



Technical Assistance Report

Project Number: 46436
PPTA
December 2012

Samoa: Preparing the Private Sector Development Project

CURRENCY EQUIVALENTS

(22 November 2012)

Currency unit	–	Tala (WST)
WST 1.00	=	\$0.4387
\$1.00	=	WST 2.2795

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
ASP	–	agriculture sector plan
EA	–	executing agency
GDP	–	gross domestic product
PPTA	–	project preparatory technical assistance
SDS	–	Strategy for the Development of Samoa
TA	–	technical assistance

WEIGHTS AND MEASURES

Metric System used except for land areas (1 acre = 0.4 hectares)

NOTES

- (i) The fiscal year (FY) of the Government of Samoa and its agencies ends on 30 June. FY before a calendar year denotes the year in which the fiscal year ends, e.g., FY2012 ends on 30 June 2012.
- (ii) In this report, "\$" refers to US dollars unless otherwise stated.

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PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. The project preparatory technical assistance (PPTA) will be carried out in two phases. Phase 1: To finalize overall project concept and key parameters with government and the private sector based on selected products and respective analyses. Phase 2: Based on the agreements in phase 1 to (i) undertake due diligence covering technical, financial, economic, poverty and social and safeguards aspects in order to determine detailed project components; (ii) establish ownership by the government, the private sector, possible cofinanciers and other stakeholders of the design process and respective contributions; (iii) assess and agree with the government and the private sector on the scope of the proposed project, detailed components, implementation arrangements and financing mechanism; (iv) undertake capacity assessment of executing agency and implementing agencies; and (v) collaborate with the Private Sector Operations Department on potential complementary investment activities.

B. Major Outputs and Activities

2. The major outputs and activities are summarized in Table A4.1.

Table A4.1: Summary of Major Outputs and Activities

Major Activities	Major Outputs	Expected Completion Date
PHASE I		
Analysis of current situation, sector assessment, identification of potential products and overall concept of project and first major participatory workshop.	Inception report, consensus reached between stakeholders on key parameters and overall concept of the project. Potential products and businesses identified.	June 2013
PHASE II		
Conduct technical due diligence, develop draft project design and conduct second participatory workshop.	Interim report, consensus reached between stakeholders on detailed project outputs.	September 2013
Finalize due diligence, finalize detailed project design including cost estimates, PAM, detailed implementation plan, impact assessment, ESIA, gender action plan, safeguard and governance risk assessment and conduct third participatory workshop.	Draft final report, completion of due diligence reports to provide justification, loan covenants agreed upon with borrower.	December 2013
Complete final report	Final report	February 2014

ESIA = Environmental and Social Impact Assessment, PAM = Project Administration Manual.
Source: Asian Development Bank.

C. Cost Estimate and Proposed Financing Arrangement

3. The total PPTA is estimated to cost \$600,000 to be financed by ADB's Technical Assistance Special Fund (TASF-IV). The government will provide counterpart support in kind. The detailed cost estimate is presented in Table A4.2.

Table A4.2: Cost Estimates and Financing Plan
(\$'000)

Item	Total Cost
A. Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (15.5 person-months)	380.0
ii. National consultants (5 person-months)	75.0
b. International and local travel	62.0
c. Reports and communications	7.0
2. Equipment (computer, printer, etc.) ^b	4.0
3. Workshops and conferences ^c	20.0
4. Miscellaneous administration and support costs	6.0
5. Contingencies	46.0
Total	600.0

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-IV)

^b Equipment (The equipment will be turned over to the EA upon completion of TA activities.)¹⁶

Photocopier	1 unit	\$2,000
Printer	1 unit	\$2,000

^c Workshops, training, seminars, and conferences includes consultation with stakeholders in urban and semi-urban settings (administered by consultant).

Source: Asian Development Bank estimate.

D. Consulting Services

4. Technical assistance (TA) requirements for phase 1: 4 international consultants (9.5 person-months) and 1 national consultants (3 person-months), to be recruited through individual consultant selection. Consultants will be engaged by ADB in accordance with ADB's Guidelines on the Use of Consultants (2010, as amended from time to time). The consultant requirements for phase 2 will be determined based on the outcome of phase 1.

Table A4.3: Summary of Consulting Services Requirement

Positions	Person-Months Required
International	
PPTA Team Leader/Agribusiness Specialist	5.5
Private Sector Development Specialist	2.5
Gender Specialist	1.0
Facilitator	0.5
Other specialists (tbd after completion Phase 1)	6.0
National	
Agricultural Value Chain Specialist	3.0
Other specialists (tbd after completion Phase 1)	2.0

PPTA=project preparatory technical assistance.

Source: ADB Reconnaissance Mission, October 2012.

5. Outline terms of reference for the PPTA consultants are described in paragraphs 6–10. The terms of reference below reflect the main responsibilities of the PPTA team members, i.e., team leader/agribusiness specialist, private sector development specialist, gender specialist, facilitator and agricultural value chain specialist for phase 1 and 2. The required technical expertise needed for phase 2 can only be determined based on the outcome of phase 1. This is

¹⁶ The procurement of equipment by consultants will follow ADB's Procurement Guidelines (2010, as amended from time to time).

reflected with 8 person-months of yet to be determined consultant expertise (international/national).

Phase 1: Consultant terms of references

Team Leader/Agribusiness Specialist (International, 5.5 person-months)

6. The team leader, in collaboration with the ADB task manager, will manage the overall design process and the work of the PPTA team members. This entails the guidance of the team members and coordination of the project design processes. During phase 1 the team leader will be responsible for (i) identification of products for commercial development and respective analyses as well as identification of potential markets and/or partners, (ii) identification of successful private agribusinesses and their potential for up scaling, (iii) the preparation of draft project documents of overall project concept for discussion with the government, private sector and ADB; (iv) obtaining concept clearance and product agreement from government and private sector. Subsequently in phase 2, the team leader will be responsible for the preparation of the detailed project design report and its annexes, (ii) prepare work plan and consultation schedule, (iii) coordinate deliverables, (iv) analyze constraints for increased production and determine respective support mechanism, (v) prepare the detailed design and monitoring framework (DMF), (vi) prepare project performance indicators. The team leader will ensure that all stakeholders including farmers, agribusiness enterprises, service providers, government, other relevant agencies and development partners are consulted adequately.

Private Sector Development Specialist (International, 2.5 person-months)

7. The private sector development specialist will work with the team members and in particular with the agro industrial sector to identify interest and potential of the private sector for product expansion as well as current capacities and constraints for private sector participation, in particular in agri processing infrastructure investments relevant for increased production. In addition, the specialist will identify and analyze potential market entry strategies and partnership arrangements for selected products. Furthermore, the specialist will work with the financial sector to evaluate and/or develop potential financing programs which could be extended through the commercial banking sector to private agribusinesses.

Social, Poverty and Gender Specialist (International, 1 person-months)

8. The consultant will (i) collect available background data and (ii) develop and implement a stakeholder and community consultation plan. Based on agreed overall project concept and involved stakeholders, the consultant will (i) conduct a gender analysis, (ii) prepare socioeconomic monitoring and management plans, (v) collect key sex-disaggregated baseline data to set appropriate gender targets. The gender targets will be further refined in phase 2 and finalized in the gender action plan.

Facilitator (International, 0.5 person-months)

9. The consultant will facilitate the stakeholders' workshops and support all stakeholder groups to achieve consensus on overall project concept design, key parameters and key products.

Agricultural Value Chain Specialist (National, 3.0 person-months)

10. The specialist will be responsible for: (i) identifying a shortlist of agricultural products for priority attention under the project, (ii) reviewing possible approaches to enhanced private

sector participation in agricultural supply chains; (iii) identifying opportunities for building partnerships between agribusiness enterprises and their suppliers and customers; and (iv) identifying potential constraints for increased production. The overall objective is to determine an approach to improving value addition through increased private sector investment and agro-industrial and marketing operations, in partnership with farmers and the key public sector supporting institutions.

Phase 2: Terms of reference for consultants to be determined based on outcome of phase 1.

E. Implementation Arrangements

11. The executing agency for the PPTA will be the Ministry of Finance. A decision will be made on the executing agency for the project during the course of the PPTA. The executing agency will provide counterpart staff and office facilities during the course of the PPTA.

12. The proposed TA will be implemented from 30 March 2013 to 30 May 2014. The estimated implementation schedule is listed in Table A4.4.

Table A4.4: Technical Assistance Processing and Implementation Schedule

Major Milestones	Major Outputs	Expected Completion Date
Recruitment of Consultants		February–March 2013
Phase 1		
Report	Phase 1 Report, Consensus on overall project concept	June 2013
Phase 2		
Draft Report	Draft Report	October 2013
Draft Final Report	Draft Final Report	December 2013
Final Report	Final Report	Feb. 2014
Phase 2 and TA financial closure		May 2014

Source: Asian Development Bank.

13. The TA proceeds will be disbursed in accordance with ADB's Technical Assistance Disbursement Handbook (2010, as amended from time to time).