

Project Administration Manual

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Republic of Kiribati: Outer Islands Transport
Infrastructure Investment Project

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
ATON	–	aid to navigation
DRR	–	disaster risk reduction
KFSU	–	Kiribati Fiduciary Services Unit
MFED	–	Ministry of Finance and Economic Development
MICTTD	–	Ministry of Information, Communication, Transport and Tourism Development
MISE	–	Ministry of Infrastructure and Sustainable Energy
OIIU	–	outer Islands implementation unit

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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 Finance and Economic Development (MFED); the Ministry of Information, Communication, Transport and Tourism Development (MICTTD); and the Ministry of Infrastructure and Sustainable Energy (MISE) 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 the MFED, the MICTTD, and the MISE of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

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

After ADB Board approval of the project's report and recommendation of the President (RRP), 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

1. Kiribati is one of the most remote and geographically dispersed countries in the world. It has 33 small islands spread across 3.5 million square kilometers of ocean. About 55% of Kiribati's total population of 115,847 live in the main island of Tarawa, which includes the capital, South Tarawa; the remaining inhabitants are spread across the outer islands.¹ These are low-lying atolls that are highly exposed to the effects of climate change, including sea level rise and more intense rainfall and wind from tropical cyclones.² Access to goods and services in the outer islands is limited. Many inhabitants are moving to the more urban capital, which provides jobs, access to higher education, and specialized social services. The project will improve the safety and resilience of transport connectivity in the following outer islands in the Kiribati's Gilbert Group of islands: Abaiang, Beru, Nonouti, and Tabiteuea South.³ The project will (i) improve the safety of interisland navigation by conducting hydrographic surveys and producing nautical charts; (ii) improve the resilience of outer island access infrastructure by providing ship-to-shore navigation aids; building a jetty, boat ramps, shelters, and multipurpose maritime facilities; and rehabilitating island-crossing causeways; and (iii) strengthen the enabling environment for sustainability by providing technical support and training to help build greater institutional capacity to design, implement, and maintain transport sector investments, including contingency planning, extreme weather maritime management, and resilient operational and maintenance practices. The overall objective is to support the country's development goals in improving access to economic opportunities and social services, particularly for those living in the outer islands.

2. The impact will be improved access to economic and social infrastructure in the outer islands.⁴ The outcome will be improved safety and resilience of transport connectivity in Abaiang, Beru, Nonouti, and Tabiteuea South.

3. The project outputs are (i) safety of interisland navigation improved; (ii) resilience of outer island access infrastructure improved; and (iii) enabling environment strengthened.

II. IMPLEMENTATION PLANS

A. Project Readiness Activities

Table 1: Project Readiness Activities

Indicative Activities	2020								Responsible Individual /	
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Unit / Agency / Government
Advance contracting actions										ADB, WB, GOK
Establish project implementation arrangements										
WB Board approval										WB
ADB Board approval										ADB
ADB / WB Grant signing										ADB, WB, GOK
Government legal opinion provided										Attorney General Office
ADB / WB Grant effectiveness										ADB, WB, GOK

ADB = Asian Development Bank; GOK = Government of Kiribati; WB = World Bank.

Sources: Asian Development Bank and the World Bank.

¹ World Bank Open Data. [Kiribati](#) (accessed 7 January 2020).

² An atoll is a ring-shaped coral reef with a coral rim that encircles a lagoon partially or completely.

³ Kiribati is made up of three island groups: the Gilbert Group, which includes the main island of Tarawa and the capital, South Tarawa; the Phoenix Group; and the Line Group.

⁴ As outlined in Government of Kiribati (GOK). 2015. *Kiribati Development Plan 2016–19*. Tarawa.

B. Overall Project Implementation Plan

Table 2: Overall Project Implementation Plan

Activities	2020				2021				2022				2023				2024				2025				2026	
	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
A. DMF																										
Output 1. Safety of inter-island navigation improved																										
1. Hydrographic survey data and nautical charts																										
1.1 Recruitment of Consulting Firm (UKHO)																										
1.2 Procurement of surveyor																										
1.3 Hydrographic surveying																										
1.4 Management and supervision of hydrographic surveyor (UKHO)																										
1.5 Producing nautical charts																										
Output 2. Resilient outer island access infrastructure improved																										
2. Aids to navigation																										
2.1 Procurement of works (Design-Build Contract)																										
2.2 Installation and replacement of AtoNs																										
3. Maritime infrastructure facilities in Abaiang and Beru																										
3.1 Abaiang and Beru Design - Build Works (Jetty, ramp, dredging, auxillary works)																										
4. Maritime infrastructure facilities in Nonouti and Tabiteuea South																										
4.1 Recruitment of consultants for mentoring MISE																										
4.2 Detailed Design (by MISE) in consultation with Mentor																										
4.3 Construction of maritime facilities (by MISE)																										
5. Rehabilitation of causeways in Beru, Nonouti, and Tabiteuea South																										
5.1 Detailed Design (by MISE) in consultation with Mentor																										
5.2 Rehabilitation of causeways (by MISE)																										
Output 3. Enabling environment strengthened																										
6. Capacity building for MICTTD																										
7. Capacity building for MISE																										
Operational support																										
8. Operational support for KFSU																										
B. Management Activities																										
1. Environment management plan key activities																										
1.1 ESIA/ESMP studies and preparartion. Environmental license applications made.																										
1.2 Integrate ESIA/ESMP inti bidding documents																										
1.3 Support to contractors for ESIA/ESMP updates and CESMP preparation, review, and clrance.																										
1.4 Inspection and audit of EISA/ESMP (including CESMP) implementation																										
2. Gender action plan key activities																										
2.1 Construction of transport infrastructure with EWCD friendly features																										
2.2 Training for eligible women staff on handling cases of GBV																										
3. Update of the Resettlement Plan and preparation of other safeguards documents as required																										
3.1 Undertake due diligence, including consultation, and update of the resettlement plan based on DD																										
3.2 Establishment of grievance redress mechanism																										
3.3 Payment of all compensation and establishment of livelihood suport program if required																										
3.4 Continuous implementation and monitoring of the Resettlement Plan																										
4. Stakeholder consultation and engagement																										
4.1 Finalize the stakeholder consultation and engagement plan																										
4.2. Implement stakeholder and engagement plan																										
5. Annual and/or midterm review																										

ADB = Asian Development Bank; ATON = aid to navigation; CESMP = contractor's environmental and social management plan; DD = detailed design; DMF = design and monitoring framework; ESIA = environmental and social impact assessment; ESMP = environmental and social management plan; EWCD = elderly women children and disabled; GBV = gender-based violence; KFSU = Kiribati Fiduciary Services Unit; MFED = Ministry of Finance and Economic Development; MICTTD = Ministry of Information,

Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; Q = quarter; UKHO = United Kingdom Hydrographic Office; WB = World Bank.

Notes:

1. Causeways and maritime facilities on Nonouti and Tabiteuea South by MISE - align construction period to avoid double mobilization.
2. ATONs works depends on hydrographic surveying.
3. Maritime facilities on Nonouti and Tabiteuea South should be constructed before ATONs are rolled out there.
4. Currently, Kiribati has no confirmed case of COVID-19. The project will ensure that contractors are prepared to mitigate potential COVID-19-related risks associated with the movement of labor, materials, and equipment. The impact of the proposed project will contribute positively to the government's effort to secure safe movement of critical supplies and people between Tarawa and the outer islands. Transport connectivity is key for trade, and maritime infrastructure supported under this project will not only improve maritime safety but also boost economic activity. Further investigations on the project costs and implementation period will be sought as the COVID-19 situation progresses.

Sources: Asian Development Bank and the World Bank.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations: Roles and Responsibilities

Table 3: Project Implementation Organizations

Project Implementation Organizations	Management Roles and Responsibilities
Ministry of Finance and Economic Development (executing agency)	<ul style="list-style-type: none"> (i) Representative of the Government as a grant recipient. (ii) Facilitate negotiation, signing, and execution of the grant agreement with ADB. (iii) Provide strategic oversight to ensure successful completion of the project. (iv) Oversees project management of MICTTD, MISE, KFSU, and OIIU, monitoring progress of project preparation and implementation. (v) Ensure that OIIU is fully staffed and functional during the entire period of project implementation. (vi) Through the KFSU, lead the project's procurement actions in coordination with MICTTD, MISE, and OIIU. (vii) Responsible for financial management through KFSU. (viii) Submit approved withdrawal applications. (ix) Submit annual audit reports. (x) Expedite implementation by: <ul style="list-style-type: none"> - Ensure necessary counterpart funds are available timely. - Review invoices and payments to contractors, consultants and service providers. - Monitor project progress and instruct MICTTD and MISE to take corrective action to prevent significant variations and deviations from the schedule and budgets. (xi) Ensure sufficient counterpart budget is provided for the project. (xii) Signatory to contracts via Minister (MFED).
Project Steering Committee (DCC-Infrastructure Committee)	<ul style="list-style-type: none"> (i) Provide strategic direction and guidance for the project. (ii) Chaired by the Secretary to Cabinet, with Secretary of Finance as Vice-Chair. (iii) Members include but are not limited to representatives from MFED, MICTTD, MISE, MELAD, MIA, MWYSSA. (iv) Provide policy guidance on project implementation and management, such as institutional strengthening. (v) Make important decisions on the project preparation and implementation such as determining of project scope, procurement (selection of a civil work contractor) and consultant selection decisions and seek approval of Cabinet as necessary according the relevant acts.
Ministry of Information, Communication, Transport and Tourism Development (implementing agency 1)	<ul style="list-style-type: none"> (i) Close coordination with MISE, KFSU, and OIIU. (ii) Provide technical advice on the project scope, facility designs, procurement or others, from the viewpoints of the government agency in charge of maintenance of project facilities, and procurement matters. (iii) Review consultant reports and ensure the outputs are suitable to the project objectives and the government policies and regulations. (iv) Provide technical inputs to consultant and works contracts, in coordination with MFED. (v) Ensure compliance with grant covenants, ADB's guidelines, procedures, and policies. (vi) As the main user of the project facilities, provide inputs to the project scope and facility designs.
Ministry of Infrastructure and Sustainable Energy (implementing agency 2)	<ul style="list-style-type: none"> (i) Close coordination with MICTTD, KFSU, and OIIU. (ii) Provide technical advice on the project scope, facility designs, procurement or others, from the viewpoints of the government agency in charge of maintenance of project facilities, and procurement matters. (iii) Review consultant reports and ensure the outputs are suitable to the project objectives and the government policies and regulations. (iv) Provide technical inputs to consultant and works contracts, in coordination with MFED. (v) Ensure compliance with grant covenants, ADB's guidelines, procedures, and policies. (vi) As the main user of the project facilities, provide inputs to the project scope and facility designs.

Project Implementation Organizations	Management Roles and Responsibilities
Kiribati Fiduciary Support Unit, MFED (Project specific management body, within the executing agency)	<ul style="list-style-type: none"> (i) In coordination with MICTTD, MISE, OIIU, ADB, and WB lead financial management, procurement, and consultant selection under the project. (ii) Led by MFED. (iii) Advertise requests for expression of interest and invitations to bid. (iv) Review bidding documents and requests for proposal. (v) Organize pre-bid meetings. (vi) Organize public opening of consultant proposals and bids. (vii) Lead evaluating consultant proposals and bids. (viii) Coordinate the government approval of procurement milestones. (ix) Lead communication with proposers and bidders. (x) Administer advance account. (xi) Review withdrawal applications from OIIU and submit to ADB, through MFED. (xii) Prepare financial reports as inputs to the quarterly progress reports of ADB and the Interim Financial Reports of WB. (xiii) Manage project accounts, prepare and submit the consolidated project financial statements that will include transactions financed by both ADB and WB, including government counterpart funds (if required) for audit.
Outer Islands Implementation Unit (Project specific management body, within the executing agency)	<ul style="list-style-type: none"> (i) In coordination with MICTTD, MISE, KFSU, ADB, and WB provide project management, safeguards compliance and monitoring, and evaluation of project. (ii) Led by MFED. (iii) Provide support on procurement activities. (iv) Provide day-to-day support and supervise consultants. (v) Track, update, and monitor the status of relevant activities. (vi) Manage contracts. (vii) Review and verify documents submitted by consultants. (viii) Review the consultant's invoices and submit withdrawal applications to KFSU. (ix) Ensure that the project activities follow the government and ADB's policies and requirements (including gender and social safeguards). (x) Ensure that the required environmental safeguards are implemented for the project. (xi) Prepare monthly progress reports and submit to KFSU, MFED and ADB. (xii) Carry out field inspections to ensure that engineering designs are adequately implemented. (xiii) Assist with any design changes during project implementation. (xiv) Oversee contractors' works including carrying out periodic performance audits to ensure quality control and core labor standards are met. (xv) Review and approve the contractor's installation methodology and workplans.
Asian Development Bank	<p>Assist all government agencies involved in preparing and implementing the project by:</p> <ul style="list-style-type: none"> (i) Guiding the government agencies for smooth decision making on project preparation and implementation. (ii) Assist in consultant recruitment in consultation with WB where requested by the Government. (iii) Fielding review missions and participate in key workshops. (iv) Advise OIIU and KFSU on various project management matters. (v) Disclosing project information to the public.

ADB = Asian Development Bank; DCC= Development Coordination Committee; KFSU = Kiribati Fiduciary Support Unit; MFED = Ministry of Finance and Economic Development; MELAD = Ministry of Environment, Lands and Agricultural Development; MIA = Ministry of Internal Affairs; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; MWYSSA = Ministry of Women, Youth, Sports, and Social Affairs; OIIU = outer islands implementation unit; PSC = Project Steering Committee; WB = World Bank.

Sources: Asian Development Bank and the World Bank.

B. Key Persons Involved in Implementation**Executing Agency**

Ministry of Finance and
Economic Development

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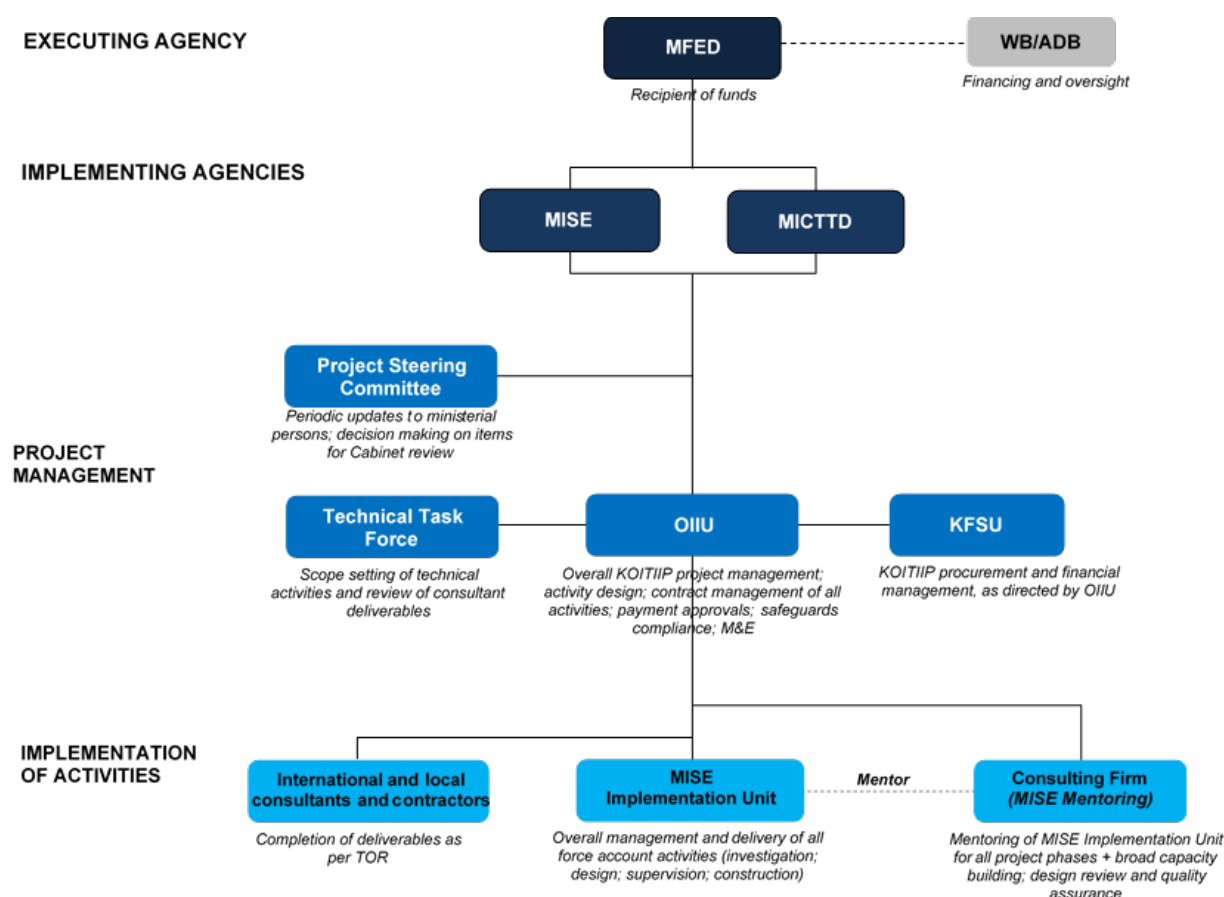
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C. Project Organization Structure

4. The flow chart shows the reporting lines of key organizations involved in implementation.



ADB = Asian Development Bank; KFSU = Kiribati Fiduciary Services Unit; KOITIIP = Kiribati Outer Islands Transport Infrastructure Investment Project; M&E = monitoring and evaluation; MFED = Ministry of Finance and Economic Development; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; OIIU = outer islands implementation unit; TOR = terms of reference; WB = World Bank.

Sources: Asian Development Bank and the World Bank.

IV. COSTS AND FINANCING

5. The project is estimated to cost \$42.0 million. ADB will finance \$12.0 million, on a grant basis, comprising \$10.0 million from ADB's Special Funds resources (Asian Development Fund {ADF}), and \$2.0 million from ADF disaster risk reduction (DRR) financing mechanism, which will be used to improve resilient outer islands access infrastructure and land transport. The World Bank will provide \$30.0 million as an International Development Association grant, which will jointly back all ADB-financed contracts and other contracts not financed by ADB to rehabilitate the causeways, and provide operational support to KFSU, and the contingent emergency response component.⁵

⁵ The contingent emergency response component is the World Bank's contingent financing mechanism available to gain rapid access to financing to respond to a crisis or emergency and provides the immediate rehabilitation or reconstruction needs without needing to first restructure the original project.

6. The government will cover all other costs not financed by ADB and the World Bank including land acquisition and resettlement costs. ADB grant will finance civil works, consulting services, goods, and contingencies inclusive of taxes and duties.

A. Cost Estimates Preparation and Revisions

7. Cost estimates were prepared by ADB consultants engaged through the regional technical assistance on strengthening domestic transport connectivity and climate and disaster resilience of investments in the Pacific.⁶ Selected categories were estimated through consultation with service providers with a familiarity of costs in Kiribati.

B. Key Assumptions

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

- (i) Exchange rate: A\$1.51 = \$1.00 (as of day 21 February 2020).
- (ii) Price contingencies based on expected cumulative inflation over the implementation period are as follows:

Table 4: Escalation Rates for Price Contingency Calculation

Item	2019	2020	2021	2022	2023	Average
Domestic	2.3%	2.2%	2.2%	2.6%	2.7%	2.4%
International	1.5%	1.5%	1.6%	1.6%	1.6%	1.6%

Sources: Asian Development Bank and the World Bank projections as of July 2014.

⁶ ADB. 2017. *Technical Assistance for Strengthening Domestic Transport Connectivity in the Pacific*. Manila (TA 9331-REG). ADB. 2015. *Technical Assistance for Strengthening Climate and Disaster Resilience of Investments in the Pacific*. Manila (TA 8961-REG).

C. Detailed Cost Estimates by Expenditure Category

9. The table shows the types of expenditure included in the overall project cost.

Table 5: Detailed Cost Estimates by Expenditure Category

Item	Total Cost (\$ million)	% of Total Base Cost
A. Investment Costs		
1. Civil Works		
a. Design-build contract (ATONs and Maritime Facilities in Abaiang and Beru)	9.40	27%
b. Civil works contract (Maritime Facilities in Nonouti and Tabiteuea South/Causeways)	7.76	23%
2. Consulting Services		
a. Hydrographic surveying and nautical charts	6.13	18%
b. Construction supervision for CW 1 and mentoring CW 2	1.23	4%
c. Institutional strengthening	1.63	5%
d. Operational support for OIIU	4.09	12%
e. Operational support for KFSU	4.08	12%
Subtotal (A)	34.31	100%
B. Contingencies		
a. Physical	6.86	20%
b. Price	0.82	2%
Subtotal (B)	7.69	22%
Total Project Cost (A+B)	42.00	122%

ADB = Asian Development Bank; ATON = aid to navigation; CW = civil works; KFSU = Kiribati Fiduciary Services Unit; OIIU = outer islands implementation unit.
Notes:

- Numbers may not sum precisely because of rounding.
- Includes taxes and duties of \$5.27 million which will be financed by ADB and the World Bank. Such amount does not represent an excessive share of the project cost. The government will cover all other costs not financed by ADB and the World Bank including land acquisition and resettlement costs.
- February 2020 prices.
- Physical and price contingencies, and a provision for exchange rate fluctuation are included.
- Operational support costs include overall technical supervision of the project; implementing gender action plan; consulting services for OIIU and KFSU, office equipment, financial audits, and monitoring reports.

Sources: Asian Development Bank and the World Bank.

D. Allocation and Withdrawal of Grant Proceeds

Table 6: Allocation and Withdrawal of Grant Proceeds

Number	Item	Total Amount Allocated for ADB Financing (\$ million)	Basis for Withdrawal from the Grant Account
		Category	
1	Works and Consulting Services	10,500,000	46.6% of total expenditure claimed
2	Goods and Consulting Services (Outer islands implementation unit)	1,500,000	30.0% of total expenditure claimed
	Total	12,000,000	

E. Detailed Cost Estimates by Financier

10. The table shows the types of expenditure included in the overall project cost by financier.

Table 7: Detailed Cost Estimates by Financier
(\$ million)

Item	ADB		WB		Total Cost	
	Amount	% of Cost Category	Amount	% of Cost Category	Amount	Taxes and Duties
A. Investment Costs						
1. Civil Works						
a. Design-build contract (ATONs and Maritime Facilities in Abaiang and Beru)	4.38	46.6%	5.01	53.4%	9.40	1.17
b. Civil works contract (Maritime Facilities in Nonouti and Tabiteuea South/Causeways)	0.00	0.0%	7.76	100.0%	7.76	0.97
2. Consulting Services						
a. Hydrographic surveying and nautical charts	2.86	46.6%	3.27	53.4%	6.13	0.77
b. Construction supervision for CW 1 and mentoring CW 2	0.57	46.6%	0.65	53.4%	1.23	0.16
c. Institutional strengthening	0.76	46.6%	0.87	53.4%	1.63	0.20
d. Operational support for OIIU	1.23	30.0%	2.86	70.0%	4.09	0.51
e. Operational support for KFSU	0.00	0.0%	4.08	100.0%	4.08	0.51
Subtotal (A)	9.80	28.6%	24.51	71.4%	34.31	4.30
Total Base Cost	9.80		24.51		34.31	4.30
B. Contingencies						
a. Physical	1.96	28.6%	4.90	71.4%	6.86	0.86
b. Price	0.24	28.6%	0.59	71.4%	0.82	0.11
Subtotal (B)	2.20	28.6%	5.49	71.4%	7.69	0.97
Total Project Cost (A+B)	12.00	28.6%	30.00	71.4%	42.00	5.27

ADB = Asian Development Bank; ATON = aid to navigation; CW = civil works; KFSU = Kiribati Fiduciary Services Unit; OIIU = outer islands implementation unit; WB = World Bank.

Notes:

- Numbers may not sum precisely because of rounding.
- Includes taxes and duties of \$5.27 million which will be financed by ADB and the World Bank. Such amount does not represent an excessive share of the project cost. The government will cover all other costs not financed by ADB and the World Bank including land acquisition and resettlement cost.
- February 2020 prices.
- Physical and price contingencies, and a provision for exchange rate fluctuation are included.
- Operational support costs include overall technical supervision of the project; implementing gender action plan; consulting services for OIIU and KFSU, office equipment, financial audits, and monitoring reports.

6. The World Bank will jointly finance all ADB-financed contracts, and additional contracts for rehabilitation of causeways, and Kiribati Fiduciary Services Unit operational support component.

F. Detailed Cost Estimates by Components

11. The table shows the types of expenditure included in the overall project cost by components.

Table 8: Detailed Cost Estimates by Components
(\$ million)

Item	Total Cost	Component 1: Safe Inter-Island Navigation		Component 2: Resilient Outer Island Access Infrastructure		Component 3: Institutional Strengthening and Operational Support	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
A. Investment Costs							
Civil Works							
1. Design-build contract (ATONs and Maritime Facilities in Abaiang and Beru)	9.40			9.40	100.00%		
2. Civil works contract (Maritime Facilities in Nonouti and Tabiteuea South/Causeways)	7.76			7.76	100.00%		
Consulting Services							
3. Hydrographic surveying and nautical charts	6.13	6.13	100.00%				
4. Construction supervision for CW 1 and Mentoring CW 2	1.23			1.23	100.00%		
5. Institutional strengthening	1.63					1.63	100.00%
6. Operational support for OIIU	4.09					4.09	100.00%
7. Operational support for KFSU	4.08					4.08	100.00%
Subtotal (A)	34.31	6.13	17.87%	18.38	53.58%	9.80	28.56%
B. Contingencies							
1. Physical	6.86	1.22	17.82%	3.68	53.63%	1.96	28.56%
2. Price	0.82	0.15	17.86%	0.44	53.31%	0.24	28.84%
Subtotal (B)	7.69	1.37	17.83%	4.12	53.59%	2.20	28.59%
Total Project Cost (A+B)	42.00	7.50	17.86%	22.50	53.58%	12.00	28.56%

ATON = aid to navigation; CW = civil works; KFSU = Kiribati Fiduciary Services Unit; OIIU = outer islands implementation unit.

Notes:

- Numbers may not sum precisely because of rounding.
- Operational support costs include overall technical supervision of the project; implementing gender action plan; consulting services for OIIU and KFSU, office equipment, financial audits, and monitoring reports.

Sources: Asian Development Bank and the World Bank.

G. Detailed Cost Estimates by Year

12. The table shows the types of expenditure included in the overall project cost by year.

Table 9: Detailed Cost Estimates by Year
(\$ million)

Item	Total Cost	2020	2021	2022	2023	2024	2025	2026
A. Investment Costs								
1. Civil Works								
a. Design-build contract (ATONs and Maritime Facilities in Abaiang and Beru)	4.38	0.00	0.00	4.38	0.00	0.00	0.00	0.00
b. Civil works contract (Maritime Facilities in Nonouti and Tabiteuea South/Causeways)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Consulting Services								
a. Hydrographic surveying and nautical charts	2.86	2.86	0.00	0.00	0.00	0.00	0.00	0.00
b. Construction supervision for CW 1 and Mentoring CW 2	0.57	0.00	0.57	0.00	0.00	0.00	0.00	0.00
c. Institutional strengthening	0.76	0.15	0.23	0.38	0.00	0.00	0.00	0.00
d. Operational support for OIIU	1.23	0.25	0.37	0.61	0.00	0.00	0.00	0.00
e. Operational support for KFSU	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal (A)	9.80	3.25	1.17	5.38	0.00	0.00	0.00	0.00
B. Contingencies								
a. Physical	1.96	0.49	0.49	0.98	0.00	0.00	0.00	0.00
b. Price	0.24	0.06	0.06	0.12	0.00	0.00	0.00	0.00
Subtotal (B)	2.20	0.55	0.55	1.10	0.00	0.00	0.00	0.00
Total Project Cost (A+B)	12.00	3.80	1.72	6.48	0.00	0.00	0.00	0.00

ATON = aid to navigation; CW = civil works; KFSU = Kiribati Fiduciary Services Unit; OIIU = outer islands implementation unit.

Notes

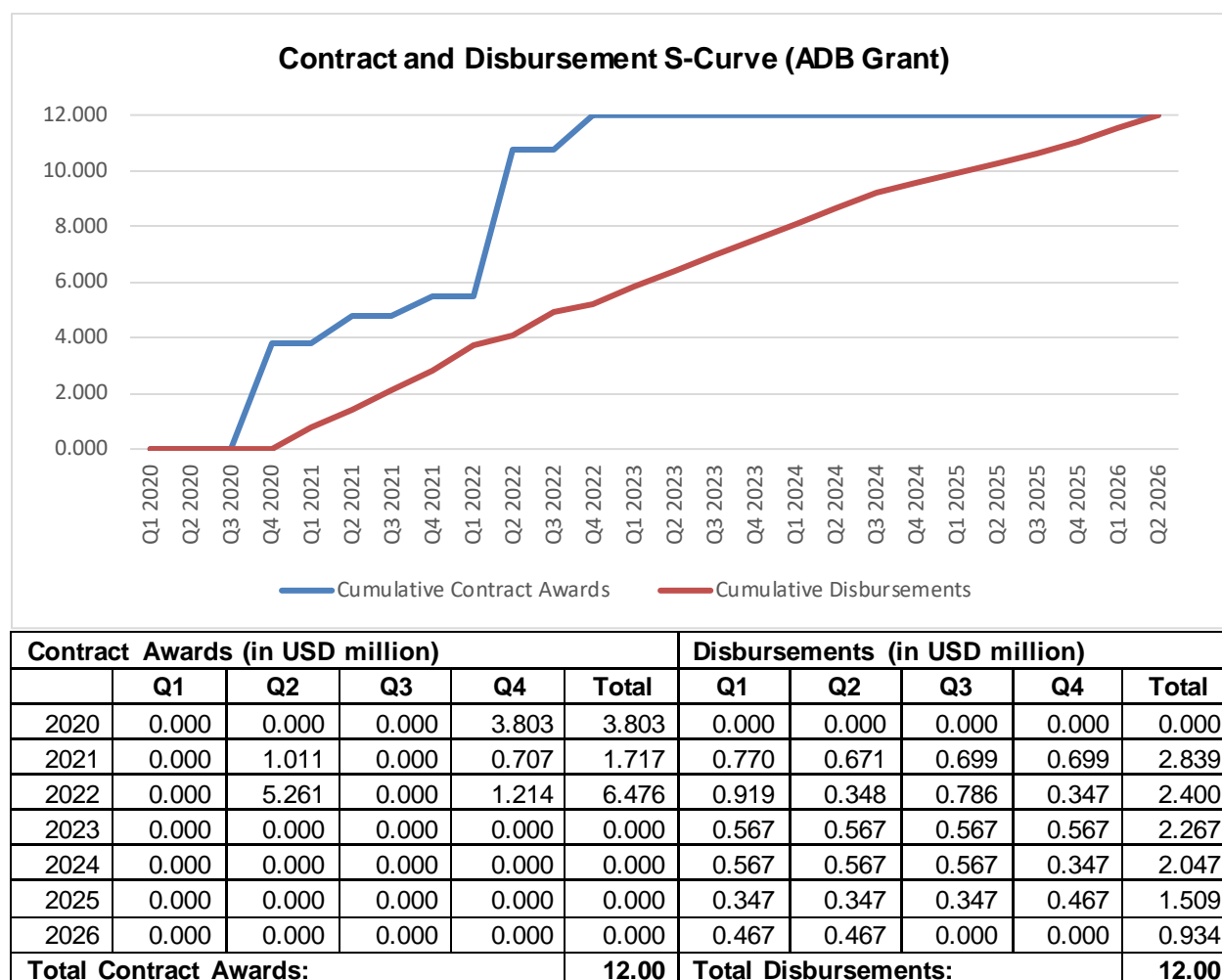
1. Numbers may not sum precisely because of rounding.

2. Operational support costs include overall technical supervision of the project; implementing gender action plan; consulting services for OIIU and KFSU, office equipment, financial audits, and monitoring reports.

Sources: Asian Development Bank.

H. Contract and Disbursement S-Curve

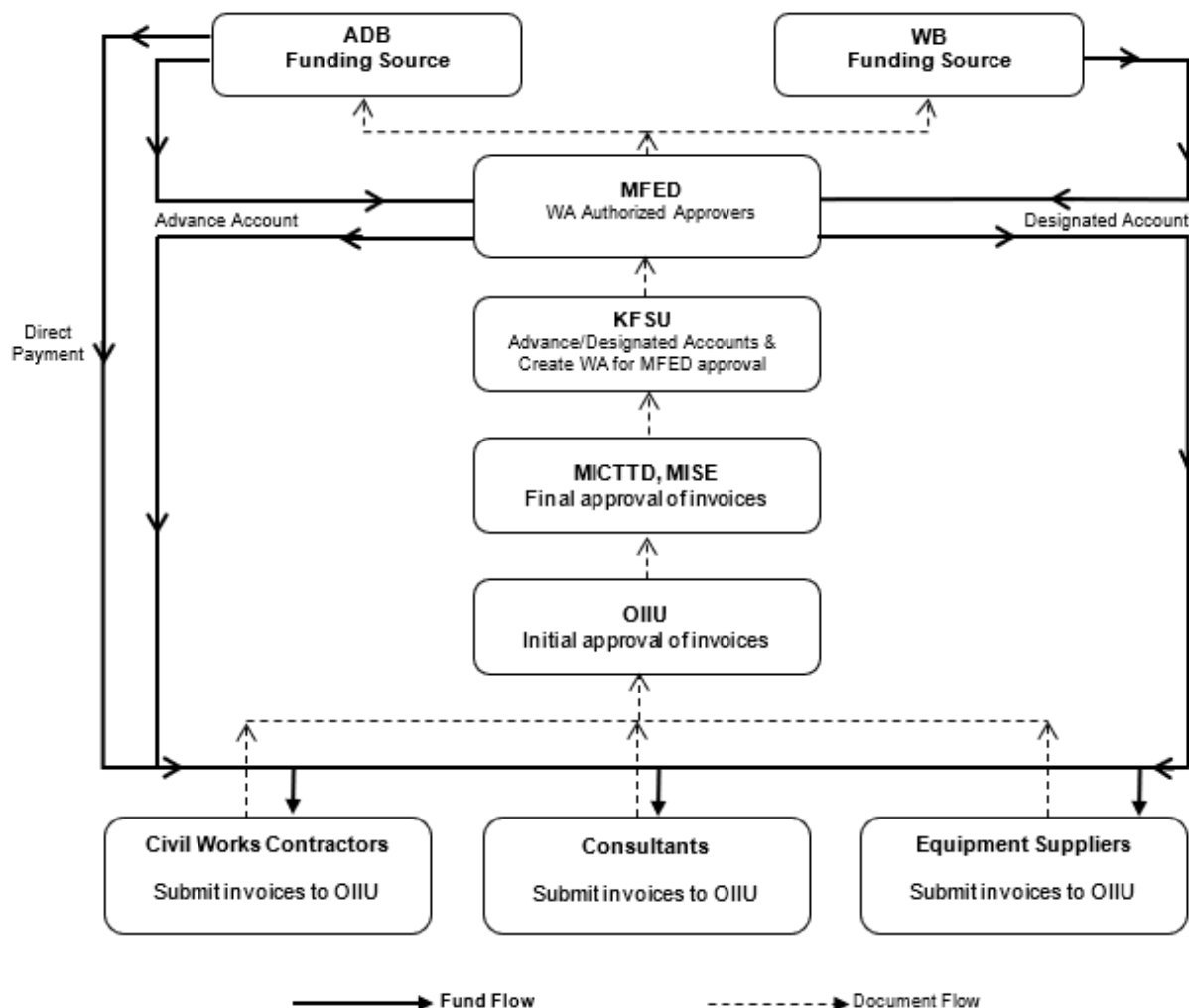
13. The graph shows the contract award and disbursement projections.



I. Fund Flow Diagram

14. The funds flow diagram is in Figure 2.

Figure 2: Funds Flow



ADB = Asian Development Bank; KFSU = Kiribati Fiduciary Services Unit; MFED = Ministry of Finance and Economic Development; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; OIIU = outer islands implementation unit; WA = withdrawal application; WB = World Bank.

Sources: Asian Development Bank and the World Bank.

V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

15. The financial management assessment (FMA) was conducted in November 2019 in accordance with ADB's Guidelines for the Financial Management and Analysis of Projects and the Financial Due Diligence: A Methodology Note. The FMA considered the capacities of the executing agency, the Ministry of Finance and Economic Development (MFED); and the implementing agencies: the Ministry of Information, Communication, Transport and Tourism Development (MICTTD); and the Ministry of Infrastructure and Sustainable Energy (MISE), including funds-flow arrangements, staffing, accounting and financial reporting systems, budgeting, and internal and external auditing arrangements. Based on the assessment, the key financial management risks identified include (i) inadequate attention to repairs and maintenance that will undermine the sustainability of investments; (ii) delays in compliance with financial management reporting requirements; (iii) delays in processing claims for disbursements due to inadequate staff and financial resources in Kiribati Fiduciary Services Unit (KFSU); and (iv) absence of internal audit. It is concluded that the overall pre-mitigation financial management risk to the project is substantial. The MFED, MICTTD, and MISE as through the outer islands implementation unit (OIIU) and KFSU have agreed to implement an action plan as key measures to address the deficiencies. The financial management action plan is provided in Table 11.

16. The results of the internal control and risk assessment are summarized in Table 10. Financial management risks need to be considered and updated throughout the life of the investment program and risk mitigation measures shall also be updated.

Table 10: Financial Management, Internal Control, and Risk Assessment

Risk	Risk Assessment	Mitigation Measures	Timeframe/ Responsibility
A. INHERENT RISKS			
1. Country Specific Risks – Kiribati has no nationwide asset management policy	Substantial	Ministries do not provide for sufficient budgets for operation and maintenance of assets under their responsibility. Assistance will be required for the country to conduct an inventory of its state assets and develop a policy for asset registry, valuation, depreciation and maintenance. An AMIS is being implemented by MFED to cover all government assets.	MFED/During project implementation
2. Country specific Risks – KNAO generally conducts the audits for all foreign-funded projects. Given the increase in workload, KNAO may reach a point where its staff may not be able to cope with its audit program	Moderate	Increased workload may affect the quality of audits and may not allow for meaningful audit processes. Consider financing audits under project funds and for audits to be conducted by independent professional auditors.	KNAO Year 2020
3. Entity specific risks – KFSU, currently donor-funded, may not receive adequate funding for its efficient operation	Substantial	KFSU is a central unit under MFED handling the financial management aspects of donor-funded projects. Staff has gained proficiency with the requirements of the donors and have functioned well in the past 8 years. Due to inadequate funding, the KFSU Manager, the procurement specialist and 3 accountants have left. Only 2 accountants were left managing both financial and procurement	MFED/KFSU Year 2020

Risk	Risk Assessment	Mitigation Measures	Timeframe/ Responsibility
		aspects of 7 projects they administer. Consider setting aside funding from every project approved together with an assessment of the KFSU workload.	
4. Entity specific risks – capacity building from intended mentoring services to be done by consultants in donor-funded projects are not effective	Moderate	Almost all foreign-funded projects include aspects to build capacity but no assessment is being done during project reviews or after to assess if knowledge is indeed being/was transferred. Specific indicators (not only in terms of number of staff trained) should be set in the DMF to monitor capacity building. MFED, MICTTD, MISE, KFSU and OIIU staff will also be trained in ADB's disbursement procedures.	MFED Year 2020
5. Limited internal audit support to implementing agencies	Substantial	In the absence of internal audit units in the implementing agencies, MFED should consider a more formal arrangement to lend internal audit support to MICTTD and MISE	MFED
Overall Inherent Risk	Substantial		
B. PROJECT RISKS			
1. Delays in processing payments may be encountered which could impact overall project implementation	Substantial	The constraint would be due to the reduced staffing in the KFSU. An accountant per project may not be the right approach since the specific project may not require full time support of the accountant. A pool of funds for the fully staffed KFSU may be considered.	MFED/KFSU Starting Year 2020
2. Poor filing practices will affect the preparation of financial statements and the auditor's opinion on it	Substantial	KFSU staff has been briefed on the new FM requirements on the timely submission of APFS: that complete submission is required as per financing agreement and, unqualified opinion, as much as possible.	KFSU; starting Year 2020
3. There is weak oversight of the KFSU by MFED	Substantial	The KFSU was based in the MFED for appropriate oversight but it appears that the MFED has not done sufficient oversight. The KFSU is also being funded by donor funds and donors do their own supervision. The departure of staff including the KFSU manager was not addressed by MFED.	MFED; during country programming
4. The absence of an asset management policy at the state level will affect the sustainability of new investments	Substantial	The project will assist the government in utilizing AMIS to maintain the proposed facilities after project completion.	MFED; during country programming
Overall Project Risk	Substantial		
OVERALL FM RISK	Substantial		

AMIS = Asset Management Information System; APFS = audited project financial statement; FM = financial management; KFSU = Kiribati Fiduciary Services Unit; KNAO = Kiribati National Audit Office; MFED = Ministry of Finance and Economic Development; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; OIIU = outer islands implementation unit. Sources: Asian Development Bank and the World Bank.

Table 11: Financial Management Action Plan

Weaknesses	Mitigating Action	Responsibility / Timing
1. The absence of an asset management policy will undermine the sustainability of infrastructure investments.	The government has initiated the formulation of an assets management policy which will include an inventory of state assets with details, assigned caretaker agency who will be responsible for requesting budgets for repair and maintenance.	Infrastructure government agencies and MFED; starting next budget cycle.
2. MFED will provide increased support to undertake internal audit function in MISE and MICTTD.	MFED currently provides support to these ministries through an occasional visit of an internal auditor but only to check on revenues. MFED, MISE, and MICTTD should agree on a periodic and more frequent schedule of visit from the internal auditor to conduct checks of internal control.	Infrastructure government agencies and MFED; on an agreed start date within the year.
3. MFED will provide increased oversight for the efficient functioning of the KFSU.	MFED will define a more stringent oversight of the KFSU which may include monthly meetings to resolve issues.	MFED, immediately
4. Capacity and institution building components of project management should be carefully designed. It appears that mentoring teams do not work with government agencies for proper knowledge transfer.	Consulting contracts will include indicators that not only refer to the number of staff trained without assessment of how much knowledge were truly assimilated.	ADB/WB

ADB = Asian Development Bank; KFSU = Kiribati Fiduciary Services Unit; MFED = Ministry of Finance and Economic Development; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; WB = World Bank.

Sources: Asian Development Bank and the World Bank.

B. Disbursement

1. Disbursement Arrangements for ADB Funds

17. The grant proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time), ⁷ and detailed arrangements agreed upon between the government and ADB. Online training for project staff on disbursement policies and procedures is available. ⁸ Project staff are encouraged to avail of this training to help ensure efficient disbursement and fiduciary control.

18. While the identified financial management risks of the executing and implementing agencies are considered substantial, the implementation and financial arrangements under the project are considered adequate for the purpose of implementing the project as these will not include the handling of funds by the implementing agencies. The KFSU which is a unit under the MFED will handle the financial management arrangements for both ADB-financed and World Bank-financed components. Expenditures incurred under the project as evidenced by invoices, will need to be certified by the OIIU Project Manager before the withdrawal application is prepared. Draft withdrawal applications will be prepared by OIIU Project Manager, and KFSU to review and forward to the respective Ministry for sign off before it is submitted to MFED for review and

⁷ The handbook is available electronically from the ADB website (<http://www.adb.org/documents/loan-disbursement-handbook>)

⁸ Disbursement eLearning. http://wpgr4.adb.org/disbursement_elearning

transmittal to ADB and/or the World Bank. KFSU will also be responsible for preparing the financial reports as inputs to the quarterly progress reports of ADB and the Interim Financial Reports of the World Bank. KFSU will prepare the consolidated project financial statements that will include transactions financed by both ADB and the World Bank including government counterpart funds and submit the project financial statements for audit.

19. **Direct payment procedure.** Under this procedure, at the recipient's request, ADB will directly pay a designated beneficiary stipulated in the contract and approved by ADB (e.g. contractor, supplier, or consultant). It will generally be used for goods with a value that exceeds \$100,000 equivalent, international consulting services and works that exceed \$100,000 equivalent in value during project implementation. A signed withdrawal application will be submitted by MFED to ADB, based on invoices approved by MICTTD and MISE, together with a summary sheet and the required supporting documents. The KFSU in the MFED will be responsible for collecting and retaining supporting documents, as well as preparing and sending withdrawal applications to ADB.

20. **Advance fund procedure.** An advance account will be established for the project in a commercial bank ⁹ under the auspices of MFED. Under this procedure, ADB makes advance disbursements from the ADB grant funds to be deposited to the advance account. The currency of the advance account is US dollar (\$). KFSU will be designated to administer the advance account, under the authority of MFED. KFSU will prepare the documentation (e.g. payment vouchers), to be submitted to MFED for endorsement and signing of the advance account cheques. MFED authorized staff for this project will be the authorized signatory to the account. The advance account will be established, managed, and liquidated in accordance to ADB policies and detailed arrangements agreed by the government and ADB. The advance account is to be used exclusively for ADB's share of eligible expenditures. MFED is accountable and responsible for proper use and liquidation of advances. The World Bank will also provide similar advance for the project

21. MFED through KFSU can effectively administer the advance account as it did with previous ADB and World Bank projects, assuming further that KFSU is adequately staffed. The World Bank will provide support for the sustainable operation of KFSU.

22. The total outstanding advance to the advance account should not exceed the estimate of ADB's share of expenditures to be paid through the advance account for the forthcoming 6 months, or \$100,000, whichever is lower. KFSU, through MFED may request for initial and additional advances to the advance account based on an Estimate of Expenditure Sheet ¹⁰ setting out the estimated expenditures to be financed through the account for the forthcoming 6 months. Supporting documents should be submitted to ADB or retained by MFED in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time) when liquidating or replenishing the advance account.

23. Before the submission of the first withdrawal application, the recipient 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 withdrawal application is stipulated in the *Loan Disbursement Handbook* (2017, as amended from time to time). Individual payments below such

⁹ ANZ Bank, Tarawa, Kiribati.

¹⁰ Estimate of Expenditure sheet is available in Appendix 8A of ADB's *Loan Disbursement Handbook* (2017, as amended from time to time),

amount should be paid (i) by the KFSU and subsequently claimed to ADB through reimbursement, or (ii) through the advance fund procedure, unless otherwise accepted by ADB. The recipient should ensure sufficient category and contract balances before requesting disbursements. The use of ADB's Client Portal for Disbursements (CPD) ¹¹ system is encouraged for submission of withdrawal applications to ADB. The use of ADB's Client Portal for Disbursements (CPD) ¹² system is encouraged for submission of withdrawal applications to ADB.

2. Disbursement Arrangements for Counterpart Fund

24. MICTTD and MISE will be responsible for (i) preparing disbursement projections, and (ii) requesting budgetary allocations for counterpart funds. The ADB and the World Bank will finance taxes and duties under the project. The government will cover all other costs not financed by ADB and the World Bank including land acquisition and resettlement costs.

C. Accounting

25. The KFSU under MFED will maintain, or cause to be maintained, separate books and records by funding source including the government's counterpart funds for all expenditures incurred on the project following International Public Sector Accounting Standards (IPSAS) for cash-based accounting. The KFSU under MFED will prepare consolidated project financial statements in accordance with IPSAS cash-based accounting standards which are consistent with international accounting principles and practices.

D. Auditing and Public Disclosure

26. MFED will cause the detailed project financial statements to be audited in accordance with International Standards on Auditing by an independent auditor acceptable to ADB.

27. 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 MFED.

28. 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 grant were used only for the intended 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).

29. Timely 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.

30. The government, MFED, MICTTD, and MISE have been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited

¹¹ 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>.

¹² 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>.

project financial statements. ¹³ 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.

31. Public disclosure of the audited project financial statements, including the auditor's opinion on the project financial statements, will be guided by ADB's Access to Information Policy 2018.13F ¹⁴ 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. ¹⁵

VI. PROCUREMENT AND CONSULTING SERVICES

32. In accordance with ADB's Alternative Procurement Arrangements (APA) mechanism, as detailed in the ADB Procurement Policy - Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers - Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time). ADB signed a Procurement Framework Agreement (PFA) with the World Bank on 3 December 2018. Under the PFA, each cofinancier acknowledges that their respective procurement frameworks are consistent with international good practice and promote economy, efficiency, fairness, transparency, value for money and fitness for purpose, facilitating mutual reliance on cofinanced projects.

33. ADB and World Bank will sign a project implementation agreement for this project designating World Bank as lead cofinancier with responsibility for developing the procurement strategy, providing implementation support and monitoring project procurement activities. The procurement rules and procedures of the World Bank ¹⁶ will apply to all procurement undertaken on the project.

34. The use of the APA mechanism on this cofinanced project will permit a more efficient, coordinated, and effective approach to procurement, lessening the burden on the borrower while still ensuring that value for money procurement outcomes are achieved. World Bank will provide ADB with regular reports on the status of procurement implementation under the project and

¹³ 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 advance 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 advance 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.

¹⁴ Access to Information Policy: <https://www.adb.org/documents/access-information-policy> (2018)

¹⁵ 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).

¹⁶ The World Bank. 2018. *Procurement Regulations for Investment Project Financing (IPF) Borrowers (issued in July 2016 and revised in August 2018)*. Washington, DC.

inform ADB when any procurement issues occur that have the potential to impact the successful delivery of the project.

35. As the project includes financing from the World Bank, no member country eligibility restrictions (universal procurement) will apply.

36. All procurement and consulting tenders issued under this project will be advertised by the World Bank in accordance with its rules and procedures.

37. Bidding documents will reflect that ADB and World Bank: (i) are jointly financing the project; (ii) sanctions policies and respective debarment lists are applicable; (iii) safeguards requirements are suitably included; and (iv) may inspect and audit the procurement process undertaken and subsequent contracts entered into by the borrower.

38. Given the dispersed nature of the projects activities across multiple locations, the operational complexities of working in the remote outer islands of Kiribati, uncertainty regarding the level of interest of international contractors in the project, and the current lack of capacity within MICTTD and MISE, the World Bank has assessed the procurement risks on the project as significant. ADB concurs with this assessment. The World bank has confirmed that additional due diligence, including a detailed market assessment, will be undertaken in advance of finalizing the procurement packaging for the project and releasing bid packages. Noting the current proposed procurement approach, strengthening of capacity within MICTTD and MISE, together with the recruitment of external consulting resources to support project management and oversight, and the confirmation of availability of interested international construction firms will be crucial to the delivery of successful outcomes

A. Advance Contracting

39. **Advance contracting.** In order to achieve high project readiness prior to grant effectiveness, a consulting service package for conducting hydrographic surveying and producing nautical charts with the United Kingdom Hydrographic Office will be released under advance contracting. This package will be progressed to completion of contract signing and will be disbursed through World Bank's Kiribati Programmatic Preparation Advance (PPA) for \$1.2 million from International Development Association 18). The PPA will be refinanced through the World Bank share of the project.

B. Procurement Plan

40. A copy of the initial procurement plan detailing the proposed procurement activities is provided below in the standard ADB format. Subsequent updates to the procurement plan will be published by the World Bank in accordance with their standard procedures and made available at <https://projects.worldbank.org/en/projects-operations/project-procurement/P165838>.

PROCUREMENT PLAN

Basic Data	
Project Name: Outer Islands Transport Infrastructure Investment Project	
Project Number: 53043-001	Approval Number:
Country: Republic of Kiribati	Executing Agency: Ministry of Finance and Economic Development

Project Procurement Classification: A	Implementing Agencies: Ministry of Information, Communication, Transport and Tourism Development Ministry of Infrastructure and Sustainable Energy	
Procurement Risk: High		
Project Financing Amount: \$42.00 million ADB Financing: \$12.00 million Cofinancing (ADB Administered): \$0.00 Non-ADB Financing: \$30.00 million	Project Closing Date: 31 December 2026	
Date of First Procurement Plan: 11 May 2020	Date of this Procurement Plan: 11 May 2020	
Procurement Plan Duration: 18 months	Advance contracting: yes	eGP: yes

A. Methods, Review and Procurement Plan

Except as the Asian Development Bank (ADB) may otherwise agree, the following methods shall apply to procurement of goods, works, nonconsulting services, and consulting services.

Procurement of Goods, Works and Nonconsulting Services	
Method	Comments
Open Competitive Bidding (OCB) for Works	US\$1,000,000 and above, prior review
Shopping for Goods	Up to US\$100,000, post review

Consulting Services	
Method	Comments
Quality- and Cost-Based Selection for Consulting Firm	A quality-cost ratio of 90:10 will be applied for consulting firm.
Consultant's Qualification Selection	
Single Source Selection for Individual Consultants	
Single Source Selection for Consulting Firm	Single source selection, see paragraph 39 of the PAM for further details.
Individual consultant selection for individual consultants	

B. List of Active Procurement Packages (Contracts)

The following table lists goods, works, nonconsulting, and consulting services contracts for which the procurement activity is either ongoing or expected to commence within the procurement plan's duration.

Goods, Works, and Nonconsulting Services							
Package Number	General Description	Estimated Value (\$)	Procurement Method	Review	Bidding Procedure	Advertisement Date	Comments
CW-1	Design-build (ATONs and maritime works in Abaiang and Beru	5,360,000	OCB (Works)	Prior	1S1E	Q4/2021	Prequalification of bidders: N Domestic preference applicable: N Advance contracting: N e-GP: Y e-GP type: e-Bidding

							Comments: Procurement to be done by World Bank.
G-1	Office equipment (i.e. computers, printers, software, etc.)	30,000	Shopping for goods	Post	Request for quotation	Q3/2020	
G-2	Office furniture (i.e. tables, chairs, cabinets, etc.)	30,000	Shopping for goods	Post	Request for quotation	Q3/2020	

ATON = aid to navigation; CW = civil work; G = good; OCB = open competitive bidding; Q = quarter.

Source: Asian Development Bank

Consulting Services							
Package Number	General Description	Estimated Value (\$)	Selection Method	Review	Type of Proposal	Advertisement Date	Comments
CS-F-1	Hydrographic Surveying	470,000	SSS	Prior	FTP	Q1/2020	Assignment: International Advance contracting: Y e-GP: Y Comments: QCR: 90/10; Recruitment to be done by World Bank.
CS-F-2	Hydrographic Survey Services	3,030,000	QCBS	Prior	FTP	Q2/2020	Assignment: International Advance contracting: Y e-GP: Y Comments: QCR: 90/10; Recruitment to be done by World Bank.
CS-F-3	Engineering Consulting Firm (mentoring, audit, QA, design, supervision)	700,000	QCBS	Prior	FTP	Q2/2020	Assignment: International Advance contracting: N e-GP: Y

							Comments: QCR: 90/10; Recruitment to be done by World Bank.
CS-F-4	Marine Sector Development Planning	140,000	CQS	Prior	FTP	Q4/2020	Assignment: International Advance contracting: N e-GP: Y Comments: QCR: 90/10; Recruitment to be done by World Bank.
CS-I-1	Chief Technical Advisor (OIIU)	240,000	ICS	Prior		Q2/2020	Assignment: International Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
CS-I-2	Project Manager (OIIU)	90,000	ICS	Prior		Q1/2020	Assignment: National Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
CS-I-3	Senior Engineer (OIIU)	70,000	ICS	Post		Q3/2020	Assignment: National Advance contracting: N e-GP: Y Comments: Recruitment to

							be done by World Bank.
CS-I-4	Social Safeguards Specialist (OIU)	50,000	ICS	Post		Q3/2020	Assignment: National Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
CS-I-5	Gender / Gender-based violence Specialist (OIU)	50,000	ICS	Post		Q3/2020	Assignment: National Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
CS-I-6	Environmental Specialist (OIU)	50,000	ICS	Post		Q3/2020	Assignment: National Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
CS-I-7	Community Liaison Officer (OIU)	40,000	ICS	Post		Q3/2020	Assignment: National Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
CS-I-8	Monitoring and	30,000	ICS	Post		Q2/2020	Assignment:

	Evaluation Specialist (OIIU)						National Advance contracting: N e-GP: Y Comments: Recruitment to be done by World Bank.
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CS = consulting service; I = individual; ICS = individual consultant selection; F = firm; KFSU = Kiribati Fiduciary Service Unit; MISE = Ministry of Infrastructure and Sustainable Energy; OIIU = outer islands implementation unit; QA = quality assurance; QCBS = quality- and cost-based selection; QCR = quality-cost ration; SSS = single source selection.

Source: Asian Development Bank.

C. List of Indicative Packages (Contracts) Required under the Project

The following table lists goods, works, nonconsulting, and consulting services contracts for which the procurement activity is expected to commence beyond the procurement plan duration and over the life of the project (i.e. those expected beyond the current procurement plan's duration).

Goods, Works and Nonconsulting Services						
Package Number	General Description	Estimated Value (\$)	Procurement Method	Review	Bidding Procedure	Comments

Consulting Services						
Package Number	General Description	Estimated Value (\$)	Selection Method	Review	Type of Proposal	Comments

D. List of Awarded and Completed Contracts

The following table lists the awarded contracts and completed contracts for goods, works, nonconsulting, and consulting services.

Goods, Works and Nonconsulting Services					
Package Number	General Description	Contract Value	Date of ADB Approval of Contract Award	Date of Completion	Comments

Consulting Services					
Package Number	General Description	Contract Value	Date of ADB Approval of Contract Award	Date of Completion	Comments

E. Non-ADB Financing

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

Goods, Works and Nonconsulting Services				
General Description	Estimated Value (cumulative, \$)	Estimated Number of Contracts	Procurement Method	Comments
CW-WB-1	9,500,000	1	Force account through MISE	Design-build (Maritime facilities in Nonouti and Tabiteuea

				South/causeways
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Consulting Services				
General Description	Estimated Value (cumulative, \$)	Estimated Number of Contracts	Recruitment Method	Comments
CS-WB-2	5,000,000	10	ICS	KFSU staff labor, equipment, and materials to be funded by the World Bank.

ICS = individual consultant selection; CS = consulting services; KFSU = Kiribati Fiduciary Services Unit; WB = World Bank.
Source: Asian Development Bank.

VII. SAFEGUARDS

41. **Environment.** The World Bank and ADB have agreed a common approach to safeguards to ensure the policies of each institution as well as country safeguards are complied with. The proposed project will create impacts that are site-specific, few if any are irreversible and mitigation and management measures can be readily designed and implemented for most impacts. In accordance with ADB's Safeguard Policy Statement (SPS) (2009),¹⁷ an environmental and social management framework (ESMF) has been prepared for the overall project and environmental and social impact assessment (ESIA) has been prepared for selected components. The ESIA is equivalent to initial environmental examination (IEE) commensurate to category B projects. The impacts are limited to the footprint of the small-scale land maritime infrastructure on outer islands (including navigation aids, jetties, passenger terminal, concrete boat ramps, and shelters; and rehabilitating island-crossing causeways), and can be mitigated and managed to acceptable levels provided the measures identified in the environmental and social management plan (ESMP) are implemented, and subsequently monitored and reported. Short-term impacts are anticipated during construction, including dust, noise and waste generated during dredging excavation and civil works activities, as well as minor community and occupational health and safety risks.

42. The project will provide resources and support to ensure safeguards are effectively implemented. The KSFU and OIIU, to be supplemented by safeguards staff (four full-time national specialists and one intermittent international specialist), will review and clear the contractor's environmental and social management plan (CESMP) and KSFU and OIIU will monitor compliance with, and effectiveness of, the CESMP during construction. The contractor will recruit an experienced environmental specialist, with expertise in marine ecosystems, to prepare the CESMP (including site-specific plans, drawings and construction methodology for temporary working areas/platforms) and to monitor implementation of the same).

43. In compliance with ADB's Access to Information Policy, the ESMF and ESIA as well as subsequent ESIA prepared during the design stage and monitoring reports will be disclosed on ADB's website. The contractors will prepare their CESMP based on the ESIA/ESMP.

44. **Social.** The project is classified as category "B" for involuntary resettlement and category "C" for indigenous peoples. The proposed components will not have significant involuntary resettlement impacts, mostly confined to loss of trees and requirement for new land lease for selected maritime facilities. The MICTTD will be the implementing agency for maritime

¹⁷ ADB. 2009. *Safeguard Policy Statement*. Manila.

components and the MISE will be the implementing agency for land transport components. The OIIU, housed under, MFED will be established to support the MICTTD and MISE in managing the project. The OIIU project management functions include ensuring that safeguards activities are monitored and reported. The safeguards staff will include national environmental and social safeguards specialists and an international safeguards specialist full time for six years. Project Implementation Consultants will be engaged to support the project implementation including the preparation of safeguards action plans as well as support the establishment of the GRM system and monitor its progress, revising the approach where necessary.

45. The project implementation consultants jointly with MICTTD and MISE will undertake key activities below prior to site possession and commencement of civil works:

- (i) Ensure update of the resettlement plan based on detailed engineering and consultations and disclosure to all affected persons and other key stakeholders;
- (ii) Ensure that lease agreements are in place and payment disbursed to landowners;
- (iii) Confirmation of valuation based on full replacement cost at existing market price for all affected assets and lands to be acquired;
- (iv) Assist in disbursement of government funds for compensation and entitlements to affected persons;
- (v) Establishment of grievance redress mechanism for the project; and
- (vi) Preparation of the Compensation Completion Report and submission to ADB for clearance following payment of all compensation and entitlements to affected persons.

46. The capacity building on social safeguards within MICTTD and MISE will be supported by Project Implementation Consultants through training and coaching.

47. **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).

VIII. GENDER AND SOCIAL DIMENSIONS

48. The project is classified as *effective gender mainstreaming* (EGM). A gender analysis was carried out as part of project preparation, which identified that (i) women in outer islands have limited or no access to services and economic growth opportunities; (ii) boat travel between islands is unreliable and is considered unsafe for women, children, disabled people and the elderly; and (iii) women in outer islands face barriers to working in non-traditional sectors such as construction. A gender action plan (GAP) has been developed for the project with two objectives (i) to improve women's access to services and economic opportunities in outer islands; and (ii) promote safe employment and professional development opportunities for women working in transport sector. Activities have been included to address the barriers that female face to participate in the economy and to contribute towards ensuring that the participation of women in construction is sustainable, such as (i) community dialogue and sensitization activities to be carried out with both women and men to contribute to address the gender norms that might impede women's participation; (ii) explore partnership with Kiribati Institute of Technology (KIT) to promote the employment of female graduates (in construction related courses) on KOITIIP; (iii) pilot an all-female routine maintenance team for causeway/maritime facilities; (iv) all infrastructure / facilities built by the project will respond to the needs of women, children, the elderly and disabled (1) well-lit; (2) sheltered from rain and sun; (3) priority seating; (4) handrails and safety barriers; (iv) contractors guarantee equal pay and conditions for men and women working on the project; (v) contractors ensures facilities at and around the project site meet needs of men and women working on construction, such as separate, well-lit and lockable and easily accessible toilets and

locker rooms. Women in infrastructure network (MISE) will be established to promote the importance of work of women working in non-traditional fields, build professional capacity and support the operationalization of government's gender equality and safe workplace commitments (GAP is in Appendix 1).

49. Further, the project was screened using the World Bank's 'Gender-based Violence (GBV) Risk Assessment Tool' and was classified within the "Moderate Risk" category. Considering the Moderate Risk category and the high underlying rates of GBV and violence against children (VAC) in Pacific Island Countries, KOITIIP will develop a strategy and undertake several activities to address GBV. The strategy will be developed in consultation with relevant government and civil society stakeholders. Such actions may include: (i) identifying GBV prevention and response actors; (ii) informing those affected by the project of the GBV risks as part of stakeholder consultations; (iii) clearly defining the GBV requirements and expectations in the bid documents; and, (iv) implementing codes of conduct. A GBV Framework has been developed (GBV framework is in Appendix 2) in accordance with the World Bank's Good Practice Note on Addressing GBV in Investment Project Financing involving Major Civil Works (28 September 2018).

50. A GBV specialist will be recruited to for overall implementation, monitoring and reporting of GAP as well as GBV framework. All contractors and representatives, OIIU managers and consultants will be oriented to encourage women's equitable access to jobs in construction-related works adhering to core labor standards (including equal pay). The cost for GAP implementation has been absorbed in consulting services, institutional strengthening, and operational support.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

A. Project Design and Monitoring Framework

Impact the Project is Aligned with Access to economic and social infrastructure in the outer islands improved (Kiribati 20-Year Vision, 2016–2036) ^a			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Outcome Safety and resilience of transport connectivity in Abaiang, Beru, Nonouti, and Tabiteuea South improved	By 2027: 24-hour safe and resilient maritime navigation in 4 outer islands guided by nautical charts and maritime infrastructure provided (2020 baseline: 0)	MICTTD annual reports and project completion report	Lack of government commitment to improve project implementation capacity
Outputs 1. Safety of interisland navigation improved 2. Resilience of outer island access infrastructure improved 3. Enabling environment strengthened	By 2026: 1. 4 nautical charts on access routes to the project islands prepared (2020 baseline: 0) 2a. 30 new ATONs installed (2020 baseline: 0) 2b. 1 jetty, 4 boat ramps and 2 shelters, and 2 multipurpose maritime facilities designed with features that are friendly to older people, women, children, and people with disability (2020 baseline: 0) ^b 3a. At least 5 mentored MISE staff members (at least 20% women) demonstrated improved skills in designing and maintaining disaster-resilient infrastructure built under the project (2020 baseline: 0) 3b. At least 10 trained staff members from the MICTTD and the MISE (at least 30% women) demonstrated increased knowledge in resilient maritime infrastructure and causeways (2020 baseline: 0) 3c. 1 all-women routine maintenance team for causeways and maritime facilities pilot-tested ^c (2020 baseline: NA) 3d. GBV framework prepared and 4 training sessions on handling GBV cases provided to all project staff members from the MISE and the MICTTD (2020 baseline: NA; 0) 3e. At least 2 priority maritime projects identified (2020 baseline: 0)	1. MICTTD annual reports 2a–b. MICTTD annual reports 3a–e. Project progress reports	Cost overrun because of lack of experience with works in remote environments Fiduciary risk because of the small pool of local expertise in financial management

Key Activities with Milestones 1. Safety of interisland navigation improved 1.1 Specification for hydrographic surveys prepared (June 2020) 1.2 Consultants recruited (December 2020) 1.3 Hydrographic surveys completed (December 2022) 2. Resilience of outer island access infrastructure improved 2.1 Bidding documents for maritime infrastructure prepared (June 2022) 2.2 Procurement of works completed (December 2022) 2.3 Maritime infrastructure constructed and/or rehabilitated (June 2026) 3. Enabling environment strengthened 3.1 Consultants recruited (March 2021) 3.2 Training and capacity building delivered and maritime sector assessments and studies prepared (June 2026)
Project Management Activities Establish the OIIU and select a project manager by Q4 2020
Inputs ADB: \$10.01 million (ADF); \$1.99 million (ADF DRR financing mechanism) World Bank: \$30.0 million (IDA grant)
Assumptions for Partner Financing Outputs not administered by ADB that are necessary to reach the outcome include the following: A. Safety of interisland navigation improved: hydrographic surveys (World Bank) B. Resilient outer island access infrastructure improved: improvement of ship navigation safety, rehabilitation of island access infrastructure, and rehabilitation of causeways (World Bank) C. Enabling environment strengthened: institutional strengthening, operational support for the OIIU and the KFSU (World Bank)

ADB = Asian Development Bank; ADF = Asian Development Fund; ATON = aid to navigation; DRR = disaster risk reduction; GBV = gender-based violence; IDA = International Development Association; KFSU = Kiribati Fiduciary Services Unit; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; NA = not applicable; OIIU = outer islands implementation unit; Q = quarter.

^a Government of Kiribati. 2015. *Kiribati 20-Year Vision, 2016–2036*. Tarawa.

^b Includes lighting, shelter, priority seating, handrails and safety barriers, and separate flush toilets.

^c The number of women will depend on the type of works. Maintenance teams typically have about five people.

Source: Asian Development Bank.

B. Monitoring

51. **Project performance monitoring.** The ADB and the government will agree on a set of monitoring project performance on a quarterly basis. This will include, but not limited to, the targets, indicators, assumptions, and risks in the design and monitoring framework, contributions to ADB results framework and the implementation schedule. Disaggregated baseline data for output and outcome indicators gathered during project processing will be updated and reported quarterly through KFUS's quarterly progress reports and after each ADB review mission. These quarterly reports will provide information necessary to update ADB's project performance reporting system.¹⁸

52. **Compliance monitoring.** This will be provided through regular quarterly progress reports and during regular ADB review missions.

53. **Safeguards monitoring.** Monitoring for social and environmental safeguards will include reporting on progress of activities in the resettlement plan with particular focus on public

¹⁸ ADB's project performance reporting system is available at <http://www.adb.org/Documents/Slideshows/PPMS/default.asp?p=evaltool>

consultations, timeliness of payment of compensation, and approved CESMPs, respectively, and level of satisfaction including grievance resolution among the affected households and complainants. Corrective action requests and any unexpected impacts during project implementation will be reported by MICCTD and MISE, who will inform ADB and World Bank and address these issues according to the SPS 2009 and the World Bank policies.

54. MICCTD and MISE will be responsible for the preparation of semi-annual safeguards monitoring reports (SMR). OIIU safeguards staff will assist in preparing the reports. Monitoring will be carried out with assistance from MIA and OIIU. The SMR will cover all aspects of safeguards implementation. Appendix 3 includes implementation checklists and outline of contents of a SMR for social and environment matters.

55. **Gender and social dimensions monitoring.** The gender action plan (GAP) will be implemented, monitored, and reported quarterly following prescribed template.

C. Evaluation

56. ADB will review the project every 6 months. Each review will cover institutional, administrative, organizational, technical, environmental, social, poverty reduction, resettlement, economic, financial, and other aspects affecting the performance of the project and its continuing viability. The government and ADB, in coordination with the World Bank will jointly undertake a mid-term review mission of the project within about 3 years of its start. The mid-term review will focus on (i) project impact; (ii) implementation progress; (iii) performance of consultants and contractors; (iv) status of compliance with the covenants in the grant and project agreements; and (v) the need for any midcourse changes in project scope or schedule to ensure full achievement of the intended impact. Within 6 months of physical completion of the project, MFED will submit a project completion report to ADB.¹⁹

D. Reporting

57. MFED will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions, (c) updated procurement plan, and (d) updated implementation plan for the next 12 months; and (iii) a project completion report within 6 months of physical completion of the project. 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.

E. Stakeholder Communication Strategy

58. The stakeholder engagement and communication plan in Appendix 4 was prepared to ensure meaningful consultation with key stakeholders during project preparation and implementation. It indicates the types of information, means of communication, responsibility and timing of consultation throughout the duration of the project. The government will be responsible for implementing and updating the plan as required with assistance from the supervision consultant.

¹⁹ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

X. ANTICORRUPTION POLICY

59. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the project.²⁰ 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.²¹

60. To support these efforts, relevant provisions are included in the grant agreement/regulations and the bidding documents for the project. ADB's Anticorruption Policy (1998, as amended to date) was explained to and discussed with the government.

XI. ACCOUNTABILITY MECHANISM

61. 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.²²

XII. RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL

62. All revisions and/or updates during the course of implementation will be retained in this section to provide a chronological history of changes to implemented arrangements recorded in the PAM, including revision to contract awards and disbursement s-curves.

²⁰ Anticorruption Policy: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

²¹ ADB's Integrity Office web site: <http://www.adb.org/integrity/unit.asp>

²² Accountability Mechanism. <http://www.adb.org/Accountability-Mechanism/default.asp>.

Gender Action Plan

Outputs	Activities and Targets/Indicators	Responsibility	Timeframe
Output 2: Resilient outer island access infrastructure ship-to-shore transfer and land transport improved.			
<p>2a. 30 new ATONs installed (2019 baseline: 0).</p> <p>2b. 1 jetty, 4 boat ramps, and 2 multipurpose maritime and maintenance facilities/workshops all designed with EWCD friendly features (2019 baseline: 0).</p>	<ol style="list-style-type: none"> 1. Women employed by the project in skilled and unskilled positions (Target: 40% women). 2. At least 1 community consultation in each project site organized to raise awareness of women working in non-traditional sectors conducted by the contractor (Target: 50% women). 3. Equal pay for work of equal value for men and women working on the project guaranteed by the contractor.^a 4. Facilities at and around the project site meet needs of men and women working on construction, such as separate, well-lit and lockable and easily accessible toilets and locker rooms (Target: all project sites). 5. KOITIIP GBV requirements (code of conduct, signage on GBV, consultations, GRM for receiving, registering, referring, and reporting complaints) supported by the contractor. 6. All infrastructure / facilities built by the project respond to the needs of women, children, the elderly and disabled: (i) well-lit; (ii) sheltered from rain and sun; (iii) priority seating; (iv) handrails and safety barriers; and (v) flush toilet (Nonouti) (Target: all project infrastructure facilities). 7. Survey/FGD held to collect and document women's views on level of improvement of trade opportunities as result of the project interventions^b. 70% of women surveyed/in FGDs report some level of improvement of trade opportunities. 8. Advocacy with local councils to allocate a place for women to informally market their produce in shelters built by the project (Target: at least one advocacy meeting per year organized). 9. Case study / qualitative research on women's transport habits for trade conducted (Target: 1 case study prepared). 	OIIU MISE MICTTD	Year 1–6
Output 3: Capacity of MICTTD and MISE strengthened to ensure the sustainable investments and operations.			
<p>3a. MISE staff received training from mentoring firm(s) (at least 20% women).</p> <p>3b. Relevant training delivered to staff from implementing agencies including all eligible women staff</p> <p>3c. Pilot one all women routine maintenance team for causeways/maritime facilities)</p> <p>3d. Training on handling cases of GBV to all project staff from implementing agencies and GBV framework prepared</p>	<ol style="list-style-type: none"> 10. 5 MISE staff received training from mentoring firm (at least 20% women).^c 11. Relevant training delivered to 10 staff from implementing agencies including all eligible women staff (at least 30% women).^d 12. 4 trainings on handling cases of GBV to all project staff from implementing agencies (2020 baseline: 0). 13. A GBV framework developed and systems in place to address GBV among workers and the communities (signage, code of conduct and a GRM for receiving, registering, referring and reporting complaints) implemented by OIIU. 14. A support fund for GBV survivors maintained by OIIU. 15. GBV referral mechanism (SafeNet) operational in 100% project sites implemented (baseline 2019: 25%).^e 16. Training courses provided to all Assistant Social Welfare Officers (MWYSSA) in project sites on KOITIIP GBV Framework and GRM (Target: at least 2 training courses). 17. MWYSSA representative is included in KOITIIP steering committee. 18. Project staff and contractors (male and female) trained on KOITIIP gender related instruments and GOK GBV commitments. (Target: 100% of project staff).^f 19. An all-female routine maintenance team piloted for causeway/maritime facilities in Abaiang^g (Target: 1). 	OIIU MISE MICTTD	Year 1–6

Outputs	Activities and Targets/Indicators	Responsibility	Timeframe
	20. Community consultation conducted to evaluate the effectiveness of all-female routine maintenance team. 21. Collection and analysis of sex disaggregated data, monitoring and reporting of the GAP and GBV Framework (Target: Quarterly reporting). 22. By 2025, capacity exists within MISE and MICTTD to effectively mainstream gender equality in infrastructure (baseline 2019: 0). Capacity will be measured by pre-post questionnaires, case studies and other evaluation methodologies. 23. Women in Infrastructure Network in MISE established to promote the importance women working in non-traditional fields, build professional capacity and support the operationalization of GOK gender equality and safe workplace commitments. ^h 24. Gender focal points MISE and MICTTD formally appointed/nominated.		

ADB = Asian Development Bank; ATON = aid to navigation; EWCD = elderly, women, children and disabled; FGD = focus group discussion; GAP = gender action plan; GOK = Government of Kiribati; KOITIIP = Kiribati Outer Islands Transport Infrastructure Investment Project; OIIU = outer islands implementation unit; GBV = gender-based violence; GRM = grievance redress mechanism; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; MWYSSA = Ministry of Women, Youth and Social Affairs.

^a Payroll with names, sex, work done, working period, and wages received will be made available by the contractor for inspection.

^b There is a total of 31 women owned businesses operating on the four islands (Abaiang 14, Beru 3, Nonouti 2 and Tabiteuea South 2) however, almost all women are involved in informal trading.

^c Target-based on percentages of women employed by KOITIIP implementing agencies (33% in MICTTDD and 25% in MISE) and previous targets achieved by ADB and World Bank infrastructure projects in Kiribati.

^d Target based on percentages of women employed by KOITIIP implementing agencies (33% in MICTTD and 25% in MISE) and previous targets achieved by ADB and World Bank infrastructure projects in Kiribati.

^e SafeNet is the Government of Kiribati national referral for gender-based violence. At present the SafeNet is operating in Abaiang. SafeNet service providers exist in Beru, Nonouti, and Tabiteuea South but services are not linked under a SafeNet committee and do not follow SafeNet Standard Operating Procedures.

^f National Gender Equality and Women's Development Policy (2017), and the National Approach to Eliminating Sexual and Gender Based Violence Policy and Action Plan 2011–2021.

^g The number of women will depend on the type of works. Maintenance teams typically have about five people.

^h The Kiribati Occupational Health Safety and Welfare Act 2015, Ministry of Labour developed a Gender Access and Equality Plan (2010) and the Convention on the Elimination of All forms of Discrimination Against Women to which Kiribati is a signatory all promote safe workplaces in Kiribati.

Gender-Based Violence Framework

Actions taken to address GBV risks	Timing for Actions	Responsibility	Status	Comments
Review the IA's capacity to prevent and respond to GBV as part of Safeguard Preparation.	Preparation	WB Gender Specialist National Gender Social Safeguards Specialist	Completed	<ul style="list-style-type: none"> Discussions on GBV were included as part of due diligence missions (August, October, November 2019) A gender capacity assessment was conducted in September 2019 by the International Gender Specialist and findings were included in a Gender Analysis. Ongoing consultations and discussions on the GBV responsibilities will continue for the life of the project.
As part of the project's stakeholder consultations, those affected by the project should be properly informed of GBV risks and project activities to get their feedback on project design and safeguard issues.	Preparation / Implementation	WB Gender specialist	Ongoing	<ul style="list-style-type: none"> Consultations were held with stakeholder ministries, SafeNet representatives and GBV service providers as part of the design of the GBV Framework and GAP. Social Safeguards International Consultant, International Gender Specialist and National gender and social safeguards specialist discussed GBV risks and proposed activities with women and men in the project sites. Ideas included in the GBV Framework were discussed and tested with stakeholders during a consultation workshop (October 11). Further consultations will be conducted in each project site as per the GAP.
Map out GBV prevention and response actors in project area of influence. This should incorporate an assessment of the capabilities of the service providers to provide quality survivor centered services.	Preparation	Gender Specialist	Completed	<ul style="list-style-type: none"> A mapping of GBV service providers operating in Kiribati and in the project sites has been conducted and is included in the ESMP. Guidance on the referral protocols and national laws (Kiribati Children Young People and Family Welfare Act and Kiribati Occupational Health Safety Act, Kiribati Terrorism and Organized Crime Act) and policies (National Approach to Ending Sexual and Gender Based Violence in Kiribati) is also included in ESMP. An assessment of existing services was conducted in June 2019 and finalized during consultations in October 2019.
GBV risks are adequately reflected in all safeguards.	Preparation / Contract Awarding	WB Contractor	Draft	<ul style="list-style-type: none"> ESMP includes GBV Plan and draft instruments (CoC, GRM, GBV stakeholder mapping). Stakeholder consultation plan includes GBV mapping and draft GRM. Risks at and around the project sites including equal access to facilities (separate locker rooms, lighting, toilets). C-ESMP will include finalized GBV plan and instruments.
Develop a GBV Framework including the Accountability and Response Framework as part of the ESMP. The contractor/consultant's response to these requirements will be required to be reflected in their C-ESMP.	Preparation / contract awarding	WB / Contractor	Draft	<ul style="list-style-type: none"> Draft GBV Framework developed October 2018.
The Stakeholder Engagement Plan of the project, which		WB / Contractor	Draft	<ul style="list-style-type: none"> There is a plan to display signs around the project site that signal to workers and the community that the project site is an area where GBV is prohibited.

Actions taken to address GBV risks	Timing for Actions	Responsibility	Status	Comments
will be implemented over the life of the project to keep the local communities and other stakeholders informed about the project's activities, to specifically address GBV related issues.				<ul style="list-style-type: none"> • The GAP, CoC, GRM will be translated into local language and discussed as part of all consultations. • KOITIIP will work with GOK SafeNet partners to deliver GBV awareness activities and training.
Make certain the availability of an effective GRM with multiple channels to initiate a complaint.		WB / Contractor	Draft	<ul style="list-style-type: none"> • A draft GRM has been developed (October 2019). • MOU will be developed with MWYSSA identifying them as the GBV Provider. • A support fund for survivors of violence will be managed by the OIIU. This fund will be used for evacuation of survivors and mediation. • A GRM Operator (National GBV Specialist) will be appointed to the OIIU full time to oversee the implementation of the GAP and GRM. • A national free call Help Line (191) is in service. • A SMS number for registering anonymous complaints will be established by the OIIU. • Training will be provided to all Assistant Social Workers in project sites. • Capacity development will be provided for the MISE and MICTTD on GBV and providing a safe workplace. • A TOR has been developed for National GBV Specialist (fulltime) and International Gender Specialist (intermittent) to oversee the implementation of the Gender Action Plan and GBV activities. • GBV requirements will be included in bidding documents. • A draft code of conduct has been developed and will be finalized by contractors.

ADB = Asian Development Bank; ATON = aid to navigation; CESMP = contractor environmental and social management plan; EWCD = elderly, women, children and disabled; ESMP = environmental and social management plan; GAP = gender action plan; GOK = Government of Kiribati; IA = implementing agency; KOITIIP = Kiribati Outer Islands Transport Infrastructure Investment Project; OIIU = outer islands implementation unit; GBV = gender-based violence; GRM = grievance redress mechanism; MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; MOU = memorandum of understanding; MWYSSA = Ministry of Women, Youth and Social Affairs; TOR = terms of reference; WB = World Bank.

Sources: Asian Development Bank and the World Bank.

Grievance Redress Mechanism for Gender-Based Violence

1. The Kiribati Outer Islands Transport Infrastructure Investment Project (KOITIIP) proposed the grievance redress mechanism (GRM) for gender-based violence (GBV) to handle all GBV complaints in and around the project site. Complaints about perpetrators not linked to the project can also be handled by the GRM. The GRM provides multiple ways that complaints can be made. Complaints can be made via phone (national free call Help Line 191), email to World Bank, face to face or via short message service (SMS) to a number that will be set up by the outer islands implementation unit (OIU). Complaints can be received by all project, government or community organisations in or around the project site. Complaints can be made by complainants, community members, leaders or colleagues.
2. The GRM uses the existing Government of Kiribati's SafeNet to refer and handle complaints. A memorandum of understanding (MOU) between the Ministry of Women, Youth and Social Affairs (MWYSSA) and KOITIIP establishing the responsibility of MWYSSA as the GBV Provider and KOITIIP staff as the GRM Operator (based in OIU). The GBV provider will ensure that all GBV complaints made to the Assistant Social Welfare Officer (ASWO) will be shared with the GRM Operator for registering. Once a case is resolved, the ASWO will also be required to share the outcome with the GRM Operator who will register the resolution.
3. KOITIIP will support MWYSSA to operationalise SafeNet processes in four outer islands (Abaiang, Beru, Nonouti, and Tabiteuea South) through the provision of training to the ASWO on the KOITIIP GBV Framework and tools, by involving SafeNet members in community consultations and GBV awareness activities and through the establishment of a GBV support fund to be used for the evacuation and care of survivors. This fund can also be used for mediation when users are not satisfied with the proposed resolution achieved under the SafeNet system.
4. All reported GBV cases will be treated confidentially and KOITIIP will store no identifiable information on the survivor / complainant. The GRM Operator will only register the following information:
 - (i) Nature of the complaint
 - (ii) Perpetrator's connection to KOITIIP
 - (iii) Sex and age of the survivor
5. All GRM procedures will be transparent and shared with all staff and contractors and communities during consultations.
6. Reporting on the GRM will be included in all Aide memoires, implementation status reports (ISRs). GRM reporting will only include:
 - (i) Include number of open cases.
 - (ii) Number of cases handled.
 - (iii) Time taken to handle cases
7. An assessment on the effectiveness of the GRM will be conducted as part of the mid-term review or end of project evaluation.
8. The costs associated with operating the GRM will be financed by the project as part of the general project management costs. Additional costs for training, awareness raising and survivor support fund have been budgeted in the Gender Action Plan.

Suggested Outline of Semi-annual Safeguards Monitoring Report

Heading/Section	Contents
Introduction	Brief background on the project and subproject; Institutional arrangements for project management and environmental management;
Monitoring Activities	Who participated in the monitoring; Methodology for monitoring (whether checklists prepared etc.); When the monitoring was undertaken and what period it covers; Summary of other monitoring undertaken in the period (i.e. from contractor's monthly reports and if any survey/sample monitoring undertaken); Main activities – observations/inspections, consultations, interviews with contractor staff etc.
Works in Progress	Details of the works being undertaken, (with photographs); Include whether any environmental training/awareness has been provided to contractor staff in the period (what, by whom etc.)
Monitoring Results and Actions Required	Whether works and measures comply with the approved EMP/CEMP; Should follow sequence of items identified in EMP/CEMP and verify that all mitigations measures noted are being implemented; Corrective actions cited (date to be resolved and person responsible on contractor team and verification by IA/HRMG)
Summary and Conclusions	Summary of main findings; Main issues identified and corrective actions noted; Can include summary table which can be updated each period to track completion of actions required
Annexes	Monitoring checklist (based on items identified in the EMP/CEMP) refer annex 1 Additional photographs Additional information as required

Stakeholder Engagement and Communication Plan

Issue	Target Audience	Means of Communication	Responsible	Timing	Source of Funds
Free Prior and Informed Consultation. Presentation of information about the project, impacts and mitigation measures to confirm community support for the project.	Island Councils, village leaders, local communities, and their traditional leaders.	Consultation meetings. Presentation of plan/ project/ activity, land requirements. Consensus building/ decision making.	OIIU, MISE, MITCCD.	During project design	GOK counterpart
Works schedule Anticipated dust, noise and other works related impacts. Hazards and safety requirements Workers accommodation arrangements and community relations. GRM	Island Councils, village leaders, local communities, and their traditional leaders.	Consultation meetings with Island Councils and communities. Public notice boards/ signs	Contractors	Prior to commencement of works and during works as needed.	Contractors budget
Contractor community relations and issues	Island Councils, village leaders and traditional leaders	Regular meetings throughout works period.	Contractor	Throughout works.	Contractors budget
Disclosure of RP	Island Councils, village leaders, local communities, and their traditional leaders.	Consultation meetings to present RP/updated RP. Additional separate meetings with APs and their traditional leaders. Presentation of plan/ project/ activity, Consensus building/ decision making. Public posting of updated PIB in Island Council notice boards and dissemination to traditional leaders and APs. Hard copy of approved RP provided to Island Councils for public access.	OIIU, MISE, MITCCD	During RP preparation	GOK counterpart

Issue	Target Audience	Means of Communication	Responsible	Timing	Source of Funds
	General public	Public disclosure on websites of ADB, WB and GOK websites (MFED, MISE, MITCCD)	ADB, WB, GOK (MFED, MISE, MITCCD)	Following approval of the RP	NA
Compensation disbursement schedule	Affected households	Notices to individual households	OIIU, MELAD	Minimum 1 week prior to disbursement	GOK counterpart

ADB = Asian Development Bank; AP = affected person; GOK = Government of Kiribati; OIIU = outer islands implementation unit; MELAD = Ministry of Environment, Lands and Agricultural Development;;MICTTD = Ministry of Information, Communication, Transport and Tourism Development; MISE = Ministry of Infrastructure and Sustainable Energy; NA = not applicable; RP = resettlement plan; WB = World Bank.

Sources: Asian Development Bank and the World Bank.