

# TECHNICAL ASSISTANCE COMPLETION REPORT

Division: Cambodia Resident Mission, SERD

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| TA 8051-CAM: Advance Actions for the Flood Damage Emergency Reconstruction Project (FDERP)  |   |   | Amount Approved: \$225,000  |   |
|   |   |   | Revised Amount: N/A   |   |
| Executing Agency:<br>ADB Cambodia Resident Mission (CARM)   |   | Source of Funding:<br>TASF-IV                         | Amount Undisbursed:<br>\$3,448.49   | Amount Utilized:<br>\$221,551.51                          |
| TA Approval Date:<br><br>20 January 2012  | TA Signing Date:<br><br>20 January 2012 | Fielding of First Consultant:<br><br>17 February 2012 | TA Completion Date<br>Original: 30 September 2012<br>Account Closing Date<br>Original: 31 December 2012 | Actual: 30 September 2013<br><br>Actual: 27 December 2013 |
| <b>Description</b>  |   |   |   |   |
| Although the technical assistance (TA) was not included in the Country Operations Business Plan (COBP) 2011-2013 COBP, it was proposed in response to the Government's request of November 2011 to seek for ADB assistance for emergency rehabilitation of damaged infrastructure arising from the severe floods due to rising water levels in the Mekong river that occurred in August-October 2011. The damage affected 18 out of 24 of Cambodia's provinces and inundated an estimated 1.6 million people. As in many emergency response situations, a major constraint is the failure to apply advance actions to accelerate startup activities, including the preparation of bid documents, recruitment of consultants, setting up project implementation arrangements and building capacity for emergency response. The TA was therefore proposed to provide quick startup and accelerate implementation of the ensuing Flood Damage Emergency Reconstruction Project (FDERP). <sup>1</sup>   |   |   |   |   |
| <b>Expected Impact, Outcome and Outputs</b>   |   |   |   |   |
| The expected impact of the S-CDTA is successful implementation of the proposed FDERP. The intended outcome was improved project readiness and quality preparation of FDERP. This was to be achieved through adoption of best project management practices, strengthened executing/implementing agency (EA/IA) capacity to undertake emergency rehabilitation activities, improved inter-ministerial coordination in the start-up phase and analytical work, as required. The expected outputs were (i) establishment of an effective project management system, including high quality and efficient procurement and recruitment in conformance with strong good governance principles, (ii) finalized early batches of sub-projects ready for tender; (iii) established sound fiduciary arrangements; and (iv) robust social and safeguards measures put in place.   |   |   |   |   |
| <b>Delivery of Inputs and Conduct of Activities</b>   |   |   |   |   |
| The TA was supported by the issuance of a Government sub decree on Standard Operating Procedures on the implementation of externally-funded projects in May 2012, which aligns well with donor procedures and guidelines. The main activities carried out were assistance to the Ministry of Finance (MEF) as the executing agency (EA) of the FDERP as well as the three implementing agencies (IAs), namely the Ministries of Public Works and Transport; Rural Development; and Water Resources and Meteorology in preparing the procurement packages, recruit consultants and delivering capacity training. One of the challenges was to enable the FDERP loan project to start up quickly particularly as OSFMD allowed for direct contracting for emergency Stage 2 works <sup>2</sup> and single source selection for consultant recruitment. A total of 8.5 person-months of international consultants and 29 person-months of national consultants were engaged under the TA. The TA consultants, mobilized on 17 February 2012, were instrumental in bridging advance action activities with those of the FDERP loan, which mobilized its own consultants in May 2012. The consultants also provided training to the EA and IAs in the areas of procurement, financial management to the benefit of 120 Government staff. The TA was extended to one year however; the extension did not require a change in scope and was justified, as additional inputs (particularly procurement expertise) was required to accelerate activities relating to bid packaging and evaluations, which was not covered under the FDERP loan. Consultant inputs were provided in a timely manner and performance of the consultants was satisfactory. EA and ADB performance were also satisfactory. |   |   |   |   |

<sup>1</sup> Loan 2852-CAM: Flood Damage Emergency Reconstruction Project, approved by the Board on 27 March 2012 in the amount of \$55 million.

<sup>2</sup> Stage 2 works are those that require fast track rehabilitation necessary to restore functionality before the arrival of the next rainy season, as opposed to Stage 1 works which need immediate repair and Stage 3 works which require complete restoration and more of a medium to longer term response to flood damage.

## **Evaluation of Outputs and Achievement of Outcome**

The TA was successful in enabling early project startup through advance actions, particularly through the recruitment of an international consultant who facilitated the early recruitment of FDERP loan consultants and provided support to facilitate direct contracting for emergency repair works under Stage 2. During the initial stages of the FDERP loan, about \$22 million of contract value (40% of the total ADB loan) were awarded within the first eight months of loan effectiveness. Disbursement also progressed quickly, although by the end of 2013 it fell below the projected amount. In addition the TA provided inputs to the flood disaster management study undertaken under the FDERP loan and provided capacity building training on emergency response (particularly procurement and financial management) to the three implementing agencies. The TA was therefore successful in improving project readiness through adoption of best project management practices, strengthened EA/IA capacity to undertake emergency rehabilitation activities and improved inter-ministerial coordination in the start-up phase. Overall, the required outputs were achieved.

## **Overall Assessment and Rating**

Overall, the TA is assessed as successful. The TA was highly relevant in terms of the Government's need for prompt response to overcome damages caused by severe flooding. Although the TA period required a one-year extension, it was justified and proved to maximize the TA benefits. Collaboration with the EAs and IAs was exceptional. The TA outputs related to strengthening project readiness and effectiveness with EAs and MEF were successful; however whether the results can be institutionalized (for regular projects) remains to be seen. The capacity training for EAs and IAs was appreciated by the Government, but as the needs are large, a more systematic approach to training will be needed.

## **Major Lessons**

The TA opened further opportunities for ADB operations in terms of disaster management and risk reduction and led to the development of two proposals to be funded under the Japan Fund for Poverty Reduction.<sup>3</sup> Another important lesson learnt is that Government commitment and ownership of the TA (and FDERP loan) was instrumental in the early success of the flood damage emergency response. Third, notwithstanding the emergency nature of ADB's needed response, the support of OSFMD was instrumental in realizing advance actions through direct contracting and single source selection.

## **Recommendations and Follow-Up Actions**

Experiences and lessons learnt from the TA are currently being applied to the upcoming Flood Damage Emergency Reconstruction-Additional Financing Project which is currently under processing and can be replicated to future natural disaster/emergency projects. These include the importance of quick action in response to flood disasters, close collaboration among line ministries and close monitoring of activities, many of which run in parallel given the emergency nature of the project. There is also a need to institutionalize the capacity for rapid flood disaster response that was enabled through the TA.

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<sup>3</sup> Proposed Grant for Strengthening Community based Disaster Management in the amount of \$2 million and TA for Disaster Risk Reduction in the amount of \$1.0 million, which is planned to be submitted for ADB Board approval in March 2014.