



02 February 2015

H.E. Mr. Aiyaz Sayed Khaiyum M.P.
Attorney General and Minister for Finance
Government of Fiji
Suva, Fiji

Dear Minister Sayed-Khaiyum,

TA 8777-FIJ: Strengthening Transport Coordination Capacity

We are pleased to inform you that on 5 December, the Asian Development Bank (ADB) approved the provision of technical assistance (the Technical Assistance) to the Government of Fiji (the Government) in an amount not exceeding the equivalent of US\$700,000 for Strengthening Transport Coordination Capacity (the "Technical Assistance").

The Technical Assistance aims to develop and implement a capacity development plan for MOF and the Ministry of Infrastructure and Transport (MOIT) to enhance staff capacity in planning, selecting, and overseeing infrastructure projects, including those implemented by FRA. Expected outputs will include strengthened ability of MOF and MOIT to review subproject selection and feasibility studies and align national policy objectives with sector-specific strategies. The TA will build capacity of government staff in infrastructure planning, asset management, economic analysis and safeguards.

As indicated in the Technical Assistance Report (attached), the Ministry of Finance will serve as the executing agency; while the Fiji Roads Authority will serve as the implementing agency. The cost estimates and financing plan and the terms of reference of consultants to be engaged under the TA are included in the attached Technical Assistance Report.

If these arrangements are acceptable to the Government, kindly countersign in the space indicated below by 6 February 2015. Please retain one copy for your records and return one copy to ADB.

As Director, Transport, Energy and Natural Resources Division, Pacific Department of ADB, I will be responsible for all matters pertaining to the preparation and implementation of the TA. Therefore, all communications on this matter may be addressed to me.

Yours sincerely,

Robert Guild
Director
Transport, Energy and
Natural Resources Division

Technical Assistance for Strengthening Transport Coordination Capacity (TA 8777-FIJ)

On behalf of the Government:

A Y A Z S A Y E D - K H A I Y U M
Printed name and signature

ATTORNEY GENERAL & MINISTER OF FINANCE
Designation

5th MAY, 2015
Date

Attachment: TA Report

- cc: H.E. Lt. Col. Pio Tikoduadua M.P., Minister for Infrastructure and Transport
Mr. Filimone Waqbara, Permanent Secretary for Finance
Lt. Col. Francis Kean, Permanent Secretary for Infrastructure and Transport
Mr. Parmesh Chand, Permanent Secretary, Public Service Commission, and Chairman, Fiji Roads Authority
Mr. Neil Cook, Chief Executive Officer, Fiji Roads Authority
Mr. Shavarda Sharma, Solicitor General
Mr. Isikeli Voceudua, Deputy Permanent Secretary, Ministry of Finance
Mr. Bhimantara Widyajala, Executive Director, Asian Development Bank

ATTACHED TECHNICAL ASSISTANCE

A. Introduction

1. The technical assistance (TA) for Strengthening Transport Coordination Capacity is the Asian Development Bank's (ADB) response to a request from the Government of Fiji to build the capacity of staff from the Ministry of Finance (MOF), and the Ministry of Infrastructure and Transport (MIT) in transport infrastructure planning, design, and monitoring. The TA was discussed with the government during the fact-finding mission for the Transport Infrastructure Investment Sector Project.

2. The TA will strengthen the capacity of MOF, and MIT in planning, selecting, and overseeing infrastructure projects, and in streamlining broader national policy objectives with sector-specific policies and plans. The TA will be implemented over 36 months, from July 2015 to June 2018. The TA will primarily provide capacity development support staff of MOF and MIT in Fiji's capital, Suva. It will also provide opportunities for staff to attend workshops, seminars, and training locally and overseas, as appropriate.

B. Outputs and Key Activities

3. The TA will (i) conduct a training needs analysis for selected MOF and MIT staff who are responsible for capital and operational budgets for infrastructure sectors; (ii) produce a capacity development plan for staff approved by the government; (iii) provide training opportunities in infrastructure planning and management for selected MOF and MIT staff; and (iv) regularly monitor progress and evaluate training outcomes.

4. The TA will be implemented in parallel with the Transport Infrastructure Investment Sector Project. It will support MOF and MIT staff in reviewing subproject screening reports, detailed feasibility studies and designs, and implementation progress reports prepared by the Fiji Roads Authority (FRA) and design and supervision consultants. The TA will also provide broader support for capacity development to MOF and MIT to plan infrastructure investment by focusing on (i) infrastructure asset management for line agencies, and (ii) opportunities for project financing and public-private partnerships (PPPs).

5. Training programs will be developed for government staff in the areas of economic analysis of projects, financial analysis, asset management principles, and PPPs. Resource persons will be identified to provide introductory training, and further training opportunities will be made available for selected staff through workshops, seminars, and other training. These may be through industry-led courses and executive programs provided by the Transportation Research Board, the Transport Research Laboratory, the Institute of Asset Management, the Institute of Public-Private Partnerships, and selected universities.

C. Cost and Financing

6. The TA is estimated to cost \$800,000 of which \$700,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-others). The government will provide counterpart support in the form of counterpart staff, office accommodation, and other in-kind contributions.

Cost Estimates and Financing Plan
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultant	340.0
ii. National consultant	90.0
b. International and local travel	50.0
c. Reports and communications	10.0
2. Training, seminars, and conferences	
a. Facilitators	50.0
b. Training programs	90.0
3. Contingencies	70.0
Total	700.0

Note: The technical assistance (TA) is estimated to cost \$800,000, of which contributions from the Asian Development Bank are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office accommodation, and other in-kind contributions. The value of government contribution is estimated to account for 12.5% of the total TA cost.

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

Source: Asian Development Bank estimates.

D. Implementation Arrangements

7. The MOF will be the executing agency for the TA. The project steering committee will serve as the steering committee for the TA. The MOF will be responsible for overseeing and monitoring TA implementation, and will appoint a focal person to coordinate capacity development activities. Coordination of capacity development activities will involve collaboration with the institutional development specialist to identify staff from MOF and MIT involved in infrastructure planning, project selection, and monitoring. These staff will establish an infrastructure advisory team that will be included in the planning, selection, and implementation supervision of infrastructure projects in the country, from the perspective of a central ministry responsible for high level planning.

8. The TA will require an international institutional development specialist (14 person-months) and a national institutional development coordinator (15 person-months). The specialist and the coordinator will be responsible for conducting a training needs analysis, and designing and implementing a capacity development plan. The specialist will have (i) an advanced degree in infrastructure planning or a closely related field; (ii) at least 15 years of experience in an operational role in the infrastructure sector, including 5 years of experience in the transport sector; (iii) demonstrated experience in capacity development activities in developing countries; and (iv) relevant work experience in Pacific developing member countries or similar environments. The national coordinator will have (i) a degree in civil engineering or a relevant field, (ii) at least 5 years of experience in the infrastructure sector, and (iii) relevant experience working with international organizations. The terms of reference of the international and national consultant include but are not limited to the following tasks:

- (i) design institutional arrangements, roles, and responsibilities to establish a project advisory team that consists of staff from and MIT;
- (ii) conduct a training needs analysis for the project advisory team staff through individual interviews in the areas of infrastructure planning and economics, asset management principles, and PPPs;

- (iii) develop a training program tailored to each individual staff member;
- (iv) identify and invite national and international speakers to provide introductory workshops in the identified areas of interest and relevant national infrastructure planning;
- (v) identify national, regional, and international workshops and training courses in the areas of interest, and recommend MOF and MIT personnel to attend them;
- (vi) identify opportunities to second MOF and MIT personnel to national infrastructure line agencies and development partners for on-the-job training;
- (vii) establish a personnel evaluation system that is tied to the training program to evaluate individual staff member's capacity development progress;
- (viii) monitor staff capacity development progress through the personnel evaluation system; and
- (ix) upon completion, evaluate the performance of the capacity development plan, identify areas requiring further development, and prepare a longer-term training program to follow on from the TA.

9. The consultants will be engaged by ADB in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time). Individual consultant selection will be used.

10. The consultants will produce (i) an inception report detailing the approach and methodology for the TA within 2 weeks of mobilization; (ii) a training needs assessment of selected staff from the MOF and MIT within 2 months of commencement of the assignment; (iii) a capacity development plan for the selected MOF and MIT staff approved by the government within 4 months of commencement of the assignment; (iv) quarterly progress reports, including staff capacity development progress based on the established personnel evaluation system; (v) a midterm report 1 year after commencement of the TA; and (vi) a final report evaluating the performance of the capacity development plan.