

# Project Administration Manual

Project Number: 50099-003  
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Kingdom of Cambodia: Fourth Greater Mekong  
Subregion Corridor Towns Development Project



## ABBREVIATIONS

ADB	–	Asian Development Bank
CSO	–	civil society organization
DED	–	detailed engineering design
DMF	–	design and monitoring framework
DPWT	–	(provincial) department of public works and transport
EA	–	executing agency
EIA	–	environmental impact assessment
EMP	–	environmental management plan
FHH	–	female-headed household
GAP	–	gender action plan
GMS	–	Greater Mekong Subregion
IA	–	implementing agency
ICB	–	international competitive bidding
IEE	–	initial environmental examination
LPDR	–	Lao People's Democratic Republic
MEF	–	Ministry of Economy and Finance
MPWT	–	Ministry of Public Works and Transport
NCB	–	national competitive bidding
NGO	–	non-governmental organization
O&M	–	operation and maintenance
PAM	–	project administration manual
PIU	–	project implementation unit
PMU	–	project management unit
RP	–	Resettlement plan
SCS	–	stakeholder communication strategy
TA	–	technical assistance
TOR	–	terms of reference

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### **Project Administration Manual Purpose and Process**

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

The Ministry of Public Works and Transport (MPWT) and Department of Public Works and Transport (DPWT) are wholly responsible for the implementation of ADB-financed projects, as agreed jointly between the borrower and ADB, and in accordance with the policies and procedures of the government and ADB. ADB staff is responsible for supporting implementation including compliance by MPWT and DPWTs of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At loan negotiations, the borrower and ADB shall agree to the PAM and ensure consistency with the loan agreement. Such agreement shall be reflected in the minutes of the loan negotiations. In the event of any discrepancy or contradiction between the PAM and the loan agreement, the provisions of the loan agreement shall prevail.

After ADB Board approval of the project's Report and Recommendations of the President, changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval, they will be subsequently incorporated in the PAM.



## I. PROJECT DESCRIPTION

### A. Rationale

1. **Macroeconomic context.** Cambodia had an estimated population of 15.2 million in 2016, spread across 26 provincial towns and numerous district towns. While Cambodia remains almost 80% rural, urbanization is accelerating and is expected to reach 30% of the national total by 2030. Provincial towns have urbanized rapidly while playing an important role in the national economy, which grew by 7% per year from 2015 to 2017.<sup>1</sup> With an increasingly urban economy, urban services contribute to environmentally sustainable and inclusive growth by providing basic infrastructure for businesses and households, creating jobs, safeguarding the surrounding environment and ecosystem, and reducing exposure to flooding and other extreme events.

2. **Transport corridors.** Many Cambodian towns lie on important GMS corridors that connect to the Lao People's Democratic Republic, Thailand, and Viet Nam.<sup>2</sup> They support increasing regional trade and investment and create incentives for local economies in their hinterlands. The 1,600 kilometer (km) GMS Central Corridor along the Mekong River crosses 13 towns in two countries, with about 20 million people along the corridor, and generates over \$20 billion in regional economic outputs.<sup>3</sup> Regional transport connectivity is improving since the Asian Development Bank (ADB) first approved a loan for National Road 7 in 1999.<sup>4</sup> To enhance trade and freight movement, a draft national logistic master plan and the national railway master plan propose an inland waterway along the Mekong River and new railway lines from Phnom Penh to Ho Chi Minh City (Viet Nam) through Kampong Cham and Kratie provinces.

3. **Towns along the central corridor.** On the GMS Central Corridor, Kampong Cham, Kratie, and Stung Treng provinces need to promote economic growth in the less-developed northeastern region.<sup>5</sup> The provinces, however, struggle to capture development opportunities as rapid urbanization puts pressure on their limited urban infrastructure and services, resulting in increased environmental pollution and public health risks. Though three provinces have aggregated 10% of the national population, their provincial economy only contributes 7% of the national gross domestic product (GDP).<sup>6</sup> Agriculture, trading, construction, and services produce limited revenues. Climate change increases annual rainfall intensity and frequency in the provinces and the entire Mekong River catchment (795,000 square kilometers), making people's lives and infrastructure more vulnerable to floods.

4. **Access to services.** National access to improved water supply in urban areas (excluding Phnom Penh) is 69.7%, while access to piped water supply is 42.2%. Wastewater

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<sup>1</sup> ADB. 2018. *Asian Development Outlook 2018: How Technology Affects Jobs*. Manila.

<sup>2</sup> Southern corridor, Central corridor, and Southern coastal corridor.

<sup>3</sup> The corridor population comprises the people living 50 km on either side of the Mekong River. ADB calculated the economic output based on the provincial gross domestic product per capita multiplied by the corridor population.

<sup>4</sup> ADB. 1999. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to the Kingdom of Cambodia for the Primary Roads Restoration Project*. Manila.

<sup>5</sup> ADB. 2014. *Cambodia Country Poverty Analysis 2014*. Manila; Government of Cambodia, National Institute of Statistics, Ministry of Planning. 2012. *Cambodian Economic Census 2011*. Phnom Penh. Out of 24 provinces, the income per capita and multidimensional poverty index for five northeastern provinces are Kampong Cham, \$1,033 (ranked 12th) and 0.239 (ranked 14th); Kratie, \$573 (ranked 23rd) and 0.309 (ranked 20th); Mondul Kiri, \$418 (ranked 24th) and 0.409 (ranked 23rd); Ratanak Kiri, \$813 (ranked 18th) and 0.409 (ranked 23rd); and Stung Treng \$721 (ranked 20th) and 0.369 (ranked 21st).

<sup>6</sup> The national GDP per capita in 2017 was \$1,447 (projected figure). The national average population growth rate was 1.46% per annum. Contribution to the national economy and provincial GDP per capita was estimated from the provincial household income from the 2014 socioeconomic survey (footnote 9) and the provincial population data.

and solid waste services in urban areas (excluding Phnom Penh) are inadequate. While about 80.0% of the population has access to improved sanitation, a large proportion (69.3%) have individual systems (septic tanks) and access to sewerage and wastewater treatment is very limited (10.7%).<sup>7</sup> More than 75% of households in Cambodia's urban areas (excluding Phnom Penh) do not have access to solid waste services. Rapid urbanization will worsen these challenges. The main reasons for these service delivery gaps are (i) inadequate coverage and delivery of urban environmental infrastructure and services, (ii) inadequate management of public investments, and (iii) poor urban planning that does not consider environmental management and disaster and climate risks.

5. **Policy framework.** Cambodia's National Strategic Development Plan, 2014–2018 identifies key priorities for the urban sector, which include developing a national strategy for town and master plans for urban infrastructure; ensuring environmental sustainability; installing solid and liquid waste management systems; and further developing laws related to land management, urbanization, and construction.<sup>8</sup> However, actions for sanitation and solid waste are not well defined. The National Policy on Water Supply and Sanitation (2003) calls for greater private sector participation, improved cost recovery, cross subsidies where needed, autonomy of public utilities, and the establishment of a regulatory body.<sup>9</sup>

6. **Institutional arrangements.** The Ministry of Public Works and Transport (MPWT) is responsible for creating assets for urban sanitation, while the provincial Department of Public Works and Transport (DPWT) is responsible for operation and maintenance (O&M). Towns are responsible for solid waste management, though the differentiation between the role of the town and the Ministry of Environment is unclear in practice. The MPWT is involved in the construction of large-scale infrastructure (including sewerage networks and wastewater treatment plants [WWTPs]) and controlled landfills since provincial and municipal technical capacity is limited.

7. **Private sector participation.** Private sector participation in urban services has been limited, given the public nature of the assets, limited revenue potential, and limited capacity of the private sector. Solid waste management can only attract private operators in some towns.

8. **Project-specific constraints.** The project towns experience the following constraints:

- (i) Kampong Cham's population will increase from 47,900 in 2017 to 75,000 in 2040. Although 87% of the population will have access to piped water supply by 2024, the town sanitation service relies on preliminary onsite treatment (individual soak pits). Solid waste collection service covers just over 50% of the town's population and waste is disposed at an open dumpsite. Floods result in an estimated annual economic loss of \$1.1 million.
- (ii) Kratie's population is projected to grow by 3% per year, from 34,700 in 2017 to 68,200 in 2040. Piped water supply coverage will reach 53% by 2024, but the town has no sewage and drainage service. Solid waste collection by the private operator covers less than 30% of the town's population. The town is vulnerable to seasonal floods and waterlogging, with an estimated annual economic loss of \$0.8 million.
- (iii) Stung Treng, on the border with the Lao People's Democratic Republic, has a population of 32,000 (2017) that will grow to 68,500 (2040). By 2024, water supply will cover 88% of the population. The sanitation service relies on

<sup>7</sup> Government of Cambodia, Ministry of Planning. 2015. *Cambodia Socio-Economic Survey 2014*. Phnom Penh. Improved sanitation includes flush and/or pour flush to piped sewers, septic tanks, and pit latrines with slab.

<sup>8</sup> Government of Cambodia. 2014. *National Strategic Development Plan, 2014–2018*. Phnom Penh.

<sup>9</sup> Experience from Phnom Penh indicates that wastewater tariff collection efficiency is 90% if collected through the water supply bill. Solid waste fees are collected from 30% to 50% of the project towns' populations.



preliminary onsite treatment without wastewater or drainage service. The town's solid waste collection service covers 35%, with no proper disposal site. It is most vulnerable to seasonal floods, with an estimated annual economic loss of \$1.3 million.

9. **Financial management.** DPWTs and town governments have institutional weaknesses and face limited financial resources and revenue streams. In 2017, the central government transferred funds accounting for 77%–97% of the DPWTs' annual revenue (\$1.6 million–\$6.3 million) and 85%–97% of the town governments' annual revenue (\$0.4 million–\$0.6 million). This expenditure requirement will continue to grow if revenue-generating mechanisms are not set up. Paper-based public management systems and lack of a public asset database cause inconsistent bookkeeping and opaque transactions. This results in inefficient use of human and financial resources for urban services and their O&M.

10. **ADB assistance and lessons learned.** Since 1997, ADB has approved \$305 million in loan and grant projects for urban services in Cambodia.<sup>10</sup> Lessons incorporated from the two ongoing GMS corridor town development projects include (i) aligning the project design to the GMS strategic frameworks, (ii) providing support to towns on the same GMS corridor to enhance cooperation, and (iii) designing the regional connectivity knowledge support to contribute to the provincial five-year strategic development plan. Other lessons from the urban development and water sector projects include (i) ensuring the project finances household connections and onsite plumbing costs, as these are crucial to the operational and financial viability of the wastewater system; (ii) providing advisory support for developing a financial sustainability road map for all investments; and (iii) adopting a thorough and practical approach to land acquisition and resettlement, aligning with the agreed resettlement framework.

11. **Development coordination.** ADB is a lead partner for the urban sector in Cambodia. As part of project preparation, it coordinated with development partners in the urban and water sector, including Japan International Cooperation Agency (JICA), the Agence Française de Développement, and the World Bank. These partners have focused on larger cities such as Phnom Penh and Siem Reap, with some engagements in other towns such as Sihanoukville, Kampot, and Kep. Besides ADB, JICA is the most active partner in the sector, with a strong focus on Phnom Penh and some strategic investments in other areas. The World Bank is planning to reengage in the sector through the Small City Water Supply and Sanitation Project.

12. **Strategic context.** The project is aligned with Phase III of Cambodia's Rectangular Strategy and the National Strategic Development Plan, 2014–2018.<sup>11</sup> Aligning with its country partnership strategy, 2014–2018, ADB's urban development and water sector support has focused on provinces and towns along the GMS corridors by promoting regional socioeconomic integration. The project is consistent with the two ongoing projects targeting towns on the GMS Southern Corridor and the GMS Southern Coastal Corridor, and other ADB operational and sector policies: ADB's Midterm Review of Strategy 2020 and Urban Operational Plan.<sup>12</sup>

<sup>10</sup> ADB. 2014. *Assessing Impact in the Greater Mekong Subregion: An Analysis of Regional Cooperation Projects*. Manila; ADB. 2011. *Completion Report: Tonle Sap Rural Water Supply and Sanitation Sector Project in Cambodia*. Manila; and ADB. 2008. *Completion Report: Provincial Towns Improvement Project in Cambodia*. Manila.

<sup>11</sup> Government of Cambodia. 2013. "Rectangular Strategy" for Growth, Employment, Equity and Efficiency Phase III. Phnom Penh; Government of Cambodia. 2014. *National Strategic Development Plan, 2014–2018*. Phnom Penh.

<sup>12</sup> ADB. 2014. *Country Partnership Strategy: Cambodia, 2014–2018*. Manila; ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila; ADB. 2013. *Urban Operational Plan, 2012–2020*. Manila.

13. **ADB's value addition.** ADB's support to GMS corridor towns is a unique long-term engagement to transform the regional transport corridor into an economic corridor. The project will enhance regional cooperation through provincial development strategies, and support resilient provincial and town planning to address climate and disaster risks. By 2019, ADB will have ongoing urban development and water sector projects in more than 15 of Cambodia's 26 provincial towns. ADB's growing program creates sufficient scale to engage with the government on strategic and policy issues including master planning, governance and finance arrangements to ensure the sustainability of urban services (including collaboration across agencies), and capacity building for government officials. The project will pilot test the use of ICT for public service management.

## **B. Impact and Outcome**

14. The project is aligned with the following impact: sustainable, inclusive, equitable, and resilient growth achieved (footnote 8). The project will have the following outcome: urban services for enhancing regional economic connectivity in participating towns improved.

## **C. Outputs**

15. **Output 1: Urban environmental infrastructure improved.** The output will include (i) a sewerage system comprising a new 5,050 cubic meter per day (m<sup>3</sup>/day) lagoon-based WWTP with 137 km of pipelines, 4,676 household connections and pump stations, a 4.3 km drainage channel, and a controlled landfill with capacity of 900,000 cubic meters (m<sup>3</sup>) and waste collection vehicles in Kampong Cham;<sup>13</sup> (ii) a sewerage system comprising a new 4,900 m<sup>3</sup>/day lagoon-based WWTP with 143 km of pipelines, 2,688 household connections and pump stations, a 12 km drainage channel, a controlled landfill with capacity of 433,500 m<sup>3</sup> and waste collection vehicles, and pedestrian walk rehabilitation with energy-efficient streetlights in Kratie; and (iii) a sewerage system comprising a new 3,800 m<sup>3</sup>/day lagoon-based WWTP with 147 km of pipelines, 2,253 household connections and pump stations, a controlled landfill with capacity of 291,000 m<sup>3</sup> including collection vehicles, pedestrian walk rehabilitation with street landscaping and energy-efficient streetlights in Stung Treng.

16. **Output 2: Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced.** The output will strengthen the governments' capacities to support the provision of environmental infrastructure. At the policy level, it will formulate provincial five-year strategic development plans to enhance regional connectivity and economic integration and resilient town planning that incorporates climate change and disaster risk considerations. At the institutional level, it will develop ICT-based operational and planning support systems: (i) public management systems including public asset management, and (ii) utility billing systems for efficient and transparent government operations. At the operational level, it will improve staff capacity in urban service delivery, O&M skills of urban facilities, and contract management with private service providers. To attain public support and ensure participatory planning, MPWT will raise public awareness on sanitation and environmental benefits.

17. Detailed project scope and its outputs are in Table 1.1.

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<sup>13</sup> A controlled landfill has lined cells, soil cover layers, minimum leachate, and gas treatment to control pollution.

**Table 1.1: Fourth GMS Corridor Towns Development Project (Detailed Project Scope)**

<b>Project Output</b>	<b>Project Sub-Output</b>	<b>Component</b>	<b>Deliverables</b>
1. Urban Environmental Infrastructure Improved	1.1. Urban environmental infrastructure in Kampong Cham improved	1.1.1. Kampong Cham lagoon-based wastewater treatment system	(i) Lagoon-based wastewater treatment facility with capacity of 5,050 m <sup>3</sup> /d, (ii) 9.476 km Trunk Sewer/CSO with D1500 mm (iii) 3.478 km Trunk Sewer/CSO pipes with D1200 mm (iv) 2.156 km Trunk Sewer/CSO pipes with D1000 mm (v) 0.756km trunk sewer D 800mm (vi) 0.687km trunk sewer D 600mm (vii) 0.89km box culverts 2-3m wide (viii) 120.3 km Collection Pipeline D300 mm (ix) 4,676 household connections (x) 3 Combined sewer overflows (xi) 4.309 km open channels 5-7m wide (xii) 4 pump stations with max capacity of 165 l/s
		1.1.2. Kampong Cham municipal solid waste-controlled landfill and equipment	(i) Controlled landfills with volume capacity of 900,000 m <sup>3</sup> compacted waste (ii) 6 waste collection and compaction vehicles (iii) 1 crane for handling recyclables
	1.2. Urban environmental infrastructure in Kratie improved	1.2.1. Kratie lagoon-based wastewater treatment system	(i) Lagoon-based wastewater treatment facility with capacity of 4,900 m <sup>3</sup> /d (ii) 4.722 km Trunk Sewer/CSO with D 1500 mm (iii) 0.603 km Trunk Sewer/CSO pipes with D1200 mm (iv) 0.399 km Trunk Sewer/CSO pipes with D1000 mm (v) 137.5 km Collection Pipeline D300 mm (vi) 2,688 household connections (vii) 2 Combined sewer overflows (viii) 2 pumps stations with capacity of 245l/s (ix) 1.1 km access road (10 m wide) (x) 1 bunded drainage canal 80m x 7m x 12000m (W-H-L)
		1.2.2. Kratie municipal solid waste-controlled landfill and equipment	(i) Controlled landfills with volume capacity of 433,500 m <sup>3</sup> (ii) 6 Waste collection and compaction vehicles (iii) 1 crane for handling recyclables
		1.2.3. Kratie town center enhancement	(i) 92 energy-efficiency streetlights (ii) 10,600 m <sup>2</sup> pavement rehabilitation (iii) 2,300 m of kerbing (iv) Auxiliary equipment

	1.3. Urban environmental infrastructure in Stung Treng improved	1.3.1. Stung Treng lagoon-based wastewater treatment system	(i) Lagoon-based wastewater treatment facility with capacity of 3,800 m <sup>3</sup> /d, (ii) 8.9 km Trunk Sewer/CSO with D1500 mm (iii) 3.973 km Trunk Sewer/CSO pipes with D1200 mm (iv) 2.48 km Trunk Sewer/CSO pipes with D1000 mm (v) 1.204km trunk sewers D 800mm (vi) 0.222km trunk sewers D 600mm (vii) 130.1 km Collection Pipeline D300 mm (viii) 2,253 household connections (ix) 10 Combined sewer overflows (x) 0.09km box culvert 2m wide (xi) 6 WW pumps stations with capacity of max 270 l/s (xii) 4 pump stations for flood control on riverbank
		1.3.2. Stung Treng municipal solid waste-controlled landfill and equipment	(i) Controlled landfills with volume capacity of 291,000 m <sup>3</sup> (ii) 5 waste collection and compaction vehicles (iii) 1 crane for handling recyclables
		1.3.3. Stung Treng town center enhancement	(i) 72 energy-efficiency streetlights (ii) 5,800 m <sup>2</sup> pavement rehabilitation (iii) 1,800 m of kerbing (iv) 21,000 m <sup>2</sup> of landscaped gardens with water feature (v) Auxiliary equipment
2. Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced		2.1. ICT for Public Management	(i) Public asset management system & database (ii) Drive license and vehicle registration system (iii) e-Billing for public utilities and tax management system
		2.2. Project Management	(i) Detailed engineering design for WWT and Town Center Enhancement (ii) Periodic project progress report (iii) Periodic safeguards and social development monitoring report (iv) Project completion report (v) Design-build contract technical audits (vi) Bidding documents for WWT and Town Center Enhancement (vii) WWTP, SWM and Urban Asset O&M training (viii) Awareness raising campaigns (ix) Provincial comprehensive socioeconomic survey and assessment report (x) Provincial survey and assessment report: agriculture value-chain, tourism industry development; human resource development (xi) Regional connectivity study report for formulating the provincial 5-year strategic development plans, 2024–2028 (xii) Draft provincial town master plan

CSO = combined sewer overflow; ICT = information and communication technology; km = kilometer, m = meter; m<sup>2</sup> = square meter; O&M = operations and maintenance, SWM; solid waste management; WW = waste water; WWTP = waste water treatment plant.

## II. IMPLEMENTATION PLANS

### A. Project Readiness Activities

**Table 2.1: Schedule of Project Readiness Activities**

Indicative Activities	2018										Responsible Individual/Unit/Agency /Government
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Project implementation arrangement established											MPWT, PIUs
Advertisement of project management consulting service											ADB, MPWT
ADB Board approval											ADB
Loan signing											ADB, MEF
Government legal opinion provided											MOJ
Project included under the government budget											MEF, MPWT
Loan effectiveness											ADB, MEF

ADB = Asian Development Bank, DB = design-build, MEF = Ministry of Economy and Finance, MOJ = Ministry of Justice, MPWT = Ministry of Public Works and Transport, PIU = Provincial Project Implementation Units  
Sources: Asian Development Bank, Royal Government of Cambodia.

## B. Overall Project Implementation Plan

**Table 2.2: Overall Project Implementation Plan**

Activities		2018				2019				2020				2021				2022				2023				2024			
Design and Monitoring Framework		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 1: Urban environmental infrastructure improved																													
1.1	Complete BDs for SWM component																												
1.2	Complete BD for SWM goods component																												
1.3	Complete BDs for WWT component																												
1.4	Complete BDs for Town Center Enhancement component																												
1.5	Complete engagement of SWMs contractor(s)																												
1.6	Complete engagement of WWTs contractor(s)																												
1.7	Complete engagement of Town Center Enhancement contractor(s)																												
1.8	Complete land acquisition and resettlement activities in Kratie																												
1.9	Complete land acquisition and resettlement activities in Stung Treng																												
1.10	Complete construction																												
Output 2: Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced																													
2.1	Complete procurement of the PMCS consulting service																												
2.2	Completion of the PMCS consulting service																												
2.3	Complete procurement of the ICTM consulting service																												
2.4	Completion of the ICTM consulting service																												
B. Management Activities																													
	Environment management plan and resettlement plan key activities																												
	Gender action plan and communication strategy key activities																												
	Loan reviews and Project completion report																												

BD = bidding document; DB = design-build; PDS = provincial development strategy; PMCS = project management consulting service; SWM = solid waste management; WWT = wastewater treatment

Source: Asian Development Bank

### III. PROJECT MANAGEMENT ARRANGEMENTS

#### A. Project Implementation Organizations: Roles and Responsibilities

**Table 3.1: Project Implementation Organizations**

<b>Project Implementation Organizations</b>	<b>Management Roles and Responsibilities</b>
<b>Project Steering Committee</b>	<ul style="list-style-type: none"> <li>- Chaired by and formed among representatives from MEF, MPWT, MOPT, MOE, MOC, MOI</li> <li>- Hold periodic project steering meeting to address project implementation issues</li> <li>- Provide strategic guidance and support to the MPWT, PMU</li> <li>- Ensure compliance with loan covenants as agreed with ADB</li> <li>- Facilitate interagency and inter-ministerial coordination</li> <li>- Oversee project implementation and administration</li> </ul>
<b>Executing Agency</b>	
<b>Ministry of Public Works and Transport</b>	<ul style="list-style-type: none"> <li>- Provide policy guidance during the implementation</li> <li>- Serve as focal agency to ADB and development partners, government offices whose coordination, endorsement or approval and monitoring activities are required and/or mandated by existing policies or laws</li> <li>- Coordination with other line ministries including MEF, MOPT, MOC, MOI, and MOE</li> <li>- Procurement of DB contracts, civil works, consulting services</li> <li>- Administration of loan disbursements</li> <li>- Assist Provincial PIU as required</li> </ul>
<b>Project Management Unit (PMU) in General Department of Public Works, Ministry of Public Works and Transport</b>	<p><b>Project Management and Administration:</b></p> <ul style="list-style-type: none"> <li>- Manage, coordinate and monitor project activities.</li> <li>- Responsible for day-to-day administration and implementation project</li> <li>- Guidance and direction to Provincial PIUs</li> <li>- Liaison with ADB</li> <li>- Liaison/coordination with local governments</li> <li>- Establish project accounts</li> <li>- Ensure adequate counterpart funds allocation</li> <li>- Budgeting and financial planning/management, disbursement</li> <li>- Ensure auditing of loan proceeds and maintenance of all accounts</li> <li>- Submit external auditor report to ADB</li> <li>- Provide to ADB all disbursement-related documentation</li> <li>- Consolidate PIU reports and submit quarterly project progress reports to ADB in agreed format</li> <li>- Preparation of reports mandated under the loan agreements and the framework financing agreement to ADB;</li> <li>- Establish, maintain and update the project performance monitoring system</li> <li>- Carry out periodic quality audit of the civil works contracts with the support of project consultants</li> <li>- Coordinate Project Steering Committee meetings</li> <li>- Preparation of project completion report with the support of the project consultants</li> <li>- Provide support to ADB missions</li> </ul> <p><b>Procurement of Goods, Works, and Services:</b></p> <ul style="list-style-type: none"> <li>- Evaluate bidding documents (e.g. DB, works, consulting services) and process for further approval</li> <li>- Conduct procurement and consulting service recruitment activities including advertisement, evaluation, negotiation, contracting</li> </ul>

Project Implementation Organizations	Management Roles and Responsibilities
	<ul style="list-style-type: none"> <li>- Prepare updated procurement plans (18 month) in consultation and submit to ADB for review and approval</li> <li>- Provide support and guidance to provincial PIUs during contract management process</li> <li>- Submit annual contract award and disbursement projections by December of each year</li> <li>- Prepare for periodic ADB loan review missions</li> </ul> <p><b>Technical Oversight and Support:</b></p> <ul style="list-style-type: none"> <li>- Provide technical support and overall guidance to provincial PIUs</li> <li>- Review and approve DED and estimates</li> <li>- Approve any variations during execution of works contracts</li> <li>- Carry out periodic technical quality audit of the civil works contracts</li> </ul> <p><b>Safeguards Compliance:</b></p> <ul style="list-style-type: none"> <li>- Monitor and ensure compliance with ADB's safeguards policy and government requirements</li> <li>- Obtain statutory clearances</li> <li>- Coordinate for obtaining right of way clearances</li> <li>- Review monthly provincial PIU monitoring reports and submit consolidated semi-annual safeguards monitoring report to ADB</li> <li>- Establish and manage project grievance redress mechanism and ensure project related grievances addressed satisfactorily within timely manner.</li> <li>- Provide capacity support to provincial PIUs</li> </ul> <p><b>Capacity Building:</b></p> <ul style="list-style-type: none"> <li>- Oversee governance improvement and performance</li> <li>- Approve and conduct training and capacity building programs</li> <li>- Oversee public relations</li> <li>- Oversee gender action plan and stakeholder communication strategy</li> </ul>
<b>General Department of Resettlement</b>	<b>Resettlement and Safeguards Compliance</b>
<b>Implementing Agencies</b>	
<b>Kampong Cham, Kratie and Stung Treng Provincial Governments / Department of Public Works and Transport</b>	<ul style="list-style-type: none"> <li>- Approve and allocate counterpart budget for the PIUs</li> <li>- Assist interdepartmental coordination within the province</li> <li>- Communicate with the MPWT/GDPW for project implementation progress and activities</li> <li>- Provide supports and actions for smooth land acquisition and resettlement activities</li> </ul>
<b>Provincial Project Implementation Units (PIU) in Kampong Cham Province, Kratie Province and Stung Treng Province</b>	<p><b>Project Management and Administration:</b></p> <ul style="list-style-type: none"> <li>- Implement day-to-day project implementation in project towns</li> <li>- Liaise with PMU on project implementation</li> <li>- Open and maintain subproject account and contract level accounting</li> <li>- Submit quarterly reports to PMU in agreed format and as required by PMU</li> </ul> <p><b>Technical Support:</b></p> <ul style="list-style-type: none"> <li>- Supervise contractors and ensure the quality of works</li> <li>- Work closely with consultants</li> <li>- Facilitate collection of data for DED</li> <li>- Prepare progress report on each contract and include in quarterly reports to PMU and as required by PMU</li> </ul> <p><b>Safeguards Compliance:</b></p>



Project Implementation Organizations	Management Roles and Responsibilities
	<ul style="list-style-type: none"> <li>- Implement and monitor safeguards compliance (Resettlement Plan, Environmental Management Plans)</li> <li>- Obtain right of way clearances</li> <li>- Prepare monthly monitoring reports and submit to PMU</li> </ul> <p><b>Capacity Building:</b></p> <ul style="list-style-type: none"> <li>- Propose training and capacity building programs</li> <li>- Ensure public outreach</li> <li>- Implement gender action plan and stakeholder communication strategy</li> </ul>
<b>Asian Development Bank</b>	
	<ul style="list-style-type: none"> <li>- Responsible for administering the project including, procurement review and support, public financial management, safeguards and social monitoring and supervision.</li> </ul>

ADB = Asian Development Bank; DB = design-build; DED = detailed engineering design; GDPW = General Department of Public Works; MEF = Ministry of Economy and Finance; MOC = Ministry of Commerce; MOI = Ministry of Interior; MOE = Ministry of Environment; MOPT = Ministry of Posts and Telecommunications; MPWT = Ministry of Public Works and Transport; PIU = project implementation unit; PMU = project management unit.

Source: Asian Development Bank

## B. Key Persons Involved in Implementation

18. Key persons involved in implementation of the project is as follows:

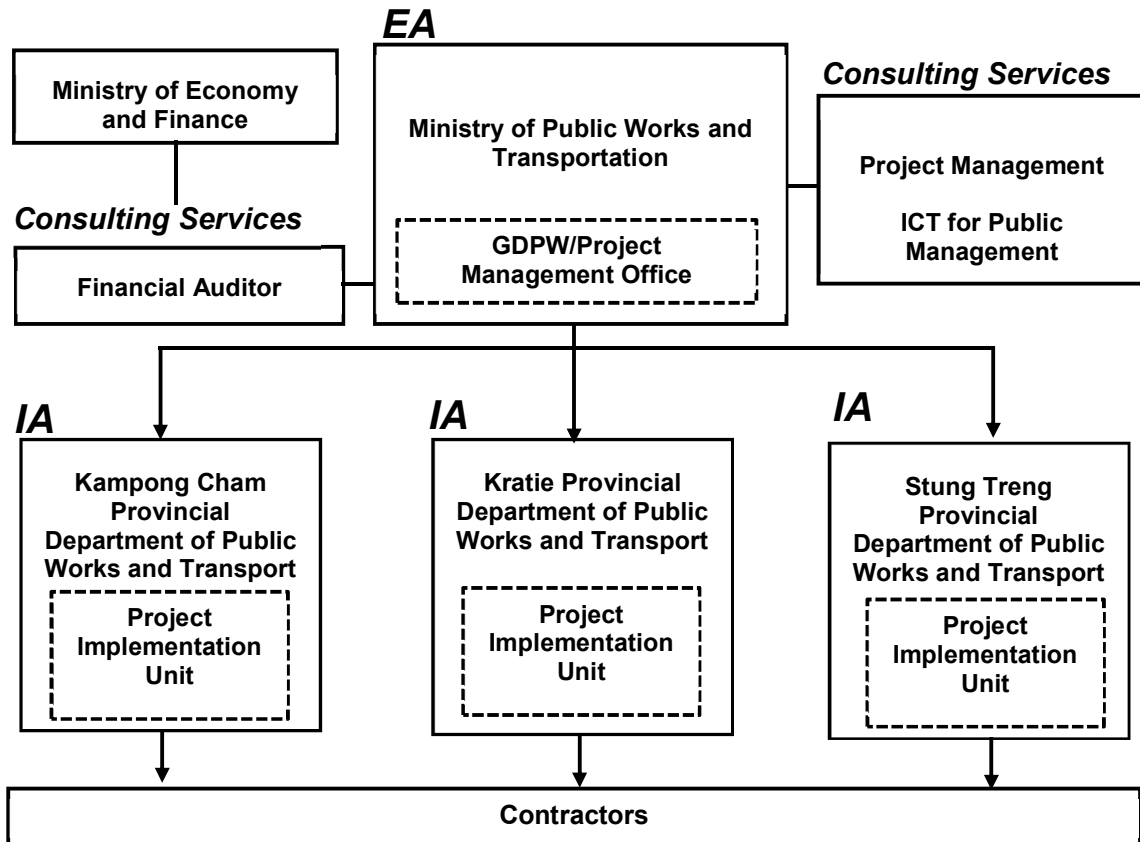
**Table 3.2: Key Persons and Their Contacts**

<b>Executing Agency</b>	
Ministry of Public Works and Transport	Officer's Name: H.E. Vong Pisith Position: Deputy General Director Telephone: +855 12 833 411 Email address: vong_pisith@yahoo.com Office Address: Corner Norodom Blvd. and Street 106, Phnom Penh, Cambodia
<b>Implementing Agencies</b>	
Kampong Cham Provincial Government	Officer's Name: H.E. Keo Nearith Position: Vice Governor Telephone: +855 12 828 216 +855 42 941 241 Email address: Keonarith16@gmail.com Office Address: #7, Chroythmar Village, Sangkat Boeungkok, Kampong Cham city, Cambodia
Kampong Cham Provincial Project Implementation Unit	Officer's Name: Mr. Sok Srun Position: Director of DPWT Telephone: +855 17 457 777 Email address: N/A Office Address: Street Khemrak Phumin, Village No. 14, Sangkat Kampong Cham, Kampong Cham city, Cambodia
Kratie Provincial Government	Officer's Name: H.E. Pen Lynat Position: Vice Governor Telephone: +855 12 445 877 Email address: lynatpen123@gmail.com Office Address: Road Prah soramrith, Sangkat Kratie Krong Kratie, Kratie Province, Cambodia
Kratie Provincial Project Implementation Unit	Officer's Name: Mr. Sreng Sros Position: Director of DPWT Telephone: +855 12 998 994 srengsros@gmail.com

	Email address:	NR 73 Sangkat Kratie Krong Kratie, Kratie Province, Cambodia
	Office Address:	
Stung Treng Provincial Government	Officer's Name:	H.E. Doung Pov
	Position:	Vice Governor
	Telephone:	+855 12 928 627
	Email address:	N/A
	Office Address:	Street # 63, Tropang Pring Village, Sangkat Stung Treng, Stung Treng Town, Stung Treng Province.
Stung Treng Provincial Project Implementation Unit	Officer's Name:	Mr. Sar Kim Nat
	Position:	Director of DPWT
	Telephone:	+855 12 852 388
	Email address:	N/A
	Office Address:	Street #2, Prek Village, Sangkat Stung Treng, Stung Treng Town, Stung Treng Province.
<b>Asian Development Bank</b>		
Urban Development and Water Division	Officer's Name:	Vijay Padmanabhan
	Position:	Director
	Telephone:	+63 2632 4444
	Email address:	vpadmanabhan@adb.org
	Office Address:	6 ADB avenue, Mandaluyong City, 1550 Metro Manila, Philippines
Mission Leader	Officer's Name:	Satoshi Ishii
	Position:	Principal Urban Development Specialist
	Telephone:	+84 24 3933 1374
	Email address:	sishii@adb.org
	Office Address:	3 <sup>rd</sup> Floor Cornerstone Building, 16 Pham Chu Trinh, Hanoi, Viet Nam

### C. Project Organization Structure

19. Project's organization structure is as follows.



#### IV. COSTS AND FINANCING

20. The project is estimated to cost \$88.5 million, of which 88% will finance works and equipment, 7% will finance consultants, and 3% will finance environment and social mitigation and recurrent costs. ADB will cover works and consulting services related to project management, provincial development strategy, ICTM component design and installation, and auditing.

##### A. Cost Estimates Preparation and Revisions

21. The cost estimate was prepared jointly by Asian Development Bank and implementing agencies using beginning-2018 prices. The cost estimate will be revised at the loan midterm review stage (planned in 2021).

##### B. Key Assumptions

22. The following key assumptions underpin the cost estimates and financing plan:

- (i) Exchange rate: KR4,035 = \$1.00 (as of 23 January 2018).
- (ii) Price contingencies based on expected cumulative inflation over the implementation period are as follows:

**Table 4.1: Escalation Rates for Price Contingency Calculation**

Item	2019	2020	2021	2022	2023	Average
Foreign rate of price inflation	1.5%	1.5%	1.6%	1.6%	1.6%	1.56%
Domestic rate of price inflation	3.5%	3.5%	3.5%	3.5%	3.5%	3.50%

Source: ADB.

### C. Detailed Cost Estimates by Expenditure Category

**Table 4.2: Detailed Cost Estimates by Expenditure Category**

Item	KR (billion)			\$ (million)			
	Local Currency	Foreign Exchange	Total Cost <sup>a</sup>	Local Currency	Foreign Exchange	Total Cost	% of Total Base Cost
<b>A. Investment Cost<sup>a,b</sup></b>							
1. Civil works	143.21	131.53	274.74	33.89	31.13	65.03	85.0%
2. Mechanical and equipment	4.81	1.40	6.21	1.15	0.34	1.49	1.9%
3. Environment and social mitigation	1.46	0.00	1.46	0.36	0.00	0.36	0.5%
4. Consultants	16.99	15.79	32.78	4.05	3.76	7.81	10.1%
<b>Subtotal (A)</b>	<b>166.47</b>	<b>148.73</b>	<b>315.20</b>	<b>39.44</b>	<b>35.23</b>	<b>74.67</b>	<b>97.5%</b>
<b>B. Recurrent Cost<sup>a</sup></b>							
<b>Subtotal (B)</b>	<b>6.38</b>	<b>1.59</b>	<b>7.97</b>	<b>1.49</b>	<b>0.37</b>	<b>1.86</b>	<b>2.5%</b>
<b>C. Contingencies<sup>c</sup></b>							
1. Physical	10.80	9.39	20.20	2.56	2.22	4.78	6.2%
2. Price	15.14	5.62	20.76	3.59	1.33	4.92	6.4%
<b>Subtotal (C)</b>	<b>25.94</b>	<b>15.01</b>	<b>40.96</b>	<b>6.15</b>	<b>3.55</b>	<b>9.70</b>	<b>13.3%</b>
<b>D. Financing Charges During Implementation</b>							
<b>Subtotal (D)</b>	<b>0.00</b>	<b>9.78</b>	<b>9.78</b>	<b>0.00</b>	<b>2.26</b>	<b>2.26</b>	<b>3.0%</b>
<b>Total Project Cost (A+B+C+D)</b>	<b>198.79</b>	<b>175.11</b>	<b>373.90</b>	<b>47.09</b>	<b>41.41</b>	<b>88.50</b>	<b>115.7%</b>

Note: Numbers may not sum precisely because of rounding.

<sup>a</sup> Includes taxes and duties of \$6.9 million. Such amount does not represent an excessive share of the project cost. The government will finance value-added tax on civil works and consulting service through cash contribution. ADB will only finance taxes and duties for the incremental administration cost (e.g. salaries of contract staff, travel expenses, transport, office equipment and running costs, insurance and translation costs), provided that (i) the amount will be within the reasonable threshold identified during the country partnership strategy preparation process, (ii) the amount will not represent an excessive share of the project investment plan, (iii) the taxes and duties apply only to ADB-financed expenditures, and (iv) the financing of the taxes and duties is material and relevant to the success of the project.

<sup>b</sup> In March-2018 prices.

<sup>c</sup> Physical contingencies computed at 8% for wastewater and drainage pipeline networks, and 5% for other costs. Price contingencies computed at 1.5% until 2020 and 1.6% thereafter on foreign exchange costs and 3.5% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

Source: Asian Development Bank.

**D. Allocation and Withdrawal of Loan and Grant Proceeds****Allocation and Withdrawal of Loan Proceeds: OCR (Concessional Loan)**

<b>ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS</b>			
No.	Item	Total Amount Allocated for ADB Financing (\$)	Basis for Withdrawal from the Loan Account
		Category	
1	Civil Works	58,615,000	90.9% of total expenditure claimed <sup>#</sup>
2	Goods and Equipment	1,350,000	100% of total expenditure claimed*
3	Consulting Services	5,597,000	100% of total expenditure claimed*. <sup>#</sup>
4	Incremental Administration Cost	981,000	100% of total expenditure claimed
5	Interest	2,256,000	100% of amounts due
6	Unallocated	9,701,000	
	<b>Total</b>	<b>78,500,000</b>	

\* Exclusive of taxes and duties imposed within the territory of the Borrower/Recipient.

<sup>#</sup> Subject to full utilization of funds allocated for Works and Project Management Consultant in the ADB Grant Agreement.

**Allocation and Withdrawal of Grant Proceeds: Asian Development Fund Disaster Risk Reduction Funding: Grant**

<b>ALLOCATION AND WITHDRAWAL OF GRANT PROCEEDS</b>				
No.	Item	Total Amount Allocated for ADB Financing (\$)		Basis for Withdrawal from the Grant Account
		Category	Subcategory	
1	Civil Works	500,000		90.9% of total expenditure claimed
2	Consulting Services	1,000,000		
2A	Project Management Consultant		500,000	100% of total expenditure claimed*
2B	Information Communication Technology for Public Management		500,000	100% of total expenditure claimed*. <sup>#</sup>
	<b>Total</b>	<b>1,500,000</b>		

\* Exclusive of taxes and duties imposed within the territory of the Borrower/Recipient.

<sup>#</sup> Subject to full utilization of grant under the Externally Financed Grant Agreement.

**Allocation and Withdrawal of Grant Proceeds: Republic of Korea e-Asia Knowledge and Partnership Fund**

<b>ALLOCATION AND WITHDRAWAL OF GRANT PROCEEDS</b>			
No.	Item	Total Amount Allocated for ADB Financing (\$)	Basis for Withdrawal from the Grant Account
		Category	
1	Consulting Services - Information Communication Technology for Public Management	500,000	100% of total expenditure claimed*
	<b>Total</b>	<b>500,000</b>	

\* Exclusive of taxes and duties imposed within the territory of the Borrower/Recipient

## E. Detailed Cost Estimates by Financier

**Table 4.3: Detailed Cost Estimates by Financier**  
(\$ million)

Item	OCR (concessional loan)		Disaster Risk Reduction Funding (concessional loan)		Asian Development Fund Disaster Risk Reduction Funding (grant)		Republic of Korea e-Asia and Knowledge Partnership Fund (grant)		Government		Total
	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount
<b>A. Investment Cost<sup>a,b</sup></b>											
1. Civil works	57.12	87.8%	1.50	2.3%	0.50	0.8%	0.00	0.0%	5.91	9.1%	65.03
2. Mechanical and equipment	1.35	90.9%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.14	9.1%	1.49
3. Environment and social mitigation	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.36	100.0%	0.36
4. Consultants											
a. Project management	5.60	83.5%	0.00	0.0%	0.50	7.5%	0.00	0.0%	0.61	9.1%	6.71
b. ICT for public management	0.00	0.0%	0.00	0.0%	0.50	45.5%	0.50	45.5%	0.10	9.1%	1.10
<b>Subtotal (A)</b>	<b>64.06</b>	<b>85.8%</b>	<b>1.50</b>	<b>2.0%</b>	<b>1.50</b>	<b>2.0%</b>	<b>0.50</b>	<b>0.7%</b>	<b>6.93</b>	<b>9.3%</b>	<b>74.67</b>
<b>B. Recurrent Cost<sup>a</sup></b>											
1. Salary and administration cost	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.89	100.0%	0.89
2. Incremental administration cost	0.98	100.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.98
<b>Subtotal (B)</b>	<b>0.98</b>	<b>52.5%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.89</b>	<b>47.5%</b>	<b>1.86</b>
<b>C. Contingencies<sup>c</sup></b>											
1. Physical	4.78	100.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	4.78
2. Price	4.92	100.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	4.92
<b>Subtotal (C)</b>	<b>9.70</b>	<b>100.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>9.70</b>
<b>D. Financing Charges During Implementation</b>											
1. Interest during construction	2.26	100.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	2.26
<b>Subtotal (D)</b>	<b>2.26</b>	<b>100.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>2.26</b>
<b>Total Project Cost (A+B+C+D)</b>	<b>77.00</b>	<b>87.0%</b>	<b>1.50</b>	<b>1.7%</b>	<b>1.50</b>	<b>1.7%</b>	<b>0.50</b>	<b>0.6%</b>	<b>8.00</b>	<b>9.0%</b>	<b>88.50</b>

Note: Numbers may not sum precisely because of rounding.

<sup>a</sup> Includes taxes and duties of \$6.9 million. The government will finance taxes and duties through exemption, and cash contribution for all other costs. (Item A.1, A.2 and A.4 a-c. B.1 includes tax and duties of 9.1% of the total amount, that is 10% value-added tax to the base cost). ADB will only finance taxes and duties for the incremental administration cost (Item B.2: salaries of contract staff, travel expenses, transport, office equipment and running costs, insurance and translation costs), provided that (i) the amount will be within the reasonable threshold identified during the country partnership strategy preparation process, (ii) the amount will not represent an excessive share of the project investment plan, (iii) the taxes and duties apply only to ADB-financed expenditures, and (iv) the financing of the taxes and duties is material and relevant to the success of the project.

<sup>b</sup> In March 2018 prices.

<sup>c</sup> Physical contingencies computed at 8% for wastewater and drainage pipeline networks, and 5% for other costs. Price contingencies computed at 1.5% until 2020 and 1.6% thereafter on foreign exchange costs and 3.5% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

Source: Asian Development Bank.

## F. Detailed Cost Estimates by Outputs

**Table 4.4: Detailed Cost Estimate By Outputs**  
(\$ million)

Item	Output 1: Urban environmental infrastructure improved							Output 2: Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced	
	Urban environmental infrastructure in Kampong Cham improved			Urban environmental infrastructure in Kratie improved		Urban environmental infrastructure in Stung Treng improved			
	Total	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
A. Investment Cost <sup>a,b</sup>									
1. Civil works	65.03	21.94	33.7%	23.40	36.0%	19.69	30.3%	-	0.0%
2. Mechanical and equipment	1.49	0.52	35.2%	0.52	35.2%	0.44	29.6%	-	0.0%
3. Environment and social mitigation	0.36	-	0.0%	0.23	65.2%	0.12	34.8%	-	0.0%
4. Consultants									
a. Project management	6.71	-	0.0%	-	0.0%	-	0.0%	6.71	100.0%
b. ICT for public management	1.10	-	0.0%	-	0.0%	-	0.0%	1.10	100.0%
Subtotal (A)	74.67	22.46	30.1%	24.16	32.3%	20.25	27.1%	7.81	10.5%
B. Recurrent Cost <sup>a</sup>									
Subtotal (B)	1.86	0.00	0.0%	0.00	0.0%	0.00	0.0%	1.86	100.0%
C. Contingencies <sup>c</sup>									
1. Physical	4.78	1.40	29.3%	1.51	31.6%	1.27	26.7%	0.60	12.6%
2. Price	4.92	1.44	29.3%	1.55	31.6%	1.30	26.7%	0.62	12.6%
Subtotal (C)	9.70	2.85	29.3%	3.06	31.6%	2.57	26.7%	1.22	12.6%
D. Financing Charges During Implementation									
1. Interest during construction	2.26	0.66	29.3%	0.71	31.6%	0.60	26.7%	0.29	12.6%
Subtotal (D)	2.26	0.66	29.3%	0.71	31.6%	0.60	26.7%	0.29	12.6%
Total Project Cost (A+B+C+D)	88.50	25.97	29.3%	27.93	31.6%	23.41	26.7%	11.19	12.6%

Note: Numbers may not sum precisely because of rounding.

<sup>a</sup> Includes taxes and duties of \$6.9 million. Such amount does not represent an excessive share of the project cost. The government will finance taxes and duties through exemption, and cash contribution for all other costs. ADB will only finance taxes and duties for the incremental administration cost (e.g. salaries of contract staff, travel expenses, transport, office equipment and running costs, insurance and translation costs), provided that (i) the amount will be within the reasonable threshold identified during the country partnership strategy preparation process, (ii) the amount will not represent an excessive share of the project investment plan, (iii) the taxes and duties apply only to ADB-financed expenditures, and (iv) the financing of the taxes and duties is material and relevant to the success of the project.

<sup>b</sup> In March 2018 prices.

<sup>c</sup> Physical contingencies computed at 8% for wastewater and drainage pipeline networks, and 5% for other costs. Price contingencies computed at 1.5% until 2020 and 1.6% thereafter on foreign exchange costs and 3.5% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

Source: Asian Development Bank.

## G. Detailed Cost Estimates by Year

**Table 4.5: Detailed Cost Estimates by Year**  
(\$ million)

Item	Total	2019	2020	2021	2022	2023
<b>A. Investment Cost<sup>a,b</sup></b>						
1. Civil works	65.03	-	39.16	19.04	6.40	0.42
2. Mechanical and equipment	1.49	-	1.49	-	-	-
3. Environment and social mitigation	0.36	0.36	-	-	-	-
4. Consultants	7.81	2.80	2.90	0.70	0.70	0.70
<b>Subtotal (A)</b>	<b>74.67</b>	<b>3.16</b>	<b>43.54</b>	<b>19.74</b>	<b>6.74</b>	<b>1.12</b>
<b>B. Recurrent Cost<sup>a</sup></b>						
<b>Subtotal (B)</b>	<b>1.86</b>	<b>0.37</b>	<b>0.37</b>	<b>0.37</b>	<b>0.37</b>	<b>0.37</b>
<b>C. Contingencies<sup>c</sup></b>						
1. Physical	4.78	0.22	2.74	1.26	0.47	0.09
2. Price	4.92	0.23	2.82	1.29	0.48	0.10
<b>Subtotal (C)</b>	<b>9.70</b>	<b>0.45</b>	<b>5.57</b>	<b>2.55</b>	<b>0.95</b>	<b>0.19</b>
<b>D. Financing Charges During Implementation</b>						
1. Interest during construction	2.26	0.01	0.24	0.56	0.70	0.74
<b>Subtotal (D)</b>	<b>2.26</b>	<b>0.01</b>	<b>0.24</b>	<b>0.56</b>	<b>0.70</b>	<b>0.74</b>
<b>Total Project Cost (A+B+C+D)</b>	<b>88.50</b>	<b>3.99</b>	<b>49.73</b>	<b>23.23</b>	<b>9.12</b>	<b>2.43</b>
	<b>100%</b>	<b>4.5%</b>	<b>56.2%</b>	<b>26.2%</b>	<b>10.3%</b>	<b>2.7%</b>

Note: Numbers may not sum precisely because of rounding.

<sup>a</sup> Includes taxes and duties of \$6.9 million. Such amount does not represent an excessive share of the project cost. The government will finance taxes and duties through exemption, and cash contribution for all other costs. ADB will only finance taxes and duties for the incremental administration cost (e.g. salaries of contract staff, travel expenses, transport, office equipment and running costs, insurance and translation costs), provided that (i) the amount will be within the reasonable threshold identified during the country partnership strategy preparation process, (ii) the amount will not represent an excessive share of the project investment plan, (iii) the taxes and duties apply only to ADB-financed expenditures, and (iv) the financing of the taxes and duties is material and relevant to the success of the project.

<sup>b</sup> In March 2018 prices.

<sup>c</sup> Physical contingencies computed at 8% for wastewater and drainage pipeline networks, and 5% for other costs. Price contingencies computed at 1.5% until 2020 and 1.6% thereafter on foreign exchange costs and 3.5% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

Source: Asian Development Bank.



## H. Contract and Disbursement S-Curve

**Table 4.6: Contract Awards for Loan (COL)**

	USD (million)				
	Q1	Q2	Q3	Q4	Total
2019	0.0	6.3	0.1	0.0	6.4
2020	16.5	31.6	0.1	0.8	49.0
2021	0.9	13.0	6.5	0.0	20.4
2022	0.1	0.1	0.1	0.0	0.3
2023	0.1	0.0	0.0	0.0	0.1
<b>Total</b>					<b>76.2</b>

**Table 4.7: Disbursement for Loan (COL)**

	USD (million)				
	Q1	Q2	Q3	Q4	Total
2019	0.0	0.0	0.9	0.0	0.9
2020	0.1	3.1	1.4	1.6	6.2
2021	1.8	3.7	3.4	4.6	13.5
2022	4.1	6.2	4.5	7.1	21.9
2023	5.7	6.4	7.1	6.9	26.1
2024	2.9	7.0			9.9
<b>Total</b>					<b>78.5</b>

**Table 4.8: Contract Awards for ADF Grant**

	USD (million)				
	Q1	Q2	Q3	Q4	Total
2019	0.0	0.5	0.5	0.0	1.0
2020	0.0	0.5	0.0	0.0	0.5
2021	0.0	0.0	0.0	0.0	0.0
2022	0.0	0.0	0.0	0.0	0.0
2023	0.0	0.0	0.0	0.0	0.0
<b>Total</b>					<b>1.5</b>

**Table 4.9: Disbursement for ADF Grant**

	USD (million)				
	Q1	Q2	Q3	Q4	Total
2019	0.0	0.0	0.5	0.0	0.5
2020	0.0	0.0	0.5	0.0	0.5
2021	0.0	0.0	0.0	0.0	0.0
2022	0.0	0.1	0.0	0.1	0.2
2023	0.0	0.1	0.0	0.1	0.2
2024	0.0	0.1			0.1
<b>Total</b>					<b>1.5</b>

**Table 4.10: Contract Awards for EAKPF Grant**

	USD (million)				
	Q1	Q2	Q3	Q4	Total
2019	0.0	0.0	0.5	0.0	0.5
2020	0.0	0.0	0.0	0.0	0.0
2021	0.0	0.0	0.0	0.0	0.0
2022	0.0	0.0	0.0	0.0	0.0
2023	0.0	0.0	0.0	0.0	0.0
<b>Total</b>					<b>0.5</b>

**Table 4.11: Disbursement for EAKPF Grant**

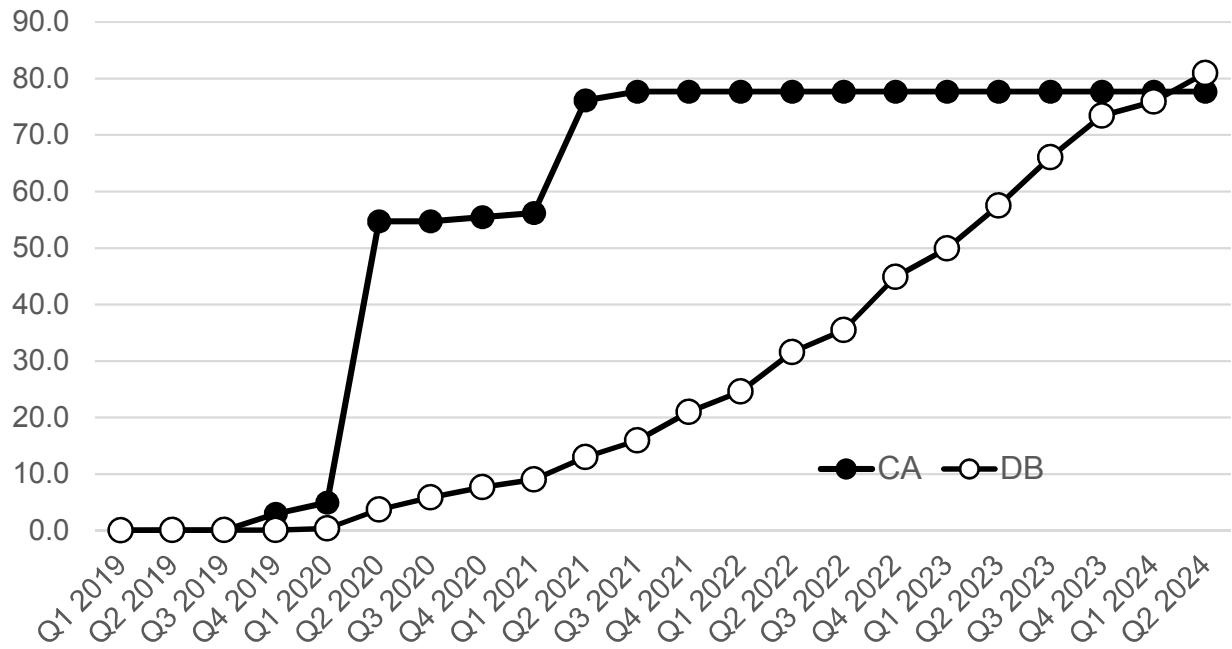
	USD (million)				
	Q1	Q2	Q3	Q4	Total
<b>2019</b>	0.0	0.0	0.0	0.0	0.0
<b>2020</b>	0.0	0.1	0.0	0.1	0.2
<b>2021</b>	0.0	0.1	0.0	0.1	0.2
<b>2022</b>	0.0	0.1	0.0	0.0	0.1
<b>2023</b>	0.0	0.0	0.0	0.0	0.0
<b>2024</b>	0.0	0.0			0.0
<b>Total</b>					<b>0.5</b>

**Table 4.12: Aggregated Contract Awards**

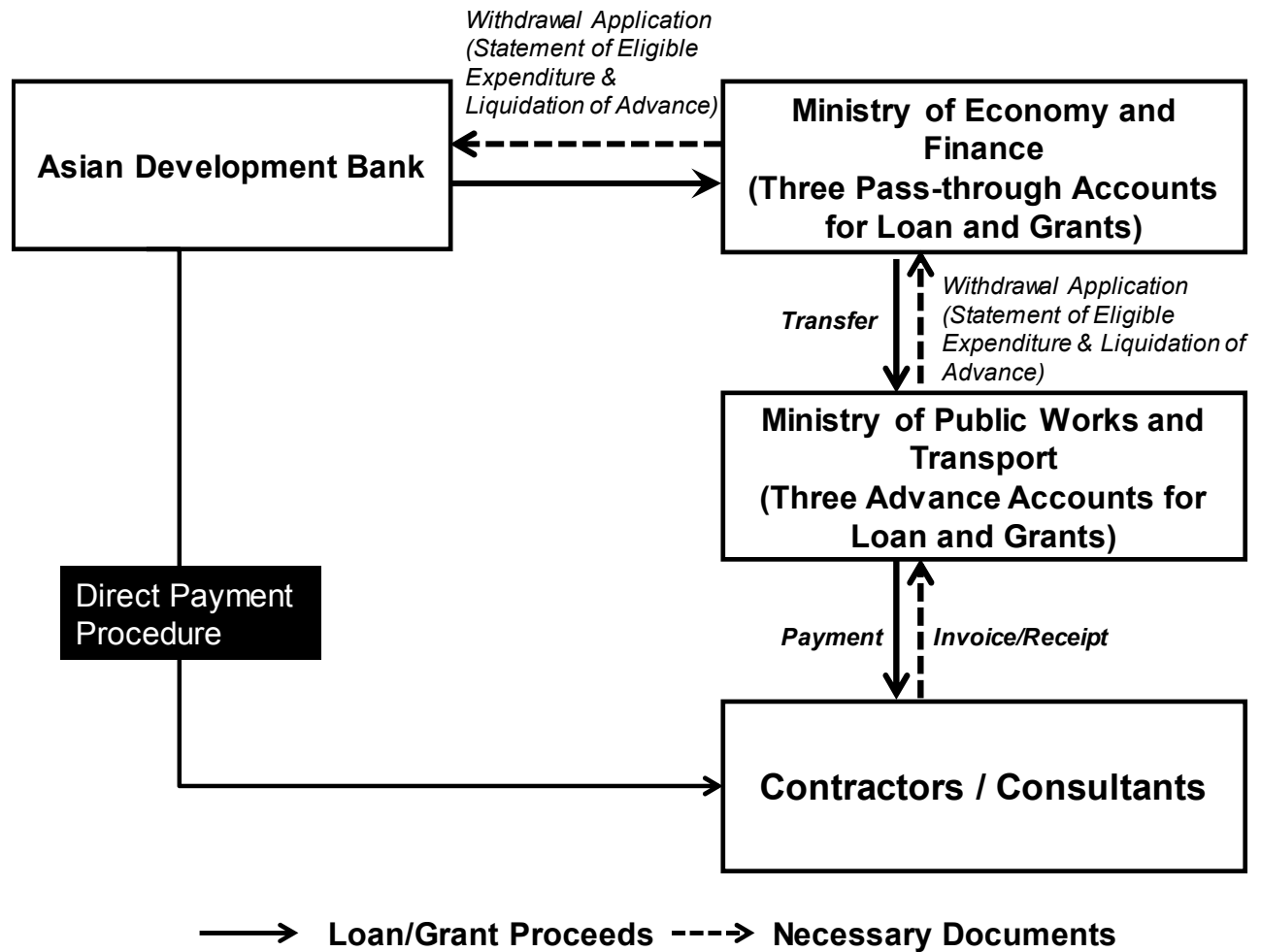
	USD (million)				
	Q1	Q2	Q3	Q4	Total
<b>2019</b>	0	6.8	1.1	0	7.9
<b>2020</b>	16.5	32.1	0.1	0.8	49.5
<b>2021</b>	0.9	13	6.5	0	20.4
<b>2022</b>	0.1	0.1	0.1	0	0.3
<b>2023</b>	0.1	0	0	0	0.1
<b>Total</b>					<b>78.2</b>

**Table 4.13: Aggregated Disbursement**

	USD (million)				
	Q1	Q2	Q3	Q4	Total
<b>2019</b>	0	0	1.4	0	1.4
<b>2020</b>	0.1	3.2	1.9	1.7	6.9
<b>2021</b>	1.8	3.8	3.4	4.7	13.7
<b>2022</b>	4.1	6.4	4.5	7.2	22.2
<b>2023</b>	5.7	6.5	7.1	7	26.3
<b>2024</b>	2.9	7.1	0	0	10.0
<b>Total</b>					<b>80.5</b>

**Figure 4.1. Combined S-Curves for Loan and Grants**

## I. Fund Flow Diagram



## V. FINANCIAL MANAGEMENT

### A. Financial Management Assessment

23. The financial management assessment was conducted in June–July 2017 in accordance with ADB's Guidelines for the Financial Management and Analysis of Projects and the Financial Due Diligence: A Methodology Note. The financial management assessment considered the capacity of the Ministry of Public Works and Transport (MPWT)/PMU, an executing agency, and three provincial governments/DPWTs, as implementing agencies, including funds-flow arrangements, staffing, accounting and financial reporting systems, financial information systems, and internal and external auditing arrangements. Based on the assessment, the key financial management risks identified are: (i) un-insured fixed assets (except for vehicle), weak asset monitoring and inventory arrangement; (ii) levels of tariff are not linked to operations and maintenance (O&M) requirement; and (iii) unrealistic projections for budget allocation of revenue and expenditure. It is concluded that the overall pre-mitigation financial management risk of the project is moderate. It is relevant for the MPWT, the executing agency, to use advance fund procedure and Statement of Expenditures (SOE) procedures. The risk will be mitigated by (i) developing ICT-based public asset management system and training to MPWT/PMU and the provincial governments/DPWTs on fixed asset management; (ii) strengthening the capacity of the local governments on budget preparation and management, and expenditure prioritization; (iii) engage a financial specialist under the project management consulting service, and a qualified external auditor; and (iv) no transaction through the provincial governments/DPWTs. MPWT/PMU and three provincial governments/ DPWTs have agreed to implement an action plan as key measures to address the deficiencies. The financial management action plan is provided in Table 5.1.

**Table 5.1: Risk Assessment and Financial Management Action Plan**

Risk description	Impact	likelihood	Overall Risk Assessment	Mitigation measures/ Responsibility	Timeline
<b>Inherent Risk</b>					
The Standard Operating Procedure for externally financed projects in Cambodia (May 2012) stipulates that assets must be subject to careful asset management, but in practice there is no regular monitoring/ inventory. There is a risk of loss of asset due to poor maintenance.	High	Unlikely	Substantial	<ul style="list-style-type: none"> <li>- Update Fixed Asset Book every year during and after project implementation.</li> <li>- Project will develop ICT-based public asset management and deploy them in three provinces with capacity development training.</li> <li>- Train government staff in fixed asset management including linkage to asset preventive maintenance activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Throughout the project duration</li> <li>- Q4 2022 and Q4 2023 (related to the DMF milestone 2.4)</li> <li>- Q4 2022 and Q4 2023 (related to the DMF milestone 2.4)</li> </ul>
<b>Total Inherent Risk</b>			<b>Substantial</b>		
<b>Control Risk</b>					
Internal audit–Lack of internal audit system in the provincial governments/DPWTs	Low	Likely	Moderate	- No transaction and fund flow of ADB loan and grant proceeds to the DPWTs/PIUs	- Throughout the project
Information systems–Improper record keeping or mistakes because of the excel-based financial management system in the provincial governments/DPWTs	Low	Likely	Moderate	- PMU and PIUs will undertake regular backups of all financial, accounting and project related data and appropriate security	- Throughout the project

				measures over backed-up data shall be in place. - No transaction and fund flow of ADB loan and grant proceeds to the DPWTs/PIUs - MEF and MPWT/PMU ensure to engage the qualified audit company under the project	- Throughout the project  -Q2 2020 (related to the DMF Project Management Activities)
<b>Total Control Risk</b>			<b>Moderate</b>		
<b>Overall Risk</b>			<b>Moderate</b>		

ADB = Asian Development Bank, DPWT = Department of Public Works and Transport, MEF = Ministry of Economy and Finance; MPWT = Ministry of Public Works and Transport, O&M = operations and maintenance; PIU = project implementation unit, PMU = project management unit, Q = quarter

Source. Asian Development Bank

## B. Disbursement

### 1. Disbursement Arrangements for ADB Funds

24. The loan and grant proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time), and detailed arrangements agreed upon between the government and ADB. Online training for project staff on disbursement policies and procedures is available.<sup>14</sup> Project staff are encouraged to avail of this training to help ensure efficient disbursement and fiduciary control.

25. **Advanced fund procedure.** The Ministry of Economy and Finance, on behalf of the government, will establish a separate pass-through account for this ADB loan and grant at the National Bank of Cambodia to receive funds from ADB. Three advance accounts (i.e. one of ADB loan, another for ADB Grant and the other for Cofinancing grant) should be established and maintained by MPWT/PMU. The currency of the advance accounts is the US dollar. The advance accounts are to be used exclusively for ADB's and cofinancier's share of eligible expenditures. The MPWT, who administers the advance account, is accountable and responsible for proper use of advances to the advance account.

26. The total outstanding advance to the respective advance account should not exceed the estimate of ADB's share of expenditures to be paid through the respective advance accounts for the forthcoming 6 months. The MPWT may request for initial and additional advances to the respective advance account based on an Estimate of Expenditure Sheet<sup>15</sup> setting out the estimated expenditures to be financed through the accounts for the forthcoming 6 months. Supporting documents should be submitted to ADB or retained by the MPWT in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time) when liquidating or replenishing the advance accounts. All withdrawal applications will be sent to ADB for processing.

27. **Statement of expenditure procedure.**<sup>16</sup> The SOE procedure may be used for reimbursement of eligible expenditures or liquidation of advances to the advance accounts. The ceiling of the SOE procedure is the equivalent of \$100,000 per individual payment. Supporting

<sup>14</sup> Disbursement eLearning. [http://wpqr4.adb.org/disbursement\\_elearning](http://wpqr4.adb.org/disbursement_elearning)

<sup>15</sup> Estimate of Expenditure sheet is available in Appendix 8A of ADB's *Loan Disbursement Handbook* (2017, as amended from time to time),

<sup>16</sup> SOE forms are available in Appendix 7B and 7D of ADB's *Loan Disbursement Handbook* (2017, as amended from time to time).

documents and records for the expenditures claimed under the SOE should be maintained and made readily available for review by ADB's disbursement and review missions, upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit. Reimbursement and liquidation of individual payments in excess of the SOE ceiling should be supported by full documentation when submitting the withdrawal application to ADB.

28. Before the submission of the first withdrawal application (WA), the borrower should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the government, together with the authenticated specimen signatures of each authorized person. The minimum value per WA is stipulated in the *Loan Disbursement Handbook* (2017, as amended from time to time). Individual payments below such amount should be paid (i) by the MPWT and subsequently claimed to ADB through reimbursement, or (ii) through the advance fund procedure, unless otherwise accepted by ADB. The borrower should ensure sufficient category and contract balances before requesting disbursements. Use of ADB's Client Portal for Disbursements (CPD)<sup>17</sup> system is encouraged for submission of withdrawal applications to ADB.

29. The MPWT/PMU will be responsible for: (i) preparing disbursement projections; (ii) requesting budgetary allocations for counterpart funds; (iii) collecting supporting documents; and (iv) preparing and sending withdrawal applications to the Ministry of Economy and Finance (MEF) for onward submission to ADB. The PMU will also be responsible for checking and signing off on all disbursement documents prior to submission to MEF. In case contractual staff salaries are required to be covered by ADB loan proceeds under incremental administration costs, it must be claimed through reimbursements.

## **2. Disbursement Arrangements for Counterpart Fund**

30. The MPWT/PMU will be responsible for the disbursement and liquidation procedures for government funds and will (i) prepare disbursement projections, and (ii) request budgetary allocations for counterpart funds. The government will finance all taxes and duties including insurance for all cost categories except civil works. Project management staff salaries and supplements will also be covered by counterpart funds. Appendixes 3A and 3B of the ADB's *Loan Disbursement Handbook* (2017, as amended from time to time) provide further guidance on the proper presentation of local taxes and duties financing in the detailed cost estimate by financier and allocation table in the loan agreement.

31. The MPWT/PMU completes the Government Withdrawal Application Form and attaches a statement of actual expenditure. Supporting expenditure documentation must be maintained by the project team for subsequent review by MEF or audit. The Government Withdrawal Application Form must be signed by the authorized signatories of the MIH and MPWT and submitted to the Department of Multilateral Cooperation of the General Department of International Cooperation and Debt Management at the MEF. The government withdrawal application must be recorded in the Project Counterpart Funds WA Register.

32. The Department of Multilateral Cooperation will review the completed forms and transfers the funds to the project's counterpart fund account and advises MPWT of the transfer. On receipt of advice from the National Bank of Cambodia that the funds have been deposited into the counterpart funds account, the receipt of the funds should be recorded in the General Ledger and the Government WA Register must be up-dated.

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<sup>17</sup> The CPD facilitates online submission of WA to ADB, resulting in faster disbursement. The forms to be completed by the Borrower are available online at <https://www.adb.org/documents/client-portal-disbursements-guide>.

## C. Accounting

33. The MPWT/PMU will maintain, or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project following the Chart of Accounts and Budget Classification of the Government (2007) and Government's Standard Operating Procedures (SOP) for Externally Financed Projects/Programs, that is cash-basis. The MPWT/PMU will prepare project financial statements in accordance with the government's accounting laws and regulations which are consistent with international accounting principles and practices.

## D. Auditing and Public Disclosure

34. The MPWT/PMU will cause the detailed project financial statements to be audited in accordance with International Standards on Auditing and with the Government's audit regulations, by an independent auditor engaged by MEF and acceptable to ADB. The audited project financial statements together with the auditor's opinion will be presented in the English language to ADB within 6 months from the end of the fiscal year by the MPWT/PMU.

35. The audit report for the project financial statements will include a management letter and auditor's opinions, which cover (i) whether the project financial statements present an accurate and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting standards; (ii) whether the proceeds of the loan were used only for the purpose(s) of the project; and (iii) whether the borrower or executing agency was in compliance with the financial covenants contained in the legal agreements (where applicable).

36. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor. All implication for noncompliance will apply for all grants and loans.

37. The government, MPWT and three provincial governments have been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.<sup>18</sup> ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

38. Public disclosure of the audited project financial statements, including the auditor's opinion on the project financial statements, will be guided by ADB's Public Communications Policy 2011.<sup>19</sup>

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<sup>18</sup> ADB's approach and procedures regarding delayed submission of audited project financial statements:

- (i) When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (a) the audit documents are overdue; and (b) if they are not received within the next 6 months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- (ii) When audited project financial statements are not received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (a) inform the executing agency of ADB's actions; and (b) advise that the loan may be suspended if the audit documents are not received within the next 6 months.
- (iii) When audited project financial statements are not received within 12 months after the due date, ADB may suspend the loan.

<sup>19</sup> Public Communications Policy: <http://www.adb.org/documents/pcp-2011?ref=site/disclosure/publications>



After the review, ADB will disclose the audited project financial statements and the opinion of the auditors on the project financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letter, additional auditor's opinions, and audited entity financial statements will not be disclosed.<sup>20</sup>

## VI. PROCUREMENT AND CONSULTING SERVICES

### A. Advance Contracting and Retroactive Financing

39. All advance contracting and retroactive financing will be undertaken in conformity with ADB Procurement Guidelines (2015, as amended from time to time) and ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval. The borrower, MPWT/PMU and three provincial government/DPWTs have been advised that approval of advance contracting and retroactive financing does not commit ADB to finance the project.

40. **Advance contracting.** The advance contracting packages include selected civil works and consulting service. The steps to be concluded in advance for procurement of civil works will include: preparation of bidding documents, bidding, and bid evaluation. The steps to be conducted in advance for recruitment of consultants will include: soliciting and evaluating expressions of interest, shortlisting and (for firms) preparation of and evaluation of proposals. Design-build (DB) contract bidding document will be prepared before the Board Approval. Contracts for civil works and consultants will only be awarded after the loan becomes effective

### B. Procurement of Goods, Works, and Consulting Services

41. All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines (2015, as amended from time to time).

42. International competitive bidding (ICB) will be used for works contracts estimated to cost \$3 million and above. National competitive bidding (NCB) will be used for works contracts estimated to cost over \$100,000 equivalent up to below \$3 million. For NCB, the first draft English language of the procurement documents (bidding documents, and draft contract) should be submitted for ADB approval regardless of the estimated contract amount. Subsequent procurements are subject to post review. All ICB packages (bidding document, bid evaluation report, and draft contract) are subject to ADB prior review and approval.

43. An 18-month procurement plan indicating threshold and review procedures, goods, works, and consulting service contract packages and national competitive bidding guidelines is in Section C.

44. All consultants and nongovernment organizations (NGOs) will be recruited according to ADB's Guidelines on the Use of Consultants (2013, as amended from time to time).<sup>21</sup> The outline terms of reference for project management, provincial development strategy, ICT for public management, auditor are detailed in Section D. Consulting firms will be engaged using the quality- and cost-based selection (QCBS) method with a standard quality–cost ratio of 90:10.

<sup>20</sup> This type of information would generally fall under public communications policy exceptions to disclosure. ADB. 2011. *Public Communications Policy*. Paragraph 97(iv) and/or 97(v).

<sup>21</sup> Checklists for actions required to contract consultants by method available in e-Handbook on Project Implementation at: <http://www.adb.org/documents/handbooks/project-implementation/>

### C. Procurement Plan

45. The procurement plan is prepared in accordance with the generic or country-specific templates prepared by the Operations Services and Financial Management Department.<sup>22</sup>

#### Basic Data

<b>Project Name:</b> Fourth GMS Corridor Towns Development Project	
<b>Project Number:</b> 50099	<b>Approval Number:</b>
<b>Country:</b> Cambodia	<b>Executing Agency:</b> <ul style="list-style-type: none"> <li>Ministry of Public Works and Transport</li> </ul>
<b>Project Procurement Classification:</b> Category B	<b>Implementing Agency:</b> <ul style="list-style-type: none"> <li>Department of Public Works and Transport, Kampong Cham provincial government</li> <li>Department of Public Works and Transport, Kratie provincial government</li> <li>Department of Public Works and Transport, Stung Treng provincial government</li> </ul>
<b>Procurement Risk:</b> Medium	
<b>Project Financing Amount: \$ 88.5 million</b> ADB Financing: <ul style="list-style-type: none"> <li>COL: \$78.5 million</li> </ul> Asian Development Fund Disaster Risk Reduction Funding <ul style="list-style-type: none"> <li>Grant: \$1.5 million</li> </ul> Republic of Korea e-Asia Knowledge Partnership Fund <ul style="list-style-type: none"> <li>Grant: \$0.5 million</li> </ul> Non-ADB Financing: <ul style="list-style-type: none"> <li>Royal Government of Cambodia: \$8 million</li> </ul>	<b>Project Closing Date:</b> June 2024
<b>Date of First Procurement Plan:</b> 16 March 2018	<b>Date of this Procurement Plan:</b> 7 May 2018

### 1. Methods, Thresholds, Review and 18-Month Procurement Plan

#### a. Procurement and Consulting Methods and Thresholds

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

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding (ICB) for Works	\$3,000,000 <sup>1</sup> and above	
International Competitive Bidding for Goods	\$1,000,000 <sup>1</sup> and above	
National Competitive Bidding (NCB) for Works <sup>2</sup>	Beneath that stated for ICB, Works	The first NCB is subject to prior review, thereafter post review.
National Competitive Bidding for Goods <sup>2</sup>	Beneath that stated for ICB, Goods	The first NCB is subject to prior review, thereafter post review.
Shopping for Works	Below \$100,000	
Shopping for Goods	Below \$100,000	

<sup>1</sup> Refer to PAI 3.03 Appendix 2 for International Competitive Bidding

<sup>2</sup> Refer to Para. 3 of PAI 3.05 for National Competitive Bidding

<sup>22</sup> Procurement plan template:

[http://wpg2.asiandevbank.org/LotusQuickr/cosopedia/PageLibrary48257599000668D1.nsf/h\\_Toc/5EA6EACF755AA652482575D9002FCB8F/?OpenDocument](http://wpg2.asiandevbank.org/LotusQuickr/cosopedia/PageLibrary48257599000668D1.nsf/h_Toc/5EA6EACF755AA652482575D9002FCB8F/?OpenDocument) .

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	80:20 and 90:10, FTP
Quality Based Selection	
Individual Consultant Selection	

**b. Goods and Works Contracts Estimated to Cost \$1 Million or More**

47. The following table lists goods and works contracts for which the procurement activity is either ongoing or expected to commence within the next 18 months.

Package Number <sup>6</sup>	General Description	Estimated Value (incl. taxes/contingencies) (\$m)	Procurement Method	Review [Prior / Post/Post (Sampling)]	Bidding Procedure	Advertisement Date (quarter/year)	Comments
WW-CW	Lot 1: Kampong Cham	15.76	ICB	Prior	1S1E	Q3 2019	
	Lot 2: Kratie	17.08					
	Lot 3: Stung Treng	13.01					
SWM-DB	Lot 1: Kampong Cham	6.18	Design-Build ICB	Prior	1S2E	Q1 2019	
	Lot 2: Kratie	5.57					
	Lot 3: Stung Treng	5.92					
SWM-GD	Solid Waste Collection Vehicles and Landfill Equipment	1.35	ICB	Prior	1S1E	Q1 2020	
KR-CW01	Town Center Environmental Enhancement	0.75	NCB	Prior	1S1E	Q3/2019	
ST-CW02	Town Center Environmental Enhancement	0.75	NCB	Post	1S1E	Q3/2019	

**c. Consulting Services Contracts Estimated to Cost \$100,000 or More**

48. The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value (incl. taxes/contingencies) (\$m)	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
PMCS-CS01	Project Management, Detailed Engineering Design, Construction Supervision, Provincial Development Strategy and Capacity Building	6.1	QCBS (80:20)	Prior	Q2/2018	FTP	This consulting services contract will be combined with the consulting services for the Fourth GMS Corridor Towns Development Project. The consulting services for both projects will be awarded as a single package
ICT-CS02	ICT for Public Management	1.0	QCBS (80:20)	Prior	Q1/2019	FTP	

**d. Goods and Works Contracts Estimated to Cost Less than \$1 Million and**

### Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

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

Goods and Works								
Package Number <sup>6</sup>	General Description	Estimated Value	Number of Contracts	Procurement Method	Review [Prior / Post/Post (Sampling)]	Bidding Procedure <sup>7</sup>	Advertisement Date (quarter/ year)	Comments <sup>8</sup>

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/ year)	Type of Proposal <sup>9</sup>	Comments <sup>10</sup>

## 2. Indicative List of Packages Required Under the Project

50. The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods and Works							
Package Number <sup>5</sup>	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Review [Prior / Post/Post (Sampling)]	Bidding Procedure <sup>6</sup>	Comments <sup>7</sup>

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal <sup>8</sup>	Comments <sup>9</sup>

## 3. List of Awarded and On-going, and Completed Contracts

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

### a. Awarded and On-going Contracts

Goods and Works							
Package Number	General Description	Estimated Value	Awarded Contract Value	Procurement Method	Advertisement Date (quarter/ year)	Date of ADB Approval of Contract Award	Comments

<b>Consulting Services</b>							
<b>Package Number</b>	<b>General Description</b>	<b>Estimated Value</b>	<b>Awarded Contract Value</b>	<b>Recruitment Method</b>	<b>Advertisement Date (quarter/year)</b>	<b>Date of ADB Approval of Contract Award</b>	<b>Comments</b>

**b. Completed Contracts**

<b>Goods and Works</b>								
<b>Package Number</b>	<b>General Description</b>	<b>Estimated Value</b>	<b>Contract Value</b>	<b>Procurement Method</b>	<b>Advertisement Date (quarter/year)</b>	<b>Date of ADB Approval of Contract Award</b>	<b>Date of Completion</b>	<b>Comments</b>

<b>Consulting Services</b>								
<b>Package Number</b>	<b>General Description</b>	<b>Estimated Value</b>	<b>Contract Value</b>	<b>Recruitment Method</b>	<b>Advertisement Date (quarter/year)</b>	<b>Date of ADB Approval of Contract Award</b>	<b>Date of Completion</b>	<b>Comments</b>

**4. Non-ADB Financing**

52. The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources.

<b>Goods and Works</b>				
<b>General Description</b>	<b>Estimated Value (cumulative) (\$ million)</b>	<b>Estimated Number of Contracts</b>	<b>Procurement Method</b>	<b>Comments</b>
<b>Consulting Services</b>				
<b>General Description</b>	<b>Estimated Value (cumulative)</b>	<b>Estimated Number of Contracts</b>	<b>Recruitment Method</b>	<b>Comments</b>

**D. National Competitive Bidding**

**1. Regulation and Reference Documents**

53. The procedures to be followed for national competitive bidding shall be those set forth for the "National Competitive Bidding" method in the Government's Procurement Manual issued under

Sub-Decree Number 74 ANKR.BK, updated version dated 22 May 2012 with the clarifications and modifications described in the following paragraphs. These clarifications and modifications are required for compliance with the provisions of the Procurement Guidelines.

54. For the procurement of ADB financed contracts under National Competitive Bidding (NCB) procedures, the use of harmonized national bidding documents (NCB and National Shopping) developed in consultation with development partners including ADB, is mandatory except where the Government and ADB have agreed to amendments to any part of the documents. The Procurement Manual also advises users to check the ADB website from time to time for any update on ADB documents, which form the basis, among others, of the existing harmonized national bidding documents.

## **2. Procurement Procedures**

55. **Application.** Contract packages subject to National Competitive Bidding procedures will be those identified as such in the project Procurement Plan. Any change to the mode of procurement of any procurement package in the Procurement Plan shall be made through updating of the Procurement Plan, and only with prior approval of ADB.

56. **Sanctioning.** Bidders shall not be declared ineligible or prohibited from bidding based on barring procedures or sanction lists, except individuals and firms sanctioned by ADB, without prior approval of ADB.

57. **Rejection of all Bids and Rebidding.** The Borrower shall not reject all bids and solicit new bids without ADB's prior concurrence. Even when only one or a few bids is/are submitted, the bidding process may still be considered valid if the bid was satisfactorily advertised and prices are reasonable in comparison to market values.

58. **Advertising.** Bidding of NCB contracts shall be advertised on the ADB website via the posting of the Procurement Plan. Borrowers have the option of requesting ADB to post specific notices in the ADB website.

## **3. Bidding Documents**

### **a. Use of Bidding Documents**

59. The Standard National Competitive Bidding Documents provided with the Government's Procurement Manual shall be used to the extent possible both for the master bidding documents and the contract-specific bidding documents. The English language version of the procurement documents shall be submitted for ADB review and approval in accordance with agreed review procedures (post and prior review) as indicated in the Procurement Plan. The ADB-approved procurement documents will then be used as a model for all procurement financed by ADB for the project.

### **b. Bid Evaluation**

60. Bidders shall not be eliminated from detailed evaluation based on minor, non-substantial deviations.

61. A bidder shall not be required, as a condition for award of contract, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

**c. Employer's Right to Accept or Reject Any or All Bids**

62. The decision of the Employer to accept or reject any or all bids shall be made in a transparent manner and involve an obligation to inform of the grounds for the decision through the bid evaluation report.

**d. ADB Policy Clauses**

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

64. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that the Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question.

65. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or any integrity violation in competing for, or in executing, ADB-financed contract.

**E. Consultant's Outline Terms of Reference and Cost Estimates**

66. Outline terms of reference for a project implementation consultant team and capacity building consultant team have been prepared.<sup>23</sup>

**1. Introduction**

67. The project will have 2 consulting services packages, and all will be financed by ADB. The consulting services are to support MPWT/PMU and three provincial governments/DPWTs. All ADB-financed consultant recruitments will be engaged in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The PMU on behalf of MPWT and three provincial governments and their DPWTs will engage consultants through quality- and cost-based selection (QCBS) for project management consulting service, provincial development strategy and ICTM consulting service.

**2. Project Management**

**a. Outline Terms of References for General Project Management**

68. The consulting firms will be engaged by QCBS method, with a standard quality:cost ratio of 80:20 and full technical proposal procedure. The outline terms of reference is in the following paragraphs. The detailed TOR is in **Appendix**. The project management consultant team will assist

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<sup>23</sup> Terms of reference:  
[http://www.adb.org/Documents/Manuals/Consulting-Services-Operations-Manual/CSOM.pdf?bcsi\\_scan\\_D4A612CF62FE9576=AORY9a8Nho2ezS9Xss/ligEAAAANNiAA&bcsi\\_scan\\_filename=CSOM.pdf](http://www.adb.org/Documents/Manuals/Consulting-Services-Operations-Manual/CSOM.pdf?bcsi_scan_D4A612CF62FE9576=AORY9a8Nho2ezS9Xss/ligEAAAANNiAA&bcsi_scan_filename=CSOM.pdf) (paras 65–72).

the PMU for:

Construction Supervision

- (i) on behalf of PMU and PIUs, supervise construction and installation of works and equipment, and ensure their works are: (a) fully compliance with the necessary national regulations, guidelines and engineering standards as well as the engineering drawings, (b) progressing along with the agreed schedule; and (c) quality stipulated and agreed in the contract;
- (ii) regularly inspect the project construction sites (covering all sites), identify any engineering, safeguards, social and gender risks, and report to PMU and PIUs for corrective actions; and
- (iii) establish effective reporting/communication channels between PMU and PIUs and relevant government agencies and the contractors thereby any incompliance against the national regulations, guidelines and engineering standards will be detected at early stage and avoid serious damages.

Project management and technical review and audit for design-build contract

- (i) set up (a) institutional framework, (b) operational procedure, (c) document filing system, and (d) work plan to guide and facilitate project implementation;
- (ii) set up project performance management system (PPMS) based on the design monitoring framework, gender action plan (GAP) and other relevant loan documents in accordance with ADB's policy requirements, including establishing baseline and operation mechanism for data collection, analysis, and reporting;
- (iii) upgrade and improve the project management information system (MIS) to: (a) ensure efficient and effective information sharing and coordination on project management (e.g., procurement, disbursement, construction, safeguard compliance); and (b) monitor the project's DMF through the use of the PPMS;
- (iv) conduct design; technical, environmental, and social review and audit; and provide expert comments on engineering detailed design in accordance with required design codes and standards;
- (v) conduct routine site visits and provide technical inputs to construction planning, supervision, and monitoring for quality control of the subproject construction;
- (vi) provide expert inputs, review and provide justification for contract variations, and prepare necessary documents (e.g., a due diligence report) in accordance with government and ADB requirements;
- (vii) assist PMU and bid evaluation committee of design-build contract, through the procurement process, providing reviewing procurement documents (e.g. technical specifications, bill of quantities, evaluation criteria), technical reviews, evaluation and documentations, evaluation and contract negotiations; and
- (viii) conduct contract management during project implementation, to include monitoring of construction progress, preparing quarterly and annual progress reports, reviewing and certifying contractors' claims for payments, coordinating project implementation among contractors and various stakeholders, and coordinating daily operational tasks.

Preparation of Domestic Environment Impact Assessment and Update IEEs

- (i) subcontract a firm, who is certified/accredited by Ministry of Environment to prepare a domestic environment impact assessment, carry out baseline surveys (ecology, air, water and groundwater quality and noise), public and stakeholder consultations and prepare necessary environment assessment document, Initial Environmental Impact Assessment (IEIA) or EIA per province;



- (ii) provide appropriate advice and supervision to ensure the quality of the IEIA/EIA documents to meet the standard of Cambodia;
- (iii) closely coordinate with detailed engineering design (DED) team during preparation/ approval of IEIA/EIA documents so that there will be little or no delay in construction;
- (iv) update/redraft IEEs based on the detailed engineering design and domestic IEIAs/EIAs;
- (v) conduct additional analysis and data collection to ensure the final IEEs comply with ADB Safeguards Policy (SPS, 2009); and
- (vi) prepare contract specific EMPs and assist MPWT/PMU to agree with design-build contractors and/or attach to bidding documents for potential contractors (in case the design-build packages are procured through a standard works contract).

#### Financial management

- (i) establish an efficient and effective financial management system for the project implementation (e.g., fund disbursement management, withdrawal application review, use of loan proceeds and counterpart funds) in accordance with ADB policy and procedural requirements;
- (ii) assist PMU and PIUs in preparing financial statements and consolidated financial statements and information according to relevant project financial covenants, and make necessary arrangement with auditing units to supervise the financial management of PMU and PIUs; and
- (iii) Provide training on public financial management especially strengthen the identified weaknesses of (a) incidence of non-compliance with the government's procedural framework for public financial management despite such procedural frameworks are in place at the provincial and city levels; and (b) low accountability and transparency in financial reporting due to aggregation of budget/expenditure items.

#### Support for compliance with ADB safeguard policies and social and gender requirements

- (i) review and update as needed the initial environmental examination (IEE), environmental management plans (EMPs), GAP, resettlement plan (RP) based on the DED;
- (ii) develop capacity of staff(s) in-charge of safeguards, social development and gender aspects in the PMU and PIUs on gender mainstreaming, safeguards, GRM and GAP implementation, monitoring and reporting.
- (iii) assist PMU and PIUs to implement, coordinate and establish management supervision mechanisms for implementation, monitoring and reporting of the project safeguards and social-gender issues based on the relevant ADB documentation (e.g., EMP, GAP, and RP) and provide support for their implementation;
- (iv) conduct compliance monitoring of social, gender and safeguards issues, assist PMU and PIUs to formulate corrective actions where necessary, and help PMU and PIUs to prepare safeguards, social development and gender section in the periodic progress report and relevant semiannual monitoring reports;
- (v) assist PMU and PIUs and other relevant agencies to develop reporting formats and establish mechanisms to prepare and submit the safeguards and gender monitoring reports as specified in the loan and project agreements;
- (vi) assist PMU and PIUs and other relevant agencies to disclose safeguards documents, including IEE/EMP, RF/RPs and semi-annual monitoring reports;
- (vii) assist in establishing and managing a project-level grievance redress mechanism (GRM), including assistance to PMU and PIUs to establish a project public complaint unit, and to provide training for and grievance redress mechanism focal points;

- (viii) advise works contractors on site-specific construction EMP (CEMP) requirements (in accordance with the IEE/EMP and environment safeguards requirements), review and clear CEMPs of works contractors before start of construction;
- (ix) conduct environmental effect monitoring or engage local environmental monitoring center/agency who has a capacity to monitor quality of environment in accordance with the EMP and manage the contract in accordance with the national and ADB requirements;
- (x) provide technical inputs and support implementation of GAP through alignment and integration with overall project work plan; design of training materials; providing training, workshops, and orientation briefings to PMUs and relevant stakeholders;
- (xi) assist PMU and PIUs to ensure implementation of GAP requirements by conducting necessary workshops and focus group discussions; and
- (xii) assist PMU and PIUs and other relevant agencies to develop sex-disaggregated monitoring indicators in PPMS and assist PMU and PIUs and other relevant agencies to develop reporting formats and establish mechanisms to prepare reports as specified in the loan and project agreements;

#### Institutional strengthening and reporting

- (i) collect all necessary information, edit, draft, and submit on time the reports required under loan and project agreements with quality acceptable to PMU and PIUs and ADB;
- (ii) create and refine a plan for public communication and awareness campaigns identified under the EMP, GAP and conduct them by making necessary coordination with PMU and PIUs and relevant local stakeholders;
- (iii) conduct critical assessment on the capacity of project facility operations and maintenance (O&M) entities and provide expert opinions and recommendations to strengthen its institutional settings to ensure the capacity of O&M entities will be further improved before project completion;
- (iv) conduct a training needs assessment and discuss with PMU and PIUs to finalize a training plan, organize appropriate training according to the plan and prepare required documents for ADB's approval;
- (v) organize and provide training on the skills necessary for construction supervision, project management, implementation of GAP and EMP and RPs for ADB requirements in accordance with the training plans outlined in the GAP and EMP; and
- (vi) provide training on prevention and control of transmissible diseases and HIV/AIDS, and community disturbance to contractors.

#### PMU and ADB project administration support

- (i) prepare basic project information including updated project scope, implementing schedule, contract management, procurement plan, social and safeguards compliance, and PPMS monitoring for ADB's loan administration missions;
- (ii) support PMU and PIUs in processing minor and major changes in project scope, including conducting detailed technical and safeguards audits and preparing necessary documents (e.g., a due diligence report);
- (iii) conduct a detailed project review by updating project financial status, project cost tables, financing plan, financial and economic analysis, and prepare for safeguard reviews for ADB's loan midterm review; and
- (iv) collect and consolidate all necessary project information, prepare for project completion report, and ADB's project completion mission.

### **b. Outline Terms of References for Provincial Development Strategy**

### Provincial Social and Economic Analysis

- (i) review and collect national, provincial and municipal government socioeconomic policies, investment plans, strategic guidance notes as a base of Provincial 5-year Development Strategy 2014–2028;
- (ii) review and collect relevant socioeconomic information of Kampong Cham, Kratie and Stung Treng Provinces to understand the socioeconomic profiles, including demographic population and employment, provincial accounts, land use, people's living conditions, agriculture, industry, trade and tourism, construction, education, business and commerce, environment and natural resources;
- (iii) conduct additional surveys on socioeconomic aspects, agricultural value-chain, education, tourism, and other relevant aspects to understand key socioeconomic profiles of the province and capital towns;
- (iv) based on survey findings and other data sources, conduct comprehensive analyses to identify socioeconomic growth potential and constraints for growth; and
- (v) conduct regional economic and connectivity analysis to identify comparative advantage of Northeastern part of Cambodia, including Kampong Cham, Kratie and Stung Treng, and economic corridor along the Mekong River.

### Resilient Planning and Strategic Environmental Impact Assessment

- (i) collect and analyze sector, master, land use and other related planning documents for Kampong Cham, Kratie and Stung Trent towns;
- (ii) conduct training sessions for advance and basic levels on urban planning and urban management with presentation of foreign experiences in small towns. Link between urban planning and towns' attractiveness/livelihood improvement for residents. Use of urban planning manual and guidance prepared by the Ministry of Land Management, Urban Planning and Construction and the ADB (see TA 8121-CAM) to prepare pedagogic support. In particular, training sessions will insist on the link between urban planning and zoning for risk prevention, greening and risks mitigation, etc.;
- (iii) formulate a spatial framework plan sufficient for future preparation of detailed zoning/development plans;
- (iv) include climate change resilience spatial planning principles in proposals in the planning process and local plans;
- (v) create a list of current and future pipelined projects at national and provincial levels to support (detailed for 5 years and broad for 20 years) the spatial framework plan;
- (vi) demonstrate use of GIS in data collection, analysis and presentation by using Q GIS (free software) as a means to introduce mapping approach. Requirement related to database collection and to ensure data exchange/sharing between institutions;
- (vii) Based on a rapid assessment of local practical knowledge of mapping software, training on mapping GIS proposed to non-specialized staff of the Department of Land Management, Urban Planning and Construction, DPWT, DOE, DOWRAM and DOEF;
- (viii) assist the provincial governments and municipal governments to generate "Spatial Framework" strategy documents which can be used to inform any future Master Plan according to official guidelines; and
- (ix) conduct rapid strategic environment impact assessment on (a) resilient plan for the province and capital towns; (b) national, regional and provincial-scale infrastructure development plans (e.g. ICT corridor, inland waterway and regional river ports, national highways and railway networks) to ensure environmental constraints and opportunities, in particular, sensitive riverine protected areas are considered.

### Public Consultation

- (i) ensure provincial socioeconomic profile assessments, surveys, resilient planning activities, and formulation of 5-year provincial development plan will be based on full consultation with government agencies, local communities, poor and vulnerable groups, female opinions; and
- (ii) conduct community awareness workshop and seminars to ensure view from citizens and various interest groups will be reflected into the provincial strategic planning process.

#### Provincial Development Strategy

- (i) based on the comprehensive reviews on socioeconomic profiles, consultations with various provincial government agencies and local communities (public), analysis, assist Kampong Cham, Kratie and Stung Treng provincial governments to draft the provincial 5-year strategic development plans (most likely for the period 2024-2028) (FYSDP);
- (ii) ensure (a) one of the strategic emphasis of the FYSDP will be to promote regional economic connectivity and economic competitiveness to collectively and efficiently achieve synergies in socioeconomic development in three provinces; (b) the FYSDP will be fully linked and integrated with the resilient provincial planning; (c) use of innovative approach including full utilization of ICT to further strengthen provincial government's operational efficiency, data collection and assessment capacity, transparency, and budget and financial planning;
- (iii) identify and conduct training, information exchange, knowledge building and other learning activities necessary for key stakeholders, institutions and agencies that will have a role in implementing the strategic development plans; and
- (iv) identify and prepare an investment program for priority projects that are to be implemented to support the development of the economy, along with a financial plan which should be integrated with the town and provincial 5-year plans where substantial public investment may be required to fund a catalytic project or program of activities.

### **3. ICT for Public Management Services**

#### **a. Outline Terms of References**

69. The consulting firms will be engaged by QCBS method, with a standard quality:cost ratio of 80:20 and full technical proposal procedure. The outline terms of reference is in the following paragraphs. The detailed TOR is in **Appendix**. The ICTM consultant team will:

#### ICT for Public Management Strategy Development

- (i) review the national policy & legislation on ICT infrastructure development and e-Government to identify appropriate entry point for ICT for Public Management support to the provincial government, and strategize the provincial ICT for Public Management system development fully aligning with the national level activities;
- (ii) conduct comprehensive review and ICT capacity assessment for Kampong Cham province, Kratie province and Stung Treng province;
- (iii) based on the review and capacity assessment, formulate provincial ICTM strategy for Kampong Cham province, Kratie province and Stung Treng province, covering: (a) policy and legislation, (b) appropriate technologies (e.g. hardware network system architecture, software system architecture, technology standards, information security, connectivity and information sharing and integration with other information systems); (c) business process and (d) governance and organization structure; and

- (iv) assist the provincial government to establish a provincial ICTM office directly, under Governor's office and/or Department of Public Works and Transport, a focal office to prepare, develop, deploy and train the ICTM pilot in Kampong Cham, Kratie and Stung Treng.

#### ICT for Public Management Development Roadmap

- (i) based on the strategy, draft realistic and feasible ICTM system development roadmap for Kampong Cham, Kratie and Stung Treng. This requires in depth assessment of:
  - As-Is analysis (business processes and information systems)
  - To-Be recommendation (business processes and information systems)
  - Gap analysis and identified opportunities
  - ICTM roadmaps and Implementation strategies
  - Estimated budget and resources
- (ii) develop detailed ICTM roadmap implementation plans for Kampong Cham, Kratie and Stung Treng in three phases
  - Phase 1 (2019): Foundation Phase
    - Establish provincial ICTM pilot team (i.e. central government agencies, provincial government, academic institute, ADB). The consultant should be a secretariat.
    - Implement Business Process Re-engineering (BPR)
    - Implement Information Strategic Planning (ISP)
    - Develop 3 target ICTM service systems
  - Phase 2 (2020–2021): Development/Transition Phase
    - Procure/Develop IT facilities, hardware and software
    - Test 3 target ICTM service systems
    - Introduce new business processes at the provincial governments
    - Train provincial government officials and prepare for transition
  - Phase 3 (2022): Roll-out Phase
    - Procure/Develop IT facilities, hardware and software
    - Roll-out ICTM systems and services one by one
    - Expand ICTM services to other topic areas

#### Three ICTM System Development

- (i) based on the ICTM Strategy, Roadmap, IT capacity assessment, consultation with the provincial government officials, develop three priority ICTM system (a) public utility e-billing system and local tax management, (b) public asset database and management system, (c) driving license and vehicle registration management system;
- (ii) procuring equipment (e.g. personal computers) and cloud computing service (e.g. hosting 3 ICTM systems—4 years) based on the procurement process in compliance to the ADB procurement guidelines; and
- (iii) test and ensure all equipment are properly installed and fully functional to provide the three ICTM services in Kampong Cham, Kratie and Stung Treng.

#### Capacity building and change management

- (i) draft comprehensive ICTM training strategy, plan, modules and schedule to ensure (a) smooth transition from the manual basis old work systems to the computer based new work systems and (b) the three ICTM services developed under the support will be fully utilized and functional in provincial governments;
- (ii) plan capacity support not only for government officials affected by the new system but facilitate an effective civic education, awareness raising and communication with the citizens related to the new e-Services; and

- (iii) coordinate closely with Ministry of Post and Telecommunication and their ICT department with their activities and initiatives to ensure synergies in training impacts and coverage.

### Indicative Experts Inputs Required for the ICT for Public Management

Expertise	International	National
<b>Key Expert</b>		
ICTM Specialist	9.0	16.0
ICT System Design Specialist	3.0	
Programmer- Public asset management system & database	4.0	6.0
Programmer- Drive license and vehicle registration system	4.0	6.0
Programmer- e-Billing system for public utilities and tax management	4.0	6.0
<b>Non-key Expert</b>		
Administrative Staff		12.0
<b>Total</b>	<b>24.0</b>	<b>46.0</b>

## F. Procurement Guidelines and Resources

Procurement Documents Page:

<https://www.adb.org/site/business-opportunities/operational-procurement/goods-services/documents#procurement>

Procurement Guidelines

<https://www.adb.org/documents/procurement-guidelines>

Procurement Guidelines (in Vietnamese)

<https://www.adb.org/vi/documents/procurement-guidelines>

Guidelines on Use of Consultants by ADB and Its Borrowers

<https://www.adb.org/documents/guidelines-use-consultants-asian-development-bank-and-its-borrowers>

Guidelines on Use of Consultants by ADB and Its Borrowers (in Vietnamese)

<https://www.adb.org/vi/documents/guidelines-use-consultants-asian-development-bank-and-its-borrowers>

Project Procurement: Goods, Works and Related Services

<https://www.adb.org/site/business-opportunities/operational-procurement/goods-services>

Project Procurement: Consulting Service

<https://www.adb.org/site/business-opportunities/operational-procurement/consulting>

User's Guide to Procurement of Works

<https://www.adb.org/documents/users-guide-procurement-works>

User's Guide to Procurement of Works—Small Civil Works (below \$10 million)

<https://www.adb.org/documents/users-guide-procurement-works-small-contracts>

Guide on Bid Evaluation

<https://www.adb.org/documents/guide-bid-evaluation>

Operations Manual

<https://www.adb.org/documents/operations-manual>

Project Administration Instructions

<https://www.adb.org/documents/project-administration-instructions>

Anticorruption and Integrity

<https://www.adb.org/site/integrity/main>

Sanctions

<https://www.adb.org/site/integrity/sanctions>

Anticorruption Sanction List

<https://lnadbg4.adb.org/oga0009p.nsf/alldocs/AANA-AAFBDE?OpenDocument>

How to report fraud and corruption

<https://www.adb.org/site/integrity/how-to-report-fraud-old>

## VII. SAFEGUARDS

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

71. **ADB safeguard classifications.** All safeguard documents have been prepared in accordance with ADB's *Safeguards Policy Statement* (SPS, 2009).<sup>24</sup> In compliance with ADB's information disclosure and consultation requirements, the safeguard documents will be disclosed on ADB project website.<sup>25</sup> The safeguard classifications are B for environment and involuntary resettlement and C for indigenous peoples.

72. Subprojects will not result in significant involuntary restrictions on land use or access to legally designated parks and protected areas.<sup>26</sup> Any subprojects whose category will be A for involuntary resettlement will not be financed by the project. Subprojects will not include: (i) commercial development of cultural resources or knowledge of indigenous peoples (IP), (ii) physical displacement from traditional or customary lands, (iii) commercial development of natural resources, (iv) establishing legal recognition of rights to lands and territories, or (v) acquisition of land traditionally owned, customarily used, occupied, or claimed by IP as defined by the ADB SPS (2009).

73. **Project safeguard documents.** Relevant safeguard documents include: (i) initial environmental examination (IEE) and environmental management plan (EMP) covering all subprojects and resettlement plan (RP) for Stung Treng subprojects; (ii) IEE, EMP and RP for Kratie subprojects (ii) IEE and EMP for Kampong Cham subprojects (iii) Resettlement Framework (RF). Refer to safeguard plans for detailed implementation guidance. The MPWT and Provincial governments have committed to implementing the plans and adhering to ADB and the government's safeguard policies. See section IX. Performance Monitoring, Evaluation, Reporting and Communication for safeguard monitoring and reporting requirements.

74. **Project safeguards grievance redress mechanism.** ADB SPS requires that Government establishes and maintains a grievance redress mechanism to receive and facilitate resolution of affected peoples' concerns about project social and environmental performance. PIUs will establish the project safeguards grievance redress mechanism (GRM) for environmental safeguards/EMP, as detailed in safeguard plans within 60 days of the loan effectiveness date. GDR will be responsible for establishing the GRM for involuntary resettlement safeguards as described in RF/RPs. The GRM comprises a set of clear procedures to receive, record, and address concerns or complaints raised about safeguard issues at village, district and provincial level. GRM Focal Points from the PIUs and contractor teams will be identified and disclosed at construction sites and camps. Affected persons will have the option of seeking redress through existing channels, such as the Grievance Redress Committee (GRC) or through the project GRM entry points. The PIU will report monthly on the GRM to the MPWT/PMU. The PMU will monitor and report on GRM to ADB in quarterly project progress reports and semi-annual safeguards monitoring reports.

75. MPWT and MEF/GDR shall ensure; (i) efficient grievance redress mechanisms are in place, functional and relevant focal points are trained to assist the affected persons resolve queries and complaints, if any, in a timely manner; (ii) all complaints are registered, investigated and resolved

<sup>24</sup> Available at: <http://www.adb.org/documents/safeguard-policy-statement>

<sup>25</sup> Public Communications Policy available at <https://www.adb.org/sites/default/files/institutional-document/32904/files/pcp-2011.pdf>

<sup>26</sup> This refers to category A definition as per ADB OM F1/OP, as stipulated in the RF



in a manner consistent with the provisions of Grievance Redress Mechanism reflected in the RF and EMP; (iii) the complainants/aggrieved persons are kept informed about status of their grievances and remedies available to them; and (iv) adequate staff and resources are available for supervising and monitoring the mechanism.

**76. Information disclosure.** The RF and draft RPs will be disclosed on ADB website before SRM and the draft IEE before board approval. PMU will disclose on MPWT website. EMPs and RPs will be translated into Khmer language, and provided to the PIUs to be made available to interested stakeholders on request. PMU and GDR shall distribute the Project Information Booklets (PIBs) containing summary of the projects impacts as per final RP, the GRM detailed guidelines with procedures and forms, contacts of the GRC members in local language amongst the DPs. PIBs prepared at various stages of the project should include up-to-date information in an understandable language and be widely disseminated to affected persons in a timely manner. The final IEEs and RPs will be updated and disclosed following DED. Semi-annual safeguard monitoring reports will be disclosed following review by ADB.

**77. Public Consultation.** The preliminary project design was informed by consultations carried out with stakeholders and affected persons. Consultation will be ongoing during implementation as described in the safeguard documents and the Stakeholder Communication Strategy. PMU and GDR shall ensure consultations are carried out during update of the safeguards documents following detailed engineering design. Consultation will include individual and focus group discussions to ensure the displaced persons are informed about: (a) resettlement impacts, asset valuation/RCS, entitlements and compensation payment modalities with time lines, (b) rehabilitation and income restoration measures suggested for the project displaced persons, (c) environmental impacts and mitigation measures; and (d) project grievance redress mechanism.

**78.** During implementation, there should be regular liaison with affected persons and community, consultation meetings with communities in the project area of influence and with project displaced persons, including women and vulnerable groups, to ensure project related information is regularly shared.

## **A. Environment**

**79. Environmental reports and approvals.** The project is classified as category B in accordance with ADB's Safeguard Policy Statement (2009). An IEE including EMP was prepared for each of the three provincial towns<sup>27</sup>. The IEEs and EMPs will be updated during the DED and the EMPs included in the tender and bid documents and final versions disclosed prior to contract award. Domestic environmental impact assessments will be prepared by a firm that is registered with Ministry of Environment (MoE).<sup>28</sup> MPWT will obtain subproject approvals from MOE prior to civil works contractor mobilization.

**80. Environmental benefits.** All three provincial towns currently experience flooding to low lying areas following heavy rainfall events as drainage is inadequate. Solid waste is collected at open dumpsites and there is no systematic wastewater collection or treatment, treatment is via septic tank on an individual basis. The proposed urban infrastructure components are expected to have significant beneficial impacts, reducing flood risk, reducing polluted discharges to soil,

<sup>27</sup> Initial Environmental Examination and Environmental Management Plans. Available from list of linked documents. The IEE and EMPs were posted on ADB's website in April 2018.

<sup>28</sup> MoE Declaration on Registration of Consultant for Conducting ESIA Report (No: 215 PR. 2014). International Consultant Firm to cooperate with National Consultant Firm that is registered by MoE to conduct initial Environmental Impact Assessment (IEIA) and full Environmental Impact Assessment (EIA).

groundwater and surface water, reducing greenhouse gas emissions, improving sanitation, health and safety and improving quality and climate resilience of the urban environment. The effective operation and maintenance of the infrastructure components will be a key determinant in the magnitude of the beneficial impacts. The proposed provincial development strategies will support more sustainable investment and a greener growth pattern in the future.

**81. Key environmental impacts and risks.** The IEE identified that potential negative construction environmental impacts are likely to be temporary and localized, such as access and traffic disruption, noise, dust, waste and wastewater management and community and occupational health and safety. Potential negative operational environmental impacts may result from poor or inadequate operation and maintenance practice in relation to drainage, leachate, gas and sludge management, quality of effluent discharges and community and occupational health and safety. The IEE identified flood vulnerability, polluted discharges and odour nuisance as risks for all subprojects.

**82.** Protection of biodiversity and water quality are key risks for the provincial development plans for Kratie and Stung Treng. The section of Mekong River from Kratie town to the international border with Lao PDR is designated as an Important Bird and Biodiversity Area (IBA). The IBA supports globally important populations of birds, Irrawaddy dolphin and fish<sup>29</sup>. The stretch of the Mekong River from a point 5 km north of Stung Treng town to the international border with Lao PDR is designated as a Ramsar site, there are also three IBAs in this area, associated with the Mekong, Sekong and Sesan Rivers. The current dumpsite in Stung Treng is close to the Ramsar and IBAs. The proposed site for the new landfill was also in this location. ADB requested an alternative site which is not in a sensitive location. Improved drainage, wastewater and solid waste management will reduce polluted discharges from Kratie and Stung Treng towns to the Mekong River. The project will also include the closure of the existing dumpsites in these two towns. The consulting services for the provincial development plan will include an environment specialist to ensure the sensitive riverine habitats along the Mekong are taken into consideration in the future planning for Kratie and Stung Treng.

**83. Environmental Management Plan.** Mitigation measures for identified impacts are included in the EMPs. The EMPs define mitigation measures; supervision, monitoring and reporting requirements; public consultation and grievance redress procedures; institutional strengthening and capacity building. The EMPs include an environmental monitoring program. The monitoring results will be used to evaluate (i) the extent and severity of actual environmental impacts against the predicted impacts, (ii) the performance of the environmental protection measures and compliance with relevant Cambodian laws and regulations as well as internationally accepted standards as defined in the IFC Environment, Health and Safety Guidelines, (iii) trends of impacts, and (iv) overall effectiveness of the EMPs. The finalized EMPs based on the detailed engineering design and cleared by ADB will form part of the bidding documents. Adherence to the EMPs will reduce residual impact significance to acceptable levels.

**84. Implementation of the EMP.** MPWT through their PMU and PIUs in each provincial town, are responsible for overseeing the implementation of the EMPs. The capacity of the PMU and PIUs to coordinate EMP implementation will be strengthened through appointment of qualified staff and through training provided through the consulting services. The loan will fund the recruitment of a qualified Environmental Safeguards Officer (ESO) for the PMU. Each of the three PIUs will appoint an environment focal point. An International Environment Specialist (4 months) and National Environment Specialist (20 months) will be recruited as part of the Project Management Consulting

<sup>29</sup> <http://datazone.birdlife.org/site/factsheet/mekong-river-from-kratie-to-lao-pdr-iba-cambodia>

Service (PMCS) team to provide training for PMU, PIU and Contractors and to provide technical support for implementation of the EMP.

85. The PMU will engage and work with the PMSC Consultants to ensure the IEEs/EMPs are updated following detailed engineering design and the bidding documents include the EMP, and detailed instructions to bidders on required impact mitigation and monitoring requirements for construction package-specific contractor EMPs (CEMP). The PMU ESO with support of the PMCS Consultants will be responsible for supervising the implementation of the EMP, ensuring contractors' compliance with environmental management requirements, coordinating the GRM and submission of semi-annual environmental reports to ADB. The PIU environment focal points will be responsible for day to day monitoring of EMP implementation and submission of monthly monitoring reports to the PMU.

86. The contractors will be required to develop site-specific CEMPs in accordance with the IEE/EMP and environment safeguards requirements.<sup>30</sup> These shall be reviewed, cleared and monitored by the construction supervision consultants and submitted to ESO for review. The contractors will be responsible for implementing the CEMPs during the construction phase of the subproject under the supervision of the PMU ESO and the PMSC Consultants. Contractors will be required to develop site specific CEMP from the EMP, and will assign an environmental officer responsible for CEMP implementation, supervision and a health and safety officer assigned responsibility for occupational and community health and safety standards are maintained in accordance with Cambodia and international best practice as set out in the IFC Environmental, Health and Safety guidelines. Each works contractor will submit monthly progress reports to the PMU/PIUs. These reports will include reporting on EMP implementation performance.

87. ADB will visit project sites and review project performance against the EMPs and legal agreements. ADB will review periodic environment monitoring reports submitted by the PMU. If any of the safeguard requirements that are covenanted in the legal agreements are found not to be satisfactorily met, ADB will require the PMU to develop and implement an appropriate corrective action plan (CAP) agreed upon with ADB to rectify unsatisfactory safeguard compliance. ADB may also consider suspension, cancellation, or acceleration of maturity, specified in the legal agreements. If unanticipated environmental impacts become apparent during project implementation, ADB will require the PMU to (i) assess the significance of such unanticipated impacts; (ii) evaluate the options available to address them; and (iii) prepare or update the IEE and EMPs.

88. The Project's climate risk without mitigation is classified as medium. Key climate risks include increased precipitation intensity and variability and associated flood risk. The project will significantly contribute to climate resilience of the towns by replacing the old drainage system with integrated trunk sewers with combined sewer overflow systems that adopt higher factors of safety than design standards to take account of future increased frequency of extreme rainfall events. The wastewater treatment plant and associated infrastructure in all three towns will be raised or bund height increased above maximum flood level. In Kratie and Stung Treng, the access roads to the wastewater treatment plants will be upgraded to concrete instead of DBST and will incorporate larger stormwater drains, to increase resilience to inundation. The estimated incremental cost of climate change adaptation measures are \$494,500 for Kampong Cham, \$1,448,800 for Kratie and \$276,280 for Stung Treng and \$800,000 for institutional capacity enhancement. The total incremental cost of adaptation measures during preliminary design is \$3,019,580. The factors of

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<sup>30</sup> The need to comply with the EMP and to develop a construction EMP shall be defined in the bidding documents for all works packages.

safety, measures and costs will be refined during detailed design. The consulting services for the provincial development plan will include a climate change specialist to ensure proposals integrate climate resilience measures.

## **B. Involuntary Resettlement**

89. The project is classified as category B in accordance with ADB's Safeguard Policy Statement (2009). Surveys were conducted to enable the quantification of resettlement impacts and baseline data for the preparation of the draft RP. They included the inventory of losses to estimate resettlement impacts and a socioeconomic survey to assess pre-project living standards as well as likely social impacts resulting from land acquisition.

90. The project will acquire 153,065 m<sup>2</sup> (15.3 ha) of agricultural land. 12 households with 48 persons shall experience impact at varying degrees. 11 AHs will be severely affected, losing more than 10% of productive land and need to be provided with resettlement assistance. 8 severely AHs are from Stung Treng while 3 AHs are from Kratie. The draft resettlement plans (RPs) have been prepared in line with ADB's Safeguard Policy Statement, approved by ADB, disclosed to the affected people, and uploaded to the ADB website in April 2018.

91. The draft RPs will be updated based on the detailed engineering design, approved by ADB before award of related civil work contract and implemented before commencement of civil works contract as applicable.

92. MPWT and GDR will ensure that final RPs (i) adequately address all involuntary resettlement issues pertaining to the project, (ii) describe specific mitigation measures that will be taken to address the issues, (iii) ensure the availability of sufficient resources to address the issues satisfactorily. No physical and economic displacement will occur until compensation in full at replacement cost is paid to the DP's and all other entitlements are paid to the DP's in accordance with the final RP. The following are institutional roles and responsibilities to ensure resettlement plans are implemented during design and construction stages.

93. **Project Management Unit.** The PMU will be staffed with the Safeguard Coordinator (Resettlement and Indigenous Peoples) and will receive support from social safeguard specialist on PMC team. The PMU Safeguard Coordinator will have overall responsibility in coordinating implementation of the RF and RPs, including close cooperation with GDR who is responsible for direct LAR planning and implementation; appropriate monitoring and reporting responsibilities. Key tasks and responsibilities of the PMU Safeguards Coordinator are as follows:

- (i) ensure subprojects conform to selection criteria;
- (ii) conduct regular visits on site;
- (iii) together with GDR conduct awareness raising for contractors, provincial and district authorities, PIU, PRWGs and other relevant stakeholders on project's safeguards requirements, RP provisions and relevant loan covenants;
- (iv) conducts meetings with the DPs and timely and effectively communicates relevant project information in various forms to the DPs. The Safeguards Specialist will give special consideration to the needs of vulnerable groups, including women, children, elderly, landless, poor, disabled and indigenous peoples and ethnic minorities. If illiterate DPs are found in the subproject's target area, the Specialist will work closely with the PMC International Consultant to devise a strategy and tools to communicate information to such groups based on their feedback;
- (v) collect, analyze and report relevant information pertinent to unanticipated resettlement

- impact and/or indigenous peoples impact resulting from the project implementation if relevant;
- (vi) immediately communicate any unanticipated IR/IP impacts to GDR and ADB and take part in developing and agreeing mitigation measures for such impacts and update ADB on the status of such cases in a timely manner;
  - (vii) review and finalize subproject involuntary resettlement and indigenous people category in close cooperation with the engineers, the GDR and MRD;
  - (viii) participate and contribute as needed in preparation of updated or new RPs/Due Diligence Report (DDRs)/indigenous people plans (IPPs) as relevant;
  - (ix) confirm these plans are updated or prepared based on detailed designs, and in accordance with the resettlement framework and indigenous people planning framework (IPPF) prepared for the project;
  - (x) responsible for issuing the public notices related to the project as result from detailed design and implementation;
  - (xi) ensure that resettlement plans/DDRs/IPPs (as relevant) are included in bidding documents and civil works contracts;
  - (xii) provide oversight on social safeguards management aspects of subprojects and ensure impact avoidance measures outlined in the resettlement framework/IPPF/ resettlement plans/IPP/DDRs are implemented by PIU and contractors;
  - (xiii) ensure and monitor the contractors conclude agreement with the DPs in case they need additional land for temporary basis, and they reinstate any land/asset they affected temporarily based on the agreement with the DP;
  - (xiv) in close cooperation with GDR ensures negotiated land acquisition is conducted in conformity of the provisions set out in this PAM,
  - (xv) coordinate with engineering team and ensures detailed design drawings are submitted to GDR as soon as prepared and approved;
  - (xvi) consolidate monthly social safeguards monitoring reports from GDR and submit semi-annual social safeguard monitoring reports (SSMR) to ADB;
  - (xvii) ensure timely disclosure of final RPs/DDRs/IPPs (as relevant) in locations and form accessible to the public and affected persons;
  - (xviii) participate as a representative of the MPWT/PMU in the GRC and ensures grievances brought about through the grievance redress mechanism in a timely manner;

**Table 7.1: Institutional Roles and Responsibilities**

<b>Activities</b>	<b>Agency Responsible</b>
<b>Sub-project selection Stage</b>	
Finalization of sites/alignments for sub-projects	PMU, PIU, Design Consultants/PMC
Sharing proposed sub-project details and sites for land acquisition by issuing a request letter to GDR	MPWT/PMU Head
Meetings at community/household level with APs and DPs	GDR, MPWT/PMU, PIU, Safeguards Coordinator, PMC
<b>RP/DDR/IPP Preparation/Updating Stage</b>	
Conducting Census of all DPs and DMS	GDR, PMU Safeguard Coordinator, PMC Safeguards consultant
Conducting FGDs/meetings/on-on-one consultations during SIA	GDR, PMU Safeguard Coordinator, PMC Safeguards consultant
Calculation of Replacement Cost of land/trees/crops/incomes/assets proposed for acquisition	GDR, recruited RCS consultant

Categorization of DPs for finalizing entitlements	GDR
Formulating compensation and rehabilitation measures/package	GDR
Conducting discussions/ meetings with all DPs and other stakeholders	GDR, PMU Safeguards Coordinator
Finalizing entitlements and rehabilitation packages	GDR
Endorsing the DRP and allocating budget	MEF, IRC
Payment of compensation	GDR, IRC/WG
Consultations with DPs during civil works	PMU Safeguards Coordinator, PIU, PMC Safeguards Consultant
Grievance Redress	GDR
Internal Monitoring	GDR, PMU Safeguards Coordinator

94. The MEF shall timely provide counterpart funds for land acquisition, resettlement and monitoring activities specified in the agreed RPs, and will meet any unforeseen obligations in excess of the RPs budget estimate to satisfy resettlement objectives.

95. **Capacity Building.** PMU Safeguards Coordinator will be further trained by PMC's international social resettlement expert on ADBs SPS safeguards requirements based on the issues related to the project impacts, monitoring, the project GRM etc. The targeted participants of the briefings and awareness sessions would be PMU staff, design engineers, PIU staff.

96. Typical modules would be as follows: (i) introduction and sensitization to ADB SPS on involuntary resettlement and indigenous peoples; (ii) policies and requirements reflected in the resettlement framework and IPPF; (iii) improved coordination within key departments and stakeholders and developing coordination mechanism for IR and IP impact assessment, planning and implementation of plans; (iv) monitoring and reporting system, and (v) project GRM and PMU role in it. Briefings will be conducted to the contractors upon their mobilization by PMU Safeguards Coordinator.

97. **Civil works contracts and contractors.** RPs/IPPs shall be included in bidding and contract documents and verified by the PMU and GDR. The contractor will be required to designate a social safeguards supervisor to ensure implementation of social safeguard provisions in the RF/RPs/IPPF during civil works. This person will also have the responsibility for communication with the public under the guidance of PMU and grievance registration. Contractors are to carry out all mitigation and monitoring measures outlined in their contract.

**1. Procedures for Land Screening, Assessment and Preparation of Due Diligence Report for Sites with State-owned Land.**

98. To avoid involuntary land acquisition and resettlement, the Project will screen all proposed sites for their ownership aspects and will prioritize those which are state-owned lands. To support state ownership status of the land for the proposed site at the beginning of the detailed engineering design stage (i.e. at the commencement of topographical and soil surveys), in consultations with potential DPs in order to understand local land use and ownership arrangements. The Project will follow the below steps for the screening of land ownership for subprojects:

- Preparation of a location map identifying the concerned land and its boundaries;
- Coordination with the Land Management, Urban Planning and Construction or its subordinated Cadastral Administration Offices in relevant provinces for verification of the land ownership;

- Consultations with local administration offices (e.g. lands, courts, etc.) about any ongoing disputes or litigation on the proposed land plot;
- Site visit to and observation of the proposed construction sites;
- Consultations with local residents to assess if the proposed works will adversely affect any person(s) or communities;
- Preparation of a Land screening report summarizing the main findings, including (i) brief description of the proposed site including a location map; (ii) description of intervention and types of works; (iii) description of proposed land, status of ownership and use; (iv) findings of the field visit and observations; (v) process and outcome of consultations with communities and stakeholders (records of meetings, etc.); and (vi) confirmation of whether any further actions are required or not. An outline/content of screening report and supporting document will be agreed with ADB.

99. The Project will organize a public consultation meeting in the respective sites to verify the information and to cross-check if there are any DPs associated with the proposed state-owned land. The project team will prepare minutes of the meetings, which will be kept in the project office and their scan copies attached to the Land Screening report.

100. If the screening/assessment report has confirmed the clear state ownership of the required land for project interventions, there will be no further assessment needed. The procurement of any civil works on state land will start after such report has been finalized and shared with ADB for concurrence. It will be included as part of the RP in case there is an associated impact on people, particularly non-title holders and legalizable non-title holders and their affected assets (i.e. structures, crops, incomes etc.) and to confirm the ownership status of the state-owned land which is associated with affected people.

## **2. Negotiated Resettlement**

101. Land for the Project purposes may be acquired through a negotiated settlement. In case of acquisition of private land where the seller is willing to sell and the buyer is willing to buy, such land may be acquired under a commercial contract. The price will be negotiated as part of commercial norms based on the replacement cost, and the owner will have the right to refuse the offer. In this case, the site will be changed and the same procedure will be undertaken for the newly identified site and private landowner. The government will ensure that any negotiations with displaced persons openly address the risks of asymmetry of information and bargaining power of the parties involved in the negotiated settlement. For this purpose, government will engage an independent external party to document the negotiation and settlement processes in line with the requirements of the ADB SPS (2009).<sup>31</sup>

102. Where market rates for land might be largely absent, the Replacement Cost Study for the Project will consult with affected landowners/users to determine compensation amounts for land to be purchased and assets on such land. This will be based on (i) information about recent land transactions – if any; (ii) land types; (iii) cropping patterns and crop production; and (iv) availability of land in pilot areas. The Project will ensure that compensation amounts are based on the replacement cost principle in accordance with ADB SPS (2009).

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<sup>31</sup> Safeguard Requirements 2 does not apply to negotiated settlements, unless expropriation would result upon the failure of negotiations. However, it clearly specifies that to ensure any negotiations with displaced persons address the risks of asymmetry of information and bargaining power of the parties involved in such transactions, it will engage an independent external party to document the negotiation and settlement processes and agree with ADB on the processes, policies, calculation of costs and record-keeping.

103. IRC/GDR will employ a third party (agency or individual, but not associated with the Project or the government) to provide the independent verification of the agreements reflecting that: (i) consultation/s with landowner/s have been undertaken meaningfully, freely and in good faith and the landowners have made informed decisions on use of land, and (ii) terms and conditions of the agreements have been explained to them and understood and agreed by the landowner/s.

104. The third-party will perform following tasks:

- (i) Review of the documentation on the identification of affected landowners and the consultation and negotiation process leading up to the signing of the agreements;
- (ii) Validate that consultations with the landowners have been undertaken and that they were provided with relevant information as per the resettlement framework;
- (iii) Validate that the agreement is voluntary (free of coercion) and that the landowner/s have fully understood and agreed to the agreement's terms and conditions;
- (iv) Validate that the landowner representative/s signing the agreement duly represent the landowners;
- (v) Validate that landowner/s or any other users/occupants will not experience major adverse impacts from land use or purchase by the Project;
- (vi) Validate that any minor impacts have been identified, sufficiently addressed and documented by the Project;
- (vii) Validate that compensation for any land purchase represents a fair and reasonable replacement cost based on market prices; and
- (viii) Validate that the agreement is in compliance with safeguard requirements stipulated in this framework.

### **C. Indigenous Peoples**

105. The project is classified as category C in accordance with ADB's Safeguard Policy Statement (2009). In case of any new subprojects are considered and IP due diligence becomes necessary, IPPF has been prepared in accordance with ADB SPS and government laws, will guide the project screening and IPP preparation. And if during detailed design or implementation, any change to the scope, location with prior approval of ADB, causes to have any such impacts, MPWT/PMU shall take all steps required to ensure that the Project complies with the applicable laws and regulations of RGC and the ADB's Safeguard Policy Statement 2009. The PMU Safeguards Coordinator will be in charge for supervising compliance with the IP impact along with the IR impacts of the Project, and will be in charge for monitoring and reporting on such compliance.

106. ADB's Indigenous People's policy requires that under an ADB loan, the borrower will undertake meaningful consultation with affected Indigenous Peoples to ensure their informed participation in (i) designing, implementing, and monitoring measures to avoid adverse impacts on them or, when avoidance is not possible, to minimize, mitigate, and compensate for such effects; and (ii) tailoring project benefits that accrue to them in a culturally appropriate manner. Consultation will be carried out in a manner commensurate with the impacts on affected communities.

## **VIII. GENDER AND SOCIAL DIMENSIONS**

107. A poverty, social and gender assessment was conducted during project preparation to determine socioeconomic characteristics, needs and priorities, and opportunities for participation for project area beneficiaries. Based on this assessment, a Summary Poverty Reduction and Social Strategy in the Report and Recommendations of the President identifies the design and implementation of a Gender Action Plan (GAP), a Stakeholder Communication Strategy (PAM section X), a Participation Plan, and a draft RP with measures to enhance project benefits and



mitigate potential risks or negative impacts to the project beneficiary population.

108. Poverty reduction and social inclusion. The project is classified as general intervention (GI) for poverty reduction. The key poverty and social issues are affordable access to basic urban infrastructure and services; inadequate coverage and insufficient capacity of urban service delivery of environmental sanitation services; and limited employment opportunities, particularly for poor households and female-headed households. The residents in three towns are prone to high incidence of flood related events with 97% of households consider drainage and waste water disposal a serious problem (household survey). With poverty rates characterized in Kampong Cham by incidence of ID Poor 1 (7%) and ID Poor 2 (5%), Kratie with 5% (ID Poor 1) and 11% (ID Poor 2), and Stung Treng 5% (ID Poor 1) and 7% (ID Poor 2) households; the poor are more vulnerable to impacts due to higher exposure to flooding. Poor and female-headed households (FHH) are among the unserved that don't have access to proper waste water collection and solid waste collection services. Overall, around 21% of households are FHH with the highest proportion in Kampong Cham at 38% (2017 household survey). Poor and vulnerable households are often spatially located in low lying flood prone areas, reside in houses made of structurally deficient materials, and have lower resilience to withstand and recover from aftermath of such events, affecting local businesses and incomes. In addition to disruption to livelihoods, social impacts of flooding and poor sanitation also increase water borne disease incidence, and limit access to public services such as schools, clinics, and markets. The Project seeks to reduce vulnerability through improvements in coverage of and access to climate resilient infrastructure and urban environmental services. Hence, affordable municipal services and improved environmental sanitation can be viewed as a poverty prevention measure.

109. The Project's pro-poor and social inclusion design features include: (1) provision of free-of-charge waste water connections, (2) grants to ID Poor and FHHs requiring re-plumbing to connect to the waste water collection system, (3) subsidy (or lifeline tariff) to ID Poor and FHHs, and (4) pilot projects (one in each town) to enhance community management of flood resilience, thereby reducing local vulnerability.

110. Gender mainstreaming. Based on the gender analysis and proposed actions, the Project is gender mainstreaming category II—effective gender mainstreaming (EGM). The gender assessment identified the following issues: decrease in local business and income during flooding; women's increased responsibilities as caregivers for sick family members, arising from poor environmental sanitation, and in household/community clean-up activities during and post flood events; limited participation in decision-making and representation in the water and sanitation sector of female staff; and limited opportunities to strengthen and expand job opportunities for women.

111. In addition to the pro-poor design features addressing poor female-headed households (i.e. waste water connections provided free-of-charge, grants for re-plumbing to connect to the waste water collection system, and subsidy/lifeline tariffs), the Project's GAP includes specific targets to enhance women's participation and increase capture of project benefits: (1) PMU and PIU staffing include 30% female staff, of which 20% in decision-making and technical positions; (2) 30% of staff employed in operation and maintenance are women; (3) development of Provincial Development Strategy and implementation of ICT initiatives include 30% and 50%, respectively, of participants from government agencies will be female staff; (4) existing staff responsible for financial management, administration and accounting (majority women) to be trained in ICT; (5) at least 20 female staff (30% of total trained) in Municipal, Sangkat, and Provincial administrations in project management; and (6) employment in civil works target 30% females.

112. Good governance and ICTM services. With an ICTM component to enhance efficiencies in

electronic payment for water supply and waste bills and asset management of urban infrastructure facilities, it will be necessary to upgrade skills and skill requirements for existing tasks, now manually undertaken. To ensure continuity of employment and mitigate possible displacement of employment in financial management, administration and accounting positions mainly occupied by female public servants, existing female staff will be targeted for training and implementation of ICT initiative. The Project's gender equity strategy seeks to increase female representation in the WATSAN sector, both through gains in skills development and in decision-making positions and in mitigating against potential losses in technical areas where female staff already enjoy employment parity.

113. Provincial Development Strategy. In support of regional connectivity and strengthened competitiveness for wider economic growth, it will be necessary to ensure social inclusion and local beneficiary economic capture elements in the preparation of the 5-year Provincial Development Strategy, and linked urban master plans, as an important platform for pipeline investments and framework for future development partner assistance. Targets for female staff, from participating government agencies, in preparation of the Provincial Development Strategy will ensure social inclusion and gender equity measures are included.

114. Climate resilience and disaster risk management. Cambodia's Rectangular Strategy - III (2013-2018) recognizes that managing the environment and climate change will be a challenge for the sustainability of Cambodia's economic growth and social development for the provinces, and in particular along the Mekong river, which include the three project provinces/towns. Pilot projects aimed at enhancing climate resilience at Sangkat/Commune level will be implemented in each of the three towns. The pilots will support local design and community management of flood resilience measures to optimize project investments; development and operationalization of a gender equitable approach to address community clean-up activities during and post-flood (currently the main responsibility of women); and town beautification measures to enhance livability and encourage local economic activities in public green spaces such as river embankments and markets.

115. The EA and IA will be responsible for GAP implementation, resourcing, monitoring, and preparation of regular GAP Implementation Monitoring reports. The EA will be supported by 1 PMU-appointed, qualified Social Development and Gender Focal Officer in the PMU and 1 in each of the PIUs 2 International (9 person months). The Project Management Consulting Service will have the international (9 person months) and national (12 person months) Social Development and Gender Specialists, whose tasks and responsibilities are outlined in indicative TOR (**Attachment 3**). The total budget for activities in the GAP is US\$ 392,000 of which US\$ 282,000 is for international and national consulting services, \$20,000 for pilot projects, \$30,000 for provincial socioeconomic surveys, and \$60,000 to support workshops, training and consultations. The GAP will be resourced from the Provincial Development Strategy budget and Project Management budget. In addition, resources from the ICTM Consulting Services budget will cover workshops and implementation of training programs related to ICTM systems for the participants of the ICTM systems in the target provinces. The GAP matrix identifying performance actions and targets, timeline, and responsible organization are summarized in the below table:

**Table 8.1: Gender Action Plan**

DMF Output	GAP ACTIONS/TARGETS	Year of output	Responsible Organization
<b>Output 1. Urban Environmental Infrastructure Improved</b>			

Output 1.1 Urban environmental infrastructure in Kampong Cham improved	<ul style="list-style-type: none"><li>▪ Waste water collection connections provided free-of-charge to 4,676 HHs in Phase 1 service area of which 991 are FHH, 122 ID Poor 1 and 34 ID Poor 2 HHs.</li><li>▪ Expanded and improved solid waste collection services will cover 2,416 FHHs.</li><li>▪ 30% of staff employed in operation and maintenance are women (baseline 2016: 0).<sup>a</sup></li><li>▪ Pilot project at Sangkat/Commune level on community management of flood resilience, gender equity in post-flood clean-up, and town beautification.</li></ul>	Q4 2023	DPWTs/PIUs
		Q4 2023	Municipality
		Q4 2023	MPWT/PMU
		Q4 2022	DPWTs/PIUs, Consultant
Output 1.2. Urban environmental infrastructure in Kratie improved	<ul style="list-style-type: none"><li>▪ Waste water collection connections provided free-of-charge to 2,688 HHs in Phase 1 service area, of which 238 are FHH, 111 ID Poor 1 HHs, 246 ID Poor 2</li><li>▪ Expanded and improved solid waste collection services will cover 825 FHHs.</li><li>▪ 30% of staff employed in operation and maintenance are women (baseline 2016: 0).<sup>b</sup></li><li>▪ Pilot project at Sangkat/Commune level on community management of flood resilience, gender equity in post-flood clean-up, and town beautification.</li></ul>	Q4 2023	DPWTs/PIUs
		Q4 2023	Municipality
		Q4 2023	MPWT/PMU
		Q4 2022	Consultant
Output 1.3. Urban environmental infrastructure in Stung Treng improved.	<ul style="list-style-type: none"><li>▪ Waste water collection connections provided free-of-charge to 2,253 HHs in Phase 1 service area, of which 163 are FHH, 6 ID Poor 2 HHs.</li><li>▪ Expanded and improved solid waste collection services will cover 446 FHHs.</li><li>▪ 30% of staff employed in operation and maintenance are women (baseline 2016: 0).<sup>c</sup></li><li>▪ Pilot project at Sangkat/Commune level on community management of flood resilience, gender equity in post-flood clean-up, and town beautification.</li></ul>	Q4 2023	DPWTs/PIUs
		Q4 2023	Municipality
		Q4 2023	MPWT/PMU
		Q4 2022	Consultant
Output 2. Institutional capacities and national infrastructure for regional economic connectivity enhanced.			
	<ul style="list-style-type: none"><li>• Provincial Development Strategies approved include social inclusion and gender equity components.</li><li>• In development of Provincial Development Strategy and implementation of ICT initiatives 30% and 50%, respectively, of participants from government agencies will be female staff.<sup>b</sup></li></ul>	Q4 2023	DPWTs/PIUs, Consultant
		Q2 2022	DPWTs/PIUs, Consultant

<ul style="list-style-type: none"> <li>• In workshops related to Provincial Development Strategy and ICT initiatives 50% of participants will be women</li> <li>• Existing staff responsible for financial management and administration (majority women) to be trained in ICTM</li> <li>• At least 120 government staff (at least 50% women) in the provincial governments trained ICT skills to operate the ICTM services (2017 baseline: 0)</li> <li>• At least 60 government staff (at least 25% women) in the implementing agencies gained new technical, operational and maintenance knowledge and skills on wastewater treatment facility, drainage systems and controlled landfill (2017 baseline: 0)</li> <li>• Women's representation in PMU/PIU decision-making and technical positions 20% (PMU and PIU Steung Treng) and 25% (PIUs Kampong Cham and Kratie). (Baseline (2011-2015) for PMU: MPWT 17%; PDPWT cumulative 14.85% women in managerial positions, PIU: PDPWT percentage of managerial positions occupied by women: Kampong Cham: 25% Kratie 22%; Stung Treng 18%)</li> <li>• Orientation on GAP implementation, monitoring, and reporting provided to PMU/PIU staff, and local implementation partners.</li> <li>• GAP integrated in overall work plan, budget and PPMS</li> <li>• Collection and monitoring of sex-disaggregated data with gender sensitive indicators incorporated in the PPMS and reflected in quarterly reports and GAP monitoring reports using ADBs template.</li> </ul>	Q4 2019	Consultant
	Q4 2022	Consultant
	Q4 2023	MPWT/PMU
	Q4 2023	MPWT/DPWTs Municipality
	Q4 2023	Steering Committee responsible for ensuring % of women in Committee, PMU and PIU.
	Q1 2019	MPWT/PMU, DPWTs/PIUs
	Q1 2019	MPWT/PMU, DPWTs/PIUs
	Q2 2019	MPWT/PMU

ADB = Asian Development Bank; DMF = design and monitoring framework; DPWT = provincial Department of Public Works and Transport, FHH = female-headed household; GAP = gender action plan; HH = household; MPWT = Ministry of Public Works and Transport, PIU = project implementation unit; PMU = project management unit.

<sup>a</sup> Based on consultations with PDWT and Municipality, Chamber of Commerce (PPTA in Kampong Cham, January 2018).

<sup>b</sup> Based on consultations with PDWT and Municipality, Chamber of Commerce (PPTA in Kratie January 2018).

<sup>c</sup> Based on consultations with PDWT and Municipality, Chamber of Commerce (PPTA in Stung Treng, January 2018).

<sup>d</sup> It is recognized that Provincial Departments of Planning, Tourism, Education and Agriculture will be involved in the PDS and the 30% reflect overall staffing. Current female Municipality staff in administration and finance comprise 75 %, the 50% target is based on these skills sets to be primarily involved in ICT implementation.

## IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

### A. Project Design and Monitoring Framework

Impact the Project is aligned with Sustainable, inclusive, equitable, and resilient growth achieved (National Strategic Development Plan, 2014–2018) <sup>a</sup>			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
<b>Outcome</b> Urban services for enhancing regional economic connectivity in participating towns improved	<b>By 2026</b> a. 31% of the town population in Kampong Cham, Kratie, and Stung Treng (41,400 residents) serviced by new wastewater collection and treatment facilities (2017 baseline: 0 resident)  b. 90% of the town population in Kampong Cham, Kratie, and Stung Treng (120,400 residents) residents served by improved solid waste management (2017 baseline: 48,000 residents)  c. Incidence of flood and/or waterlogging reduced by 80% in the project service area (2017 baseline: six flood events per year in Kampong Cham, Kratie, and Stung Treng)	a–c. Annual reports by DPWTs and MPWT; project completion report	Lack of financial sustainability caused by limited cost recovery and/or low willingness of households to connect to sewerage network or pay for services.  Poor O&M of project infrastructure given limited local capacity.
<b>Outputs</b> 1. Urban environmental infrastructure improved	<b>By 2024</b> 1a. Three new lagoon-based wastewater treatment plants with 13,750 m <sup>3</sup> /day capacity constructed (2017 baseline: 0)  1b. At least 420 km combined trunk and wastewater collection pipeline constructed (2017 baseline: 0)  1c. At least 9,000 households and commercial buildings connected to the wastewater treatment system (including 1,500 households headed by women) (2017 baseline: 0)  1d. Three controlled landfills with capacity of 1,624,500 m <sup>3</sup> constructed and operational (2017 baseline: 0)  1e. At least 16,000 m <sup>2</sup> of pedestrian walk rehabilitated (2017 baseline: not available)  1f. 30% of staff employed in O&M are women (baseline 2017: 0)	1a–1f. Project progress reports	Construction delays caused by late approval and implementation of land acquisition and/or resettlement.

<b>Results Chain</b>	<b>Performance Indicators with Targets and Baselines</b>	<b>Data Sources and Reporting</b>	<b>Risks</b>
2. Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced	<p>2a. Two ICT-based public management systems for improved work productivity and transparency in three provincial governments deployed (2017 baseline: not available)</p> <p>2b. Provincial five-year development plans with regional cooperation and development strategy approved in Kampong Cham, Kratie, and Stung Treng (2017 baseline: not available)</p> <p>2c. At least 120 government staff (at least 50% women) in the provincial governments increased ICT skills to operate the ICT-based public services (2017 baseline: 0)</p>	2a–2c. Project progress reports	

### **Key Activities with Milestones**

#### **1. Urban environmental infrastructure improved**

- 1.1. Complete the bidding documents for solid waste management component by Q1 2019
- 1.2. Complete the bidding document for solid waste management goods component by Q1 2020
- 1.3. Complete the bidding documents for wastewater treatment component by Q3 2019
- 1.4. Complete the bidding document for the town center enhancement component by Q3 2019
- 1.5. Complete the engagement of solid waste management contractor(s) by Q4 2020
- 1.6. Complete the engagement of wastewater treatment contractor(s) by Q1 2020
- 1.7. Complete the engagement of the town center enhancement contractor(s) by Q1 2020
- 1.8. Complete the land acquisition and resettlement activities in Kratie by Q1 2020
- 1.9. Complete the land acquisition and resettlement activities in Stung Treng by Q1 2020
- 1.10. Complete construction by Q4 2023

#### **2. Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced**

- 2.1. Complete procurement of the ICT consulting service by Q3 2019
- 2.2. Ensure the completion of the ICT consulting service by Q4 2023

### **Project Management Activities**

Complete the procurement of the project management consulting service by Q1 2019

Ensure the completion of the project management consulting service by Q2 2024

Complete environmental management plan key activities, resettlement plan key activities, gender action plan key activities, and communication strategy key activities by Q2 2024

### **Inputs**

Asian Development Bank: \$78.5 million (concessional loan)

Asian Development Fund Disaster Risk Reduction Fund: \$1.5 million (grant)

Republic of Korea e-Asia and Knowledge Partnership Fund: \$0.5 million (grant)

Government: \$8.0 million

### **Assumption for Partner Financing**

Not applicable

DPWT = Department of Public Works and Transport, ICT = information and communication technology, km = kilometer, m<sup>2</sup> = square meter, m<sup>3</sup> = cubic meter, m<sup>3</sup>/day = cubic meter per day, MPWT = Ministry of Public Works and Transport, O&M = operation and maintenance, Q = quarter.

<sup>a</sup> Government of Cambodia, Ministry of Planning. 2014. *National Strategic Development Plan, 2014–2018*. Phnom Penh. Source: Asian Development Bank

## B. Monitoring

### 1. Project Performance Monitoring

116. The project performance management system (PPMS) indicators, their relevance, and monitoring practicalities will be discussed again with the MPWT/PMU, the executing agency and the PIUs in the loan inception and loan midterm review stages.

117. Disaggregated baseline data for output and outcome indicators gathered during project processing will be updated and reported through the periodic progress reports submitted by the PMU and after each ADB project administration mission (e.g. loan review). These periodic reports will provide information necessary to update ADB's project performance reporting system.<sup>32</sup> At the start of project implementation, the PMU/PIUs, with their construction supervision consulting services, will develop integrated PPMS procedures to systematically generate data on the inputs and outputs of the components, as well as the indicators to be used to measure the project's impact and outcome considering the components' scope. The PMU, through their PIUs, will be responsible for monitoring and reporting on project performance. The basis for performance monitoring will be (i) the design and monitoring framework (DMF), which identifies performance targets for the impact, outcomes, and outputs of the project and (ii) SDAP and GAP which identified performance target for social and gender targets. By collecting data from sources identified in the DMF, SDAP and GAP, the PMU will be able to report on an annual basis the performance of the project.

118. Specific reporting requirements will be set out in the agreement between ADB and the Government. The PMU/PIUs will collect the data, calculate the indicators, analyze the results, and prepare a brief report describing the extent to which the project is generating the intended outputs and outcomes, as well as the overall impact on the project cities. The relevance and practicability of data collection for indicators was confirmed with the PMU/PIUs. Meanwhile, the agreed socioeconomic and environmental indicators to be used will be further enhanced to measure project impacts. The PMU/PIUs agreed and confirmed that they will (i) refine and integrate the PPMS framework at the start of project implementation; (ii) confirm that targets are achievable; (iii) develop recording, monitoring, and reporting arrangements; and (iv) establish systems and procedures no later than six months after project inception.

119. **Compliance monitoring.** The PMU/PIUs, with assistance of the project management consultants will conduct compliance monitoring, and submit reports and information to ADB concerning (i) the use of the loan proceeds, (ii) project implementation, (iii) project performance, and (iv) compliance with loan and project covenants. These reports will include (i) periodic progress reports on project implementation and (ii) a project completion report which should be submitted not later than three months after the completion of the project facilities. ADB review missions will verify status

### 2. Safeguards Monitoring

#### a. Environment

120. Environment safeguards monitoring will include (i) project readiness monitoring, to be conducted by the project management consultant; (ii) environmental effect monitoring, to be conducted by the consultants; and (iii) EMP compliance verification during project implementation

<sup>32</sup> ADB's project performance reporting system is available at: <http://www.adb.org/Documents/Slideshows/PPMS/default.asp?p=evaltool>

and project operation, to be conducted by the PMU/PIUs and consultants. Monitoring and reporting arrangements defined for this project are described below.

**121. Assessment of project readiness.** Before construction, the project management consultant will assess the project's readiness in terms of environmental management based on a set of indicators defined in the EMPs and report it to the ADB, the PMU/PIUs. This assessment will demonstrate that environmental commitments are being carried out and environmental management systems are in place before construction starts or suggest corrective actions to ensure that all requirements are met.

**122. Environmental effect monitoring.** During construction, regular environmental effect monitoring will be conducted by the contractor. Monitoring results will be reported in the monthly reports to the PIU/PMU and integrated in the semi-annual environmental monitoring reports to the ADB. Effect monitoring shall cover the entire construction period as well as the first year of operation. Monitoring may also be periodically conducted by the provincial Department of Environment (DOE) in the framework of their legal mandate to check compliance with applicable environmental regulations. They will be responsible for undertaking regular and random environmental monitoring and inspection activities before, during, and after construction as well as in the event of emergencies.

**123. Environmental management plan (EMP) compliance verification and reporting.** EMP and CEMP compliance monitoring will be undertaken by the MPWT, through their PMU and with support of their consultant teams. The PMU will report to ADB the project's adherence to the EMP, information on project implementation, environmental performance of the contractors, and environmental compliance through the quarterly project progress reports and the semi-annual environmental monitoring reports. The quarterly progress reports by the PMU to ADB will include a summary of EMP implementation progress. The consulting service will support in developing the template for the environmental safeguards monitoring report (the reporting template in **Appendix**). The reports should confirm the project's compliance with the EMP, local legislation such as environmental impact assessment (EIA) requirements in Cambodia, and identify any environment related implementation issues and necessary corrective actions, and reflect these in a corrective action plan. The performance of the contractors will also be reported on with respect to environmental protection and impact mitigation. The operation and performance of the project grievance redress mechanism, environmental institutional strengthening and training, and compliance with all covenants under the project will also be included in the report.

## **b. Involuntary Resettlement**

**124.** The MPWT/PMU will ensure that the GDP Updates RP following completion of detailed designs and submit to ADB for review and concurrence. No land acquisition or site clearing will be done until and after the Final RP have been agreed by ADB and those provisions in the Final RP have been implemented satisfactorily. In case of differences between the Borrower's laws and regulations and ADB's Safeguard Policy Statement (2009), the more stringent policy shall prevail.

**125.** If there are any changes, additional land requirements or resettlement impacts are identified RP will be prepared by GDR. The RP will be reviewed by ADB prior to award of civil works and implemented before implementation of civil works. Implementation shall be monitored internally by GDR with support of PMU and guided and reported following the monitoring indicators included in the RF

**126.** GDR's DIMDM will be responsible for carrying out the internal monitoring which will review



the **quarterly progress reports** provided by the relevant Resettlement Department, including fielding its own missions to **verify the progress and the validity** of the data and information, where necessary. The DIMDM will validate that the (i) entitlements and the corresponding compensation are paid in accordance with the Entitlement Matrix in the detailed RP; and (ii) GRM is functioning as per the guidelines. The GDR will provide MPWT a quarterly progress report and submit semi-annual progress report to the ADB. There will be one monitoring report covering all subprojects. During RP implementation phase, the monitoring results shall be consolidated into semiannual monitoring reports and shared with ADB for review, clearance and disclosure. Once RP implementation is completed, RP compliance report will be prepared by GDR and submitted to ADB for review and clearance. Upon clearance of monitoring reports by ADB, these will be disclosed by uploading on MPWT and ADB websites

127. PMU/PIUs will not issue a notice of possession of site for any depot works until the GDR RP Compliance report submitted to ADB is cleared and no-objection is issued for commencement of the civil works.

128. MEF will timely provide counterpart funds for land acquisition, resettlement and monitoring activities specified in the agreed upon Resettlement Plan (RP), and will meet any unforeseen obligations in excess of the RP budget estimate to satisfy resettlement objectives.

129. The PMU will report to ADB the project's adherence to the RP, and involuntary resettlement and land acquisition compliance through the quarterly project progress reports based on the reports received from GDR. The quarterly progress reports by the PMU to ADB will include a summary of RP implementation progress. All parties will agree to a set of supervision milestones with ADB, to ensure timely and effective implementation of resettlement activities.

### **c. Indigenous Peoples**

130. The project processing identified no ethnic minority and indigenous people's issues. Appropriate reporting requirement will be triggered when new impacts are identified for ethnic minorities and indigenous peoples (e.g. as a result of contract variation).

### **d. ADB monitoring and supervision**

131. ADB monitoring and supervision will include (i) regular review missions including site visits of construction sites; (ii) review of the semi-annual monitoring reports, ensuring that these are locally disclosed as well on the ADB website. If any unanticipated environmental and/or land acquisition and resettlement impacts become apparent during project implementation, ADB will advise and require the MPWT/PMU/DPWTs/PIUs to (i) assess the significance of such unanticipated impacts; (ii) evaluate the options available to address them; and (iii) prepare or update the IEE/EMPs and RP. ADB may consider exercising its legal remedies, including suspension, cancellation, or acceleration of maturity, specified in the legal agreements, in case of continuous non-compliance.

## **3. Gender and social dimensions monitoring**

132. Monitoring of the GAP will be undertaken by the PMU and their participating PIUs. Progress in the achievement of the outputs in the GAP will be the responsibility of the PMU Social Development and Gender Officer, with support from the international and national Social Development and Gender project management consultants. The PMU will develop a Project Performance Monitoring System (PPMS), establishing sex-disaggregated indicators for project

performance, monitoring, and evaluation. The PPMS will include monitoring tools, reporting templates (including use of the ADB GAP Progress Report template) and output indicators capturing key gender responsive performance indicators in the GAP and DMF. The PMU will submit GAP quarterly reports to ADB. The GAP budget shall include the cost of monitoring and evaluation. Monitoring of the pro-poor and social inclusion design measures; indicated in the summary poverty reduction and social strategy, Participation Plan, and Stakeholder Communication Strategy, will be the responsibility of the PMU and summarized in the Project's quarterly progress reports. The PMU will be assisted by the project management consultants in devising the monitoring indicators and reporting templates in assessing progress of the social action plans.<sup>33</sup>

### C. Procurement

133. **Procurement Plan.** The procurement plan will be prepared specifying the thresholds for each country, procurement methods to be adapted and packages in accordance with ADB's Procurement Guidelines 2015. The plan will contain an indicative implementation schedule with proposed sequencing of consultant recruitment, and procurement. The procurement plan will also take into account the EAs' procurement capability and capacities as a result of the assessment. Where necessary, training sessions and workshops on ADB procurement principles and practice for the concerned agencies will also be implemented.

134. **Contract packaging.** Contract packaging for each subproject will be developed taking into account the result of the Procurement Risk Assessment. It will be designed to offer opportunities for local contractors and suppliers, and in return will open job opportunities to people in the project towns and neighboring areas.

135. **Preparation of sample design and build packages.** ADB have standard bidding documents for design and build—<https://www.adb.org/site/business-opportunities/operational-procurement/goods-services/documents#plant>—and this will be used in the preparation of subprojects that will be procured through design and built packages.

### D. Evaluation

136. The project will be regularly evaluated based on the PPMS indicators. For all indicators, data sources and reporting mechanisms outlined in the DMF will be the basis for evaluation including project-specific monitoring and evaluation surveys to be submitted in a consolidated report from the project towns. The PPMS will aim to detect any deficiency and discrepancy between the plan and the execution of the project in order to ensure that timely corrections can be made to adjust the design of the project. Each of the monitoring teams will evaluate the causes of any deficiency and discrepancy between the plan and the execution of the PPMS, propose corrective measures, and seek policy guidance from the project steering committees, if still unresolved.

137. MPWT and ADB will jointly review the project at least once a year. This includes (i) the performance of the PMU, PIUs, consultants, and contractors; (ii) physical progress of the project, effectiveness of safeguards, and implementation of the GAP and core labor standards; (iii) compliance with loan covenants; and (iv) assessment of operational sustainability in technical and financial terms. In addition to the regular loan reviews, the government and ADB will undertake a comprehensive mid-term review in the third year of project implementation to identify problems and

<sup>33</sup> ADB's Handbook on Social Analysis: A Working Document, is available at: <http://www.adb.org/Documents/Handbooks/social-analysis/default.asp>, *Staff Guide to Consultation and Participation*: <http://www.adb.org/participation/toolkit-staff-guide.asp>, and, *CSO Sourcebook: A Staff Guide to Cooperation with Civil Society Organizations*: <http://www.adb.org/Documents/Books/CSO-Staff-Guide/default.asp>

constraints encountered and suggest measures to address them. Specific items to be reviewed will include (i) appropriateness of scope, design, contract packaging, implementation arrangements, and schedule of activities; (ii) review of institutional, administrative, organizational, technical, and financial aspects of the project based on the assumptions and risks included in the DMF; (iii) assessment of implementation progress against project indicators; (iv) governance improvement and capacity development of the project towns for ensuring sustainability; (v) compliance with safeguard measures; (vi) the extent to which the GAP is being implemented; (vii) lessons learned, good practices, and corrective actions; and (viii) changes recommended.

138. Within 6 months of physical completion of the project, the PMU will submit a project completion report to ADB.<sup>34</sup> The MPWT will conduct a one-day workshop to share information with stakeholders on the progress of the project, issues, lessons learned and performance improvement measures as part of the stakeholders' communication strategy.

## **E. Reporting**

139. The PMU have agreed on the following reporting commitments: (i) submission of periodic progress reports during project implementation; (ii) submission of report on the progress of safeguards and social monitoring, i.e., semiannually; (iii) submission of project completion report three months after completion of the project; and (iv) submission of audited project accounts and financial statements six months after the end of fiscal year. PPMS data will be incorporated in the periodic progress reports. To ensure that projects will continue to be both viable and sustainable, project accounts and the executing agency audited financial statement together with the associated auditor's report, should be adequately reviewed. The Table 9.1 summarizes the key reporting requirements during project implementation.

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<sup>34</sup> Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>.

**Table 9.1: Key Reporting Requirements for Each Subproject**

<b>Report</b>	<b>Reference</b>	<b>Timing of Reporting</b>	<b>Responsible Agency</b>
<b>Project Performance Management System</b>			
<ul style="list-style-type: none"> <li>- Develop comprehensive project performance management system procedures</li> <li>- Reporting of baseline and progress data including DMF, GAP, EMP, RP and other relevant targets</li> </ul>	Project Agreement, Schedule, paragraphs	<ul style="list-style-type: none"> <li>- No later than 6 months after loan effectiveness</li> <li>- Semiannual, included in the periodic project progress reports</li> </ul>	- PMU/PIUs (with PMCS)
<b>Project Progress Report</b>			
<ul style="list-style-type: none"> <li>- Reporting of baseline and progress data, summary of progress with EMP, RP, social development and gender implementation and summary of actions taken in respect of any grievances raised.</li> </ul>	Project Agreement, Schedule, Article	- Quarterly (one month after each quarter)	- PMU/PIUs (with PMCS)
<b>Audited Project Accounts and Financial Statements with Auditor's Opinion</b>			
<ul style="list-style-type: none"> <li>- Reporting on project account and financial management</li> </ul>	Project Agreement, Schedule, Article	- Not later than six months after the closure of fiscal year (end of June)	<ul style="list-style-type: none"> <li>- MEF</li> <li>- PMU/PIUs (with PMCS)</li> </ul>
<b>Environment Monitoring Report</b>			
<ul style="list-style-type: none"> <li>- Periodic safeguards report including environment monitoring during the construction and operation phase (until PCR is issued)</li> </ul>	Project Agreement, Schedule, Article	- Semiannual (January–June and July–December) in July and January	- PMU/PIUs (with PMCS)
<b>Resettlement Monitoring Report</b>			
<ul style="list-style-type: none"> <li>- Periodic report including RP during the construction</li> </ul>	Loan Agreement Schedule, Article	- Semiannual (January–June and July–December) in July and January	- GDR, PMU/PIUs (with PMCS)
<ul style="list-style-type: none"> <li>- Resettlement completion report</li> </ul>	Loan Agreement, Schedule, Article	- Within three months after completion of the construction	- GDR
<b>Social Development and Gender Monitoring Report</b>			
<ul style="list-style-type: none"> <li>- Reporting on social aspects and GAP implementation</li> </ul>	Project Agreement, Schedule, Article	- Semiannually in the project progress report (January and July)	- PMU/PIUs (with PMCS)
<b>Project Completion Report</b>			
<ul style="list-style-type: none"> <li>- Reporting on overall implementation after the subproject completion</li> </ul>	Project Agreement, Schedule, Article	- Not later than three months after the physical completion of the sub project	- PMU/PIUs (with PMCS)

DMF = design and monitoring framework, EMP = environmental management plan, GAP = gender action plan, MEF = Ministry of Economy and Finance, PCR = project completion report, PIUs = project implementing units (Provincial Department of Public Works and Transport), PMCS = project management and consulting service, PMU = project management unit (Ministry of Public Works and Transport), RP = resettlement plan.

## **F. Stakeholder Communication Strategy**

140. To ensure inclusiveness, transparency, timeliness and the meaningful participation of stakeholders in the project a stakeholder communication strategy (SCS) has been prepared. The strategy serves to inform and support community development, enhance government agency capacity to manage project outcome and outputs, enhance project benefits and mitigate negative impacts. The SCS has the following objectives:

- (i) Timely information flow of project components and benefits to enhance impact, particularly for the poor, women, and vulnerable people;
- (ii) To establish two-way information feedback mechanisms with stakeholders;
- (iii) To raise public awareness on urban environmental sustainability through focusing upon wastewater management, solid waste management and corridor town development initiatives; and
- (iv) To promote gender equity generally and with a particular focus on women's empowerment and access to economic opportunities.

141. Key stakeholders include: (i) government agencies: Municipalities, Provincial Department of Public Works and Transport (PDPWT), and Provincial Department of Women's Affairs (PDOWA), responsible for the design, management, and implementation of the project; (ii) residents in urban villages; (iii) the private sector such as members of Chamber of Commerce, (iv) civil society, CSOs and NGOs, and (v) local media.

142. In line with the project approach of strengthening the Municipalities as sub-national structures, communication and awareness raising campaigns in environmental sanitation, disaster risk management, project benefits, potential socioeconomic risks and mitigation measures, status and progress information to citizens will be managed by the Municipalities and the Provincial Governor's Office, with the Sangkat as implementers in some cases. The PDOWA will provide support to implementation for specific gender related communication needs.

143. The SCS activities will be organized in cooperation with the PDPWT, Municipalities, NGOs, PDOWA and Chamber of Commerce. The responsibility for implementing the strategy will be shared between several stakeholders:

- (i) The PIUs will have the overall responsibility for updating and implementing the SCS and will be in charge of the activities targeted at the private sector.
- (ii) The Municipalities, PDOWA, Chamber of Commerce and NGOs will assist in dissemination of information and conduct awareness raising activities.
- (iii) The media (local/national) will provide support through production of radio and TV programs, web/social media, printed materials, etc.

144. Resources required for SCS implementation: Implementation of the Stakeholder Communication Strategy will be supported by two Community Participation and Social Development Specialist (5 P-M, Intl.; 12 P-M Nat.) under the PMCS budget. The SCS activities are included in the PDS budget under budget headings: Community awareness workshops US\$ 32,000; Public consultations US\$ 20,000, and in the PMSC budget under heading: Seminars, Workshops, Training, Consultations US\$ 60,000. The SCS activities will be organized from the outset of the project and will continue throughout implementation.

Table 9.2: Stakeholder Communication Strategy

Objective	Key Risks / Challenges	Main Stakeholders	Key Messages	Means of Communication (Channels/ Languages/ Activities)	Timeline	Responsibility	Resources (Human, \$)
Timely information flow of project components and benefits particularly to poor, women, and vulnerable people.	<ul style="list-style-type: none"> <li>Letters do not reach stakeholders on time due to bureaucracy.</li> <li>Timing of message delivery for community meetings may conflict with agricultural or domestic activities</li> <li>People want to get allowance for participating in meetings (because they use time allocated for other activities).</li> <li>Limited/lack of locally relevant IAE-material and TV-radio programs.</li> <li>Only youth use social media (Face book).</li> </ul>	<ul style="list-style-type: none"> <li>PIU</li> <li>Municipalities</li> <li>Sangkat reps.</li> <li>PDOWA, Sangkat and village women and children focal points.</li> <li>Village Heads.</li> <li>(Local) TV and radio media.</li> <li>Beneficiaries</li> <li>Local private sector</li> <li>Chamber of Commerce</li> </ul>	<ul style="list-style-type: none"> <li>Importance of waste water and solid waste management.</li> <li>Project's terms for access to benefits, free waste water connections, grant for re-plumbing.</li> <li>Awareness/messaging on tariffs: the need for, levels and use of tariffs, tariff structure and low tariffs for ID Poor HHs.</li> <li>Solid waste collection: tariffs and terms, including low tariffs for ID Poor HHs.</li> <li>Component implementation phases.</li> <li>Project impacts – both positive and negative.</li> <li>Relocation and compensation procedures.</li> <li>Expected participation of the communities.</li> </ul>	<ul style="list-style-type: none"> <li>Key behaviour change messages to communities in Khmer.</li> <li>TV and radio shows/information spots.</li> <li>Print IAE materials: fact sheets, posters.</li> <li>Village meetings.</li> <li>Facebook page</li> <li>Joint visits by Project working group and Sangkat reps. to communities for info dissemination and mobilization, at times which don't conflict with agricultural or domestic commitments.</li> <li>Forum (2 per town) conducted to disseminate Project objectives and components, targeted benefits, terms of access to benefits, and indicative project implementation timeline.</li> <li>MOU/agreement with private sector</li> </ul>	<ul style="list-style-type: none"> <li>From outset of project and throughout project life in accordance with progress of activities.</li> <li>Outset of project:               <ul style="list-style-type: none"> <li>+ Creation of IAE materials and media on Components.</li> <li>+ Training of Trainers/ stakeholders.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>PIU</li> <li>Municipalities</li> <li>Provincial Governor's Office</li> <li>PDOWA</li> <li>Gender Focal points at district, commune and village levels</li> <li>Village Heads</li> </ul>	<ul style="list-style-type: none"> <li>Funds through the Capacity Building Program.</li> <li>Consultancy cost for National and International Community Participation and Communication Specialists, and for National and International Social and Gender Specialists.</li> <li>Vocational training financed under the Resettlement Plan</li> </ul>

				and/or NGO to disseminate messages.			
To establish two-way information sharing/ dialogue mechanisms with stakeholders.	<ul style="list-style-type: none"> <li>▪ Low women's participation in consultations and decision-making due to cultural barriers limiting voice and traditional gender roles limiting time availability.</li> <li>▪ Vulnerable groups like the poorest, and the disabled have limited time and voice, or lack means to attend meetings.</li> <li>▪ Low motivation to participate in consultations related to enforcement of wastewater management, and solid waste and landfill management.</li> <li>▪ People think it is role of government.</li> </ul>	<ul style="list-style-type: none"> <li>▪ PIU</li> <li>▪ Municipalities</li> <li>▪ Sangkat reps.</li> <li>▪ PDOWA and its focal points</li> <li>▪ Village Heads</li> <li>▪ Beneficiaries</li> <li>▪ Local private sector</li> <li>▪ NGO/CSOs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Role of stakeholders' consultation in project Components.</li> <li>▪ Present feed-back/grievance mechanisms for AHs.</li> <li>▪ Solid waste collection: neighbourhood options for collection methods in presently un-serviced area.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Village meetings organised by Sangkat/Commune WC Focal Points</li> <li>▪ Local media</li> <li>▪ Facilitators should be men and women.</li> </ul>	<ul style="list-style-type: none"> <li>▪ From outset of project and throughout project life in accordance with progress of activities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ PIU</li> <li>▪ Municipalities</li> <li>▪ Provincial Governor's Office</li> <li>▪ PDOWA</li> <li>▪ Gender Focal points at district, commune and village levels</li> <li>▪ Village Heads</li> </ul>	
To raise public awareness on urban environmental sustainability through focusing upon wastewater management, solid waste management and corridor town	<ul style="list-style-type: none"> <li>▪ Beneficiaries' and private sector lack of motivation to participate.</li> <li>▪ Language to disseminate information in communities is often too complicated.</li> <li>▪ Limited/lack of locally relevant IAE-</li> </ul>	<ul style="list-style-type: none"> <li>▪ PIU</li> <li>▪ Municipalities</li> <li>▪ Sangkat reps.</li> <li>▪ PDOWA, Sangkat and village women and children focal points.</li> <li>▪ Village Heads.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 'Our city - clean city – green city'.</li> <li>▪ 'Clean water in the neighbourhood means clean water in the river'.</li> <li>▪ 'Our river is not a sewer'.</li> <li>▪ 'Your waste, your responsibility'.</li> <li>▪ 'Waste belongs in baskets'.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community campaigns</li> <li>▪ TV program on national network.</li> <li>▪ Radio programs</li> <li>▪ Public meetings, fair, exhibition.</li> <li>▪ Workshops, conferences.</li> <li>▪ Group discussions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ From outset of project and throughout project life in accordance with progress of activities</li> <li>▪ + Training of stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▪ PIU</li> <li>▪ Municipalities</li> <li>▪ Provincial Governor's Office</li> <li>▪ DONRE/Environment</li> <li>▪ PDOWA</li> <li>▪ Gender Focal points at district, commune and village levels</li> </ul>	

development initiatives.	material and TV-radio programs	<ul style="list-style-type: none"> <li>▪ (Local) TV and radio media.</li> <li>▪ Beneficiaries</li> <li>▪ Local private sector</li> <li>▪ CSOs/NGOs</li> </ul>	<ul style="list-style-type: none"> <li>▪ 'Benefits and take up of improved wastewater collection, drainage and wastewater treatment'</li> <li>▪ 'The need for tariffs, tariff levels and the use of tariffs, tariff structure and built-in subsidies'</li> <li>▪ 'Pilot community management of flood resilience, gender equity in post-flood clean-up, and town beautification'</li> <li>▪ 'Recycling waste save both money and the environment'.</li> <li>▪ 'Local development through corridor towns' cooperation'.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Meetings for women.</li> <li>▪ Print IAE materials</li> <li>▪ Village and Sangkat meeting</li> </ul>		<ul style="list-style-type: none"> <li>▪ Village Heads</li> </ul>	
To promote gender equity generally and with a particular focus upon women empowerment, women's access to economic opportunities.	<ul style="list-style-type: none"> <li>▪ Low interest from men due to traditional gender roles and norms.</li> <li>▪ Limited/lack of locally relevant IAE-material and TV-radio programs</li> </ul>	<ul style="list-style-type: none"> <li>▪ PIU</li> <li>▪ Municipalities</li> <li>▪ Sangkat reps.</li> <li>▪ PDOWA, Sangkat and village women and children focal points.</li> <li>▪ Village Heads.</li> <li>▪ (Local) TV and radio media.</li> <li>▪ Beneficiaries</li> <li>▪ Local private sector</li> <li>▪ CSOs/NGOs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Gender equity and women's empowerment in all aspects of components implementation: female staffing targets, project employment opportunities for women.</li> <li>▪ Information on opportunities for vocational and skills training for AHs, including eligible FHHs financed under the RP</li> <li>▪ Employment and livelihood support opportunities for women in urban services improvement process.</li> <li>▪ Risks of human trafficking.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community workshops and seminars.</li> <li>▪ Village meetings</li> <li>▪ Group discussions with men and women together.</li> <li>▪ Printed IAE materials</li> <li>▪ TV programme on national network.</li> <li>▪ Radio program</li> <li>▪ Community forum.</li> </ul>		<ul style="list-style-type: none"> <li>▪ PIU Social and Gender Officers</li> <li>▪ PMSC Consultant Team</li> <li>▪ PDOWA</li> <li>▪ Gender Focal points at district, commune and village levels</li> <li>▪ Municipalities</li> <li>▪ Provincial Governor's Office</li> <li>▪ Village Heads</li> </ul>	



## X. ANTICORRUPTION POLICY

145. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the project.<sup>35</sup> All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all project contractors, suppliers, consultants, and other service providers. Individuals and/or entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the project.<sup>36</sup>

146. To support these efforts, relevant provisions are included in the loan agreement/regulations and the bidding documents for the project.

## XI. ACCOUNTABILITY MECHANISM

147. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make an effort in good faith to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.<sup>37</sup>

148. Complaints may be filed by (i) any group of two or more people in a borrowing country where the ADB-assisted project is located or in a member country adjacent to the borrowing country, and who are directly, materially, and adversely affected; (ii) a local representative of such affected persons; (iii) a nonlocal representative in exceptional cases where local representation cannot be found. MPWT/PMU and DPWTs/PIUs were explained the importance of the need for broader and meaningful consultations with the project-affected people and for making every effort to prevent problems and ensure compliance from the outset. A web link for the Khmer language version of the Accountability Mechanism, is provided as follows:

<https://www.adb.org/km/documents/accountability-mechanism-policy-2012>

## XII. RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL

149. The PAM is a living document and is subject to change after ADB Board approval of the project's report and recommendation of the President. It is concise yet informative, providing checklists of all activities related to project implementation along with the necessary procedures for the project management office's to effectively implement and monitor the project.

**Table 12.1: Record of Changes**

No.	Changes/Updates	Date	Remarks
1	PAM initial draft agreed	March 2018	Agreed during the loan FF mission

PAM = Project Administration Manual

<sup>35</sup> Anticorruption Policy: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

<sup>36</sup> ADB's Integrity Office web site: <http://www.adb.org/integrity/unit.asp>

<sup>37</sup> Accountability Mechanism. <http://www.adb.org/Accountability-Mechanism/default.asp>.

## Attachment

**LIST OF ATTACHMENTS**

Attachment 1	Financial Management Assessment
Attachment 2	Procurement Capacity Assessment
Attachment 3	Detailed Terms of Reference of Project Management Consultant
Attachment 4	Template of Periodic Project Progress Report

# Project Administration Manual

## Attachment 1: Financial Management Assessment

Project Number: 50099-002

Loan Number:

Grant Number:

May 2018

## I. FINANCIAL MANAGEMENT ASSESSMENT

### A. Executive Summary

1. Overall assessment of project financial management risk is moderate. Based on the assessment, the key financial management risks identified were: (i) un-insured fixed assets (except for vehicle), weak asset monitoring and inventory arrangement; (ii) levels of tariff are not linked to operations and maintenance (O&M) requirement; and (iii) unrealistic projections for budget allocation of revenue and expenditure. The risk will be mitigated by (i) providing training to Ministry of Public Works and Transport (MPWT) and its project management unit (PMU), the provincial government officials and provincial Department of Public Works and Transport (DPWT) on fixed asset management; (ii) formulating and implementing a financial sustainability roadmap for each province/town to gradually build mechanisms to attain the full O&M cost recovery; (iii) strengthening the capacity of the local governments on budget preparation and management, and expenditure prioritization; (iv) engage a financial specialist under the project management consulting service, and a qualified auditor; and (v) no financial transaction and fund flow to the provincial governments/DPWTs. MPWT/PMU and three provincial governments/DPWTs have agreed to implement an action plan as key measures to address the deficiencies.

2. The fund flow of the project was identified as a result of the analysis. The fund flow will be only limited between Ministry of Economy and Finance (MEF) and MPWT, the executing agency of the project, to significantly mitigate financial risks. MPWT and their PMU are implementing number of ongoing ADB projects, and rapidly accumulating their knowledge and experience on the appropriate financial management.

#### 1. Introduction

3. The Financial Management Assessment (FMA) was conducted from June to July 2017, in accordance with the ADB *Financial Management Technical Guidance Note* (May 2015). Primary data were gathered through the FMA questionnaire (Appendix A) from the MPWT/PMU (executing agency) and DPWTs (implementing agencies). Consultation interviews were conducted to the relevant government officials. Secondary data were collected from the FMA reports of previous ADB projects. The FMA covered the following aspects: (i) organization and staff capacity, (ii) information management, (iii) funds flow arrangement, (iv) safeguard of assets, (v) strengths and weaknesses, (vi) accounting policies and procedures, (vi) audit, and (vi) project financial reporting system.

#### 2. Project Description

4. The project outcome is improved urban services for enhancing regional economic connectivity in participating towns. The participating towns are Kampong Cham (Kampong Cham Province), Kratie (Kratie Province) and Stung Treng (Stung Treng Province).<sup>1</sup> The project shall comprise two outputs:

- (i) **Output 1: Urban environmental infrastructure improved.** The output will include: (i) a new 3,950 cubic meter per day (m<sup>3</sup>/day) capacity lagoon-based wastewater treatment plant (WWTP) with approximately 137 km pipelines, 4,676

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<sup>1</sup> ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant, and Administration of Grant Kingdom of Cambodia: Fourth Greater Mekong Subregion Corridor Towns Development Project*. Manila

household connections and pump stations, 4.3 km drainage channel, and a controlled landfill with a volume capacity of 900,000 cubic meter (m<sup>3</sup>) and waste collection vehicles in Kampong Cham; (ii) a new 4,900 m<sup>3</sup>/day capacity lagoon-based WWTP with approximately 143 km pipelines, 2,688 household connections and pump stations, 12 km drainage channel, a controlled landfill with a volume capacity of 433,500 m<sup>3</sup> and waste collection vehicles, and pedestrian walkaway rehabilitation with energy-efficient street lights in Kratie; and (iii) a new 3,650 m<sup>3</sup>/day capacity lagoon-based WWTP with approximately 147 km pipelines, 2,916 household connections and pump stations, a controlled landfill with a volume capacity of 291,000 m<sup>3</sup> including collection vehicles, pedestrian walk pavement rehabilitation with street landscaping and energy-efficient street lights in Stung Treng.

- (ii) **Output 2: Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced.** The output will strengthen governments' capacities by: (i) formulating provincial five-year strategic development plans by the economic corridor development analysis on agricultural commodities' value-chains and tourism; (ii) training on resilient town planning that incorporates climate change and disaster risks; (iii) improving institutional capacities in urban service delivery, facilities O&M, financial sustainability roadmap, contract management for private service providers; (iv) development of ICT-based public service and management systems including public asset management, and utility billing system for efficient and transparent government operations; (v) raising public awareness on sanitation and environmental protection benefits; (vi) supporting project management, detailed engineering design, construction supervision and social and safeguards monitoring.

### 3. Country and Sector Financial Management Issues

5. Several financial management issues were identified in the Country Partnership Strategy for Cambodia for 2014 to 2018.<sup>2</sup> In public financial management, the issues include: (i) the excessive centralization of budget management leading to low accountability of public expenditure and service delivery, which negatively affects the management of development partner funded projects; (ii) uncertainty, delays, and inadequate delegation of functions to sub-national administration, which postpone the build-up of capacity of sub-national administrations (districts and towns); (iii) internal audit and controls, despite some improvements, remain weak and likely increase fiduciary risks leading to less effective and transparent business processes and practices, including for procurement; and (iv) external audit capacity, despite improvements, remains weak with the National Audit Authority's (NAA). It is still inadequate to provide effective oversight of public expenditures.

6. In addition, a joint country portfolio performance review identified the following key project implementation issues: (i) weak implementing capacity of some executing agencies, particularly in project management, procurement, and financial management; (ii) lack of delegation of authority to project management units (PMUs); (iii) delays of project implementation startup; and (iv) poor project preparation.

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<sup>2</sup> ADB. 2014. *Country Partnership Strategy: Cambodia 2014-2018*. Manila

7. **Public Financial Management Reform Program.** The Government launched a comprehensive Public Financial Management Reform Program (PFMRP) in 2004.<sup>3</sup> The program was originally designed to be completed by 2015 but has now been extended to 2025. This multi-stage reform program targets four platforms of achievement, namely: (i) more credible budget, (ii) effective financial accountability, (iii) affordable and prioritized policy agenda, and (iv) effective performance accountability. The reform program focuses on the critical activities that will enable the achievement of the key objectives. These are: (i) introducing budget entities to enable delegation of budget responsibility; (ii) improving annual and medium term budget preparation and linking to policies; (iii) making the processes of budget execution more efficient; (iv) extending and improving the budget classification and chart of accounts, to enable more effective record keeping and budgetary control; (v) introducing the Financial Management Information System (FMIS) into the central and provincial treasuries; and (vi) introducing effective internal audit into ministries.

8. Aside from ADB, the World Bank is also assisting the Government to complete the reform program. Under the Cambodia Public Financial Management Modernization Project, satisfactory progress has been made on the implementation of the revenue mobilization strategy, substantially improving domestic revenue from 15.1% in 2013 to 18.5% of GDP in 2015. The project continued good progress towards achievement of FMIS Phase 1 implementation. The FMIS is now capable of providing government finance managers a wealth of information to manage and deploy government financial resources across various programs, projects, and spending units. Because the system now operates at both the central and provincial levels, information can be retrieved directly from the system on the amounts and number of transactions being paid through FMIS.<sup>4</sup>

#### 4. Project Financial Management System

9. **Organization and Staff Capacity.** The project's implementation arrangement is in Table 1. MPWT, the executing agency of the project, is currently implementing four projects funded by bilateral and multilateral donor agencies.<sup>5</sup> The three IAs have, in the past, coordinated with other government agencies in implementing externally-funded projects. Project implementation unit, led by respective DPWT, has been established in Kampong Cham, Kratie, and Stung Treng provinces. DPWTs have permanent finance and accounting staff who will be nominated to the PIU. However, if the loan and grant proceeds will be transferred to the provincial PIU level, they must be augmented by additional staff to effectively implement the project. The existing staff also requires training on ADB's loan disbursement and reporting procedures.

**Table 1: Implementation Arrangements**

Aspects	Arrangements
Implementation period	January 2019–December 2023
Estimated completion date	December 2023 (estimated loan/grant closing date: 30 June 2024)

<sup>3</sup> Royal Government of Cambodia. *Public Financial Management Reform Program—Strengthening Governance Through Enhanced Public Financial Management*. Phnom Penh. 2004.

<sup>4</sup> World Bank. 2017. Cambodia PFM Modernization Project. Washington D.C.

<sup>5</sup> ADB. 2012. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Loan and Grants Kingdom of Cambodia: Greater Mekong Subregion Southern Economic Corridor Towns Development Project*. Manila; ADB. 2015. *Report and Recommendation of the President to the Board of Directors: Proposed Loan Kingdom of Cambodia: Second Greater Mekong Subregion Corridor Towns Development Project*. Manila; ADB. 2015. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Loan and Grant Kingdom of Cambodia: Integrated Urban Environmental Management in the Tonle Sap Basin Project*. Manila; ADB. 2017. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Loan and Grant Kingdom of Cambodia: Provincial Water Supply and Sanitation Project*. Manila.

Aspects	Arrangements
Management	
(i) Oversight body	Secretary of State, MPWT (chair); Ministry of Land Management, Urban Planning and Construction, Ministry of Economy and Finance, Ministry of Handicraft and Industry, Ministry of Interior, Ministry of Environment, Ministry of Post and Telecommunications.
(ii) Executing agency	Ministry of Public Works and Transport
(iii) Key implementing agencies	Department of Public Works and Transport (DPWT) in Kampong Cham, Kratie and Stung Treng provinces
(iv) Implementation unit	A project management unit (MPWT) and implementing units (DPWT) comprising technical, safeguards, social and financial staffs are established.

10. **Information Management.** MPWT/PMU uses an off-the-shelf financial software (Sage 50 Accounting Premium). The software can generate financial reports automatically. The PIUs will use *Excel* spreadsheet for the project financial report preparation.

11. **Funds Flow Arrangement.** Based on the assessment, the proposed fund flow arrangement is to set up three advance accounts at the central level for loan, ADF grant and EAKFP grant. The accounts will be opened with the National Bank of Cambodia. Lesson learned from the ongoing project is that setting up a subsidiary account at the provincial level, and let the PIU, led by DPWTs, manage them means that the fund flow will become overly complicated. This will also increase risk of improper handling of the loan and grant proceeds and documentation. The assessment recommended to adopt the simple structure: that is to limit the fund flow between MEF and MPWT, and manage three advance account only. Signatories are from MEF (Group A) and MPWT (Group B). To expedite bank transactions, Group A or B signatories are authorized to withdraw funds from the account.

12. **Safeguard of Assets.** Currently, Cambodia does not define what constitute a fixed asset but in practice, goods purchased with a life of more than 12 months is capitalized. MEF has no established system on fixed asset accounting and asset condition monitoring. Except for motor vehicles, fixed assets are not insured. The provincial level record keeping is not regular and they are not being updated.

13. **Strengths and Weaknesses.** PMWT/PMU gradually developed their capacity to properly handle the loan and grant proceeds through implementation of ongoing projects. Kampong Cham, Kratie and Stung Treng provincial government have implemented and/or being implementing the project funded by international financial institutions.<sup>6</sup> However, their PIUs are not always the one to manage and involve with the project. Opportunities for MPWT/PMU is that the extended period of the PFMRP, i.e. 2025, will be corresponding to the project implementation period of 2019–2023. One of the activities targets “introducing effective internal audit into ministries”, where MPWT is one of the key ministries to be supported by the program.

14. **Accounting Policies and Procedures.** The PMU and PIU’s accounting policies and procedures will be based on the Cambodia National Accounting Standard, MEF *Standard Operating Procedure* and *Procurement Manual for Externally Financed Projects/Programs* (SOP/PMEFP) in Cambodia and MEF’s *Financial Management Manual* (FMM).

<sup>6</sup> These include (i) the water supply network expansion funded by the Japan International Cooperation Agency and ADB in Kampong Cham; (ii) proposed sanitation project support by BORDA (Germany based non-profit organization) in Kratie; and (iii) the water supply system funded by ADB in Stung Treng.



15. **Audits.** MPWT has internal audit department established under the Sub-decree no. 196/ANKR/BK dated 9 December 2005. Externally, MPWT is audited by the NAA, which conducts audit of government projects, including technical and financial. Project accounts will be audited by an independent auditor. The audit is performed in accordance with the International Standards of Auditing. External auditors will be selected in accordance with the MEF's SOP/PMEFP in Cambodia, that requires the government to engage qualified audit firm every 3 years based on the quality- and cost-based selection. At the provincial level, DPWTs have no internal audit section.

16. **Project Financial Reporting System.** The project financial reporting will be based on MEF's FMM and ADB *Loan Disbursement Handbook 2017*.<sup>7</sup>

## 5. Risk Description and Rating

17. The risks identified from the Country Partnership Strategy preparation and the project specific risks, and their risk assessment and mitigation measures are in Table 2.

**Table 2 Risk Assessment and Management Plan**

Risk description	Impact	Likelihood	Overall Risk Assessment	Mitigation measures/ Responsibility	Timeline
<b>Inherent Risk</b>					
The Standard Operating Procedure for externally financed projects in Cambodia (May 2012) stipulates that assets must be subject to careful asset management, but in practice there is no regular monitoring/inventory. There is a risk of loss of asset due to poor maintenance.	High	Unlikely	Substantial	<ul style="list-style-type: none"> <li>- Update Fixed Asset Book every year during and after project implementation.</li> <li>- Project will develop ICT-based public asset management and deploy them in three provinces with capacity development training</li> <li>- Train government staff in fixed asset management including linkage to asset preventive maintenance activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Throughout the project duration</li> <li>- Q4 2022 and Q4 2023 (DMF mile stone 2.4)</li> <li>- Q4 2022 and Q4 2023 (DMF mile stone 2.4)</li> </ul>
<b>Total Inherent Risk</b>			<b>Substantial</b>		
<b>Control Risk</b>					
Internal audit–Lack of internal audit system in the provincial governments and DPWTs	Low	Likely	Moderate	- No transaction and fund flow of ADB loan and grant proceeds to the DPWTs/PIUs	- Throughout the project duration
Information systems– Improper record keeping or mistakes because of the excel-based financial	Low	Likely	Moderate	- PMU and PIUs will undertake regular backups of all financial, accounting	- Throughout the project duration

<sup>7</sup> ADB. 2017. *Loan Disbursement Handbook 2017*. Manila.

management system in the provincial governments, and DPWTs				<p>and project related data and appropriate security measures over backed-up data shall be in place.</p> <p>- No transaction and fund flow of ADB loan and grant proceeds to the DPWTs/PIUs</p> <p>- MEF and MPWT/PMU ensure to engage the qualified audit company under the project</p>	<p>- Throughout the project duration</p> <p>- Q2 2020</p>
<b>Total Control Risk</b>			<b>Moderate</b>		
<b>Overall Risk</b>			<b>Moderate</b>		

ADB = Asian Development Bank, DPWT = Department of Public Works and Transport, MEF = Ministry of Economy and Finance; MPWT = Ministry of Public Works and Transport, O&M = operations and maintenance; PIU = project implementation unit, PMU = project management unit, Q = quarter

## FINANCIAL MANAGEMENT ASSESSMENT QUESTIONNAIRE

Topic	Response				Potential Risk Event
Agencies	Ministry of Public Works and Transport / PMU <sup>8</sup>		Kampong Cham PDPWT <sup>9</sup> / PIU	Kratie PDPWT / PIU	Stung Treng PDPWT / PIU
1.1 What is the entity's legal status/ registration?	The Ministry of Public Works and Transport was established by decreed by the Royal Government of Cambodia (RGC) no. NS/RKM/0196/03 dated 24 January 1996 and by sub-decree no. 216 ANKR/ BK dated 13 October 2016.	Project Management Unit was established by MPWT under its PRAKAS to manage externally financed projects funded by ADB, EDCF and others.	The Provincial Department of Public Works and Transport of Kampong Cham province was established by Prakas no. 528 BR. SK.BTh dated 10 Oct 2014	The Provincial Department of Public Works and Transport of Kratie province was established by Prakas no. 173 BR.SK.BTh dated 12 March 2012	The Provincial Department of Public Works and Transport of Stung Treng province was established by Prakas no. 174 BR.SK.BTh dated 12 March 2012
1.2 How much equity (shareholding) is owned by the Government?	Not Applicable (NA)		NA	NA	NA
1.3 Obtain the list of beneficial owners of major blocks of shares (non-governmental portion), if any.	NA		NA	NA	NA
1.4 Has the entity implemented an externally-financed project in the past? If yes, please provide details.	Yes. Projects were financed by ADB, The World Bank, Government of Australia, Japanese International Cooperation Agency, Export-Import Bank of Korea under	The PMU has completed the following projects: IMSSRP EDCF KHM7, PTIP ADB L2735 and MTDP ADB L1969; and is currently implementing the following projects: SCTDP ADB L2983, L8265, G0334 &	The PDPWT has some experience in project coordination, but not full implementation of externally financed project.		
					For PDPWT/PIU, lack of experience/training may result to delays in project start up.

<sup>8</sup> The responses to this questionnaire describe the existing situation in the Project Management Unit 3 (PMU3) of General Department of Public Works/ MPWT under its present legal status, structure and staffing.

<sup>9</sup> Since the PIUs are not yet established, some responses refer to the PDPWT.

Topic	Response				Potential Risk Event
Agencies	Ministry of Public Works and Transport / PMU <sup>8</sup>	Kampong Cham PDPWT <sup>9</sup> / PIU	Kratie PDPWT / PIU	Stung Treng PDPWT / PIU	
	management of Economic Development Cooperation Fund, and Import-Export Bank of China	G0335; IUEMTSP ADB L3311, L8295, G0454; and IMSSRP EDCF No, KH18.			
1.5 Briefly describe the statutory reporting requirements for the entity.	Minister of MPWT reports to the Prime Minister of the RGC.	The Director reports to the provincial governor and Minister of MPWT.			
1.6 Describe the regulatory or supervisory agency of the entity.	The entity is to report to the Prime Minister	The entity is to report to the governor and Minister of MPWT.			
1.7 What is the governing body for the project? Is the governing body for the project independent?	Senior Management of the Ministry. Yes, it is independent.	The PIU is to report to the EA/ PMU. Yes, it is independent.			
1.8 Obtain current organizational structure and describe key management personnel. Is the organizational structure and governance appropriate for the needs of the project?	The current organizational structure and details of key management personnel of MPWT is attached in Annex 1A. Yes, it is appropriate.	The current organizational structure of the PDPWT is attached in Annex 1B. The PIU shall be established at the start of the project implementation.			
1.9 Does the entity have a Code of Ethics in place?	Yes. It follows the Statute for Civil Servants. Project staff will be required to sign the Code of Conduct during project implementation in accordance with ADB's Risk Assessment and Risk Management Plan (RARMP).	Yes. It follows the Statute for Civil Servants.			
1.10 Describe (if any) any historical issues reports of ethics violations involving the entity and management. How were they addressed?	No issues related to ethics violations involving the entity and management were reported.	No issues related to ethics violations involving the entity and management were reported.			
<b>2. Funds Flow Arrangements</b>					
2.1 Describe the (proposed) project funds flow arrangements in detail, including a funds flow diagram and explanation of the flow of funds from ADB, government and other financiers, to the government, EA, IA, suppliers, contractors, ultimate beneficiaries, etc. as applicable.	The proposed project funds flow arrangements is shown in <b>Annex 2</b> .				

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2.2 Are the (proposed) arrangements to transfer the proceeds of the loan (from the government/Finance Ministry) to the entity and to the end-recipients satisfactory?	Yes, but partially satisfactory.				
2.3 Are the disbursement methods appropriate?	Yes, they are appropriate.				
2.4 What have been the major problems in the past involving the receipt, accounting and /or administration of funds by the entity?	The transfers of the RGC's fund to the project from MEF and by General Department of National Treasury (GDNT) seem to take a long time.				Delay in payment of contractors resulting to delay in work progress at the sites.
2.5 In which bank will the Imprest Account (if applicable) be established?	National Bank of Cambodia (NBC) or Foreign Trade Bank (FTB).	Acleda Bank PLC, a commercial bank based in the province.			
2.6 Is the bank in which the Imprest account is established capable of – <ul style="list-style-type: none"> <li>• Executing foreign and local currency transactions?</li> <li>• Issuing and administering letters of credit (LC)?</li> <li>• Handling a large volume of transaction?</li> <li>• Issuing detailed monthly bank statements promptly?</li> </ul>	Yes.  Yes.  Yes.  Yes.	Yes.  Yes.  Yes.  Yes.	Yes.  Yes.  Yes.  Yes.	Yes.  Yes.  Yes.  Yes.	
2.7 Is the ceiling for disbursements from the Imprest account and SOE appropriate/ required?	Yes, it is according to SOP and FMM for Externally Financed Projects of MEF and ADB's LDH.	NA	NA	NA	
2.8 Does the (proposed) project implementing unit (PIU) have experience in the management of disbursements from ADB?	Yes, it does.	No. The proposed Director and Project Accountant for the PIUs have no experience implementing ADB project.			

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2.9 Does the PIU have adequate administrative and accounting capacity to manage the Imprest fund and statement of expenditure (SOE) procedures in accordance with ADB's Loan Disbursement Handbook (LDH)? Identify any concern or uncertainty about the PIU's administrative and accounting capability which would support the establishment of a ceiling on the use of the SOE procedure.	Yes, it does. The PMU follows ADB's LDH and FMM.	Yes, but their capacity is still limited as they have never worked for any ADB funded project.			Lack of experience/training may result to delays in fund disbursements.
2.10 Is the entity exposed to foreign exchange risk? If yes, describe the entity's policy and arrangements for managing foreign exchange risk.	No, it isn't as all transactions are made in US Dollars.	No, it isn't.	No, it isn't.	No, it isn't.	
2.11 How are the counterpart funds accessed?	These funds are included in the annual government budget and are disbursed through the standard government procedure.				
2.12 How are payments made from the counterpart funds?	First, the PMU of the EA has to request the MEF to open the bank account with NBC. After the bank account is opened, the PMU prepares the estimate of the expenditure for the first six months based on the agreed budget between the RGC and the ADB. This is then submitted to the MEF for approval. The approved amount is deposited to the bank account to finance the project disbursements. These funds are replenished in accordance with the government procedures.				
2.13 If project funds will flow to communities or NGOs, does the PIU have the necessary reporting and monitoring arrangements and features built into its systems to track the use of project proceeds by such entities?	NA				
2.14 Are the beneficiaries required to contribute to project costs? If beneficiaries have an option to contribute in kind (in the form of labour or material), are proper guidelines and arrangements formulated to record and value the labour or material contributions at appraisal and during implementation?	NA				
<b>3. Staffing</b>					

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3.1 What is the current and/or proposed organizational structure of the accounting department? Attach an organization chart.	The organizational chart (simplified) of the PMU showing the finance group is attached in Annex 3A.	The proposed organizational chart of PIUs is attached in Annex 3B.			
3.2 Will existing staff be assigned to the project, or will new staff be recruited?	PMU will use existing staff and recruit three additional staff: one finance officer and two finance assistants at the start of the project.	The staff member of PDPWT will be assigned to the PIU based on a Prakas to be issued by MPWT.			
3.3 Describe the existing or proposed project accounting staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions and CVs of key existing accounting staff.	Qualifications of existing finance officer is shown in <b>Annex 4</b> . The job descriptions and requirements are as stated in Standard Operating Procedures (SOP) for Externally Financed Projects/ Programs.	The TOR and minimum qualifications of the PIU project accountant is attached in Annex 5.			
3.4 Is the project finance and accounting function staffed adequately?	No. The staffing is based on the Financial Management Manual (FMM) for the externally financed projects/ programs for the current status, but not for the upcoming projects.	NA	NA	NA	
3.5 Are the project finance and accounting staff adequately qualified and experienced?	Yes.	NA	NA	NA	
3.6 Are the project finance and accounting staff trained in ADB procedures, including the disbursement guidelines (i.e., LDH)?	Yes.	NA	NA	NA	
3.7 What is the duration of the contract with the project finance and accounting staff?	he staff will be hired until the end of the project.	The staff will be hired until the end of the project.			
3.8 Identify any key positions of project finance and accounting staff not contracted or filled yet, and the estimated date of appointment.	One finance officer and two finance assistants will be recruited at the start of the project implementation.	Project Accountant for PIU at the start of the project.			
3.9 For new staff, describe the proposed project finance and accounting staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions.	The job tile, responsibilities, and qualifications of the finance officer and finance assistant are attached in Annex 6 and 7.	NA	NA	NA	

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3.10 Does the project have written position descriptions that clearly define duties, responsibilities, lines of supervision, and limits of authority for all the officers, managers, and staff?	Yes. This is clearly stated in the SOP for Externally Financed Projects /Programs.	Yes. This is clearly stated in the SOP for Externally Financed Projects /Programs.			
3.11 What is the turnover rate for finance and accounting personnel (including terminations, resignations, transfers, etc.)?	Very low turnover for the last 15 years.	None	None	None	
3.12 What is training policy for the finance and accounting staff?	Staff are encouraged to attend the training/workshops on Project Management, Financial Management, and Procurement Manual conducted by MEF, ADB or WB.	The staff can attend the relevant training when available.			
3.13 Describe the list of training programs attended by finance and accounting staff in the last 3 years.	Standard Operating Procedures (SOP), Financial Management Manual (FMM), and basic Procurement Manual (PM) for externally financed projects/ programs, Training of Trainer Program for FMM. Evaluation of Project Completion Report, ADB's LDH, and Procurement for Consulting Service.	Public financial management, public program budget preparation, public procurement			
<b>4. Accounting Policies and Procedures</b>					
4.1 Does the entity have an accounting system that allows for the proper recording of project financial transactions, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds (in particular, the legal agreements with ADB)? Will the project use the entity accounting system? If not, what accounting system will be used for the project?	Yes. The project will use the accounting system based on FMM and ADB's LDH.	No. The project will use the accounting system based on FMM using <i>Excel</i> spreadsheet that will be established at the start of the project.			



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4.2 Are controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?	Yes. These procedures are clearly stated in the FMM.	Yes. These procedures are clearly stated in the FMM.			
4.3 Is the chart of accounts adequate to properly account for and report on project activities and disbursement categories? Obtain a copy of the chart of accounts.	Yes. It is based on FMM and MEF's Prakas.	Yes. It is based on FMM and MEF's Prakas.			
4.4 Are cost allocations to the various funding sources made accurately and in accordance with established agreements?	Yes.	NA	NA	NA	
4.5 Are the General Ledger and subsidiary ledgers reconciled monthly? Are actions taken to resolve reconciliation differences?	Yes.	NA	NA	NA	
4.6 Describe the EA's policy for retention of accounting records including supporting documents (e.g., ADB's policy requires that all documents should be retained for at least 1 year after ADB receives the audited project financial statements for the final accounting period of implementation, or 2 years after the loan closing date, whichever is later). Are all accounting and supporting documents retained in a defined system that allows authorized users easy access?	All accounting and supporting documents are retained on a permanent basis in a defined system that allows authorized users for easy access. They need to be kept for a period of minimum 10 years according to FMM.	FMM guidelines will be followed.			
4.7 Describe any previous audit findings that have not been addressed.	None.	None.	None.	None.	
<b>Segregation of Duties</b>					
4.8 Are the following functional responsibilities performed by different units or persons:	Yes.	Yes.	Yes.	Yes.	

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(i) authorization to execute a transaction; (ii) recording of the transaction; (iii) custody of assets involved in the transaction; and (iv) reconciliation of bank accounts and subsidiary ledgers?					
4.9 Are the functions of ordering, receiving, accounting for, and paying for goods and services appropriately segregated?	Yes.	Yes.	Yes.	Yes.	
<b>Budgeting System</b>					
4.10 Do budgets include physical and financial targets?	Yes.	Yes.	Yes.	Yes.	
4.11 Are budgets prepared for all significant activities in sufficient detail to allow meaningful monitoring of subsequent performance?	Yes.	Yes.	Yes.	Yes.	
4.12 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations against the budget?	Yes.	Yes.	Yes.	Yes.	
4.13 Are approvals for variations from the budget required (i) in advance, or (ii) after the fact?	In advance.	In advance.	In advance.	In advance.	
4.14 Is there a ceiling, up to which variations from the budget may be incurred without obtaining prior approval?	All variations need prior approval.	All variations need prior approval.			
4.15 Who is responsible for preparation, approval and oversight/monitoring of budgets?	For the approval of the budget within the budget allocation, PMU Finance Officer is responsible for preparing the budget and the PMU Project Manager and Director will check and approve it.	For the government budget, the office of finance and planning of the DPWT prepares the budgets which are to be approved by MEF and monitored by MPWT.			
4.16 Describe the budget process. Are procedures in place to plan	The budget is processed in accordance with the SOP and FMM.	The government budgets, the budgets must be prepared based on the guidelines of the budget program issued by MEF.			

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project activities, collect information from the units in charge of the different components, and prepare the budgets?					
4.17 Are the project plans and budgets of project activities realistic, based on valid assumptions, and developed by knowledgeable individuals?	Yes.	Yes.			
Is there evidence of significant mid-year revisions, inadequate fund releases against allocations, or inability of the EA to absorb/spend released funds?	Yes, it happens. They are dealt with based on the FMM.	N.A.			
Is there evidence that government counterpart funding is not made available adequately or on a timely basis in prior projects?	No.	No.			
What is the extent of over- or under budgeting of major heads over the last 3 years? Is there a consistent trend either way?	No, as it is processed in consultation with MEF and DP.	N.A.			
<b>Payments</b>					
4.18 Do invoice-processing procedures require: (i) Copies of purchase orders and receiving reports to be obtained directly from issuing departments? (ii) Comparison of invoice quantities, prices and terms, with those indicated on the purchase order and with records of goods actually received? (iii) Comparison of invoice quantities with those indicated on	Yes.	Yes.	Yes.	Yes.	

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the receiving reports? (iv) Checking the accuracy of calculations? (v) Checking authenticity of invoices and supporting documents?					
4.19 Are all invoices stamped PAID, dated, reviewed and approved, recorded/entered into the system correctly, and clearly marked for account code assignment?	Yes.	Yes.	Yes.	Yes.	
4.20 Do controls exist for the preparation of the payroll? Are changes (additions/deductions/modifications) to the payroll properly authorized?	Yes, controls exist because the payroll is based on (i) the number of project staff as stated in MPWT's Prakas and (ii) the salary supplement is based on MEF's decision.	Yes.	Yes.	Yes.	
<b>Policies and Procedures</b>					
4.21 What is the basis of accounting (e.g., cash, accrual) followed (i) by the entity? (ii) By the project?	Modified cash accounting. All transactions are on a cash-basis except for advances. Advances are treated as expenditure upon liquidation.	Cash accounting basis.	Cash accounting basis.	Cash accounting basis.	
4.22 What accounting standards are followed (International Financial Reporting Standards, International Public Sector Accounting Standards – cash or accrual, or National Accounting Standards (specify) or other?	Cambodian Accounting Standard (CAS), based on International Accounting Standards and International Financial Reporting Standards.	CAS, based on International Accounting Standards and International Financial Reporting Standards.			
4.23 Does the project have adequate policies and procedures manual(s) to guide activities and ensure staff accountability?	Yes. The SOP, FMM and PM for the externally financed projects/ program were developed by MEF, ADB and WB.	Yes. The SOP, FMM and PM for the externally financed projects/ program were developed by MEF, ADB and WB.			
4.24 Is the accounting policy and procedure manual updated regularly and for the project activities?	Yes.	Yes.	Yes.	Yes.	
4.25 Do procedures exist to ensure that only authorized persons can alter or establish a new accounting policy or procedure to be used by the entity?	Yes.	Yes.	Yes.	Yes.	

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4.26 Are there written policies and procedures covering all routine financial management and related administrative activities?	Yes. These are stated in the SOP, FMM and PM; ADB's LDH; and WB's Disbursement Procedures.	Yes. These are stated in the SOP, FMM and PM; ADB's LDH; and WB's Disbursement Procedures.			
4.27 Do policies and procedures clearly define conflict of interest and related party transactions (real and apparent) and provide safeguards to protect the organization from them?	Yes. These are stated in the SOP, FMM, and PM.	Yes. These are stated in the SOP, FMM, and PM.			
4.28 Are manuals distributed to appropriate personnel?	Yes.	Not yet.	Not yet.	Not yet.	
4.29 Describe how compliance with policies and procedures are verified and monitored.	The compliance with policies and procedures are verified and monitored in accordance with FMM.	The compliance with policies and procedures are verified and monitored in accordance with FMM.			
<b>Cash and Bank</b>					
4.30 Indicate names and positions of authorized signatories for bank accounts. Include those persons who have custody over bank passwords, USB keys, or equivalent for online transactions.	Project Director	Director and Chief Accountant.			
4.31 Does the organization maintain an adequate and up-to-date cashbook recording receipts and payments?	Yes.	Yes.	Yes.	Yes.	
4.32 Describe the collection process and cash handling procedures. Do controls exist for the collection, timely deposit and recording of receipts at each collection location?	The cash is counted and recorded as per FMM and kept in the safe. Yes, controls exist.	The cash is counted and recorded as per FMM and kept in the safe. Yes, controls exist.			
4.33 Are bank accounts reconciled on a monthly basis? Or more often? Is cash on hand physically verified, and reconciled with the cash books? With what frequency is this done?	Yes, bank accounts are reconciled on a monthly basis. Cash on hand is physically verified daily or weekly depending on the movement of cash.	Yes, bank accounts are reconciled on a monthly basis. Cash on hand is physically verified daily or weekly depending on the movement of cash.			
4.34 Are all reconciling items approved and recorded?	Yes.	Yes.	Yes.	Yes.	

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4.35 Are all unusual items on the bank reconciliation reviewed and approved by a responsible official?	Yes.	Yes.	Yes.	Yes.	
4.36 Are there any persistent/non-moving reconciling items?	No.	No.	No.	No.	
4.37 Are there appropriate controls in safekeeping of unused cheques, USB keys and passwords, official receipts and invoices?	Yes, the unused cheques are kept in the safe with key and passwords.	Yes, the unused cheques are kept in the safe with key and passwords.			
4.38 Are any large cash balances maintained at the head office or field offices? If so, for what purpose?	No. The ceiling of petty cash is not exceeding US\$1000 based on the FMM.	NA	NA	NA	
4.39 For online transactions, how many persons possess USB keys (or equivalent), and passwords? Describe the security rules on password and access controls.	NA	NA	NA	NA	
<b>Safeguard over Assets</b>					
4.40 What policies and procedures are in place to adequately safeguard or protect assets from fraud, waste and abuse?	The policies and procedures are clearly stated in FMM.	The policies and procedures are clearly stated in FMM.			
4.41 Does the entity maintain a Fixed Assets Register? Is the register updated monthly? Does the register record ownership of assets, any assets under lien or encumbered, or have been pledged?	Yes. The register is updated every six months. Yes, register record ownership of assets.	Yes. The register, based on FMM, should be updated once a year. However, not all local governments do this regularly. Yes, the register contains ownership of assets.			May result to loss of asset due to poor monitoring and maintenance.
4.42 Are subsidiary records of fixed assets, inventories and stocks kept up to date and reconciled with control accounts?	Yes.	Yes.	Yes.	Yes.	
4.43 Are there periodic physical inventories of fixed assets, inventories and stocks? Are fixed assets, inventories and stocks appropriately labelled?	Yes.	Yes.	Yes.	Yes.	

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4.44 Are the physical inventory of fixed assets and stocks reconciled with the respective fixed assets and stock registers, and discrepancies analysed and resolved?	Yes. If a discrepancy is found, it will be immediately resolved and the relevant party(s) informed.	Yes. If a discrepancy is found, it will be immediately resolved and the relevant party(s) informed.			
4.45 Describe the policies and procedures in disposal of assets. Is the disposal of each asset appropriately approved and recorded? Are steps immediately taken to locate lost, or repair broken assets?	They are stated in the FMM.	They are stated in the FMM.			
4.46 Are assets sufficiently covered by insurance policies?	Motor vehicles are covered by insurance. For other capital assets, this will depend on the discussion between the PMU/ PIU and MEF.				
4.47 Describe the policies and procedures in identifying and maintaining fully depreciated assets from active assets.	For the assets purchased, they shall be managed and maintained based on the asset management as stated in the FMM.				
<b>Other Offices and Implementing Entities</b>					
4.48 Describe any other regional offices or executing entities participating in implementation.	NA	NA	NA	NA	
4.49 Describe the staff, their roles and responsibilities in performing accounting and financial management functions of such offices as they relate to the project.	NA	NA	NA	NA	
4.50 Has the project established segregation of duties, controls and procedures for flow of funds and financial information, accountability, and reporting and audits in relation to the other offices or entities?	NA	NA	NA	NA	
4.51 Does information among the different offices/ implementing agencies flow in an accurate and timely fashion? In particular, do the offices other than the head office	NA	NA	NA	NA	

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use the same accounting and reporting system?					
4.52 Are periodic reconciliations performed among the different offices/implementing agencies? Describe the project reporting and auditing arrangements between these offices and the main executing/implementing agencies.	NA	NA	NA	NA	
4.53 If any sub-accounts (under the Imprest Account) will be maintained, describe the results of the assessment of the financial management capacity of the administrator of such sub-accounts.	NA	NA	NA	NA	
<b>Contract Management and Accounting</b>					
4.54 Does the agency maintain contract-wise accounting records to indicate gross value of contract, and any amendments, variations and escalations, payments made, and undisbursed balances? Are the records consistent with physical outputs/deliverables of the contract?	Yes.	Yes.	Yes.	Yes.	
4.55 If contract records are maintained, does the agency reconcile them regularly with the contractor?	Yes.	Yes.	Yes.	Yes.	
<b>Other</b>					
4.56 Describe project arrangements for reporting fraud, corruption, waste and misuse of project resources. Has the project advised employees, Beneficiaries and other recipients to whom to report if they suspect fraud, waste or misuse of project resources or property?	There is an arrangement to report to the Project Director or head of the EA, MPWT and to the General Department of Public Procurement, MEF and copied to Department of Cooperation and Debt Management, MEF. Advise has been made.	There is an arrangement to report to the Project Director or head of the EA, MPWT and to the General Department of Public Procurement, MEF and copied to Department of Cooperation and Debt Management, MEF.			
<b>5. Internal Audit</b>					



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5.1 Is there an internal audit (IA) department in the entity?	Yes. It was established by Sub-decree no. 196/ANKR/BK dated 9 December 2005 by the RGC. The internal audit department (IAD) is reasonable to prepare audit plan to be approved by the Minister of MPWT to conduct the audit of the departments at the MPWT and the DPWT at the provinces.	No.			
5.2 What are the qualifications and experience of the IA staff?	IAD is composed of 21 staff: 3 with degree of civil engineer, 10 with bachelor degree of Business Administration; and 8 with Master Degree.	NA			
5.3 To whom does the head of the internal audit report?	The Director of IAD reports to Minister of MPWT.	NA			
5.4 Will the internal audit department include the project in its annual work program?	It will include projects in its annual work program only after it has been trained on how to audit projects.	NA			
5.5 Are actions taken on the internal audit findings?	Yes, around 25% to 95% of the findings identified by IAD have been implemented depending on commitment of departments, provincial departments, and public enterprises.	NA			
5.6 What is the scope of the internal audit program? How was it developed?	The IAD can conduct the internal audit on departments, provincial departments, and public enterprises of MPWT. The internal audit program is developed to check effectiveness, efficiency and economy of the entity, the responsibilities of financial reports, the compliance with laws, policies, orders, and procedures. It is developed based on the Public Auditing Standard for Cambodia	NA			
5.7 Is the IA department independent?	Yes.	NA			
5.8 Do they perform pre-audit of transactions?	Yes.	NA			

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5.9 Who approves the internal audit program?	The Minister of MPWT.	NA			
5.10 What standards guide the internal audit program?	Law on audit of Cambodia, Sub-decree on establishment and organization of internal audit of ministries, entities, public enterprises, Sub-decree on establishment of Internal Audit Department of MPWT, and work program of IAD.	NA			
5.11 How are audit deficiencies tracked?	The deficiencies are tracked in the table containing the current year findings and prior year findings to ensure the actions are taken to rectify these deficiencies.	NA			
5.12 How long have the internal audit staff members been with the organization?	Most of the employees have been working for IAD around 7 years.	NA			
5.13 Does any of the internal audit staff have an IT background?	No.	NA			
5.14 How frequently does the internal auditor meet with the audit committee without the presence of management?	They can meet the audit committee headed by the Minister any time they deem it necessary.	NA			
5.15 Has the internal auditor identified/reported any issue with reference to availability and completeness of records?	No.	NA			
5.16 Does the internal auditor have sufficient knowledge and understanding of ADB's guidelines and procedures, including the disbursement guidelines and procedures (i.e., LDH)?	All of staff of IAD except the Director have never been trained on SOP, FMM, PM, ADB's LDH, and WB's Disbursement Guidelines.	NA			
<b>6. External Audit – entity level</b>					
6.1 Is the entity financial statement audited regularly by an independent auditor? Who is the auditor?	Yes, it is audited once a year. The National Audit Authority (NAA) of the Royal Government of Cambodia is the auditor.				
6.2 Are there any delays in audit of the entity? When are the audit reports issued?	The audit reports will be issued within 3 months after starting the field work. There is no deadline as to when the audit report will be completed after the end of the year.				

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6.3 Is the audit of the entity conducted in accordance with the International Standards on Auditing, or the International Standards for Supreme Audit Institutions, or national auditing standards?	It is conducted according to the Public Auditing Standard for Cambodia and International Standards of Supreme Audit Institutions.				
6.4 Were there any major accountability issues noted in the audit report for the past three years?	No.	No.	No.	No.	
6.5 Does the external auditor meet with the audit committee without the presence of management?	Yes, if they wish or they can write a letter to the audit committee headed by the Minister.				
6.6 Has the entity engaged the external audit firm for any non-audit engagements (e.g., consulting)? If yes, what is the total value of non-audit engagements, relative to the value of audit services?	No.	No.	No.	No.	
6.7 Has the external auditor expressed any issues on the availability of complete records and supporting documents?	No.	No.	No.	No.	
6.8 Does the external auditor have sufficient knowledge and understanding of ADB's guidelines and procedures, including the disbursement guidelines and procedures (i.e., LDH)?	Yes.	Yes.	Yes,	Yes.	
6.9 Are there any material issues noted during the review of the audited entity financial statements that were not reported in the external audit report?	No.	No.	No.	No.	
<b>External Audit – project level</b>					
6.10 Will the entity auditor audit the project accounts or will another auditor be appointed to audit the project financial statements?	Only external auditor(s) to be appointed by MEF under a bundled audit arrangement.				
6.11 Are there any recommendations made by the	None.	NA	NA	NA	

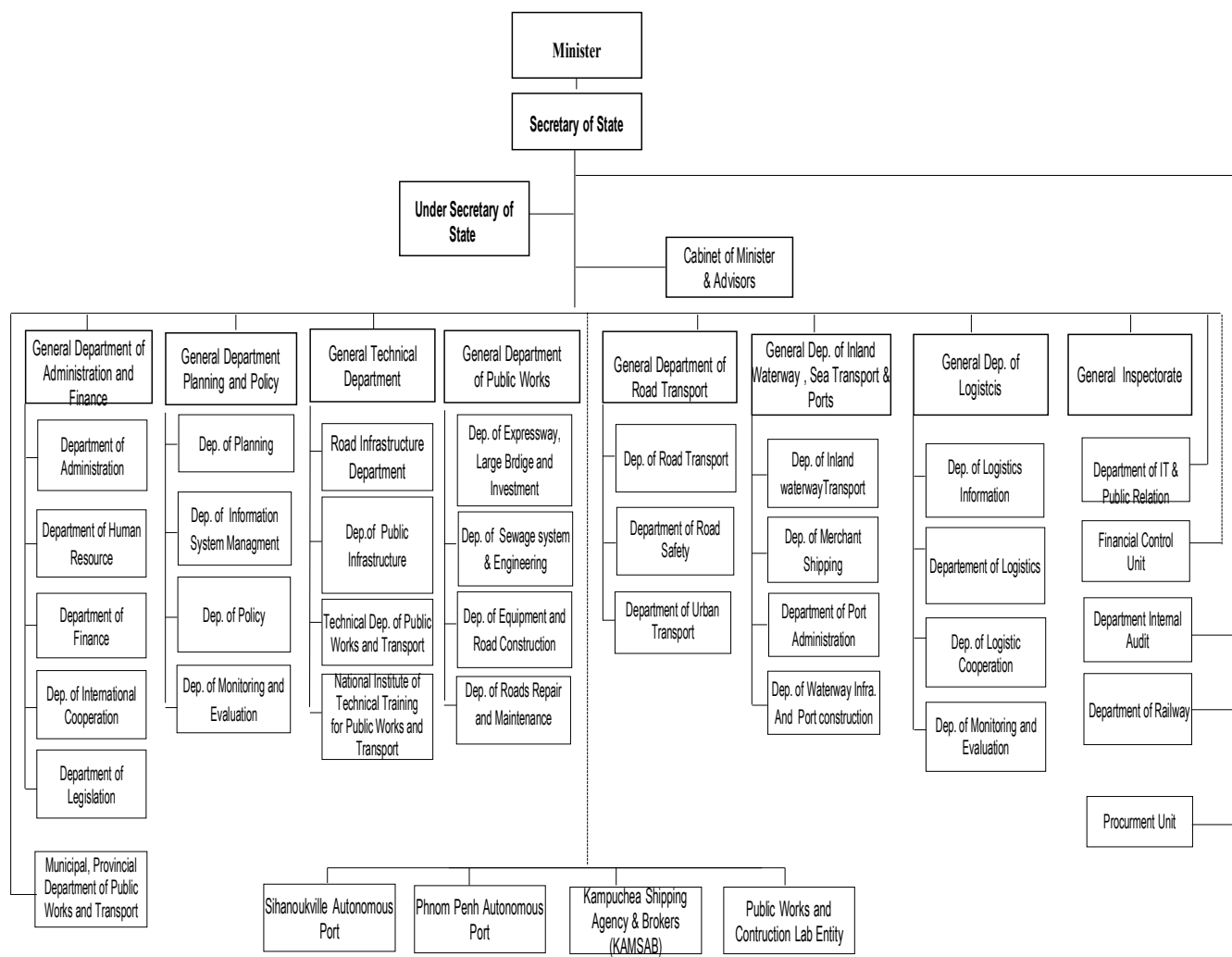
Topic	Response				Potential Risk Event
Agencies	Ministry of Public Works and Transport / PMU <sup>8</sup>	Kampong Cham PDPWT <sup>9</sup> / PIU	Kratie PDPWT / PIU	Stung Treng PDPWT / PIU	
auditors in prior project audit reports or management letters that have not yet been implemented?					
6.12 Is the project subject to any kind of audit from an independent governmental entity (e.g. the supreme audit institution) in addition to the external audit?	Yes, the project is also subject to an audit by the NAA. The Ministry of National Assembly and Senate Relation and Inspection (MONASRI) of the Royal Government of Cambodia can audit the project if necessary.				
6.13 Has the project prepared acceptable terms of reference for an annual project audit? Have these been agreed and discussed with the EA and the auditor?	No. This will be done during project implementation.				
6.14 Has the project auditor identified any issues with the availability and completeness of records and supporting documents?	NA	NA	NA	NA	
6.15 Does the external auditor have sufficient knowledge and understanding of ADB's guidelines and procedures, including the disbursement guidelines and procedures (i.e., LDH)?	The terms of reference for the external auditor will require knowledge of ADB's guidelines and procedures including LDH.				
6.16 Are there any recommendations made by the auditors in prior audit reports or management letters that have not yet been implemented?	None.	NA	NA	NA	
[For second or subsequent projects] 6.17 Were past audit reports complete, and did they fully address the obligations under the loan agreements? Were there any material issues noted during the review of the audited project financial statements and related audit report that have remained unaddressed?	Yes, the past audit reports were complete.  No, all material issues were addressed.	NA	NA	NA	
<b>7. Reporting and Monitoring</b>					

Topic	Response				Potential Risk Event
Agencies	Ministry of Public Works and Transport / PMU <sup>8</sup>	Kampong Cham PDPWT <sup>9</sup> / PIU	Kratie PDPWT / PIU	Stung Treng PDPWT / PIU	
7.1 Are financial statements and reports prepared for the entity?	Yes.	Yes.	Yes.	Yes.	
7.2 Are financial statements and reports prepared for the implementing unit(s)?	Yes.	NA	NA	NA	
7.3 What is the frequency of preparation of financial statements and reports? Are the reports prepared in a timely fashion so as to be useful to management for decision making?	The financial statements have to be prepared in monthly, quarterly and annual basis according to the FMM.	Monthly and quarterly reports.			
7.4 Does the entity reporting system need to be adapted for project reporting?	Yes, the financial reports are generated from computerize accounting system and exported into spreadsheet for the further modification before the approval from PM and PD.	Yes. MS Word and Excel are used at present.			
7.5 Has the project established financial management reporting responsibilities that specify the types of reports to be prepared, the report content, and purpose of the reports?	Yes, it has established according to FMM.	NA	NA	NA	
7.6 Are financial management reports used by management?	Yes.	Yes.	Yes.	Yes.	
7.7 Do the financial reports compare actual expenditures with budgeted and programmed allocations?	Yes.	Yes.	Yes.	Yes.	
7.8 How are financial reports prepared? Are financial reports prepared directly by the automated accounting system or are they prepared by spreadsheets or some other means?	The financial reports are prepared by using data from the computerized accounting system.	The financial reports are prepared using <i>MS Word</i> and <i>Excel</i> .			
7.9 Does the financial system have the capacity to link the financial information with the project's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that	Yes.	No.	No.	No.	

Topic	Response				Potential Risk Event
Agencies	Ministry of Public Works and Transport / PMU <sup>8</sup>	Kampong Cham PDPWT <sup>9</sup> / PIU	Kratie PDPWT / PIU	Stung Treng PDPWT / PIU	
the physical data may not synchronize with the financial data?					
7.10 Does the entity have experience in implementing projects of any other donors, co-financiers, or development partners?	Yes.	No.	No.	No.	
<b>8. Information Systems</b>					
8.1 Is the financial accounting and reporting system computerized?	Yes, the accounting system is computerized and the financial reports are prepared automatically.	No.	No.	No.	
8.2 If computerized, is the software off-the-shelf, or customized?	The software is off-the-shelf. Sage 50 Accounting Premium – licensed version 2017.	NA	NA	NA	
8.3 Is the computerized software standalone, or integrated and used by all departments in the headquarters and field units using modules?	The computerized software can be shared.	NA	NA	NA	
8.4 How are the project financial data integrated with the entity financial data? Is it done through a module in the enterprise financial system with automatic data transfer, or does it entail manual entry?	They are integrated by the Finance Officer and reviewed by Financial Management consultant.	NA	NA	NA	
8.5 Is the computerized software used for directly generating periodic financial statements, or does it require manual intervention and use of Excel or similar spreadsheet software?	Yes.	NA	NA	NA	
8.6 Can the system automatically produce the necessary project financial reports?	Yes, but needs further modification.	NA	NA	NA	
8.7 Is the staff adequately trained to maintain the computerized system?	Yes, but not in advanced level.	NA	NA	NA	
8.8 Do the management, organization and processes and systems safeguard the	Yes.	NA	NA	NA	

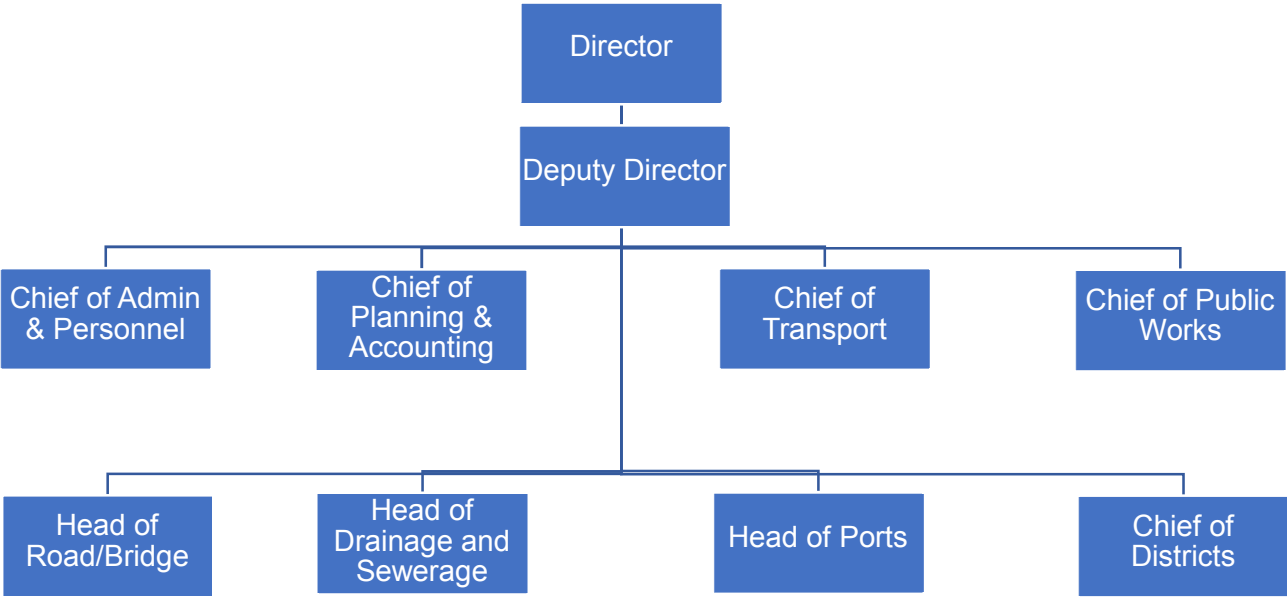
Topic	Response				Potential Risk Event
Agencies	Ministry of Public Works and Transport / PMU <sup>8</sup>	Kampong Cham PDPWT <sup>9</sup> / PIU	Kratie PDPWT / PIU	Stung Treng PDPWT / PIU	
confidentiality, integrity and availability of the data?					
8.9 Are there back-up procedures in place?	Yes.	NA	NA	NA	
8.10 Describe the backup procedures – online storage, offsite storage, offshore storage, fire, earthquake and calamity protection for backups.	It is backed-up in a computer and copied into external hard disk drives and kept in the safe.	NA	NA	NA	

# ORGANIZATIONAL CHART OF MPWT

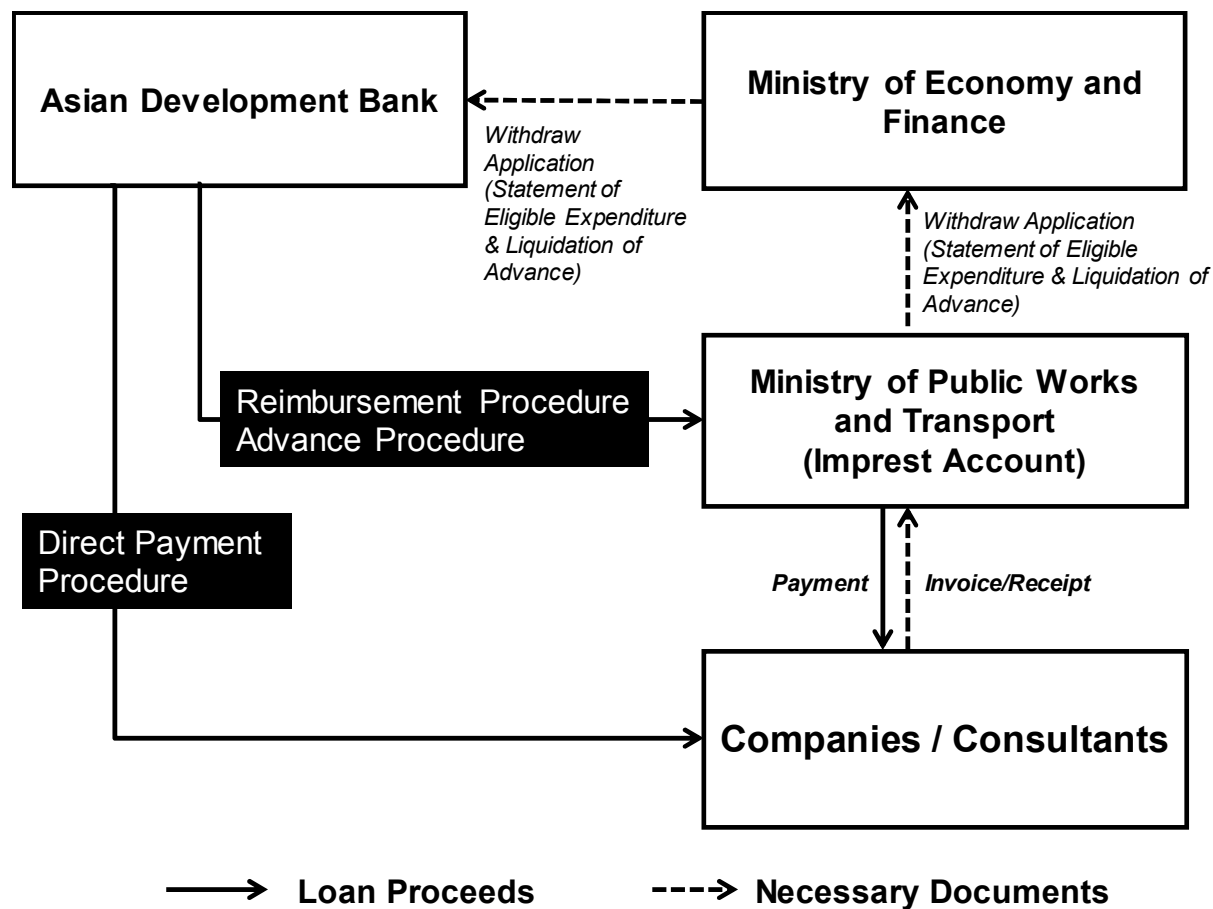


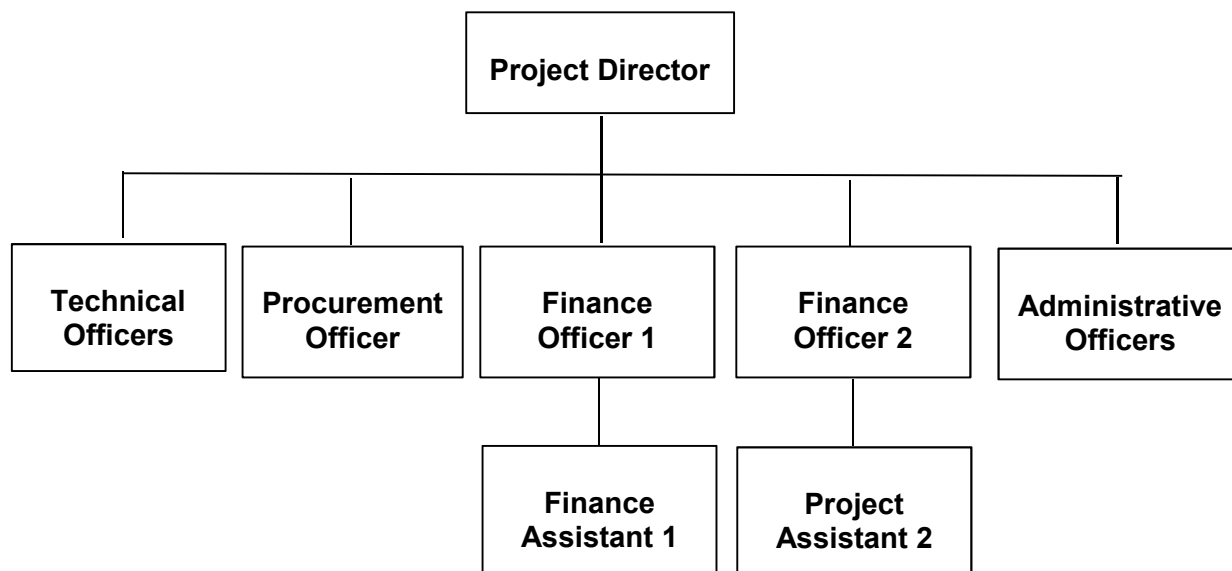


ORGANIZATIONAL CHART OF PROVINCIAL DPWT



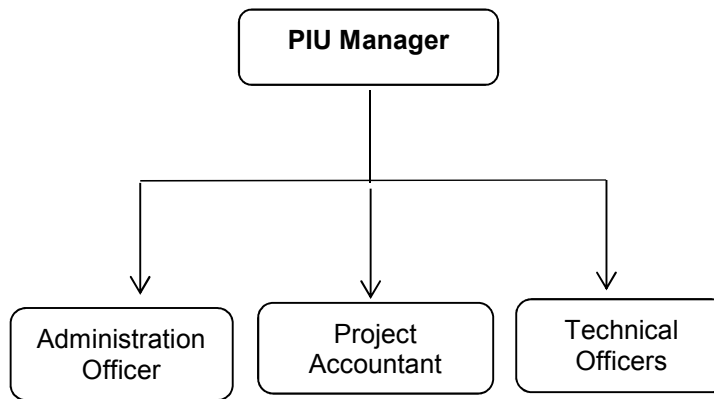
# FUNDS FLOW



**ORGANIZATIONAL CHART OF PMU****Notes:**

1. Finance Officer 1 is currently assigned to manage Southeastern GMS Corridor Towns Development Project and Integrated Urban Environmental Management in the Tonle Sap Basin Project
2. Finance Officer 2 is currently assigned to manage Second GMS Corridor Towns Development Project
3. The Finance Assistant 1 is being recruited and Finance Assistant 2 is proposed to be recruited

### PROPOSED ORGANIZATIONAL CHART OF PIU



## **QUALIFICATIONS OF THE EXISTING FINANCE OFFICERS 1 AND 2**

### **FINANCE OFFICER 1**

#### **Education**

- Master of Transport

#### **Trainings/Workshops**

- Standard Operating Procures
- Financial Management Manual
- Procurement Manual
- ADB's Loan Disbursement Handbook
- Accounting Software in Peachtree

#### **Work Experience**

- Technical Staff of Ministry of Planning
- Director, Ministry of Public Works and Transport
- Finance Officer, ADB-funded projects such as ADB L1725, L1969, L2983, and ADB 3311, and Korean Exim Bank funded project, EDCF KHM-7

### **FINANCE OFFICER 2**

#### **Education**

- Bachelor of Accounting

#### **Trainings/Workshops**

- Standard Operating Procures
- Financial Management Manual
- Procurement Manual
- ADB's Loan Disbursement Handbook
- Accounting Software in Peachtree

#### **Work Experience**

- Technical Staff of Ministry of Planning
- Finance Officer, World Bank funded project, IDA3822 and ADB-funded projects such as ADB L3314, ADB G7193

## **TERMS OF REFERENCE AND QUALIFICATION FOR PROJECT ACCOUNTANT**

### **The Project Accountant's responsibilities will include, but not to be limited to:**

- supporting the Finance Manager (FM) in the overall management, maintaining internal control of and monitoring the integrity of the Designated Account of IDA and others, if any, and project petty cash Imprests including preparation of monthly reconciliations of the implementing agencies, in accordance with Financial Management Manual (FMM), Standard Operation Procedures, and Procurement Manual for the externally-funded projects;
- assisting the FM in preparing, cheques, transfer orders, liquidation of advances and monthly reconciliation statements;
- assisting the FM in preparing withdrawal applications, process contract payment certificate, contract register, together with the relevant supporting documents including Statement of Expenditures or Summary Sheet; submitting them to the Ministry of Public Works and Transport and the Ministry of Economy and Finance for approval; and updating payment tracking of WA registers;
- assisting the FM in preparing and consolidating the budget and disbursement plan based on the procurement plan for the approval of the project management, MEF, and the ADB for the reliable implementation of the annual work plans;
- assisting the FM in preparing and consolidating the budget/disbursement plan based on the procurement plan for the approval of the project management, MEF, and the DPs for the reliable implementation of the annual work plans;
- recording daily financial transactions in the accounting system in accordance with FMM;
- supporting the FM in preparing necessary documents for internal and independent audits;
- assisting the FM in managing equipment, machines and furniture of project and other assets listed in the fixed assets tracking book according to FMM;
- assisting the FM/Project Manager/Project Director (PD) in the preparations of PMU3 for project reviews by DPs; and arranging meetings, workshops, and seminars;
- preparing managing and updating project documents in an appropriate way; and
- implement other duties as assigned by FM /PM/ PD.

### **Qualification Requirements:**

- Bachelor's Degree in Financial Accounting or equivalent;
- At least 2 years of work experience in financial management, experience with externally funded projects (Asian Development Bank, World Bank or other funded projects);
- Good knowledge of any accounting software;
- Familiarity with the Government such as Standard Operation Procedure, FMM, and Procurement Manual;
- Demonstrated ability to consult and work cooperatively with others; and
- Fluent in spoken and written Khmer and English.

## **TERMS OF REFERENCE AND QUALIFICATION FOR FINANCE OFFICER**

### **The Finance Officer's responsibilities will include, but not to be limited to:**

- overall management, maintaining internal control of and monitoring the integrity of the Imprest Account of DPs, and project petty cash Imprests including preparation of monthly reconciliations of the implementing agencies in accordance with Financial Management Manual (FMM), Standard Operation Procedures (SOP), and Procurement Manual (PM) for externally-funded projects;
- overall management of accounting staff;
- ensuring all fund receipts and expenditures are authorized and in line with established financial procedures and Financing Agreement, with proper supporting documents and are properly recorded in accounting software;
- setting-up, updating, and maintaining the computerized accounting system, when necessary;
- reviewing withdrawal applications, process contract payment certificate, contract register, together with the relevant supporting documents including Statement of Expenditures or Summary Sheet; submitting them to the Ministry of Public Works and Transport and the Ministry of Economy and Finance (MEF) for approval; and updating payment tracking of withdraw application registers;
- management of and reporting the update of all the contracts of civil works, goods, and consultants to the project management on a monthly basis;
- reviewing of monthly, quarterly, and annual Financial Management Reports (FMRs) and submitting them to Project Manager, Project Director, MEF and to DPs;
- monitoring project cash flow and taking appropriate actions to ensure both safe and efficient management of funds;
- preparing and consolidating the budget and disbursement plan based on the procurement plan for the approval of the project management, MEF, and the DPs for the reliable implementation of the annual work plans;
- preparing the project financial statements for the audit by the external auditors and monitoring audit results, management response and resolution of issues arising from audits if any;
- maintaining, updating, and periodically counting the inventory in according to the FMM, and preparing a periodic report of purchase/disposal of the property;
- ensuring that the project complies at all times with the SOP, FMM, PM, Financing Agreement, DPs' Disbursement Guidelines; and
- assisting the Project Manager/Project Director in the preparations of PMU3 for project reviews by DPs; and arranging meetings, and workshop, and seminar.

### **Minimum Qualification Requirements**

- Bachelor's Degree in Accounting or Financial Management or equivalent;
- At least 5 years of work experiences in financial management, experience with externally-funded projects (Asian Development Bank, World Bank, or other DP funded projects);
- Good knowledge of any accounting software;
- Familiarity with Government guidelines and procedures such as SOP, FMM, and PM; and
- Fluent in spoken and written Khmer and English.

## **TERMS OF REFERENCE AND QUALIFICATION FOR FINANCE ASSISTANT**

### **The Finance Assistant's responsibilities will include, but not to be limited to:**

- supporting the Finance Officer (FO) and Financial Management Specialist (FMS) in the overall management of, maintaining internal control of and monitoring the integrity of the Imprest Account of ADB and others if any, and project petty cash Imprests including preparation of monthly reconciliations of the IAs in accordance with Financial Management Manual (FMM), Standard Operation Procedures, and Procurement Manual for the Externally Funded Projects;
- assisting the FO/FMS in preparing, cheques, transfer orders, liquidation of advances and monthly reconciliation statements;
- assisting the FO/FMS in preparing withdrawal applications, process contract payment certificate, contract register, together with the relevant supporting documents including Statement of Expenditures or Summary Sheet; submitting them to the Ministry of Public Works and Transport and the Ministry of Economy and Finance (MEF) for approval; and updating payment tracking of withdraw application registers
- assisting the FO/FMS in preparing and consolidating the budget and disbursement plan based on the procurement plan for the approval of the project management, MEF, and the Asian Development Bank for the reliable implementation of the annual work plans;
- assisting the FO/FMS in preparing and consolidating the budget/disbursement plan based on the procurement plan for the approval of the project management, MEF, and the DPs for the reliable implementation of the annual work plans;
- recording daily financial transactions in the accounting system in accordance with the FMM;
- assisting the FO/FMS in preparing necessary documents for internal and independent audits;
- assisting the FO/FMS in managing equipment, machines and furniture of project and other assets listed in the fixed assets tracking book according to FMM;
- assisting the FO/FMS/Project Manager/Project Director in the preparations of project management unit for project reviews by DPs; and arranging meetings, and workshop, and seminar;
- preparing, managing and updating project documents in an appropriate way; and
- implementing other duties as assigned by Finance Officer/Financial Management Specialist /Project Manager/Project Director.

### **Qualification Requirements**

- Bachelor's Degree of Financial Accounting or equivalent;
- At least 3 years of working experiences with minimum 2 years of work experience in financial management, experience with external funding projects (Asian Development Bank, World Bank or other funded projects);
- Good knowledge of any accounting software of Sage 50;
- Familiarity with the Government such as Standard Operation Procedures, FMM, and Procurement Manual;
- Demonstrated ability to consult and work cooperatively with others; and
- Fluent in spoken and written Khmer and English.



## **TERMS OF REFERENCE FOR EXTERNAL AUDITORS**

### **For Projects Funded under Loans/Grants from Asian Development Bank**

#### **1. Purpose of the Audit**

The objective of the audit of the financial statements of each Project is to enable the auditor to express a professional opinion on the financial position of the Projects set in separate list of the funds received and expenditure incurred during the year/period then ended as well as an opinion on the statements of receipts and expenditure and the Imprest Accounts of the Project (as attached in appendix 1). The auditor will also be required to express a professional opinion on the compliance with the covenants of the Loan/Grant Agreement.

A management letter will also be provided by the audit firm, which will contain an opinion of the auditor on the financial management accounting and internal control systems of the entity, with recommendations for any changes needed to improve performance.

#### **2. Scope of the Audit**

The audit will be carried out in accordance with International Standards of Auditing and will include such tests considered necessary to provide sufficient evidence that gives reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. The auditor should state in the audit report if the audit was not in conformity with any of the above and indicate the alternative standards or procedures followed.

The audit should cover income and expenditure having been made through imprest account, reimbursement, direct payment and commitment.

Special attentions are required on:

- Verify that expenditure claimed under the statement of expenditure is in compliance with the accounting records
- The project's accounts have been prepared in accordance with consistently applied International Accounting Standards and give a true and fair view of the financial situation of the project and of resources and expenditure for the year ended on that date.
- Comprehensive assessment of the adequacy and effectiveness of the accounting and overall internal control system to monitor expenditure at all level of the project and other financial transaction. Comprehensive assessment of the adequacy and effectiveness of the regular cash reconciliations and petty cash management.
- Determine the eligibility of expenditure in line with provisions of the Loan Agreement. Where ineligible expenditure was included in the statement of expenditure was included in the reports, these should be noted separately by the auditors.

The goods, works and services financed have been procured transparently, competitively and in accordance with the procurement plan loan agreement and relevant Procurement Manuals approved. The transactions are properly justified, and all supporting documents are available.

A review of the fixed assets procured. The auditor will also specifically review if the allocation of project vehicles has been undertaken and is being utilized in accordance with the relevant Loan/Grant agreement.

Compliance with Standard Operations Procedures, Financial Management Manual and Procurement Manual

MEF and ADB can request access to the auditors unedited audit working papers.

### **3. Methodology**

In response to the terms of reference, a methodology will be proposed by the audit firm. The methodology should address as a minimum:

- Compliance with ISA
- Understanding of the environment and key areas of audit risk for the project
- Audit planning and the role that the client is expected to play in this process
- The proposed audit teams experience
- The resources to be allocated to the audit to address the risks identified
- The approach to field work (i.e. gathering of evidence to support assertions to be made in the audit opinions)
- Quality assurance arrangements (including mechanisms for the client to be involved in this process)
- Timetable for completion of the audit work.

### **4. The Audit report**

The auditors' reports on the project's financial statement should include at least the following matters:

- The audit report will state the purpose of the report and its intended use
- Accounting standards that have been applied and indicate in the project's financial statements and indicate the effect of any deviations from those standards.
- The audit standards that were applied (International Standards on Auditing)
- The audit opinion is required to cover both the current period and the cumulative period since commencement of the project
- The audit opinion will state whether the financial statements present fairly the financial position and transactions for the project in accordance with the accounting standards.

### **5. Management Letter**

The auditors must prepare and submit a management letter at the completion of the audit and the management letter should address as a minimum the following:

Any material weaknesses in the accounting and internal control system which were identified during the audit.

Significant matters raised in previous reports which have not been dealt with effectively. Matters which have come to the auditor's attention during the course of the audit which might have a significant impact on the implementation of the Project. Any other matter which the auditor considers should be brought to the attention of the MEF and ADB. At least the following topics/issues should be included:

- The effectiveness of the internal control system in providing project management with useful and timely information for corrective action
- The general effectiveness of the internal controls system in asset management and maintenance

- The effectiveness of the internal control system in ensuring compliance with laws, regulations and financing agreements
- Any identified weaknesses in the internal control environment, including the auditors' assessment of the impact on the project and recommendations for remedial action
- Where the internal controls are not reliable, the auditor will provide details of the assessment and the alternative methods employed to gain assurance over the accuracy and completeness of the financial statements.
- The adequacy of procurement and contract filing systems.

## 6. Exit conference

Upon completion of the field work, the auditor will hold an exit conference with the project management. The exit conference will give the auditor an opportunity to obtain managements comments on the accuracy and completeness of the auditors' findings, conclusions, and recommendations. Issues discussed and/or raised in the exit conference should be properly documented and includes in the audit work papers.

The audit firm will also organize a wrap-up session for MEF and ADB to share common findings across projects being audited and provide recommendations for addressing bottlenecks in preparation for the next audit.

## 7. Accounting and Reporting Standards

The financial and administrative internal controls and checks must be considered. Systems of internal controls and checks, including internal audit, must be reviewed and evaluated. This process will determine the degree of reliance that can be placed upon the existing arrangements, and the extent of testing that needs to be performed by the auditor.

## 8. Staffing and Qualifications

The audit firm must submit its personnel schedule and price quotation per project (IMPORTANT)

Curriculum vitae (CVs) must be provided in the bid submission, including a list of who would be responsible for providing the opinions and reports, together with the CVs of managers, supervisors and key personnel to be involved in the audit work.

CVs of proposed auditors should include audit experience carried out by these staff, including ongoing assignments.

The audit firm must notify the MEF every time the auditor substitutes a staff member.

The auditors need to be impartial and independent from any aspects of management or financial interest in the EA/IA under audit.

Auditors are required to disclose any relationship likely to compromise their independence in their bid proposal.

The Auditor shall have the right of access to banks and depositories, consultants, contractors and other persons or firms engaged by the project. In case access has been restricted, the auditor must note this in the management letter.

## **9. Deliverables and Timing**

Five sets of the financial statements and the associated audit report and management letters in English shall be delivered to each EA and a set provided to Ministry of Economic and Finance, and two sets to ADB no later than six months after the end of the financial period to which the audit refers.

It is expected that the financial statements, prepared by the Project, will be ready for audits before the end of February and that the audit will be completed by the end of March. The auditor will plan and conduct audit fieldworks to ensure that the audit reports are completed within 8 weeks of upon commencement of the final audit.

The audit firm will retrieve confirmed ADB disbursements through the LFIS/GFIS database. No separate ADB Confirmation Letter in confirmed disbursements will be provided. MEF will provide the audit firm with access to LFIS/GFIS.

# Project Administration Manual

## Attachment 2: Procurement Capacity Assessment

Project Number: 50099-002

Loan Number:

Grant Number:

May 2018

## A. Introduction

1. The project preparatory technical assistance (PPTA) team consultants, in consultation with the project stakeholders such as the Ministry of Public Works and Transport (MPWT), Provincial Department of Works and Transport (DPWTs), Provincial Administrative Units (Governors), Municipal Offices, and other provincial departments, identified the infrastructures and facilities that will be included in the Fourth Greater Mekong Subregion Corridor Towns Development Project. The same project stakeholders are targeted to be the respondents for the Procurement Capacity Assessment as they are also the future project implementers.

2. A Procurement Risk Assessment at the project preparatory stage is mandatory for all Asian Development Bank (ADB) projects to identify risks and possible means to mitigate them ahead of the project implementation stages. The ADB's *Guide on Assessing Procurement Risk and Determining Project Procurement Classification* states that the intent of procurement risk assessment is to:

- (i) identify risks in country sector, agency or project systems and/or practices that could result in sub-optimal use of ADB resources;
- (ii) define the severity of the risks; and
- (iii) develop a practical risk management plan with which to address those risks that could adversely impact project implementation and/or achievement of project outcomes.

3. Procurement Risk Assessment is a tool used by ADB in assessing the country/sector/agency representatives' readiness and capability to undertake the procurement process. The project procurement risk assessment aims to determine the overall procurement capability at the level of the executing agency and implementing agency and assess their capacity in completing the procurement process for this project. If found to be deficient, the assessment will also help establish appropriate review and supervision processes, including thresholds, for application during the project implementation.<sup>1</sup>

4. The current assessment was conducted using the pro-forma ADB questionnaire, which focused upon: (i) present organizational and staff capacity, (ii) information management processes adopted, (iii) procurement practices in place, and (iv) effectiveness and accountability measures used.

5. A country procurement risk assessment for the Kingdom of Cambodia was already conducted as part of the first country-level governance risk assessment and risk management plan for Cambodia in 2011. A follow-up procurement risk assessment was also undertaken in 2014 as part of the implementation of the 10-point procurement action plan under the midterm review of Strategy 2020. Hence, the procurement risk assessment for this PPTA will only focus on project-related issues.

6. The project is envisioned to implement and construct drainage, wastewater treatment, solid waste management, and town center enhancement for the three Cambodian towns, i.e. Kampong Cham, Kratie, and Stung Treng.<sup>2</sup> It is also envisioned that the solid waste management subprojects will be procured through a Design-Build modality to fast track the sub-project implementation, that requires careful assessment.

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<sup>1</sup> Guide on Assessing Procurement Risks and Determining Project Procurement Classification-ADB, August 2014

<sup>2</sup> Town center enhancement only for Kratie and Stung Treng.

## B. Project Procurement Risk Assessment

### 1. Overview

7. The Kingdom of Cambodia's rating is 'High' in the preliminary risk ratings used by ADB countries benefitting from agency interventions.<sup>3</sup> The high rating pertains to overall country assessment and is due to persistent issues and/or weaknesses in the procurement framework,<sup>4</sup> which often directly impede project implementation. As a result of the first country-level governance risk assessment and risk assessment management plan, a technical assistance (TA) was requested by the government from ADB, which aimed at improving their financial and procurement management for externally funded projects.

8. TA 8188-CAM: Country Systems in Procurement and Financial Management, in part, has resulted in updating the government's Standard Operating Procedures (SOP) and Procurement Manual for externally funded projects. The TA aimed to strengthen the capacity of government officials in procurement and financial management through a series of training activities including training of trainers. Although, the TA has been successfully implemented, there are some gaps to be addressed in project implementation.

9. The answers given in the questionnaires and comments received in interviews with MPWT and their Project Management Unit, Provincial DPWTs and project implementation units, Provincial and Municipal Government Officials in Kampong Cham, Kratie, and Stung Treng indicated similar results, i.e. that there is a common demand for regular training programs for procurement and engagement of consulting services funded by multilateral donor agencies (e.g. ADB, World Bank, JICA, etc.). The perception is that training is needed to improve overall public and/or government sector's procurement capacity at both the central and provincial levels. The training will also benefit procurement under government-funded projects.

### 2. Strengths

10. The Kingdom of Cambodia has an existing Procurement Law, dated May 2012, which promulgates the updated SOP for Implementing all externally-financed projects and programs, and replaced sub-decrees No. 105 ANK/BK dated 18 October 2006. Procurement Manual Volume I and II were also drafted as part of this Procurement Law, which cover the steps, policies, and principles of procurement. It was also drafted in line with the guidelines published by the Multilateral Donors on procurement methods.

11. Competitive Bidding is the procurement method employed in most government projects, although other methods of procurement can also be used as stipulated in the Procurement Manual. Standard bidding documents for externally-funded projects have been drafted and are part of the Procurement Manual (Volume II). Volume II included sample bidding documents for National Competitive Bidding for Works and Goods and Shopping Documents (Request for Quotation) for goods and works. Moreover, the Standard Bidding Documents included a Statement on Ethical Conduct and Fraud and Corruption as part of the Bidder's submission. The other strengths identified as a result of the answered questionnaires are the following:

12. **Information Management.** The respondents' answers showed that they have a fairly good Information Management. All procurement files have a referencing system; bidding and

<sup>3</sup> Preliminary Risk Ratings for ADB Countries with Operation.

<sup>4</sup> Risk Assessment and Risk Management Plan (Summary) - Country Partnership Strategy: Cambodia, 2014–2018.

contract documentations are kept in files for as long as ten (10) years. The agencies have adequate resources allocated to record keeping infrastructure, which includes record keeping system, space, equipment, and personnel to administer the procurement records management functions although this is done on a project to project basis.

13. **Effectiveness.** Contractual performance is being monitored and reported systematically by the department concerned according to the replies by the respondents.

### **3. Weaknesses**

14. The assessments of the project procurement risk within the MPWT, the three provincial DPWTs, and Provincial and Municipal officers demonstrated that there are some gaps and deficiencies in several areas:

#### **(i) Organizational and Staff Capacity**

15. The organizational and staff capacity of provincial DPWTs, and provincial and municipal government are still weak as not all offices have a dedicated Procurement Unit and office that handles procurement activities. Instead, a Procurement Committee is being established on a “as needed” or “by project” basis through a decision or circular by the head of the agency, such as the Minister, Governor, or Mayor. The same goes for the Procurement Committee’s secretariat, which is formed as an ad-hoc committee. Selection of procurement committee members are not based on their qualifications or experience on procurement, but more on their position and involvement in the project.

16. There is lack of continuity in the performance of the procurement tasks resulting from the non-permanency of procurement staff. This also prevents staff from becoming fully proficient in procurement activities—a lack of regular training sessions and peer reviews further detracts from the staff capabilities and prevents them from acquiring the necessary procurement skills.

17. English language proficiency is another noted weakness amongst the procurement staff. The need for bilingual proficiency seems not high on the priority list of the staff interviewed as government procurement is mainly conducted in Khmer language, while foreign-funded projects are normally supported by international consultants.

#### **(ii) Procurement Practices**

18. The DPWTs, Provincial and Municipal governments’ procurement committee, and staff have mostly experienced procuring works and goods using government funds instead of external or foreign-funds. They have no processes in place for the collection and clearance of cargo and are not familiar with letters of credit, and also lack experience or have not had any involvement in the hiring and/or recruitment of consultants and professional services. Recruitment/hiring of consultants and services are normally done at the central level under the MPWT.

19. While the DPWTs, Provincial and Municipal governments’ procurement committees and staff are aware of the SOPs, they are not using this on their procurement as this is for externally-funded projects. Instead, they follow the Procurement Manual on Implementing Rules and Regulations Governing Public Procurement dated 15 June 2010.



### (iii) Accountability Measures

20. The Procurement Law and the Procurement Manual have clauses on Procurement Code of Ethics as well as Penalty Provision for public servants, which stipulates the sanctions for public servants who are involved in procurement irregularities. Administrative punishments will be accorded to the violators and can also be brought to court for criminal prosecution. However, it is difficult to determine and to show proof if any public servants are involved in irregularities. Some of the respondents answered that there is no requirement for them to declare any potential of conflict of interest and remove themselves from the procurement process.

## 4. Contractor's Capacity

21. Contractors' capacity in the country was also checked to determine whether enough contractors can be invited to the bidding process or whether fair and open competition in bidding can be achieved. The provincial administrative offices maintain a registry of Contractors with categorization based on the scope of works they contract. Category 1 is for general construction; Category 2 is for soil embankment; and Category 3 for specialized contractors. There are ample numbers of contractors within the region and provinces on the identified project areas that can be invited to participate on the projects' procurement. Although these contractors may not have experience bidding under ADB funded projects, these can be remedied by conducting Contractor training and/or orientation on ADB Procurement procedures and requirements. In this way, a fair and open competition on a project's bidding will be assured.

22. In terms of contractors participating in Design-Build packages, it can be noted that there are also adequate number of contractors that are interested on this procurement modality. The government agencies such as the Ministry of Industry and Handicraft are currently undertaking this procurement modality—Design and Built using ICB. MPWT is also preparing a Design-Build ICB for the wastewater treatment system and pipelines.<sup>5</sup> For ongoing bidding for the water supply sector, there are over 20 interested contractors within the region who purchased the bidding documents and about 9 who submitted their bids. This may indicate that civil works construction for urban infrastructures in Cambodia is gaining experiences and its market has been gradually growing.

## 5. Overall Procurement Risk Assessment Management Plan

23. Procurement packages for the ensuing project are a mix of simple and complex subprojects. The wastewater treatment plant with the combined drainage and sewer networks might be considered complex in terms of magnitude and amount while town center improvement work is relatively simple in scope of works and value. The overall risk rating concluded from the results of the general procurement environment risk assessment and the project procurement risk assessment is low for MPWT/PMU and Substantial for DPWTs/PIUs. The summary is presented in Table 1–2. The assessment questionnaires are in Appendix 1.

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<sup>5</sup> Both procurement packages are under the ADB financed project: ADB. 2017. *Kingdom of Cambodia: Provincial Water Supply and Sanitation Project*. Manila

**Table 1: Overall Ratings of MPWT/PMU**

Criteria	Risk
A. Organization and Staff Capacity	Low
B. Information Management	Low
C. Procurement Practices	Moderate
D. Effectiveness	Low
E. Accountability	Low
Overall Risk Rating	Low

**Table 2: Overall Ratings of DPWTs/PIUs**

Criteria	Risk
A. Organization and Staff Capacity	Substantial
B. Information Management	High
C. Procurement Practices	High
D. Effectiveness	Moderate
E. Accountability	Moderate
Overall Risk Rating	Substantial

24. The Project Procurement Risk Assessment and Management Plan is shown in Table 3 is based on the weaknesses identified during the assessment.

**Table 3: Overall Project Procurement Risk Assessment and Management Plan**

Reference Number in the Questionnaire	Risk	Impact	Mitigation Measure and Risk Management Plan
A6, A7, A9, A16, A17, A23, C1, C2, C22, C23	Procurement department and/ or PMU have insufficient qualified staff to efficiently undertake the procurements required to implement project	High	<ul style="list-style-type: none"> <li>- Establishment of a Procurement Unit which will act as a Secretariat (administrative support) to the Procurement Committee;</li> <li>- Trainings on procurement rules of various multilateral donor vis a vis National Procurement Law;</li> <li>- English proficiency requirement on staff involved in procurement.</li> </ul>
A19-A20	The agency uses practices inconsistent with national procurement law or bidding documents unsuitable for ADB-funded procurement	Moderate	<ul style="list-style-type: none"> <li>- Ensure that the project uses the Harmonized Standard Bidding documents and follow ADB Procurement Guidelines when there are inconsistencies with the National Procurement Law</li> </ul>
B2-B3	Record-keeping is inadequate to enable external audit of procurement processes	High	<ul style="list-style-type: none"> <li>- When establishing the Procurement Unit, provide basic facilities to this unit. Inter alia the facilities should include secured office, office furniture and equipment to enable this unit to be the custodian of all procurement documentation;</li> <li>- Provide IT support on procurement documentation.</li> </ul>
A25, C4-C12, C24-C44, C47, D5, E7	Agency does not promote non-discriminatory participation, transparent	High	<ul style="list-style-type: none"> <li>- Strictly follow the ADB procurement guidelines</li> </ul>

	tender processes (including advertisement, tender documentation, tender evaluation, complaints mechanism)		- As the project is not complex, the use of post-qualification should be used. This would attract more bidders
C15, E1-E6	Agency has inadequate ethics and anticorruption measures in place	Moderate	<ul style="list-style-type: none"> <li>- Submission of Declaration on Ethical Conduct and Fraud and Corruption by the procurement committee members when appointed as members;</li> <li>- Ensure that the Statement on Ethical Conduct and Fraud and Corruption of Bidders are part of the submission in the Bidding Documents;</li> <li>- Establishment of complaint mechanism, with specific procedures and subsequent actions.</li> </ul>

ADB = Asian Development Bank, PMU = Project Management Unit,

### C. Project Procurement Thresholds

25. Except as ADB may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	Threshold	Comments
ICB for Works	Above \$3,000,000	Prior review by ADB
ICB for Goods	Above \$500,000	Prior review by ADB
NCB for Works	\$100,001 to \$3,000,000	First round of NCB is subject to prior review; thereafter post review
NCB for Goods	\$100,001 to \$500,000	
Shopping for Works	Up to \$100,000	Post Review
Shopping for Goods	Up to \$100,000	Post Review
ICB= International Competitive Bidding, NCB= National Competitive Bidding, BD= Bidding Documents		

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	Prior Review regardless of the contract amount
Consultants' Qualifications Selection	
Least-Cost Selection	

### D. Procurement Plans

26. **Scope of Procurement.** The project will be procuring civil works contracts with equipment and consultancy services in support of the civil works contract such as the detailed design, construction supervision, external monitoring consultants (environmental and resettlement), and audit services (technical and financial). Building on the experiences from ongoing project, landfill component will be procured using the Design-Build contract modality.

27. **Packaging.** The proposed contract packages are in consideration of the geographical condition and location, management capability of the PMU, and market competitiveness. Using lot will attract a wider variety of international and national contractors.

28. **Indicative Procurement Plan.** The proposed procurement plan is as shown in the Appendix.

## **E. Conclusion and Recommended Actions**

29. The assessment concluded that there are still discrepancies in the capacity of conducting procurement between MPWT and its PMU, as executing agency, and DPWTs and their PIUs, as implementing agencies. MPWT has a low to medium procurement risk assessment considering their previous and ongoing experience with ADB-funded and other international development partners-funded projects and adequate capacity in terms of knowledge in ADB Procurement as well as staffing. DPWTs and their PIUs, comprising provincials and municipal government staffs, have a medium to high procurement risk assessment as they do not have direct experience in ADB-funded projects, although Stung Treng municipal government offices had a SIDA-funded project. Procurement under that project was mostly conducted with the assistance from consultants recruited under the project. DPWTs and their PIUs comprising provincials and municipal government staffs also lack English-proficient staff.

30. Based on the above assessments and results, the following are the recommended actions during the project period:

- (i) Limit all procurement activities at the central level (MPWT/PMU). This will secure low risk for all procurement-related activities. Together with other ongoing ADB-funded projects, it is recommended to further strengthen the current procurement team in the PMU, thereby strengthening an administrative function and assist the Procurement Committee in MPWT, including implementation of more sophisticated mode of procurement, i.e. design-build contracting. The PMU procurement team should also serve as the central depository of all procurement related documentation. The team should be strengthened to have additional staff with experience and sufficient understanding on bidding procedures, recording/filing systems and in organizing/coordinating formal meetings;
- (ii) Conduct regular training for MPWT/PMU staffs and DPWTs/PIUs staffs on procurement procedures in order to advance, professionalize and sustain the abilities of the procurement staff. Specific training on updated ADB procurement guidelines and practices, and other development partners' procurement guidelines vis a vis the Government's Procurement Law is useful. For DPWTs/PIUs, the training will give them an opportunity to improve their domestic procurement process, and pave the way to the future projects funded by the international financial institutions. Regularly arrange training sessions and participatory workshops on the procurement process and exchange lessons learned for new and existing staffs. Particularly important would be training on bid evaluations, as it is a key component of the procurement process. Another important subject is the selection/recruitment of consultants and professional services—members of the procurement committees interviewed reported that they have no experience in this important area. It may also be recommended to have cross-learning experience with other ministries, especially Ministry of Industry and Handicraft, and Ministry of Rural Development, who have the PMU with similar functions for implementing projects funded by ADB and other international financial institutions.

## **APPENDIX 1 – ANSWERED PRA QUESTIONNAIRES**

## Appendix 1a – MPWT/PMU

## PROJECT PROCUREMENT RISK ASSESSMENT QUESTIONNAIRE

Question	Response	Risk <sup>6</sup>
<b>A. Organizational and Staff Capacity</b>		
<b>Procurement Department/Unit</b>		
A.1 Does the agency or Government have a Procurement Committee that is independent from the head of the agency?	Yes	
A.2 Does the agency have a procurement department/unit, including a permanent office that performs the function of a Secretariat of the Procurement Committee?	Yes under PMU	
A.3 If yes, what type of procurement does it undertake?	All types Goods, Works and Service	
A.4 How many years' experience does the head of the procurement department/unit have in a direct procurement role?	15 years – usually the Director of the department	
A.5 How many staff in the procurement department/unit are: 1. full time 2. part time 3. seconded	2 staff Yes No yes	
A.6 Do the procurement staff have a high level of English language proficiency (verbal and written)?	Yes.	
A.7 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?	No	
A.8 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?	Yes, not enough and need upgrade	
A.9 Does the agency has, or has ready access to, a procurement training program?	Yes	
A.10 At what level does the department/unit report (to the head of agency, deputy etc.)?	Project Director	
A.11 Do the procurement positions in the agency have job descriptions, which outline specific roles, minimum technical requirements and career routes?	Yes	
A.12 Is there a procurement process manual for goods and works?	Yes (SOP)	
A.13 If there is a manual, is it up to date and does it cover foreign-assisted projects?	Yes	
A.14 Is there a procurement process manual for consulting services?	Yes	
A.15 If there is a manual, is it up to date and does it cover foreign-assisted projects?	Yes	
<b>Procurement Unit</b>		
A.16 Is there a fully (or almost fully) staffed PMU for this project currently in place?	Yes, PMU is established for management of this project (project basis only) and three other ongoing ADB funded project.	

<sup>6</sup> Questions indicated with \* are associated with potentially 'High' or 'Substantial' risks due to the impact being 'High', therefore the strategy for managing those risks should be addressed in the Project Procurement Risk Analysis (Appendix 3)

A.17 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?	No	
A.18 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?	Yes, not enough and need upgrade	
A.19 Are there standard documents in use, such as Standard Procurement Documents/Forms, and have they been approved for use on ADB funded projects?	Yes	
A.20 Does the agency follow the national procurement law, procurement processes, guidelines?	Yes	
A.21 Do ToRs for consulting services follow a standard format such as background, tasks, inputs, objectives and outputs?	Yes.	
A.22 Who drafts the procurement specifications?	Technical Team of the Department	
A.23 Who approves the procurement specifications?	Project Director	
A.24 Who in the PMU has experience in drafting bidding documents?	Procurement officer (PO)	
A.25 Are records of the sale of bidding documents immediately available?	Yes,	
A.26 Who identifies the need for consulting services requirements?	Project Director	
A.27 Who drafts the Terms of Reference (ToR)	PO	
A.28 Who prepares the request for proposals (RFPs)	PO	
<b>B. INFORMATION MANAGEMENT</b>		
B.1 Is there a referencing system for procurement files?	Yes	
B.2 Are there adequate resources allocated to record keeping infrastructure, which includes the record keeping system, space, equipment and personnel to administer the procurement records management functions within the agency?	Yes Not Enough	
B.3 Does the agency adhere to a document retention policy (i.e. for what period are records kept)?	No 10 years	
B.4 Are copies of bids or proposals retained with the evaluation?	Yes	
B.5 Are copies of the original advertisements retained with the pre- contract papers?	Yes	
B.6 Is there a single contract file with a copy of the contract and all subsequent contractual correspondence?	Yes	
B.7 Are copies of invoices included with the contract papers?	Yes	
B.8 Is the agency's record keeping function supported by IT?	Yes	
<b>C. PROCUREMENT PRACTICES</b>		
<b>Goods and Works</b>		
C.1 Has the agency undertaken procurement of goods or works related to foreign assistance recently (last 12 months or last 36 months)? If yes, indicate the names of the development partner/s and project/s.	Yes Three ADB funded ongoing projects and KEXIM Bank (in the past, World Bank and other bilateral and multilateral international financial institutes)	
C.2 If the answer is yes, what were the major challenges faced by the agency?	None	

C.3 Is there a systematic process to identify procurement requirements (for a period of one year or more)?	Yes	
C.4 Is there a minimum period for the preparation of bids and if yes, how long?	2 weeks	
C.5 Are all queries from bidders replied to in writing?	Yes	
C.6 Does the bidding document state the date and time of bid opening?	Yes	
C.7 Are bids opened in public?	Yes	
C.8 Can late bids be accepted?	No	
C.9 Can bids (except late bids) be rejected at bid opening?	No	
C.10 Are minutes of the bid opening taken?	Yes	
C.11 Are bidders provided a copy of the minutes?	Yes	
C.12 Are the minutes provided free of charge?	Yes	
C.13 Who undertakes the evaluation of bids (individual(s), permanent committee, ad-hoc committee)?	Procurement Committee	
C.14 What are the qualifications of the evaluators with respect to procurement and the goods and/or works under evaluation?	Yes	
C.15 Is the decision of the evaluators final or is the evaluation subject to additional approvals?	Yes, NOL from DPs	
C.16 Using the three 'worst-case' examples in the last year, how long from the issuance of the invitation for bids can the contract be awarded?	Shopping 30 days, NCB 150 days and ICB 180 days	
C.17 Are there processes in place for the collection and clearance of cargo through ports of entry?	No	
C.18 Are there established goods receiving procedures?	Yes	
C.19 Are all goods that are received recorded as assets or inventory in a register?	Yes	
C.20 Is the agency/procurement department familiar with letters of credit?	No	
C.21 Does the procurement department register and track warranty and latent defects liability periods?	Yes	
<b>Consulting Services</b>		
C.22 Has the agency undertaken foreign- assisted procurement of consulting services recently (last 12 months, or last 36 months)? (If yes, please indicate the names of the development partner/s and the Project/s.)	Yes	
C.23 If the above answer is yes, what were the major challenges?	Replacement of key experts	
C.24 Are assignments and invitations for expressions of interest (EOIs) advertised?	Yes	
C.25 Is a consultants' selection committee formed with appropriate individuals, and what is its composition (if any)?	Yes	
C.26 What criteria is used to evaluate EOIs?	Technical Competence/ Management Competence and Geographical Competence	
C.27 Historically, what is the most common method used (QCBS, QBS, etc.) to select consultants?	QCBS	



C.28 Do firms have to pay for the RFP document?	No	
C.29 Does the proposal evaluation criteria follow a pre-determined structure and is it detailed in the RFP?	Yes	
C.30 Are pre-proposal visits and meetings arranged?	No	
C.31 Are minutes prepared and circulated after pre-proposal meetings?	No	
C.32 To who are the minutes distributed?	No	
C.33 Are all queries from consultants answered/addressed in writing?	Yes	
C.34 Are the technical and financial proposals required to be in separate envelopes and remain sealed until the technical evaluation is completed?	Yes	
C.35 Are proposal securities required?	Yes	
C.36 Are technical proposals opened in public?	Yes	
C.37 Are minutes of the technical opening distributed?	Yes	
C.38. Do the financial proposals remain sealed until technical evaluation is completed?	Yes	
C.39 Who determines the final technical ranking and how?	PC	
C.40 Are the technical scores sent to all firms?	Yes	
C.41 Are the financial proposal opened in public?	Yes	
C.42 Are minutes of the financial opening distributed?	Yes	
C.43 How is the financial evaluation completed?	Followed guideline	
C.44 Are face to face contract negotiations held?	Yes	
C.45 How long after financial evaluation is negotiation held with the selected firm?	2 weeks	
C.46 What is the usual basis for negotiation?	TOR, Scope of works and LS amount	
C.47 Are minutes of negotiation taken and signed?	Yes	
C.48 How long after negotiation is the contract signed, on average?	2 weeks to 1 month	
C.49 Is there an evaluation system for measuring the outputs of consultants?	No	
<b>Payments</b>		
C.50 Are advance payments made?	Yes	
C.51 What is the standard period for payment included in contracts?	45 days	
C.52 On average, how long is it between receiving a firm's invoice and making payment?	2 months	
C.53 When late payment is made, are the beneficiaries paid interest?	No	
<b>D. Effectiveness</b>		
D.1 Is contractual performance systematically monitored and reported?	Yes	
D.2 Does the agency monitor and track its contractual payment obligations?	Yes	
D.3 Is a complaints resolution mechanism described in national procurement documents?	Yes	

D.4 Is there a formal non-judicial mechanism for dealing with complaints?	Yes	
D.5 Are procurement decisions and disputes supported by written narratives such as minutes of evaluation, minutes of negotiation, notices of default/withheld payment?	Yes	
<b>E. Accountability Measures</b>		
E.1 Is there a standard statement of ethics and are those involved in procurement required to formally commit to it?	Yes	
E.2 Are those involved with procurement required to declare any potential conflict of interest and remove themselves from the procurement process?	Yes	
E.3 Is the commencement of procurement dependent on external approvals (formal or de-facto) that are outside of the budgeting process?	Yes	
E.4 Who approves procurement transactions, and do they have procurement experience and qualifications?	Yes	
E.5 Which of the following actions require approvals outside the procurement unit or the evaluation committee, as the case may be, and who grants the approval?		
a) Bidding document, invitation to pre-qualify or RFP	PC	
b) Advertisement of an invitation for bids, pre-qualification or call for EOIs	PC	
c) Evaluation reports	PC	
d) Notice of award	PD	
e) Invitation to consultants to negotiate	PD	
f) Contracts	PD & Ministers	
E.6 Is the same official responsible for: (i) authorizing procurement transactions, procurement invitations, documents, evaluations and contracts; (ii) authorizing payments; (iii) recording procurement transactions and events; and (iv) the custody of assets?	PD	
E.7 Is there a written auditable trail of procurement decisions attributable to individuals and committees?	Yes	

**Person met/Respondents:**

<b>Name</b>	<b>Position</b>	<b>Office/Agency</b>
H.E. Vong Pisith	Deputy General Director, Head of PMU	MPWT, General Directorate of Public Works
Mr. Pou Manith	Procurement Officer	MPWT

## Appendix 1b – Kampong Cham

## PROJECT PROCUREMENT RISK ASSESSMENT QUESTIONNAIRE

Question	Response			Risk <sup>4</sup>
<b>A. Organizational and Staff Capacity</b>				
<b>Procurement Department/Unit</b>	DPWT	Province	Municipal	
A.1 Does the agency or Government have a Procurement Committee that is independent from the head of the agency?	No	No	Yes	
A.2 Does the agency have a procurement department/unit, including a permanent office that performs the function of a Secretariat of the Procurement Committee?	Yes	No	Yes	
A.3 If yes, what type of procurement does it undertake?	Goods and Works	Goods and Works	Goods and Works	
A.4 How many years' experience does the head of the procurement department/unit have in a direct procurement role?	2 years	7 years	4 years	
A.5 How many staff in the procurement department/unit are: 1. full time 2. part time 3. seconded	5 Yes	5 Yes	2 Yes	
A.6 Do the procurement staff have a high level of English language proficiency (verbal and written)?	Fair	Fair	Fair	
A.7 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?	Yes Not Enough	Yes Not enough	Yes	
A.8 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?	Yes Not Enough	Yes	Yes But Not Enough	
A.9 Does the agency have, or have ready access to, a procurement training program?	No	No	No	
A.10 At what level does the department/unit report (to the head of agency, deputy etc.)?	Minister	Yes	MEF & EF provincial dept.	
A.11 Do the procurement positions in the agency have job descriptions, which outline specific roles, minimum technical requirements and career routes?	Yes	Yes	Yes	
A.12 Is there a procurement process manual for goods and works?	Yes IRRP	Yes IRRP	Yes IRRP	
A.13 If there is a manual, is it up to date and does it cover foreign-assisted projects?	No	No	No	
A.14 Is there a procurement process manual for consulting services?	No	No	No	
A.15 If there is a manual, is it up to date and does it cover foreign-assisted projects?	No	No	No	
<b>Procurement Unit</b>				

A.16 Is there a fully (or almost fully) staffed PMU for this project currently in place?	Yes	Yes	Yes	
A.17 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?				
A.18 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?				
A.19 Are there standard documents in use, such as Standard Procurement Documents/Forms, and have they been approved for use on ADB funded projects?	No	No	No	
A.20 Does the agency follow the national procurement law, procurement processes, guidelines?	Yes	Yes	Yes	
A.21 Do ToRs for consulting services follow a standard format such as background, tasks, inputs, objectives and outputs?	No	No	No	
A.22 Who drafts the procurement specifications?	MEF	MEF & MOI	MEF	
A.23 Who approves the procurement specifications?	Yes based on threshold	MEF & MOI	MEF	
A.24 Who in the PMU has experience in drafting bidding documents?	PDPWT	MEF & MOI	MEF	
A.25 Are records of the sale of bidding documents immediately available?				
A.26 Who identifies the need for consulting services requirements?	MPWT	Governor	No	
A.27 Who drafts the Terms of Reference (ToR)	MEF	No	PC	
A.28 Who prepares the request for proposals (RFPs)	No	No	No	
<b>B. INFORMATION MANAGEMENT</b>				
B.1 Is there a referencing system for procurement files?	Yes	Yes	Yes	
B.2 Are there adequate resources allocated to record keeping infrastructure, which includes the record keeping system, space, equipment and personnel to administer the procurement records management functions within the agency?	Yes	Yes	No	
B.3 Does the agency adhere to a document retention policy (i.e. for what period are records kept)?	10 years	Not clear	10 years	
B.4 Are copies of bids or proposals retained with the evaluation?	Yes	Yes	Yes	
B.5 Are copies of the original advertisements retained with the pre- contract papers?	Yes	Yes	Yes	
B.6 Is there a single contract file with a copy of the contract and all subsequent contractual correspondence?	Yes	Yes	Yes	
B.7 Are copies of invoices included with the contract papers?	Yes	Yes	Yes	

B.8 Is the agency's record keeping function supported by IT?				
<b>C. PROCUREMENT PRACTICES</b>				
<b>Goods and Works</b>				
C.1 Has the agency undertaken procurement of goods or works related to foreign assistance recently (last 12 months or last 36 months)? If yes, indicate the names of the development partner/s and project/s.	No	No	SIDA works	
C.2 If the answer is yes, what were the major challenges faced by the agency?			NCDD format	
C.3 Is there a systematic process to identify procurement requirements (for a period of one year or more)?	Yes procurement plan	4 month	Yes	
C.4 Is there a minimum period for the preparation of bids and if yes, how long?	30 days	25-30 days	7, 15, and 30 days	
C.5 Are all queries from bidders replied to in writing?	Yes	Yes	Yes	
C.6 Does the bidding document state the date and time of bid opening?	Yes	Yes	Yes	
C.7 Are bids opened in public?	Yes	Yes	Yes	
C.8 Can late bids be accepted?	No	No	No	
C.9 Can bids (except late bids) be rejected at bid opening?	No	No	No	
C.10 Are minutes of the bid opening taken?	Yes	Yes	Yes	
C.11 Are bidders provided a copy of the minutes?	Yes	Yes	Yes	
C.12 Are the minutes provided free of charge?	Yes	Yes	Yes	
C.13 Who undertakes the evaluation of bids (individual(s), permanent committee, ad-hoc committee)?	PC	PC	PC	
C.14 What are the qualifications of the evaluators with respect to procurement and the goods and/or works under evaluation?	Yes Based on training	Yes	Yes	
C.15 Is the decision of the evaluators final or is the evaluation subject to additional approvals?	No Director only	No	Yes based on threshold	
C.16 Using the three 'worst-case' examples in the last year, how long from the issuance of the invitation for bids can the contract be awarded?	3 weeks to 2 months	15-60 days	30 days for advertising 4 days evaluate 10 review compliance 5 days security 1 day contract signing	
C.17 Are there processes in place for the collection and clearance of cargo through ports of entry?	No	No	No	
C.18 Are there established goods receiving procedures?	Yes	Yes	Yes	
C.19 Are all goods that are received recorded as assets or inventory in a register?	Yes	Yes	Yes	

C.20 Is the agency/procurement department familiar with letters of credit?	No	No	No	
C.21 Does the procurement department register and track warranty and latent defects liability periods?	Yes	6-12 months	Yes	
<b>Consulting Services</b>				
C.22 Has the agency undertaken foreign- assisted procurement of consulting services recently (last 12 months, or last 36 months)? (If yes, please indicate the names of the development partner/s and the Project/s.)	No	No	No	
C.23 If the above answer is yes, what were the major challenges?				
C.24 Are assignments and invitations for expressions of interest (EOIs) advertised?				
C.25 Is a consultants' selection committee formed with appropriate individuals, and what is its composition (if any)?				
C.26 What criteria is used to evaluate EOIs?				
C.27 Historically, what is the most common method used (QCBS, QBS, etc.) to select consultants?				
C.28 Do firms have to pay for the RFP document?				
C.29 Does the proposal evaluation criteria follow a pre-determined structure and is it detailed in the RFP?				
C.30 Are pre-proposal visits and meetings arranged?				
C.31 Are minutes prepared and circulated after pre-proposal meetings?				
C.32 To who are the minutes distributed?				
C.33 Are all queries from consultants answered/addressed in writing?				
C.34 Are the technical and financial proposals required to be in separate envelopes and remain sealed until the technical evaluation is completed?				
C.35 Are proposal securities required?				
C.36 Are technical proposals opened in public?				
C.37 Are minutes of the technical opening distributed?				
C.38. Do the financial proposals remain sealed until technical evaluation is completed?				
C.39 Who determines the final technical ranking and how?				
C.40 Are the technical scores sent to all firms?				
C.41 Are the financial proposal opened in public?				
C.42 Are minutes of the financial opening distributed?				
C.43 How is the financial evaluation completed?				
C.44 Are face to face contract negotiations held?				
C.45 How long after financial evaluation is negotiation held with the selected firm?				

C.46 What is the usual basis for negotiation?				
C.47 Are minutes of negotiation taken and signed?				
C.48 How long after negotiation is the contract signed, on average?				
C.49 Is there an evaluation system for measuring the outputs of consultants?				
<b>Payments</b>				
C.50 Are advance payments made?	No	No		
C.51 What is the standard period for payment included in contracts?				
C.52 On average, how long is it between receiving a firm's invoice and making payment?				
C.53 When late payment is made, are the beneficiaries paid interest?				
<b>D. Effectiveness</b>				
D.1 Is contractual performance systematically monitored and reported?	Yes	Yes	Yes	
D.2 Does the agency monitor and track its contractual payment obligations?	Yes	Yes	Yes	
D.3 Is a complaints resolution mechanism described in national procurement documents?	Yes	Yes	Yes	
D.4 Is there a formal non-judicial mechanism for dealing with complaints?	Yes	Yes	Yes	
D.5 Are procurement decisions and disputes supported by written narratives such as minutes of evaluation, minutes of negotiation, notices of default/withheld payment?	Yes	Yes	Yes	
<b>E. Accountability Measures</b>				
E.1 Is there a standard statement of ethics and are those involved in procurement required to formally commit to it?	Yes	Yes	Yes	
E.2 Are those involved with procurement required to declare any potential conflict of interest and remove themselves from the procurement process?	Yes	Yes	Yes	
E.3 Is the commencement of procurement dependent on external approvals (formal or de-facto) that are outside of the budgeting process?	Yes	Yes	Yes	
E.4 Who approves procurement transactions, and do they have procurement experience and qualifications?	Director	Yes	Yes	
E.5 Which of the following actions require approvals outside the procurement unit or the evaluation committee, as the case may be, and who grants the approval?				
a) Bidding document, invitation to pre-qualify or RFP	Director	Chairman of PC	Chairman of PC	
b) Advertisement of an invitation for bids, pre-qualification or call for EOIs	Director	Chairman of PC	Chairman of PC	
c) Evaluation reports	Director	Chairman of PC	Chairman of PC	

d) Notice of award	Director	Chairman of PC	Chairman of PC	
e) Invitation to consultants to negotiate	Director	Chairman of PC	Chairman of PC	
f) Contracts	Director	Chairman of PC	Chairman of PC	
E.6 Is the same official responsible for: (v) authorizing procurement transactions, procurement invitations, documents, evaluations and contracts; (vi) authorizing payments; (vii) recording procurement transactions and events; and (viii) the custody of assets?	Director	Chairman of PC	Chairman of PC	
E.7 Is there a written auditable trail of procurement decisions attributable to individuals and committees?	.Yes	Yes	Yes	

**Person met/ Respondents:**

<b>Name</b>	<b>Position</b>	<b>Office/Agency</b>
Mr. Va Chhan Ou	Admin Officer	DPWT
Mr. Non Solim	Accountant Officer and Procurement Member	DPWT
Mr. Heng Putchhay	Chief of procurement Unit	Province
Mr. Non Sokny,	Deputy of Procurement Unit	Province
Mr. Srun Chamroeun	Deputy Procurement	Province
Mr.Kim Sam Pisal	Deputy Procurement Unit	Municipal



## Appendix 1c – Kratie

## PROJECT PROCUREMENT RISK ASSESSMENT QUESTIONNAIRE

Question	Response			Risk <sup>4</sup>
<b>A. Organizational and Staff Capacity</b>				
<b>Procurement Department/Unit</b>	DPWT	Province	Municipal	
A.1 Does the agency or Government have a Procurement Committee that is independent from the head of the agency?	No	No	No	
A.2 Does the agency have a procurement department/unit, including a permanent office that performs the function of a Secretariat of the Procurement Committee?	Yes	Yes	Yes	
A.3 If yes, what type of procurement does it undertake?	Goods and Works	Goods and Works	Goods and Works	
A.4 How many years' experience does the head of the procurement department/unit have in a direct procurement role?	2 years	4 years	3 years	
A.5 How many staff in the procurement department/unit are: 1. full time 2. part time 3. seconded	5 Yes	3  2	2 Yes	
A.6 Do the procurement staff have a high level of English language proficiency (verbal and written)?	Fair	Good and Fair	No	
A.7 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?	Not Enough	Yes	Yes	
A.8 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?	Yes Not Enough	Not Enough	No	
A.9 Does the agency have, or have ready access to, a procurement training program?	No	No	No	
A.10 At what level does the department/unit report (to the head of agency, deputy etc.)?	Minister	MEF	Minister	
A.11 Do the procurement positions in the agency have job descriptions, which outline specific roles, minimum technical requirements and career routes?	Yes	Yes	Yes	
A.12 Is there a procurement process manual for goods and works?	Yes IRRP	Yes	Yes	
A.13 If there is a manual, is it up to date and does it cover foreign-assisted projects?	No	No	No	
A.14 Is there a procurement process manual for consulting services?	No	Yes	No	
A.15 If there is a manual, is it up to date and does it cover foreign-assisted projects?	No	No	No	
<b>Procurement Unit</b>				
A.16 Is there a fully (or almost fully) staffed PMU for this project currently in place?				

A.17 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?				
A.18 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?				
A.19 Are there standard documents in use, such as Standard Procurement Documents/Forms, and have they been approved for use on ADB funded projects?	No	No	Yes	
A.20 Does the agency follow the national procurement law, procurement processes, guidelines?	Yes	Yes	Yes	
A.21 Do ToRs for consulting services follow a standard format such as background, tasks, inputs, objectives and outputs?	No	Yes	No	
A.22 Who drafts the procurement specifications?	MEF	MEF & MOI	Director	
A.23 Who approves the procurement specifications?	Yes based on threshold	MEF & MOI	Municipality Council	
A.24 Who in the PMU has experience in drafting bidding documents?	PDPWT	PU	PU	
A.25 Are records of the sale of bidding documents immediately available?	PDPWT	PU	PU	
A.26 Who identifies the need for consulting services requirements?	MPWT	PC	No	
A.27 Who drafts the Terms of Reference (ToR)	MEF	PC	No	
A.28 Who prepares the request for proposals (RFPs)	No	PU	No	
<b>B. INFORMATION MANAGEMENT</b>				
B.1 Is there a referencing system for procurement files?	Yes	Yes	Yes	
B.2 Are there adequate resources allocated to record keeping infrastructure, which includes the record keeping system, space, equipment and personnel to administer the procurement records management functions within the agency?	Yes	Not Enough	Not Enough	
B.3 Does the agency adhere to a document retention policy (i.e. for what period are records kept)?	10 years	Not clear	10 years	
B.4 Are copies of bids or proposals retained with the evaluation?	Yes	Yes	Yes	
B.5 Are copies of the original advertisements retained with the pre- contract papers?	Yes	Yes	Yes	
B.6 Is there a single contract file with a copy of the contract and all subsequent contractual correspondence?	Yes	Yes	Yes	
B.7 Are copies of invoices included with the contract papers?	Yes	Yes	Yes	
B.8 Is the agency's record keeping function supported by IT?				

C. PROCUREMENT PRACTICES				
Goods and Works				
C.1 Has the agency undertaken procurement of goods or works related to foreign assistance recently (last 12 months or last 36 months)? If yes, indicate the names of the development partner/s and project/s.	No	No	SIDA works	
C.2 If the answer is yes, what were the major challenges faced by the agency?		No	No Cash flow	
C.3 Is there a systematic process to identify procurement requirements (for a period of one year or more)?	Yes procurement plan	Yes	No	
C.4 Is there a minimum period for the preparation of bids and if yes, how long?	30 days	7 days	Half day	
C.5 Are all queries from bidders replied to in writing?	Yes	Yes	Yes	
C.6 Does the bidding document state the date and time of bid opening?	Yes	Yes	Yes	
C.7 Are bids opened in public?	Yes	Yes	Yes	
C.8 Can late bids be accepted?	No	No	No	
C.9 Can bids (except late bids) be rejected at bid opening?	No	No	No	
C.10 Are minutes of the bid opening taken?	Yes	Yes	Yes	
C.11 Are bidders provided a copy of the minutes?	Member	PC	PU	
C.12 Are the minutes provided free of charge?	Yes	Yes	Yes	
C.13 Who undertakes the evaluation of bids (individual(s), permanent committee, ad-hoc committee)?	PC	PC	PU	
C.14 What are the qualifications of the evaluators with respect to procurement and the goods and/or works under evaluation?	Yes Based on training	Yes	Yes	
C.15 Is the decision of the evaluators final or is the evaluation subject to additional approvals?	Yes	Based on threshold	No	
C.16 Using the three 'worst-case' examples in the last year, how long from the issuance of the invitation for bids can the contract be awarded?	2 months	15-30 days	One week	
C.17 Are there processes in place for the collection and clearance of cargo through ports of entry?	No	No	Yes	
C.18 Are there established goods receiving procedures?	Yes	Yes	Yes	
C.19 Are all goods that are received recorded as assets or inventory in a register?	Yes	Yes	Yes	
C.20 Is the agency/procurement department familiar with letters of credit?	No	No	No	
C.21 Does the procurement department register and track warranty and latent defects liability periods?	Yes	Based on bidding document	Yes	
Consulting Services				
C.22 Has the agency undertaken foreign- assisted procurement of consulting services recently (last 12 months, or last 36 months)? (If yes, please indicate the names of the development partner/s and the Project/s.)	No	No	No	
C.23 If the above answer is yes, what were the major challenges?				

C.24 Are assignments and invitations for expressions of interest (EOIs) advertised?				
C.25 Is a consultants' selection committee formed with appropriate individuals, and what is its composition (if any)?				
C.26 What criteria is used to evaluate EOIs?				
C.27 Historically, what is the most common method used (QCBS, QBS, etc.) to select consultants?				
C.28 Do firms have to pay for the RFP document?				
C.29 Does the proposal evaluation criteria follow a pre-determined structure and is it detailed in the RFP?				
C.30 Are pre-proposal visits and meetings arranged?				
C.31 Are minutes prepared and circulated after pre-proposal meetings?				
C.32 To who are the minutes distributed?				
C.33 Are all queries from consultants answered/addressed in writing?				
C.34 Are the technical and financial proposals required to be in separate envelopes and remain sealed until the technical evaluation is completed?				
C.35 Are proposal securities required?				
C.36 Are technical proposals opened in public?				
C.37 Are minutes of the technical opening distributed?				
C.38. Do the financial proposals remain sealed until technical evaluation is completed?				
C.39 Who determines the final technical ranking and how?				
C.40 Are the technical scores sent to all firms?				
C.41 Are the financial proposal opened in public?				
C.42 Are minutes of the financial opening distributed?				
C.43 How is the financial evaluation completed?				
C.44 Are face to face contract negotiations held?				
C.45 How long after financial evaluation is negotiation held with the selected firm?				
C.46 What is the usual basis for negotiation?				
C.47 Are minutes of negotiation taken and signed?				
C.48 How long after negotiation is the contract signed, on average?				
C.49 Is there an evaluation system for measuring the outputs of consultants?				
<b>Payments</b>				
C.50 Are advance payments made?	No		No	
C.51 What is the standard period for payment included in contracts?			50% of contract price	

C.52 On average, how long is it between receiving a firm's invoice and making payment?			45 days	
C.53 When late payment is made, are the beneficiaries paid interest?			No	
<b>D. Effectiveness</b>				
D.1 Is contractual performance systematically monitored and reported?	Yes	Yes	Yes	
D.2 Does the agency monitor and track its contractual payment obligations?	Yes	Yes	Yes	
D.3 Is a complaints resolution mechanism described in national procurement documents?	Yes	Yes	Yes	
D.4 Is there a formal non-judicial mechanism for dealing with complaints?	Yes	Yes	Yes	
D.5 Are procurement decisions and disputes supported by written narratives such as minutes of evaluation, minutes of negotiation, notices of default/withheld payment?	Yes	Yes	Yes	
<b>E. Accountability Measures</b>				
E.1 Is there a standard statement of ethics and are those involved in procurement required to formally commit to it?	Yes	Yes	No	
E.2 Are those involved with procurement required to declare any potential conflict of interest and remove themselves from the procurement process?	Yes	Yes	No	
E.3 Is the commencement of procurement dependent on external approvals (formal or de-facto) that are outside of the budgeting process?	Yes	Yes	No	
E.4 Who approves procurement transactions, and do they have procurement experience and qualifications?	Director	PC	PC	
E.5 Which of the following actions require approvals outside the procurement unit or the evaluation committee, as the case may be, and who grants the approval?				
a) Bidding document, invitation to pre-qualify or RFP	Director	PC	PC	
b) Advertisement of an invitation for bids, pre-qualification or call for EOIs	Director	PC	PC	
c) Evaluation reports	Director	PC	PC	
d) Notice of award	Director	PC	PC	
e) Invitation to consultants to negotiate	Director	PC	PC	
f) Contracts		PC	PC	
E.6 Is the same official responsible for: (ix) authorizing procurement transactions, procurement invitations, documents, evaluations and contracts; (x) authorizing payments; (xi) recording procurement transactions and events; and (xii) the custody of assets?	Director	No	PC	
E.7 Is there a written auditable trail of procurement decisions attributable to individuals and committees?	To the minister	Yes		

**Person met/Respondents:**

<b>Name</b>	<b>Position</b>	<b>Office (DPWT/Province/Municipal)</b>
Mr. Choup Phallin	Deputy Director	DPWT
Mr. Vuth Dara	Chief Officer	DPWT
Mr. Sothy	Deputy Chief	DPWT
Som Phirum	Deputy Chief of PU	Municipal
Kuy Sambou	Deputy Mayor	Municipal
Mi Sokhea	Deputy Chief of PU	Municipal
Mr Hoar Sphearun	Deputy Procurement Unit	Provincial Hall

## Appendix 1d – Stung Treng

## PROJECT PROCUREMENT RISK ASSESSMENT QUESTIONNAIRE

Question	Response			Risk <sup>4</sup>
<b>A. Organizational and Staff Capacity</b>				
<b>Procurement Department/Unit</b>	DPWT	Province	Municipal	
A.1 Does the agency or Government have a Procurement Committee that is independent from the head of the agency?	No	Yes	No	
A.2 Does the agency have a procurement department/unit, including a permanent office that performs the function of a Secretariat of the Procurement Committee?	No	Yes	No	
A.3 If yes, what type of procurement does it undertake?	Goods and Works	Goods and Works	Goods and Works	
A.4 How many years' experience does the head of the procurement department/unit have in a direct procurement role?	4 years	7 years	4 years	
A.5 How many staff in the procurement department/unit are: 4. full time 5. part time 6. seconded	5	5	Staff: 2 PC: 7	
A.6 Do the procurement staff have a high level of English language proficiency (verbal and written)?	Below average	Average	No	
A.7 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?	Not Enough	Yes	Yes	
A.8 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?	Yes	Yes	Not Enough	
A.9 Does the agency have, or have ready access to, a procurement training program?	No	Yes	Yes	
A.10 At what level does the department/unit report (to the head of agency, deputy etc.)?	MEF & EF department	Quarterly & Annually	PC Director EF Dept	
A.11 Do the procurement positions in the agency have job descriptions, which outline specific roles, minimum technical requirements and career routes?	Yes	Yes	Yes	
A.12 Is there a procurement process manual for goods and works?	Yes	Yes	Yes	
A.13 If there is a manual, is it up to date and does it cover foreign-assisted projects?	No	No	No	
A.14 Is there a procurement process manual for consulting services?	Yes	Yes	Yes Never recruited	
A.15 If there is a manual, is it up to date and does it cover foreign-assisted projects?	No	No	No	
<b>Procurement Unit</b>				

A.16 Is there a fully (or almost fully) staffed PMU for this project currently in place?				
A.17 Are the number and qualifications of the staff sufficient to undertake the additional procurement that will be required under the proposed project?				
A.18 Does the unit have adequate facilities, such as PCs, internet connection, photocopy facilities, printers etc. to undertake the planned procurement?				
A.19 Are there standard documents in use, such as Standard Procurement Documents/Forms, and have they been approved for use on ADB funded projects?	No	No	No	
A.20 Does the agency follow the national procurement law, procurement processes, guidelines?				
A.21 Do ToRs for consulting services follow a standard format such as background, tasks, inputs, objectives and outputs?	No	Yes	No	
A.22 Who drafts the procurement specifications?	PO	PO	PO	
A.23 Who approves the procurement specifications?	Director	PC	PC	
A.24 Who in the PMU has experience in drafting bidding documents?	PO	PU	PU	
A.25 Are records of the sale of bidding documents immediately available?	PO	PU	PU	
A.26 Who identifies the need for consulting services requirements?	No	PC	No	
A.27 Who drafts the Terms of Reference (ToR)	No	PC	No	
A.28 Who prepares the request for proposals (RFPs)	No	PO	No	
<b>B. INFORMATION MANAGEMENT</b>				
B.1 Is there a referencing system for procurement files?	Yes	Yes	Yes	
B.2 Are there adequate resources allocated to record keeping infrastructure, which includes the record keeping system, space, equipment and personnel to administer the procurement records management functions within the agency?	Yes	Yes	Yes	
B.3 Does the agency adhere to a document retention policy (i.e. for what period are records kept)?	Yes	Yes	Yes	
B.4 Are copies of bids or proposals retained with the evaluation?	Yes	Yes	Yes	
B.5 Are copies of the original advertisements retained with the pre- contract papers?	Yes	Yes	Yes	
B.6 Is there a single contract file with a copy of the contract and all subsequent contractual correspondence?	Yes	Yes	Yes	
B.7 Are copies of invoices included with the contract papers?	No	No	No	



B.8 Is the agency's record keeping function supported by IT?				
<b>C. PROCUREMENT PRACTICES</b>				
<b>Goods and Works</b>				
C.1 Has the agency undertaken procurement of goods or works related to foreign assistance recently (last 12 months or last 36 months)? If yes, indicate the names of the development partner/s and project/s.	No	No	Yes SIDA works	
C.2 If the answer is yes, what were the major challenges faced by the agency?		No	Less interest from bidders	
C.3 Is there a systematic process to identify procurement requirements (for a period of one year or more)?	Yes	Yes	Yes	
C.4 Is there a minimum period for the preparation of bids and if yes, how long?	30 days	60 days	24 days	
C.5 Are all queries from bidders replied to in writing?	Verbal	Verbal	Verbal	
C.6 Does the bidding document state the date and time of bid opening?	Yes	Yes	Yes	
C.7 Are bids opened in public?	Yes	Yes	Yes	
C.8 Can late bids be accepted?	No	No	No	
C.9 Can bids (except late bids) be rejected at bid opening?	No	No	No	
C.10 Are minutes of the bid opening taken?	Yes	Yes	Yes	
C.11 Are bidders provided a copy of the minutes?	PU	PU	PU	
C.12 Are the minutes provided free of charge?	Yes	Yes	Yes	
C.13 Who undertakes the evaluation of bids (individual(s), permanent committee, ad-hoc committee)?	PC	PC	PC	
C.14 What are the qualifications of the evaluators with respect to procurement and the goods and/or works under evaluation?	PO	PO	PO	
C.15 Is the decision of the evaluators final or is the evaluation subject to additional approvals?	PC	No	Yes	
C.16 Using the three 'worst-case' examples in the last year, how long from the issuance of the invitation for bids can the contract be awarded?	3 months	30 days	24 days	
C.17 Are there processes in place for the collection and clearance of cargo through ports of entry?	No	No	No	
C.18 Are there established goods receiving procedures?	Yes	Yes	Yes	
C.19 Are all goods that are received recorded as assets or inventory in a register?	Yes	Yes	Yes	
C.20 Is the agency/procurement department familiar with letters of credit?	No	No	No	
C.21 Does the procurement department register and track warranty and latent defects liability periods?	Yes	No	Yes	
<b>Consulting Services</b>				
C.22 Has the agency undertaken foreign- assisted procurement of consulting services recently (last 12 months, or last 36 months)? (If yes,	No	No	No	

please indicate the names of the development partner/s and the Project/s.)				
C.23 If the above answer is yes, what were the major challenges?				
C.24 Are assignments and invitations for expressions of interest (EOIs) advertised?				
C.25 Is a consultants' selection committee formed with appropriate individuals, and what is its composition (if any)?				
C.26 What criteria is used to evaluate EOIs?				
C.27 Historically, what is the most common method used (QCBS, QBS, etc.) to select consultants?				
C.28 Do firms have to pay for the RFP document?				
C.29 Does the proposal evaluation criteria follow a pre-determined structure and is it detailed in the RFP?				
C.30 Are pre-proposal visits and meetings arranged?				
C.31 Are minutes prepared and circulated after pre-proposal meetings?				
C.32 To who are the minutes distributed?				
C.33 Are all queries from consultants answered/addressed in writing?				
C.34 Are the technical and financial proposals required to be in separate envelopes and remain sealed until the technical evaluation is completed?				
C.35 Are proposal securities required?				
C.36 Are technical proposals opened in public?				
C.37 Are minutes of the technical opening distributed?				
C.38. Do the financial proposals remain sealed until technical evaluation is completed?				
C.39 Who determines the final technical ranking and how?				
C.40 Are the technical scores sent to all firms?				
C.41 Are the financial proposal opened in public?				
C.42 Are minutes of the financial opening distributed?				
C.43 How is the financial evaluation completed?				
C.44 Are face to face contract negotiations held?				
C.45 How long after financial evaluation is negotiation held with the selected firm?				
C.46 What is the usual basis for negotiation?				
C.47 Are minutes of negotiation taken and signed?				
C.48 How long after negotiation is the contract signed, on average?				
C.49 Is there an evaluation system for measuring the outputs of consultants?				
<b>Payments</b>				

C.50 Are advance payments made?	No	Yes	No	
C.51 What is the standard period for payment included in contracts?	Completion of works	Two stages	Work completed (percent)	
C.52 On average, how long is it between receiving a firm's invoice and making payment?	1 week	No	7 days	
C.53 When late payment is made, are the beneficiaries paid interest?	No	No	No	
<b>D. Effectiveness</b>				
D.1 Is contractual performance systematically monitored and reported?	Yes	Yes	Yes	
D.2 Does the agency monitor and track its contractual payment obligations?	Yes	Yes	Yes	
D.3 Is a complaints resolution mechanism described in national procurement documents?	Yes	Yes	Yes	
D.4 Is there a formal non-judicial mechanism for dealing with complaints?	No	No	No	
D.5 Are procurement decisions and disputes supported by written narratives such as minutes of evaluation, minutes of negotiation, notices of default/withheld payment?	Yes	Yes	Yes	
<b>E. Accountability Measures</b>				
E.1 Is there a standard statement of ethics and are those involved in procurement required to formally commit to it?	Yes	Yes	No	
E.2 Are those involved with procurement required to declare any potential conflict of interest and remove themselves from the procurement process?	No	No	Yes	
E.3 Is the commencement of procurement dependent on external approvals (formal or de-facto) that are outside of the budgeting process?	No	Based on work plan	No	
E.4 Who approves procurement transactions, and do they have procurement experience and qualifications?	EF Department	PC	PC	
E.5 Which of the following actions require approvals outside the procurement unit or the evaluation committee, as the case may be, and who grants the approval?				
a) Bidding document, invitation to pre-qualify or RFP	PC Chairman	PC Chairman	PC Chairman	
b) Advertisement of an invitation for bids, pre-qualification or call for EOIs	PC Chairman	PC Chairman	PC Chairman	
c) Evaluation reports	PC Chairman	PC Chairman	PC Chairman	
d) Notice of award	PC Chairman	PC Chairman	PC Chairman	
e) Invitation to consultants to negotiate	PC Chairman	PC Chairman	PC Chairman	
f) Contracts	PC Chairman	PC Chairman	PC Chairman	
E.6 Is the same official responsible for: (xiii) authorizing procurement transactions, procurement invitations, documents,	PC Chairman	PC Chairman	PC Chairman	

evaluations and contracts; (xiv) authorizing payments; (xv) recording procurement transactions and events; and (xvi) the custody of assets?				
E.7 Is there a written auditable trail of procurement decisions attributable to individuals and committees?	Yes	Yes	Yes	

**Person met/Respondents:**

Name	Position	Office (DPWT/Province/Municipal)
Sor Kemath	Director of PWT – Stung Treng	DPWT
Kong Sothea,	Deputy Director of DPWT – Stung Treng	DPWT
Uy Buntha,	Procurement Member	DPWT
Kong Sopheak	Deputy Chief of Procurement Unit	Province
Nov Vannak	Staff	Province
Nou Vanno	Staff	Province
Chan Treivuthavy	Staff	Province
Mr Bun Nary	Deputy of Governor	Municipal
Suong Hy	Deputy of Governor	Municipal
Say Kosal	Deputy of Governor	Municipal
Ly Seiha	Deputy of Governor	Municipal
Mrs Tei Younin	Deputy Chief Procurement Unit	Municipal

## **APPENDIX 2 – PROCUREMENT PLAN**

## Procurement Plan

### Basic Data

<b>Project Name: Fourth Greater Mekong Sub-region Corridor Towns Development Project</b>	
<b>Country: Cambodia</b>	<b>Executing Agency: Ministry of Public Works and Transport</b>
	<b>Implementation Agency: Project Management Unit</b>
<b>Loan Amount:</b>	<b>ADB Loan Number: XXXXX</b>
<b>ADB LOAN \$_____million, and RGC: \$_____million</b>	
<b>Date of First Procurement Plan: 01 February 2018</b>	<b>Date of this Procurement Plan: 01 February 2018</b>

### A. Process Thresholds, Review and 18-Month Procurement Plan

#### a. Project Procurement Thresholds

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

#### Procurement of Goods and Works

Method	Threshold	Comments
ICB for Works	Above \$3,000,000	Prior review by ADB
ICB for Goods	Above \$500,000	Prior review by ADB
NCB for Works	\$100,001 to \$3,000,000	Prior 1 <sup>st</sup> Set BD in English
NCB for Goods	\$100,001 to \$500,000	Prior 1 <sup>st</sup> Set BD in English
Shopping for Works	Up to \$100,000	Post Review
Shopping for Goods	Up to \$100,000	Post Review

ICB= International Competitive Bidding, NCB= National Competitive Bidding, BD= Bidding Documents

#### b. ADB Prior or Post Review

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

Procurement Method	Prior or Post	Comments
<b>Procurement of Goods and Works</b>		
ICB Works	Prior	First set of bidding document of first subproject in the English language shall be prior reviewed and approval regardless of the estimated contract amount. ADB-approved NCB documents should be used as model for subsequent NCB by ADB, and do not be subjected to further prior review. But the Bid
ICB Goods	Prior	
NCB Works	Prior/Post	

Procurement Method	Prior or Post	Comments
NCB Goods	Prior/Post	Evaluation Reports <sup>7</sup> (BERs) and award of contract is subject prior review by ADB for all subproject exceed US\$1 million. First set of bidding of first subproject in the English language shall be prior reviewed. If the first contract procured satisfactorily, thereafter post review.
Shopping for Works	Post	
Shopping for Goods	Post	
Recruitment of Consulting Firms	Prior/Post	Comment
Quality- and Cost-Based Selection (QCBS)	Prior	Project Management and Implementation Consultants
Quality Based Selection (QBS)	Prior	Project Support Consultants' Services
Recruitment of Individual Consultants		

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

Contract No.	General Description	Estimated Contract Value (\$ million)	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement or IFB Date	Comments
WW-CW	Wastewater treatment system (3Lots, one of each town)	54.2	CW-ICB	Prior	1S1E	Q3-2019	Prequalification Of Bidder: N Bidding Document: DB
SW-DB	Solid Waste Management (3Lots, one of each town)	21.7	DB-ICB	Prior	1S2E	Q1-2019	Prequalification Of Bidder: N Bidding Document: DB

W= Works, DB=Design and Build, ICB=International Competitive Bidding, NCB=National Competitive Bidding, NA=Not Applicable  
KC=Kampong Cham, K=Kratie, ST= Stung Treng, 1S2E=Single Stage, Two Envelope

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

Contract No.	General Description	Estimated Contract Value (\$ million)	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
KR-CW01	Town Center Environmental Enhancement	0.8	NCB	Prior	1S1E	Q3/2019	Prequalification Of Bidder: N
ST-CW02	Town Center Environmental Enhancement	0.8	NCB	Post	1S1E	Q3/2019	Prequalification Of Bidder: N

1S1E=Single Stage, One Envelope, Q1=Quarter 1, N=None

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

<sup>7</sup> Although no ADB prior review is required on Bidding Documents, approval of the procurement review committee (PRC) is always required in accordance with the government's procurement manual for externally financed projects.

Contract No.	General Description	Estimated Contract Value (\$ million)	Recruitment Method	Advertisement Date (quarter/year)	Type of Proposal	Comments
PMCS-01	Project Management, Detailed Engineering Design, Construction Supervision, Provincial Development Strategy and Capacity Building	7.1	QCBS 80:20	Q2-2018	FTP	Assignment: International
ICT-CS03	ICT for Public Management	1.2	QCBS 80:20	Q1-2019	FTP	Assignment: International

ICS= Individual Consultant Selection, Q3=Quarter 3, NA: Not Applicable: BTP=Biodata Technical Proposal

### 5. Consulting Services Contracts Estimated to Cost Less Than \$100,000

Contract No.	General Description	Estimated Contract Value	Recruitment Method	Advertisement Date (quarter/year)	International or National Assignment	Comments

ICS= Individual Consultant Selection, Q2=Quarter 2

### B. Indicative List of Packages Required Under the Project

The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

General Description	Estimated Value (Cumulative)	Estimated Number of Contracts	Recruitment Method	Type of Proposal	Comments

ICS= Individual Consultant Selection, NA=Not Applicable

### C. List of Awarded and On-going, and Completed Contracts (For future use)

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

#### 1. Indicative List of Packages already awarded and ongoing under the project

##### ❖ Consulting Service

Package Number	General Description	Estimated Value (US\$)	Contract Value (US\$)	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract	Comments <sup>10</sup>
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						<b>Award</b>	

<sup>10</sup> Indicate the Consulting Firm's name and the contract signing date.

❖ **Goods and Civil Work Contract**

<b>Package Number</b>	<b>General Description</b>	<b>Estimated Value</b>	<b>Contract Value</b>	<b>Recruitment Method</b>	<b>Advertisement Date</b> (quarter/year)	<b>Date of ADB Approval of Contract Award</b>	<b>Comments<sup>11</sup></b>

<sup>11</sup> Indicate the Contractor's name and the contract signing date.

2. **Completed Contracts**

<b>Goods and Works</b>								
<b>Package Number</b>	<b>General Description</b>	<b>Estimated Value</b>	<b>Contract Value</b>	<b>Procurement Method</b>	<b>Advertisement Date</b> (quarter/year)	<b>Date of ADB Approval of Contract Award</b>	<b>Date of Completion</b>	<b>Comments</b>

<b>Consulting Services</b>								
<b>Package Number</b>	<b>General Description</b>	<b>Estimated Value</b>	<b>Contract Value</b>	<b>Recruitment Method</b>	<b>Advertisement Date</b> (quarter/year)	<b>Date of ADB Approval of Contract Award</b>	<b>Date of Completion</b>	<b>Comments</b>

**D. Non-ADB Financing**

The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources.

<b>Goods and Works</b>				
<b>General Description</b>	<b>Estimated Value</b> (cumulative)	<b>Estimated Number of Contracts</b>	<b>Procurement Method</b>	<b>Comments</b>
Financial Auditor	0.01	1	Direct Engagement	MEF will engage a qualified external auditor for the project

<b>Consulting Services</b>				
<b>General Description</b>	<b>Estimated Value</b> (cumulative)	<b>Estimated Number of Contracts</b>	<b>Recruitment Method</b>	<b>Comments</b>

## **E. National Competitive Bidding**

### **1. Regulation and Reference Documents**

1. The procedures to be followed for national competitive bidding shall be those set forth for the “National Competitive Bidding” method in the Government’s Procurement Manual issued under Sub-Decree Number 74 ANKR.BK, updated version dated 22 May 2012 with the clarifications and modifications described in the following paragraphs. These clarifications and modifications are required for compliance with the provisions of the Procurement Guidelines.

2. For the procurement of ADB financed contracts under National Competitive Bidding (NCB) procedures, the use of harmonized national bidding documents (NCB and National Shopping) developed in consultation with development partners including ADB, is mandatory except where the Government and ADB have agreed to amendments to any part of the documents. The Procurement Manual also advises users to check the ADB website from time to time for any update on ADB documents, which form the basis, among others, of the existing harmonized national bidding documents.

### **2. Procurement Procedures**

3. **Application.** Contract packages subject to National Competitive Bidding procedures will be those identified as such in the project Procurement Plan. Any change to the mode of procurement of any procurement package in the Procurement Plan shall be made through updating of the Procurement Plan, and only with prior approval of ADB.

4. **Sanctioning.** Bidders shall not be declared ineligible or prohibited from bidding on the basis of barring procedures or sanction lists, except individuals and firms sanctioned by ADB, without prior approval of ADB.

5. **Rejection of all Bids and Rebidding.** The Borrower shall not reject all bids and solicit new bids without ADB’s prior concurrence. Even when only one or a few bids is/are submitted, the bidding process may still be considered valid if the bid was satisfactorily advertised and prices are reasonable in comparison to market values.

6. **Advertising.** Bidding of NCB contracts shall be advertised on the ADB website via the posting of the Procurement Plan. Borrowers have the option of requesting ADB to post specific notices in the ADB website.

### **3. Bidding Documents**

#### **a. Use of Bidding Documents**

7. The Standard National Competitive Bidding Documents provided with the Government’s Procurement Manual shall be used to the extent possible both for the master bidding documents and the contract-specific bidding documents. The English language version of the procurement documents shall be submitted for ADB review and approval in accordance with agreed review procedures (post and prior review) as indicated in the Procurement Plan. The ADB-approved procurement documents will then be used as a model for all procurement financed by ADB for the project.

**b. Bid Evaluation**

8. Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.

9. A bidder shall not be required, as a condition for award of contract, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

**c. Employer's Right to Accept or Reject Any or All Bids**

10. The decision of the Employer to accept or reject any or all bids shall be made in a transparent manner and involve an obligation to inform of the grounds for the decision through the bid evaluation report.

**d. ADB Policy Clauses**

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

12. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that the Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question.

13. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or any integrity violation in competing for, or in executing, ADB-financed contract. Consultant's Terms of Reference Outline terms of reference for a project implementation consultant team and capacity building consultant team have been prepared.<sup>8</sup>

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<sup>8</sup> Terms of reference:  
[http://www.adb.org/Documents/Manuals/Consulting-Services-Operations-Manual/CSOM.pdf?bcsi\\_scan\\_D4A612CF62FE9576=AORY9a8Nho2ezS9Xss/ligEAAAANNiAA&bcsi\\_scan\\_filename=CSOM.pdf](http://www.adb.org/Documents/Manuals/Consulting-Services-Operations-Manual/CSOM.pdf?bcsi_scan_D4A612CF62FE9576=AORY9a8Nho2ezS9Xss/ligEAAAANNiAA&bcsi_scan_filename=CSOM.pdf) (paras 65–72).

# Project Administration Manual

## Attachment 3: Detailed Terms of Reference of Project Management Consultant

Project Number: 50099-002

Loan Number:

Grant Number:

May 2018



**A. Kingdom of Cambodia: Second Urban Environmental Management in the Tonle Sap Basin Project (TS2)**

1. **Background.** The Second Urban Environmental Management in the Tonle Sap Basin Project will improve urban environmental services in Battambang, Serei Saophoan and Stung Saen, three of Cambodia's provincial cities located around the Tonle Sap lake. The project will also improve institutional effectiveness to provide sustainable services and support an improved policy and planning environment for wastewater and solid waste management. A consulting firm will be recruited to act as Project Management Consultants (PMC). The PMC for this project have been combined with the PMC for the Fourth GMS Corridor Towns Development Project (GMS CTDP-4) under a single consulting services package. Both projects have a similar scope of work, implementation schedule and are managed by the same Project Management Unit (PMU) and Executing Agency (MPWT). The consulting firm will have separate budgets for each project and will submit separate invoices for the projects. The PMU at MPWT will manage the consultant's overall outputs as well as payments under the consulting services budget line of each project.

2. **Impacts and Outcome.** The Second Urban Environmental Management in the Tonle Sap Basin Project is aligned with the following impact: sustainable, inclusive, equitable and resilient growth achieved. The outcome will be improved urban environmental services in participating cities.

**Project Outputs**

3. **Output 1: Improved public services.** The project will finance wastewater, drainage and solid waste management projects. Key outputs are summarized below:

The project will finance three wastewater sub-projects:

- (i) a new 4,800 m<sup>3</sup>/day capacity WWTP at Battambang and 86.8 km of new sewers
- (ii) a new 2,500 m<sup>3</sup>/day capacity WWTP in Stung Saen and 39.2km of new sewers
- (iii) a new 2,500 m<sup>3</sup>/day capacity WWTP in Serei Saophoan and 78.2km of new sewers

The project will finance two drainage sub-projects:

- (i) a 17.1 km drainage network in Stung Saen
- (ii) an 8.5km drainage network in Serei Saophoan

The project will finance three controlled landfills:

- (i) 48,000 m<sup>3</sup> landfill in Stung Saen
- (ii) 130,000m<sup>3</sup> landfill in Serei Saophoan
- (iii) 350,000m<sup>3</sup> landfill in Battambang

The project will also finance the provision of about 100 public toilets in markets and schools as well as provision of free latrines for 760 poor households.

4. **Output 2: Improved institutional effectiveness.** The project will strengthen institutional effectiveness through improving staff capacity in critical areas (including improved urban service delivery, O&M of urban facilities, public private partnerships and other institutional arrangements), supporting the establishment of urban service units, and dedicated consultant support for project management. As a long-term contribution to the sector, the project will promote gender inclusivity and finance scholarships in civil engineering for women.

5. **Output 3: Improved policy and regulatory environment.** The project will develop urban development strategies and master plans for all three towns. It will develop a road map for financial sustainability for wastewater and solid waste (including a proposed road map and arrangement for tariffs, and mechanism for ensuring household connections). It will build community awareness on the benefits of proper sanitation and separate sewage systems and safe disposal of solid waste.

## **B. Kingdom of Cambodia: Fourth Greater Mekong Subregion Corridor Towns Development Project (GMS CTDP4)**

6. **Background.** The Fourth Greater Mekong Subregion Corridor Towns Development Project (GMS CTDP4) will improve urban services and enhance regional economic connectivity in provincial capital towns of Kampong Cham, Kratie, and Stung Treng along the Greater Mekong Subregion (GMS) Central Corridor in Cambodia. The project will finance key urban environmental infrastructure and enhance institutional effectiveness with a focus on private sector engagement and information and communication technology (ICT)-based public management systems, and the policy and planning environment for regional economic connectivity. The project will also improve institutional effectiveness to provide sustainable services and support an improved policy and planning environment for wastewater and solid waste management. A consulting firm will be recruited to act as Project Management Consultants (PMC). The PMC for this project have been combined with the PMC for the Second Urban Environmental Management in the Tonle Sap Basin Project (TL2) under a single consulting services package. Both projects have a similar scope of work, implementation schedule and are managed by the same Project Management Unit (PMU) under Ministry of Public Works and Transport (MPWT), the executing agency. The consulting firm will have separate budgets for each project and will submit separate invoices for the projects. The PMU at MPWT will manage the consultant's overall outputs as well as payments under the consulting services budget line of each project.

7. **Impact and Outcome.** The project is aligned with the following impact: sustainable, inclusive, equitable, and resilient growth achieved. The project's outcome is improved urban services for enhancing regional economic connectivity in participating towns.

### **Project Outputs**

8. **Output 1: Urban environmental infrastructure improved.** The output will include: (i) a new 5,050 cubic meter per day (m<sup>3</sup>/day) lagoon-based wastewater treatment plant (WWTP) with 137 km pipelines, 4,676 household connections and pump stations, 4.3 km drainage channel, and a controlled landfill<sup>1</sup> with a volume capacity of 900,000 cubic meter (m<sup>3</sup>) and waste collection vehicles in Kampong Cham; (ii) a new 4,900 m<sup>3</sup>/day lagoon-based WWTP with 143 km pipelines, 2,688 household connections and pump stations, 12 km drainage channel, a controlled landfill with a volume capacity of 433,500 m<sup>3</sup> and waste collection vehicles, and pedestrian walk rehabilitation with energy-efficient street lights in Kratie; and (iii) a new 3,800 m<sup>3</sup>/day lagoon-based WWTP with 147 km pipelines, 2,253 household connections and pump stations, a controlled landfill with a volume capacity of 291,000 m<sup>3</sup> including collection vehicles, pedestrian walk pavement rehabilitation with street landscaping and energy-efficient street lights in Stung Treng.

9. **Output 2: Institutional effectiveness, and policy and planning environment for regional economic connectivity enhanced.** The output will strengthen governments' capacities by: (i) formulating provincial five-year strategic development plans; (ii) training on resilient town

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<sup>1</sup> A controlled landfill has lined cells, soil cover layers, minimum leachate and gas treatment to control pollution.

planning that incorporates climate change and disaster risks; (iii) improving staff capacity in critical areas (including urban service delivery, O&M of urban facilities, and managing public private partnerships); (iv) development of ICT-based public service and management systems including public asset management, and utility billing system for efficient and transparent government operations; (v) raising public awareness on sanitation and environmental protection benefits; and (vi) using dedicated consultant support for project management.

## **C. Objectives of the Assignment**

### **For both TS2 and GMS CTD4:**

10. The main objective of the Project Management Consultant is to ensure the effective implementation, timely completion and sustainability of the impacts of the Second Urban Environmental Management in the Tonle Sap Basin Project and GMS CTD4 Project, and to plan future infrastructure development in the Project towns.

11. These objectives will be achieved through: (i) support to project management; (ii) preparation of detailed engineering designs and bidding documents; (iii) construction supervision and contract administration; (iv) ensuring compliance with ADB Safeguards Policy Statement and mitigation of risks (v) ensuring compliance with ADB Gender and Development Policy and Guidelines for Gender Mainstreaming Categories of ADB projects. (vi) preparation of urban development master plans; (vii) strengthening the institutions that will deliver the services; (viii) coordination and provision of training and (ix) information, education and communications activities.

12. This assignment will build on work already done under the Project Preparatory Technical Assistance (PPTA) financed by the Asian Development Bank (ADB), which has finalized feasibility-level reports covering the full scope of the project, and completed economic, financial, governance, poverty and social, gender, climate and safeguards assessments.<sup>2</sup> All deliverables of the PPTA consultancy will be made available to shortlisted firms.

13. An international consulting firm will be engaged to achieve the aforementioned objectives in accordance with ADB *Guidelines on the Use of Consultants* (2013, as amended from time to time), using quality- and cost-based selection method with a quality-cost ratio of 80:20, through a full technical proposal. The consulting services assignment will cover a period of 5 calendar years. All international consultants should have experience in developing countries. Experience in the Southeast Asia region, preferably Cambodia, will be considered. All national consultants should be fluent in English as well as the national language. One consultant can cover more than one field of expertise, provided they satisfy all appropriate requirements for each position.

14. It is envisaged that the firm will provide the full scope of services mentioned in Section E. As part of the contract negotiations, a payment modality will be agreed that will distinguish between output-based and time-based activities. The payment for activities with no or low dependency on the counterpart will be output-based while the payment for activities with medium or high dependency will be time-based. The deliverables listed in Table 3 are classified accordingly.

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<sup>2</sup> The PPTA consultancy will also complete the detailed engineering design and bidding documents for the wastewater sub-projects in Battambang and Stueng Saen, and the drainage sub-project in Stueng Saen, which are expected to be completed before commencement of this assignment.



**Additional objective for GMS CTD4:**

15. For the GMS CTD4, the consultant team will also support to develop provincial development strategy for three project provinces of Kampong Cham, Kratie and Stung Treng.

**D. Scope of Consulting Services**

**For both TS2 and GMS CTD4:**

16. **Project Management:** The Consultant will assist the PMU and Project Implementation Units (PIUs) in implementing the project in accordance with the provisions of the Project Administration Manual and financing agreements, and with ADB's procedures and policy requirements. This encompasses the provision of the following services:

**Project management and coordination, technical review and audit for design-build contract, administration and results monitoring**

- (i) Assist the PMU in coordinating all project activities by taking an advisory role and direct action/intervention as needed;
- (ii) Assist the PMU to liaise with the ADB and with preparation of project-related information material from time to time as requested;
- (iii) Coordinate and participate in the preparation of all project progress reports including brief monthly management reports to the PMU and quarterly progress reports and GAP implementation monitoring reports to the ADB and government;
- (iv) Support PMU and PIUs in liaising with all relevant line-ministries (MEF, MoE, MIH, MoH, etc.), provincial departments and sector stakeholders;
- (v) Set up the project performance management system (PPMS) based on the design monitoring framework (DMS), gender action plan (GAP) and other relevant loan documents in accordance with ADB's policy requirements, including establishing baseline and operation mechanism for data collection (sex disaggregated), analysis, and reporting;
- (vi) Set up the project management information system (MIS) to: (a) ensure efficient and effective information sharing and coordination on project management (e.g., procurement, disbursement, construction, safeguard compliance, gender action plan compliance); and (b) monitor the project's design and monitoring framework through the use of the PPMS;
- (vii) Collect and compile all necessary information and prepare all necessary documents for ADB's loan administration missions.
- (viii) conduct design; technical, environmental, and social review and audit; and provide expert comments on engineering detailed design in accordance with required design codes and standards (for design-build landfill contracts);
- (ix) provide expert inputs, review and provide justification for contract variations, and prepare necessary documents (e.g., a due diligence report) in accordance with government and ADB requirements;
- (x) assist PMU and bid evaluation committee of design-build contract, through the procurement process, providing reviewing procurement documents (e.g. technical specifications, bill of quantities, evaluation criteria), technical reviews, evaluation and documentations, evaluation and contract negotiations
- (xi) ensure procurement related record keeping, establishing and managing complaint handling mechanisms, and transferring knowledge through, but not limited to, on-the job training of PMU/PIUs staffs; and

- (xii) conduct contract management during project implementation, to include monitoring of construction progress, preparing quarterly and annual progress reports, reviewing and certifying contractors' claims for payments, coordinating project implementation among contractors and various stakeholders, and coordinating daily operational tasks.

#### Financial management

- (i) Establish an efficient and effective financial management system (e.g. fund disbursement management, withdrawal application review, use of loan proceeds and counterpart funds) in accordance with ADB policy requirements and procedures;
- (ii) Assist PMU and PIUs in preparing annual budgeting and financial statements and reporting according to relevant project financial covenants and make necessary arrangements with auditing units to supervise the financial management of PMU and PIUs.
- (iii) Provide training on public financial management especially strengthen the identified weaknesses under the financial management assessment (FMA).

#### **For both TS2 and GMS CTD4, unless otherwise indicated:**

17. **Detailed engineering designs and bidding documents:** The Consultant will prepare the detailed engineering designs, cost estimates, and bidding documents (including bills of quantities, technical specifications and evaluation criteria) for the following sub-projects:

- **Under TS2:** Battambang Solid Waste Treatment; (ii) Serei Saophoan Solid Waste Treatment, (iii) Serei Saophoan Wastewater Management (iv) Serei Saophoan Drainage Improvements; and (v) Stueng Saen Solid Waste Treatment.<sup>3</sup>
- **Under GMS CTD4:** (i) Kampong Cham Wastewater and Drainage System; (ii) Kratie Wastewater and Drainage System, (iii) Stung Treng Wastewater and Drainage System (iv) Kratie Town Center Enhancement; and (v) Stung Treng Town Center Enhancement.<sup>4</sup>

18. As part of the preparation of the detailed engineering designs, the Consultant will continue to explore options for enhancing climate resilience and incorporating green infrastructure and bio-engineering elements.<sup>5</sup>

19. The Consultant will carry out the necessary field investigations and surveys including detailed topographical surveys geotechnical investigations (including depths to groundwater table), field verification of the location of existing services plus any other necessary studies – needed to prepare the aforementioned documents.

20. All design and procurement documents prepared by the consultant will be in accordance with national and international norms and procedures as required. Tender and contract

<sup>3</sup> Preparation of the detailed engineering design and bidding documents for the three remaining sub-projects, namely the wastewater sub-project in Battambang, wastewater sub-project in Stueng Saen and drainage sub-project in Stueng Saen, is ongoing and expected to be completed by the commencement of this assignment.

<sup>4</sup> The project aims to pilot design-build contract for landfill component in Kampong Cham, Kratie and Stung Treng. The consultant team is expected to provide technical peer reviews and all procurement support to the PMU/MPWT for successful procurement.

<sup>5</sup> See: ADB. 2015. Nature-Based Solutions for Building Resilience in Towns and Cities: Case Studies from the Greater Mekong Subregion. Manila.

documents shall be prepared on the basis of FIDIC and in accordance with the ADB Procurement Guidelines (2015 as amended from time to time), ADB Standard Bidding Documents for Procurement of Works, or Procurement of Goods, and government procurement rules and regulations.

21. The Consultant will assist the PMU and bid evaluation committees during the tendering process as requested, including with bids evaluation, preparation of bids evaluation documentation, contract negotiations, and contract award.

**For both TS2 and GMS CTD4, unless otherwise indicated:**

22. **Construction supervision and contract administration:** for all the above-mentioned sub-projects as well as for other investment components funded under the Project<sup>6</sup>, the Consultant will, on behalf of PMU and PIUs, supervise the construction of the works and installation of equipment, and ensure the works are: (a) fully compliant with the national regulations, guidelines and engineering standards as well as with the detailed engineering designs, (b) progressing along with the agreed schedule; and (c) at the level of quality stipulated and agreed upon in the contract. This encompasses the performance of the following tasks:

- (i) coordination of the works performed by the various contractors and stakeholders;
- (ii) onsite supervision;
- (iii) monitoring of the progress and preparation of construction progress reports;
- (iv) routine site inspection and overseeing of the quality construction and compliance with the contract, and provision of technical inputs on construction planning and quality control;
- (v) assistance to the PMU and PIUs in contract management, and in particular in (a) the certification of the contractors' claims for progress payments; (b) prepare projections of work progress and budget requirements, (c) the review of any contract variations, and the preparation of the subsequent documents in accordance with government and ADB requirements, (d) facilitate with obtaining necessary permits (such as road opening, etc.) if requested by the contractor
- (vi) supervision of works commissioning and handover;
- (vii) establishment of effective reporting/communication channels between PMU, PIUs, and the contractors to issues can be detected and resolved at an early stage.

**For both TS2 and GMS CTD4, unless otherwise indicated:**

23. **Ensuring compliance with ADB Safeguards Policy Statement (SPS) risk mitigation and ADB Gender and Development (GAD) Policy requirements:** The Consultant will support the PMU and PIUs in ensuring compliance of the Project with ADB SPS (2009) and ADB GAD (1998) and will contribute to the enforcement of ADB social development and gender requirements as per Guidelines for Gender Mainstreaming Categories for ADB projects. The Consultant will in particular:

**Preparation of Domestic Environment Impact Assessment and Update IEEs**

- (i) subcontract a firm, who is certified/accredited by Ministry of Environment to prepare a domestic environment impact assessment, carry out baseline surveys

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<sup>6</sup> For TS2 - investment components include wastewater sub-projects in Battambang and Stueng Saen; public and private toilets; on-site plumbing for and onsite housing connection to the sewerage system; landfill components, and environmental impact mitigation measures; For GMS CTD4 – investment components include landfill components, onsite household connection to the sewerage system; and environmental impact mitigation measures

- (ecology, air, water and groundwater quality and noise), public and stakeholder consultations and prepare necessary environment assessment document, Initial Environmental Impact Assessment (IEIA) or EIA per province;
- (ii) provide appropriate advice and supervision to ensure the quality of the IEIA/EIA documents to meet the standard of Cambodia;
- (iii) closely coordinate with detailed engineering design (DED) team during preparation/ approval of IEIA/EIA documents so that there will be little or no delay in construction;
- (iv) update/redraft IEEs based on the detailed engineering design and domestic IEIAs/EIAs;
- (v) conduct additional analysis and data collection to ensure the final IEEs comply with ADB Safeguards Policy (SPS, 2009); and
- (vi) prepare contract specific EMPs and assist MPWT/PMU to agree with design-build contractors and/or attach to bidding documents for potential contractors (in case the design-build packages are procured through a standard works contract).

Support for compliance with ADB safeguard policies and social and gender requirements

- (i) Coordinate closely with the General Department of Resettlement (GDR), Ministry of Economy and Finance, on the preparation of Resettlement Plans (RPs) for the Sub-projects under detailed design;
- (ii) review and update as needed the initial environmental examination (IEE) report, environmental management plans (EMPs), GAP, resettlement framework, and resettlement plans based on DED;
- (iii) ensure that safeguards measures are adequately considered in the bidding documents and in the evaluation criteria for selection and awarding of contracts for civil works, goods and services;
- (iv) in coordination with the social development and gender expert, ensure that social risks mitigation measures are adequately considered in the bidding documents and in the evaluation criteria for selection and awarding of contracts for civil works, goods and services;
- (v) advise works contractors on site-specific construction EMP (CEMP) requirements (in accordance with the IEE/EMP and environment safeguards requirements), review and clear CEMPs of works contractors before start of construction;
- (vi) assist in establishing and managing the grievance redress mechanism (GRM), including assistance to PMU and PIUs to establish a project public complaint unit, and to provide training for and grievance redress mechanism focal points;
- (vii) assist PMU and PIUs and other relevant agencies in local safeguards documentation disclosure, including IEE/EMP, RF/RPs and semi-annual monitoring reports;
- (viii) develop capacity of staff(s) in-charge of safeguards, social development and gender aspects in the PMU and PIUs on gender mainstreaming, safeguards, GRM and GAP implementation, monitoring and reporting.
- (ix) assist PMU and PIUs to implement, coordinate and establish management supervision mechanisms for implementation, monitoring and reporting of the project safeguards and social-gender issues based on the relevant ADB documentation (e.g., EMP, GAP, and RP) and provide support for their implementation;
- (x) conduct compliance monitoring of social, gender and safeguards issues, assist PMU and PIUs to formulate corrective actions where necessary, and help PMU and PIUs to prepare safeguards, social development and gender section in the periodic progress report and relevant semiannual monitoring reports;

- (xi) assist PMU and PIUs and other relevant agencies to develop reporting formats and establish mechanisms to prepare and submit the safeguards and gender monitoring reports as specified in the loan and project agreements;
- (xii) provide technical inputs and support implementation of GAP through alignment and integration with overall project work plan; design of training materials; providing training, workshops, and orientation briefings to PMUs and relevant stakeholders;
- (xiii) assist PMU and PIUs to ensure implementation of GAP requirements by conducting necessary workshops and focus group discussions; and
- (xiv) assist PMU and PIUs and other relevant agencies to develop sex-disaggregated monitoring indicators in PPMS and assist PMU and PIUs and other relevant agencies to develop reporting formats and establish mechanisms to prepare reports as specified in the loan and project agreements;

### **Under TS2:**

#### **Support for compliance with ADB safeguard policies and social and gender requirements**

- (i) ensure that EMPs and related environmental considerations are factored in detailed designs and construction drawings of the sub-projects (particularly with regard to effluent management for the wastewater treatment plant in Serei Saophoan)<sup>7</sup>;
- (ii) ensure the project's poverty reduction, social inclusion and gender mainstreaming measures are resourced and implemented as per the SPRSS, GAP, and SCS, including integration in project's workplan, budget, and timely fielding of relevant experts.
- (iii) advise works contractors on gender responsive construction requirements (in accordance with GAP requirements) related to public toilet provision;
- (iv) conduct safeguards due diligence assessments, and assist in consultations with project-affected people for drafting safeguard documents;
- (v) coordinate with participating ministries, and local authorities on regulatory and compliance issues related to safeguards;
- (vi) advise the MPWT, PMU and PIUs on environment and social safeguards related concerns that may arise during Project implementation and recommend appropriate action plan;
- (vii) assess any inadequacy in poverty reduction, social inclusion, and gender provisions; and advise the MPWT, PMU and PIUs on social development and gender mainstreaming related concerns that may arise and recommend appropriate remedial actions to strengthen provisions as required;
- (viii) conduct poverty reduction, social inclusion, and gender mainstreaming compliance monitoring in accordance to the implementation monitoring plans defined in the GAP and SCS and assist in preparation of the GAP implementation monitoring report using ADB template as specified in the loan and project agreements;

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<sup>7</sup> The approach to effluent management should ensure that the absorptive capacity of the receiving waterway is not exceeded and health risks to users of the waterways are minimized. In general, during the detailed design stage the receiving water should be sampled (preferably minimum three consecutive non-rainfall days) to at least get an indication of the ambient water quality (in particular coliforms, biochemical oxygen demand, nutrients – nitrogen and phosphorus). Based on that, an indicative estimate should be made of the absorptive capacity of the waterway that is commensurate with its primary use (e.g. rice paddies, vegetable farming, ablutions, etc.) and to stay within the safe limits recommended in the WHO guidelines for water quality. A suggested approach and concept for effluent management and discharge in Serei Saophoan is provided in the IEE.

- (ix) conduct environmental effect monitoring in accordance to the monitoring plan defined in the EMP;
- (x) conduct compliance monitoring of safeguards issues, and assist in the preparation of safeguards monitoring reports as specified in the loan and project agreements;
- (xi) conduct environmental effect monitoring or engage local environmental monitoring center/agency who has a capacity to monitor quality of environment in accordance with the EMP and manage the contract in accordance with the national and ADB requirements;

**Under GMS CTD4:**

**Support for compliance with ADB safeguard policies and social and gender requirements**

- (i) ensure that EMPs and related environmental considerations are factored in detailed designs and construction drawings of the sub-projects<sup>8</sup>;
- (ii) advise works contractors on site-specific construction EMP (CEMP) requirements (in accordance with the IEE/EMP and environment safeguards requirements), review and clear CEMPs of works contractors before start of construction;
- (iii) conduct environmental effect monitoring or engage local environmental monitoring center/agency who has a capacity to monitor quality of environment in accordance with the EMP and manage the contract in accordance with the national and ADB requirements;
- (iv) assist PMU and PIUs to ensure implementation of GAP requirements by conducting necessary workshops and focus group discussions; and
- (v) assist PMU and PIUs and other relevant agencies to develop sex-disaggregated monitoring indicators in PPMS and assist PMU and PIUs and other relevant agencies to develop reporting formats and establish mechanisms to prepare reports as specified in the loan and project agreements;

**For both TS2 and GMS CTD4, unless otherwise indicated:**

24. **Institutional Strengthening:** Based on the results of the PPTA for the subject project, the Consultant will assist the national and local administrations and governments in implementing all the necessary institutional arrangements to ensure the sustainable provision of solid waste, wastewater and drainage management services in the project towns. This will include convening discussions with consultants and municipalities implementing other ADB projects in the sector, to ensure that lessons are properly reflected. This encompasses the provision of the following services:

**Selection of institutional arrangements.** The Consultant will assist the municipalities in close coordination with the relevant line-ministries and their respective provincial departments in reviewing and refining in further detail the organization of the provision of solid waste and wastewater management services in the project towns. This includes:

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<sup>8</sup> The approach to effluent management should ensure that the absorptive capacity of the receiving waterway is not exceeded and health risks to users of the waterways are minimized. In general, during the detailed design stage the receiving water should be sampled (preferably minimum three consecutive non-rainfall days) to at least get an indication of the ambient water quality (in particular coliforms, biochemical oxygen demand, nutrients – nitrogen and phosphorus). Based on that, an indicative estimate should be made of the absorptive capacity of the waterway that is commensurate with its primary use (e.g. rice paddies, vegetable farming, ablutions, etc.) and to stay within the safe limits recommended in the WHO guidelines for water quality. A suggested approach and concept for effluent management and discharge in the IEE.

- (i) The review, update and detailing the organizational schemes elaborated under the PPTA;
- (ii) Highlighting the pros and cons of each scheme and assisting the project stakeholders in selecting the preferred set-up;
- (iii) The preparation of a detailed implementation plan for the chosen scheme
- (iv) Conducting workshops (one in each town) to present the proposed/agreed organizational arrangements.

**Establishment of urban service units and wastewater units.** The Consultant will assist the municipalities in close coordination with the relevant line-ministries and their provincial departments in setting-up their urban service unit. This includes:

- (i) Specifying the missions of the unit and designing the corresponding organization, budget and staffing;
- (ii) Drafting the necessary regulatory documents in accordance with the laws of the Kingdom of Cambodia, and of any other documentation requested for setting-up the unit;
- (iii) Assisting the municipalities throughout the set-up of the unit (recruitment of the staff, preparation of internal procedures, etc.).

The same services will be provided towards the creation of wastewater units, in coordination with the municipalities and PDPWTs. When such units already exist in the project towns/provinces, a critical assessment of the capacity of these entities to operate the facilities to be built will be carried out. The Consultant will then formulate recommendations to strengthen these entities and assist the local stakeholders in implementing them.

#### Renegotiating and/or setting-up PPP contracts for solid waste management

- (i) Develop performance indicators on the service quality, in particular for solid waste collection;
- (ii) Define data collection procedures and analysis methods to monitor these indicators, and support local authorities in performance monitoring;
- (iii) Define a procedure to get direct feedback from the end-users on the service quality (such as citizen report cards, periodic customer attitude and satisfaction surveys);
- (iv) Identify and define penalties and incentives to enforce or foster service quality and performance;
- (v) Assist in renegotiating existing contracts, in particular to include performance indicators, incentives and penalties;
- (vi) For new contracts, develop bidding documents and evaluation criteria, and assist the local stakeholders throughout tendering, proposal evaluation and contract negotiation.

#### **Under TS2:**

##### Assistance in setting-up tariffs and billing mechanisms

- (i) Develop tariff tables to ensure sustainability of the solid waste management and wastewater management services, taking into account the affordability and willingness-to-pay of the end users;
- (ii) Assist in negotiations with the organizations in charge of water and/or power supply for including solid waste and wastewater tariffs in these bills;
- (iii) Identify and define the corresponding financing mechanisms (transfer of funds, potential subsidies, etc.).

#### **Under GMS CTD4:**

##### **Formulation and finalization of financial sustainability roadmap for urban utility services (tariffs and billing mechanisms)**

- (i) Consultation with MPWT/PMU, DPWTs/PIUs and provincial governments, conduct comprehensive assessment on tariff schemes and collection mechanisms for water supply, wastewater (sanitation), drainage, solid waste and other urban services (landscaping, street lights, pedestrian walkaways and urban roads), including their cross-subsidization schemes;
- (ii) Consultation with MPWT/PMU, DPWTs/PIUs and provincial governments, identify most suitable institutional arrangement, including setting up a new “urban management unit”;
- (iii) Comprehensively analyze other Cambodian and GMS cities and towns and demonstrate advantages/disadvantages of financial schemes and management for urban service deliveries;
- (iv) Formulate short-, medium- and long-term financial sustainability roadmap for urban services in three towns and corresponding financial mechanisms to ensure sustainability of the solid waste management and wastewater management services, taking into account the affordability and willingness-to-pay of the end users;
- (v) Assist MPWT/PMU, DPWTs/PIUs and provincial governments and other stakeholders (e.g. MEF, MIH) to (a) agree on the realistic options, and (b) negotiate, if necessary, with the organizations in charge of water and/or power supply for including solid waste and wastewater tariffs in these bills; and
- (vi) Assist the borrower and MPWT to fulfill the loan covenants on financial sustainability.

#### **For GMS CTD4:**

25. **Preparation of Five-Year Provincial Development Strategies:** The Consultant will assist the Kampong Cham, Kratie and Stung Treng provincial governments in preparing provincial five-year plan document. The Consultant team will act as an “policy and strategy advisor” to each provincial governor to conduct detailed socioeconomic and sector analysis, assist their departments to formulate and finalize the policy document. The “vertical” policy linkages with **Preparation of Urban Development Master Plans (next para.)** is crucial. This encompasses the provision of the following services:

##### **Provincial Social and Economic Analysis**

- (i) review and collect national, provincial and municipal government socioeconomic policies, investment plans, strategic guidance notes as a base of Provincial 5-year Development Strategy 2014–2028;
- (ii) review and collect relevant socioeconomic information of Kampong Cham, Kratie and Stung Treng Provinces to understand the socioeconomic profiles, including demographic population and employment, provincial accounts, land use, people’s living conditions, agriculture, industry, trade and tourism, construction, education, business and commerce, environment and natural resources;
- (iii) conduct additional surveys on socioeconomic aspects, agricultural value-chain, education, tourism, and other relevant aspects to understand key socioeconomic profiles of the province and capital towns;
- (iv) based on survey findings and other data sources, conduct comprehensive



- analyses to identify socioeconomic growth potential and constraints for growth; and
- (v) conduct regional economic and connectivity analysis to identify comparative advantage of Northeastern part of Cambodia, including Kampong Cham, Kratie and Stung Treng, and economic corridor along the Mekong River.

#### Resilient Planning and Strategic Environmental Impact Assessment

- (i) collect and analyze sector, master, land use and other related planning documents for Kampong Cham, Kratie and Stung Trent towns;
- (ii) conduct training sessions for advance and basic levels on urban planning and urban management with presentation of foreign experiences in small towns. Link between urban planning and towns' attractiveness/livelihood improvement for residents. Use of urban planning manual and guidance prepared by the Ministry of Land Management, Urban Planning and Construction and the ADB (see TA 8121-CAM) to prepare pedagogic support. In particular, training sessions will insist on the link between urban planning and zoning for risk prevention, greening and risks mitigation, etc.;
- (iii) formulate a spatial framework plan sufficient for future preparation of detailed zoning/development plans;
- (iv) include climate change resilience spatial planning principles in proposals in the planning process and local plans;
- (v) create a list of current and future pipelined projects at national and provincial levels to support (detailed for 5 years and broad for 20 years) the spatial framework plan;
- (vi) demonstrate use of GIS in data collection, analysis and presentation by using Q GIS (free software) as a means to introduce mapping approach. Requirement related to database collection and to ensure data exchange/sharing between institutions;
- (vii) Based on a rapid assessment of local practical knowledge of mapping software, training on mapping GIS proposed to non-specialized staff of the Department of Land Management, Urban Planning and Construction, DPWT, DOE, DOWRAM and DOEF;
- (viii) assist the provincial governments and municipal governments to generate "Spatial Framework" strategy documents which can be used to inform any future Master Plan according to official guidelines; and
- (ix) conduct rapid strategic environment impact assessment on (a) resilient plan for the province and capital towns; (b) national, regional and provincial-scale infrastructure development plans (e.g. ICT corridor, inland waterway and regional river ports, national highways and railway networks) to ensure environmental constraints and opportunities, in particular, sensitive riverine protected areas are considered.

#### Public Consultation

- (i) ensure provincial socioeconomic profile assessments, surveys, resilient planning activities, and formulation of 5-year provincial development plan will be based on full consultation with government agencies, local communities, poor and vulnerable groups, female opinions; and
- (ii) conduct community awareness workshop and seminars to ensure view from citizens and various interest groups will be reflected into the provincial strategic planning process.

### Provincial Development Strategy

- (i) based on the comprehensive reviews on socioeconomic profiles, consultations with various provincial government agencies and local communities (public), analysis, assist Kampong Cham, Kratie and Stung Treng provincial governments to draft the provincial 5-year strategic development plans (most likely for the period 2024-2028) (FYSDP);
- (ii) ensure (a) one of the strategic emphasis of the FYSDP will be to promote regional economic connectivity and economic competitiveness to collectively and efficiently achieve synergies in socioeconomic development in three provinces; (b) the FYSDP will be fully linked and integrated with the resilient provincial planning; (c) use of innovative approach including full utilization of ICT to further strengthen provincial government's operational efficiency, data collection and assessment capacity, transparency, and budget and financial planning;
- (iii) identify and conduct training, information exchange, knowledge building and other learning activities necessary for key stakeholders, institutions and agencies that will have a role in implementing the strategic development plans; and
- (iv) identify and prepare an investment program for priority projects that are to be implemented to support the development of the economy, along with a financial plan which should be integrated with the town and provincial 5-year plans where substantial public investment may be required to fund a catalytic project or program of activities.

### **For both TS2 and GMS CTD4, unless otherwise indicated:**

26. **Preparation of Urban Development Master Plans:** prepare an urban development strategy and an urban development master plan (UDMP) for each of the project cities, considering planned development in the cities until 2040. The strategy and master plans must consider the strategic locations of the project cities, optimize their economic resource potentials and improve the capacity of local authorities to achieve sustainable economic growth. In preparing these documents, the Consultant will undertake a thorough review of existing development plans, ongoing and planned projects and programs, and consultative meetings with stakeholders.<sup>9</sup> Key activities are the following:

- (i) Review of the existing development plans and programs;
- (ii) Conduct of consultative review and assessment of national policies and strategic framework on the urban sector development and priority investment for urban infrastructure development, in the context of the economic transformation of Battambang, Serei Saophoan and Stung Saen for TS2 and Kampong Cham, Kratie and Stung Treng for GMS CTD4;
- (iii) Assessment and analysis of a comprehensive range of development options involving the core areas of the urban sector;
- (iv) Conduct of series consultative meetings and focus group discussions on the planned development and strategic options and generate perceptions of key stakeholders from the government agencies, private sector and local development institutions;
- (v) Prepare the urban development strategies based on each of the project town's development vision, demand and supply gap for urban infrastructure, the potential economic drivers for the succeeding years, and including gender responsive and climate resilient dimensions;

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<sup>9</sup> The consultant can consider the green city action planning approach outlined in: ADB. 2016. Green Solutions for Livable Cities. Manila.

- (vi) Formulate the medium and long-term investment program to address the demand and supply gap taking into consideration expected increase in urban population and the expansion of the urban areas;
- (vii) Prepare planned development maps to indicate population movements, water flows, future expansion of commercial and industrial centers and potential locations of key urban facilities. This would include the preparation of a drainage master plan;
- (viii) Organize consultative workshop and present the draft Master Plan, taking into account gender responsive and climate resilient measures, to the representatives of the EA, IAs, ADB and project stakeholders for review and discussions. Incorporate the comments and suggestions made during the workshop in the final deliverables.

**For both TS2 and GMS CTD4, unless otherwise indicated:**

27. **Training:** The Consultant will oversee and coordinate all training activities undertaken under the Project, and will be directly responsible for the development and implementation of all activities but the ones on gender sensitization (under the responsibility of the social development and gender expert). The training will be directed at the EA, PMU, PIUs, municipalities, other national and local administrations, contractors and site workers, operators including, for landfills only, waste pickers. This encompasses the provision of the following tasks:

**Development and implementation of a training plan**

- (i) Conduct a training needs assessment and finalize a training plan in coordination with the social development and gender expert, ensuring female target recipients;
- (ii) Coordinate and oversee the provision of all training activities.

**Provision of training courses to support the activities under the Project, including:**

- (i) Train the municipalities and staff of the urban service units on PPP contracts (forms of contracts, performance indicators, contract administration, performance monitoring, etc.);
- (ii) Train utilities' staff on commercial and business management (customers' relationship, billing, accounting, etc.);
- (iii) Train the project stakeholders, and in particular provincial Department of Environment (PDoE) on the enforcement of Environmental Protection regulations (such as the application of penalties for dumping waste in illegal sites);
- (iv) Train PMU and PIUs on project financial management and performance monitoring tools;
- (v) Develop an operation and maintenance manual for each landfill and wastewater plant and collection system, and a training program on the operations manual provisions;
- (vi) Train operators on plant equipment at the wastewater treatment plant and landfill sites;
- (vii) Train operators on achievement of, and compliance with, regulatory standards and monitoring of the performance of the facilities;
- (viii) Train landfill operators on controlled landfill recycling and disposal operations if implemented;
- (ix) Train PIUs, contractors, municipalities, and other relevant stakeholders on the implementation of EMPs and resettlement plans, safeguards monitoring, and access and use of the grievance redress mechanism.

#### **Under GMS CTD4:**

28. Train provincial government officials, DPWTs and/or entities established for O&M urban infrastructure services on public financial management especially strengthen the identified weaknesses under the FMA (e.g. public asset management).

#### **For TS2:**

29. **Operation support at Serei Saophoan landfill:** The Serei Saophoan controlled landfill operation is planned to be used as a demonstration project for other project towns as well as nationwide. By the expected date of commissioning the new controlled landfill, it is anticipated that there will be approximately 170,000 tons of old waste disposed at the current dumpsite as well as waste deposited there between 2018 and 2022. This quantity of waste will have to be hauled to the new landfill cell, in addition to the anticipated 40 tons per day of fresh waste being delivered from the city by 2022. This initially large quantity of old and new waste to be placed into the new controlled landfill makes the new site attractive from a training and demonstration point of view. There will be significant activity on site to provide ample opportunities for operator training on all aspects of landfill operations and facility maintenance, as well as safeguards compliance.

30. The Consultant will guide and support the landfill operator during the final construction and handover period of the site, including during the 12-month defects liability period. Serei Saophoan landfill could then be used as a demonstration and training site for other operators from other towns. In particular, the Consultant will assist in solving any issues with malfunctions of equipment; and more generally, supervise the overall operation of the controlled landfill during the defects liability period. This may include setting-up specific training to Serei Saophoan landfill operators, or rerunning the formal training sessions for external staff who have come for general landfill operation training.

#### **For TS2:**

31. **Information, education and communication activities:** The Consultant will mobilize a non-government organization (NGO) which will implement, in line with the stakeholder communication strategy (SCS), the public communication and awareness campaigns identified under the environmental management plan (EMP) and GAP, as well as sanitation marketing activities. The NGO will be subcontracted by the consultant.

32. The services to be provided include:

- (i) Based on the outline terms of reference included in the **Appendix**, develop, in coordination with the social development and gender expert, an updated terms of reference for a local NGO which is to be engaged as a subcontractor;
- (ii) Review the strategy and plan developed by the NGO;
- (iii) Oversee all information, education and communication activities.

#### **For GMS CTD4:**

33. **Information, education and communication activities:** The Consultant can conduct necessary IEC activities by themselves or subcontract a non-government organization (NGO) to implement, in line with the stakeholder communication strategy (SCS), environmental management plan (EMP), gender action plan (GAP), provincial development strategy (PDS) and urban development master plan, and financial sustainability roadmap (e.g. school environmental

education, community awareness rising activities for wastewater and solid waste services and tariffs payment). The services to be provided include:

- (i) Public awareness activities and consultation meetings for: (i) GAP, (ii) EMP, (iii) resettlement plans, (iv) PDS, (v) UMDP, and (vi) Financial Sustainability Road Map.
- (ii) In case of subcontracting, (a) the Consultant may use, the template outline terms of reference included in the **Appendix**, and develop in coordination with the social development and gender expert, an updated terms of reference for a local NGO; (b) review the strategy and plan developed by the NGO; and (c) oversee all information, education

## E. Expertise Required

34. The consulting firm will be recruited using the quality- and cost-based selection (QCBS) method with a standard quality-cost ratio of 80:20, using full technical proposal.

### For TS2:

35. The consulting firm will include an estimated 501 person-months of experts' inputs (128 international and 373 national). The anticipated consulting services requirements are summarized in Table 1.

36. **Key experts.** Proposing firms have some flexibility to determine the number and the nature of the experts they will require to achieve the objectives of the contract, in accordance with their proposed approach and methodology and to ensure the output deliverables are prepared to an agreeable standard. However, ADB requires minimum expertise in key areas, with a minimum of 117 international and 343 national person-months as listed in Table 1.<sup>10</sup> CVs of these key experts must be submitted. One consultant can cover more than one area of expertise.<sup>11</sup>

**Table 1: Indicative Person-months Requirement**

Positions Required	Person-months Requirement
<b>International Key Experts</b>	
Team Leader (Project Manager)*	27
Deputy Team Leader (Civil Engineer)*	27
Wastewater / Civil Engineer*	15
Solid Waste Management Engineer	8
Environmental Safeguards Specialist	5
Social Safeguards Specialist	5
Finance and Institutional Specialist*	5
Procurement Specialist	4
Solid Waste Utility Specialist	6
Urban Development Specialist	6
Development Economist	4
Social Development and Gender Specialist	5
<b>National Key Experts</b>	
National Deputy Team Leader/ Civil Engineer	55

<sup>10</sup> Consulting firms are free to propose additional person months for key experts, as required, in line with the proposed work plan and schedule.

<sup>11</sup> In case one consultant is proposed to cover more than one area, this should be clearly indicated in the work plan and methodology, and separate CVs should be submitted for each position, highlighting the expertise required by each position.

\* Must be full-time staff of International Firm

Solid Waste Engineer	12
Sanitation Engineer	12
Electromechanical Engineer	6
Structural Engineer	8
Environment Safeguards Specialist	14
Social Safeguards Specialist	12
Institutional and Municipal Finance Specialist	15
Human Resource / Training Coordinator	6
Urban Planner	10
Financial Management Specialist	4
Site Engineers	75
Site Supervisors	90
AutoCAD Operators	24
<b>Total International Key Person-months Inputs</b>	<b>117</b>
<b>Total National Key Person-months Inputs</b>	<b>343</b>
<b>Total of Key Person Month Inputs</b>	<b>460</b>
<b>Non-Key International Person-months Inputs</b>	<b>11</b>
<b>Non-Key National Person-months Inputs</b>	<b>30</b>
<b>Total of Non-Key Person-months Inputs</b>	<b>41</b>
<b>Grand Total of Key and Non-Key Person Months Inputs</b>	<b>501</b>

Note: For the **five shaded positions**, the same consultant must be proposed as for the GMS CTD-4 project. This is so that the TL and DTL have a full-time, sustained presence in Cambodia; and that a common technical, institutional and safeguards approach is taken for both projects.

37. The qualification requirements for the key experts is listed below. Four key international positions, namely the Team Leader (Project Manager), Deputy Team leader (Civil Engineer), Wastewater/Civil Engineer and the Finance and Institutional Specialist, must be full-time staff of the international firm.

**Table 2: Team Composition and Qualification Requirements for Key Experts**

Position & Task	Person-Months	Minimum Qualifications	Minimum Work Experience
<b>International Consultants</b>			
Team Leader (Project Manager)	27	Master's degree urban development, economics, public administration or equivalent	<p>15 years of working experience in institutional development and capacity building of public utilities, preferably involved in urban sanitation service delivery (solid waste and wastewater). Familiarity with wastewater and solid waste utilities in developing countries is essential.</p> <p>Previous experience as team leader of project management assignments for urban environmental infrastructure financed by ADB or other multilateral development agencies.</p> <p>He/she should have demonstrated ability to work with a wide range of stakeholders including government and financial and community, and must have experience in project management of multi-disciplinary teams. Excellent communication and writing skills in English are required, and an ability to converse in Khmer could be an advantage.</p>
<p><i>* The proposed expert must be a full-time staff of the international firm.</i></p>			

Position & Task		Person-Months	Minimum Qualifications	Minimum Work Experience
Deputy Leader Engineer)	Team (Civil	27	Master's degree in civil/municipal engineering or a related discipline.	At least 10 years relevant international experience in design and construction of wastewater, drainage or solid waste management projects, and at least 5 years' experience as team leader on international development agency financed projects. The team leader should have worked in Cambodia or at least in South East Asia. He/she should have demonstrated ability to manage multi-disciplinary teams. Strong communication and writing skills in English are preferred, and an ability to converse in Khmer could be an advantage.
<i>* The proposed expert must be a full-time staff of the international firm.</i>				
Wastewater / Engineer	Civil	15	Master's degree in civil/municipal engineering or a related discipline.	10 years' experience in both detailed engineering design and construction supervision of urban wastewater and sanitation systems. Previous experience working on urban wastewater and sanitation projects financed by multilateral development agencies in Southeast Asia is preferred.
<i>* The proposed expert must be a full-time staff of the international firm.</i>				
Solid Waste Management Engineer	Waste	8	Master's degree in civil/municipal engineering or a related discipline.	10 years' experience in both detailed engineering design and construction supervision of landfills.
Environmental Safeguards Specialist		5	Master's Degree in environmental science, engineering, planning or equivalent	10 years' experience in preparing or monitoring the implementation of environmental safeguards of donor-funded projects. Experience in Southeast Asia of urban water supply, sanitation, or related projects financed by multilateral development agencies is preferred.
Social Safeguards Specialist		5	Master's degree in relevant social sciences discipline	10 years' experience in social development, land acquisition, and resettlement preferably within urban and peri-urban communities. Experience in Southeast Asia on urban water supply and sanitation projects financed by multilateral development agencies is preferred.
Finance Institutional Specialist	and	5	Master's degree in finance, accounting, economics, business management, administration or a related discipline.	10 years' working experience in financing and institutional improvement and reform of urban sanitation (wastewater and solid waste management) institutions or utilities. Specific experience in business modelling, tariff-setting and designing cost recovery systems and billing mechanisms. Fluency in written and spoken English is required.
<i>* The proposed expert must be a full-time staff of the international firm.</i>				
Procurement Specialist		4	Master's degree in Civil Engineering, Law, Contracts / procurement, or related discipline	10 years' experience in procurement for major civil works, of which 5 years' on ADB or multilateral development agencies funded projects. Previous experience in Cambodia is an advantage.

Position & Task	Person-Months	Minimum Qualifications	Minimum Work Experience
Solid Waste Utility Specialist	6	At least a bachelor's degree in civil, mechanical or environmental engineering	10 years of working experience as a site manager or engineer of a waste management company operating controlled landfills or similar, directly responsible for overall site operations with a similar input of materials (up to 100 tons per day of waste). Specialists who can demonstrate their practical knowledge and experiences in directly supervising similar operations on-site for protracted periods and with a similar equipment fleet will also be eligible. The specialist must have proven experience in both hands-on operations and maintenance and managing staff dispatching and deployment in a similar environment, and in guiding and training of unskilled workers. Experience in establishing logistics onsite and working in Cambodia or South East Asia would be desirable.
Urban Development Specialist	6	Master's in urban planning, Development Economics or related subject.	At least 10 years of experience in urban planning, sector development and urban infrastructure Implementation. Specific experience in developing master plans for cities.
Development Economist	4	Masters in Development Economics. Business or related field.	At least 10 years of experience in implementing and monitoring social development and gender mainstreaming of donor funded projects. The specialist should have experience leading training sessions on poverty and gender issues to build capacity of government partners; and responsibility for providing overall technical leadership guidance. experience in Southeast Asia on urban water supply and sanitation projects financed by MDBs an advantage.
Social Development and Gender Specialist	5	Master's degree in social sciences, development sociology or a related Development discipline.	At least 10 years of experience in social development work, gender action planning and social safeguards measures.
TOTAL	117	Person Months of International Consultants	
National Consultants			
National Deputy Team Leader/ Civil Engineer	55	Master's degree in civil or municipal engineering or a related discipline	15 years' experience in detailed design and construction supervision of sanitation and related projects. Previous work experience on projects with multilateral development agencies, with 3 years' experience as a deputy team leader on such projects. Fluency in written and spoken English is required. Experience working on projects financed by multilateral development agencies and/or water utilities is preferred.



Position & Task		Person-Months	Minimum Qualifications	Minimum Work Experience
Solid Waste Engineer		12	Master's degree in civil engineering or a related discipline specializing in environment.	10 years' experience in the detailed engineering design and construction supervision of landfills. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and other project stakeholders. Experience working on projects financed by multilateral development agencies is preferred.
Sanitation Engineer		12	Master's degree in civil engineering or a related discipline specializing in wastewater and sanitation.	10 years' experience in the detailed engineering design of urban wastewater and sanitation systems. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and other project stakeholders. Experience working on projects financed by multilateral development agencies is preferred.
Electromechanical Engineer		6	Degree in electrical engineering or a related discipline specializing in water supply.	10 years' experience in the detailed engineering design of projects, with preferably 5 years' experience in urban wastewater systems. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and others project stakeholders. Experience working on projects financed by multilateral development agencies is preferred.
Structural Engineer		8	Master's degree in civil or structural engineering or a related discipline.	10 years' experience in the detailed engineering design of civil engineering structures, with preferably 5 years' experience in urban sanitation projects. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and others project stakeholders.
Environmental Safeguards Specialist		14	Master's degree in environmental science, engineering, planning or a related discipline	8 years of experience in environmental management, safeguards, or environmental impact assessments. Experience on urban sanitation or related assignments financed by multilateral development agencies (preferably ADB) would be beneficial, as is experience on climate change related studies. Fluency in written and spoken English is required and must be on MOE's approved list of consultants for environmental assessments.
Social Safeguards Specialist		12	Master's degree in social sciences, development sociology or a related discipline.	8 years' experience of working with social safeguards in development projects. Experience on urban sanitation or related assignments financed by multilateral development agencies (preferably ADB) would be beneficial. Fluency in written and spoken English is required.
Institutional and Municipal Finance Specialist		15	Master's in Development Studies, Economics, Finance, Administration or related discipline.	10 years' working experience in financing and institutional improvement and reform of urban sanitation (wastewater and solid waste management) institutions or utilities. Specific experience in business modelling, tariff-setting and designing cost recovery systems and billing mechanisms. Fluency in written and spoken English is required.

Position & Task	Person-Months	Minimum Qualifications	Minimum Work Experience
Human Resource / Training Coordinator	6	Master's degree in human resource management, governance or another related institutional development discipline or an equivalent professional qualification.	5 years or more of working experience in consultancy assignments and/or at senior level. Experience on urban sanitation or related assignments financed by multilateral development agencies related to human resources and training assignments would be beneficial. Fluency in written and spoken English is required.
Urban Planner	10	Master's in urban planning, Development Economics or related subject.	At least 10 years of work experience in urban sector development and urban infrastructure implementation. A good command of written English is required.
Financial Management Specialist	4	University degree in Finance or Accountancy or an equivalent academic qualification.	At least 6 years of experience of financial management and fund disbursements for urban infrastructure investments. A good command of written English is required.
Site Engineers (3 positions)	75	A degree in civil, structural or municipal engineering or a related discipline.	8 years of experience in construction supervision of urban infrastructure development projects (preferably landfill and wastewater management systems) would be beneficial. Fluency in written and spoken English is required.
Site Supervisors	90	Degree or diploma in a construction-related field (construction and project management, civil engineering)	5 years of experience in in construction supervision of urban infrastructure development projects (preferably landfill and wastewater management systems). A good command of written English is required.
AutoCAD Operators	24	Degree or diploma in computer aided technical design.	5 years of experience in the preparation of computer aided detailed engineering designs using AutoCAD software for urban infrastructure. Familiarity with the design of wastewater or solid waste management facilities would be beneficial. A good command of written English is required.
<b>TOTAL</b>	<b>343</b>	Person Months of National Consultants (excluding NGO)	
<b>GRAND TOTAL</b>	<b>460</b>	Person Months of International and National Consultants (excluding NGO)	

#### **For GMS CTD4:**

38. **Key experts.** A firm has flexibility to determine the number and the nature of the experts they will require to achieve the objectives of the contract, in accordance with their proposed approach and methodology and to ensure the output deliverables are prepared to an agreeable standard. However, ADB requires minimum expertise in key areas, with a minimum of 107 international and 322 national person-months as listed in Table 3.<sup>12</sup> CVs of these key experts must be submitted. One consultant can cover more than one area of expertise.<sup>13</sup>

<sup>12</sup> Consulting firms are free to propose additional person months for key experts, as required, in line with the proposed work plan and schedule.

<sup>13</sup> In case one consultant is proposed to cover more than one area, this should be clearly indicated in the work plan and methodology, and separate CVs should be submitted for each position, highlighting the expertise required by each position.

\*Must be full-time staff of International Firm

**Table 3: Indicative Person-months Requirement**

<b>Positions Required</b>	<b>Person-months Requirement</b>
<b>International Key Experts</b>	
Team Leader (Project Manager/Chief Engineer)*	27
Deputy Team Leader (Civil Engineer)*	18
Wastewater / Civil Engineer*	9
Solid Waste Management Engineer	6
Environmental Safeguards Specialist	8
Social Safeguards and Gender Specialist	9
Finance and Institutional Specialist*	3
Procurement Specialist	4
Urban and Regional Economist	6
Urban and Regional Planner	6
Agricultural Economist	3
Tourism Development Specialist	3
Education Specialist	3
Climate Change and Disaster Risk Management Specialist	3
<b>National Key Experts</b>	
National Deputy Team Leader/ Civil Engineer	55
Solid Waste Engineer	6
Sanitation Engineer	9
Electromechanical Engineer	3
Environment Safeguards Specialist	12
Social Safeguards and Gender Specialist	12
Institutional and Municipal Finance Specialist	9
Procurement Specialist	4
Urban and Regional Planner	9
Agricultural Economist	5
Tourism Development Specialist	5
Education Specialist	5
Climate Change and Disaster Risk Management Specialist	3
Site Engineers	75
Site Supervisors	90
AutoCAD Operators	24
<b>Total International Key Person-months Inputs</b>	<b>108</b>
<b>Total National Key Person-months Inputs</b>	<b>326</b>
<b>Total of Key Person Month Inputs</b>	<b>434</b>
<b>Non-Key International Person-months Inputs</b>	<b>11</b>
<b>Non-Key National Person-months Inputs</b>	<b>26</b>
<b>Total of Non-Key Person-months Inputs</b>	<b>37</b>
<b>Grand Total of Key and Non-Key Person Months Inputs</b>	<b>471</b>

Note: For the five shaded positions, the same consultant must be proposed as for the TL2 project. This is so that the TL and DTL have a full-time, sustained presence in Cambodia; and that a common technical, institutional and safeguards approach is taken for both projects.

39. The qualification requirements for the key experts is listed below. Four key international positions, namely the Team Leader (Project Manager), Deputy Team leader (Civil Engineer), Wastewater/Civil Engineer and the Finance and Institutional Specialist, must be full-time staff of the international firm.

**Table 4: Team Composition and Qualification Requirements for Key Experts**

Position & Task		Person-Months	Minimum Qualifications	Minimum Work Experience
<b>International Consultants</b>				
Team Leader (Project Manager/Chief Engineer)		27	Master's degree in urban development, economics, public administration or equivalent	<p>15 years of working experience in institutional development and capacity building of public utilities, preferably involved in urban sanitation service delivery (solid waste and wastewater). Familiarity with wastewater and solid waste utilities in developing countries is essential.</p> <p>Previous experience as team leader of project management assignments for urban environmental infrastructure financed by ADB or other multilateral development agencies.</p> <p>He/she should have demonstrated ability to work with a wide range of stakeholders including government and financial and community, and must have experience in project management of multi-disciplinary teams. Excellent communication and writing skills in English are required, and an ability to converse in Khmer could be an advantage.</p> <p><i>* The proposed expert must be a full-time staff of the international firm.</i></p>
Deputy Team Leader (Civil Engineer)		18	Master's degree in civil/municipal engineering or a related discipline.	<p>At least 10 years relevant international experience in design and construction of wastewater, drainage or solid waste management projects, and at least 5 years' experience as team leader on international development agency financed projects. The team leader should have worked in Cambodia or at least in South East Asia. He/she should have demonstrated ability to manage multi-disciplinary teams. Strong communication and writing skills in English are preferred, and an ability to converse in Khmer could be an advantage.</p> <p><i>* The proposed expert must be a full-time staff of the international firm.</i></p>
Wastewater / Civil Engineer		9	Master's degree in civil/municipal engineering or a related discipline.	<p>10 years' experience in both detailed engineering design and construction supervision of urban wastewater and sanitation systems. Previous experience working on urban wastewater and sanitation projects financed by multilateral development agencies in Southeast Asia is preferred.</p> <p><i>* The proposed expert must be a full-time staff of the international firm.</i></p>
Solid Waste Management Engineer		6	Master's degree in civil/municipal engineering or a related discipline.	<p>10 years' experience in both detailed engineering design and construction supervision of landfills.</p>
Environmental Safeguards Specialist		8	Master's Degree in environmental science, engineering, planning or equivalent	<p>10 years' experience in preparing or monitoring the implementation of environmental safeguards of donor-funded projects. Experience in Southeast Asia of urban water supply, sanitation, or related projects financed by multilateral development agencies is preferred.</p>

Position & Task	Person-Months	Minimum Qualifications	Minimum Work Experience
Social Safeguards Specialist	9	Master's degree in relevant social sciences discipline	10 years' experience in social development, land acquisition, and resettlement preferably within urban and peri-urban communities. Experience in Southeast Asia on urban water supply and sanitation projects financed by multilateral development agencies is preferred.
Finance and Institutional Specialist	3	Master's degree in finance, accounting, economics, business management, administration or a related discipline.	10 years' working experience in financing and institutional improvement and reform of urban sanitation (wastewater and solid waste management) institutions or utilities. Specific experience in business modelling, tariff-setting and designing cost recovery systems and billing mechanisms. Fluency in written and spoken English is required.  <i>* The proposed expert must be a full-time staff of the international firm.</i>
Procurement Specialist	4	Master's degree in Civil Engineering, Law, Contracts / procurement, or related discipline	10 years' experience in procurement for major civil works, of which 5 years' on ADB or multilateral development agencies funded projects. Previous experience in Cambodia is an advantage.
Urban and Regional Economist	6	Master's degree Or equivalent in Development Economics, Regional Economy, Public Management, Business Administration or related field	At least 12 years of relevant experience in public management, regional and provincial strategic planning, regional economic analysis, Specific experience on economic corridors development and enhancing competitiveness and clusters among provinces, towns and urban-rural linkages are preferable.
Urban and Regional Planner	6	Master's degree Or equivalent in Urban Planning, or Related field.	At least 10 years of experience in urban Development planning, sector development and urban infrastructure Implementation. Specific experience in developing master plan for cities.
Agricultural Economist	3	Master's degree or equivalent in Agriculture Economics, Development economics and related field.	At least 10 years of experience including conduct of an surveying rural households' Socio-economic status and agriculture value-chain analysis, drafting strategic agricultural policies for province. Related experience in drafting strategy for agricultural sector development based on conducting comprehensive business opportunity surveys and detailed market reviews are preferable.
Tourism Development Specialist	3	Master's degree or equivalent in business administration, public development economy.	At least 10 years of experience in ODA project. Experience in drafting strategy for tourism Development based on conducting comprehensive business opportunity surveys and detailed market reviews are preferable.

Position & Task	Person-Months	Minimum Qualifications	Minimum Work Experience
Education Specialist	3	Master's degree in Education, Human resource development, business administration, or related field.	At least 10 years of experience as education specialist in ODA project. Experience in drafting strategy for provincial human resource development plan based on conducting comprehensive socioeconomic survey and detailed market reviews are preferable.
Climate Change and Disaster Risk Management Specialist	3	Master's degree Environmental science, Environmental technology, Urban planning, or related field.	At least 10 years of experience as a disaster risk management specialist in ODA project. Experience in conducting comprehensive review and identification of CC impact, drafting a disaster resilient plan for provinces and towns are preferable.
<b>TOTAL</b>	<b>107</b>	<b>Person Months of International Consultants</b>	
<b>National Consultants</b>			
National Deputy Team Leader/ Civil Engineer	55	Master's degree in civil or municipal engineering or a related discipline	15 years' experience in detailed design and construction supervision of sanitation and related projects. Previous work experience on projects with multilateral development agencies, with 3 years' experience as a deputy team leader on such projects. Fluency in written and spoken English is required. Experience working on projects financed by multilateral development agencies and/or water utilities is preferred.
Solid Waste Engineer	6	Master's degree in civil engineering or a related discipline specializing in environment.	10 years' experience in the detailed engineering design and construction supervision of landfills. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and other project stakeholders. Experience working on projects financed by multilateral development agencies is preferred.
Sanitation Engineer	9	Master's degree in civil engineering or a related discipline specializing in wastewater and sanitation.	10 years' experience in the detailed engineering design of urban wastewater and sanitation systems. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and other project stakeholders. Experience working on projects financed by multilateral development agencies is preferred.
Electromechanical Engineer	3	Degree in electrical engineering or a related discipline specializing in water supply.	10 years' experience in the detailed engineering design of projects, with preferably 5 years' experience in urban wastewater systems. Fluency in written and spoken English is required. Must have a demonstrated ability to work within a multi-disciplinary consulting team with counterparts and others project stakeholders. Experience working on projects financed by multilateral development agencies is preferred.
Environmental Safeguards Specialist	12	Master's degree in environmental science, engineering, planning or a related discipline	8 years of experience in environmental management, safeguards, or environmental impact assessments. Experience on urban sanitation or related assignments financed by multilateral development agencies (preferably ADB) would be beneficial, as is experience on climate change related studies. Fluency in written and spoken English is required and must be on MOE's approved list of consultants for environmental assessments.

<b>Position &amp; Task</b>	<b>Person-Months</b>	<b>Minimum Qualifications</b>	<b>Minimum Work Experience</b>
Social Safeguards Specialist	12	Master's degree in social sciences, development sociology or a related discipline.	8 years' experience of working with social safeguards in development projects. Experience on urban sanitation or related assignments financed by multilateral development agencies (preferably ADB) would be beneficial. Fluency in written and spoken English is required.
Institutional and Municipal Finance Specialist	9	Master's Development Studies, Economics, Finance, Administration or related discipline.	10 years' working experience in financing and institutional improvement and reform of urban sanitation (wastewater and solid waste management) institutions or utilities. Specific experience in business modelling, tariff-setting and designing cost recovery systems and billing mechanisms. Fluency in written and spoken English is required.
Urban and Regional Planner	9	Master's in urban planning, Development Economics or related subject.	At least 10 years of work experience in urban planning, sector development and urban infrastructure implementation. Specific experience in developing master plans for cities. A good command of written English is required.
Agriculture Economist	5	Master's degree or equivalent in Agriculture Economics, Development economics and related field.	At least 8 years of experience as an agriculture economist by, preferred but not limited to, conducting an agriculture value-chain analysis, surveying rural households' socio-economic status and drafting strategic agricultural policies for province. A good command of written English is required.
Tourism Development Specialist	5	Master's degree or equivalent in business administration, public management and development economy.	At least 8 years of experience in ODA project. Experience in drafting strategy for tourism development plan based on conducting comprehensive business opportunity surveys and detailed market reviews are preferable. A good command of written English is required.
Education Specialist	5	Master's degree or equivalent in education, human resource development (business administration) and related field.	At least 8 years of experience as an education specialist in ODA project. A good command of written English is required.

Position & Task	Person-Months	Minimum Qualifications	Minimum Work Experience
Climate Change and Disaster Risk Management Specialist	3	Master's degree or equivalent in environmental science, environmental technology, urban planning and related field.	At least 8 years of experience as a disaster risk management specialist in ODA project. A good command of written English is required.
Site Engineers (3 positions)	75	A degree in civil, structural or municipal engineering or a related discipline.	8 years of experience in construction supervision of urban infrastructure development projects (preferably landfill and wastewater management systems) would be beneficial. Fluency in written and spoken English is required.
Site Supervisors	90	Degree or diploma in a construction-related field (construction and project management, civil engineering)	5 years of experience in in construction supervision of urban infrastructure development projects (preferably landfill and wastewater management systems). A good command of written English is required.
AutoCAD Operators	24	Degree or diploma in computer aided technical design.	5 years of experience in the preparation of computer aided detailed engineering designs using AutoCAD software for urban infrastructure. Familiarity with the design of wastewater or solid waste management facilities would be beneficial. A good command of written English is required.
<b>TOTAL</b>	<b>322</b>	Person Months of National Consultants (excluding NGO)	
<b>GRAND TOTAL</b>	<b>429</b>	Person Months of International and National Consultants (excluding NGO)	

**For both TS2 and GMS CTD4, unless otherwise indicated:**

**Non-Key Expertise**

40. In addition to the mandatory key experts, shortlisted firms will be expected to provide non-key experts (budgeted at 11 international person-months and 30 national person-months for TS2, and budgeted at 12 international person-months and 30 national person-months for GMS CTD4) to ensure all aspects of the work can be undertaken and all deliverables and reports prepared.

41. The person-months for non-key experts indicated above is included for budgeting purposes. The consulting firm is free to propose the nature and number of non-key experts, and person months for each non-key expert, as required, in line with the proposed work plan and schedule.

42. Non-key experts include any additional expertise in areas that are relevant to this assignment, including specialized technical expertise related to the civil works or to any other aspects of the terms of reference, as deemed appropriate by the proposing firm.

43. Examples of non-key experts include, but are not limited to, experts in the following areas: private-public partnerships, municipal finance, utility management, contracts, legal, economics,



specific engineering expertise (e.g. civil, structural, electrical, geospatial etc.), quantity surveying, and project performance monitoring.

44. Except for administrative staff, the firm's Team Composition and Personnel Schedule shall reflect the names and inputs of the proposed non-key experts. CVs of those non-key experts must be submitted. The CVs of non-key experts will not be scored but will be evaluated on a pass/fail basis, based on the merits of the CV against the proposed position/task assignment for each expert. The credentials of non-key experts as well as the design of the team as a whole (including the appropriateness of the level of inputs i.e. Home, Field, Total) will be taken into account in the evaluation of Quality of Methodology, Work Program and Personnel Schedule criteria.

## F. Reporting Requirements and Deliverables

45. The Consultant's contract will be partly timed-based and partly output-based. The Consultant shall submit to ADB and the PMU the following deliverables:

**Table 5: Reporting Requirements for TS2**  
**[Finalize submission dates during RFP stage]**

Deliverable(s)	Expected Submission Date
Inception report (output-based)	
Monthly Management and Progress Reports (time-based)	
Quarterly Progress Reports – highlighting key points per quarter. Attachments to the Quarterly Progress Reports (if available for the quarter being reported) are: <ul style="list-style-type: none"> <li>surveys/investigations reports</li> <li>report on the SWM PPP contracts</li> <li>report on the set-up of WWM units (specifying the organization, business plan and staffing)</li> <li>institutional arrangements report (refining the institutional options and including a detailed implementation plan of the chosen option in each city)</li> <li>training plan and training reports</li> <li>GAP implementation monitoring report (using ADB template)</li> </ul> (time-based)	
Detailed designs and detailed design report for the following: <ul style="list-style-type: none"> <li>Battambang Solid Waste Treatment</li> <li>Serei Saophoan Solid Waste Treatment</li> <li>Serei Saophoan Wastewater Management Serei Saophoan Drainage Improvements</li> <li>Stueng Saen Solid Waste Treatment</li> </ul> (output-based)	
*Bidding document for the following: <ul style="list-style-type: none"> <li>Battambang Solid Waste Treatment</li> <li>Serei Saophoan Solid Waste Treatment</li> <li>Serei Saophoan Wastewater Management Serei Saophoan Drainage Improvements</li> <li>Stueng Saen Solid Waste Treatment</li> </ul> (output-based)	
*Bid evaluation report for the following: <ul style="list-style-type: none"> <li>Battambang Solid Waste Treatment</li> <li>Serei Saophoan Solid Waste Treatment</li> <li>Serei Saophoan Wastewater Management Serei Saophoan Drainage Improvements</li> <li>Stueng Saen Solid Waste Treatment</li> </ul> (output-based)	
Periodic semi-annual environment and social safeguards reports (time-based)	

Serei Saophoan demonstration landfill operations report (output-based)	
Reports on Information Education Communication activities (to be prepared by the selected NGO), including communication plan and sanitation strategy**	
Urban Development Strategy and Master Plan for Battambang (including the medium and long-term investment programs) (output-based)	
Urban Development Strategy and Master Plan for Serei Saophoan (including the medium and long-term investment programs) (output-based)	
Urban Development Strategy and Master Plan for Stueng Saen (including the medium and long-term investment programs) (output-based)	
Draft Final Report – to include the Operation and Maintenance manuals (output-based)	
Final Report (output-based)	

\*Bid packaging for Solid Waste Treatment (i.e. separate bidding documents for 3 packages or one bidding document with 3 lots) to be confirmed based on land availability.

\*\*Subcontractor's output; under out-of-pocket expenses

Note: Consultant may be required to provide other reports and deliverables required by the EA and ADB, in line with the terms of reference.

**Table 6: Reporting Requirements for GMS CTD4:**  
**[Finalize submission dates during RFP stage]**

<b>Deliverable(s)</b>	<b>Expected Submission Date</b>
Inception report (output-based)	
Monthly Management and Progress Reports (time-based)	
Quarterly Progress Reports – highlighting key points per quarter. Attachments to the Quarterly Progress Reports (if available for the quarter being reported) are: <ul style="list-style-type: none"> <li>• surveys/investigations reports</li> <li>• report on the SWM PPP contracts</li> <li>• institutional arrangements report (refining the institutional options and including a detailed implementation plan of the chosen option in each city)</li> <li>• training plan and training reports</li> </ul> (time-based)	
Detailed designs and detailed design report for the following: <ul style="list-style-type: none"> <li>• Kampong Cham Wastewater and Drainage System</li> <li>• Kratie Wastewater and Drainage System</li> <li>• Stung Treng Wastewater and Drainage System</li> <li>• Kratie Town Center Enhancement</li> <li>• Stung Treng Town Center Enhancement</li> </ul> (output-based)	
*Bidding document for the following: <ul style="list-style-type: none"> <li>• Kampong Cham Wastewater and Drainage System</li> <li>• Kratie Wastewater and Drainage System</li> <li>• Stung Treng Wastewater and Drainage System</li> <li>• Kratie Town Center Enhancement</li> <li>• Stung Treng Town Center Enhancement</li> </ul> (output-based)	
*Bid evaluation report for the following: <ul style="list-style-type: none"> <li>• Kampong Cham Wastewater and Drainage System</li> <li>• Kratie Wastewater and Drainage System</li> <li>• Stung Treng Wastewater and Drainage System</li> <li>• Kratie Town Center Enhancement</li> <li>• Stung Treng Town Center Enhancement</li> </ul> (output-based)	
Periodic semi-annual environment and social safeguards reports (time-based)	
Domestic Environment Impact Assessment (to be prepared by the selected subcontractor)**	
Financial Stability Roadmap for Urban Utility Services (output-based)	

Five-Year Provincial Development Strategies for Kampong Cham (output-based)	
Five-Year Provincial Development Strategies for Kratie (output-based)	
Five-Year Provincial Development Strategies for Stung Treng (output-based)	
Urban Development Master Plan for Kampong Cham (output based)	
Urban Development Master Plan for Kratie (output based)	
Urban Development Master Plan for Stung Treng (output based)	
Draft Final Report – to include the Operation and Maintenance manuals (output-based)	
Final Report (output-based)	

\*Bid packaging for Solid Waste Treatment (i.e. separate bidding documents for 3 packages or one bidding document with 3 lots) to be confirmed based on land availability.

\*\*Subcontractor's output; under out-of-pocket expenses

Note: Consultant may be required to provide other reports and deliverables required by the EA and ADB, in line with the terms of reference.

**For both TS2 and GMS CTD4, unless otherwise indicated:**

**Client's Input and Counterpart Personnel**

- (i) Office space provided by the Ministry of Public Works and Transport and its provincial departments in the project towns
- (ii) Counterpart staff at the PMU and PIUs to assist with procurement and financial management (at the PMU) and project coordination (at the PMU and PIUs)
- (iii) Access to project related documents and reports;
- (iv) Access to project vehicles for official project business;
- (v) Office equipment such as printers, photocopiers, etc.

**Outline Terms of Reference for the  
Information, Education and Communications activities  
(Recruited under the Project Management Consultants) under the Second Urban  
Environmental Management in The Tonle Sap Basin and Fourth Greater Mekong  
Subregion Corridor Towns Development Project**

**A. Background**

1. Based on the socio-economic surveys conducted in January 2018 under the feasibility study, there is a high demand for improved sanitation and solid waste collection services and people in the project towns are willing pay for such services. Notwithstanding this positive attitude and interest in the service, raising the awareness of the population on the benefits of these services and the information on how to use them will be critical to the project sustainability. Indeed, the Tonle Sap 2 project involves noticeable changes to the end-users: new institutions and tariffs will be introduced, house connections (including on-site plumbing) to the sewer network will be built, etc.
2. In addition, all of the authorities in the project towns emphasized the need for awareness raising, and so did the participants to the focus group discussions: one of the main concerns of the latter was that pollution control would not be properly enforced, leading to unsanctioned illegal dumping of solid waste or discharge of wastewater.
3. Other findings of the socio-economic surveys include the majority of surveyed households wishing to receive separate bills for wastewater and solid waste management services. whereas these services will most likely be billed along with other urban services such as water or power supply.
4. All the above reinforces the need for proper information, education, and communication towards the population: the performance of the corresponding activities will be entrusted to a local NGO or social organization (hereinafter referred to as “the NGO”), which would work under the supervision of the Project Management Consultants. The NGO will be in charge of implementing a large part of the Stakeholders Communication Strategy (SCS) prepared during the PPTA for the Project, taking into account the provisions of the SPRSS and GAP. The NGO will facilitate the implementation of the Project through the dissemination of proper information on the Project activities and associated social and environmental safeguards measures, which are respectively described in the Project’s RAPs and EMPs. The NGO will work closely with both the social and environmental safeguards specialists. It is noted that monitoring of the environmental safeguards measures will be carried out by the design and construction supervision consultants.

**B. Scope of Services**

5. The duration of the assignment is five years. The NGO will work closely with the PMU and PIUs, the project municipalities, other consultants, and relevant line-ministries and provincial departments (MPWT/PDPWT, MoE/PDoE, MoH/PDoH, and MoWA/PDoW).
6. The key messages are outlined below and are further detailed in the SCS.
7. **Encourage WASH adoption behavior (Objective #1 of the SCS):**
  - (i) Information on project scope and design: information of the households living in the serviced areas on the project sub-components, and on future operation (how the services will be provided and how to benefit from these). This includes

facilitating (i) identification of households eligible for receiving a private toilet free of charge (ii) the installation of toilets for ID-Poor households; (ii) on-site plumbing for all households to be connected to the sewer network (since they will have to allow the contractors to access their properties to make the necessary works); and (iii) the installation of public toilets in markets and schools.

- (ii) Improved hygiene: the NGO will encourage the households, communities and schools to adopt better hygiene, through the dissemination of information of the benefits of improved sanitation and safe solid waste disposal, as well as on other practices relating to solid waste and wastewater management. The NGO will also encourage the households living in the serviced areas to connect to the services following a sanitation marketing approach. With regards to solid waste management, the services provided will at a minimum encompass disseminating of information<sup>14</sup> regarding:
  - The community on the benefits of waste minimization, reuse and recycling and how households can play a role; on using food scraps for animal feed or home/commune composting; and on the impacts of illegal dumping and littering;
  - The community and agency staff on segregating waste as it will facilitate environmental management and in fact may be required in the future
  - Hospital and medical center personnel on the importance of segregation of medical waste.

8. **Feedback mechanisms and mitigation measures (Objective #3 of the SCS):**

- (i) Information on project impacts, including environmental and social mitigation measures
- (ii) Explanation of the grievance redress mechanism
- (iii) Developing mechanisms enabling feedback from the service users on the quality of the solid waste and wastewater management services (such as reports cards allowing the households to flag issues and periodic attitude and satisfaction surveys; and/or use of text messages and/or mobile applications for community monitoring of urban services).

9. **Tariffs and billing (Objective #4 of the SCS):**

- (i) Consultation and information on the tariff rates: in this respect, it is critical in line with the first objective that the population understands the need to pay for accessing an improved level of service;
- (ii) Billing: assistance with consulting and informing the public on the chosen billing mechanisms.

10. The main tasks of the assignment are as follows.

11. **Preparation of a detailed communication plan and sanitation marketing strategy:** in accordance with the project documents (including the SCS, SPRSS, GAP, EMPs and RAPs), the NGO will develop a detailed communication plan. It is also expected that the NGO perform a marketing study in the project towns and develop corresponding marketing strategy, to be included. The plan will list the activities (meetings, workshops, seminars, etc.) and tools (leaflet,

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<sup>14</sup> Typical components of IEC campaigns on solid waste management are available in the technical feasibility study reports

communication on the local media, etc.), will identify the stakeholders and targets, and will include a detailed implementation plan.

12. **Development of the communication and sanitation marketing tools**
13. **Implementation of the communication plan**

# Project Administration Manual

## Attachment 4: Template for Quarterly Progress Report

Project Number: 50099-002

Loan Number:

Grant Number:

May 2018

## **I. Pro-Forma of the Executing Agency's Project Progress Report**

### **A. Introduction and Basic Data**

Provide the following:

- ☐ ☐ ADB loan number, project title, borrower, executing agency(ies), implementing agency(ies);
- ☐ ☐ total estimated project cost and financing plan;
- ☐ ☐ status of project financing including availability of counterpart funds and cofinancing;
- ☐ ☐ dates of approval, signing, and effectiveness of ADB loan;
- ☐ ☐ original and revised (if applicable) ADB loan closing date and elapsed loan period based on original and revised (if applicable) loan closing dates; and
- ☐ ☐ date of last ADB review mission.

### **B. Utilization of Funds** (ADB Loan, ADB Grant, EAKPF Grant, and Counterpart Funds)

Provide the following:

- ☐ ☐ cumulative contract awards financed by the ADB loan, ADB grant, EAKPF, and counterpart funds (commitment of funds to date), and comparison with time-bound projections (targets);
- ☐ ☐ cumulative disbursements from the ADB loan, ADB grant, EAKPF, and counterpart funds (expenditure to date), and comparison with time-bound projections (targets); and
- ☐ ☐ re-estimated costs to completion, need for reallocation within ADB loan categories, and whether an overall project cost overrun is likely.

### **C. Project Purpose**

Provide the following:

- ☐ ☐ status of project scope/implementation arrangements compared with those in the report and recommendation of the President (RRP), and whether major changes have occurred or will need to be made;
- ☐ ☐ an assessment of the likelihood that the immediate development objectives (project purpose) will be met in part or in full, and whether remedial measures are required based on the current project scope and implementation arrangements;
- ☐ ☐ an assessment of changes to the key assumptions and risks that affect attainment of the development objectives; and
- ☐ ☐ other project developments, including monitoring and reporting on environmental and social requirements that might adversely affect the project's viability or accomplishment of immediate objectives.

### **D. Implementation Progress**

Provide the following:

- ☐ ☐ assessment of project implementation arrangements such as establishment, staffing, and funding of the PMO or PIU;
- ☐ ☐ information relating to other aspects of the EA's internal operations that may impact on the implementation arrangements or project progress;
- ☐ ☐ progress or achievements in implementation since the last progress report;
- ☐ ☐ assessment of the progress of each project component, such as,



- recruitment of consultants and their performance;
- procurement of goods and works (from preparation of detailed designs and bidding documents to contract awards); and
- the performance of suppliers, manufacturers, and contractors for goods and works contracts;
- • assessment of progress in implementing the overall project to date in comparison with the original implementation schedule—quantifiable and monitorable target, (include simple charts such as bar or milestone to illustrate progress, a chart showing actual versus planned expenditure, S-curve graph showing the relationship between physical and financial performance, and actual progress in comparison with the original schedules and budgets, the reference framework or guidelines in calculating the project progress including examples are shown in Appendix 2); and
- • an assessment of the validity of key assumptions and risks in achieving the quantifiable implementation targets.

#### **E. Compliance with Covenants**

Provide the following:

- • the borrower's compliance with policy loan covenants such as sector reform initiatives and EA reforms, and the reasons for any noncompliance or delay in compliance;
- • the borrower's and EA's compliance with financial loan covenants including the EA's financial management, and the provision of audited project accounts or audited agency financial statements; and
- • the borrower's and EA's compliance with project-specific loan covenants associated with implementation, environment, and social dimensions.

#### **F. Major Project Issues and Problems**

Summarize the major problems and issues affecting or likely to affect implementation progress, compliance with covenants, and achievement of immediate development objectives. Recommend actions to overcome these problems and issues (e.g., changes in scope, changes in implementation arrangements, and reallocation of loan proceeds).

## **II. Framework and Guidelines in Calculating Project Progress**

### **A. Introduction**

1. To ensure that all implementation activities are reflected in measuring implementation progress against the project implementation schedule, the term "physical completion" in the PPR has been changed to "project progress."

2. Physical and pre-commencement activities are considered in calculating project implementation progress. These activities, which may include recruitment of consultants, capacity building, detailed design, preparation of bid and prequalification documents, etc., could constitute a significant proportion of overall implementation and therefore should be counted.

3. Each activity in the implementation schedule will be weighted according to its overall contribution (using time as a reference) to progress of project implementation. These weights will

then be used to calculate the percentage of project progress along the entire time span of the project. This is to provide a holistic view of the pace of implementation.

## **B. Framework for Compiling Activity List and Assigning Weights**

4. As implementation activities and their corresponding weights will vary according to the type of project, sector, and country, sector divisions or RMs will be responsible for determining and including them in the project administration memorandum. The actual project implementation progress of these activities should be reported regularly through the EA's quarterly project progress report. To ensure ADB-wide consistency, the following framework has been established; its application will be monitored through the PPR.

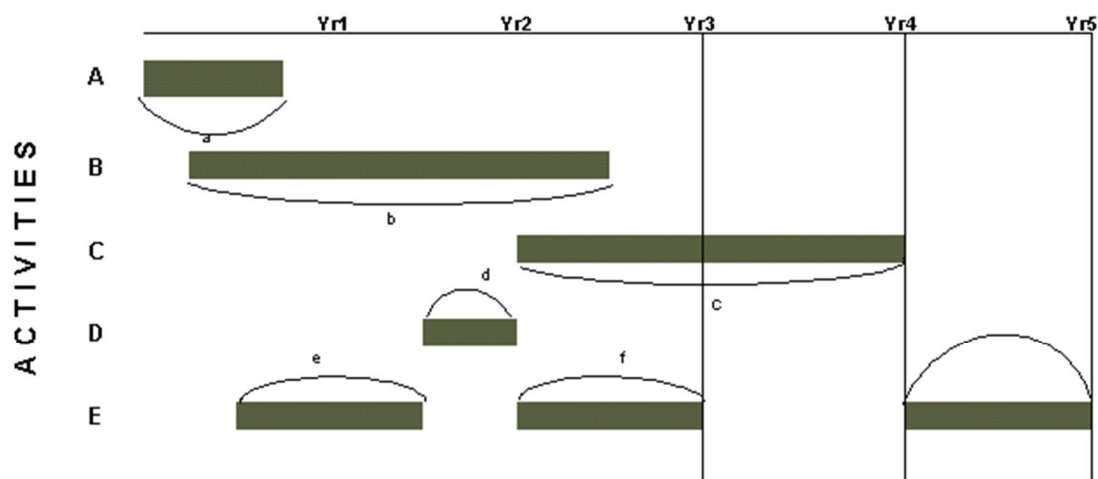
5. **Compilation of Activity List.** Sector divisions or RMs concerned should identify major implementation activities and include them in the implementation schedule, which is attached as an appendix in the report and recommendation of the President (RRP). The implementation schedule should follow the critical path of the project's major activities in project implementation taking account of various country, sector, and project constraints.

6. **Assignment of Weights.** Corresponding weights for each activity should be assigned to ensure that "project progress" measures the percentage of achievement (nonfinancial except when the project has credit components) for all events during the entire duration of the implementation schedule. To avoid disproportionate assignment of weights, to the extent possible these should be evenly distributed along the implementation schedule. When activities are concurrent, avoid "double counting."

7. **Computation of Project Progress.** Once all activities are identified and corresponding weights assigned, project progress should be calculated using the following steps:

- (i) Determine the actual percentage progress (nonfinancial) of each activity.
- (ii) Multiply these percentages by the assigned weight of each activity to arrive at the weighted progress.
- (iii) Add up the resulting weighted progress of all activities to determine the project progress.

### Implementation Schedule with Activities and Weights



1. Sum of all weights should equal 100 percent ( $a+b+c+d+e+f+g = 100\%$ )
2. When calculating the percentage of "project progress," all completed activities should be counted as accomplished, regardless of when they were scheduled to be completed. For example, when calculating the percentage of "project progress" after year 3, if activity D is completed in year 3 rather than in year 2, it should still be included in the computation.
3. Total weight of each activity is as follows: Activity A— $a$ ; Activity B— $b$ ; Activity C— $c$ ; Activity D— $d$ ; and Activity E— $e + f + g$
4. Project progress of a project is the summation of the actual percentage of progress for each activity multiplied by the total weight of each activity.

### Sample Implementation Schedule

Activities	Year 1	Year 2	Year 3	Year 4	(a) Assigned Weight	(b) Actual Progress	(a) x (b) Weighted Progress
Establish PIU					5%	100%	6%
Establish Accreditation Board, etc.					5%	0%	0%
Appoint Staff and Budget					4%	75%	3%
Adopt Architecture Plans					2%	100%	2%
Shortlist Consulting Firms					6%	100%	6%
Prepare Fellowship Program					6%	76%	4%
Prepare Civil Works Tendering					30%	0%	0%
Civil Works: Classrooms, Dorms, etc.					6%	0%	0%
Procurement of Furniture and Equipment					16%	10%	2%
Field Work of Consultants					7%	0%	0%
Provide Fellowships					6%	0%	0%
Conduct Study Tours					6%	0%	0%
Provide Curriculum Standards					6%	0%	0%
				Total Weight Imp. Progress	100%		24%

(a) Assigned weight for each activity

(b) Actual progress of each activity

(a) x (b) weighted progress for each activity

Project progress = sum of all weighted progress for each activity