

KINGDOM OF CAMBODIA

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Ministry of Economy and Finance

FLOOD DAMAGE EMERGENCY RECONSTRUCTION PROJECT

**ADB Loan No 2852-CAM (SF)
AusAID Grant No 0285 –CAM (EF)**

QUARTERLY PROGRESS REPORT No 1

June 2012

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ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
AP	Affected Person
AusAID	Australian Agency for International Development
BER	Bid Evaluation Report
BoQ	Bill of Quantities
CNR	Contract Negotiations Report
DC	Direct Contracting
DDIS	Detailed Design and Implementation Supervision (consultants)
DMS	Detailed Measurement Survey (for resettlement)
EA	Executing Agency (MEF in this case)
EIRR	Economic Internal Rate of Return
FDERP	Flood Damage Emergency Reconstruction Project
FWUC	Farmer Water User Committee
GIS	Geographic Information System
IEE	Initial Environmental Examination
IOL	Inventory of Losses
IRC	Inter-ministerial Resettlement Committee
MEF	Ministry of Economy and Finance
MOWRAM	Ministry of Water Resources and Meteorology
MPWT	Ministry of Public Works and Transport
MRD	Ministry of Rural Development
NCB	National Competitive Bidding
NCDM	National Committee for Disaster Management
NGO	Non Government Organisation
NWISP	Northwest Irrigation Sector Project
PCMU	Project Coordination and Monitoring Unit
PIU	Project Implementation Unit (one for each IA)
PPCC	Provincial Project Coordination Committee
PPMS	Project Performance and Monitoring System
PRC	Procurement Review Committee
QCBS	Quality and Cost Based Selection (for consultants)
QPR	Quarterly Progress Report
RP	Resettlement Plan
RFP	Request For Proposals
RGC	Royal Government of Cambodia
RRP	Report and Recommendation to the President (of the Board of Directors of ADB)
SOP	Standard Operating Procedures
TA	Technical Assistance
ToR	Terms of Reference

EXECUTIVE SUMMARY

The Flood Damage Emergency Reconstruction Project (FDERP) supports the urgent repair of infrastructure damaged during the unusually severe floods in 2011. The total cost is \$67.2 million. Funding is through an ADB loan (\$55 million), a grant from the Government of Australia (\$5.25 million), and \$6.9 million from the Government. The Project targets national, provincial, and rural roads, irrigation, and will assist with flood management in 6 of the worst hit provinces. A snap shot of major activities and progress during Q2 2012 are summarized as follows:

- The Project was approved by ADB on 27 March, and became effective on 14 May 2012.
- Implementation activities started in January 2012 to respond to the emergency situation on the basis they would be funded retroactively.
- Work to date has been dominated by the urgent start-up activities aimed at fast-tracking the most urgently needed repairs (Stage 2 works) to secure the infrastructure for the 2012 wet season.
- A system for monitoring the physical progress of the overall Project has been prepared but needs further review and refinement in consultation with each of the components.
- To 30 June 2012, the overall physical progress is quite impressive, assesses to be 10.9% complete versus a target of 11.9% with only 8.3% of time elapsed. The slight lag in physical progress is because the Stage 2 civil works contracts commenced 2-6 weeks later than had been anticipated.
- Financial progress is ahead of targets, with total contract awards of \$23.6 million versus a projection of \$13.1 million, and disbursements are \$1.0 million versus a projection of \$0.7 million. Total disbursements are expected to reach about \$3.6 million in July /August based on withdrawal applications currently under processing, thus exceeding the annual disbursement projection of \$3.5 million.
- A total of 16 contracts have been awarded, including 3 for Detailed Design and Implementation Supervision (DDIS) Consultants for \$5.1 million under single source selection, and 13 civil works contracts for \$18.5 million under direct contracting.
- All of the urgent Stage 2 construction works is underway, with work on the national and provincial road commencing in May, and for the rural roads and irrigation in June 2012. No significant construction problems have arisen at this stage.
- Preparation of detailed design for Stage 3 subprojects is progressing and procurement through national competitive bidding (NCB) is expected to commence in July and continue over the next 6 months.

Key Issues

- **Resettlement for Stage 3** – preliminary assessment concludes that all subprojects are Category C, except 3 provincial roads which are Category B. An accelerated program in consultation with all concerned agencies needs to be agreed so implementation can be completed by early 2013 to avoid delay in commencing the works (para 20).
- **Funding** – the costs for all civil works contract packages in the Procurement Plan exceed the available funding. Management of the funding shortfall needs to be carefully considered over the coming months. Priorities in line with current funding allocations need to be considered, and if necessary adjustment to contract packaging (para 21).
- **Procurement** – international competitive bidding (ICB) is specified for 2 provincial roads contract packages that exceed the NCB limit. For various reasons there are concerns this will unduly delay the works, so MPWT will seek ADB's no objection to adopt NCB. MPWT needs to assemble relevant information to support the case and submit it for ADB's consideration (para 22).

I. INTRODUCTION

A. Background & Project Description

1. The Flood Damage Emergency Reconstruction Project (FDERP) will assist Cambodia to recover economically and socially from the 2011 floods. The floods affected 18 of the 24 provinces in Cambodia, and were well beyond normal annual levels. They caused extensive damage to infrastructure, and had severe social impacts on more than 350,000 households. Given the widespread damage and the limited resources available under the Project, priority is give the 3 sectors (see para 2) and 6 provinces which were the most severely affected; Prey Veng, Kampong Cham, Kampong Thom, Siem Reap, Banteay Meanchey, and Battambang.

2. The Project Executing Agency (EA) is the Ministry of Economy and Finance (MEF) through its Project Coordination and Monitoring Unit (PCMU) which has responsibility for oversight and management of the Project. It comprises 4 outputs, with outputs 1-3 covering the 3 sectors targeted by the Project and implemented by the 3 implementing agencies (IAs) as follows:

- (i) Output 1: National and Provincial Roads under the Ministry of Public Works and Transport (MPWT),
- (ii) Output 2: Rural Roads under the Ministry of Rural Development (MRD)
- (iii) Output 3: Irrigation and Flood Control under the Ministry of Water Resources and Meteorology (MOWRAM).
- (iv) Output 4: Project and Flood Management to support the EA's oversight, monitoring, and coordination and of all implementation activities under the Project through the PCMU. It also includes capacity development in flood management activities, which will be implemented through the National Committee for Disaster Management (NCDM).

3. The total cost of the Project is \$67.2 million, funded through a \$55 million loan from ADB, a grant of \$5.25 million from the Australian Government, and the remaining \$6.9 million funded by the Royal Government of Cambodia (RGC). It was approved on 27 March 2012, signed on 4 April 2012, and became effective on 14 May 2012. However, due to the emergency nature of the Project, implementation activities commenced during January 2012 on the basis that they would be funded retroactively.

4. As a framework for project activities, the restoration of flood-damaged infrastructure is divided under three stages as follows, although the Project covers only stages 2 and 3:

- (i) Stage 1 - interim repairs to reestablish minimum functioning levels of the infrastructure, which was implemented urgently by the government immediately after the floods.
- (ii) Stage 2 - fast-track repairs where it is necessary to substantially repair the damage before the next wet season (June–July 2012), to secure the existing (undamaged) works and avoid more extensive damage during the rains.
- (iii) Stage 3 - remaining flood damage restoration to complete the remaining damage repairs within the following two dry season construction periods.

B. Project Management & Reporting

5. Overall management of the Project is by the EA through the PCMU, which is to be supported by a small team of individually recruited consultants who are expected to commence in August /September 2012. The consultants will assist the PCMU with coordination and monitoring of the three IAs and ensure that the Project is implemented as planned and within the time schedule. The PCMU will also oversee flood and disaster

management work to be undertaken as a part of Output 4 by the NCDM. Each of the IAs has established its own project implementation unit (PIU), and each PIU has recruited its own team of consultants to support implementation of its activities.

6. **TA8051.** In view of the emergency nature of the Project, ADB provided this small-scale grant TA¹ to assist with project management. Its key objective was to provide interim support during the start-up period to speed up and improve the implementation efficiency, and optimize readiness and quality. The TA consultants are located in MEF, and operate as the interim PCMU consultants to provide direct assistance with overall management of the Project. Extensive hands-on assistance is also provided through the TA to each of the IAs and its consultants. A more detailed report on the TA activities is in Section V below.

7. **Reporting** - This is the first Progress Quarterly Report (QPR) for FDERP. It provides a summary of the overall progress of project activities since the start-up in January 2012 up to June 2012. It also serves as the completion report of TA8051 that is required at the end of assignment of the international Procurement and Engineering Specialist who will complete his inputs in mid July 2012. Each of the IAs are required to prepare QPRs which will report in more detail on activities within their Outputs, and normally these will be submitted to the PCMU as the basis for preparing the overall FDERP QPR. However, due to time constraints this QPR had to be finalized ahead of receiving the IA's QPRs, since they are delayed due to each of the IA's consultant having to give higher priority to the urgent requirements of their respective components. This QPR will also serve as background information in advance of the first review mission of the FDERP by ADB /AusAID which is scheduled to be held 16-25 July 2012.

II. OVERVIEW OF PROGRESS

8. The progress achieved to the end of June 2012 has been generally impressive, albeit a little behind the original schedule that was anticipated during project preparation. A total of 16 contracts have been awarded for a total value of \$23.6 million, which accounts for 39% of the funds allocated.² Overall physical progress is estimated at 10.9% versus a target of 11.9% (see details below), which is reasonable given the early stage of the Project with only 8.3% time elapsed. The success is largely attributed to the decision during project preparation to adopt single source selection of implementation consultants and direct contracting for the urgent Stage 2 works in response to the emergency situation, which highlights the benefits of adopting ADB's guidelines for emergency projects in the project design.

A. Start-up Activities

9. The project activities over the first 4-5 months of the Project have been dominated by 3 main activities, all of which were completed by the end June 2012:

- (i) Design and preparation of the Stage 2 civil works, which commenced in about January /February 2012, with much of the work done by the staff of the IAs, and later assisted by the consultants. Most of this was complete by the end of March 2012;
- (ii) Recruitment of Detailed Design & Implementation Supervision (DDIS) consultants for each of the 3 IAs through single source selection (SSS), one of which was complete in early May, but the other 2 not completed until late June 2012; and

¹ TA 8051 (CAM): Advance Actions for the Flood Damage Emergency Reconstruction Project, approved 20 January 2012 for \$225,000.

² The percentage refers to funds in the ADB loan and the AusAID grant since the contract values exclude local taxes and duties which represent RGC in-kind contribution.

- (iii) Procurement of the Stage 2 civil works through direct contracting (DC), finalized in late May for Output 1, but not until late June for Outputs 2 and 3.

10. The design and preparation work was finished on time, but the other 2 start-up activities have taken longer than anticipated. The recruitment of the DDIS consultants was about 2 months behind schedule, while the procurement of the civil works contracts was scheduled to be completed by early May. While the IAs have generally been very responsive in completing the necessary tasks, it has taken longer than expected to process the necessary approvals (see Section II, D below). May and June 2012 have been months of quite intensive bidding and negotiations, and as a result, it has been possible to award a total of 16 significant contracts; the 3 DDIS consultant packages for \$5.1 million, and the 13 Stage 2 civil works packages for a total of \$18.5 million.

11. It was with some relief over the last weeks of the 2nd quarter 2012 (Q2) that the emphasis has strongly moved to construction of the Stage 2 works, and preparation of the Stage 3 civil works packages. This will remain the main focus of activities during the next quarter.

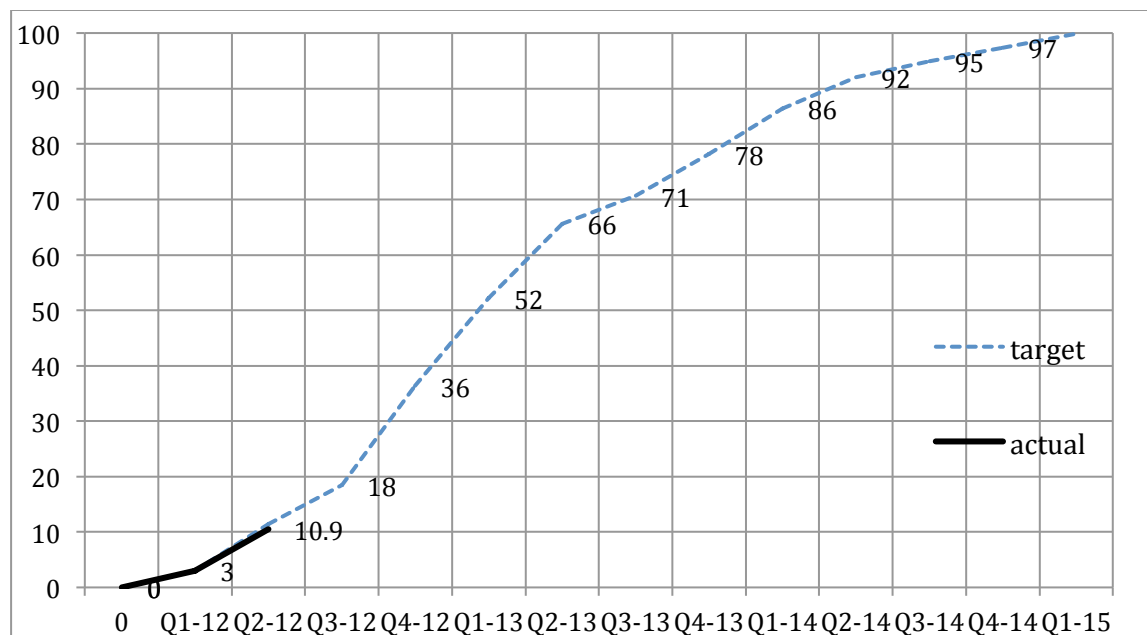
B. Overall Physical Progress

12. A system for monitoring the physical progress of the overall project has been prepared by the TA8051 consultants. Preliminary targets for the life of the Project have been estimated, and these estimates have been reviewed at a preliminary level by the DDIS consultants. However, the DDIS consultant are still developing detailed targets for their components which will take some time to complete in consultation with each of the IAs. Hence, the setting of the targets should be considered as work in progress, and the estimates need to be firmed up during the next quarter when each of the IAs have finalized their projections, and incorporated in the next quarterly report in September 2012. Although the current estimates will need fine tuning, the estimate to June 2012 are reasonable.

13. The system involves a break down of the key activities for the total Project and allocating a weighting to each of the activities as a percentage of the total physical resources needed to implement each activity. It is acknowledged that deciding the weighing that should be assigned to each activity is somewhat subjective, since various activities may be quite different in nature. The estimates that have been used are shown in **Appendix A** under "overall weighing". The analysis estimates Outputs 1 is 37% of the total, Output 2 is 30%, Output 3 is 27%, and Output 4 is 6%.

14. The table shown in **Appendix A**, which shows the targets and actual to the end of June 2012, is part of a larger spreadsheet that has been set up establishing targets on a quarterly basis. The targets set are plotted against time to create an overall progress target curve (referred to as the "Target S curve"³) for the Project. This is plotted against the Actual S curve to compare targets with actual (**Figure 1**). The spreadsheets are set up so that targets can readily be adjusted during the refinement process.

³ The S Curve is a well known project management tool and it consists in "a display of cumulative physical progress plotted against time". The name derives from the S-like shape of the curve, generally flatter at the beginning and end and steeper in the middle, because this is the way most of the projects look like.

Figure 1: Target and Actual S-Curves

C. Financial Progress

15. Spreadsheets have been prepared to record and monitor the financial status of the ADB loan and the AusAID grant. A summary is shown in **Table 1**, and a detailed breakdown is presented in **Appendix B, Tables B1 and B2**. It shows that the contract awards have progressed well and are well ahead of targets. Disbursements are also ahead of target, although so far only the \$1 million advance to the Imprest Account is disbursed.

**Table 1: Summary of Financial Progress to 30 June 2012
(US\$ million)**

Fund	Amount	Contract Award		Disbursement	
		Projection	Actual	Projection	Actual
ADB Loan 2852	\$55.0	\$13.07	\$19.13	\$0.71	\$1.00
AusAID Grant 0285	\$5.25		\$4.48		0
Total	\$60.25	\$13.07	\$23.6	\$0.71	\$1.00

16. **Disbursements.** These are being monitored in the Payment Tracking sheets for each withdrawal application (W/A) as shown in **Appendix B, Tables B3 & B4**. The tables show that W/As amounting to a little over \$1 million have been submitted to ADB in late June (\$0.7 million from the ADB loan and \$0.3 million from the AusAID grant). For the contracts recently awarded, further mobilization payments amounting to about \$1.6 million are expected to follow in July. It is therefore expected that by the end of July /early August total disbursements will be about \$3.6 million, slightly ahead of the 2012 projection of \$3.5 million.

D. Procurement Monitoring

17. A detailed table to track the time taken for the steps in the procurement process has been developed (see Procurement Progress Monitoring in **Appendix C**). This provides the basis for analyzing what proportion of time is taken at each of the key steps. The heaviest part of the work is the responsibility of the 3 IAs since they have to prepare the draft documents, and for civil works this includes field surveys, detailed designs, drawings, and technical specifications etc. The EA and ADB role is one of review and approval. For all of the procurement packages for consultant recruitment and civil works under the Project,

Appendix C records the dates that each action within the process was completed, and then calculates the number of working days taken to complete that step. Note that in some cases, the tracking table combines some of steps within the process to limit the amount of detail recorded, yet at the same time show a realistic picture of the time taken for the main steps. The time taken by each of the key players (see bottom of the table) varies from package to package, but across all of them to the end of June, the general picture that emerges is as follows:

- (i) The time taken by the IAs (with assistance from TA8051) for their responsibilities is consuming between about 30-60% of the time, and more typically around 45% for procurement of civil works and consultant recruitment;
- (ii) For consultant recruitment, the EA on average has taken only 17% of the time (quite prompt), while for civil works time taken is 28% of the total;
- (iii) For ADB to review and either return comments or confirm no objection, on average for the three SSS consultant recruitments it was 38%, while for civil works related documents it averaged 28%.

18. Overall, the IAs are taking less than half of the time in the procurement process, even though their responsibilities are the most time consuming. This raises the question as to whether there may be scope for streamlining the review and approval. Consideration will be given to steps in the remaining procurement under the Project to see if it's possible to identify practical ways to reduce the time taken for approvals. For example, the EA has agreed in a couple of cases that the IA may resubmit directly to ADB and this did save time. Possible options could be discussed during the up-coming review mission, and agreed actions can be recorded in the Aide Memoire.

III. KEY ISSUES & PROPOSED ACTIONS

19. With regards to overall management of the Project, 3 key issues have been identified that need to be considered in consultation with all stakeholders. The up coming ADB review mission will be an appropriate forum for these to be discussed and decided.

20. **Stage 3 Resettlement:** Section IV, D of this report presents the results of a preliminary assessment of resettlement issues for Stage 3 subprojects. It concludes all will be Category C except for 3 MPWT subprojects. These cover the Kampong Cham and Banteay Meanchey provincial roads (CW6, 7 & 8), and are assessed to be Category B. This involves a lot of detailed work and will involve many agencies, and past experience suggests this could take up to one year unless it is given higher than normal priority. Firstly there is a need to establish Resettlement Coordination Committees (one for each province). Given this is an emergency project with a short duration, it will be essential to find ways to accelerate the resettlement work, with the aim to have it completed by about January /February 2013. This will require a high level of planning and coordination.

- ***Proposal:** To achieve timely preparation and implementation of the Category B resettlement plans, it is proposed that a meeting of all the key players in the process be convened in July 2012 to work out a clear and realistic plan, clarifying the steps needed, and who has responsibility.⁴ Interim targets /milestones need to be established/agreed, and this will need to be closely monitored on a weekly basis. To kick-start this process, TA8051 has prepared a draft schedule (**Appendix D**) that can be used as the basis for developing a plan in consultation with all concerned.*

⁴ A similar accelerated program was adopted for Northwest Irrigation Sector Project in 2009 to fast track preparation and implementation 10 urgent resettlement plans. The procedure adopted allowed skipping the inventory of losses and going directly to the detailed measurement survey which saved a lot of time. This or other similar experiences will be considered in formulating the plan.

21. **Funding for Stage 3 civil works:** During project preparation, it was highlighted that the total cost of subprojects identified and included in the Procurement Plan for each IA exceeds the funding currently allocated. Although there are unallocated “contingency” funds, overall, there are insufficient funds to cover all subprojects. It was acknowledged that hard decisions would be required at some stage of implementation regarding additional funding to each sector to decide which subprojects will have to be dropped. Given that preparation of Stage 3 works is now reasonably advanced, it is time to consider how to manage this issue. It is too early to reallocate much of the contingency funds at this early stage, especially given that about a third of it is for price contingencies. Therefore any major reallocation of the contingency funds is not likely until later this year or during 2013.

- *Proposal: As an immediate measure, it is proposed to ask IAs to prioritize their subprojects in line with their current funding allocation. If necessary and practical, it may involve splitting the existing contract packages so that the scope does not exceed current funding. As estimates firm up, the amount of additional funding needed beyond the current allocation should be quantified so that the possibility of reallocating a portion of the contingency funds can be considered by MEF and ADB.*

22. **Output 1 – Review of ICB civil works packages:** The Procurement Plan currently specifies that 2 of the contract packages (CW7 & 8) are to be procured under international competitive bidding (ICB) since they exceed the NCB threshold. For various reasons, MPWT would prefer, if possible, to adopt NCB. The key reasons are: (i) because for the size of contracts involved, experience in the past is that international contractors are most likely to subcontract to local contractors and simply take a margin, and (ii) local contractors are able to mobilize and arrange material supply sources more quickly. However, a key issues is whether there are enough contractors that will qualify to undertake the contracts to ensure there will be reasonable bidding competition.

- *Proposal: MPWT will gather information and investigate the related issues to determine if it is practical and acceptable to convert these from ICB to NCB procurement processes. If the facts support the case, they will be presented in a detailed report and recommendation and submitted to the EA and ADB for consideration and decision. Alternatively, the possibility of splitting the contracts so they are below the current NCB threshold could be considered during the July 2012 review mission.*

IV. PROGRESS STATUS OF KEY ACTIVITIES

A. Consultant Recruitment

23. A decision was taken during project preparation to recruit consultant for the each of the IAs (Outputs 1-3) through single source selection (SSS). The consultants were selected on the basis of criteria agreed during the project preparation Reconnaissance Mission in December 2011 as set out in the Project Administration Manual (PAM), Appendix 4. Each of the IAs selected consulting firms that they had been previously engaged for similar assignments under QCBS selection for ADB-funded projects, and the selection was subsequently approved by the EA and ADB during the Fact-finding Mission in Jan-Feb 2012. In order to respond to the emergency situation, it was also agreed by ADB that the consultant could mobilize in advance of contract award on the basis of retroactive financing. However, ADB stipulated that retroactive services should be keep to minimal levels until the contracts were awarded.

24. The recruitment process for the 3 SSS consultant packages followed ADB's procurement guidelines which required approval of 3 submissions.

- Submission 1 was to clear the Request for Proposal (RFP) before the consultants were formal invited to submit a bio-data technical proposal and a financial proposal.

- (ii) Submission 2/3 was for the approval of the technical and financial evaluation by the respective Procurement Review Committees (PRCs), and for approval to negotiate the contractor with the consultants.
- (iii) Submission 4 was for the approval to award the contract and comprised the minutes of the negotiations and the draft negotiated contract.

25. Scheduled completion for recruitment of the SSS consultants was mid-April, but the process took longer than expected for various reasons and was not fully completed until 21 June 2012. The dates for achievement of each step in the recruitment process are presented in the Procurement Progress Monitoring sheets in **Appendix C**. Initially there were delays in finalizing the RFPs. The first Submissions 1 with the draft RFPs were prepared by the IAs in February, but required considerable revisions on the basis of comprehensive comments from ADB. The TA8051 consultants were able to assist with this immediately after they mobilized in early March, and no objection for 2 of them was confirmed by ADB in mid-March. The first of the contracts was signed on 8 May 2012, while the other 2 were not signed until 21 June 2012.

26. Fortunately the delays in awarding the contracts did not impact too heavily on the progress of the work due to the decision by the EA and ADB to allow retroactive funding of the services. The fact that only minimal services were allowed to be mobilized ahead of contract signing did hamper the work to some extent, especially preparation and procurement of Stage 2 civil works, assessment of safeguards issues and preparation of the necessary documents, and to some extent preparation of the Stage 3 works. However, the TA8051 consultants provided hands-on assistance to each of the IAs to fill the gaps as far as possible. Late mobilization of the consultant has not had much impact on the construction supervision since this was at an early stage when the consultants were able to fully mobilize.

27. **Output 1: National and Provincial Roads:** A decision was taken in January 2012 by MPWT to recruit Egis International in joint venture with Vido Engineering Consultants, as this firm is currently engaged and under an ongoing contract funded by ADB Loan: GMS Southern Coastal Corridor Project. The RFP was issued on 16 March, and the proposal was submitted on 26 March. The technical and financial proposals were evaluated in early April and ADB confirmed its no objection to Submission 2/3 recommending negotiations the Consultant on 3 May. However, there were delays in convening a PRC meeting for negotiations due to difficulties in organizing a mutually suitable date for all parties concerned. After some postponements, negotiations were held on 28 May and successfully concluded. Submission 4 with the draft negotiated contract was sent to ADB for no objection on 6 June. It was approved on 20 June, and the contract was signed on 21 June. Despite this, the consultant mobilized the design team leader and other staff starting from 23 January 2012 and has effectively assisted the MPWT in starting the Stage 2 works, and preparing Stage 3 work during that time.

28. **Output 2: Rural Roads:** MRD selected Korea Consultants International (KCI) with Khmer Consultants Engineering Co (KCEC) as subcontractor. This firm is currently engaged (under QCBS) on the ADB-funded Rural Infrastructure Improvement Project (Loan 2670). The RFP was issued on 15 March, technical and financial proposals received on 19 March, and these were evaluated and cleared by the PRC on 23 March. Submission 2/3 recommending negotiating the contract was submitted to ADB on 2 April, and no objection was confirmed on 17 April. Negotiations were held on 18 April, and Submission 4 with the draft negotiated contract was sent to ADB for no objection on 26 April. ADB's no objection to award of the contract was confirmed on 4 May, and it was signed on 8 May. Services were mobilized ahead of the contract on 26 February to assist MRD with design and procurement of the Stage 2 works.

29. **Output 3: Irrigation and Flood Control:** MOWRAM selected Egis Eau in association with Key Consultants Cambodia (KCC). Until December 2011, Egis Eau had been engaged

under the Northwest Irrigation Sector Project (ADB loan 2035). There was a delay in finalizing the RFP, and it was not issued until 2 April. The technical and financial proposals were received on 16 April, and ADB's no objection to Submission 2/3 to negotiate the contract was confirmed on 9 May. There were further delays in convening contract negotiations, due to public holidays, but they were successfully completed on 21 May. The EA forwarded Submission 4 to ADB on 7 June with the draft negotiated contract. ADB's no objection to award the contract was confirmed on 20 June, and the contract signed on 21 June. The retroactive services for this contract commenced on 5 March 2012.

30. **Output 4: Project and Flood Management:** The consultants for this component are being recruited by individual consultant selection (ICS). It was agreed that ADB would advertise and select the consultants, and the EA would then negotiate with each of the first ranked candidates for each position. The team will be recruited to assist the PCMU and comprises an international team leader (24 months), and 3 national consultants; a Deputy Team leader, (30 months), a Monitoring and Evaluation Specialist (15 months), and a Safeguards Specialist (9 months).⁵ Another international Disaster Management & Institutional (DMI) Specialist will be recruited for 8 months to assist the National Committee for Disaster Management (NCDM) with flood management work. There were many applications in response to advertisements for expressions of interest (EOIs) that were posted on 28 April and closed on 4 May. ADB evaluated the applications and submitted the proposed selection (a ranked shortlist of 3 for each position) to the EA on 16 May. The EA concurred with the selection, although for the DMI Specialist, NCDM was also consulted for its concurrence. The PCMU is currently in the process of negotiating contracts, but as of the end of June, none of the contracts have been concluded.

B. Selection of Contractors for Direct Contracting

31. For the urgent Stage 2 civil works, each of the IAs were required to contact potential contractors that would comply with the selection criteria for direct contracting (DC) as set out in the PAM. The TA8051 worked with the IAs to provide guidance on preparation of their reports. TA8051 assessed each of the recommendations for contractor selection, and requested additional information and clarifications as necessary. The TA then submitted endorsement of the recommendations to the EA as applicable. Progress on each of these is summarized below.

32. **MPWT** – the initial report was submitted to the EA on 24 February. TA8051 assessed it soon after mobilizing in early March and endorsed MPWT's recommendations on 16 March after obtaining some additional information. On 23 March ADB confirmed no objection to 2 of the 3 contractors, and requested some additional information for the 3rd. After a joint meeting with ADB to discuss the related issues, and resubmission, the 3rd contractor was cleared by ADB on 30 March. This coincided with ADB confirming no objection to the NCB bidding documents and hence cleared the way for MPWT to invite bids for the 3 Stage 2 contract packages which commenced on the same day.

33. **MRD** – the initial report was submitted to the EA in mid March, although the TA requested a considerable amount of additional information and clarifications from various contractors. Subsequently the TA submitted its endorsement of MRD recommended selection of 5 contractors (to cover the 5 Stage 2 packages) to the EA on 30 March. It took until 26 April for the EA to submit the request for no objection to ADB which was an anticipated delay, although ADB was quick to respond with no objection being confirmed on 3 May, and the bidding commenced immediately.

⁵ It was decided to split the position of M&E and Safeguards (national) as originally proposed, since there were no candidates with suitable expertise to cover the safeguards requirements of the TOR, the 24 months of time split into 15 and 9 month inputs. The separate Safeguards Specialist position was advertised at the end of June 2012.

34. **MOWRAM** – the report recommending 5 contractors (for 5 Stage 2 packages) was submitted to the EA on 26 March. The TA requested submission of additional information regarding contractors financial qualification and with this, endorsed it to the EA on 4 April. As for the MRD, the EA was not able to submit to ADB until 27 April which was an unanticipated delay. It was cleared promptly by ADB and no objection was confirmed on 4 May and bidding commenced immediately.

35. **Assessment of Selection of contractors for DC:** At the scale required for the Stage 2 civil works under this Project, the experience is that the selection of suitable contractors by each of the IAs was not particularly troublesome or overly time consuming. Thanks to the efforts of each of the IAs, with the assistance of their consultants, it did not take long to develop shortlists and prepare reports that verified the technical and financial qualifications of the recommended contractors. The recommendations of the IAs were readily accepted by both the EA and ADB, with the exception of one contractor for MPWT (para 32 above), although this was resolved quickly. The delays in the approval process by the EA mentioned above appear to have been bureaucratic due to heavy commitments at the time, rather than technical.

C. Procurement of Direct Contracts for Stage 2 Civil Works

36. Bidding under direct contracting (DC) was not able to commence until ADB had confirmed its no objection to the draft NCB documents and the contractor selection. ADB reviewed and confirmed no objection the draft NCB bidding documents for the first Stage 2 contract (MPWT – CW1), and confirmed this may be adopted as the model for all NCB contracts. This saved a lot of time. Contractors were allowed 15 days to submit bids, but in all cases, bids were submitted earlier than the deadline, which also saved a lot of time. However, there was additional time taken to comply with ADB's requirement for a 2-step approval process, first to seek its no objection to negotiate the contracts, and after negotiations no objection to award the contract. As can be seen from **Appendix C**, the time from start of bidding to award of contracts was between 31 and 36 working days. Of this, a third of the time (9-12 working days or equivalent to at least half a calendar month or more allowing for public holidays) was to obtain no objection to negotiate the contracts. Overall, more than half of procurement time was for the approval process.

37. Given the need for the unavoidable approval processes, in other respects the DC procurement progressed well on the part of the IAs. A summary of the progress for each IA is as follows:

- (i) **MPWT** – bids for the 3 packages commenced on 30 March, bids were received and Bid Evaluation Reports (BERs) were submitted for EA/ADB approval on 9 April. Immediately after ADB's no objection to negotiate (27 April), negotiations were successfully concluded and the Contract Negotiation Reports (CNRs) submitted for approval on 11 May. Immediately after receiving ADB's no objection, the 3 contracts for a total amount of \$6.7 million were signed on 22 May and construction was underway a few days later.
- (ii) **MRD** – After clearance of contractor selection for 5 packages on 3 May, bidding commenced promptly, and all bids were submitted and opened ahead of deadlines on 8 May. The BERs were forwarded to ADB on 21 May and ADB confirmed its no objection to negotiate the contracts on 29 May. There were delays in convening the PRC for negotiations, but these were eventually scheduled and successfully concluded on 5 June. The CRN was finalized on 8 June. ADB confirmed its no objection on 22 June and all 5 contracts amounting to \$7.3 million were signed on 27 June. Contractors are currently mobilizing.
- (iii) **MOWRAM** – After clearance of the contractor selection for the 5 packages by ADB on 4 May, bidding proceeded promptly, and bids were opened on 8 May. BERs for all 5 packages were submitted to ADB on 25 May. No objection to negotiate the contracts

was confirmed on 5 June and negotiations were successfully concluded by the PRC on 7 June and the CNRs finalized on 15 June. ADB confirmed its no objection on 25 June, and the 5 contracts amounting to \$4.4 million were signed on 28 June. Contractors are currently mobilizing. There are also 4 smaller contracts to repair subprojects under the Northwest Irrigation Sector Project (NWISP) being procured by the NWISP Project Management Office under DC. Bids for these were opened on 21 June, and the BERs are still being prepared.

38. **Assessment of DC Procurement:** The challenge with DC is to make sure that the bid prices are reasonable, and ensuring that the selected contractors do not take advantage of non-competitive bidding. Generally the PRCs did not have difficulty in reaching a negotiated agreement on rates and overall bid prices. Contractors were aware from the bid documents (as specified in the instructions to bidders) that if requested they would have to justify rates on the basis of exist contracts which had been awarded through competitive bidding. The Engineer's estimate was also used as a guide during negotiations. The submitted bids were within a few percent the Engineer's estimate (mostly in the range -3% under and +8% above, with the exception of 1 bid that was +23%). At the conclusion of negotiations, which were generally straight forward and not time consuming (not more than 1 hour per contract), the agreed contract prices were all reasonable, in a range of -3.4% to +8.4% of the Engineer's estimate.

D. Safeguards for Civil Works

1. Environmental Issues

39. The Safeguards Specialist under TA8051 has assisted the IAs to develop Environmental Management Plans (EMPs), one for national, provincial and rural road restoration, and one for irrigation subprojects. EMPs have been incorporated into the civil works bidding documents and in the contracts. In addition, a draft Initial Environmental Examination (IEE) for roads has been prepared at the end June and forwarded to MRD's consultant for review and finalizing so that it can be formally submitted to the EA and ADB for no objection. The draft IEE will also be forwarded to MPWT early in July. The irrigation draft IEE is in it's final stage of preparation and expected to be ready in early July for MOWRAM's consultants to review and finalize. The IEEs are based on the existing Environmental Assessment and Review Framework (EARF) of the Project, secondary data, and other similar IEE reports in each sector. Each IA needs to review and revise the IEE according to the specific requirements of their subprojects.

2. Resettlement

40. Similar to other emergency projects, for the FDERP, only the resettlement framework was prepared prior to project approval. Hence, other related resettlement documents had to be prepared at the same time as detailed designs. Normally the IA's DDIS consultants would do this, but there were delays in finalizing consultant's, so it was not possible to mobilize the specialists in time to assist with the urgent Stage 2 works. Thus, TA8051 was tasked to fill this gap.

41. **Stage 2 Works:** Since Stage 2 works involves restoring flood-damaged infrastructure to its pre-flood condition, it was practical for the reconstruction to be confined within the current alignment, and hence no involuntary resettlement impacts are anticipated. In line with requirements of the resettlement framework, the Involuntary Resettlement Impacts Categorization Checklists and Resettlement Categorization reports have to be prepared for all Stage 2 subprojects to confirm they are in category C. MRD and MOWRAM submitted them to the EA for endorsement in mid-May, and they were sent to ADB for approval at the end of June. ADB has informally advised that these reports are generally acceptable. For the MPWT Stage 2 subprojects, these have been prepared by the consultants and were

forwarded to TA8051 consultants for 2nd review at the end of June, and are expected to be finalized in early July for ADB's no objection.

42. **Stage 3 Works:** TA8051 consultants have assisted with preliminary assessments of Stage 3 subprojects. It is expected that all of the MRD and MOWRAM Stage 3 subprojects can be classified as Category C for resettlement. Draft Resettlement Categorization Reports are being prepared by the IA's consultants. For 3 MPWT's Stage 3 subprojects, there are no resettlement issues (Baray Keout bridge, Sam Put Thou bridge, and Ampil Kroa bridge in Prey Veng province) and draft reports are under preparation. However, resettlement issues for the other 2 subprojects are more complex (Road No. 270 in Kampong Cham, and Road No. 159 in Banteay Meanchey). Both of these will fall into Category B for resettlement. In this case, normal procedure is preparation of the inventory of losses (IOL), and replacement cost studies (RCS) by the PIU and the Consultant. After this there is the Detail Measurement Survey (DMS), for which it will be necessary to first establish a Resettlement Coordinating Committee. Based on the above data, resettlement plans shall be developed and implemented. Past experience suggests this process normally takes about one year. However, consideration should be given to skipping the IOL and RCS and proceeding directly to the DMS (refer to Section III, para 20).

E. Other Procurement

43. The following advance procurement actions were undertaken during May and June are as follows:

- **Project Vehicles** – The EA is procuring 11 project vehicles (9 of them on behalf of the IAs). ADB confirmed its no objection to the draft NCB bid documents for procurement in late April, subject to some revisions, including in the technical specifications. There was some delay in finalizing agreement on the technical specification. The bid invitations were advertised on 19 May, and bids were opened on 19 June. The TA prepared the BER, which was considered and accepted by the EA's PRC on 27 June, and the request for no objection to award the contract is expected to be submitted to ADB in early July.
- **Financial and Accounting Specialists** – MPWT and MOWRAM will recruit one national consultant each. TOR were finalized and ADB confirmed it no objection in May. MPWT have advertised for expressions of interest, which closed on 6 June, but evaluation and selection is still pending. Advertisement by MOWRAM for EOI did not commence until late June, and will close in early July.
- **PCMU office equipment** – the TA has assisted the PCMU to prepare the detailed lists and technical specifications for shopping (approx. value about \$15,000). As per the old SOP, the procurement needs to be advertised since it's above \$5,000, and the necessary documents for advertising were submitted to the EA on 13 June. However, it came to the attention of the TA in late June that as of 22 May 2012, a new SOP came into effect, which allows shopping up to \$25,000 without advertising. Since the procurement is still pending, the method will be adjusted accordingly and will proceed in early July.
- **PIU equipment** – preparation of detailed lists and specifications for the procurement of office equipment and furniture, other technical equipment, and motorcycles for MOWRAM, are still pending. The packages will be less than \$25,000 thus allowing shopping without advertising. The PIUs will be advised of the changed SOP thresholds and urged to commence for procurement through shopping in early July.

F. Preparation of Stage 3 Civil Works

44. Preparation of the Stage 3 works is underway. Since there are new NCB contract documents that have been introduced under the new SOP as of 22 May 2012, it will be necessary to prepare and submit draft bidding documents (revised accordingly) for ADB's no

objection. Since the project staff only became aware of the new documents at the end of June, the revised draft bid documents are still under preparation.

45. For each of the Stage 3 civil works packages, progress for each of the IAs is summarized as follows:

- **MPWT** – Preparation of all 5 Stage 3 packages is progressing well, and 3 of them (CW4, 5, and 6) that are below the NCB threshold of \$3.5 million are expected to be ready for bidding in July. For the other 2 packages (CW7 & 8), surveys are well advanced and design and preparation of drawings and bills of quantities (BoQs) are expected to be completed in August. The Procurement Plan specifies CW7 & 8 will be procured through ICB, although initial informal discussions were held with ADB during May as to whether it might be possible to apply NCB procurement procedures. MPWT has agreed to prepare relevant information for ADB's consideration.
- **MRD** – There are 3 Stage 3 packages, all below the NCB threshold. Surveys for all of them are completed, designs are in progress, and all are expected to be ready for bidding in July /August.
- **MOWRAM** – Field visits and meetings were carried out for closer screening of the identified Stage 3 subprojects in May and June, and this was used as the basis for planning and preparation of the work schedules. The screening involved a simple score reflecting compliance with basic project selection criteria that allowed subprojects to be prioritized or dropped. On this basis, in Kampong Cham, 3 out of 5 sub-projects in the original Procurement Plan have been selected for continuation; 4 out of 5 in Kampong Thom; and 1 out of 3 in Siem Reap. Others in Prey Veng and Battambang are yet to be visited. However, due to the late award of the consultant contract, no detailed work could be started until the end of June. A schedule for topographic surveys of these subprojects has been prepared and commenced at the end of June immediately after the consultant contract was signed. Survey for 11 subprojects will extend until about mid August, weather permitting. The survey information is required before the detailed designs can begin.

G. Accounting Issues

46. The first generation Imprest Account for the EA was opened in early June and the first advance of \$1 million was deposited to the account at the end of June. Second generation Imprest Accounts for each of the IAs have also been opened during June, and applications have been prepared and submitted to MEF for transfers of \$110,000 for MPWT, \$50,000 for MRD, and \$130,000 for MOWRAM. In close consultation with the EA and IAs, the Accounting Specialist under TA8051 has assisted in establishing financial and accounting systems for the Project. Quickbook 2009 Premier Program has been installed on for the EA and each IA's computers and basic training has been provided. The following monitoring and recording documents have been prepared:

- Withdrawal register, bank book, petty cash, & reconciliation statements for Impress Account
- Statement of source use of fund & summary financial status;
- Cash account sheet and bank reconciliation; and
- Withdrawals register;
- Combine report in one file such as statement of expenditure for review;
- Chart of Account for each of the IAs.

47. Overall, the financial reporting and monitoring systems are mostly in place, although some additional work is required for MPWT and for MOWRAM which is expected to be completed in the first week of July. So far there has been little or no opportunity for the concerned staff to operate the systems since the funding flow has not yet commenced. Hence it will be important to provide follow up on-the-job training, and in particular assist staff of each of the IAs to become fully familiar with the workings of the systems over the initial few

months. To assist with this, ADB has agreed to extend the inputs of the Accounting Specialist until the end of September 2012.

V. THE TA8051

B. TA Objectives

48. As mentioned in the Introduction of this report, the key objective of the TA was to assist with the Project start-up activities and bridge the period while there was a need for intensive inputs and while the loan funded consultants were still in the process of being recruited and mobilized. The scope of the TA covers the following key tasks:

- (i) Procurement of urgent Stage 2 works that needed to be substantially completed by the 2012 wet season. It involved recruiting the 3 DDIS consultants for each IA through single source selection (SSS), and awarding civil works contracts for Stage 2 works through direct contracting (DC). The TA also assisted IAs to meet the necessary safeguards requirements (environmental and resettlement issues) for each works package;
- (ii) Other procurement required at start up, including consultants for the PCMU, vehicles, and other technical and office equipment;
- (iii) Initiate procurement of Stage 3 works which is intended to commence at the beginning of the next dry season at the end 2012; and
- (iv) Set up systems for efficient project and financial management, and progress monitoring.

B. TA Work Plan

49. A work plan specifically for the TA was prepared and submitted to MEF and ADB at the beginning of the TA during March 2012 with a schedule of the main activities to be covered under the TA. Progress of the activities to the end of June is tracked against the original schedule proposed in the TA Work Plan that was prepared in early March 2012 (**Appendix E**). For each activity, it shows an estimate of actual progress against the original schedule. Also shown in the bar diagram is the actual or expected overrun to completion of each activity compared to the original schedule. Hence, from **Appendix E** it can be seen there has been significant slippage for many of the key start-up activities. For example, recruitment of the DDIS consultant was completed 2 months behind schedule. Award of contracts for all the Stage 2 civil works that were scheduled to be completed by early May were not finalized until late June, about 6 weeks behind schedule.

C. Inputs of TA Consultants

50. The TA commenced on 5 March 2012, and is scheduled to be completed by the end of September 2012. However, since it bridges the gap from project preparation until the project consultants are on board, the inputs are weighted during the first 3-4 months. MEF have provided suitable office accommodation with sufficient room for the current team, and this will also be adequate for the PCMU consultant team.

51. The schedule of inputs is shown in the work plan in **Appendix E**. The international Procurement /Engineering Advisor is scheduled to complete the assignment on 14 July 2012 in line with adjustments agreed with ADB in April 2012. With regards to the Accounting Specialist, the allocated time of 3 months was mostly used at about the end of June 2012. However, since the project funding did not commence to flow until late June, there was little time to consolidate skills with the IAs' staff the financial processing procedures through on the job training. Hence, ADB agreed to extend the inputs of the Accounting Specialist by 3 months to the end of September 2012. It was agreed with the Social and Gender Specialist

that intermittent inputs would commence in June after construction work is underway. Consultant inputs are summarized in **Table 2** below.

Table 2: Inputs of TA Consultants

Consultant (international /national)	Total Input	% time used	Remarks
Procurement/Engineering Advisor (Int)	4.5 mths	88%	4 day extension to 14 July 2012
Procurement Specialist (Nat)	7 mths	55%	Due to complete end Sep 2012
Engineering Specialist (Nat)	5 mths	65%	Due to complete end Aug 2012
Accounting Specialist (Nat)	6 mths	55%	55 day extension to Sep 2012
Safeguards Specialist (Nat)	1 mth	100%	Intermittent /part time; completed end of June
Communications Specialist (Nat)	1 mth	na	Working from CARM
Social & Gender Specialist (Nat)	1 mth	45%	Mobilized in June

D. Lessons Learned

52. **General Comments:** The experience on this TA highlights the critical value of providing early support for the EA and IAs for emergency projects such as FDERP. However, the critical contribution to the successful start-up of the Project has been early mobilization of the DDIS consultants. In fact, we judge that the main reason for the success has been the combination of the DDIS consultant in tandem with the TA support. One without the other is unlikely to have been effective. At an early stage, good teamwork was established between the TA consultants and the DDIS /PIUs, and regular and informal communications were encouraged from the outset. This had a “networking” effect, with the TA providing a link to share experience and knowledge between the IAs which was clearly beneficial. Another clear benefit of the TA was to link the IAs with the EA and ADB. Overall, the TA appears to have been effective.

53. **Skills Mix:** With regards to the mix of skills that have been provided under the TA, the experience to date suggests that the most critical areas for fast and efficient start-up are procurement, safeguards, and financial aspects. The inputs have placed heavy emphasis on procurement and engineering. As it happened, 3 of TA team member had expertise in both of these aspects. It is useful to highlight the following points:

- (i) Without doubt, coverage of the procurement aspects has been vital, and the inputs provided have clearly paid dividends.
- (ii) On the other hand the need for the engineering inputs turned out to be less critical, mainly because the DDIS consultants were already on board and adequately covered these aspects. In addition, there was probably a redundancy of engineering expertise on the TA team.
- (iii) However, the coverage of safeguards was less than ideal with only 1 month of a national specialist to cover the environmental issues. Fortunately the national Engineering Specialist had good background experience in the key safeguards areas (environmental and resettlement) and was able to fill this critical gap. We estimate that perhaps around 70% of his time was diverted to this task.
- (iv) The financial aspects were covered through the national Accounting Specialist and the inputs have been critical to setting up and standardizing the financial management, recording, and monitoring. This was instrumental in achieving the contract awards and disbursements. As it turned out, extra time had to be allocated due to later than expected flow of funds and the need to consolidate the training that have been provided.

VI. KEY ACTIVITIES NEXT QUARTER (Q3, 2012)

Procurement

- Continue with negotiations of the PCMU consultant and finalize contracts as quickly as possible. Recruitment of the international Team Leader is particularly urgent.
- Urgently prepare the new NCB draft bidding documents and submit them to ADB for review and no objection.
- During July /August, invite bids for the initial subprojects for Stage 3 civil works with a view to having them under contract in September/October 2012
- MPWT to prepare a report to support the case for converting CW7-8 from ICB to NCB procurement procedures and submit to ADB for no objection.
- Conclude a contract for purchase of the project vehicles in early July subject to ADB no objection.
- MPWT and MOWRAM to submit the evaluation of candidates for Financial Specialists for no objection without delay so that contracts can be concluded
- The PCMU and the PIUs need to finalize procurement of the office and technical equipment, and for MOWRAM motorcycles

Safeguards

- MPWT needs to urgently conclude the Involuntary Resettlement Impacts Categorization Checklists, and the Resettlement Categorization report for the Stage 2 subprojects.
- Each of the EA need to finalize and submit their IEEs and formally submit them to EA /ADB for no objection.
- Take the necessary steps to finalize the implementation for the Category B resettlement for the 3 MPWT subprojects as per Appendix D

Project & Financial Management Others

- Work with the IAs to ensure they complete progress monitoring systems, and incorporate these into the overall monitoring of the physical progress for the Project (ie. complete the Target S-curve for the overall project that has been prepared by the TA as per Section II, B)
- Ensure that the W/As for the recently awarded contracts for mobilization payments are processed promptly
- Make sure that all IAs become fully familiar with the financial monitoring & recording requirements and provide related on-the-job training, including in the Quickbook software

Construction

- Supervise construction of the Stage 2 works

Component /Activity	Overall Weighting		(to 30 Jun 2012)			
	% weigh of output	% Weight of total	Physical Completion			
			Target		Actual	
			as % of activity	Weighted %	as % of activity	Weighted %
Output 1: National & Provincial Roads		37				
Recruit DDIS Consultants	0.7	0.3	100	0.3	100	0.3
Misc Procurement (FS, office equip etc)	0.3	0.1	80	0.1	40	0.0
Stage 2 Civil Works	29	10.7		3.5		3.1
- Design /preparation	5	1.9	100	1.9	100	1.9
- Procurement	2	0.7	100	0.7	100	0.7
- Safeguards (initial docs /monitor impl.)	2	0.7	25	0.2	25	0.2
- Construction	20	7.4	10	0.7	5	0.4
Stage 3 Civil Works	65	24.1		0.6		1.1
- Design /preparation	5	1.9	25	0.5	50	0.9
- Safeguards (initial docs /monitor impl.)	7	2.6	5	0.1	5	0.1
- Procurement	3	1.1	0	0.0	0	0.0
- Construction	50	18.5	0	0.0	0	0.0
Consultant Services	5	1.9	5	0.1	7	0.1
Sub-total - Oupptut 1	100.0	37.0		4.5		4.6
Output 2: Rural Roads		30				
Recruit DDIS Consultants	1	0.3	100	0.3	100	0.3
Stage 2 Civil Works	29	8.7		2.9		2.4
- Design /preparation	5	1.5	100	1.5	100	1.5
- Procurement	2	0.6	100	0.6	100	0.6
- Safeguards (initial docs /monitor impl.)	2	0.6	25	0.2	50	0.3
- Construction	20	6.0	10	0.6	0	0.0
Stage 3 Civil Works	65	19.5		0.6		0.6
- Design /preparation	5	1.5	40	0.6	40	0.6
- Safeguards (initial docs /monitor impl.)	3	0.9	5	0.0	5	0.0
- Procurement	2	0.6	0	0.0	0	0.0
- Construction	55	16.5	0	0.0	0	0.0
Consultant Services	5	1.5	4	0.1	4	0.1
Sub-total - Oupptut 2	100.0	30.0		3.9		3.4
Output 3: Irrigation & Flood Control		27				
Recruit DDIS Consultants	0.7	0.2	100	0.2	100	0.2
Misc Procurement (FS, bikes, office equipment)	0.3	0.1	20	0.0	20	0.0
Stage 2 Civil Works	29	7.8		2.6		1.9
- Design /preparation	5	1.4	100	1.4	100	1.4
- Procurement	2	0.5	100	0.5	85	0.5
- Safeguards (initial docs /monitor impl.)	2	0.5	25	0.1	25	0.1
- Construction	20	5.4	10	0.5	0	0.0
Stage 3 Civil Works	65	17.6		0.2		0.2
- Design /preparation	8	2.2	5	0.1	5	0.1
- Safeguards (initial docs /monitor impl.)	7	1.9	5	0.1	5	0.1
- Procurement	8	2.2	0	0.0	0	0.0
- Construction	42	11.3	0	0.0	0	0.0
Consultant Services	5	1.4	4	0.1		0.0
Sub-total - Oupptut 3	100.0	27.0		3.0		2.4
Output 4: Project & Flood Management		6				
Management of overall project	50	3.0		0.4		0.4
- review /approval of IA's procurement	20	1.2	30	0.4	30	0.4
- monitor progress	30	1.8	2	0.0	2	0.0
Recruit PCMU consultant	3	0.2	50	0.1		0.0
Procurement vehicles and equipment	2	0.1	100	0.1	70	0.1
PCMU Consultant Services	10	0.6	0	0.0	0	0.0
Disaster Management /NCDM activities	35	2.1	0	0.0	0	0.0
Sub-total - Oupptut 4	100.0	6.0		0.6		0.5
Total Estimated Physical Progress		100.0		11.9		10.9

Appendix B: Summary of Fund Disbursement

Table B1 (a): SUMMARY OF ACTUAL FUND COMMITMENT & DISBURSMENT - ADB Loan No. 2852-CAM(SF)

Date: 30-Jun-12

Category	Loan Category No. Description	Allocation in Agreement USD	Commitment USD	Uncommitment Balance USD	Disbursement (USD)	Undisbursement (USD)
1	Civil Works	40,555,500	13,991,561	26,563,939	-	40,555,500
	1 A Component 1	20,345,600	4,711,336	15,634,264	-	20,345,600
	1 B Component 2	12,535,523	6,044,095	6,491,428	-	12,535,523
	1 C Component 3	7,674,377	3,236,130	4,438,247	-	7,674,377
2	Equipment and Vehicles	401,000	-	401,000	-	401,000
	2 A Component 1	143,200	-	143,200	-	143,200
	2 B Component 2	78,000	-	78,000	-	78,000
	2 C Component 3	120,200	-	120,200	-	120,200
	2 D Component 4	59,600	-	59,600	-	59,600
3	Consulting Services	6,284,900	5,135,957	1,148,943	-	6,284,900
	3 A Component 1	2,470,950	2,316,482	154,468	-	2,470,950
	3 B Component 2	1,509,800	1,459,200	50,600	-	1,509,800
	3 C Component 3	1,380,200	1,360,275	19,925	-	1,380,200
	4 C Component 4	923,950	-	923,950	-	923,950
4	Incremental Management Cost	1,271,200	-	1,271,200	-	1,271,200
	4 A Component 1	450,600	-	450,600	-	450,600
	4 B Component 2	281,400	-	281,400	-	281,400
	4 C Component 3	422,400	-	422,400	-	422,400
	4 D Component 4	116,800	-	116,800	-	116,800
5	Interest Charges during Construction	870,000	-	870,000	-	870,000
6	Contingencies	5,617,400	-	5,617,400	-	5,617,400
	Total	55,000,000	19,127,518	35,872,482	-	55,000,000

Table B1 (b): SUMMARY OF ACTUAL FUND COMMITMENT & DISBURSMENT - AusAID Grant No. 0285-CAM(FF)

Category	Loan Category No. Description	Allocation in Agreement USD	Commitment USD	Uncommitment Balance USD	Disbursement (USD)	Undisbursement (USD)
1	Civil Works	5,250,000	4,477,854	772,146	-	5,250,000
	1 A Component 1	2,500,000	1,992,174	507,826	-	2,500,000
	1 B Component 2	1,500,000	1,297,197	202,803	-	1,500,000
	1 C Component 3	1,000,000	1,188,483	(188,483)	-	1,000,000
	Unallocated**	250,000	-	250,000	-	250,000
	Total	5,250,000	4,477,854	772,146	-	5,250,000

Table B2 (a): Actual Commitments & Expenditures from ADB Loan No. 2852-CAM(SF)

Date: 30-Jun-12

Category	Name & Address	Committed \$	Disbursements \$	Pending * W/A	Undisbursement Balance \$
1	Civil Works	13,991,561	-	(706,700)	13,991,561
	1 A Component 1	4,711,336	-	(706,700)	4,711,336
	1 FDERP-MPWT-CW1	3,383,059		(507,459)	3,383,059
	2 FDERP-MPWT-CW3	1,328,277		(199,241)	1,328,277
	1 B Component 2	6,044,095	-	-	6,044,095
	MRD-CW1	1,260,437			1,260,437
	MRD-CW2	2,094,309			2,094,309
	MRD-CW4	2,041,089			2,041,089
	MRD-CW8	648,260			648,260
	1 C Component 3	3,236,130	-	-	3,236,130
	CW1	1,140,859			1,140,859
	CW9	318,843			318,843
	CW10/11	898,490			898,490
	CW12	877,937			877,937
2	Equipment and Vehicles	-	-	-	-
	2 A Component 1				-
	2 B Component 2				-
	2 C Component 3				-
	2 D Component 4				-
3	Consulting Services	5,135,957	-	-	5,135,957
	3 A Component 1	2,316,482			2,316,482
	3 B Component 2	1,459,200			1,459,200
	3 C Component 3	1,360,275			1,360,275
	4 C Component 4				-
4	Incremental Management Cost	-	-	-	-
	4 A Component 1				-
	4 B Component 2				-
	4 C Component 3				-
	4 D Component 4				-
5	Interest Charges during Construction				
6	Contingencies				
	Total	19,127,518	-	(706,700)	19,127,518

* W/A already submitted to ADB

Table b2 (b): Actual Commitments & Expenditures from AusAID Grant No. 0285-CAM(FF)

Category	Name & Address	Committed \$	Disbursements \$	Pending * W/A	Undisbursement Balance \$
1	Civil Works	4,477,854	-	(298,862)	4,477,854
	1 A Component 1	1,992,174	-	(298,862)	1,992,174
	1 FDERP-MPWT-CW2	1,992,174		(298,862)	1,992,174
	1 B Component 2	1,297,197	-	-	1,297,197
	MRD-CW3	1,297,197			1,297,197
	1 C Component 3	1,188,483	-	-	1,188,483
	CW2	1,188,483			1,188,483
	Total	4,477,854	-	(298,862)	4,477,854

Table B3: Payment Tracking: Withdrawal Application (ADB Loan) - 30 June 2012

[illegible]

Total	\$ 1,925,580.38	\$ -	\$ -
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Note: MEF: Ministry of Economy and Finance
PIU: Project Implementation Unit
LM: Line Ministry (Implementing Agencies)
VS: Versus
ADB: Asian Development Bank

Instruction:
It is mandatory to complete columns : A to F, I to J, and M to N
If queries from MEF, also complete columns: G and H
If queries from ADB, also complete columns: K and L

Imprest Account	1,000,000.00
Total Disbursement (Excl. Imprest fund)	\$ (1,000,000.00)

Table B4: Payment Tracking: Withdrawal Application (AusAID Grant) - 30 June 2012

No.	Withdrawal Application (WA) No.	Payable to	Amount Requested (US\$)	Amount Received (US\$)	Differences: Amount Requested VS Amount Received (US\$)	Project management submitted for Minister Approval (LM):Date	Project management Received Approval from Minister (LM):Date	Project management submitted to MEF for Approval (LM):Date	Project management received the request for clarification from MEF (Date)	Project management sent back the clarification/support documents to MEF (Date)	Project management Received Approval from MEF:Date	Project management submitted to ADB Cambodia (Date)	Project management received the clarification from ADB (Date)	Project management sent back the clarification/support documents to ADB (Date)	ADB-HQ released the money (Date)	Project Management/ Contractor received the money (Date)- Recorded in the BS of NBC	Elapsed day (IAs to MEF)	Elapsed day (MEF to ADB)
A	B		C	C-1	C-2	D	E	F	G	H	I	J	K	L	M	N		
1	A0001	Adv. Pmt. Contr. FDERP-MPWT-CW2	298,862.14			11-Jun-12	11-Jun-12	12-Jun-12	13-Jun-12	14-Jun-12	25-Jun-12	25-Jun-12					-41071	-41085
2					.												0	0
3					.												0	0
4					.												0	0
5					.												0	0
6					.													
7																		
8																		
9																		
10																		
11																		
12																		
13																		
14																		
15																		
16																		
17																		
18																		
19																		
20																		

Total \$ 298,862.14 \$ - \$ -

Instruction:
It is mandatory to complete columns : A to F, I to J, and M to N
If queries from MEF, also complete columns: G and H
If queries from ADB also complete columns: K and L

Imprest Account
Total Disbursement (Excl. Imprest fund) \$ -

Note: MEF: Ministry of Economy and Finance
PIU: Project Implementation Unit
LM: Line Ministry
VS: Versus
ADB: Asian Development Bank

FDERP - Procurement Progress Monitoring

Recruitment of Consultants - status as of 30 June 2012

Action		MPWT			MRD			MOWRAM			PCMU		
		date (2012)	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d
Submission 1	IA submits draft RFP to TA	na									6-Apr	from ABD	
	TA response to IA (or EA for PCMU)	na									10-Apr	2	2
	IA submits draft RFP to EA	20-Feb			20-Feb			20-Feb			na		
	TA endorses /RFP to EA	na			na			na			na		
	EA submits to ADB (1st)	24-Feb	4	4	24-Feb	4	4	24-Feb	4	4	20-Apr	6	8
	ADB comments	5-Mar	6	10	5-Mar	6	10	5-Mar	6	10	26-Apr	4	12
	EA resubmits draft RFP to ADB (2nd)	9-Mar	4	14	7-Mar	2	12	26-Mar	15	25	27-Apr	1	14
	ADB NOL to EA/IA (for PCMU ADB advertise)	15-Mar	4	18	13-Mar	4	16	30-Mar	4	29	28-Apr	1	15
Submission 2/3	RFP invitation	16-Mar	1	19	15-Mar	2	18	2-Apr	1	30	4-May	EOI close	
	Proposal submitted	26-Mar	6	25	19-Mar	2	20	16-Apr	9	39	na	4	19
	PRC tech/fin evaluation	2-Apr	5	30	23-Mar	4	24	27-Apr	8	47	11-May	ADB select	
	TA endorses to EA	2-Apr	0	30	26-Mar	1	25	27-Apr	0	47		5	24
	EA submits to ADB (1st)	4-Apr	2	32	na			2-May	2	49			
	ADB comments	10-Apr	4	36	na			na					
	EA/IA resubmits to ADB (2nd)**	17-Apr	3	39	2-Apr	5	30	na					
	ADB NOL to EA/IA to negotiate	3-May	11	50	17-Apr	10	40	9-May	5	54	16-May	2	26
Submission 4	PRC negotiate**	28-May	12	62	18-Apr	1	41	18-May	4	58	Negotiations in progress during June - ongoing		
	TA response to IA	30-May	2	64	24-Apr	3	44	21-May	1	59			
	IA formally submits to EA	31-May	1	65	24-Apr	0	44	24-May	3	62			
	TA endorses to EA	31-May	0	65	24-Apr	0	44	24-May	5	67			
	EA submits to ADB (1st)	6-Jun	3	68	26-Apr	2	46	7-Jun	9	76			
	ADB comments	na			3-May	3	49	na					
	EA resubmits to ADB (2nd)	na			4-May	1	50	na					
	ADB NOL to EA/IA	20-Jun	10	78	4-May	0	50	20-Jun	9	85			
Contract signed		21-Jun	1	79	8-May	1	51	21-Jun	1	86			
* = number of working days (w-d) since the previous action ** = time divided between EA and IA since both are involved												Total 3 contracts	
Analysis	Total time		79			51			86			216	
	time with IA /TA		35	44%		17	33%		46	53%		98	45%
	time with EA		9	11%		11	22%		16	19%		36	17%
	time with ADB		35	44%		23	45%		24	28%		82	38%

FDERP - Procurement Progress Monitoring
Works & Goods - status as of 30 June 2012

Action	Model NCB docs			MPWT DC selection			MRD DC selection			MOWRAM DC select			Vehicle			MPWT S2 CW (x3 ctrs)		
	date (2012)	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d	date	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d	date	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d
Document prep & no objection	Submit draft doc (IA to EA	1-Mar			24-Feb		14-Mar			23-Mar								
	TA response to IA	15-Mar	8	8	14-Mar	13	19-Mar	3	3	23-Mar	0	0						
	Resubmits draft (IA to EA	16-Mar	1	9	15-Mar	1	27-Mar	6	9	4-Apr	8	8						
	TA endorses to EA	16-Mar	0	9	16-Mar	1	30-Mar	3	12	4-Apr	0	8	11-Apr		0			
	EA submits to ADB (1st)	19-Mar	1	10	16-Mar	0	26-Apr	17	29	27-Apr	15	23	19-Apr	5	5			
	ADB comments	15-Mar	9	19	23-Mar	5	na			na			na					
	EA resubmits to ADB (2nd)**	27-Mar	8	27	28-Mar	2	na			na			na					
	ADB NOL to EA/IA	30-Mar	3	30	30-Mar	2	3-May	4	33	4-May	4	27	27-Apr	6	11			
Bidding	Bid invitations issued												19-May	9	20	30-Mar		
	Bids opening												19-Jun	not counted		6-Apr	5	5
	BER (IA to EA)												27-Jun	6	26	9-Apr	1	6
	TA endorses BER to EA												27-Jun	0	26	9-Apr	0	6
	EA submits to ADB (1st)															20-Apr	7	13
	ADB comments															na		
	EA resubmits to ADB (2nd)															na		
Contract negs, award, delivery	ADB NOL to negotiate															27-Apr	5	18
	PRC negotiate contract**															30-Apr	1	19
	Draft contract (IA to EA															11-May	6	25
	TA endorses to EA															11-May	0	25
	EA submits to ADB (1st)															11-May	0	25
	ADB comments															na		
	EA resubmits to ADB (2nd)															na		
	ADB NOL to award															18-May	4	29
	Contract signed															22-May	2	31

* = number of working days since the previous action

** = shared equally between EA and IA since both are involved

Analysis	Total time	30		24		33		27		31	
	time with IA /TA	15	50%	16	67%	12	36%	8	30%	15	48%
	time with EA	3	10%	1	4%	17	52%	15	56%	7	23%
	time with ADB	12	40%	7	29%	4	12%	4	15%	9	29%

**FDERP - Procurement Progress
Works & Goods - status as of**

Action	MRD S2 CW (x5 ctrs)			MOWRAM S2 CW (x5 ctrs)		
	date (2012)	*w-d taken	Cuml. w-d	date (2012)	*w-d taken	Cuml. w-d
Document prep & no objection Submit draft doc (IA to EA) TA response to IA Resubmits draft (IA to EA) TA endorses to EA EA submits to ADB (1st) ADB comments EA resubmits to ADB (2nd)** ADB NOL to EA/IA						
Bidding Bid invitations issued Bids opening BER (IA to EA) TA endorses BER to EA EA submits to ADB (1st) ADB comments EA resubmits to ADB (2nd) ADB NOL to negotiate	3-May 8-May 11-May 11-May 21-May na na 29-May	 2 2 0 3 6	 2 4 4 7 13	4-May 8-May 21-May 21-May 25-May na na 5-Jun	 1 5 0 4 7	 1 6 6 10 17
Contract negs, award, delivery PRC negotiate contract** Draft contract (IA to EA) TA endorses to EA EA submits to ADB (1st) ADB comments EA resubmits to ADB (2nd) ADB NOL to award Contract signed	5-Jun 8-Jun 11-Jun 15-Jun na na 22-Jun 27-Jun	 4 3 1 4 8 3	 17 20 21 25 33 36	7-Jun 15-Jun 15-Jun 20-Jun na na 25-Jun 28-Jun	 2 6 0 2 3 3	 19 25 25 27 30 33

* = number of working days since t

						Average	
Analysis	Total time	36		33		214	
	time with IA /TA	13	36%	16	48%	95	44%
	time with EA	9	25%	7	21%	59	28%
	time with ADB	14	39%	10	30%	60	28%

Draft timeline for MPWT CW6-7-8 for Discussion

Description	Responsible institution	July				August				Sept				October				Nov				Dec				Jan 2013				Feb 2013			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
Set up resettlement coordinating committee	IRC																																
Provincial Road No.270 DBST (8.5km)																																	
Pre-DMS Survey	IRC/PIU/C																																
DMS Survey and data entry	IRC & C																																
Socio-economic survey and data entry	IRC & C																																
Replacement cost survey and data entry	IRC & C																																
Data analysis and preparation RP	PIU & C																																
Submission of resettlement Plan and Information Leaflet to IRC for approval and endorsement to ADB	PCMU																																
Distribution of updated information leaflets, posting resettlement plan	IRC & PIU																																
Implementation of RP	IRC & PIU																																
Provincial Road No.270 Laterite (32.5km)																																	
Pre-DMS Survey	IRC/PIU/C																																
DMS Survey and data entry	IRC & C																																
Socio-economic survey and data entry	IRC & C																																
Replacement cost survey and data entry	IRC & C																																
Data analysis and preparation RP	PIU & C																																
Submission of resettlement Plan and Information Leaflet to IRC for approval and endorsement to ADB	PCMU																																
Distribution of updated information leaflets, posting resettlement plan	IRC & PIU																																
Implementation of RP	IRC & PIU																																
Provincial Road No.159B & C DBST (34.7km)																																	
Pre-DMS Survey	IRC/PIU/C																																
DMS Survey and data entry	IRC & C																																
Socio-economic survey and data entry	IRC & C																																
Replacement cost survey and data entry	IRC & C																																
Data analysis and preparation RP	PIU & C																																
Submission of resettlement Plan and Information Leaflet to IRC for approval and endorsement to ADB	PCMU																																
Distribution of updated information leaflets, posting resettlement plan	IRC & PIU																																
Implementation of RP	IRC & PIU																																
Procurement and Construction Works (Assumed to be NCB)																																	
Finalizing detail design study for CW6,7,8	PIU & C																																
Setting out corridor of impact	PIU & C																																
Advertisement for bidding	PIU																																
Bid elvaluation	PIU & C																																
Submission of BER	PCMU																																
Contract signing	IA																																
Contractor Mobilization	Contractor																																
Construction start	Contractor																																

Activity	Half-Monthly Period														Remarks
	Mar I	Mar II	Apr I	Apr II	May I	May II	Jun I	Jun II	Jul I	Jul II	Aug I	Aug II	Sep I	Sep II	
E. Financial Management and Monitoring															
Establish imprest accounts/systems		█	█	█	█	█	█	█	█	█					complete
Prepare payment guidelines for EA/IA			█	█	█	█	█	█	█	█					complete
Disbursement management system			█	█	█	█	█	█	█	█					complete
Financial monitoring /reporting systems			█	█	█	█	█	█	█	█					
Training in financial management				█	█	█	█	█	█	█	█	█	█	█	
Assist with withdrawal applications				█	█	█	█	█	█	█	█	█	█	█	just commenceing
E. Project Management and Monitoring															
Overall progress monitoring system				█	█	█	█	█	█	█					S-curve /tracking tables done
Review IA's progress monitoring systems					█	█	█	█	█	█	█	█	█	█	under preparation
Quarterly Reporting systems						█	█	█	█	█	█	█	█	█	
File/Data /recording systems							█	█	█	█	█	█	█	█	
G. Schedule of TA Consultants															
Procurement /Engr Advisor (Int)	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Procurement Speciali (Nat)	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Engineering Specialist (Nat)		█	█	█	█	█	█	█	█	█	█	█	█	█	
Accounting Specialist (Nat)		█	█	█	█	█	█	█	█	█	█	█	█	█	extended 3 months
Safeguards Specialist (Nat)			█	█	█	█	█	█	█	█	█	█	█	█	
Social & Gender Specialist (Nat)							█	█	█	█	█	█	█	█	
Communications Specialist (Nat)								█	█	█	█	█	█	█	
Reports															
Monthly reports		■		■		■									
PAM implementation Report									■						
Draft Final /Final Report									■	■					