payments under Component 3.⁷ Invoices and/or bills submitted by consultants and contractors will be forwarded to ADB through the Implementing Agency and MoF. ADB will directly pay all consultants and contractors under the EARR. Records should be maintained and made readily available for review by ADB's disbursement and review mission or upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit. Withdrawal applications and supporting documents will demonstrate, among other things that the goods, and/or services were produced in or from ADB members, and are eligible for ADB financing.

C. Accounting

24. MoF will maintain separate EARR accounts and records by funding source for all expenditures incurred on the Emergency Assistance. These records and accounts should (i) identify expenditures financed out of the Loan and Grant proceeds; (ii) disclose their use in the Emergency Assistance; (iii) be used to monitor the Emergency Assistance progress; and (iv) reflect the Emergency Assistance operations and financial condition. Emergency Assistance accounts will follow international accounting principles and practices.

25. The Beneficiary, through MOF, shall ensure the use of Counterpart Funds under Component 1 (\$40,000,000 equivalent) for Eligible Expenditures under the Beneficiary's budget for Financial Year 2010, and shall, in particular, provide necessary budget appropriations to allow withdrawals from the Special Account in support of priority programs and projects implemented under these categories from 1 October 2010 to 31 December 2010.

26. The Beneficiary, through MOF, shall furnish to ADB within 9 months from the end of Financial Year 2010, a certified copy of applicable sections from the Beneficiary's budget execution report for Financial Year 2010 with a certified English translation.

⁷ Bank charges will be financed from the loan and grant amount.

27. The Beneficiary, through MOF, shall provide to ADB on a monthly basis within 15 days from the end of each month for the period between 1 October 2010 and 31 December 2010:

- (a) a statement of account from NBKR on the Special Account which should include the date and amount of every withdrawal from the Special Account and the conversion rate for the Loan/Grant proceeds to Som for the date of conversion from the NBKR; and
- (b) a certified statement from MOF identifying the Eligible Expenditures and amounts for these expenditures.

28. The Beneficiary shall ensure that the Implementing Agency maintains separate accounts and records for the Loan and Grant under Components 2 to 4 and in accordance with sound accounting principles. The accounts shall be audited annually in accordance with standards acceptable to ADB, and the Beneficiary shall provide ADB with certified copies of the audited accounts promptly after their preparation (and no later than six months after the close of the Financial Year for the relevant accounts). As for Component 1, ADB reserves the right to audit the Special Account. Upon ADB request, the Beneficiary, through MOF, shall also furnish to ADB such other information concerning the Eligible Expenditures towards which the Loan and Grant proceeds have been applied and conversion and related records.

D. Auditing

29. MoF and the Implementing Agency will cause the detailed consolidated EARR accounts to be audited in accordance with International Standards on Auditing and/or in accordance with the Government's audit regulations by an auditor acceptable to ADB. The audited accounts will be submitted in the English language to ADB within 6 months of the end of the fiscal year by the executing agency. The Government and MoF have been made aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited accounts. ADB reserves the right to verify the EARR's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

VI. PROCUREMENT AND CONSULTING SERVICES

A. Advance Contracting and Retroactive Financing

30. All advance contracting and retroactive financing will be undertaken in conformity with ADB's Procurement Guidelines (April 2010, as amended from time to time) (ADB's *Procurement Guidelines*)⁸ and ADB's Guidelines on the Use of Consultants (April 2010, as amended from time to time) (ADB's *Guidelines on the Use of Consultants*).⁹ The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval. The Beneficiary, executing and implementing agencies have been advised that approval of advance contracting and retroactive financing does not commit ADB to finance the EARR.

31. **Advance contracting.** The government has requested ADB's approval of advance contracting for (i) the recruitment of all loan consultants (project management consultants, design and supervision consultants, and consultants in the SDRD Safeguards Unit) and procurement of water supply and sewerage system maintenance equipment under the loan; and (ii) debris clearance and asbestos management for component 2 of the EARR.

32. **Retroactive financing.** ADB will finance a maximum amount of eligible expenditures up to [SDR 6,411,400], the equivalent of 20% of the total ADB loan, and \$10,300,000, the equivalent of 20% of the total ADB grant incurred before loan and grant effectiveness, but not more than 12 months before the signing of the financing agreement. Retroactive financing shall apply to water supply and sewerage system maintenance equipment and consulting services under the loan, and housing reconstruction including debris clearance and implementation of the EMP and Asbestos Management Plan under the grant.

B. Procurement of Goods, Works and Consulting Services

33. The EARR will follow ADB's *Procurement Guidelines* (2010, as amended time to time) and includes (i) one international competitive bid (ICB) with three (3) separate lots for water supply improvement in cities of Osh and Jalal-Abad and Bazar-Korgon village; and (ii) two ICBs to procure equipment and vehicles for water supply system maintenance for the cities of Osh and Jalal-Abad and Bazar-Korgon Village, and (iii) shopping for small equipment/tools for water supply system maintenance for the cities of Osh and Jalal-Abad and Bazar-Korgon village. An 18-month procurement plan indicating threshold and review procedures, goods, works, and consulting service contract packages and national competitive bidding guidelines is in Section C.

34. All consultants will be recruited according to ADB's *Guidelines on the Use of Consultants* (2010, as amended from time to time).¹⁰ The terms of reference for consulting services are detailed in Section D. An estimated 512.5 person-months (206.2 international, 306.3 national) of consulting services¹¹ are required to (i) facilitate EARR management and implementation, and (ii) conduct information and communication campaigns. Consulting firms will be engaged using

⁸ Available at: <http://www.adb.org/Documents/Guidelines/Procurement/Guidelines-Procurement.pdf>

⁹ Available at: <http://www.adb.org/Documents/Guidelines/Consulting/Guidelines-Consultants.pdf>

¹⁰ Checklists for actions required to contract consultants by method available in e-Handbook on Project Implementation at: <http://www.adb.org/documents/handbooks/project-implementation/>

¹¹ Based on approved contract variations as of 30 September 2014.

the quality- and cost-based selection (QCBS) method with a standard quality: cost ratio of 80:20, and single source selection on special case basis in accordance with the *Guidelines*.

C. Procurement Plan

Basic Data

Project Name: Emergency Assistance for Recovery and Reconstruction	
Country: Kyrgyz Republic	Executing Agency: Ministry of Finance
Loan Amount: \$48.5 million	Loan Number: 2668-KGZ
Grant Amount: \$51.5 million	Grant Number: 0217-KGZ
Date of First Procurement Plan: 11 September 2010	Date of this Procurement Plan: 30 September 2014

Process Thresholds, Review and 18-Month Procurement Plan

1. Project Procurement Thresholds

35. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works	
Method	Threshold
International Competitive Bidding (ICB) for Works	Above \$1,000,000
International Competitive Bidding for Goods	Above \$500,000
National Competitive Bidding (NCB) for Works	Beneath that stated for ICB, Works
National Competitive Bidding for Goods	Beneath that stated for ICB, Goods
Shopping for Works	Below \$100,000
Shopping for Goods	Below \$100,000

2. ADB Prior or Post Review

36. Except as ADB may otherwise agree, the following prior or post review requirements apply to the various procurement and consultant recruitment methods used for the project.

Procurement Method	Prior or Post	Comments
Procurement of Goods and Works		
ICB Works	Prior	ADB SBD
ICB Goods	Prior	ADB SBD
NCB Works	Prior and Post	ADB SBD (prior followed by post)
NCB Goods	Prior and Post	ADB SBD (prior followed by post)
Shopping for Works	Post	ADB SBD
Shopping for Goods	Post	ADB SBD
Recruitment of Consulting Firms		
Quality- and Cost-Based Selection (QCBS)	Prior	RFP - Quality-cost ratio 80:20; for the procurement of the Project Management Consultant -1, and for the Design and Supervision Consultant
Quality-Based Selection (QBS)	Prior	RFP - For the procurement of the Project Management Consultant -2
Other selection methods: Consultants Qualifications (CQS), Least-Cost Selection (LCS), Fixed Budget (FBS), and Single Source (SSS)	Prior	RFP - For the procurement of audit services-1 (LCS)
Recruitment of Individual Consultants		
Individual Consultants	Prior	ICS

3. Goods and Works Contracts Estimated to Cost More Than \$1 Million

37. The following table lists goods and works contracts for which procurement activity is either ongoing or expected to commence within the next 18 months: *none*.

4. Consulting Services Contracts Estimated to Cost More Than \$100,000

38. The following table lists consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months: *none*.

5. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

39. The following table groups smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods and Works								
Package Number	General Description	Estimated Value (\$'000)	Number of Contracts	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/ year)	Comments
EARR – 0217-KGZ	Equipment for Vodokanals	950.0	one (1) with three lots	ICB	Prior	1S1E	Q4/2014	No domestic preference; SBD –Goods
EARR – 0217-KGZ	Workshop Tools	<50	one (1) I	Shopping	Post	Quotations	Q4/2014	Tools for mobile workshops

Note: ICB = International Competitive Bidding, 1S1E = Single Stage – One Envelop, Q = quarter

Consulting Services								
Package Number	General Description	Estimated Value (\$'000)	Number of Contracts	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/ year)	Type of Proposal	Comments
	Audit Services - 2	<10	one (1)	SSS	Prior	N/A	BTP	Audit services related to FY 2015
	Social and Resettlement Safeguards Specialist – 3	5	one (1)	ICS	Prior	Q3/2014	Not applicable	

Note: BTP = Biodata Technical Proposal, ICS = Individual Consultant Selection, Q = quarter, SSS = Single Source Selection

Indicative List of Packages Required Under the Project

40. The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period). *None*

List of Awarded and On-going, and Completed Contracts

41. The following tables list the awarded and on-going contracts, and completed contracts.

1. Awarded and Ongoing Contracts

Package Number	General Description	Estimated Value (\$ million)	Contract Value (\$ million)	Procurement Method	Advertisem't Date (quarter/ year)	Date of ADB Approval of Contract Award	Comments
Works							
RR- 2668/ CW/01	Rehabilitation and Improvement of the Water Supply and Sewerage System for Bazar-Korgon Village	3.790	4.490	Single ICB with three lots	Q4/2013	7 July 2014	Ludwig Pfeiffer Hoch-und-Tiefbau Co.KG contract signed on 8 July 2014
RR- 2668/ CW/02	Improvement of the Water Supply and Sewerage System for Jalal-Abad City	7.710	9.510			7 July 2014	Ludwig Pfeiffer Hoch-und-Tiefbau Co.KG contract signed on 8 July 2014
RR- 2668/ CW/03	Improvement of the Water Supply System for Osh City	11.640	11.801			19 May 2014	Ludwig Pfeiffer Hoch-und-Tiefbau Co.KG contract signed on 2 June 2014
Goods							
	Procurement of equipment:						
ICB– 2668-KGZ – Vodokanal s\Rebidding, Lot no. 2	- Supply of Truck crane manipulator (2 units), Lot no. 2	0.360	0.108	Single ICB with three lots	Q3/2013	7 November 2013	Tacheng City Lanya Trade Limited Company; contract signed on 11 November 2013
Goods/20	Supply of Tools	<0.020	0.010	Shopping	Q2/2014	Not	Tacheng City

	for Mobile Workshops					applicable	<i>Lanya Trade Limited Company; contract signed on 4 June 2014</i>
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Note: ICB = International Competitive Bidding, Q =quarter

Package Number	General Description	Estimated Value (\$'000)	Contract Value (\$'000)	Recruitm'nt Method	Advertisem'nt Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
	Project Management Consultant -2	1,665	1,250	SSS	Not applicable	10 November 2011	<i>Center for Development; contract signed on 10 November 2011</i>
	Design and Supervision Consultant	2,500	2,582	QCBS 80 : 20	Q4/2011	8 May 2012	<i>EPTISA Servicios de Ingenieria, S.L in Association with OJSC Kyrgyzgiprost roy and RAM Engineering Associate LLC; contract signed on 10 May 2012</i>
	Audit Services -1	60	21	LCS	Q4/ 2011	9 February 2012	<i>Marka Audit Bishkek; contract signed on 21 February 2012</i>
	Safeguards Specialist, Environment		14.6	ICS	Q2/2012	31 July 2012	Contract signed on 6 August 2012
	Project Coordinator		35.5	ICS	Q2/2013	6 June 2013	Contract signed on 12 June 2013

Note: ICS = Individual Consultant Selection, LCS = Least Cost Selection, Q = quarter, QCBS = Quality and Cost Based Selection

2. Completed Contracts

Goods and Works								
Package Number	General Description	Estimated Value (\$ million)	Contract Value (\$ million)	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Date of Completion	Comments
ICB– 2668-KGZ – Vodokanal\ Rebidding, Lot no. 1	Supply of Wheeled excavator (2 units), Lot no. 1	0.320	0.192	ICB/ three lots	Q3/2013	12 December 2013	28 April 2014	
ICB– 2668-KGZ – Vodokanal\ Rebidding, Lot no. 3	-Supply of Cargo Truck fitted as a mobile workshop (2 units), Lot no. 3	0.300	0.197			7 November 2013	25 April 2014	
ICB– 2668-KGZ – Vodokanal\ Rebidding, Lot no. 2	- Supply of Truck crane manipulator (2 units), Lot no. 2	0.360	0.102			7 November 2013	18 August 2014	
Goods/20	Supply of Tools for Mobile Workshops	<0.020	0.009	Shopping	Not applicable	Not applicable	1 August 2014	

Note: ICB = International Competitive Bidding, Q - quarter

Consulting Services								
Package Number	General Description	Estimated Value (\$'000)	Contract Value (\$'000)	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Date of Completion	Comments
	Project Management Consultant -1	1,500	1,946 (as signed) 374 (at time of contract termination)	QCBS 80 : 20	Q3/2010	17 February 2011	Contract terminated on 30 September 2011	
	Procurement Specialist -1		2	SSS	Not applicable	17 February 2011	31 December 2011	
	Procurement Specialist -2		9	ICS	Q4/2011	13 October 2011	31 December 2012	
	Procurement Specialist -2		4	ICS	Q3/2013	4 September 2013	1 March 2014	
	Safeguards Specialist, Social -1		7	SSS	Not applicable	5 July 2011	13 May 2012	
	Safeguards Specialist,		9	ICS	Q2/2012	11 May 2012	4 June 2014	

	Social -2							
	Safeguards Specialist, Legal - 1		2	SSS	Not applicable	5 July 2011	18 July 2011	
	Safeguards Specialist, Legal - 2		7	ICS	Q4/2011	12 March 2012	31 December 2013	

Note: ICS = Individual Consultant Selection, LCS = Least Cost Selection, QCBS = Quality and Cost Based Selection

C. National Competitive Bidding

1. General

42. The procedures to be followed for national competitive bidding shall be for tendering with unlimited participation and the two-stage tendering set forth in Law of the Kyrgyz Republic on Public Procurement of Goods, Works and Services effective on April 2004 with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the ADB Procurement Guidelines (2011, as amended from time to time).

2. Eligibility

43. ADB: The eligibility of bidders shall be as defined under section I of ADB's *Procurement Guidelines* (2010, as amended from time to time). Accordingly, no bidder or potential bidder should be declared ineligible to ADB-financed contracts for other reasons than the ones provided by section I of ADB's guidelines. Bidders must be nationals of member countries of ADB, and offered goods, works and services must be produced in and supplied from member countries of ADB.

3. Prequalification

44. Normally, post-qualification shall be used unless explicitly provided for in the loan agreement/procurement plan. Irrespective of whether post qualification or prequalification is used, eligible bidders (both national and foreign) shall be allowed to participate.

4. Registration and Licensing

- (i) Bidding shall not be restricted to pre-registered/licensed firms.
- (ii) Where registration or licensing is required, bidders (i) shall be allowed a reasonable time to complete the registration or licensing process; and (ii) shall not be denied registration/licensing for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.
- (iii) Foreign bidders shall not be precluded from bidding. If a registration or licensing process is required, a foreign bidder declared the lowest evaluated bidder shall be given a reasonable opportunity to register or to obtain a license.

5. Bidding Period

45. The minimum bidding period is twenty-eight (28) days prior to the deadline for the submission of bids.

6. Bidding Documents

46. Procuring entities should use standard bidding documents for the procurement of goods, works and services acceptable to ADB.

7. Preferences

47. No domestic preference shall be given for domestic bidders and for domestically manufactured goods.

8. Advertising

48. Invitations to bid shall be advertised in at least one widely circulated national daily newspaper or freely accessible, nationally-known website allowing a minimum of twenty-eight (28) days for the preparation and submission of bids.

49. Bidding of NCB contracts estimated at US\$500,000 equivalent or more for goods and related services or US\$1,000,000 equivalent or more for civil works shall be advertised on ADB's website via the posting of the Procurement Plan.

9. Bid Security

50. Where required, bid security shall be in the form of a bank guarantee from a reputable bank.

10. Bid Opening and Bid Evaluation

- (i) Bids shall be opened in public.
- (ii) Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents and contracts shall be awarded to the lowest evaluated bidder.
- (iii) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.
- (iv) No bidder shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling without the Bank's prior concurrence.
- (v) A contract shall be awarded to the technically responsive bidder that offers the lowest evaluated price and who meets the qualifying requirements set out in the bidding documents.
- (vi) No negotiations shall be permitted.
- (vii) Price verification shall not be applied.

11. Rejection of All Bids and Rebidding

51. Bids shall not be rejected and new bids solicited without ADB's prior concurrence.

12. Participation by Government-owned enterprises

52. Government-owned enterprises in Kyrgyz Republic shall be eligible to participate as bidders only if they can establish that they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the contracting authority. Furthermore, they will be subject to the same bid and performance security requirements as other bidders.

13. Right to Inspect/Audit

53. A provision shall be included in all NCB works and goods contracts financed by ADB requiring suppliers and contractors to permit ADB to inspect their accounts and records and other documents relating to the bid submission and the performance of the contract, and to have them audited by auditors appointed by ADB.

14. Fraud and corruption

- (i) The Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question.
- (ii) ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, an ADB-financed contract.

15. National Sanctions List

54. National sanctions lists may be applied only with prior approval of ADB.

D. Review of Contract Modifications

55. ADB will review contract modifications in accordance with the procedures set forth in the loan agreement between the Borrower and ADB.

E. Disaster and Emergency Procurement Procedures

56. Given the urgent EARR needs, procurement of goods, services, and works will be carried out in a manner consistent with the simplified and expedient procedures permitted under the ADB Disaster and Emergency Assistance Policy (DEAP) and ADB's *Procurement Guidelines*. In general, ADB procedures for reconstruction assistance after disasters allow maximum flexibility, so that EARR activities can start promptly.

57. National procurement will be the preferred mode for all civil works under the community infrastructure contracts because of the relatively short implementation period and the small size of contract packages. For Component 2, procurement procedures consistent with the principles of DEAP and ADB's *Procurement Guidelines* will be agreed with the Implementing Partners. However, where specified in the procurement plan, limited international bidding will be adopted. Community participation will be encouraged in procurement, and local goods and services will be given priority to encourage economic revival in the affected regions.

58. The ADB DEAP provides for expediting rehabilitation assistance through flexible interpretation of ADB's *Procurement Guidelines*, including relaxation of international competitive bidding (ICB) requirements. In accordance with this flexibility, procurement of equipment and materials, when the estimated contract cost exceeds \$0.5 million should follow ICB procedures, with the bidding and evaluation period each reduced to 30 days. For contracts costing the equivalent of \$0.5 million or less, national competitive bidding will be followed, with invitation for

bids published in national newspapers and with bidding periods of 7 days and an evaluation time of 15 days. Direct contracting procedures will be adopted for contracts up to \$0.1 million, with award within 7 days.

59. Civil works contracts with estimated values above \$1 million will be procured in accordance with ICB procedures, with the bidding and evaluation period each reduced to 30 days. For contracts with estimated values less than \$1 million, national competitive bidding procedures acceptable to ADB will be followed, with a bidding period of 15–21 days and an evaluation period of 15–30 days. Invitations for bids will be published in at least two national newspapers of wide circulation to ensure adequate dissemination of information. For small contracts up to \$0.5 million, limited national competitive bidding will be carried out, with bidding and evaluation reduced to 10 days. Postqualification or the registration system (for local contractors) will be generally used. Prior review by ADB of invitations for bids and bidding documents will be required for procurement under ICB procedures.

60. For small contracts of up to \$30,000, community-based procurement may be allowed where appropriate, following procedures set out in the ADB Guide on Community Participation in Procurement. To ensure sustainability and to achieve the social objectives of the EARR, procurement, specifications and contract packaging of selected components may be adapted to involve local communities and nongovernment organizations; use more local knowledge and materials; and use labor-intensive and other technologies. An alternative implementation mode will be to tender batches of a few subprojects or subprojects across selected project locations among private sector companies, NGOs, or foundations that can demonstrate organizational capacity. This procurement will follow procedures set out in ADB's *Procurement Guidelines*.

F. Consultant's Terms of Reference

1. Outline Terms of Reference for the Project Management Consultant¹²

a. Overview

61. The Project Management Consultant (PMC) will be responsible for technical, financial and social audit of all implementation activities under the Emergency Assistance for Recovery and Reconstruction (EARR). The PMC will also support the IA in procurement activities, and information and communication campaigns. Its scope includes but is not limited to EARR planning, budgeting, procurement, and implementation supervision. The PMC will undertake monitoring, reporting, and coordination, to ensure that implementation is according to the EARR guidelines and manuals, and is in compliance with the financing agreement.

62. The PMC is responsible to (i) the Asian development Bank (ADB); (ii) the Ministry of Finance (MOF); and (iii) the State Directorate for Reconstruction and Development of Osh and Jalal-Abad (SDRD), for the completion of all tasks as assigned in this TOR. In principle, the PMC is responsible to oversee and contribute to the optimal achievement of EARR goals, objectives and output. Structurally, the PMC is responsible to the General Director, SDRD for implementing component 2 – house reconstruction¹³ and component 3 – water supply and sanitation (WSS) and community infrastructure of the EARR, and to ADB.

63. This term of reference was modified based on outcome of the ADB and SDRD joint mid-term project review conducted in May 2012. It takes cognizance of activities completed under the EARR to date and provides a scope of work for the remaining period of the EARR.

Detailed Tasks and Scope of Work

Technical Audit

64. Tasks include:

- (i) Coordination with provincial and local governments (all levels):
 - a. facilitate the establishment of project coordinating teams and ensuring their comprehensive understanding of EARR goals, objectives, outputs and outcomes;
 - b. inform and update local government about EARR progress;
 - c. provide technical assistance, training and support to stakeholders as needed;
 - d. conduct regular EARR performance evaluations of component 3 consultants¹⁴ and contractors, and submit written results to ADB, MOF and SDRD;

¹² This is the TOR revised in July 2012 in accordance with Contract Variation no. 1. The reference to SDRD as the IA is therefore retained in this section.

¹⁴ The Design and Supervision Consultant (DSC) has been engaged for component 3A - WSS subcomponent since May 2012. The scope and implementation arrangement for component 3B - community infrastructure are being firmed up. However, a consultant/Service Provider will be engaged for the implementation of this component.

- (ii) Undertake quality assurance on component 3 construction activities; and second-level certification of works;^{15 16}
- (iii) Administration of the component 3 consultants and reporting to SDRD the tasks executed by them;
- (iv) Revise specifications and cost estimates, if needed, related to the procurement of equipment for use by the Vodakanals.
- (v) Update the PAM as required.

Financial Audit

65. Tasks include:

- (i) MIS Monitoring and Reporting:
 - a. coordinate accurate and timely data collection for management information system (MIS) in accordance with guidelines, and verifying accuracy of all field-level reported data;
 - b. in consultation with SDRD, prepare detailed annual work plans with progress milestones covering the entire EARR period;
 - c. conduct area-wide monitoring of EARR activity implementation progress, quantitative as well as qualitative, against work plan, and verifying MIS data;
 - d. prepare EARR financial reports for audit purposes; and
- (ii) Preparation of withdrawal applications based on invoices submitted by the Danish Refugee Council, consultants, contractors and equipment suppliers for international competitive bidding (ICBs) and national competitive bidding (NCBs) as applicable.

66. Specifically, the team will:

- (iii) assist SDRD in the management of project funds;
- (iv) establish and maintain a financial management system including budgeting, accounting, internal control, preparation of reports and fund flows/utilization meeting Government and ADB requirements;
- (v) prepare project budget forecasts and monitor expenditure of project funds;
- (vi) prepare project financial reports for presentation to SDRD, the Ministry of Finance and ADB;
- (vii) review the reports to be submitted by the firm engaged to undertake the annual audits; prepare withdrawal applications in accordance with the guidance on disbursement and the ADB requirements;
- (viii) verify financial documents (reports, progress payments, applications, invoices, bills, etc.) of contracting organizations, consulting firms, and suppliers;

¹⁵ Primary-level certification will be undertaken by component 3 consultants.

¹⁶ The primary-level and the secondary-level certification will form the basis for payment of contractors under component 3.

- (ix) maintain records and control of the basic funds of projects and participate in the annual commission on the inventory; and
- (x) resolve any tax issues under all contracts.

Social Audit

67. The objective of the social audit is to review the preparation and implementation of EARR components and assess (i) compliance with ADB's *Safeguard Policy Statement's* objectives in each output; (ii) changes in living standards and livelihoods and restoration of economic and social base of the affected communities; (iii) the effectiveness, impact and sustainability of EARR's provisions; and (iv) the need for further mitigation measures if any. The social audit should also enable SDRD and MoF make timely decisions on corrective measures and learn strategic lessons for future policy formulation and planning.

68. Tasks include:

- (i) Provide on job training to assigned Social Safeguard Officers in the Safeguards Unit for managing EARR social safeguard issues;
- (ii) Review and verify internal monitoring reports and findings prepared by the component 3 consultants ;
- (iii) Supervise and monitor the social safeguard screening activities conducted by Social Safeguard Officers in SDRD's Safeguard Unit;
- (iv) In collaboration with UNHCR, the Danish Refugee Council and the Property/Legal Specialist of SDRD's Safeguards Unit, confirm the availability and the re-registration/restoration of tenure or property title of all affected families and provide special report to ADB;
- (v) Conduct independent assessment and monitoring of EARR subproject preparation and implementation in consultations with community leaders, international and national development partners and the affected people, especially women and vulnerable groups;
- (vi) Conduct independent assessment and analysis of the EARR's compliance with ADB's *Safeguard Policy Statement* (2009) in all outputs and other specific requirements as stipulated in the Project Administration Manual (PAM). Identify lessons learned and suggest recommendations for remedial actions or improvements;
- (vii) Assist SDRD's Safeguards Unit in complaint handling and conflict resolution: (a) socialize and raise awareness levels of community on how, where to register complaints, including legal remedy and resolution of conflicts; (b) maintain and regularly update a complaint/resolution data base; (c) monitor complaint handling, to ensure follow up resolution efforts at all levels; and (d) facilitate the participation of other stakeholders, provincial and local governments, in resolution process; and

- (viii) Finalize terms of reference/ scope of work for the consultant¹⁷ which will be engaged with the assistance of PMC for the implementation of component 3B – community infrastructure; oversee the consultant's deliverables.

Community Awareness and Participation

69. Generating community awareness on the EARR benefits and eliciting community participation in the design and implementation is paramount for EARR success. Activities shall comprise:

- (i) Planning and delivering initial briefing, training and orientation of component 3 consultants, SDRD, oblast and city administrations, and *vodokanal enterprises* in community awareness and participation programs;
- (ii) Planning and organizing regular training events, including workshops and seminars during the EARR duration;
- (iii) Preparing information and communication (IEC) materials, advertisement clippings, EARR web pages, etc.;
- (iv) Conducting awareness campaigns on EARR scope and, environmental and social issues through various media means;
- (v) Transferring information about EARR to the target groups, especially women;
- (vi) Creating awareness among stakeholders regarding long-term benefits and short-term inconvenience of the EARR in order to gain full support of the EARR beneficiaries;
- (vii) Creating awareness among beneficiary communities regarding their responsibilities for achieving the EARR goal;
- (viii) Closely consulting with SDRD, oblast and city administrations, *vodokanal enterprises* and working with local NGOs while preparing materials for public awareness campaign, and providing feedback to SDRD with a view to adjusting work program based on the impact of campaign and concerns raised by the beneficiaries.

The above listed activities are to be undertaken in close collaboration with the component 3 consultants.

Staffing

70. A total of 99 person-months is estimated to provide EARR project management and administration.

¹⁷ The consultant/Service Provider may be an NGO, International Organization or consulting firm.

Reporting

71. Output of the PMC will be presented according to specific tasks under the present terms of reference, and general reports will be submitted according to the schedule below:

- Inception Report (after 5 days from effective date)
- Progress reports (monthly)
- Final report in soft and hard copy (at completion)

72. The reports should be prepared in both Russian and English. Three hardcopies in each language of each report shall be submitted to the Client, with 1 to be forwarded to ADB. Electronic copies will also be made available to the Client.

Duration and place of assignment

73. The proposed recruitment period for main staff shall be for two years over three years of EARR period (2011-13).¹⁸ The place of assignment is Osh city. The recommended time for performance by the Consultant of consulting services under the contract may be adjusted by the Client as agreed with the donor, based on the results of Consultant's activity.

¹⁸ Through contract variations, the period has been extended up to 15 September 2015.

G. Outline Terms of Reference for Design and Supervision Consultants¹⁹

1. Background

74. The Kyrgyz Republic has received a Loan for 32.057 million SDR (USD 51.5 million) under Loan Number 2668-KGZ(SF) and a Grant for US \$ 51.50 million under Grant Number 0217 –KGZ(SF) under a Financing Agreement LPS: KGZ 44236 for Emergency Assistance for Recovery and Reconstruction (EARR) signed between Kyrgyz Republic and the Asian Development Bank (ADB) on 27 September 2010.

75. There are four components under the Loan Proceeds, with Components 3 and 4 being financed by Loan Number 2668-KGZ(SF) and government counterpart funds:

- (i) Component 1 is for fiscal support;
- (ii) Component 2 is for housing reconstruction;
- (iii) Component 3 is for water supply and sanitation (Component 3A), and community infrastructure improvement and a education and awareness program (Component 3B);
- (iv) Component 4 is for consulting services.

76. Component 3 A aims to improve water supply and sanitation in the cities of Osh and Jalal-Abad and in Bazar-Korgon. Under the water supply system, it is expected to rehabilitate water supply intake works, rehabilitate or new-construct transmission lines from intake to the treatment plants and reservoir. Similarly, under the sewerage system, it is expected to rehabilitate or new-construct the sewerage treatment plants and main sewer lines. The European Bank for Reconstruction and Development (EBRD) and the State Secretariat for Economic Affairs (SECO) of Switzerland, are co-financing a separate improvement program in the water supply and sewerage sector for Osh and Jalal-Abad. EARR's component 3A will focus on the bulk infrastructure elements that will not overlap with other donor funded programs.

77. SDRD has established a Project Management Group (PMG) that is responsible for the implementation of components 2, 3 and 4. The PMG functions under the overall policy guidance by and direction from SDRD's Director General with the First Deputy as its Head with support from SDRD's Head, Investments, for financial and procurement related matters. The PMG includes a team of consultants – the Project Management Consultant (PMC) – and SDRD's Osh and Jalal-Abad based Experts Group.

b. Current Situation of Water Supply System in Osh

78. Osh's population was 259,100 in 2009 and is forecasted to be 291,955 by 2025. The city covers about 1,505 km². The total population by Territorial Council/district and the population served by water supply in these areas are given in Table 1.

79. Osh city has an abundance of water resources. The water supply system in the city comprises a combination of surface sources using direct intakes at the bank of Ak-bura River supplemented by bore holes. The existing direct intake at Plotina was constructed in 1972 and has been functioning since then. There is a water treatment plant (WTP) of 180 mld capacity, at

¹⁹ This is the original TOR included in the contract signed with EPTISA SERVICIOS DE INGENIERIA in May 2012. The reference to SDRD as the IA is therefore retained in this section.

Ozgor, which has not been in operation for the last 17 years due to expensive chemicals required for the coagulation process and other operational issues. The WTP is currently functioning as a basic filtration system only. Since the filtration system on its own cannot treat the turbid water following rains, the water supply from this source is closed for about a month during the rainy season. Local authorities have recently attempted to solve this problem by constructing an underground intake adjacent to the direct intake together with a new transmission pipeline of length 7.7 km, connected to a reservoir at a place called the “Brick Factory”. This new arrangement of intake and transmission line is not yet functional because it is neither tested nor handed over. Another water drainage intake was constructed at Madi village about 30 km downstream of the Plotina intake, to supply water to two of the twelve districts. This system is functional.

80. The Plotina intake is not protected with a sanitary protection system, although three out of the five intakes in the city have been provided with a sanitary protection system.

81. Despite the above improvements, there remains a need to improve the water supply system by further extension of the transmission lines and construction of new reservoirs.

82. Component 3A aims to examine the existing arrangements and carry out measures to ensure the functioning of the intakes, the transmission and water treatment plants to provide better treated and a more reliable water supply to the inhabitants of Osh City.

83. Furthermore, there is considerable loss of water from the transmission and distribution system due to poor water management. Projects supported by the World Bank (WB) and EBRD/SECO address these issues.

Table 2: Population of Osh by Territorial

No	Name of Administrative Districts (Teritorialnaya Uprava) in Osh city	Population 12/2009	Population benefitting from water supply
1	Amir Temur	29,053	--
2	Ak- Bura	18,113	--
3	Ak-Telek (incl Toleikun & Cheryomushki)	21,462	10,900
4	Alymbek-Datka	27,881	---
5	Dostuk	28,594	
6	Kermet-Too (includes SMUTT)	18,112	7,500
7	Kurmanjan Datka	22,822	---
8	Manas-Ata	20,715	---
9	Sulaiman-Too (incl Anar)	22,977	6,600
10	Turan	23,087	---
11	Japalak	25,295	20,000
12	Kara-Suu (and neighbouring villages)		
	Total	258,111	45,000

c. Current Situation of Water Supply System in Jalal-Abad and Bazar-Korgon

84. Jalal-Abad - The development of the water supply system in Jalal-Abad started in 1952 and continued until 1990 in accordance with increased needs. The water supply system in Jalal-Abad is entirely based on ground water through a system of 30 boreholes, out of which only 25 or 26 are functioning. The water from these boreholes is supplied through 14 intakes directly connected to the distribution network, while a further 3 intakes are linked to underground reservoirs prior to connection with the distribution network. The development of the water supply system in Jalal-Abad has taken place without any systematic and long-term plan. As a result, the water supply is not adequate to meet the needs of the population of about 91,000 who use the piped water supply extensively for their irrigation purposes also. As most water intakes are situated close to the expanding residential area, the sanitary protection of the supplied water does not appear adequate.

85. Currently, the water intake at "Prigorod Place" has one functioning borehole out of the five existing boreholes, with no water treatment facilities. A prospective water intake at "Prigorod" is situated at the left bank of Kok-Art river, close to Prigorodni district, where 1,100 people are living and the local authority has distributed land for the construction of residential buildings. The local authority has prepared a technical design for the reconstruction of the water intake at "Prigorod Place" and the connection to the distribution system of Jalal-Abad city for water supply by gravity to enhance the water supply. However, this system is not yet implemented due to shortage of funds.

86. Most intakes in the exiting water supply network have two lift pumps. The first pumps lift water from the borehole to the underground reservoirs, while the second pumps water from the reservoir to the distribution network. This second pump has been rehabilitated, funded by the WB, however the operator is unable to utilise it due to electricity costs and low level of revenue.

87. Problems with water management and operation of the system further exacerbate the situation, with losses of 30 to 35 % throughout in the distribution system. The disinfection

facilities in the water intakes have been damaged and are therefore not functioning. People living in multi storey houses do not have a reliable supply of water, while those in Kurmanbek, Dostuk, Kok-Art and Janish have limited access to safe drinking water.

88. Thus, there is a need to assess the overall demand, investigate the bore-hole locations, and drill new tube holes, construct new reservoirs and water treatment plants to meet the present and future needs of Jala-Abad city.

89. EBRD/SECO and WB have initiated support for capacity building of local water operator. The EBRD/SECO funded project started in September 2011.

Table 3: Population of Jalal-Abad by Territorial Councils/ districts and the People benefitted by water supply (Source: Local Office)

№	Name of Administrative Territory (Teritorialnaya Uprava) in Jalal-Abad city	Population (past) 12/2009	Population Currently Benefitted by water supply
1	Amir Temur	22,900	2,000
2	Dostuk (including Prigorodni)	22,679	14,000
3	Kurmanbek	25,000	5,400
4	Suputnik	28,545	3,500
5	Taigaraeva	8,178	----
	Total	107,302	24,900

90. Bazar-Korgon – Bazar Korgon is a district settlement with a population of 28,500 situated 35 km north-west of Jalal-Abad near the Karaunkur River. The Water Supply System in Bazar-Korgon was constructed in 1970s and comprised three deep-tubewells, a 1,000 cum reservoir, a chlorination facility, and a transmission line of 200 mm dia. and a 76 km long distribution network. The system in Bazar-Korgon is not functioning since 1992 due to collapse of the maintenance and operation systems and damages to the facilities.

91. Improvements of Bazar-Korgon's water supply system was initiated with assistance of ICRC in 2010. Two boreholes out four planned boreholes for a new water intake have been installed, the electrical connection has been provided and the transformer has been installed. The construction of a new transmission line from the water intake to the existing reservoir is ongoing as well as the rehabilitation of the reservoir.

d. Current Situation of Sewerage System in Jalal-Abad

92. The sewerage system in Jalal-Abad was constructed in 1963 including with a 1,450 m³/day a waste water treatment plant (WWTP). Another WWTP of 35,000m³/day capacity was constructed in 1990 and the collector system was also extended. With the subsequent 20 years of plant operations, the main facilities including pump stations, compressors and main mechanical equipments have steadily deteriorated and are now not functioning satisfactorily, thereby adversely affecting the quality of overflow water to the Kok-Art river. In general, the city has about 62 Km of collector networks and needs to develop a sewage network and collectors to support new residential areas.

93. In addition to the main sewerage system, there is local WWTP in “Prigorodni”, which was constructed separately due to the large distance to connect it to the city’s main network. The small size WWTP in the Prigorodni district was washed by flood-waters 16 years ago and after this event the waste water flows directly into the river.

94. The EBRD/SECO is undertaking an extension of the sewerage system and rehabilitation of the city’s WWTP. However, there is a need for a small WWTP at a location that is not prone to floods together with about 4.5 km of sewer line.

2. Objectives

95. The objectives of the consultancy services for design and supervision (DCS) is to prepare the detailed design and cost estimates, develop contract packages, and supervise the construction of the civil, mechanical and electrical works related to the water source improvement and protection, transmission lines, water treatment plants, WWTPs, and main sewer lines.

3. Institutional Arrangements

96. The principal stakeholders involved are:

- (i) Client: State Directorate for Reconstruction and Development of Osh and Jalal-Abad Cities (SDRD), responsible for the management and implementation of the EARR project.
- (ii) Owner: Vodocanal of Osh City, the Vodocanal of Jalal-Abad City and the Local Authorities of Bazar-Korgon, with responsibility for their respective geographic areas.
- (iii) Local Authority: Mayoral Office for each respective city.
- (iv) Communities: Communities that may be impacted during the construction activities, or are beneficiaries of the output of the infrastructure improvements.
- (v) Client’s Representative: Project Management Consultant (PMC), acting on behalf of the Client.
- (vi) Consultant: Design & Supervision Consultant (DSC) to perform these TOR.
- (vii) Engineer: The function of the DSC during the construction phase, as usually defined in a civil works contract, to include the responsibility of the Architect as appropriate.
- (viii) Contractor: Works contractor(s) selected through ADB’s International Competitive Bidding procedure to perform the construction components designed by the Consultant.
- (ix) Financing Agency: Asian Development Bank (ADB).

97. The Consultant reporting to the Client, shall work under the overall guidance and direction of the Client’s Representative at Osh. The Client’s Representative will liaise with the Owner and Client to arrange for the approvals or permits that may be required by the Consultant. The Client’s Representative shall also assist in providing necessary introductions and coordination with government agencies in collecting the existing data, surveys and reports.

98. It should be assumed that no direct support is available from the Client, Owner or Local Authority, for the provision of office space or other administrative support activities for the implementation of these TOR.

4. Scope of Services²⁰

99. The Consultant shall include the following elements in the implementation of the TOR
- (i) Collection of baseline data, conducting site investigations and analysis of collected data;
 - (ii) Conducting surveys including topographical, hydrological, hydro-geological and geo-technical;
 - (iii) Preparation of design options and preparation of costed options for rehabilitation or new build;
 - (iv) Preparation of preliminary designs for approval by Owner and the Client;
 - (v) Conducting initial social assessments and environmental examinations based on the EARR's environmental assessment and review framework (EARF). Reconfirm that the project activities do not include involuntary resettlement and/or land acquisition. Preparation of a Resettlement Action Plan (RAP) and Environmental Management Plan (EMP), in accordance with ADB procedures;
 - (vi) Coordination with the PMG Social & Safeguards Unit for safeguard compliance and management of complaints, in relation to work components included in these TOR;
 - (vii) Stakeholder coordination and updating to include coordination with PMG Social & Safeguards Unit for public awareness and community relations, in relation to work components included in these TOR;
 - (viii) Completion of detailed designs, cost estimates, work schedules and related ADB required safeguards documentation, for approval by the Owner and the Client;
 - (ix) Preparation of tender documents to meet ADB's Procurement Guidelines, for approval by the Client and the ADB;
 - (x) Management of the procurement of the Contractors under ADB's Procurement Procedures, to include submission of the evaluation reports for review and approval by the Client and ADB;
 - (xi) Preparation of Contract documents, for approval by the Client; and
 - (xii) Management and supervision of the Contractors (in the capacity as Engineer for the civil works contract) including but not limited to: supervision; inspections; progress monitoring; works and payment certification, coordinating with the Client's Representative for formal contractual notification to the Contractor.
100. The following are the main activities expected to be covered by this TOR:
- (i) Osh City Water Supply Improvement work components include:
 - Plotina Intake: Rehabilitation of the new intake constructed in 2009/10, but not commissioned, to include site security, flood protection and rehabilitation and/or completion of works for the intake structure.
 - Transmission Line: Construction of a new transmission line from the Plotina Intake to the current WTP at Ozgor of approximate length 7.2 Km, to include connection to the new transmission line to the Reservoir at the Brick Factory.
 - Water Treatment Facility at Ozgor. Assess the condition of the current WTP at Ozgor for rehabilitation and compare with a new build WP to be constructed at the Brick Factory Reservoir, as a comparison for approval of most cost effective solution.

²⁰ Through contract variations, the period has been extended up to 15 September 2015.

- Pumping Station at Ozgor. Rehabilitation of the current and unused pumping station to connect between the new Transmission line at 2) above, and the current transmission line to the Brick Factory Reservoir.
 - Reservoir at the Brick Factory: Rehabilitation of the 6,000 cubic metre reservoir to include installation of a bacteriological treatment facility to meet potable water drinking standards. Analysis of the geo-technical situation at the Reservoir site to investigate the risk of potential landslide.
- (ii) Jalal-Abad City Water Supply Improvements include:
- Drilling Deep Tube Wells at Prigorod Place to provide a system of water-supply including reservoirs, water treatment facilities, electro-mechanical systems and sanitary protection zone;
 - Construction of a water transmission pipeline, approximately 7.5 Km in length, from Prigorod to Jalal-Abad and connection to the existing water distribution network in Jalal-Abad;
- (iii) Bazar-Korgon Water Supply Improvements include:
- Drilling of two new tubewells, construction of an additional 3,000 cum water reservoir; and
- Rehabilitation of the 4.0 km long transmission pipe line from the existing water reservoir to the main network in Bazar-Korgon.
- (iv) Jalal-Abad City Sewerage: Improvements include the construction of 4.5 km long sewer line from Prigorod connecting to the city network or the construction of a small WWTP at a place not prone to floods.

a. Responsibility for Design Errors and Omissions

101. The Consultant shall be responsible for any error or omission in accordance with the following:

- (i) The Consultant shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, drawings, specifications, and other services furnished by the Consultant included within these TOR. The Consultant shall, without additional compensation, correct or revise any errors or deficiencies in its designs, drawings, specifications, and other services.
- (ii) Neither the Client's review, approval or acceptance of, nor payment for, the services required under this assignment shall be construed to operate as a waiver of any rights under this assignment or of any cause of action arising out of the performance of this assignment, and the Consultant shall be and remain liable to the Client in accordance with applicable law for all damages to the Client caused by the Consultant's negligent performance of any of the services furnished under this assignment.
- (iii) The rights and remedies of the Client provided for under this assignment are in addition to any other rights and remedies provided by law.
- (iv) If the Consultant is comprised of more than one legal entity, each such entity shall be jointly and severally liable hereunder.

b. Site Investigations and Preliminary Designs

102. Conduct area and asset condition surveys for the existing sewerage and water treatment plants, intakes, bore-holes and pumping stations, proposed transmission line alignments, reservoirs and other related sites. All existing features should be covered such as building areas, pump house, clear water tank, baffle channels, de-watering channels, etc. with levels and measurements.

103. The Consultant shall prepare fact sheets of above-ground facilities including water reservoirs, water and sewage treatment plants, sewage pump stations, etc. Facility attributes and maintenance schedules will be captured in the database.

104. The general types of hydrogeological and geotechnical investigation required are trial pits at different depths, auger boring, boreholes, pump tests and laboratory tests. The following is a minimum amount of work the Consultant should conduct for hydro-geological investigations:

- (i) Prepare a site and project description;
- (ii) Prepare a map showing the regional setting;
- (iii) Conduct field investigations that include test borings to determine the subsurface geology;
- (iv) Conduct pump tests to confirm or determine aquifer yield and available water resources;
- (v) Analyze data to determine the impact on nearby surface water and groundwater resources;
- (vi) Evaluate the water quality for potable water use and evaluate the chemical quality of water in the excavation;
- (vii) The investigation report should document existing site conditions and determine if the site is suitable for project works, as well as to define the available water resources.

105. Carry out investigations at each of the sites relating to the availability and reliability of local municipal utility infrastructure, eg electricity, to support the components identified in this TOR.

106. Carry out topographical and electromechanical surveys at each of the sites, including additional areas and alignments for the transmission pipeline, to avoid the requirement for resettlement.

107. Conduct initial social assessment and environmental examinations based on the EARR's environmental assessment and review framework (EARF). Reconfirm that the project activities do not include involuntary resettlement and/or land acquisition. Prepare a Resettlement Action Plan (RAP) and Environmental Management Plan (EMP), in accordance with ADB procedures.

108. Determine, in conjunction with the Owner and Local Authorities and including consultation with the WB and EBRD/SECO project implementation teams, the water demand required and the hydraulic characteristics to support these infrastructure components, taking into account expectations for future population and community expansion.

109. Prepare a special report on the findings of the geo-technical investigations at the Brick Factory reservoir site, on the risk of landslide and recommended solutions or limitations on the use of the reservoir or the site itself.

110. Develop options for the rehabilitation of the current WTP at Ozgor compared with a new treatment facility at the reservoir. This alternative design proposal is to include for each option: outline of works required; impact on current water supply operations; merits and demerits; rehabilitation/new build budget estimates; life cycle costs; with a recommendation of most cost effective solution, presented through the Client's Representative for approval by the Owner and Client.

111. On approval of the selected option above, prepare the preliminary design.

112. Develop preliminary designs for all other components, for approval by the Owner and Client.

113. The Consultant is to propose a contracting strategy, procurement and work schedule based on the preliminary designs, outlining work packages and type of contract to be utilised. This may include Design and Build (D&B) approach if the Consultant considers appropriate for specified components, including such explanation for this approach, subject to the approval of the Client and ADB.

c. Detailed Design, Specifications and Bills of Quantities

114. Once the preliminary designs have been approved, detailed site investigations shall be undertaken, which shall include plans, long sections and cross sections, geotechnical data, and social and environmental management plans.

115. Prepare detail designs for each element, to include but shall not be limited to:

- (i) detailed engineering design drawings for structures and elements;
- (ii) layout and schematic drawings for electro-mechanical and plant; control systems; definition of the technical capacity of required electro-mechanical equipment;
- (iii) engineering calculations for structures, hydraulic network flows, water resource capacity and quality at intakes/boreholes, water treatment/filtration requirements at the water intake locations; electrical supply and load;
- (iv) bills of quantities and cost estimates;
- (v) material and technical specifications; and
- (vi) in case of D&B type contract, preparation of a performance specification for the plant.

116. Presentation of the following project management documentation to support the design documentation, to include:

- (i) Works schedule to include the identification of any specialist plant or equipment that requires a significant period for ordering, manufacture and delivery as part of the works;
- (ii) Procurement schedule for all elements incorporated within component 3A;
- (iii) Plan for the inspection and testing of materials;
- (iv) Plan for the testing and commissioning of all plant and equipment; and
- (v) Revised staffing table and inputs for Consultant staff to support the procurement and supervision of the Contractor;

117. All detailed design documentation is to be submitted for approval by the Client.

d. Contract Packages and Bidding Documents

118. On completion of the detailed design, the agreed procurement strategy is to be re-confirmed with the Client, to take into account any significant changes to the situation and assumption made at the previous decision.

119. The Consultant is to undertake pre-qualification of contractors to define a short-list of suitable contractors. This process is expected to be through International Competitive Bidding (ICB). The Consultant is to submit the bid evaluation report to the Client, for review and approval by the ADB.

120. The Consultant shall undertake and manage the procurement process of the above Works. The Consultant shall prepare the final evaluation report and contracts, for review and approval by the Client and ADB

e. Stakeholder and Community Relations

121. Specific attention must be maintained in relation to engagement and relations with the Communities and the wider public in general. The following shall be undertaken by the Consultant, but is not limited to:

- (i) Preparation and distribution of public awareness and community information regarding the construction related works, in consultation with the PMG Social & Safeguards Unit;
- (ii) Coordination with the PMG's Social & Safeguards Unit for safeguard compliance and management of complaints, in relation to work components included in these TOR;
- (iii) Stakeholder coordination and updating;
- (iv) Reporting of any contacts from journalists or the media to the Communications Officer of the Client.

f. Construction Supervision

122. The Consultant is expected to be responsible for all construction supervision related tasks, for all water and sewerage related works, to be carried out under EARR's component 3A, undertaking the role of the Engineer, as usually defined in works construction contracts.

123. The supervision tasks will include, but not be limited to:

- (i) check the layouts and levels for the construction to ensure conformity with the contracts;
- (ii) assess the adequacy of all inputs such as material and labour provided by the Contractors and the proposed construction methods by the contractor and ensure that they are in compliance with the technical specification, agreed project implementation schedule and environmental and other safeguard compliance requirements as well as health and safety aspects of the workers and the general public;
- (iii) review and comment on Contractors submitted construction drawings;
- (iv) supervise the construction of all project components and monitor the construction;
- (v) prepare monthly and annual environmental and social compliance reports for all works; and

- (vi) prepare measurement for works completed and in progress and verify bills for payment to the contractors / suppliers, for onward submission to the Client;
- (vii) propose and present for approval design changes and contract variations that may be necessary, indicating any effect the change(s) may have on contract, its price and schedule; prepare all change/ variation orders; certify that the quality of works as well equipment and plant conforms to the specifications and drawings, conducting inspections and material testing as required;
- (viii) furnish all revisions and detailed drawings as necessary during the execution of the contract;
- (ix) assist the Client in the resolution of contractual issues including review, evaluation and confirmation of contract variation orders as required;
- (x) manage and administer the works contract, and prepare draft contractual instructions on behalf of the Client, when formal notifications are required;
- (xi) ensure that the Contractor implements the safeguards requirements pursuant to the EMP and RAP plans;
- (xii) ensure inclusion of operational and technical staff from the Owner's Operational Units of the concerned districts into the construction monitoring process; provide training to these personnel; attend third party inspections as necessary;
- (xiii) conduct necessary completion tests and assist in the commissioning of the works, equipment and plant; ensure that works are constructed to the prescribed quality in accordance with specifications and drawings of tender documents and quality assurance system and provide necessary certification to that effect;
- (xiv) carry out the first level of inspections and monitoring of the works undertaken by the Contractor, with secondary level of inspections and monitoring to be performed by the Client's Representative;
- (xv) check installations and commissioning and prepare as built drawings of the completed works;
- (xvi) identify training requirements, provide on the job training for the staff of the Operators on new operational and maintenance procedures introduced;
- (xvii) assist in preparing operation and maintenance procedures; examine Contractors' claim for extension of time and extra works, etc. and prepare recommendation for approval by the Client;
- (xviii) prepare Quality Assurance and Control, and Planned Operations and Maintenance Manual, of the facilities for the Operators; ensure that Contractors complies with EMP and RAP provisions; and
- (xix) prepare monthly report for the Client for submission to various authorities including the ADB, as per the prescribed requirements of the concerned authorities.

g. General Tasks

124. In addition to the scope of works stated above, the following general tasks shall be carried out by the Consultant:

- (i) Prepare and update a detailed implementation schedule and management plan covering all stages of the implementation process for each component from field survey and investigations to acceptance of finished work, to minimise disruption to the general public;
- (ii) Coordinate closely with the Client to advocate EARR benefits and communicate design and implementation plans for awareness improvement;
- (iii) Conduct detailed rate analysis for cost estimating purposes shall be developed in consultation with related Government Agencies.

h. Engineering and Safety Standards

125. All environmental, designs, material testing and construction standards and codes, shall be in conformance with the relevant Kyrgyz or Russian code, standard or regulation, whichever is the higher.

126. Consultant is to comply with relevant health and safety requirements as applicable in the Kyrgyz Republic, this extends to the oversight of the Contractor.

127. The Consultant is to ensure that any design engineer who is required to undertake engineering design calculations and to sign-off drawings, material specifications or other design related documentation, in the performance of these TORs, is registered to operate as a design engineer in the respective discipline, in accordance with the laws and regulations of the Kyrgyz republic.

i. Drawing Requirements

128. Submission of design related reports is to be in written format in MS Office 2007 compatible format, with drawings in a format compatible with AutoCAD 2010, and submitted on a CDROM or DVD. For each design report with associated drawings hard copies are to be presented as follows:

- (i) English language – two sets with one CDROM/DVD
- (ii) Russian language – three sets with one CDROM/DVD
- (iii) Drawings shall be presented as paper copies as follows:
- (iv) Preliminary Designs: A3
- (v) Detailed Design: A2
- (vi) Construction Drawings: A3
- (vii) Reports, BOQ and technical specifications, etc A4
- (viii) Drawing scales shall be according to the following guidelines:
 - Site Plans: 1:1000 to 1:2500
 - Detail drawings: 1:100 to 1:500
 - Cross-sections and Elementals (structures): 1:50 to 1:100
 - Pipeline sections: The L/S shall be plotted at 1:1000 horizontal and 1:100 vertical scale; the plans shall be plotted at 1:1000 scale; and the C/S shall be plotted at 1:200 horizontal and 1:100 vertical scale.

5. Deliverables

129. The period of engagement shall be for a period of about 21 months. The Team Leader shall be responsible for overall management of design and construction supervision, preparation of tender documentation, delivery of required outputs and consolidation of all required reports and deliverables under the contract. The planning and deployment of expert resources shall be arranged such that the person-months allocations among design, procurement management and construction supervision parts shall be optimum. It must also be ensured that the mobilisation of consultants' resources, including personnel, during the supervision of works shall fully match the implementation schedule of the Contractor so that there will be no cost overruns during the supervision phase.

130. The activity schedule shall confirm to the following milestones:

- (i) Site investigations and conceptual designs within 2 months from commencement;
- (ii) Detail designs, cost estimates and bid documents within 5 months from the commencement of consultancy;
- (iii) Construction Contract Awards within 8 months from commencement; and
- (iv) Construction complete within 21 months from commencement of consultancy services.

6. Reporting

131. A bi-weekly progress meeting will be held with the Client's Representative for progress updates.

132. The consultant shall prepare reports, financial and project accounting reports, and other reports as required to be submitted to the Client.

133. The Team Leader will be responsible for consolidating all the reports produced by the consultants and organizing regular consultations and workshops. Meetings will be held among ADB, representatives of the Govt of Kyrgyz Republic, Engineer and the Consultant to review the inception, interim, and draft final project preparation reports and verify accomplishments.

134. For each work component during the design phase, the Consultant shall submit the following reports and documents:

- (i) Site Investigation Report which shall include all site investigation information, environmental considerations, social assessment, developed options and recommended options;
- (ii) Preliminary Design Report for the approved options;
- (iii) Detailed Design Report, including Environmental Management Plan and Resettlement Action Plan for the selected sites; and
- (iv) Prequalification and Bidding Documents in accordance with ADB Procurement Guidelines.

135. The following constitutes a minimum reporting requirement under the contract. The Client may request the Consultant for further reports as and when required.

Reports	Timeline	Description
Inception report and preliminary design reports for all component works	1.5 months from mobilisation	Detailed work plan and schedule Preliminary assessment of each of the outputs required and an action plan on them, including review of existing information and system
Monthly progress reports	5 th day of every month	Progress on delivery of each of the outputs; Contracts awarded and financial progress against each contract Key issues and constraints Updated project schedule Any changes in scope or personnel etc
Annual progress report	15th of January of each year	Summary report for all aspects of works and activities under the Contract including accounting and financial summary

Special report for Ozgor WTP Option	3 months from mobilisation	Options for Ozgor WTP Cost analysis Issues and constraints
Special report for Reservoir Risk to Landslide	3 months from mobilisation	Risks to the reservoir Impacts and constraints on operations Options for solutions Cost analysis
Preliminary Design Report	4 months from mobilisation	Preliminary design reports and cost estimates Issues and constraints Procurement strategy
Final design report	6 months from mobilisation	Detailed final report for output, including engineering specifications, drawings, BOQ, cost estimates, etc and full tender documents
Final report	Within 22 nd month of the mobilisation	Summary of all completion reports on all of the design and contracts prepared and or managed by the DSC and summary of annual progress reports.

7. Staffing

136. The personnel requirement for design and construction supervision for the scope of works as outlined above is estimated to be as follows:

Table 4: Staffing Requirements

Professional Staff	Type	Person-Months			
		Design	Procurement	Supervision	Total
<u>Key Personnel</u>					
International					
Team Leader/Water Supply Engineer	International	6	2	13	21
Water Treatment Specialist	International	5	-	2	7
Waste Water Treatment Specialist	International	3	-	-	3
Electro-mechanical Specialist	International	6	-	2	8
Geotechnical Specialist	International	4	-	-	4
Quantity Surveyor	International	5	-	4	9
Civil/Structural Engineer	International	6	-	-	6
Hydraulic Network Modeller	International	2	-	-	2
Environmental Specialist	International	2	-	-	2
Hydro-geologist	International	2	-	-	2
Senior Construction Supervision Engineer	International	-	-	13	13
		41	2	34	77
National					
Water Supply Engineer	National	5	-	-	5
Waste Water/ Sewerage System Engineer	National	4	-	-	4

Electro-Mechanical Engineer	National	5	-	3	8
Social Development Specialist	National	4	-	2	6
Environmental Specialist	National	2	-	3	5
Civil / Structural Engineer	National	4	-	2	6
Quantity Surveyor	National	4	-	6	10
Geotechnical Engineer	National	3	-	2	5
Surveyor	National	3	-	-	3
Hydro-geologist	National	3	-	2	5
Contracts Engineer	National	1	-	13	14
Construction Supervision Engineer- 2 nos.	National	-	-	26	26
Total		38	-	59	97

137. In accordance with Kyrgyz Government Regulations No 260 dated 31 May 2001 and No 499 dated 30 August 2001, relating to the provision of construction design and supervision activities, a copy of the current registration licence for each relevant company must be provided, as part of the technical submission.

138. In addition to the experts mentioned above, the Consultant needs to provide for i) sub-professionals and support staff, ii) vehicles, iii) IT equipment, and iv) costs for preparing reports, outreach materials, community meetings etc.

VII. SAFEGUARDS

A. Social Safeguards

139. To ensure compliance to ADB Safeguard Policy Statement (2009) the Ministry of Finance of Kyrgyz Republic as Executing Agency of Emergency Assistance for Recovery and Reconstruction (EARR) Project will ensure the implementation of the following requirements and procedures in each components of the EARR.

1. Component 1: Fiscal Support

140. The Ministry of Finance of Kyrgyz Republic as the implementing agency of the component will ensure that:

- (i) No land acquisition (both temporary and permanent) will be involved for the road repairs/ maintenance activities.
- (ii) No activities under this component will cause loss of access to emergency affected persons and their families as well as other identified vulnerable groups to social facilities (i.e. school, health facilities, etc.) or rights to receive any social assistance and support
- (iii) Conduct consultations and ensure affected persons and families' participation during the subproject design and selections.
- (iv) Provide adequate budget for the consultation activities as part of the subproject cost.

2. Component 2: Housing Reconstruction

141. The Implementing Agency (IA)²¹ for the component will ensure that:

- (i) No activities under this component will require land acquisition and/or involuntary resettlement; or are associated with such activities irrespective of the source of funds. This will be confirmed by a specific clearance form to be used during the subproject survey and investigation by the PMC and the IA. The clearance form is attached in the appendix of this PAM.
- (ii) In collaboration with UNHCR and international NGOs confirm the availability and the re-registration/restoration of tenure or property title of all affected families and provide special report to ADB for review and endorsement by 30 June 2012.²² The re-registration activity will be conducted with the involvement of the PMC for transparency and independency and reported to ADB.
- (iii) The reconstruction of individual houses will be undertaken on the premise that the IA will complete the asset re-registration process in a timely manner and progress verified by ADB, to ensure rehabilitation of rights and assets to the

²¹ The State Agency for Reconstruction and Development of Osh and Jalal-Abad (SDRD) was the IA for this component which was physically completed in July 2012.

²² The IA will apply adequate diligence in undertaking the activities and through the Safeguard Unit and along with Implementing Partners, it will ensure that re-registration/restoration of tenure or property title of all affected families is completed in a timely manner.

emergency's affected persons and families. Special report on the housing and community assets re-registration status will be prepared by the IA project team and submitted to ADB for review and endorsement by 30 June 2012.

- (iv) To exercise extensive due-diligence to ensure that these benefits are equally spread among all affected ethnic groups/ emergency's affected persons.
- (v) To conduct stakeholder consultations involving all affected households and community representatives prior the program design and reconstruction activities. The stakeholder consultations should be documented and reported to ADB for review. Based on the results of stakeholders' consultations, if deemed necessary, specific actions/programs for the identified vulnerable groups might be prepared and integrated into the project activities.
- (vi) To involve the project management consultant during the preparation, implementation and monitoring of subprojects.
- (vii) To keep supporting documents for any voluntary decisions from the housing beneficiaries regarding to their entitlements from the project.
- (viii) To provide access for the project beneficiaries to the EARR Grievance and Redress Mechanism for complaint related to the component 2. The project GRM procedure and flowchart is in the appendix of this PAM.

3. Component 3: WSS Infrastructure Improvement

142. The IA²³ will ensure that:

- (i) Any activities under this component will try to avoid or at least minimize any land acquisition and/or involuntary resettlement impacts (for both permanent and temporary impacts) and/or impacts on ethnic minority/ indigenous people. This will be confirmed by a specific due diligence clearance forms to be used during the subproject survey and investigation by the DSC, the IA and PMC. The clearance form is attached in the appendix of this PAM.
- (ii) For any activities under this component that will cause any involuntary resettlement impacts (for both permanent and temporary) the IA will ensure that no civil works will be awarded until the required resettlement plan (RP) in compliance with ADB SPS (2009) is prepared, reviewed and agreed by ADB, and implemented. The RP has to be prepared in consultation with the affected people before submission to ADB for review and approval. RP implementation compliance report will be submitted to ADB before the start of civil work.
- (iii) A due diligence report for the associated network system funded by other international financial institutions, if any, will be prepared and submitted to ensure its policy compatibility and compliance with ADB SPS 2009
- (iv) No activities under this component should cause any negative impacts to the emergency project beneficiaries, ethnic minorities, as well as other identified vulnerable groups. If such impacts are identified the subproject component should be dropped from the project financing.

²³ The State Agency for Reconstruction and Development of Osh and Jalal-Abad (SDRD) was the IA until January 2013; subsequently, the State Agency for Architecture, Construction and Communal Services (SAACCS) became the IA.

- (v) Conduct consultations and ensure affected families and victims participations during the subproject design and selections.
- (vi) Inform the project beneficiaries and affected families of the project GRM and request the DSC to establish the local point of contact (LPC) for any queries or complaints on the project activity.

4. Implementation Arrangements

143. In implementing Components 2 and 3, the Beneficiary, through the IA , shall establish within the IA a unit comprising one environmental safeguard specialists, one social safeguard specialists and one specialist responsible for property-related legal and regulatory matters²⁴. The Safeguards Unit will be financed through loan proceeds.

a. Social Safeguard/Resettlement Specialist²⁵

144. The Social Safeguard / Resettlement Specialist will work as a member of the SDRD Safeguard Unit and coordinate with SDRD, other government departments, and members of the Project Management Consultancy (PMC) during implementation of the housing reconstruction, water and sanitation development, and community infrastructure components of the ADB-financed Emergency Assistance for Recovery and Reconstruction Project (EARR)

Overall Responsibility:

The Specialist's overall responsibility is to assist the IA in ensuring that Government and ADB safeguard policies are adopted for the housing reconstruction, water supply and sanitation and community components. If during project implementation, social safeguards issues emerge, the Specialist will assist in ensuring that further mitigation measures will be implemented in collaboration with concerned project stakeholders. The Specialist will also assist in developing a response to social issues that may be identified through the social audits carried out by the PMC.

The Specialist will pay special attention to ensure that:

- vulnerable groups will benefit from the various project interventions and that persons who may be adversely affected will not be worse off as a result of the Project; and
- adequate community involvement is taking place during design and implementation of project interventions.

The Specialist will assist the IA in conducting social safeguard screening for proposed water supply and sanitation, and community infrastructure investments.

The Specialist will support the IA to respond to requests and complaints from beneficiaries related to Project interventions.

²⁴ The services of the specialist responsible for property-related legal and regulatory matters were no longer required following the completion of Component 2.

²⁵ Based on the original TOR issued in May 2012.

Component-specific Responsibilities:

Component 2: Housing Reconstruction: The Specialist will ensure gender equity during implementation of the house reconstruction component and monitor the support for women and vulnerable groups for house reconstruction. If ADB's safeguard resettlement policy is activated under this component, the Specialist will be responsible for preparing and implementing a resettlement plan.

Component 3 - Water and Sanitation: The Specialist will oversee and monitor all planning, implementation, and monitoring activities related to the resettlement policies that are to be carried out by the Design and Supervision Consultant (DSC)

Component 3 - Community Infrastructure: The Specialist will oversee the design and implementation of community infrastructure in terms of social aspects; liaise with community groups, government officials, local NGOs, and contractors; ensure gender equity throughout the planning and implementation process; and promote local monitoring of the construction/reconstruction and subsequent maintenance of the new and reconstructed infrastructure. If ADB's safeguard resettlement policy is activated under this component, the Specialist will be responsible for preparing and implementing a resettlement plan. Conduct social safeguard screening for proposed community infrastructure investments.

Qualifications of the Specialist should include the following:

- BSc. degree in sociology, development studies, or related disciplines;
- Working experience with international development organizations;
- Experience in complaints handling, and/or planning and implementation of resettlement activities will be an advantage;
- Working knowledge of English language; and
- Knowledge of word processing, spread sheets, and data base management.

b. Environmental Specialist

145. The Environmental Specialist will work as a member of the IA's Safeguard Unit and coordinate with the IA, other government departments, and members of the Project Management Consultancy (PMC) during implementation of the water and sanitation development component of the EARR.

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Overall Responsibility:

The Specialist's overall responsibility is to assist the IA in ensuring that Government and ADB environment related safeguard policies are adopted for components 2 and 3. The project's environmental assessment and review framework (EARF) sets out the various environmental assessments that may be required during project implementation. These assessments and actions mainly relate to component 3 as component 2 was completed in July 2012.

The Specialist's specific tasks include, but are not limited to, providing assistance to SDRD in:

- i. reviewing environmental assessments and environmental management plans to be prepared by the Design and Supervision Consultant (DSC) for water supply investments;
- ii. conducting consultations with communities and local NGOs;
- iii. liaising with concerned government agencies to obtain environmental approvals/ permits, if so required;
- iv. verifying compliance of environment management plans by contractors and the Service Provider;
- v. responding to environment related matters raised by third parties; and
- vi. preparing quarterly Environmental Monitoring Reports for submission to ADB.

Qualifications of the Specialist

- BSc. degree in environmental engineering or related disciplines;
- Working experience with environmental assessments and monitoring, preferable related to water supply and sanitation projects;
- Preferably familiar with environmental safeguards policies of development partners; and
- Working knowledge of English language.

B. Environmental Safeguards

146. In order to ensure compliance with ADB Safeguard Policy Statement (2009), the Ministry of Finance of Kyrgyz Republic as Executing Agency of the EARR and the IA will ensure the implementation of the following requirements and procedures for the EARR. The Ministry of Finance has endorsed the EARR that has been prepared for the EARR. The EARR will be followed during EARR implementation and the environmental assessment process as required under the EARR will be followed and the necessary IEE, EMP and Asbestos Management Plan will be prepared.

Environmental Management Actions	EARR Implementation Activities	Conditions Required to Complete Actions
<i>Pre-construction commences</i>	Activity 1: Project becomes effective	
Environmental Management System (EMS) established in SDRD.	Activity 2: Environment Officer (ENO) appointed to the IA	Budget and facilities for ENO have been provided according to Grant and Loan Agreements
ENO defines environmental category of the subproject	Activity 3: ENO reviews potential subprojects using ADB's Rapid Environmental Assessment Checklists	The IA provides a list of priority subprojects
ENO makes environmental clearance of the priority projects list	Activity 4: ENO excludes from the priority project list subprojects with potentially considerable environmental impacts (Category A) and those recorded in ADB's Prohibited Investment Activities List	The IA provides adequate and sufficient information about proposed construction activities to screen out unsuitable projects.
Preparation of IEEs and EMPs for Category B projects	Activity 5: Design and Supervision Consultant (DSC) prepares IEE and EMP	DSC should have experience with ADB's SPS 2009 requirements Field work needed to collect necessary data and organize public consultations
Approval of IEEs + EMPs	Activity 6: IEEs should be sent to ADB for environmental clearance	ADB will prioritize reviewing of the IEE and EMP for EARR
Contractor receives IEE and EMP	Activity 7: Approved IEE and EMP is given to the Contractor	
Contractor receives all	Activity 8: Contractor receives	Contractor cannot start

Environmental Management Actions	EARR Implementation Activities	Conditions Required to Complete Actions
necessary environmental licenses and permits	all necessary environmental permits and documents at local level	construction site until (i) the Contractor's site-specific EMPs has been approved by the DSC followed by the ENO and (ii) all relevant environmental permits for the specific site have been obtained
ENO inform the IA that Contractor is now cleared to start work	Activity 9: Contractor approved to start work	
<i>Pre-construction completed</i>		
<i>Construction commences</i>	Activity 1: Contractor begins work.	
PE with assistance of ENO monitors contractor's EMP compliance activities. ENO audits construction activities ENO evaluates monitoring program	Activity 2: Environmental monitoring undertaken and reports prepared. By Contractor: Bi-monthly environmental report sent to the ENO By ENO: Quarterly environmental report to ADB and country environmental agency	Contractor complies with EMP requirements for implementing and monitoring work on-site ADB's CWRD Guidance notes on preparing monitoring reports available ENO reviews and sign-offs on completed work Final environmental monitoring report prepared by the ENO
	Construction completed and project commissioned	EARR works completed in accordance with the EMP and all sites satisfactorily rehabilitated and restored. Payments may be withheld if sites not cleared and closed to meet EMP specifications.
<i>Construction completed</i>		
<i>Operation commences</i>		Local Authorities establish Sanitary Protections Zones for the intakes prior to their commissioning

147. Specific implementation arrangements for the EMPs for the three civil works contracts based on the IEEs approved for the three subprojects under component 3 are presented in Annex 7.

C. Other Safeguards

1. EARR GRM and Complaint Handling System

For managing the project complaint handling system, the SDRD, established the grievance redress mechanism (GRM) for the EARR on 15 February 2012.²⁶ Following the closure of SDRD in January 2013, its successor agency, the SAACCS re-activated the GRM. SAACCS, with support of the PMC, is to:

- 1) maintain the earlier established GRM. ; the GRM flow chart and the term of reference of person involved in the system are in the appendix of this PAM;
- 2) inform the presence of the project GRM to the public and the targeted communities using the EARR website and local media (newspapers, radio, etc.);
- 3) maintain the earlier established integrated complaints handling system and data base in collaboration with implementing partners (IPs). All the supporting documents will be kept until the EARR project is formally closed;
- 4) establish the Grievance and Redress Group (GRG) for the GRM and provide the administrative and financial supports as required;
- 5) provide regular summary of the complaints and handling results in the project progress report; and
- 6) establish a segregated data base for received complaints related to the environmental, involuntary resettlement and ethnic minorities issues (ADB Safeguard Policy, 2009).

2. Grievance Redress Group (GRG)

The members of the GRG are:

- 1) Osh-based representative of SAACCS (chairperson)
- 2) Head of local governments in the respective areas (member)
- 3) Technical specialist(s) as relevant and required for the case (member)
- 4) Representative of Osh and the Jalal-Abad Vodokanal and the Bazar-Korgon Rural Public Association of Drinking Water Consumers (as member for component 3)
- 5) Representative of the Affected families (as member, for the component 3)
- 6) The SAACCS' resettlement/ social safeguard specialist (member)²⁷
- 7) Ombudsman of Osh and Jalalabad oblast (independent observer)

²⁶ A similar mechanism was in place during the period when SDRD was the IA.

²⁷ Depending on the complaint, the environmental safeguards specialist will also be invited as well.

D. Gender and Social Dimensions

148. See Linked Document 9 of the RRP for Summary Poverty Reduction and Social Strategy.

149. See Linked Document 10 of the RRP for Gender Action Plan.

VIII. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Design and Monitoring Framework

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact Economic recovery and social reconciliation	<p>Increasing annual gross domestic product growth rate from –3.5% expected in 2010 to 5% by 2012 to 7% in 2015 (average GDP growth of 5% from 2004 to 2008)</p> <p>No episodes of community tensions</p>	<p>Official government statistics</p> <p>MOF reports</p> <p>Ministry of Economic Regulation reports</p> <p>NBKR reports</p> <p>Reports from development partners</p>	<p>Assumptions</p> <p>Global economic recovery sustained</p> <p>Investment climate reforms implemented</p> <p>Good performance in gold production sustained</p> <p>Russia-Kazakhstan-Belarus Customs Union does not adversely affect Kyrgyz cross-border trade</p> <p>Political stability maintained</p> <p>Risk</p> <p>Energy situation deteriorates</p>
Outcome Critical social and public infrastructure assets rebuilt and essential public expenditures maintained in areas affected by the emergency	<p>Postemergency fiscal stimulus achieved in 2010 (12.6% primary budget deficit in 2010)</p> <p>Number of homeless internally displaced people reduced to zero (baseline: 13,500 in 2010)</p>	<p>Reports of State Directorate for Reconstruction and Development of Cities of Osh and Jalal-Abad²⁸</p> <p>Ministry of Economic Regulation reports</p> <p>Reports from development partners</p>	<p>Assumptions</p> <p>Political stability is attained after June 2010 referendum and October 2010 parliamentary elections</p> <p>Adequate and timely development partner funding</p> <p>Risk</p> <p>Community tensions continue unabated</p>

²⁸ The State Directorate for Reconstruction and Development was the IA until January 2013; thereafter, the State Agency for Architecture, Construction and Communal Services became the IA.

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Outputs 1. Uninterrupted provision of education, health, social assistance, transport, and urban services	<p>Execution of EARR-supported expenditures in line with revised Republican budget by the end of 2010 (education, Som2.1 billion; health, Som4.3 billion; social assistance, Som4.5 billion; road maintenance, Som1.35 billion; state transfers to local governments, Som6.8 billion; state transfers to the district heating company Som0.9 billion)</p> <p>Salaries of teachers (85% women) maintained and paid monthly</p> <p>By the end of 2010, health expenditures for maternal and reproductive health are at least as high as 2008 level of Som93 million</p> <p>By the end of 2010, the number of social assistance program beneficiaries is not lower than April 2010 levels (April 2010 baseline: (i) monthly benefits, 351,000 recipients of which 53% are women; (ii) monthly social benefits, 63,818 recipients of which 51% are women; (iii) compensation, 52,009 recipients including their families)</p> <p>Sex-disaggregated data on beneficiaries of monthly benefits and monthly social benefits collected for 2010</p> <p>More roads maintained by the end of 2010 (2010 target road repairs: 755 kilometers of Republican roads)</p>	<p>Revised 2010 budget</p> <p>MOF budget execution reports</p> <p>Ministry of Education and Science reports</p> <p>Ministry of Health reports</p> <p>National health accounts</p> <p>State Agency for Social Welfare reports</p> <p>Ministry of Transport and Communications reports</p> <p>Reports of the district heating company</p> <p>SDRD quarterly reports</p>	<p>Assumptions</p> <p>Parliament enacts revised Republican budget</p> <p>Development partners fully fund the 2010 financing gap</p> <p>Institutional capacity in ministries upgraded, if not maintained</p> <p>The Kyrgyz Republic Development Fund is liquidated on time</p> <p>Risks</p> <p>Revenue shortfall is larger than expected</p> <p>Unbudgeted energy subsidies are funded by the budget</p> <p>Community violence and political disturbances continue and expand fiscal costs</p> <p>Weak fiduciary controls</p> <p>Disbursement of EARR-supported expenditures spills over to 2011</p> <p>Systemic banking risks are aggravated requiring significant fiscal support</p>
2. Damaged houses repaired and/or reconstructed	<p>Permanent shelters with living area of 100 square meters reconstructed for 1,700 severely damaged houses</p>		<p>Assumptions</p> <p>Affected people participate and make decisions</p> <p>Risks</p> <p>Lack of construction licenses issued for international nongovernment organizations</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks								
			<p>Lack of property titles and land ownership</p> <p>Lack of building permits and construction compliance certificates</p>								
<p>3. Critical community and public infrastructure rehabilitated and reconstructed</p>	<p>Community infrastructure rehabilitated (at least 5 schools, 2 health clinics, and 1 cultural center)²⁹</p> <p>At least 20 water intake structures and treatment systems rehabilitated</p> <p>At least 10 kilometers of water transmission pipelines reconstructed</p> <p>Individual sanitation units constructed for 500 damaged houses</p> <p>70% of women’s groups in rehabilitated districts trained on hygiene and sanitation</p>		<p>Risks</p> <p>Limited institutional capacity of the <i>vodokanal enterprise</i> in the two cities to properly maintain rehabilitated facilities</p> <p>Sudden increase in costs of construction items</p>								
<p>Activities with Milestones</p> <p>1. Joint economic assessment of the impact of the April and June 2010 events (May and July 2010 missions, and July 2010 report)</p> <p>2. Financing gap and financing sources identified (July 2010)</p> <p>3. Government approves interim 2010 Republican budget (August 2010)</p> <p>4. MOF prepares monthly financial plan for proposed revised Republican budget (August 2010)</p> <p>5. Parliament enacts revised Republican budget (November 2010)</p> <p>6. SDRD appoints consultants (January 2011)</p> <p>7. Reconstruction of damaged houses commences (April 2011)</p> <p>8. Rehabilitation of water supply system commences (October 2011)</p>		<p>Inputs</p> <p>ADB: \$100 million</p> <table><tr><th>Item</th><th>Amount (\$ million)</th></tr><tr><td>ADF Grant</td><td>51.5</td></tr><tr><td>ADF Loan</td><td>48.5</td></tr><tr><td>Kyrgyz Republic</td><td>10.0</td></tr></table>		Item	Amount (\$ million)	ADF Grant	51.5	ADF Loan	48.5	Kyrgyz Republic	10.0
Item	Amount (\$ million)										
ADF Grant	51.5										
ADF Loan	48.5										
Kyrgyz Republic	10.0										

²⁹ This subcomponent can no longer be implemented due to shortage of funds.

B. Monitoring

150. **Project performance monitoring.** Disaggregated baseline data for output and outcome indicators gathered during EARR processing will be updated and reported through EARR progress reports prepared by the PMC, and after each ADB review mission. These reports will provide information necessary to update ADB's project performance reporting system.³⁰

151. **Compliance monitoring.** Compliance on covenants will be monitored through regular ADB review missions and joint ADB-MoF portfolio review meetings.

152. **Safeguards monitoring.** Safeguard documents preparation, monitoring and reporting of the implementation on safeguards requirements and procedures will be prepared by each implementing agency responsible for the project components. The Project Management Consultant (PMC) will undertake internal monitoring of safeguard covenants' compliance to be included in the project progress report. The PMC will be engaged to validate the internal monitoring reports and evaluate compliance of EARR activities with the ADB's *Safeguard Policy Statement* (2009). The monitoring report will also include information on the status and resolution of grievance and complaints issues received by the IA.

153. **Gender and social dimensions monitoring.** Component based monitoring will include:

- (i) Component 1: Provision of fiscal support for critical expenditures on education, health, social assistance and infrastructure maintenance
 - Data capture and updating system for sex-disaggregated information on social protection applicants and beneficiaries is established
 - At least 51% of Monthly Social Benefits are allocated for female beneficiaries
 - At least 53% of Unified Monthly Benefits are allocated for female beneficiaries
 - Health expenditures for maternal and reproductive health increased to Som 95 million
- (ii) Component 2: Social Infrastructure, including reconstruction of houses
 - 100% of female headed households hold land titles in their names
- (iii) Component 3: WSS and Community Infrastructure Improvement
 - 70% of local women organizations trained on sanitation and hygiene³¹

C. Evaluation

154. Within 6 months of physical completion of the EARR the MOF will submit an EARR completion report to ADB.³²

³⁰ ADB's project performance reporting system is available at:

<http://www.adb.org/Documents/Slideshows/PPMS/default.asp?p=evaltool>

³¹ Because the community infrastructure subcomponent will no longer be implemented due to funding constraints, this part of the Gender Action Plan will not be implemented.

D. Reporting

155. For component 2 and 3, the IA through MOF will provide ADB with (i) progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions; (c) updated procurement plan and (d) updated implementation plan for next 12 months; and (iii) a project completion report within 6 months of physical completion of the EARR. To ensure EARR is efficiently managed, EARR accounts together with the associated auditor's report, should be adequately reviewed.

³² Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

IX. ANTICORRUPTION POLICY

156. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the EARR.³³ All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all EARR contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the EARR.³⁴

157. To support these efforts, relevant provisions are included in the financing agreement, loan regulations, grant regulations, and the bidding documents for the EARR. The Government will disclose to the public, and update annually the current status of the EARR and how the proceeds of the loan and grant are used. For each contract financed under the EARR, the EA and IAs will disclose on their respective websites information on, among others, the:

- list of participating bidders
- name of the winning bidder
- basic details on bidding procedures and procurement methods adopted
- amount of contract awarded
- list of goods/services, including consulting services procured
- intended and actual utilization of the loan and grant proceeds

³³ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

³⁴ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>

X. ACCOUNTABILITY MECHANISM

158. People who are, or may in the future be, adversely affected by the project may address complaints to ADB, or request the review of ADB's compliance under the Accountability Mechanism.³⁵

³⁵ For further information see: <http://compliance.adb.org/>.

XI. RECORD OF PAM CHANGES

159. Date of first PAM – 11 September 2010.
Revision 1: 10 May 20S11
Revision 2: 17 December 2011
Revision 3: 2 February 2012
Revision 4: 21 May 2012
Revision 5: 2 July 2012
Revision 6: 25 July 2012
Revision 7: 30 September 2014

ANNEX 1
Initial Screening for Impact on Ethnic Minority
At Project Preparation Stage

Project Title:

Subproject Name: **Location:**

Screening questions	Not Known	Yes	No	Any other comments/ Required Action
A. Identification of Ethnic Minority				
1. Aside from the mainstream population, are there population groups who have been living in the project location before modern states or territories were created and before modern borders were defined?				
2. Are there population groups who maintain cultural and social identities separate from mainstream or dominant societies and cultures?				
3. Are there population of tribal groups or cultural minorities who have migrated into the project areas to which they are not indigenous, but have established a presence and separate social cultural identity?				
4. Are there population groups that self-identify themselves, or are identified by others and the mainstream population or by the Law, as being part of a distinct indigenous cultural group or ethnic minority?				
5. Are there population groups with a linguistic identity different from that of the mainstream society?				
6. Are there population groups with social, cultural, economic and political traditions and institutions distinct from the mainstream culture?				
7. Are there population groups with economic systems oriented more toward traditional systems of production than the mainstream systems?				

B. Identification of Potential Impacts				
8. Will the project directly or indirectly benefit or target the Ethnic Minorities				
9. Will the project directly or indirectly affect Ethnic Minorities socio-economic and cultural and practices?				
10. Will the project directly or indirectly affect the livelihood systems of Ethnic Minorities or their access to public infrastructures or social facilities? (e.g., food production system, natural resource, trade, education, health facilities or employment)				
11. Will the project be in an area occupied, owned, or used by Ethnic Minorities?				
12. Will the project directly or indirectly cause the identified Ethnic Minorities to be further marginalized socially, economically and politically?				

Decision on Screening

After reviewing the answer above, the SDRD Social Development Specialist agree that the project:

- ☐ Should be categorized as an A project, an Ethnic Minority Development Plan (EMDP) is required.
- ☐ Should be categorized as a B project, a specific action favorable to ethnic minority is required and addressed through a specific provision in Ethnic Minority Action Plan, a Gender Action Plan or a general Community Participatory Plan
- ☐ Should be categorized as a C project, specific action required

Prepared By:	Verified by:
Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

ANNEX 2

Involuntary Land Acquisition & Resettlement Impact Screening Checklist

Project Location:
Project Component:
Section No/ Area:

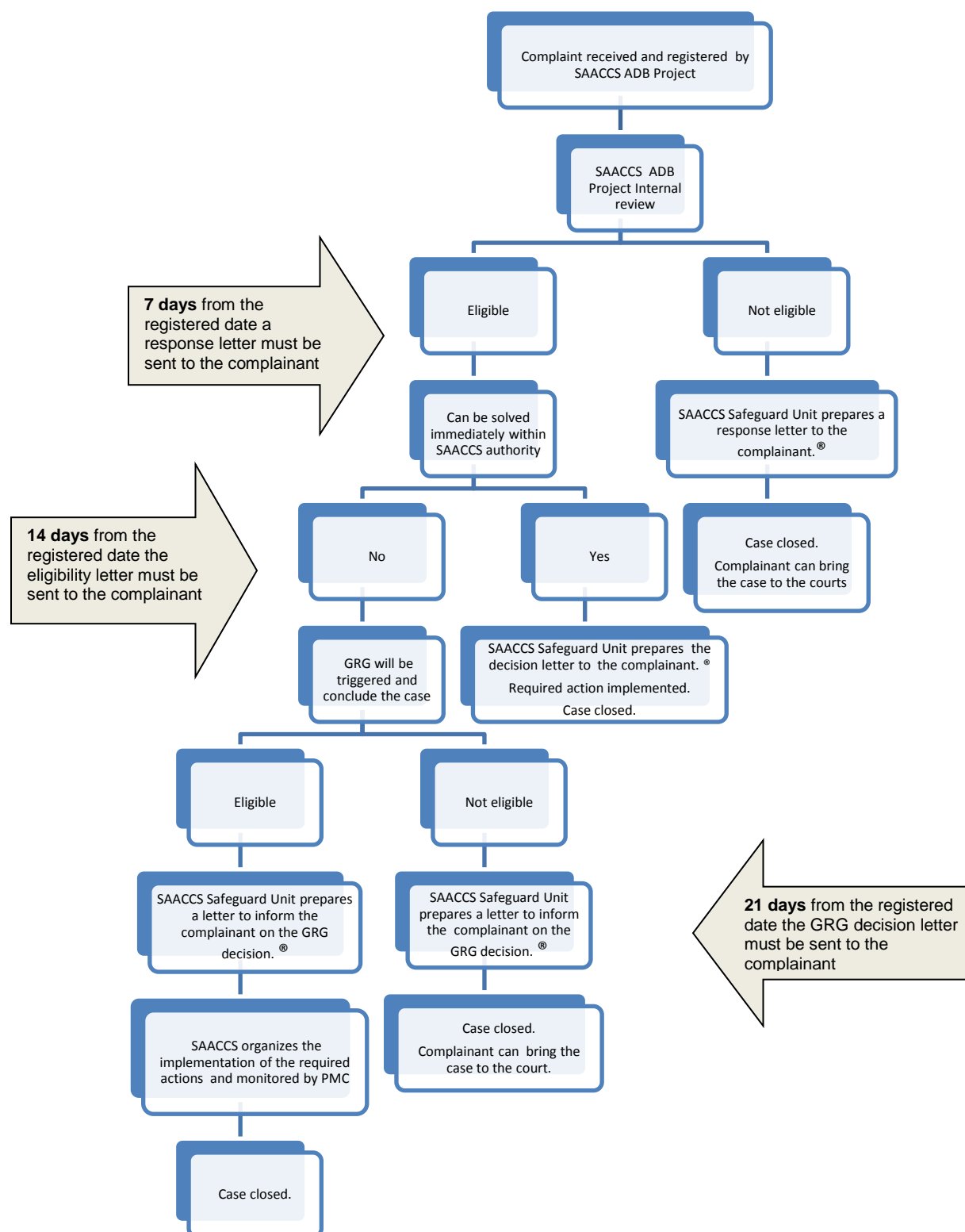
Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
Permanent/ Temporary Involuntary Acquisition of Land				
1. Will there be land acquisition?				
1. Is the site for land acquisition known? (If the answer is NO go to question no 4)				
2. Is the ownership status and current usage of land to be acquired known? (If the answer is YES go to question no 5)				
4. Will easement be utilized within an existing Right of Way (ROW)?				
5. Will there be loss of shelter and residential land due to land acquisition?				
6. Will there be loss of agricultural and other productive assets due to land acquisition?				
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				
8. Will there be loss of businesses or enterprises due to land acquisition?				
9. Will there be loss of income sources and means of livelihoods due to land acquisition?				
Involuntary restrictions on land use or on access to social infrastructures				
10. Will people lose access to natural resources (agricultural lands, water sources, etc.), communal facilities and services?				
11. If land use is changed, will it have an adverse impact on social and economic activities?				
12. Will access to land and/other resources owned communally or by the state be restricted?				
Information on Affected Households:				

Any estimate of the likely number of persons that will be affected by the Project?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
If yes, approximately how many? _____		
Are any of them poor, female-heads of households, or vulnerable to poverty risks?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
Are any displaced persons from indigenous or ethnic minority groups?	<input type="checkbox"/> No	<input type="checkbox"/> Yes

INSTRUCTIONS:

- (i) The Project Team conduct detail screening on any LAR impact (both permanent and temporary) in each section in each project component using the above form as references. The screening should be conducted as detail as possible in **all proposed** project alignments and sites.
- (ii) Compile the result of the screening activity in one form for each location and component for further actions to the SDRD Social Development Specialist and PMC.
- (iii) PMC consultant and SDRD specialist report to ADB on the result and inform the local government on further required actions for preparation of social safeguard documents.

ANNEX 3 EARR GRM Flow Chart



® A signed receipt of the letter will be required from the complainant

ANNEX 4

EARR Grievance and Redress Mechanism (GRM) and Grievance Redress Group (GRG) Terms of Reference

- **Grievance and Redress Mechanism**

The GRM is a mechanism established under the EARR project to receive, manage, review and facilitate the resolution of issues, concerns, complaint or grievances addressed by the project beneficiaries, affected people, or general population regarding to the project activities, entitlements, or impacts. The scope of the issues covered under this GRM will be related to social, environmental and other safeguard issues under ADB safeguard covenants.

- **Grievance and Redress Group (GRG)**

The GRG is tasked with all activities needed to discuss a grievance, validate, assess the scope of eventual impacts, decide eventual compensation or other redress action needed and instruct/facilitate the functioning of the grievance redress mechanism. The GRG is composed of the core group and an independent observer to make an informed and balanced decisions on the complaints lodged:

1. **GRG Core Group:**

- a. **Osh-based Representative of SAACCS (chairperson)**

- Trigger the GRG members through a letter of invitation;
- Chair the GRG meetings and ensure that minutes of the meeting are shared with all relevant parties;
- Review the content of each response prepared after deliberations to ensure accuracy as well as consistency of answers provided to the complainants;
- Ensure the administrative, organizational and financial support for GRG members to work;
- Support the decision made by the GRG teams and ensure that the follow-up actions are taken; Report to the SAACCS' management on the result of the GRG deliberations.

- b. **Head of local government (for component 3)**

- To observe and provide the necessary administrative and organizational support to the grievance review process;
- To provide required background information for the reviewed cases;
- To support the decision made by the GRG and ensure execution of the follow-up actions;
- Disseminate the information on the GRM across the local communities concerned.

- c. **Technical specialist(s) (as appropriate and relevant to the case)**

- To provide relevant technical opinion for the case reviewed;
- To carry out the needed investigations relevant to their expertise and prepare a short report to help the members of the GRG make an informed decision;
- Recommend when the legal opinion from the relevant state agencies is necessary.

- d. **Vodokanal representative (for component 3A)**

- To provide technical opinion of impacts claimed by a complainant;

- To carry out the relevant investigations and provide the needed report to be reviewed the members of the GRG
 - e. **AP representative (for component 3A)**³⁶
 - Up to three representatives of the APs from the affected community will participate in all GRG meetings;
 - Provide relevant information to the Vodokanal and SAACCS related to the submitted complaints.
 - f. **SAACCS' Safeguard specialist**³⁷
 - ;Prepare the chronology of events to understand sequence of developments prompting the complaint;
 - Draft and then send the complaint memo to all members of GRG, including the Office of Ombudsman, inform all members on the expected date of the meeting, prepare the plan of the site visits, as necessary;
 - Request head of local government to organize the meeting, as necessary;
 - Maintain records of each meeting and file all supporting documents;
 - Maintain communication between GRG and the complainants.
- 2. GRG Independent Observer (Oblast Ombudsman):**
- Monitor complaint handling process and ensure that decisions made by the GRG are equitable and objective.
 - Provide independent opinions and recommendations related to the decision made on the case by the GRG core team
 - Advise the complainant(s) on their rights and entitlements, as necessary ;
 - Participate to all GRG meetings and site visits
 - Participate in eventual assessment/valuation in the field
 - Prepare a position memo at the end of the meeting(s) and forward it to chairperson of the GRG

³⁶ Only for the GRG for the Jalal-Abad subproject in view of the subproject's resettlement impact.

³⁷ Depending on the nature of the complaint, the safeguards specialist would be the social/resettlement specialist or the environmental specialist, or both, if needed.

ANNEX 5

EARR Complaint Data Base System

Headings of inventory columns of complaint received

1. Number
2. Date received
3. Name of complainant
4. Issue raised
5. Third party involvement (yes/no)
6. Name of the third party involved (NGO/IP/ Government institution)
7. Repeated request (yes/no)
8. Date(s) of the subsequent letter sent by the complainant
9. Issue raised in the subsequent complaint letter
10. Date of the response letter sent out to AP
11. Response letter acknowledge by the complainant (yes/no)
12. Content of the response letter from the IA
13. GRM is triggered (yes/no)
14. Follow up action required from the IA
15. Responsible party to be involved
16. Status of complaint (close/pending/process ongoing)

Complaint categories:

a. Component 2:

- a. Request to increase the sq m
- b. Excluded from the (housing) Data Base
- c. Housing design related matters
- d. Request for additional materials and financial supports
- e. Housing assessment
- f. Other request
- g. General inquiry

b. Component 3³⁸:

- a. Entitlement and compensation of the affected assets
- b. Consultation
- c. Query on the detailed measurement survey (DMS) data
- d. General inquiry

³⁸ The complaint category can be further developed as required.

ANNEX 6

Gender Action Plan

Rationale / Objectives	Activities	Performance Target / Indicators	Responsibility
Output 1: Fiscal Support			
1.1 Social expenditures relevant for female beneficiaries are protected	<p>1.1.1 Coordinate with concerned agencies for the systematic collection and analysis of sex-disaggregated data relevant to social services and social protection program.</p> <p>1.1.2 Conduct consultations with Department on Women, Family and Youth, Social Policy Division, and gender focal points on gender sensitivity of health and education service delivery and public health and education expenditures</p>	<ul style="list-style-type: none"> Data capture and updating system for sex-disaggregated information on social protection applicants and beneficiaries is established At least 51% of Monthly Social Benefits are allocated for female beneficiaries At least 53% of Unified Monthly benefits are allocated for female beneficiaries Health expenditures for maternal and reproductive health increased to Som 95 million 	State Agency on Social Welfare, Department on Women, Family and Youth (Ministry of Social Protection and Labor), Social Policy Division (President's Office), Ministry of Health, and Ministry of Education
Component 2: House Reconstruction			
2.1 Women and female household heads of affected families receive adequate support	2.1.1 Identify female headed households with reconstruction needs and compensate them appropriately	<ul style="list-style-type: none"> 100% of female headed households hold land titles in their names and are compensated for the loss of their houses 	Local governments of Jalal-Abad and Osh, State Directorate for Reconstruction and Development of Osh and Jalal-Abad
Component 3: Community and Water Supply and Sewerage Infrastructure Improvement³⁹			
3.1. Water and sanitation improvements supported by behavioral change campaigns	3.1.1. Conduct behavioral change campaign on sanitation, hygiene and importance of clean water launched in local women organizations	<ul style="list-style-type: none"> 70% of local women organizations trained on sanitation and hygiene 	Ministry of Health, Local governments of Jalal-Abad and Osh, State Directorate for Reconstruction and Development of Osh and Jalal-Abad

³⁹ Because the community infrastructure subcomponent will no longer be implemented due to funding constraints, this part of the Gender Action Plan will also not be implemented.

ANNEX 7

Specific Arrangements for Environmental Management and Monitoring for Component 3

Objective

The objectives of the Environmental Management Plans (EMPs) are to ensure (i) implementation of identified mitigation and management measures for anticipated adverse environment impacts; (ii) implementation of monitoring and reporting; and (iii) subproject compliance with the KR's relevant environmental laws, standards and regulations and ADB's Safeguard Policy Statement (SPS). Organizational responsibilities and budgets are clearly identified for implementation, monitoring and reporting.

Implementation Arrangements

The State Agency for Architecture, Construction, and Communal Services (SAACCS) is the IA under the overall guidance of its Director, with the Deputy Chief Architect of Osh City responsible for technical aspects related to subproject implementation.

The responsibilities for environmental management and monitoring are as follows.

- SAACCS through its EARR Safeguards Unit (SAACCS SU) has overall responsibility to ensure that Government and ADB environment related safeguard policies are adopted. The SAACCS SU is also responsible to ensure full implementation of the RP, and in conjunction with the National Environment Specialist (NES) of the Design and Supervision Consultant (DSC), for coordinating and supervising the mitigation compliance monitoring presented in the Environmental Monitoring Plans (EMoPs). The SAACCS also prepares quarterly environmental progress reports for submission to ADB, as it is mentioned in the Financing (Loan) Agreement.
- The Project Management Consultant (PMC) is responsible to ensure that the implementation of supervision, monitoring and reporting is undertaken according to the EARR guidelines and manuals and in compliance with the Financing Agreement and the EMoP.
- The DSC is responsible for incorporation of mitigation measures into engineering design and technical specification, and into relevant clauses in the contract documentation.
- The DSC NES, in conjunction with the SAACCS SU, is responsible for mitigation compliance monitoring presented in the EMoP and for preparing monthly environmental progress reports submitted to the SAACCS SU.
- The Regional State Environment Protection Department is responsible for general environment monitoring activities during operation.
- The Contractor is responsible for construction phase mitigation implementation; water, air and noise monitoring; and reporting, as outlined in the EMP and contract specifications. The Contractor will recruit a health, and safety environmental (HSE) Officer, who will be responsible for implementing the Contractors' environmental responsibilities and liaise with the Client, the PMC, DSC and district administration. The HSE Officer will also be responsible for health and safety aspects of work sites.

The Contractor will submit bi-weekly environmental progress reports to the DSC NES, the DSC will validate reports then submit to SAACCS SU.

- Osh Oblast authorities will be responsible for establishing SPZs II and III for the water intake before it becomes operational.
- After subproject completion, the Vodokanals of Jalal-Abad and Osh and the Bazar-Korgon Rural Public Association of Drinking Water Consumers will be responsible for operation and maintenance of the subproject. They, in cooperation with the district/regional administrations, will undertake monitoring and analyze samples in SAEPP's analytical control laboratory in Bishkek.

Environmental Monitoring Plan

The EMoPs are to monitor the environmental impacts of the subprojects and assess the effectiveness of mitigation measures. The EMoP includes both compliance monitoring and ambient monitoring.

Compliance monitoring will be undertaken by the SAACCS SU and the DSC NES. The PMC will ensure that the compliance monitoring will be undertaken. Prior to the start of construction, the SAACCS SU will develop an implementation protocol for the compliance inspection monitoring that clarifies the day to day roles and responsibilities of the SAACCS SU and the DSC NES, and the specific locations at which monitoring will be undertaken.

Ambient monitoring will include air, noise and water quality, and will be undertaken by a qualified consultant or agency to be recruited by the Contractor. All other inspections and monitoring will be undertaken by the DSC with SAACCS/ PMC supervision.

Environmental Reporting

Environmental reporting will be undertaken as follows:

- The Contractor will submit bi-weekly progress reports on mitigation implementation and the results of any monitoring undertaken in that period to the DSC, with a copy also sent to the SAACCS SU.
- The DSC NES will submit monthly environmental progress reports to the SAACCS SU based on environmental monitoring undertaken in that period and the Contractors' bi-weekly progress reports.
- The SAACCS SU will submit quarterly environmental progress reports to the ADB documenting the environmental management measures and monitoring results. If the monitoring has identified a weakness or deficiency in the implementation of the EMP that has already been addressed, the report should explain the manner by which the issue was resolved. If the monitoring has identified a weakness or deficiency in the implementation of the EMP that has not yet been addressed, a corrective action plan (CAP) should be developed. The CAP should describe actions necessary to address each area of concern; prioritize these actions; identify responsibilities for implementation of each corrective action; identify a time-line for their implementation; and, present a schedule for communicating the results of plan implementation to affected communities.