



# Technical Assistance Report

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Project Number: 50255-001  
Capacity Development Technical Assistance (CDTA)  
February 2017

## Kingdom of Cambodia: Institutional Capacity Building in the Road Sector (Financed by the Japan Fund for Poverty Reduction)

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Asian Development Bank

## CURRENCY EQUIVALENTS

(as of 15 February 2017)

Currency unit	–	riel/s (KR)
KR1.00	=	\$0.00024
\$1.00	=	KR4,033

## ABBREVIATIONS

ADB	–	Asian Development Bank
GDA	–	General Department of Administration
GDPW	–	General Department of Public Works
GMS	–	Greater Mekong Subregion
JICA	–	Japan International Cooperation Agency
MEF	–	Ministry of Economy and Finance
MPWT	–	Ministry of Public Works and Transport
NAOCC	–	national axle overloading control committee
TA	–	technical assistance

## NOTE

In this report, "\$" refers to US dollars unless otherwise stated.

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## CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number: 50255-001</b>	
<b>Project Name</b>	Institutional Capacity Building in the Road Sector	<b>Department /Division</b>	SERD/SETC
<b>Country</b>	Cambodia	<b>Executing Agency</b>	Ministry of Public Works and Transport
<b>2. Sector</b>		<b>Financing (\$ million)</b>	
✓ Transport	Transport policies and institutional development		1.50
		<b>Total</b>	<b>1.50</b>
<b>3. Strategic Agenda</b>		<b>Climate Change Information</b>	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
<b>4. Drivers of Change</b>		<b>Gender Equity and Mainstreaming</b>	
Governance and capacity development (GCD)	Institutional development Organizational development	Some gender elements (SGE)	✓
Knowledge solutions (KNS)	Application and use of new knowledge solutions in key operational areas Knowledge sharing activities		
Partnerships (PAR)	Bilateral institutions (not client government) Implementation Official cofinancing		
<b>5. Poverty and SDG Targeting</b>		<b>Location Impact</b>	
Geographic Targeting	No	Not Applicable	
Household Targeting	No		
SDG Targeting	Yes		
SDG Goals	SDG5		
<b>6. TA Category:</b>	B		
<b>7. Safeguard Categorization</b>	Not Applicable		
<b>8. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>0.00</b>	
None		0.00	
<b>Cofinancing</b>		<b>1.50</b>	
Japan Fund for Poverty Reduction		1.50	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>1.50</b>	
<b>9. Effective Development Cooperation</b>			
Use of country procurement systems			No
Use of country public financial management systems			No

## I. INTRODUCTION

1. In Cambodia, road transport is the dominant mode of transport. Due to the country's relatively small size, limited access to maritime transport, and small railway network, road transport best meets (i) the domestic need to provide access and rural connectivity, and (ii) the regional need to facilitate connectivity and trade within the Greater Mekong Subregion (GMS).

2. During the country programming mission in May 2016, the Ministry of Public Works and Transport (MPWT) requested support from the Asian Development Bank (ADB) in deepening sector reform to strengthen road asset management. In early August 2016, ADB and the MPWT agreed to (i) prepare required regulatory frameworks to enforce the Law on Road,<sup>1</sup> (ii) assess and identify how to optimize the MPWT's organization structure and develop its staff capacity to be able to implement the Law on Road and regulatory and strategic frameworks, and (iii) develop and strengthen policy and strategic frameworks to help engage the private sector in road maintenance execution and combat vehicle overloading through implementing technical assistance (TA).<sup>2</sup>

3. Meetings were held between May and September 2016 with the MPWT, the Ministry of Economy and Finance (MEF), the World Bank, the Japan International Cooperation Agency (JICA), and the Embassy of Japan in Cambodia on the concept, scope, TA implementation arrangements and schedule, terms of reference for consulting services, cost estimates, and government contribution to avoid duplication and explore synergies with projects assisted by the World Bank and JICA. Both JICA and the World Bank supported the TA design and indicated their collaboration in the implementation of the proposed TA. In September 2016, during the TA fact-finding mission, the Government of Cambodia concurred with the TA implementation arrangements, cost, financing arrangements, and terms of reference of consultants to be engaged under the TA. The agreed design and monitoring framework is in Appendix 1.

## II. ISSUES

4. The core development problem in Cambodia's transport sector is low connectivity and inefficiency resulting from an incomplete legal and regulatory framework, lack of sustainability due to inadequate funding and overloading, and lack of private sector participation. The government is addressing these sector issues with the assistance of development partners, including ADB, the World Bank, and JICA, and has (i) promulgated laws for developing and operating transport infrastructure, (ii) commenced a program to control overloading, and (iii) initiated outsourcing of road maintenance to the private sector. This momentum needs to be maintained and these government achievements need to be further enhanced to achieve the goal of delivering better road services to road users in Cambodia and the GMS.

5. To address the lack of regulatory framework in the road sector, the government promulgated the Law on Road in April 2014, with the objective of developing and managing road infrastructure to provide safe road transportation in Cambodia. Under the Law on Road, the MPWT was designated to manage future expressways (none currently exists) and national and provincial roads through (i) developing policies, strategies, plans, and technical documents; (ii) encouraging private sector participation in road works; (iii) introducing new technologies and approaches in road development and maintenance; (iv) protecting roads from vehicle

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<sup>1</sup> Government of Cambodia, Ministry of Public Works and Transport. 2014. *Law on Road*. Phnom Penh (Chapters 4, 6, 8, and 9).

<sup>2</sup> The TA first appeared in the business opportunities section of ADB's website on 8 November 2016.

overloading, and (v) developing human resources. The preparation of the required law implementation procedures, which are yet to be developed, is now a priority for the MPWT.

6. The substantial investment in rehabilitating future expressways and national and provincial roads may diminish in value as roads deteriorate because of traffic, flooding, and overloading unless adequate road maintenance is provided in a timely manner and vehicle overloading is better controlled. Adequate road maintenance involves optimal maintenance planning, budgeting, and execution. ADB assisted the MPWT in introducing a road maintenance management system—an objective maintenance planning and prioritization tool and preparing a 3-year rolling maintenance plan and budget.<sup>3</sup> Further, the MPWT needs to understand the longer-term road sector financing needs and explore road financing options, including those based on the user-pays principle, by researching good practices in the GMS and elsewhere.

7. The MPWT also needs to improve road maintenance execution to be able to better utilize available funds. Currently, the MPWT delivers road maintenance using force account where quality and transparency is an issue. Only 10% of maintenance works are being outsourced. The ADB-financed Road Asset Management Project<sup>4</sup> made the first intervention to address the issue through a gradual outsourcing process and prepared three action plans on private sector development, organizational change, and force account reforms; organized training for private contractors; and gained some acceptance of engaging the private sector in road maintenance.<sup>5</sup> However, the objective to commence outsourcing of maintenance works was not achieved due to legal and capacity constraints, and the action plans have yet to be operationalized by the MPWT due to resource constraints.

8. While the MPWT has been addressing the road maintenance issue, Cambodia's roads are still being damaged by overloaded trucks, leading to the need for premature repair works. The MPWT established 27 weigh stations and formed the national axle overloading control committee (NAOCC) to oversee all activities in axle load control.<sup>6</sup> Further assistance is needed for the MPWT to develop a strategic framework to control overloading by reassessing the operation and process being used for controlling vehicle overloading and finding alternative technologies, solutions, and approaches to systematically achieve the objective of reducing road damage from overloaded trucks. The MPWT, in May 2016, showed strong commitment to improve controlling axle loads, and has requested ADB's support in exploring the latest technology and cost-effective approaches that are implementable in Cambodia to control axle loads.

9. The TA will assist the MPWT in addressing the incomplete legal and regulatory framework, lack of sustainability of the road asset, and lack of private sector participation by (i) preparing required institutional, regulatory, policy, and strategic frameworks; and (ii) providing start-up support in adopting and refining a business process for effectively managing the road assets. The objective of the TA aligns with the country partnership strategy, 2014–2018 priorities to reduce poverty and vulnerability in Cambodia by assisting government agencies in the implementation of sector reforms, building institutional capacity, catalyzing resource flows,

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<sup>3</sup> ADB. 2002. *Technical Assistance Completion Report: Strengthening the Maintenance Planning and Management Capabilities at the Ministry of Public Works and Transport in Cambodia*. Manila.

<sup>4</sup> ADB. 2008. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Kingdom of Cambodia for the Road Asset Management Project*. Manila (Loan 2460-CAM).

<sup>5</sup> ADB. 2015. *Completion Report: Road Asset Management Project in Cambodia*. Manila (Project Completion Report CAM 1510).

<sup>6</sup> ADB. 2002. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Kingdom of Cambodia for the Cambodia Road Improvement Project*. Manila (Loan 2539-CAM).

and promoting private sector participation.<sup>7</sup> The TA responds well to the Independent Evaluation Department's recommendation to develop the capacity of public authorities, with a particular focus on operation and maintenance. It is expected that the strategies to be developed under the TA will help the MPWT more systematically engage sector stakeholders for long-term collaboration to deliver a sustainable road network to GMS and domestic road users. The TA will supplement the planned assistance under the Road Network Improvement Project in resolving the technical and operational issues of the weigh stations to control axle loads.<sup>8</sup>

### III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

#### A. Impact and Outcome

10. The impact will be transport infrastructure contributing to the enhancement of national competitiveness and people's welfare developed. The outcome will be MPWT's capacity in delivering road services strengthened.

#### B. Methodology and Key Activities

11. The TA will (i) review the Law on Road and existing law implementation procedures for identifying gaps and improvements; (ii) study the public expenditure review and revenue mobilization strategy prepared by the World Bank and the road sector revenue generation methods prepared by ADB (footnote 3) to understand how road sector revenue has evolved; (iii) evaluate the action plans prepared for delivering road services (para. 7) in relation to assessing relevance, implementation progress, and needed improvements; and (iv) assess the organizational and human capacity of the MPWT focusing on the General Department of Public Works (GDPW), which is responsible for road maintenance and administration, the General Department of Administration (GDA), which handles the MPWT's administrative matters (including human resource development), and the NAOCC, which oversees the overloading control program in Cambodia. Based on the results of these review, study, evaluation, and assessments as well as findings from discussions and consultations with sector stakeholders, the TA aims to deliver the following three outputs.

12. **Output 1: Institutional and regulatory frameworks strengthened.** The TA will (i) draft required procedures, regulations, and guidelines for implementing the Law on Road; (ii) prepare a time-bound action plan for approving such procedures, regulations, and guidelines; (iii) determine road sector financing needs up to 2025 and prepare a policy note on road sector financing options from 2025 onward; (iv) optimize the organizational structure of the GDPW, GDA, and NAOCC; and (v) update the human resource development plan of the MPWT through GDA, including strengthening institutional capacity for gender mainstreaming both through the Gender Mainstreaming Action Group of the MPWT and other divisions of the MPWT.

13. **Output 2: Strategic framework for engaging the private sector in road maintenance established.** The TA will (i) develop a strategy for engaging the private sector in road maintenance that directs the MPWT to further outsource road maintenance works in a systematic way, (ii) prepare a road map for implementing the strategy with clear indicators and targets to monitor the change and performance, (iii) recommend ways to strengthen the GDPW's and GDA's business processes for effectively outsourcing force account works, and (iv)

<sup>7</sup> ADB. 2014. *Country Partnership Strategy: Cambodia, 2014–2018*. Manila.

<sup>8</sup> The Road Network Improvement Project is programmed for 2017 approval.

strengthen technical documents such as the standard bidding documents for road maintenance and the manual for maintenance supervision.

14. **Output 3: Axle overload control operations strengthened.** The TA will (i) develop a strategy to combat vehicle overloading that will direct the MPWT in introducing implementable and stepwise approaches and cost-effective technologies to achieve reduced vehicle overloading, (ii) prepare a road map for implementing the strategy with clear indicators and targets to monitor the change and performance, (iii) recommend ways to strengthen the NAOCC secretariat's business process for effectively implementing the strategy and road map, and (iv) strengthen the internal calibration procedure of weigh scales for controlling vehicle axle loads.

15. To deliver these outputs, the MPWT will assign three focal persons (one from the NAOCC secretariat for controlling vehicle overloading; one from the GDPW for outsourcing of force account works; and one from GDA for updating the human resource development plan) to closely work with consultants. In addition, the MEF will assign another two focal persons representing the General Department of International Cooperation and Debt Management (GDICDM) and the General Department of Budget (GDB) to assist the TA consultants in preparing a policy note for road maintenance financing options.

16. Since the TA will address broader road sector development issues, the TA will follow a participatory approach. The consultants will engage stakeholders in the process of preparing the institutional, regulatory, and strategic frameworks through (i) organizing brainstorming sessions and debates with target groups to reach consensus on the newly drafted law implementation procedures, road maintenance financing options, strengthened business process, and organizational changes; and (ii) conducting a workshop and seminars for targeted groups to obtain feedback on the technical documents and knowledge products to be produced under the TA.

17. The TA risks are (i) turnover of the trained MPWT staff may lead to loss of momentum; and (ii) change in focal persons in MPWT and MEF may delay the implementation of TA activities. ADB will closely monitor possible changes through the national coordinator and agree with the government on timely replacements, if needed.

### **C. Cost and Financing**

18. The TA is estimated to cost \$1,550,000, of which \$1,500,000 will be financed on a grant basis by the Japan Fund for Poverty Reduction and administered by ADB. The government will provide counterpart support in the form of staff, offices, permissions, logistical assistance, access to information and reports, and other in-kind contributions.

### **D. Implementation Arrangements**

19. The executing agency of the TA will be the MPWT. The MPWT will coordinate closely with the MEF, NAOCC, and Ministry of Rural Development, which manages rural roads in Cambodia on the TA implementation. The Transport and Communications Division of the Southeast Asia Department of ADB will be responsible for the TA administration. The TA is expected to be implemented from 15 May 2017 to 15 May 2019.

20. ADB will recruit a firm based on the quality- and cost-based selection method using a 90:10 quality–cost ratio with full technical proposal in accordance with the Guidelines on the Use of Consultants (2013, as amended from time to time). It is anticipated that a firm will be

required to provide 29 person-months of international consultancy services and 40 person-months of national consultancy services to deliver all three TA outputs. Output-based contracts will be considered to improve economy and efficiency.

21. In addition to a firm, a national coordinator and an international weigh station expert will be recruited separately using the individual selection method. An international weigh station expert (5 person-months) will help (i) the MPWT in resolving technical issues of the weigh stations; and (ii) the firm in preparing a strategy to combat vehicle overloading in regard with adopting cost-effective technologies for controlling vehicle axle loads. A national coordinator (20 person-months) will (i) liaise with consultants, the NAOCC secretariat, the GDPW and GDA within the MPWT, the GDICDM and the GDB within the MEF, and other government agencies; (ii) oversee overall day-to-day TA implementation and immediately report any emerging TA implementation issues to ADB and the MPWT; (iii) encourage the full participation of stakeholders in a series of consultation meetings; and (iv) support the international weigh station expert in performing his or her tasks.

22. The TA outcome and outputs are expected to be shared with (i) development partners of Cambodia through the Infrastructure Regional Integration Technical Working Group meeting organized by the MPWT; (ii) GMS neighbors through the Subregional Transport Forum; and (iii) leaders, experts, and transport stakeholders through the ADB Transport Forum.

23. The TA will procure an estimated \$18,000 worth of office equipment (two desktop computers, a printer, and a photocopying machine) in accordance with ADB's Procurement Guidelines (2015, as amended from time to time) using the shopping method. The office equipment will be used by the TA consultants and turned over to the MPWT upon TA completion.

24. Proceeds of the TA will be disbursed in line with the *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). The consulting firm will be responsible for managing provisional sums related to workshops, training, seminars, and conferences.

#### **IV. THE PRESIDENT'S DECISION**

25. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$1,500,000 to the Government of Cambodia to be financed on a grant basis by the Japan Fund for Poverty Reduction for Institutional Capacity Building in the Road Sector, and hereby reports this action to the Board.

## DESIGN AND MONITORING FRAMEWORK

<b>Impact the TA is Aligned with</b>			
Transport infrastructure contributing to the enhancement of national competitiveness and people's welfare developed (National Strategic Development Plan, 2014–2018)			
<b>Results Chain</b>	<b>Performance Indicators with Targets and Baselines</b>	<b>Data Sources and Reporting Mechanisms</b>	<b>Risks</b>
<b>Outcome</b> MPWT's capacity in delivering road services strengthened	By 2020 The length of road maintained increased by 10% (2015 baseline: 6,910 km)	MPWT's annual report	Turnover of the trained MPWT staff may lead to loss of momentum.
<b>Outputs</b> 1. Institutional and regulatory frameworks strengthened	By 2019 1a. Time-bound action plan for approving the procedures, regulations, and guidelines for the Law on Road implementation endorsed by MPWT (2016 baseline: NA)  1b. Streamlined organization structure of GDPW, GDA, and NAOCC approved by the government (2016 baseline: NA)  1c. Updated human resource development plan, including gender mainstreaming, approved by MPWT (2016 baseline: NA)	1a. Decision of MPWT minister  1b. Joint instruction of MPWT and MEF ministers  1c. Decision of MPWT minister	Change in focal persons in MPWT and MEF may delay the implementation of TA activities.
2. Strategic framework for engaging the private sector in road maintenance established	By 2019 2a. Road map for implementing the strategy for engaging the private sector in road maintenance approved by the government (2016 baseline: NA)  2b. Optimized business processes of GDPW and GDA for managing the road asset and human resource development recommended to MPWT (2016 baseline: NA)  2c. The strengthened standard bidding documents for road	2a. Joint instruction of MPWT and MEF ministers  2b. Consultants' report  2c. Decision of MPWT minister	

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
	maintenance and the manual for supervision approved by MPWT (2016 baseline: NA)		
3. Axle overload control operations strengthened	<p>By 2019</p> <p>3a. Road map for implementing a strategy to combat vehicle overloading approved by MPWT (2016 baseline: NA)</p> <p>3b. A technical note on the experience in safeguarding road assets against overloading published (2016 baseline: NA)</p>	<p>3a. Instruction of MPWT minister</p> <p>3b. Consultants' report</p>	

#### Key Activities with Milestones

1. **Institutional and regulatory frameworks strengthened**
  - 1.1 Review the Law on Road and the existing procedures; and draft required procedures, regulations, and guidelines for implementing the Law on Road (Q1 2018)
  - 1.2 Organize national- and provincial-level consultations on the newly drafted Law on Road implementation procedures (Q2 2018)
  - 1.3 Prepare a time-bound action plan for approving the drafted documents by the government (Q3 2018)
  - 1.4 Review the study undertaken under the technical assistance on Strengthening the Maintenance Planning and Management Capabilities at Ministry of Public Works and Transport<sup>1</sup> on road financing needs (Q1 2018)
  - 1.5 Propose sources for mobilizing additional funds to finance road maintenance (Q2 2018)
  - 1.6 Organize a forum to share the current practices in financing the road sector in GMS countries, and to explain the proposed financing options to stakeholders (Q3 2018)
  - 1.7 Prepare a policy note for road financing options (Q3 2018)
  - 1.8 Consult with GDPW, GDA, and NAOCC to streamline the current organization structures for effectively implementing the Law on Road and implementing procedures (Q1 2018)
  - 1.9 Propose amended organization structures for GDPW, GDA, and NAOCC (Q2 2018)
  - 1.10 Review the MPWT's (through the GDA) human resource development plan (Q2 2018)
  - 1.11 Update the human resource development plan, including strengthening institutional capacity for gender mainstreaming (Q4 2018)
2. **Strategic framework for engaging the private sector in road maintenance established**
  - 2.1 Review the action plans on private sector development, organizational change, and force account reforms; and assess the progress of the implementation and gaps for improvements (Q1 2018)
  - 2.2 Draft a strategy for engaging the private sector in road maintenance (Q2 2018)
  - 2.3 Develop a road map for implementing the strategy (Q3 2018)
  - 2.4 Review the current business processes of GDPW and GDA to identify areas for improvement (Q2 2018)
  - 2.5 Prepare a proposal to strengthen the business processes of GDPW and GDA (Q3 2018)
  - 2.6 Review the standard bidding documents for road maintenance and the manual for supervision for identifying improvements (Q2 2018).

<sup>1</sup> ADB. 1999. *Technical Assistance to the Kingdom of Cambodia for Strengthening the Maintenance Planning and Management Capabilities of Ministry of Public Works and Transport*. Manila (TA 3257-CAM).

<b>Key Activities with Milestones</b>	
2.7	Strengthen the standard bidding documents for road maintenance and the manual for supervision (Q3 2018)
<b>3.</b>	<b>Axle overload control operations strengthened</b>
3.1	Review the current process controlling overloading to determine gaps (Q3 2017)
3.2	Develop a long-term strategy (up to 2025) to combat overloading (Q2 2018)
3.3	Prepare a road map for implementing the strategy (Q3 2018)
3.4	Review and recommend ways to strengthen the business process of the NAOCC secretariat (Q3 2018)
3.5	Review the current internal calibration procedure of weigh scales used in weigh stations to determine gaps (Q3 2017)
3.6	Strengthen the internal calibration procedure of weigh scales (Q3 2017).
3.7	Draft a technical note on the experience in controlling overloading (Q4 2018)
3.8	Organize a consultation meeting with stakeholders to share and discuss the draft technical note (Q1 2019)
<b>Inputs</b>	
Japan Fund for Poverty Reduction: \$1,500,000	
Note: The government will provide counterpart support in the form of staff, offices, permissions, logistical assistance, access to information and reports, and other in-kind contributions.	
<b>Assumptions for Partner Financing</b>	
Not Applicable	

GDA = General Department of Administration, GDPW = General Department of Public Works, GMS = Greater Mekong Subregion, km = kilometer, MEF = Ministry of Economy and Finance, MPWT = Ministry of Public Works and Transport, NA = not applicable, NAOCC = national axle overloading control committee, Q = quarter.

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

Source: Asian Development Bank.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Amount
<b>Japan Fund for Poverty Reduction<sup>a</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	859.36
ii. National consultants	199.30
b. International and local travel	89.95
c. Reports and communications	18.70
2. Equipment <sup>b</sup>	18.00
3. Workshop, training, seminars, and conferences <sup>c</sup>	157.00
4. Surveys <sup>d</sup>	4.00
5. Miscellaneous administration and support costs	59.21
6. Contingencies	94.48
<b>Total</b>	<b>1,500.00</b>

Note: The technical assistance (TA) is estimated to cost \$1,550,000, of which contributions from the Japan Fund for Poverty Reduction are presented in the table above. The government will provide counterpart support in the form of staff, offices, permissions, logistical assistance, access to information and reports, and other in-kind contributions. The value of government contribution is estimated to account for 3% of the total TA cost.

<sup>a</sup> Administered by the Asian Development Bank (ADB).

<sup>b</sup> The equipment (two computers, printer, and photocopying machine) will be turned over to the executing agency upon TA completion.

<sup>c</sup> Workshops, training, seminars, and conferences will comprise the following: (i) 6 national forums on road sector financing, overloading, and outsourcing; (ii) 2 campaigns on overloading; (iii) 2 public consultations and/or awareness campaigns on the draft strategies for engaging the private sector in road maintenance and combatting vehicle overloading; (iv) 4 debates and brainstorming sessions; (v) 10 local training sessions for Ministry of Public Works and Transport (MPWT) staff; (vi) 6 tripartite meetings between ADB, MPWT, and consultants to discuss TA inception report, midterm review report, the draft strategies and road maps, the draft final report, and a technical note; and (vii) 2 ceremonies with representatives of the Japan International Cooperation Agency and Embassy of Japan in Cambodia for the TA signing and TA completion.

<sup>d</sup> Surveys will comprise four weigh station data collection.

Source: Asian Development Bank estimates.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

### A. Introduction

1. The technical assistance (TA) aims to help the Ministry of Public Works and Transport (MPWT) of Cambodia implement the Law on Road promulgated in 2014 through three outputs: (i) institutional and regulatory frameworks strengthened, (ii) strategic framework for engaging the private sector in road maintenance established, and (iii) axle overload control operations strengthened. The Asian Development Bank (ADB) will select an international firm in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time) based on the quality- and cost-based selection method using a 90:10 quality–cost ratio with full technical proposal to deliver all three TA outputs.

2. The firm will propose a detailed and time-bound methodology and work plan to develop and deliver all necessary outputs. The firm must have prior experience in Cambodia and be able to operate in the Khmer language.

3. ADB will also engage an international weigh station expert for 5 person-months and a national coordinator for 20 person-months using the individual selection method. The international firm will be supported by an individual weigh station expert for completing TA output 3. A national coordinator will provide coordination among consultants and government agencies and oversee overall day-to-day TA implementation.

### B. International Firm

4. The firm will prepare reports for each TA output and report to the ADB project officer through the assignment team leader. The firm will perform the following tasks:

- (i) review the government documents, programs and plans for delivering road services, including the Law on Road and existing law implementation procedures and studies prepared by development partners;
- (ii) assess the organizational and human capacity of the MPWT, focusing on the General Department of Public Works (GDPW), which is responsible for road maintenance and administration, the General Department of Administration (GDA), which handles the MPWT's administrative matters (including human resource development), and the national axle overloading control committee (NAOCC), which oversees the overloading control program in Cambodia;
- (iii) organize outreach events to transport sector stakeholders to (a) obtain their opinions and acceptance of current issues and possible solutions in relation to legal and regulatory framework in road sector, sustainability of the road asset, and private sector participation in road works, and (b) share best practices and review the findings from the outreach events; and
- (iv) prepare (a) required procedures, regulations, and guidelines for implementing the Law on Road and the related implementation procedures; (b) a time-bound action plan for approving loan implementation procedures; (c) a policy note on road sector financing options; (d) streamlined organizational structures of the GDPW, GDA, and NAOCC; (e) an updated human resource development plan for GDA; (f) a strategy for engaging the private sector in road maintenance; (g) a strategy to combat vehicle overloading; (h) strengthened standard bidding documents for road maintenance and a strengthened manual for supervision; (i) road maps to implement strategies for engaging the private sector in road maintenance and combatting vehicle overloading; (j) a strengthened procedure

for internal calibration of weigh scales; and (j) a technical note on the experience in safeguarding road assets against overloading.

## 1. Key Expertise Required

5. The firm will determine the number and the nature of experts it will require to achieve the objectives of the contract, in accordance with its proposed approach and methodology. The firm must also determine and indicate the number of person-months required for which each key or non-key expert. However, ADB requires following five key international experts.

6. **Transport specialist and team leader** (international, minimum 10 person-months, intermittent). The transport specialist should meet the following minimum qualifications: (i) 20 years' experience in advising or leading projects related to strengthening the road sector, preferably in developing countries; (ii) the ability to supervise a team of experts to work with multiple stakeholders, including government, private sector, and donor agencies; (iii) demonstrated change management skills; and (iv) excellent English language skills, including the ability to conduct oral presentations and produce written reports of high quality. The specialist should have a relevant degree, preferably at the master's level.

7. **Road maintenance expert** (international, minimum 5 person-months, intermittent). The road maintenance expert will have (i) a minimum of 15 years' experience in road maintenance projects and advising on the restructuring of state-owned enterprises, preferably in developing countries; (ii) the ability to work with multiple stakeholders, including government, private sector, and donor agencies; and (iii) excellent English language skills, including the ability to conduct oral presentations and produce written reports of high quality. The expert should have a relevant degree, preferably at the master's level.

8. **Axle load control expert** (international, minimum 5 person-months, intermittent). The axle load control expert will have (i) a minimum of 15 years' experience in managing or advising projects related to controlling overloading; (ii) the ability to work with multiple stakeholders, including government, private sector, and donor agencies; and (iii) excellent English language skills, including the ability to conduct oral presentations and produce written reports of high quality. The expert should have a relevant degree, preferably at the postgraduate level.

9. **Institutional development expert** (international, minimum 4 person-months, intermittent). The institutional development expert will have (i) a minimum of 15 years' experience in advising projects related to institutional and human capacity building, preferably in developing countries; (ii) the ability to collaborate with various stakeholders; and (iii) excellent English language skills. The expert should have a relevant degree, preferably at the master's level.

10. **Legal expert** (international, minimum 3 person-months, intermittent). The legal expert will have (i) a minimum of 15 years' experience in developing legal frameworks in the road sector, preferably in developing countries; (ii) the ability to work with multiple stakeholders, including the government and private sector; and (iii) excellent English language skills. The expert should have a relevant degree, preferably at the master's level.

11. These key international experts will be primarily responsible for producing the TA outputs and are expected to be evaluated against the tasks assigned. In addition, the international gender and governance experts with secondary responsibilities (inputs or review for updating human resource development plan including gender mainstreaming and

streamlining business process of GDPW, GDA, and NAOCC) and all national experts will be considered as non-key experts and will be assessed on a pass or fail basis.

## 2. Deliverables

12. The transport specialist will be responsible for delivering output 1, the road maintenance expert will deliver output 2, and the axle load control expert will be responsible for output 3. The firm will produce the following documents by the indicated dates:

- (i) the Law on Road implementation procedures (by Q4 2017);
- (ii) a policy note on road sector financing options (by Q2 2018);
- (iii) a proposal to streamline the organizational structure of the GDPW, GDA, and NAOCC (by Q4 2017);
- (iv) an updated human resource development plan for GDA (by Q1 2018);
- (v) a strategy for engaging the private sector in road maintenance (by Q1 2018); and
- (vi) a strategy to combat vehicle overloading (by Q1 2018).

## 3. Terms of Assignment

13. The experts will be based in Phnom Penh, Cambodia for the duration of the assignment. The assignment of experts is intermittent in nature. The assignment is for 18 months and is expected to commence around mid-May 2017.

## C. Individual Consultants

14. **International weigh station expert** (5 person-months). The expert will have 15 years' experience in controlling overloading through weigh stations, and will preferably be familiar with Japanese weigh station technologies. The expert will deliver a strengthened procedure for internal calibration of weigh scales. To deliver this output, the expert will

- (i) undertake surveys on 27 weigh stations financed by the government, ADB, and the Japan International Cooperation Agency (JICA) to identify (a) technical and operational issues in each weigh station, and (b) interoperability issues across the weigh stations provided by the government, ADB, and JICA;
- (ii) identify measures to address the technical and operational issues in each weigh station and interoperability issues across the weigh stations;
- (iii) review the current procedure used by the Ministry of Industry and Handicrafts and MPWT to examine the technical condition of weigh scales and to calibrate the weigh scales used in weigh stations and by the MPWT mobile team;
- (iv) strengthen the procedure for internal calibration being used by the MPWT for both portable and fixed-location weigh scales;
- (v) organize (a) a workshop for weigh station staff and the MPWT mobile team on handling and maintaining weigh scales, and (b) a workshop for the MPWT technical inspection team to explain the strengthened procedure for internal calibration of weigh scales; and
- (vi) help the international firm in (a) preparing a strategy to combat overloading with regards to adopting cost-effective technology to control vehicle overloading, (b) preparing the implementation procedures on the Law of Roads related to weigh station operations, (c) updating the human resource development plan of GDA by proposing capacity development training for weigh station staff and MPWT mobile team, and (d) organizing consultations and workshops and preparing a technical note on the experience in safeguarding road assets against overloading.

15. **National coordinator** (20 person-months). The national coordinator will have 15 years' experience in the road sector and working with government officials and will
- (i) facilitate the preparation and implementation of experts' visits;
  - (ii) liaise on a daily basis with (a) the experts to be recruited under the international firm, (b) the focal persons assigned by the MPWT and MEF, (c) government agencies (including the Ministry of Rural Roads), and (d) ADB;
  - (iii) oversee overall day-to-day TA implementation;
  - (iv) coordinate on obtaining government feedback on the drafted documents, permission to access weigh stations and other facilities, and reports and data;
  - (v) help TA consultants in organizing forums, campaigns, consultations, debates, brainstorming sessions, and workshops;
  - (vi) provide support to the international weigh station expert in performing his or her tasks, including interpretation and translation services;
  - (vii) record, register, and consolidate (a) reports provided under the previous ADB-financed TA projects;<sup>1</sup> and (b) reports and documents to be produced under this proposed TA, including strategies, procedures, regulations, guidelines, instructions, standard bidding documents, manuals, templates, and proceedings (e.g., of forums, consultation meetings, workshops, brainstorming sessions, and debates); and
  - (viii) facilitate publication of the technical note on the experience in safeguarding road assets against overloading.

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<sup>1</sup> ADB. 1995. *Technical Assistance to the Kingdom of Cambodia for Developing a Planning Capacity in the Ministry of Public Works and Transport*. Manila (TA 2416-CAM); ADB. 1999. *Technical Assistance to the Kingdom of Cambodia for Strengthening the Maintenance Planning and Management Capabilities at Ministry of Public Works and Transport*. Manila (TA 3257-CAM); and ADB. 2008. *Technical Assistance to the Kingdom of Cambodia for the Preparing the Provincial/Rural Road Asset Management Project*. Manila (TA 7199-CAM).