

MINISTRY OF HOUSING, CONSTRUCTION AND SANITATION (MVCS)
REPUBLIC OF PERU

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**THE PREPARATORY SURVEY
FOR
WATER SUPPLY AND SANITATION
IMPROVEMENT PROJECT
IN
RURAL AMAZON AREA**

FINAL REPORT

**VOLUME III
OPERATION MANUAL**

MARCH 2010

JAPAN INTERNATIONAL COOPERATION AGENCY

**NIPPON KOEI CO., LTD.
NIPPON KOEI LATIN-AMERICA AND CARIBBEAN CO., LTD**

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FINAL REPORT

CONTENTS OF VOLUMES

	TITLE OF VOLUME	LANGUAGE
VOLUME I	MAIN REPORT	SPANISH ENGLISH
VOLUME II	APPENDICES FOR MAIN REPORT	SPANISH ENGLISH
VOLUME III	OPERATION MANUAL	SPANISH ENGLISH
VOLUME IV-1	CONGLOMERATE C-1	SPANISH
VOLUME IV-2	CONGLOMERATE C-2	SPANISH
VOLUME V	SUMMERY IN JAPANESE	JAPANESE

The comments and suggestions provided until 01 Mach 2010 have been incorporated in the Final Reports.

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(As of May 2009)

US\$: United States Dollar

JY : Japanese Yen

S/. : Peruvian Nuevo Sol

Foreword

In response to a request from the Government of Peru, the Government of Japan decided to conduct “The Preparatory Survey For Water Supply and Sanitation Improvement Project in Rural Amazon Area” and entrusted the Study to the Japan International Cooperation Agency (JICA).

JICA dispatched a study team headed by Mr. Shinya TAKAHASHI of Nippon Koei Co., LTD. in association with Nippon Koei Latin-America and Caribbean CO., LTD during the period from March 2009 to December 2009. In collaboration with Peruvian counterparts the Study Team conducted the field survey and held a series of discussions with the officials concerned of the Government of Peru. After the Team returned to Japan, further studies were made and then the report was finally completed.

I hope that this report will contribute to the improvement of water supply and sanitation in the rural Amazon area of Peru and to the enhancement of the friendship between the two countries.

Finally, I wish to express my sincere appreciation to the officials concerned of the Government of Peru for their close cooperation extended to the Study Team.

March, 2010

Izumi TAKASHIMA

Vice-President

Japan International Cooperation Agency

Letter of Transmittal

March 2010

Mr. Izumi TAKASHIMA
Vice President
Japan International Cooperation Agency

We are pleased to submit to you the final report on the Preparatory Survey for the Water Supply and Sanitation Improvement Project in Rural Amazon Area.

This report, prepared according to the contract between JICA and the Consortium of Nippon Koei Co., Ltd. and Nippon Koei Latin-America and Caribbean Co., Ltd.; describes the results of the preparatory survey conducted in the Republic of Peru, during the period from March 2009 to March 2010.

This final report consists of a Main Report, a volume of Appendices for the Main Report, an Operation Manual, two volumes of F/S Report for each Conglomerate C-1 and C-2. This final report is a feasibility report prepared in compliance with the National System of Public Investment (SNIP) that has been established for evaluation of projects at pre-investment, investment and post investment stages. We hope that the final report should contribute to the early implementation of the project for the improvement of water supply and sanitation in rural Amazon area of Peru.

In closing, we would like to express our heartfelt gratitude to JICA, the Japanese Embassy in Peru, the Ministry of Foreign Affairs of Japan, other donors, and our counterpart: the Ministry of Housing, Construction and Sanitation; for their tremendous support and cooperation extended to us during the study period. We hope that the study will open up another path in deepening the close and cordial ties between the two countries.

Very truly yours

Shinya TAKAHASHI
Team Leader,
The Preparatory Survey for
Water Supply and Sanitation in
Rural Amazon Area in Peru,
Nippon Koei Co., Ltd.

**PREPARATORY SURVEY FOR
WATER SUPPLY AND SANITATION IMPROVEMENT PROJECT
IN RURAL AMAZON AREA**

FINAL REPORT

VOLUME III

OPERATIONAL MANUAL

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TERMS OF REFERENCES

1. GENERAL COORDINATOR
2. ASSISTANT MANAGER OF THE PROGRAM MANAGEMENT UNIT
3. RESPONSIBLE FOR THE SECTOR INSTITUTIONAL STRENGTHENING
4. TECHNICAL COORDINATOR OF THE PMU
5. MONITORING AND EVALUATION SPECIALIST OF THE PMU
6. CONTRACT ADMINISTRATOR OF THE PMU
7. SOCIAL SPECIALIST FOR RURAL AREAS
8. PROCUREMENT SPECIALIST OF THE PMU

ABBREVIATIONS AND ACRONYMS

A&S	Water and Sanitation or W&S
ADCC	Auto declared capital confrontation
AOM	Administration, Operation and Maintenance
BID	Inter- American Development Bank or IDB
BIRF	International Bank for Reconstruction and Development or IBRD
CO	Operator Consultant or OC
DGPM	General Management of Multiannual Schedule of the Public Sector
DGTP	General Directorate of Public Treasure
DNCP	National Directorate of Public Accounting
DNEP	National Directorate of Public Debt
DNPP	National Directorate of Public Budget
DNS	National Direction for Sanitation
EDA	Acute Diarrhea Diseases
ENDES	Continuous National Demographic Family Health Survey
FONCODES	Social Compensations and Development Fund
GCT	Gravity system with treatment
GST	Gravity system without treatment
HC	Home connection.
HF	Table or home filters
INEI	National Institute of Statistics and Information
IS	Individual system
JASS	Administrative Board of Sanitation Services or ABSS
LG	Local Government
JICA	International Cooperation Japanese Agency
MEF	Ministry of Economy and Finances
MO	Operational Manual or OM
MP	Manual pump
MS	Multifamily system
MVCS	Ministry of Housing, Construction and Sanitation
NAC	National Accountant Office
OGPP	General Office of Budget and Planning
OM	Operational Manual
OSCE	Supervising Agency of State Contracts
PAA	Procurement Annual Plan or PAP
PAPT	Water for All Program or WfAP
PARSSA	Support Program to the Restructure of the Sanitation Sector
PCT	Pump system with treatment
POA	Annual Operative Plan
PP	Public pump
PQ	Prequalification
PRONASAR	National Program of Water and Sanitation for Rural Areas
PST	Pump system without treatment
RG	Regional Government

RS	Roof system or rainwater collection
SAV	Housing Administration System
SEDAPAL	Drinking Water and Sewer Services of Lima
SC	Supervisor Consultant (SC)
SIAF	Financial Administration System
SNIP	Public National Investment System
SOE	Expenditure Statement
ToR	Terms of Reference
TSE	Technical, Social and Environmental
PMU	Project Management Unit
UPPI	Budget, Administration and Information Technology Unit
VMCS	Vice Ministry of Construction and Sanitation Organization

CHAPTER I
BACKGROUND

PURPOSE OF THE OPERATION MANUAL

OUTLINE OF THE PROGRAM

CHAPTER I: BACKGROUND
- PURPOSE OF THE OPERATION MANUAL
- OUTLINE OF THE PROGRAM

1.1 INTRODUCTION

The Operational Manual is elaborated to assure the success of the objectives established for the Drinking Water and Sanitation Program for the Rural Amazon and Loan Agreement between the Vice Ministry of Housing, Construction and Sanitation (VMVCS: *ViceMinisterio de Vivienda Construcción y Saneamiento*) and International Cooperation Japanese Agency-JICA(JICA- *Agencia de Cooperación Internacional Japonesa*); for this, it follows the policies, strategies and objectives of the MVCS; labels the terms; and establishes the mechanisms, procedures and policies that must be followed in the different phases of the project implementation. This manual is part of the orientation and regulations document elaborated from the managing and executive entities, agency and other bodies involved in the Program, allowing homogeneous actions for an optimal implementation and efficient use of its sources.

The Operational Manual defines conceptual and technical frames for the National Program of Drinking Water and Sanitation for the Rural Amazon and the levels of responsibility of the entities and agencies involved in its implementation.

1.2 PURPOSE AND CONTENT OF THE OPERATIONAL MANUAL

The general purpose of this manual is to make easy to the workers of the Project Management Unit –PMU (UGP- *Unidad de Gestion del Programa*), of the Ministry of Housing, Construction and Sanitation (MVCS: *Ministerio de Vivienda, Construcción y Saneamiento*) and to the workers of other entities, the guides and the standards of the organization, management and implementation of the Program.

The content of the Manual is constituted of 5 chapters. Chapter I contains all related to the backgrounds, objectives, principles, policies, strategies and the approach of the Program, as well as the components, the Logical Framework and the investment cost. Chapter II involves a general scheme to the execution of the Program, where the Institutional Framework is detailed for central and local areas. Chapter III describes the model of intervention, which includes the entities involved in the Program (VMCS, DNS, UGP, Operations Consultant, Supervisor Consultant, Local Governments, Communities and JASS); the length of the project; types of

subprojects and the components of the program. Chapter IV will describe the administrative, financial and acquisition aspects, the financial system information, planning tools and the activities schedule, the financial-administrative processes and procedures, internal controls and auditing mechanisms. Chapter V, the last chapter of the manual, describes the managing system, monitoring and evaluation of the Program; supervision and auditing of the Program by the sector and financial entity, herein the Japan International Cooperation Agency- JICA.

1.3 THE DRINKING WATER AND SANITATION PROGRAM FOR THE RURAL AMAZON AREA

1.3.1 Background

Peru has 27.41 million inhabitants by the year 2007, according to the National Population and Dwelling Census, distributed in 3 natural regions: Coast (54.6%), Highlands (32.0%) and Jungle (13.4%).

There are 6.6 million inhabitants in rural zones in Peru (24.1% of the total population), which 4.85 million do not have direct access to drinking water and 2.8 million lack of an adequate waste sanitation.

The water supply coverage covers a total of 25.8% of the population in rural areas in relation to the nation. Of this total, 13.3% have access to the public supply inside its houses, 8.9% have access to the public supply outside of its house but inside the property and 3.6% obtain water from public water faucet.

The basic sanitation coverage in rural areas is of 57.4%, of this 2.5% have home sewer connections.

The population of rural areas which count with coverage from the Program (Loreto, Amazonas, Madre de Dios, San Martin, Ucayali), is of 910.4 thousand inhabitants, of which 25.5% count with drinking water services (23.5% with home connections and 2.5% through public water faucet). As for sewage services, 7.2% have access to the public sewer and 66.8% use latrine. Table 1.1.

Table 1.1 Water and Sanitation Service Coverage

	Water		Sanitation	
	House connection	Public Tap	Public System	Latrine
Low Forest	19.3%	3.1%	3.3%	64.9%
High Forest	30.7%	1.7%	7.9%	74.4%
Front Forest	21.1%	1.6%	19.1%	64.1%
Total	23.0%	2.5%	7.2%	66.8%

Source: JICA Study Team (2010)

The total population from the 5 regions included in the Program range represents 9.3% of the nationwide total population, while the regions' GDP represents only 5.3% of the nationwide. Poverty is more severe in Jungle regions where the levels of poverty are below the national average except for Madre de Dios who manages to succeed this average according to National Institute of Statistics and Information -INEI (INEI: *Instituto Nacional de Estadística e Informática*) statistics.

As for the socioeconomic level of the rural population, 60% are poor¹ and 24% are extreme poverty. 20% of the poorest homes receive an average income of U\$234 per capita/year and 20% of the richest population receives about U\$993 per capita/year (U\$82/month). This shows that the greatest concentration of homes living in extreme poverty is in rural zones, mainly in the Highlands (58.5% of the total poor homes). In rural Coast, it reaches 7.8% and in rural Jungle, 15.8%.

The lack of access to water and sanitation services effect directly and indirectly 3 health indicators: (i) Infant Mortality², (ii) incidence diarrhea in children under 5, and (iii) Chronic Innutrition in children under 5. According to the Continuous National Demographic Family Health Survey –ENDES Continua (ENDES Continua- *Encuesta Continua Nacional Demográfica de Salud*) from years 2004 to 2006 taken by INEI the health indicators are the following:

Infant Mortality Rate; for rural area in relation to the nationwide has an average of 36 infant deaths for every 1000 life birth (urban is 21), and the Childhood Mortality Rate is of 50 infant deaths for every 1000 life birth (urban is 26). As for natural regions, in the jungle the infant mortality rate is of 38 infant deaths for every 1000 life birth, this figure is higher than the ones from the highlands and the coast, and higher than the national average (36).

The conditions that influence the indicators are the socioeconomic and environmental conditions in the location which are the most deficient in the rural area. See Table 1.2.

Incidence diarrhea in children under 5; in rural areas incidence diarrhea in children under 5 is of 15.9%, and in urban areas is of 13.8%. These indicators are associated in minor or higher proportion into other indicators, as the economic power and the source of water supply. If we make a comparison using economic power it happens in 18.7% of children from woman belonging to the inferior quintile of wealth, while in children from the superior quintile of wealth it is 11.4%. Comparing sources of drinking water supply, 18.3% happens when using superficial water sources and 13.2% using water pipes.

According to ENDES Continua 2004-2006, as part of the analysis of incidence diarrhea, it is also included the feces of children under 5, the results are shown in table 3. The figures demonstrate that under the numbers of non monitored feces, in rural areas 35% are from mothers that dump in the yard or field, 12.7% do nothing and 7.7% sweep with water. If we relate other characteristics, it should be highlighted the level of education, the sewer service and also the economic power.

Chronic malnutrition in children under 5; the levels of chronic malnutrition in children close to turn 5 (for example 48-49 months), constitutes an indicator of accumulative effects of delay in growing. Table 1.2.

¹ The poverty level is based on monthly expenses per capita. The poverty line for 2007 was of S/229.4 and for "extreme poverty" of S/121.2.

² INEI ENDES Continua 2004- 2006

Table 1.2 Health Indicators

Characteristics	Mortality Rate (per 1000 live birth)		Children under 5 (%)	
	Infantile	Childhood	Incidence Diarrhea	Chronic Malnutritio n (2)
National Average	27	37	14,7	29,5
Urban Area	21	26	13,8	13,8
Rural Area	36	50	15,9	46,3
According to Natural Region				
Jungle	38	56	22,7	32,2
Highland	33	46	13,9	43,2
Cost (1)	22	29	12,6	20,1
Quintile				
Inferior Quintile	45	59	18,7	54,3
Second Quintile	32	48	15,1	41,7
Intermediate Quintile	23	30	14,7	20,4
Forth Quintile	20	23	12,1	7,8
Superior Quintile	5	8	11,4	4,8
Source of Drinking Water				
Pipes			13,2	
Covered well			14,1	
From surface			18,3	
Other/ No specific information			15,5	

Source: ENDES Continua 2004- 2006

(1) Does not include Lima Metropolitan area

(2) ENDES 2005

Table 1.3 Elimination of feces of children under 5

Percentage: distribution of mother with children under 5 according to the kind of discard used for the feces of the youngest son

Characteristics	Monitored feces (%)		Non monitored feces (%)			Other answers (%)
	Always uses the toilet of latrine	Throw away in toilet/ latrine	Dump in the yard or field	Sweep with water	Does not do anything	
Housing Location						
Urban	30.4	27.5	3.0	4.9	0.8	33.3
Rural	15.2	13.2	35.4	7.7	12.7	15.8
Natural Region						
Jungle	22.6	24.9	22.8	7.1	5.9	16.7
Highland	21.1	19.0	26.3	7.2	10.6	15.8
Cost (1)	24.1	26.1	12.3	7.2	3.3	26.9
Educational Level						
Without Education	14.8	15.4	36.2	6.8	16.4	10.4
Primary	17.1	17.7	30.7	7.0	11.3	16.3
High School	26.2	25.1	10.1	6.6	2.8	29.2
Higher Degree	33.2	22.3	1.9	3.2	0.3	39.2
Sewer System						
Does not have	1.9	1.7	47.5	7.1	20.0	21.8
Latrine	24.0	28.2	20.3	6.9	4.7	16.0
Toilet	34.4	26.7	0.3	4.9	0.1	33.6
Other	12.5	15.1	19.5	8.8	4.3	39.8
Wealthy Quintile						
Inferior Quintile	8.6	10.0	44.8	6.9	16.0	13.7
Second Quintile	18.2	19.8	27.1	7.3	9.3	18.2
Intermediate Quintile	27.7	32.2	5.2	7.7	1.5	25.7
Forth Quintile	31.1	28.3	0.2	4.8	0.2	35.3
Superior Quintile	39.6	15.5	0.0	2.0	0.0	42.9
Total 2004-2006	24.1	21.6	16.4	6.0	5.7	25.8

Source: ENDES Continua 2004- 2006

(1) Does not include Lima Metropolitan area

The figures show that chronic malnutrition reaches a bigger proportion in children of rural areas, where 46.3% of the children under 5 have delay in growth comparing them to the urban area which is of 13.8%. This indicator has a lot of relation with the socioeconomic characteristics, by wealth quintile, in this way in the inferior quintile 54.3% and in the second quintile 41.7% of the children suffer from chronic malnutrition.

Between 1960's and 1980's, though the Nation Plan of Drinking Water for Rural Area, Peru started its first effort to fight the lack of water and sanitation service for rural area, the plan implemented until 1990 approximately 2500 small systems of drinking water.

During 1990's, the country implemented great effort to increase the coverage of water and sanitation services. Around 400 million dollars were invested by different, public and private, institutions to attend the demand of water and sanitation services in rural areas, mainly in locations with less than 2000 inhabitants, where the Social Compensations and Development Fund- FONCODES (FONCODES- *Fondos de Compensación y Desarrollo Social*) has been the innermost financial body of the investments in these services (during the 90's it financed approximately 80% of the works).

The relatively recent projects and programs that have been taking part of the sector are SANBASUR and PROPILAS financed by SDC: SANBASUR for Cusco Region, PROPILAS implemented by CARE Peru for Cajamarca Region; and nationwide PRONASAR financed by BIRF. Each of these projects have been contributing to improve and increase the basic water and sanitation services for rural areas, not only in infrastructure but also providing training to the communities and district municipalities so to make an efficient use of the water and sanitation services in their communities. PRONASAR benefits around 1.3 million people in rural areas and small cities with populations under 30 thousand inhabitants.

Among the current projects in rural areas is "Better Access to Water and Sanitation Services in Small Cities" (*Acceso Mejorado a los Servicios de Agua y Saneamiento en Municipios Pequeños*) funded by IDB. The total cost of the project is around US\$3 million and is implemented by a non-governmental organization called "Clean Water" (*Agua Limpia*). Since the beginning, the program serves regions from Ancash and Ayacucho; and in the future, two other additional regions.

Many projects and programs focused in rural areas are in planning stage. The biggest program among all, in terms of community objectives and benefited, is the Program of Improvement and Application of Drinking Water and Sanitation Services in Peru with Spanish Cooperation. This program will be financed through the Spanish Cooperation Fund for water and sanitation supply; and its management has been in charge of IDB.

Nevertheless, the substantial interventions made still are not enough to attend all: almost 3.3 million inhabitants need drinking water services and 6.2 million sewer services to dump cast.

It's estimated that 60%³ of the existing systems lack of Administrative Associations of Sanitation Services – JASS (JASS- *Juntas Administradoras de Servicios de Saneamiento*) which is in charge of managing, operation and maintenance of the infrastructure built and, therefore, the quality of the service is inadequate- expressed in terms of water quantity, continuity and quality.

The latest Peruvian governments have given special emphasis in the enlargement of the coverage of water and sanitation services to reduce the poverty, being considered one essential objective in the national politics. The government tries to improve the investment to the sector of water and sanitation with the “Water for All” Program - PAPT (*PAPT- Programa Agua Para Todos*).

On the other hand, experience has evidenced that the construction of infrastructure as the only component in the interventions, forgetting determining cultural and socioeconomic aspects, such as: community participation in planning, implementing, managing, operating and maintaining the projects, and the sanitation education has achieved low sustainability of the services and as consequence has not succeeded in made profitable investments and no major impact was observed to the water and sanitation services in health indicators.

Since July 2002 the government created the Ministry of Housing, Construction and Sanitation- MVCS in which organizational structure is the Vice Ministry of Housing,

³ Water and Sanitation System Databases from the Health Ministry

Construction and Sanitation- VMVCS, which includes managerial hierarchy of the National Agency of Sanitation and the Support Program to Restructure the Sanitation Sector- PARSSA (Implementing unit number 4).

Executive order 016-2005-VIVIENDA from August 6th 2005 has made modifications to the Regulations of the General Law of Sanitation Services, in which details the legal framework which regulates the sanitation work provided in the rural and small cities.

Executive order 006-2007-VIVIENDA from February 23rd 2007 was created the Water To All Program- PAPT (PAPT- *Programa Agua para Todos*) in the VMVCS, the MVCS is responsible to coordinate the corresponding actions to the Phases During the Project, to the Programs and Projects related to the sanitation sector financed through public resources and other corresponding means, nationwide in rural and urban areas.

PAPT general objective is to contribute the access to the population to sustainable and with quality sanitation services, coordination actions to formulate, implement and/or finance public investments of sanitation programs and projects. Among PAPT specific objectives is to implement program and projects to the expansion, remodeling and improvement of the water and sanitation systems nationwide, contribute to the sustainability of the water and sanitation services, and to train the implementing entities in formulating and implementing its projects.

The cooperating entities, including Japan, have supported the sector; this investment have been directed mostly to urban areas and/or rural areas from the highland, while Amazon areas have not received much continuous investment or support.

In this situational framework the MVCS considered request to the Japanese Government, through JICA, the financing of an Investment Program to improve the water and sanitation supply in the 5 Amazon regions.

Currently this program is on final phase of Evaluation and Formulation of the study, regarding the Feasibility of the Drinking Water and Sanitation Program for Rural Amazon Area, to support the viability of the program.

1.3.2 Objectives of the Program

General Objective

“The General Objective of the Program is to improve health and life quality of the rural populations of the 5 regions of the Amazon: Amazonas, San Martin, Loreto, Madre de Dios y Ucayali”, through the improvement of the water supply and sanitation conditions.

The Program will contribute the reduction of diseases caused by polluted water, particularly intestinal infectious diseases in children under 5.

Specific Objectives

- ✓ To build, improve and/or rehabilitate water and sanitation facilities;
- ✓ To raise the population awareness regarding the value of water and sanitation services in the communities to be served, through participative processes to be implemented during the project;
- ✓ To strengthen the JASS in location to be served establishing training programs such as Managing, Procedures and Maintenance –AOM (AOM- *Administración, Operacion y Mantenimiento*);
- ✓ To provide hygiene education for users;
- ✓ To strengthen technical knowledge of the district municipalities so that they can (i) monitor and supervise the water and sanitation supply services in their administrative area and (ii) provide technical support and help to the JASS, when needed;
- ✓ To provide consulting services for the implementation of the Program by conducting pre-investment studies, provide technical contractors, supervising work construction, implementing training, and others;
- ✓ To strengthen PAPT so to implement, control and evaluate the Program, supplying the Managing Units with the necessary machinery and materials to be used by the PMU during the Program;
- ✓ To provide technical assistance to PAPT so to evaluate the Profile and review of technical dossier (containing detailed sketches);

1.3.3 Basic Principles of the Program

The basic principles to the Drinking Water and Sanitation Program to the Rural Amazon Area are the following:

- ✓ Program will prioritize the poorest zones of rural Amazon.
- ✓ Active participation of the district municipalities during the project, making the municipality fell as co-executer of the project.
- ✓ Active participation of the community during the project, obtaining services sustainability and empowerment.

- ✓ Program offer technical options and levels of pre-established services of water and sanitation so the community is informed about the most convenient and sustainable option.
- ✓ The integral intervention through only one project with involves the technical, social and environmental aspects being implemented by one entity at the same implementing schedule.
- ✓ The family fee must be able to cover operation, maintenance and relocation of machinery costs.

1.3.4 Policy, principles and focus of the Program

a. Financial policy

The financial policy of the Program does not establish conditions to the financing of the water and sanitation project for rural areas. The co- financing option given by the municipalities will be possible and will be favorable for families who agree to invest funds in case it is required to prioritize areas of similar characteristics.

In the case of the community there can be use of non- qualified workforce willing that it is for the total need of personnel needed to the works.

b. Integral Intervened Principal

The Program provides the same importance to the technical, environmental and social components. The activities of the technical engineering (infrastructure construction) and technical social components (promotion, training in management, operations and maintenance, municipal strengthening, and sanitary education) are developed in a holistic way, simultaneously and complementary. The water and sanitation simultaneous intervention should respond to the physic, economic, social and cultural characteristics of the community having in mind environmental protection.

c. Focus in Supply with Information

The services to be implemented in the communities through the Program, should be the result of discussions and analysis process regarding the type of service which will be offered to the beneficiaries and for the type of service they are willing to pay, as a result of preference and decision making of the potential user in the community.

This focus sustains:

- ✓ The existence of adequate information mean to the community and municipality, as well as the procedures to facilitate collective decision making regarding technical options and level of service offered.
- ✓ The population must know that the water has an economic value for which they must pay a family fee that covers management, operational and maintenance costs and relocation of machinery and implemented services.
- ✓ The community responsibility in the sustainability of the services, in a legal framework of infrastructure transfer built by the municipality.

d. Focus on gender equity

This principle is a condition to sustainable development for the poor and extreme poor rural communities, recognizing the existence of potentialities, needs and distinctive interests of the people according to their gender, generation and ethnic. To them, this focus in water and sanitation means:

- ✓ Technical option and services levels answer women and men needs favoring better life conditions for both.
- ✓ Decisions and agreement incorporate opinions and interests of men and women.
- ✓ Men and women have access to all training activities and education in health and hygiene.
- ✓ Man and women may participate in the Managing Board of the JASS.
- ✓ Train to administrate, operate and maintain of water and sanitary services.
- ✓ To give a chance to all women to participate on the execution of the works.

e. Focus of Inter culture

The interaction between cultures, the interchange and communication through which one recognizes and accepts each other culture, means at first, to know and understand the culture of different communities regarding water and sanitation; at second, to value, respect and reinforce the positives aspects of these cultures; and at third, to promote new acknowledgements and practices which assure better management, development and services impact in people's lives; and finally, to promote reciprocate learning spaces between the agents of the project and the population as a framework of a respectful relationship.

f. Focus on Environment Sustainability

The human beings experience the environment which we live as a group of physical, chemical, biological, social, cultural and economic conditions which differ according to geographical place, infrastructure, seasons, time and activity we've completed.

The natural resources are used by man through different activities, for this we must have in mind that when we use them we always will produce an environmental impact which effects must to be controlled and mitigated.

1.3.5 Program Components

The program has 3 components:

Component 1: Conglomerate 1

Component 2: Conglomerate 2

These 2 components include: i) Drinkable water and sanitation infrastructure work ii) Improve organizing, planning and management skills in sanitation services (iii) Training on sanitary education (municipality, JASS and community)

Component 3: Management and consultancy services

Components 1 and 2 Drinkable water and sewage infrastructure

They include the formulation of the pre-investment studies, elaboration of Technical Dossiers and the building of new system or remodeling and/ or improvement of existing ones with a participative focus which include the involvement of the beneficiaries and district municipalities and with the intervention of the Consultancy Operator as a facilitator of the contracted entities to the works.

Additionally it is proposed to strengthen the capacity (organization, planning, promotion, development and supervision of the services) lead to the beneficiaries, the member of the JASS and the districts; expecting a sustainable development of the sub projects of water and sanitation supply.

It is also included sanitary and hygiene educational activities in each locations, guided to promote salutary hygiene practices to the families; to prevent diseases; and the valuation and appropriate use of the services; as well as the preservation of resources and environment.

The beneficiaries, the JASS and municipalities must participate in the training programs provided by the CO, as part of their responsibilities in the implementation of the Program in the location.

Component 3: Administration and the Consultancy services of the Program

It involves the consultancy services to the implementation of the Program's components (Conglomerates 1 and 2). It also includes the strengthening of its capability to management PAPT and the implementation of PMU. This component includes the following:

- ✓ Supervise and control the implementation of drinking water and sanitation projects of conglomerates 1 and 2.
- ✓ Includes the implementation of the PMU in the Program Water for All – PAPT.
- ✓ Allocate the necessary experts, machinery and materials acquisition and manage annual budgets.
- ✓ Develop the Baseline of the Program, before implementing it.
- ✓ Intermediate evaluation and ex post of the Program implementation.
- ✓ Manage the appropriate auditions (physical, financial and acquisitions)

1.3.6 Investment Costs of the Program by Component

The total cost of the Drinking Water and Sanitation Program for the Rural Amazon Areas, which include all components, surpasses S/. 1,521,567 thousand (JPY 49,451 million = USD 507,189 thousand).

The Program implementation will be carry out on three (3) overlapped phases, each one of them with a four year- period (average) in a ten years long program (2010 -2020).

The investment costs are related to the numbers locations to be intervened which will be implemented in the following way: 8.7% at the first phase (130 locations); 48.8%, at the second phase (732 locations) and 42.5% at the third phase (638 locations).

At table 4 a summary of the Program's costs is show by relating the components and the financial source:

Table 4 Financial Scheme of the Drinking Water and Sanitation Program for the Rural Amazon Area (2010- 2020)
(in US\$ thousands)

Item	Description	Total Cost of the Program	Phase (1+2+3)			
			Total Loan		Peruvian Counterpart	
			JICA	Peruvian Government	MVCS	Community
1)	Component 1- Conglomerate C-1	272,267	200,858	71,408	64,267	7,141
1.1	Drinking Water Infrastructure	105,594	58,077	47,517	42,766	2,613
1.2	Sanitation Infrastructure	53,091	29,200	23,891	21,502	1,314
1.3	Social Intervention (implementation phase)	27,453	27,453	0		
1.4	Profiles (W&S)	17,640	17,640	0		
1.5	Technical Profile (W&S)	28,408	28,408	0		
1.6	Assessment , Works Supervision and Social Intervention (W&S)	33,712	33,712	0		
1.7	Profiles Supervision (W&S)	2,355	2,355	0		
1.8	Design Supervision (W&S) and Social Profile	4,015	4,015	0		
2)	Component 2- Conglomerate C-2	133,647	100,250	33,397	30,057	3,340
2.1	Drinking Water Infrastructure	50,675	27,871	22,804	20,524	2,280
2.2	Sanitation Infrastructure	23,540	12,947	10,593	9,534	1,059
2.3	Social Intervention (implementation phase)	19,141	19,141	0		
2.4	Profiles (W&S)	8,289	8,289	0		
2.5	Technical Profile (W&S)	13,416	13,416	0		
2.6	Assessment , Works Supervision and Social Intervention (W&S)	15,610	15,610	0		
2.7	Profiles Supervision (W&S)	1,082	1,082	0		
2.8	Design Supervision (W&S) and Social Profile	1,893	1,893	0		
3)	Component 3	20,296	1,338	18,958	18,579	379
3.1	Program Administration 1/	20,296	1,338	18,958	18,579	379
4)	IGV (19%)	80,980	0	80,980	80,980	0
Total General		507,189	302,446	204,743	193,883	10,860
% Financed		100.0%	59.6%	40.4%	94.7%	5.3%

1/ Includes Institutional Strengthening of the PMU-PAPT
Source: JICA Study Team (2010)

The composition of the total investment along with the level of each sub components and/or activities is as it follows:

(i) Drinking water and sanitation infrastructure	:	54.6%
(ii) Social intervention	:	10.9%
(iii) Profiles elaboration	:	6.1%
(iv) Technical Dossier elaboration	:	9.8%
(v) Assistance in tenders and Works supervision	:	11.6%
(vi) Profiles Supervision and Designs	:	2.2%
(vii) Program Management	:	4.8%

1.3.7 Annual Operational Plan of the Program

The PMU should present to the financial entity and to the PAPT an Annual Operational Plan, to the following year in mid- November of every year during the implementation period of the Program to be revised and approved. Such plan should specify: (i) the advancements and achievements of the year and the activities to be financed by JICA during the following year; (ii) the financial requirements and the necessary resources; and (iii) the acquisition plan.

1.3.8 Logical Framework of the Program

The following pages will present the Logic Framework of the Program, developed in the Feasibility Study, which can be readjusted due to a review of the Sector's OPI and the DGPM- MEF.

Logical Framework Grid

Drinking and Sanitation Program for the Rural Amazon Area

COMPONENTS 1 and 2

OBJECTIVES	GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
OBJECTIVE: Contribute with life conditions improvement for rural Amazon population in Peru.				
COMPONENTS 1 and 2				
PURPOSE: Contribute with the decrease of incidence of intestinal infectious diseases (IID) in rural populations from Loreto, Madre de Dios, San Martin, Amazonas and Ucayali.	<ul style="list-style-type: none"> ◆ Decrease in 50% the incidence of intestinal infectious diseases mainly in child population in rural areas (children under 5) from 23.4% to 11.7% in year 2015. 	<ul style="list-style-type: none"> ◆ Rate of incidence of intestinal infectious diseases mainly in children (under 5). 	<ul style="list-style-type: none"> ◆ Report of results from baseline. ◆ Evaluation report of Program's Impact. ◆ Yearly reports of health establishments from the Ministry of Health. 	<ul style="list-style-type: none"> ◆ Most important entities, Municipalities and population, may fulfill commitments.
RESULTS: 1. Rural populations from the intervened regions have sustainable access to water and sanitation services and in proper conditions of quality, quantity and continuity.	<ul style="list-style-type: none"> ◆ Increase to 85% the supply coverage of drinking water in locations to be intervened until 2020. ◆ 1500 locations with drinking water service until 2020. (Minimum of 12 hours a day of continuous and disinfected supply) to be served by stages: 1st stage implementation of 130 locations with W&S services until 2013 2nd stage implementation of 732 locations with W&S services until 2017 3rd stage implementation of 638 locations with W&S services until 2020. 	<ul style="list-style-type: none"> ◆ % of drinking water supply coverage in intervened areas. ◆ Number of locations with supply of drinking water continuous and not less than 12 hours. ◆ Number of systems that apply disinfection to the drinking water supply service. 	<ul style="list-style-type: none"> ◆ Final report of work liquidation by intervened area. ◆ Evaluation Report of Ex Post. ◆ Reports of the Program of Water Quality Surveillance of the Ministry of Health. 	<ul style="list-style-type: none"> ◆ Active participation of the population while implementing the projects. ◆ Administrative and financing processes.

OBJECTIVES	GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
2. Rural populations from the intervened regions have access to adequate sewer conditions.	<ul style="list-style-type: none"> ◆ Increase to 80% the coverage sewage in locations to be intervened by 2020. ◆ 70% of the families make adequate use of the sewerage system by 2020. 	<ul style="list-style-type: none"> ◆ % of sewage coverage in intervened areas. ◆ % of the families makes adequate use of the latrines. 	<ul style="list-style-type: none"> ◆ Final report of work liquidation. ◆ Ex Post. Evaluation Report. ◆ Evaluation report of Program's Impact. 	<ul style="list-style-type: none"> ◆ Active participation of the population while implementing the projects.
3. Improve hygiene habits of the rural populations intervened by the Program.	<ul style="list-style-type: none"> ◆ 100% of the families know about the importance of washing hands by 2020, in 5 critic moments: <ul style="list-style-type: none"> ▪ Before eating ▪ After going using the toilet ▪ After changing the baby's nappy or cleaning up the babies buttocks ▪ Before feeding the baby ▪ Before cooking. ◆ 50% of the families effectively wash hands adequately by 2020: <ul style="list-style-type: none"> ▪ With water ▪ With soap or carbon ashes. ◆ 70% of the total of the families make use and maintenance of latrine by 2020: <ul style="list-style-type: none"> ▪ Without remaining feces ▪ Without remaining urine ▪ Without smells ▪ Without waste or materials used to clean up. 	<ul style="list-style-type: none"> ◆ % of families which know about the importance of washing hands in the 5 critic moments. ◆ % of the families washing hands properly. ◆ % of the families keeps its latrine properly. 	<ul style="list-style-type: none"> ◆ Files of observation visits to the field. ◆ Program of sanitary awareness and/or training. ◆ Follow up reports of social component. ◆ Results from the Expost Report. ◆ Results from the Impact Evaluation Report. ◆ Family interviews 	<ul style="list-style-type: none"> ◆ Participation of qualified trainers during intervention. ◆ Participation of the community in the training programs. ◆ Families recognize and understand the necessity to change its behavior standards regarding health and hygiene.
4. JASS in intervened areas are trained to administrate, operate and maintain (AOM) the water and sanitation services.	<ul style="list-style-type: none"> ◆ 100% of the JASS have AOM knowledge of water services. ◆ At least 10 people of each intervened community are trained in AOM for water services. ◆ 80% of the families of each location pay their fees for water services. 	<ul style="list-style-type: none"> ◆ Number of JASS that accomplish its functions of AOM adequately to the water services. ◆ Number of people trained in AOM for water services in each of the intervened locations. ◆ Number of families that pay due payday its water fee for water services. 	<ul style="list-style-type: none"> ◆ Final report of the training of the JASS. ◆ Result's report of evaluations Ex Post. ◆ Reports of JASS supervision, by the responsible of water services from the municipality. ◆ Evaluation report of Program's Impact. 	<ul style="list-style-type: none"> ◆ Population's commitment to assume responsibility in managing the services. ◆ Municipality should fulfill its commitments. ◆ Participation of members from the JASS and of the community in training workshops.

OBJECTIVES	GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>5. Local governments are trained to give basic technical assistance and support to the JASS in intervened locations.</p>	<ul style="list-style-type: none"> ◆ 90% of the municipalities develop its functions of supervision and assistance to the JASS efficiently. ◆ 100% of the commercial information is adequately registered and upgraded (N° of JASS, N° of W&S service users, hours of water service, N° of supervision visits, etc.) 	<ul style="list-style-type: none"> ◆ N° of JAAS registered in the municipality. ◆ % of the service coverage at district level. ◆ Hours of continuity of water supply services. ◆ N° of supervision visits made. ◆ % of progress in annual financing plan development ◆ % of progress in technical assistance practices. 	<ul style="list-style-type: none"> ◆ Reports of JASS supervision, of the responsible of water services from each municipality. ◆ The Municipal Plan includes activities of water and sanitation. ◆ Number of JASS along with registered information of supervisions and/or technical assistance from the municipality. ◆ Result from the evaluations Ex Post. ◆ Evaluation report of Program's Impact. 	<ul style="list-style-type: none"> ◆ Municipality should fulfill the commitments regarding participation and implementation of water and sanitation services.

OBJECTIVES	GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>ACTIVITIES:</p> <p>I. Technical Profiles and Pre-Investment Studies Implementation</p> <p>1. Implementation of pre-investment studies.</p> <p>2. Implementation of technical profiles.</p> <p>II. Technical Profile and Pre-Investment Studies Supervision</p> <p>1. Evaluation of pre-investment studies.</p> <p>2. Evaluation of technical profiles.</p> <p>III. W&S service supply, conglomerates 1 and 2</p> <p>1. Remodel, improve and expand existing systems.</p> <p>2. Creation of new systems.</p> <p>3. Home installation of latrines.</p>	<p>I. Technical profiles and pre-investment studies (US\$80.6 millions)</p> <p>◆ 1500 pre-investment studies prepared (US\$30.8 millions)</p> <p>◆ 1500 technical profiles prepared (US\$49.8 millions)</p> <p>II. Supervision and approval of technical profiles and pre-investment studies (US\$11.1 millions)</p> <p>◆ 1500 pre-investment studies approved.</p> <p>◆ 1500 technical profiles approved by Ministerial Resolution.</p> <p>III. W&S service supply (US\$ 277.2 millions)</p> <p>◆ Number of water supply systems remodeled and/ or improved by 2020.</p> <p>◆ Number of new water supply systems by 2020.</p> <p>◆ Number of families with latrines installed.</p>	<p>◆ Number of W&S technical profiles.</p> <p>◆ Number of W&S pre-investment studies.</p> <p>◆ Number of technical profiles approved.</p> <p>◆ Number of pre-investment studies approved.</p> <p>◆ Number of water supply systems improved and/or expanded concluded.</p> <p>◆ Number of water supply systems concluded.</p> <p>◆ Number of latrines built.</p>	<p>◆ PMU, PAPT, and Operative Consultant reports related with the pre-investment studies prepared.</p> <p>◆ PMU, PAPT, and Operative Consultant reports related with the technical profiles prepared.</p> <p>◆ Registration report from the pre-investment studies approved.</p> <p>◆ Registration report from the technical profiles approved.</p> <p>◆ Final report of remodeling, improvement and expansion work liquidation for drinking water systems.</p> <p>◆ Final report of new works liquidation for drinking water systems.</p> <p>◆ Final report of sewage works liquidation.</p>	<p>◆ Sectorial, regional and local policy related with the W&S intervention in rural Amazon areas.</p> <p>◆ Accomplishment of the obligations established for the local financing from communities and municipalities.</p> <p>◆ Accomplishment of the obligations established related with the supervision and surveillance of drinking water services</p>

OBJECTIVES	GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>IV. Social Intervention</p> <p>1. Development of the training in sanitary educational Program.</p> <p>2. Development of the training AOM in water services Program to the JASS.</p> <p>3. Development of the training Program to the municipalities to prepare them to support and technical assistance to the JASS of the intervened locations.</p> <p>V. Assessment to bidding process, work supervision and social intervention</p>	<p>IV. Social Intervention (US\$ 55.4 millions)</p> <ul style="list-style-type: none"> ◆ Number of families which participate actively in the training programs. ◆ 1500 JASS trained in AOM to water services. ◆ 15000 trained people in AOM of water services. ◆ 400 district municipality employees prepared to support and basic technical assistance to the JASS. <p>V. Assessment to bidding process, work supervision and social intervention (US\$ 58.7 millions).</p>	<ul style="list-style-type: none"> ◆ Number of families with knowledge on sanitary educations and use of hygiene practices. ◆ Number of people with knowledge of AOM in water services. ◆ Number of employees prepared to implement supervising, functions and provide technical assistance to the JASS. ◆ Number of water supply systems improved and/or expanded concluded. ◆ Number of water supply systems concluded. ◆ Number of latrines built. ◆ Number of families with knowledge on sanitary educations and use of hygiene practices. ◆ Number of people with knowledge of AOM in water services. ◆ Number of employees prepared to implement supervising, functions and provide technical assistance to the JASS. 	<ul style="list-style-type: none"> ◆ Final report on training of sanitary education. ◆ Final report of training in AOM to the JASS. ◆ Final report on training and preparation of the municipalities. ◆ Expost evaluation of the Program. ◆ Impact Evaluation of the Program. 	<ul style="list-style-type: none"> ◆ Popular participation in training workshops of sanitary education. ◆ Participation of the member of JASS and the population in training workshops. ◆ Fulfill commitments and assume the responsibility of supervision and surveillance of drinking water services.
<p>NIPPON KOEI CO., LTD.</p>		<p>1-20</p>		<p>NIPPON KOEI LAC CO., LTD</p>

COMPONENT 3

OBJECTIVES	GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>RESULTS: Program Administration</p> <ol style="list-style-type: none"> 1. PMU Implementation. 2. Hiring of the Operation Consultants, Supervisor Consultants and Contractors for the implementation of conglomerates 1 and 2. 3. Implementation of the Annual Operative Plan for the administration of the annual budget. 4. Follow up and supervision of the implementation of the Program. 	<ul style="list-style-type: none"> ◆ PMU implemented and functioning during 2011-2020 (US\$ 24.2 millions) ◆ PMU implemented and functioning by 2011. ◆ Operation Consultants, Supervisor Consultants and Contractors hired. ◆ Annual Operative Plan approved. ◆ 6 evaluation and follow-up reports by year. ◆ 130 works concluded and functioning by 2013. ◆ 7327 works concluded and functioning by 2017. ◆ 638 works concluded and functioning by 2020. 	<ul style="list-style-type: none"> ◆ Number of Operation Consultants, Supervisor Consultants and Contractors contracts by year. ◆ Number of follow-up and evaluation Program reports by year. ◆ Number of works concluded and functioning by 2013, 2017 and 2020. 	<ul style="list-style-type: none"> ◆ Creation resolution from the PMU. ◆ Contracts or specialists assigned from the PAPT to the PMU. ◆ Contracts celebrated with OC, SC and Contractors. ◆ Reports of the Monitoring and Evaluation System of the Program ◆ Final Liquidation Report by 2013, 2017 and 2020. 	<ul style="list-style-type: none"> ◆ Readiness of sector institutions to participate in agreements with managerial hierarchy. ◆ Sectorial and regional politics to intervene the water and sanitation services in rural Amazon area

CHAPTER II

INSTITUTIONAL FRAMEWORK

CHAPTER II: INSTITUTIONAL FRAMEWORK

2.1 GENERAL SCOPE

This chapter describes the organization of each one of the entities participating in the implementation of the Program; reports the Ministry of Housing, Construction and Sanitation organization, specially the Vice Ministry of Construction and Sanitation Organization (VMCS).

The loan contract between JICA and the Peruvian Government is the main reference document for the Program and it works as a framework for the development of this Operational Manual. In case of any disagreement or doubts about the procedure, the first document to be consulted should be the Loan Contract and after that the Manual hereby.

The Program shall be implemented by the “Water for All Program” (PAPT- *Programa agua para todos*) which is currently under restoration process pursuant to Ministerial Resolution N° 087-2009-VIVIENDA that approves the PAPT Operational Manual. This document has been used as a basis for the preparation of institutional arrangements mentioned in the chapter hereby.

As established in the Ministry of Housing, Construction and Sanitation organization, the Water for All Program (PAPT) is an Implementing Entity⁵ therefore it has authority, capacity and it is sufficiently organized to implement the Program. Regarding the administrative and financial support aspects, PAPT has an Administration Unit, and it will also be assisted by the Budgeting and Planning General Office (OGPP), the National Direction for Sanitation (DNS) and other Ministry entities that will assist and support the Program in order to achieve its objectives.

Within this chapter, the duties of the Program Management Unit are detailed as well as those of the corresponding professional team part of it.

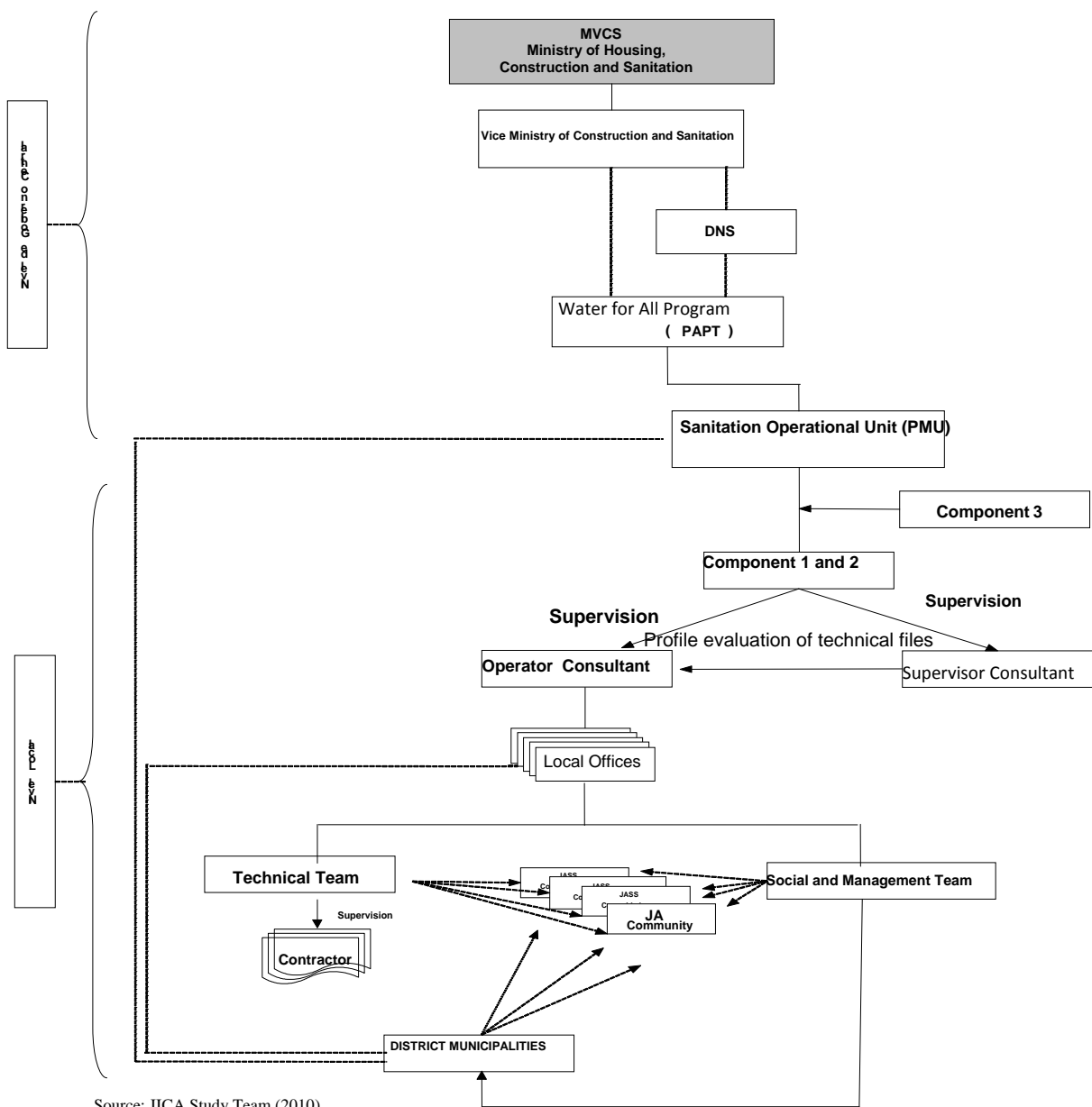
2.2 GENERAL OUTLINE FOR PROGRAM IMPLEMENTATION

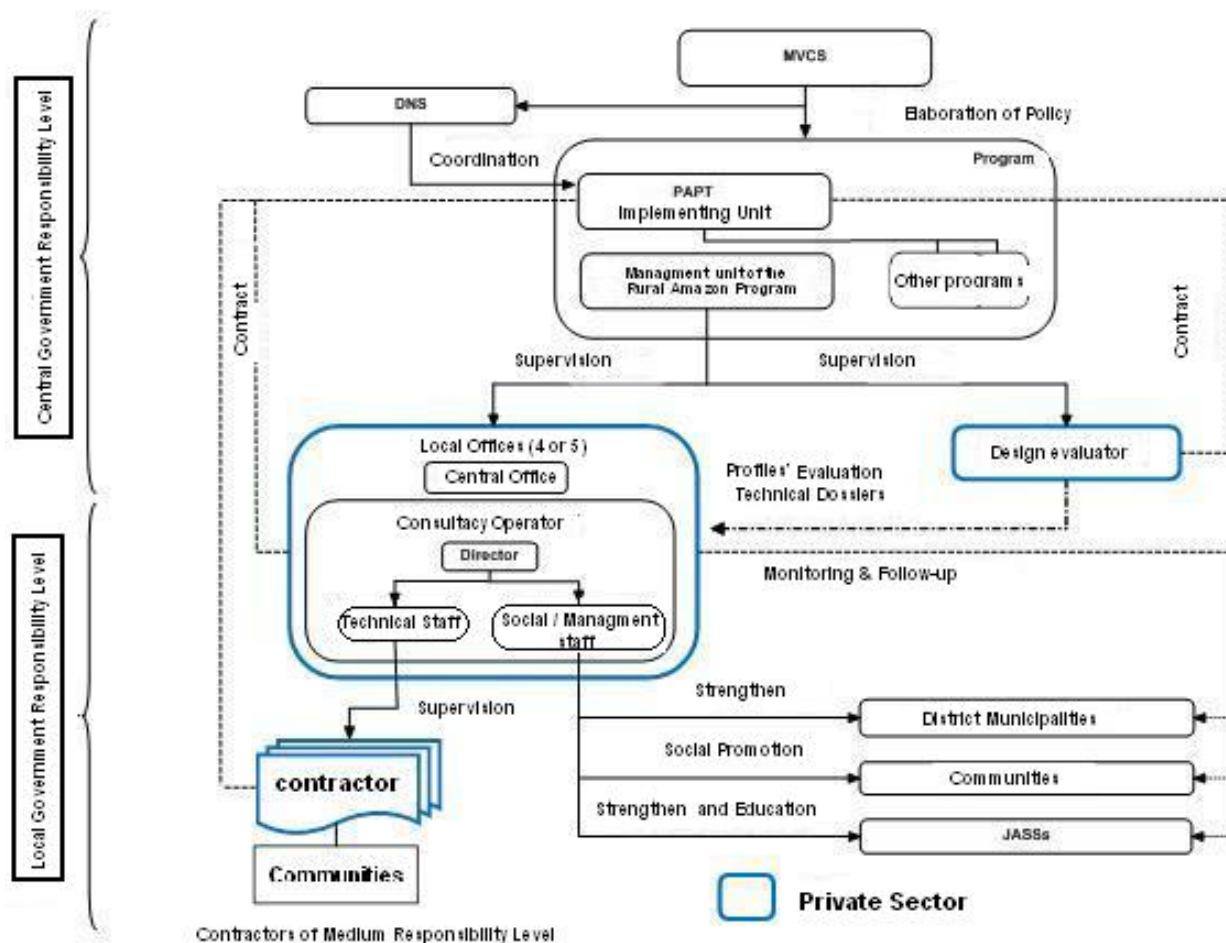
This section describes the functions and organic structure of both, Ministry of Housing, Construction and Sanitation and Vice Ministry of Construction and Sanitation (VMCS), as

well as the one of the Program Managing Unit; likewise, it presents the general institutional outline for the Program implementation, PMU internal organization is detailed describing its objectives, faculties and responsibilities.

The dependence relation between VMCS, DNS, PAPT, PMU and other entities of the Program are showed in **Figure 2.1**. In the following clauses we define each level of the involved bodies, as well as their functions, responsibilities, faculties and entity structure.

Figure 2.1 GENERAL OUTLINE FOR PROGRAM IMPLEMENTATION





Source: JICA Study Team (2010)

Central Perspective

a. Ministry of Housing, Construction and Sanitation (MVCS)

Its objective is to plan, formulate, lead, coordinate and evaluate housing, urban, construction and basic sanitation policies in accordance with Government general policy and country development plans.

Functions:

- ✓ Design, regulate and carry out national policy and housing, urban planning, construction and sanitation sector performance. Likewise, to practice shared jurisdiction with regional and local governments, with regard to urban planning, urban development and sanitation based on law.
- ✓ Formulate, lead, coordinate, carry out, supervise and evaluate promotional policy of the sectors involved.

- ✓ Formulate sector national plans of development.
- ✓ Control and supervise the fulfillment of regulatory framework regarding its jurisdiction scope.
- ✓ Provide and acknowledge rights through authorizations, permits, licenses and concessions.
- ✓ Guide within its jurisdiction scope the performance of the Decentralized Public Entities, Sectorial, Multisectorial Entities and Special Projects.
- ✓ The Ministry shall be able to carry out executive functions in any part of the country, by means of decentralized departments, on the subject of those activities expressly reserved by the Organization and Functions Regulation.
- ✓ Carry out housing and construction as well as water and sanitation policies and regulations in the urban and rural area.
- ✓ Plan the expansion and development of its jurisdiction subsectors.
- ✓ Promote, guide, spread and regulate scientific and technological training and research within its jurisdiction scope.
- ✓ Develop the actions required to promote active participation and cooperation of private sector within the corresponding area activities.
- ✓ Lead Superior Board of Biddings and Public Works.
- ✓ Others assigned by law.

Organic Structure

The basic Ministry organic structure is the following:

- (i) Top Management, composed by the Ministerial Chamber, Housing and Urban Planning Vice ministerial Chamber, Construction and Sanitation Vice ministerial Chamber and General Secretariat.
- (ii) Control Entity (Internal Audit General Department).
- (iii) Sector Programs composed by:
 - a. Support Program to Residential Sector- PASH (*Programa de Apoyo al Sector Habitacional*).
 - b. Neighborhood and Towns Improvement Integral Program (*Programa Integral de Mejoramiento de Barrios y Pueblos*).
 - c. Program of Territorial Management- PGT (*Programa de Gestión Territorial*).
 - d. Water for All Program- PAPT (*Programa Agua Para Todos*).

(iv) Sector Entities, consisting of:

- a. Training National Service for Construction Industry- SENCICO (Servicio Nacional de Capacitación para la Industria de Construcción).
- b. Mi Vivienda Fund.
- c. INVERSAN Fund.
- d. National Goods Superintendence- SBN (Superintendencia de Bienes Nacionales).
- e. Materials Bank – BANMAT
- f. Filing Entity for Informal Property – COFOPRI.
- g. SEDAPAL

b. Vice ministry of Construction and Sanitation (VMCS)

The Vice ministry is in charge of suggest, implement, supervise and carry out the implementation of sectorial policies required and coordinated with the Minister; and the management of the Ministry Entities' activities, the Sectorial and Multisectorial Commissions within its area, as well as the Projects. It is also in charge of formulating and taking the general policies regarding infrastructure and sanitation, based on the regulations established by the Minister. Additionally, he has the following functions:

Functions related to sanitation:

- ✓ Formulate, coordinate, implement, supervise and evaluate the sub sector policies on the subject of infrastructure and sanitation construction;
- ✓ Design policies and regulations referred to infrastructure and sanitation construction within its area;
- ✓ Coordinate, guide and supervise the policies fulfillment on the subject of infrastructure and sanitation construction, performed by the respective Entities in its area;
- ✓ Promote and develop Infrastructure and Sanitation construction Programs, projects and studies, environmentally balanced, that benefits the population jointly with local governments;
- ✓ Encourage the participation of private initiative and investment in the development of supply for urban and rural infrastructure and sanitation services construction.
- ✓ To present the Yearly Investment Plan to the Minister for its further approval, regarding the Infrastructure and Sanitation construction of the Sector Entities, Programs and projects in its area;

- ✓ Carry out the actions foreseen by law for the rendering or training of national or international technical cooperation for the development of Infrastructure and Sanitation construction projects under its domain,
- ✓ Settle technical and financial requirements needed for the development of projects under its domain;
- ✓ Provide specialized technical assistance for the development of investment projects on economical and social infrastructure of Regional Governments, when required for them.
- ✓ Others assigned or required by the Minister.

Organic Structure

The Vice ministry organically consists of the following Entities:

- (i) Construction and Sanitation Vice ministerial Chamber under the Vice ministry domain;
- (ii) Managerial Hierarchy:
 - a. National Construction Office
 - b. National Sanitation Office;
- (iii) Coordination and Specialized Consultancy Entity.
 - a. Environmental Department.
- (iv) Programs of the Sector:
 - a. Water for All Program– PAPT.

The Vice ministry of Construction and Sanitation, by the means of the Water for All Program (PAPT) will be the authority in charge of looking after the Potable Water and Sanitation implementation for the Rural Amazon region based on regulations and feasibility documents, such as the Loan Agreement and Feasibility Study respectively.

According to the MVCS' regulations, The Program Management Unit (PMU), is directly related with the Executive Management of the Water for All Program, nevertheless the National Sanitation Office (DNS), Line management of the VMCS, is the one in charge of giving the policy guideline to the Program, formulate strategic sectorial plans; as well as formulate and approve the regulations in regards of water and sanitation services in rural, small towns and urban areas.

As described hereby, the Implementation of Program Components 1, 2 and 3 will be carried out by the PAPT through PMU. In **Figure 2** the PMU Organizational Outline of the Program within the Ministry.

c. National Sanitation Office (DNS)

It is a line management in charge of proposing the policy, plans, Programs and regulations guidelines regarding basic sanitation services. This is under the responsibility of a National Manager, who will have the following functions:

- ✓ Design, formulate and propose policies for the development and sustainability of sanitation services;
- ✓ Formulate and evaluate the sanitation services Strategic Plan and the Management Operational Plan, to finally propose them to the Construction and Sanitation Vice minister;
- ✓ Issue regulations regarding sanitation services;
- ✓ Propose the institutional framework for the development and sustainability of sanitation services nationally, considering the environmental preservation;
- ✓ Promote technical assistance, training, scientific and technical research and sanitary education;
- ✓ Encourage private investment participation, regarding sanitation services rendering, specially keeping the proper their supply towards the most poorly sectors;
- ✓ Promote sanitation and other rendering enterprises development, encouraging an efficient management and its economical-financial feasibility;
- ✓ Encourage the participation of community organizations and small management units regarding investment, operating, maintenance, regulation and modernization of sanitation services, within the rural and small towns area.;
- ✓ Emphasize in public investment projects resources assignment for sanitation services, promoting the use of proper technologies;
- ✓ Develop an information system of sanitation services and the conditions about how are these rendered nationally, in coordination with public and private institutions and organisms which are related to their rendering;
- ✓ Coordinate with the rest of Housing and Sector Entities, as well as with the local governments and public and private entities to ensure the national policy implementation on the subject of sanitation, as well as the required actions for the best development of its responsibilities;
- ✓ The rest of the functions assigned by the Construction and Sanitation Vice minister.

Functions of the Sanitation National Office regarding the Potable Water and Sanitation Program for Rural Amazon region:

Pursuant to Ministerial Resolution No. 103-2009-VIVIENDA the DNS is reorganized, by creating three departments under its domain, one of them is the Plan and Programs Department which is in charge of presenting the prioritized lists of the projects and investments programs formulated in the National Sanitation Office. Based on this concept, the DNS, being the governing entity, will be in charge of supervising the eligibility procedure and the projects prioritization which must be in accordance to ministerial Resolution N°693-2008-VIVIENDA that approves the Eligibility and Prioritization Criteria for the Resources Assignment in the Sanitation Sector.

d. Water for All Program (PAPT)

Pursuant to Ministerial Resolution N° 087-2009-VIVIENDA, PAPT is a Program of the Housing, Construction and Sanitation Ministry appointed to the Construction and Sanitation Vice ministry, which carries out the investment actions for the implementation of sanitation policies, nationally.

The PAPT general objective is to contribute to access of the population into the sustainable and qualified sanitation services, by means of coordinating the actions for formulating, implementing and/or financing the programs and public investment projects of sanitation.

The PAPT specific objectives are:

- a) Implement programs and projects for the expansion, restoration and improvement of sanitation and water supply systems nationally.
- b) Contribute to the sustainability of sanitation and water supply services through the programs and projects implemented by it.
- c) Develop coordinating, monitoring and evaluation actions of the programs and investment projects under its domain.
- d) Strengthen the potential of implementing entities concerning to the formulation and implementation of its projects.

The PAPT consists of the following units:

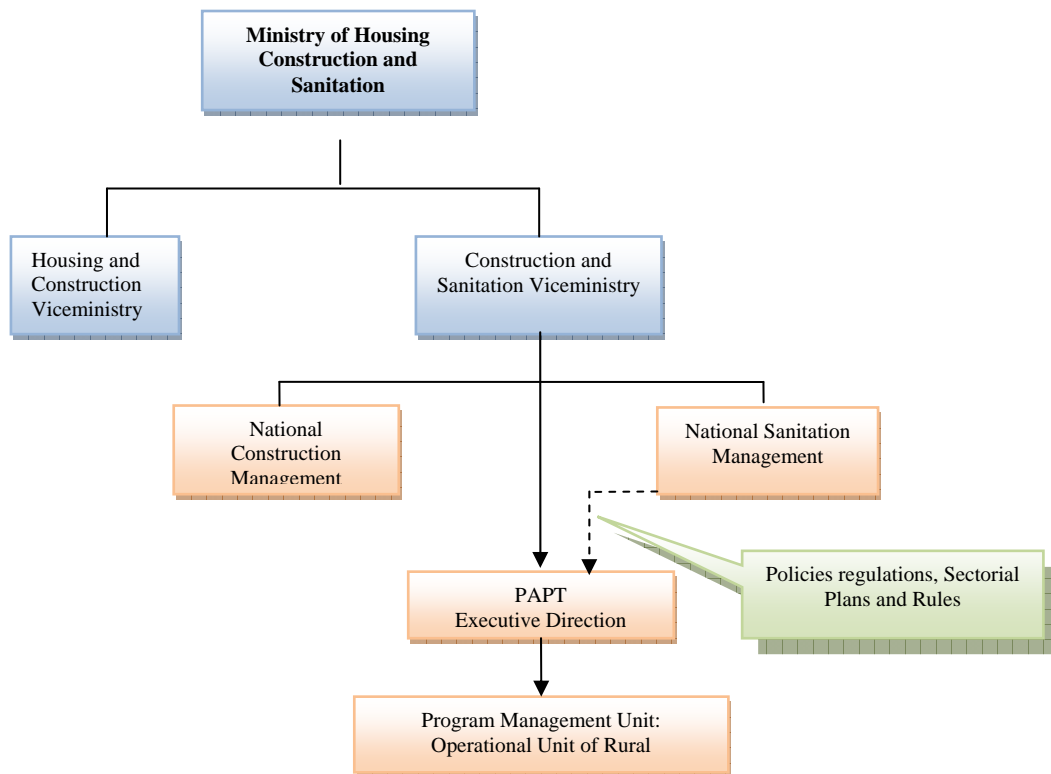
- (i) Management Entity:
Executive Direction
- (ii) Assessment Entities:

- a. Legal Affairs Unit
- b. Planning, Budget and IT Unit.
- (iii) Support Entity:
 - Management Unit
- (iv) Managerial Hierarchy:
 - a. Urban Sanitation Operational Unit
 - b. Investment Shock Unit
 - c. Rural Sanitation Operational Unit

Specific functions of the PAPT regarding Potable Water and Sanitation Program for Rural Amazon region: The concept and strategy underlying the regulation that approves the PAPT Operational Manual, tells about the creation of two units of projects implementation to strengthen and institutionalize sectorial strategies presented in the Sanitation National Plan.

Since the Program objectives are the PAPT strengthening, it is convenient that the Program Management Unit (PMU) acts as the Rural Sanitation Operational Unit, in order to achieve this objective. Therefore, in the Manual hereby, the PMU will act as Rural Sanitation Unit. With this measure the involvement strategy consolidation is to be achieved and the Sector's institutionally with strength, for being one of the Program's objectives as well.

Figure 2.2 MANAGERIAL HIERARCHY



Source: JICA Study Team (2010)

e. Organic Structure of the Program

The leading and implementation of Potable Water and Sanitation Program for the Rural Amazon region, will be under the Program Management Unit (PMU) domain, which will be responsible for the Program implementation.

Hereinafter the nature, objective, organization and functions of the Program Management Unit are detailed; and how it relates with the rest of PAPT entities.

e.1 Program Management Unit (PMU)

The PMU is directly related with the PAPT Executive Director. The PMU will lead the Potable Water and Sanitation Program for the Rural Amazon region, and it will be under the responsibility of a General Coordinator, who will perform as a negotiator with all the prerogatives and support of the sector, to take the responsibility for the issuing of all documents, actions and coordinations with JICA, MEF and other institutions involved in

the Program; he will also have the sufficient authority to make decisions related to the Program implementation.

The financing for the Potable Water and Sanitation Program in the Rural Amazon region, is planned with Financial Cooperation Resources and Non Refundable Resources of Japan International Cooperation Agency – JICA to be agreed with the Peruvian Government. This Resources would be used mainly for the construction of new systems, or the restoration and/or improvement of the existing potable water supply and sanitation services in the 1500 towns of the Program, and will include all the necessary actions for the implementation of Program Component 1, this is, the phase previous to the project cycle, meaning the preinvestment studies, the final studies and the works implementations. Likewise, in a comprehensive way and at the same time the strengthening actions for the community and municipality organizations will be carried out as well as the information and training for management, operation, maintenance and education in health and hygiene.

Nature

The Program Management Unit is the entity responsible for the management, implementation, management, operation, evaluation, and monitoring of the Program. A Coordinator assigned by the VMCS will be in charge of it, and he will be JICA representative.

General Functions:

- ✓ Manage the direct implementation of all the Program components
- ✓ Fulfill and enforce the fulfillment of principles, strategies and procedures established in the Manual hereby
- ✓ Report to the JICA, MEF, VMCS y DNS about the Program development
- ✓ Evaluate and monitor the Program components implementation

Specific Functions:

- ✓ Plan, organize, lead, control, implement, carry out and evaluate the Program activities.
- ✓ Lead and manage supported by the Management Unit of PAPT, the human, financial and material resources assigned to the Project, using yearly plans, budgets and periodic reports required by JICA and the respective institutions within the central government. To create regulation documents in regard to the Program.
- ✓ Create the Program Yearly Operational Plan, for JICA's approval.

- ✓ Lead the consultancy, goods and services hiring and Works contracting.
- ✓ Declare the projects feasibility, based on pre investment studies considering the profiles.
- ✓ Approve the technical files before the notification for its implementation.
- ✓ Subscribe the required agreement for the Program implementation.
- ✓ Control the finances, with the counseling, of the Planning, Budget and IT Unit of the PAPT, about the Program resources by all means.
- ✓ Supervise, monitor and evaluate the physical and financial implementation of the Program in all its areas.
- ✓ Prepare the Expenses States and other financial reports required by JICA, MEF and VMCS to justify the Program implementation expenses.
- ✓ Approve and manage, with the counseling of the Planning, Budget and IT Unit of the PAPT, the funds withdrawal applications of the loan, and justify it according to what was provided on JICA's regulations.
- ✓ Review and approve the works and consultancy development as well as all of the receipts, to ensure that they belong to an eligible expense category.
- ✓ Approve and present the information of the budget implementation and the one of the Financial States of the Program required by JICA.
- ✓ Manage the hiring, through the General Controllershship of the Republic and the PMU itself, regarding the yearly external auditing, to be implemented into the Program's accounts, including both, the financial management as well as the Works implementation and acquisitions.

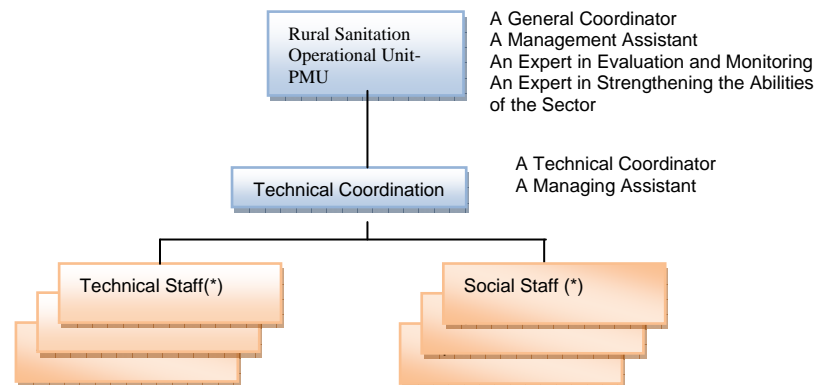
Organic Structure

The Program Management Unit (PMU) is under the leadership of a General Coordinator and consists of the following areas:

(i) General Coordination, consisting of a General Coordinator, a Management Assistant, an acquisition specialist, an evaluation and monitoring specialist and a Sector Enforcement specialist.

(ii) Technical Coordination, Consisting of a Technical coordinator, a Management Assistant, Contracts Managers/Engineering Specialists; Social Specialists.

Figure 2.3 PMU ORGANIZATION



(*) Technical and Social Team for contracts' supervision

Source: JICA Study Team (2010)

General Coordination

It is the entity responsible for the Program and its objective is to plan, lead and supervise the implementation and development of its components.

The General Coordinator shall be nominated by the Minister of Housing Construction and Sanitation and shall be approved by JICA. He will perform as a negotiator between JICA and others entities related to the Program, with all the prerogatives and sector support, and shall be responsible for the issuing of documents, actions and Program coordination. He shall have the authority for making decisions related to the Program implementation, and will have faculties, as delegate, to sign contracts.

The General Coordination consists of a General Coordinator, a Management Assistant, a Specialist in Evaluation and Monitoring and a Specialist in Capacities Enforcement

Functions:

- ✓ Have the control and general responsibility of the Program implementation;
- ✓ Grant an efficient management of all the Management Units of the Program, to establish coordination with the Ministry of Economy and Finances (MEF), JICA and the other institutions related with the Program's implementation.
- ✓ Be considered upon resolution of last resort aspects from the implementation of the project.
- ✓ Coordinate with the rest of the PAPT and MVCS entities.
- ✓ Fulfill the conditions and commitments of the Loan Agreement.

- ✓ Represent the Program officially Turing the coordination with public and private entities, as well as with the financial agencies and bilateral organisms.
- ✓ Delegate and assist all the areas involved in the Program promotion.
- ✓ Make the pre investment studies feasible and to approve the Technical files of the projects.

Technical Coordination

The Technical Coordination is the area in charge of the implementation, supervision and monitoring of the Components 1 and 2 of the Program. It shall be responsible for the selection processes, hiring and Management of the contracts of Consultants Operators, Supervisor Consultants and.

The technical area shall be under the responsibility of a Technical Coordinator, who will take the responsibility for the representation and functions of the General Coordinator in case the latter is absent; the technical coordination also consists of: a Management Assistant, Contract Managers/Engineering Specialists and Social Specialists.

Functions:

- ✓ Review, evaluate and approve the studies, consultancy reports, service's approval, and to approve the acquisition of material, equipment and all the required supplies for the Program implementation.
- ✓ Coordinate, evaluate and monitor the implementation of Components 1 and 2.
- ✓ Monitor the projects implementation carried out by Operation Consultants and Supervisor Consultants.
- ✓ Prepare technical documents (engineering, social and management) for the selection of Short Lists, Proposal Orders for the hiring of Social Technical Operators, Operators Supervisors and Consultancies in bidding processes,.
- ✓ Approve pre investments studies (Profiles) and Technical Files, for the General Coordination feasibility statement.
- ✓ Set up Special Evaluation Committees which will be responsible for the selections processes of Consultant Operators, Supervisor Consultant and Work Contractors, all these assessed by the Acquisition Specialist, they will also be in charge of: Short Lists creation, technical, financial and combined sales evaluation, and contracts awarding..
- ✓ Manage and monitor the contracts of Consultant Operator, Supervisor Consultant, Works Contractor and individual Consultants.

- ✓ Prepare technical documents (engineering, social and management) that will be required so the Consultant Operators, Supervisor Consultant and Works Contractors might fulfill the objectives of their contracts.
- ✓ Formulate an Operational Plan and Yearly Budget of Components 1 and 2.
- ✓ Formulate the Acquisition Plan of Components 1 and 2.
- ✓ Propose adjustments to the Program's Operational Manual so that the intervention strategies are improved and its application is viable.
- ✓ Announce the approval of the products of the Consultancy Operators, Supervisor Consultant and Works Contractors, after the corresponding technical approbation.
- ✓ Prepare and re-announce the physical advancement reports and information required by the Administrative Unit of the PAPT and by the General Coordinator.

Administrative support of the Administrative Unit of the PAPT

The Administrative Unit is responsible for the administration of the financial, material and human resources for the PAPT and for the Drinking Water and Sanitation Program to the Amazon Area. A chief is in charged and depends organically and functionally of the Implementing Board of the PAPT but not only merit the registration to the Loan Agreement between JICA and the Peruvian Government which formalizes the execution of the Program, must accomplish the use of this Manual regarding national rules, if necessary.

The Administrative Unit has the following functions with the Program:

- a. Conduct, implement and apply the accomplishment the rules of the administrative systems, when they don't contradict the procedures of the present Manual.
- b. Manage, supervise and control the use of human, material and economic resources of the Program.
- c. Implement the financial resources assigned to the Program keeping in mind the limitations of the budget.
- d. Formulate and present, in due course, the financial statement and the economic situation at the end of every financial year and when requested by JICA and the other co- financing bodies.
- e. Effectuate financial and accounting transfers of the Program's projects, which require previous verification of the accomplishment of the established procedures.
- f. Regulate the custody and verification of Letter of Credit granted in favor of the Program.

- g. Consolidate, formulate, execute, evaluate, control and modify the Annual Plan of Acquisitions with appropriate actions coordinated with PMU, OGPP and the Administrative Unit of the PAPT.
- h. Conduct selection of processes in accordance to the Annual Plan of Contractions approved, except for the processes that correspond to the Experts Staff in the Process of Selection of the Management Unit of the Program (PMU).
- i. Formulate the Program's Accounts Plan.
- j. Administrate and regulate the assets and stocks, keeping inventories updated.
- k. Administer bank accounts of the Program to manage External Debt resources, financial resources of Public Treasure, donations and transfers constituting the Program's Office of Working Capital.
- l. Others assigned by the Loan Agreement and the present manual.

To accomplish its functions of the Program, the Administrative Unit of the PAPT is in charge of the Accounting, Treasury, Supplying Area, Human Resources and Administration of Documents, each area has a Chief who complies with the Chief of the Administrative Unit.

Local Perspective

a. Local Governments

The Local Governments participate in the Program contributing with the projects prioritized by the respective Regional Plans of Sanitation formulated under methodologies approved by the MVCS. If this projects count with the financing from Local Governments they are qualified to the procedures of eligibility and priority in approval of projects by Ministerial Resolution RM No 693-2008- VIVIENDA and included in present Manual.

b. District Municipalities

They general function is to participate in the planning and execution process of the Program in the corresponding area. They will be able to co- finance the projects in locations under their jurisdiction. The more they contribute with funds the better qualified they are under qualification criteria prioritizing the participation of the district in the Program.

Among its functions:

- ✓ Sign the Framework Agreement with the Vice Ministry of Construction and Sanitation.

- ✓ Organize the Consultancy Operator the formation of the JASS, registering in the district standards.
- ✓ Sign specific Agreements of co- financing the works, between the VMCS, Municipality and the JASS.
- ✓ Allocate resources to the water and sanitation projects.
- ✓ Follow up the implementation during project's execution.
- ✓ Supervise the actions of local executors: Consultancy Operator, Supervisor Consultant and Work Contractors.
- ✓ Sign minutes of work liquidation.
- ✓ Participate in the training process to strengthen management.
- ✓ Register the drinking water and sanitation services, counting the population benefited with water and sanitation.
- ✓ Supervise the management of the JASS.
- ✓ Provide technical assistance and promote legal constitution.
- ✓ Promote the associations of the JASS.

The municipalities, under an Organic Structure must create, at the end of the projects, a Technical Assistance Unit on it, and in charge of someone paid by the district. While it occurs, the Program, through the Consultancy Operator, will train the municipality and will allocate a Municipality Strengthenener Expert during the permanence of the operator in the district.

c. Operator Consultant (OC)

The OC is a specialized firm which will be selected and hired by the PMU through tender procedures specifically described in the present manual. The OC will have an agreement with the PAPT which make the OC responsible to the implementation of the Components 1 and 2 of the Program in the assigned area by the corresponding Service's Leasing.

d. Supervisor Consultant (SC)

The SC is a specialized firm which will be selected and hired by the PMU through tender procedures specifically described in the present manual. The SC will have an agreement with the PAPT which make the SC responsible to the evaluation of Profiles and Technical Dossiers to be elaborated for the Program in the assigned area by the corresponding Service's Leasing.

e. Work Contractor

The Work Contractor are firms specialized in construction of drinking water and sanitation systems which are ready to implement the works of the Program with non qualified workforce and with the contribution of the community. The PMU will hire them and will supervise them by the Consultancy Operator.

f. Administrative Associations of Sanitation Services – JASS

Community organization which is in charge of exclusively, manage drinking water services in one or more rural population areas.

Their general function is to administrate, operate and maintain drinking water supply systems providing them an adequate service in terms of quality, quantity and continuity.

Among its functions:

Participate along with the community in all phases of the Program.

Register the Three- Party Agreement in the Program.

Coordinate and facilitate the actions so the communities make their contributions of non-qualified workforce.

Propose and justify the family fees in the General Assembly of Users.

Participate in an active way in the process of implementation of the project in its locations.

CHAPTER III

IMPLEMENTATION OF PROGRAM

COMPONENTS 1 AND 2

CHAPTER III: IMPLEMENTATION OF PROGRAM COMPONENTS 1 AND 2

COMPONENT 1: WATER SUPPLY AND SANITATION IN RURAL AREAS OF LOW JUNGLE

COMPONENT 2: WATER SUPPLY AND SANITATION IN RURAL AND HIGH JUNGLE

3.1 INTRODUCTION

This chapter aims to describe the implementation of Component 1: Water Supply and Sanitation in Rural Areas of Low jungle and Component 2: Water Supply and Sanitation in Rural Areas of High Jungle and Edge of the Jungle, which are the main components of the Water and Sanitation Program in Rural Jungle Areas. At first, we describe the general criteria for intervention that includes the principles and strategies to implement the program. Second, we present the model of intervention through the Operator Consultant (OC) and the Supervisor Consultant (SC), describing their roles and responsibilities. Then, we describe the project types, its technical options and service levels. After that, we present the general criteria for eligibility and prioritization of districts. Finally, we describe in detail the Project Cycle from precycle phases, pre-implementation, post implementation to implementation. For each stage of the cycle, the responsible is defined and described; the procedures, tools and results; and also the results obtained in each stage.

3.2 INTERVENTION MODEL STRATEGY AND RESPONSIBILITIES

The program will be implemented by the Program Management Unit of the Water and Sanitation Program in Rural Jungle Areas, from the Water for All Program. The implementation will be carried out through the Operator Consultant, hired by the PAPT/PMU, for a defined scope and Program's different stages.

The Administrative Board of the Sanitation Service (ABSS), which represents the community, the District Municipality as a local authority and the MVCS as the governing body, through the PMU, are co-executors of the Program and have rights and duties to be met for the successful implementation of the Program. The contracts and agreements to be signed between these actors must specified clearly and in detail those rights and duties.

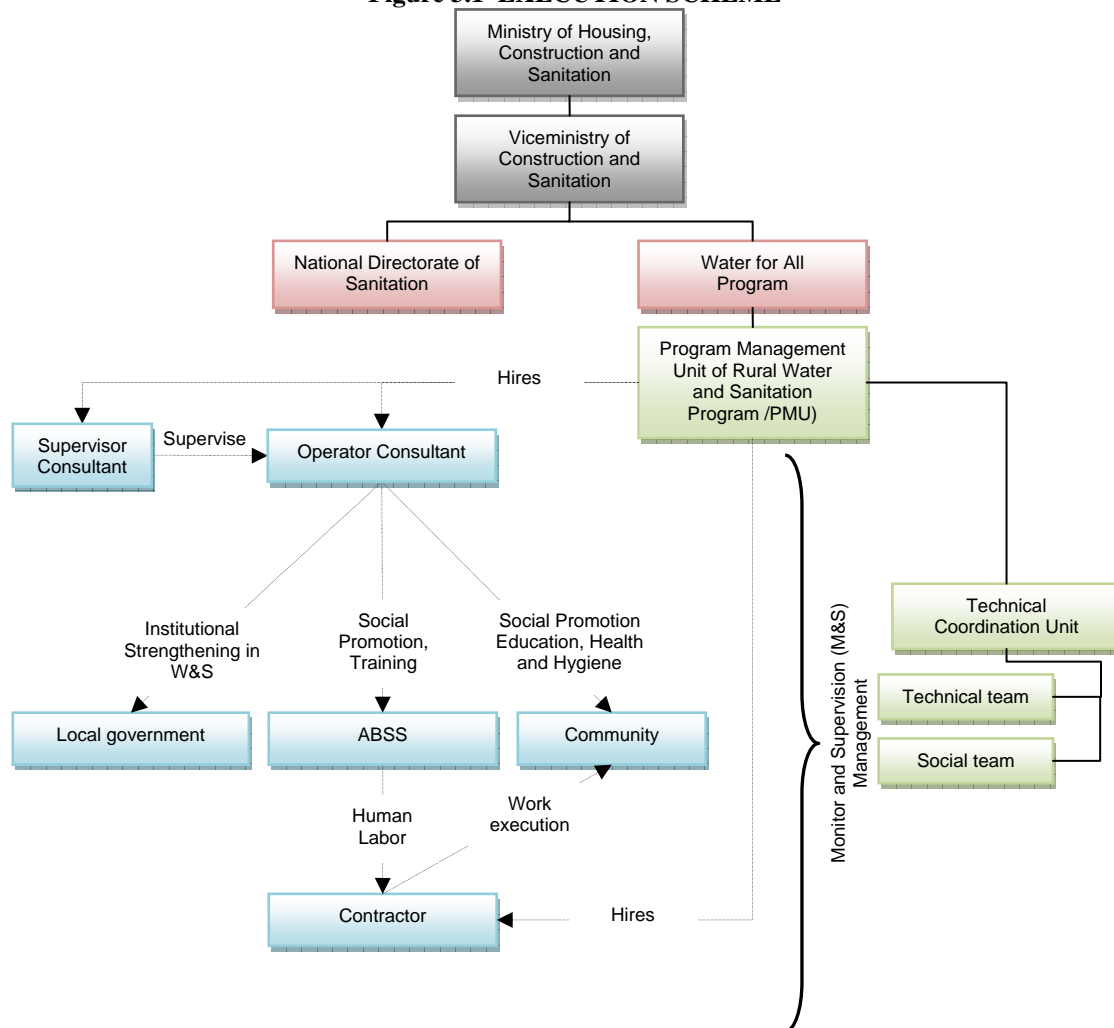
Before the execution of the work, the Operator Consultant must be sure -and is responsible for this- that the project profile is feasible, the technical profile is approved by the PMU and has a sufficient coverage budget.

The social activities and training are of exclusive responsibility of the Operator Consultant and must accomplish the goals and commitments outlined in its Terms of Reference. The fulfillment of these social activities and training will be satisfied, not by the development of the activity itself but by the impact generated in the community (measured by indicators). The social team of the PMU, in charge of contract administration, will oversee such activities. The Terms of Reference of the Consultant Operator must have an exclusive annex where the social activities and training will be described with their corresponding control milestones.

The overall strategy for implementing the program described in this Handbook will be mandatory for all participants in the Program, however the implementation of the social intervention strategy field, techniques, instruments and tools will be done according to each Operator Consultant's proposal to be made based on their experience and knowledge on the subject and which were submitted and evaluated in its technical proposal, which form part of the respective contract.

The following is the outline of the actors involved in project implementation of Components 1 and 2 through the proposed intervention model:

Figure 3.1 EXECUTION SCHEME



Source: JICA Study Team (2010)

The main functions of the actors involved in the intervention of the program are:

✓ **National Directorate of Sanitation**

The Ministry of Housing, Construction and Sanitation (MVCS), through the National Directorate of Sanitation (DNS) establishes the policies and strategies of the Sector.

✓ **PAPT**

Is the Program Implementation Unit, through the Operational Unit on Rural Sanitation.

✓ **PMU Water and Sanitation Program in Rural Amazonia**

PAPT is the instance in charge of the Water and Sanitation Program in Rural Amazonia. The PMU will act as the Operational Unit for Rural Sanitation, as part of the organizational structure of the Water for All Program (PAPT). Its main functions are to: (i) Implement and

carry out the program, (ii) Report to the DNS, PAPT, VMCS and JICA on the progress of the Program, (iii) Assess and monitor the implementation of all components of the program and monitor the implementation of social intervention activities and training.

The PMU will be in charge of the execution of the intervention plan and therefore will ensure its viability. The PMU should have sufficient sovereignty to sign, in representation of PAPT and MVCS, the necessary agreements, and to sign contract with the Operator Consultant, the Supervisor Consultant and the Construction Contractors.

The PMU will supervise, monitor and evaluate the work of the Operator Consultant, the Supervisor Consultant and the contractor. Although the Technical Team of the PMU is in charge of the approval of project profiles and technical dossiers, and the implementation and settlement of works; firms representing Operator Consultants, Supervisor Consultants and the Contractors have civil and penal liability, if applicable, when the technical files which support investments (profiles, technical dossiers and works) have hidden defects. In this case, the PMU should make the complaints and execute the penalties established in the contract.

In this context, the PMU supervise and monitor the processes and program activities in the areas identified by the Program. In order to do that, they will need skilled personnel with experience and qualifications acceptable to the Program.

✓ **Operator Consultant**

Program implementation is carried out locally through a consulting firm hired by the PMU, which will be called Operator Consultant (OC).

The main activities to be undertaken by the OC are: (i) to promote the program in each community, (ii) to prepare the project profile, (iii) to prepare the project file (including the technical dossier and the training plan); (iv) to pre-qualify, invite, evaluate and prepare the proposal for labor contractors; (v) to supervise the works, (vi) to implement social activities like training plans and community health education programs, ABSS and municipalities; and (vii) to strengthen local capacity after implementation through training activities, health education and capacity building programs for municipalities during implementation.

Since the responsibility for implementing the program in a given geographical area will be entrusted (by contract) to an Operator Consultant, it is its responsibility to monitor the participation of all stakeholders in the Program (City, ABSS, Community) and to motivate the participation of the actors involved in the Program in a timely manner in accordance with programming and agreements. Delays in implementation cannot be argued as non-participation of the municipality or community in specific activities of its work plan, unless justified cases.

✓ **Supervisor Consultant**

The Supervisor Consultant must be a consulting firm hired by the PMU to be responsible for evaluating the project profiles and technical dossiers made by the Operator Consultant. The Supervisor Consultant must verify in field the technical, economic, environmental and social feasibility of the project profiles and technical dossiers proposed by the OC.

✓ **Contractor**

Is the agent responsible for the execution of works. Its recruitment should be announced, evaluated and proposed by the Operator Consultant hired by the PMU, after no objection from the Technical Unit that manages the contract. The technical management of the work will be conducted by contractors and will be responsible for carrying out the work with the contribution of unskilled labor from the community. Technical supervision of works is under the responsibility of the Operator Consultant.

✓ **Local Governments**

Local Governments must plan, prioritize, cofinance (if it is possible) and participate in the implementation of water and sanitation projects, along the entire project cycle, mainly in the stages of pre-execution, implementation and post-implementation, and participate in strengthening their capabilities to continuously provide technical advice and monitor the systems within its jurisdiction, assuming its role and responsibility towards the water and sanitation services in its community, through a Council Agreement.

It is expected that municipalities, at the end of their participation in the Program, will be able to assign staff to fulfill their role in water and sanitation issues in their geographical area.

✓ **Administrative Board of Sanitation Services (JASS)**

Local organization which represents the community and is responsible for the management, operation and maintenance (MOM) of services in their area, for it will charge users a family fee, or other extraordinary revenues that may result. The JASS participate during the intervention program with the population and in coordination with the local governments in the training processes for the management of sanitation and health education programs.

✓ **Community**

The community participates in co-financing the work by providing 100% of unskilled labor; after that, during operation of the A&S system, must give a cash contribution ("Family Fee"), which will cover at least operating and maintenance costs, as well as service administration.

Regarding its participation in the entire project cycle, community must: (i) be informed to promote their demand for knowing and accept the technical and service level, so that there is a correlation between the proposed technology, its payment capacity and commitment for the management, operation and maintenance services (MOM), (ii) elect its governing board, (iii) participate during implementation and the contribution of unskilled labor, (iv) assist to training programs in health education and hygiene, during the post implementation phase, understanding that active participation of the beneficiaries is the best way to ensure sustainability of services.

3.3 PROJECT TYPES

a. Implementation of New Water Supply and Sanitation Projects

It includes the construction of new water and sanitation systems. These projects will be implemented by the Ministry of Housing, Construction and Sanitation, through the PMU and also includes technical aspects (execution of works), social and environmental aspects involving the community and local governments.

b. Rehabilitation and Improvement of Existing Water and Sanitation Projects

It is designed for the rehabilitation, expansion and improvement of existing water and sanitation systems, implemented by the Ministry of Housing, Construction and Sanitation, through the PMU. The project implementation also includes the technical aspects

(execution of works), social and environmental aspects involving the community and local governments.

3.4 TECHNICAL OPTIONS

Technical options are those that have been tested and validated, compatible with the physical, geographical, topographical, social and economic rural population characteristics, which enable optimal and low cost provision with integral water and sanitation services.

Technical options have been established for water and sanitation services, as indicated in Tables N° 3.1 and 3.1-A, respectively.

There won't be a case of conventional sewerage infrastructure implementation, unless system rehabilitation is needed in a location where this type of system has been operating with an appropriate hydraulic drag. The PMU will approve a proposal by the Operator Consultant for each case to determine its inclusion or not in the program.

3.5 LEVELS OF PROJECTS SERVICE

Appropriate levels of service to rural areas have been established, according to criteria: allocation of available water and the required level of operation and maintenance during its useful life. Service levels considered are shown in Tables N° 3.1 and 3.1-A, respectively.

Table N° 3.1: TECHNICAL OPTIONS AND WATER COVERAGE SERVICE LEVELS IN THE JUNGLE

Location	Technology		Source	System Components	Communities dispersion (1)	Service Level	System's Main Characteristics	
C1 Low Jungle (< 400masl)	Conventional	PST	Underground water	Collection: Well tubular, dug well, Pressuring, Reservoir, Disinfection, Distribution.	Concentrated Half disperse	HC HC		
		PCT	Superficial water	Collection: surface water through floating raft, collection boxes, Pressuring, Treatment: Flocculation and slow filtration slow or rapid filtration, Reservoir, Disinfection, Distribution.	Concentrated Half disperse	HC HC		
	Not Conventional	IS	MP	Underground water	Well, Pump, Cover and Drainage, Distribution - Health Unit (Optional, only OPS Flexi or similar) o storage and laundry a o storage, laundry and shower - Hauling	Half disperse	Familiar	Handicraft: Flexi OPS, mecate, bucket tube, etc.
						Disperse	Familiar	
		RS	Rainwater	Collection, storage, hand pump (optional), Treatment: home filtration, disinfection.	Half disperse	Familiar		
					Disperse	Familiar		
		FD	Superficial water	Collection: Fountain of slope, depth, filter gallery, Pressuring, Reservoir, Disinfection, Distribution.	Half disperse	Familiar	Table filter with candles, sand table filter, great filter, filter My Water, sand filter, etc.	
					Disperse	Familiar		
	MS	MP	Underground water	Well, Pump, Cover and Drainage, Distribution - Health Unit (Optional, only OPS Flexi or similar) o storage and laundry a o storage, laundry and shower - - Hauling	Half disperse	Multifamily (2)	Handicraft: Flexi OPS, mecate, bucket tube, etc.	
					Disperse	Multifamily (2)		
C2 High Jungle (400-1000m) or Edge of the Jungle (1000-2300m)	Conventional	GST	Underground water	Collection: Fountain of slope, depth, filter gallery, Pressuring, Reservoir, Disinfection, Distribution.	Concentrated	HC / PP(2)	Water flow by gravity from collection. Among all conventional systems, is the one which requires less O&M.	
					Half disperse	HC / PP(2)		
					Disperse	PP (2)		
		GCT	Superficial water	Collection: surface water, conduction, treatment: Sedimentation, Filtration slow, Reservoir, Disinfection, and Distribution.	Concentrated	HC	Water flow by gravity from collection. Among all conventional systems, is the one which requires less O&M.	
					Half disperse	HC		
		PST	Underground water	Collection: Well tubular, dug well, Drive, Reservoir, Disinfection, Distribution.	Concentrated	HC		
	Half disperse				HC			
	PCT	Superficial	Collection: surface water through floating raft, collection	Concentrated	HC			

Location	Technology		Source	System Components	Communities dispersion (1)	Service Level	System's Main Characteristics
			water	boxes, Pressuring, Treatment: Flocculation and slow filtration slow or rapid filtration, Reservoir, Disinfection, Distribution.	Half disperse	HC	
	Not Conventional	IS	MP	Underground water Well, Pump, Cover and Drainage, Distribution - Health Unit (Optional, only OPS Flexi or similar) o storage and laundry a o storage, laundry and shower - - Hauling	Half disperse	Familiar	Handicraft: Flexi OPS, mecate, bucket tube, etc.
Disperse					Familiar		
RS			Rainwater	Collection, storage, hand pump (optional), Treatment: home filtration, disinfection.	Half disperse	Familiar	
				Disperse	Familiar		
		HF	Superficial water		Half disperse	Familiar	Table filter with candles, sand table filter, great filter, filter My Water, sand filter, etc.
					Disperse	Familiar	
	MS	MP	Underground water	Well, Pump, Cover and Drainage, Distribution - Health Unit (Optional, only OPS Flexi or similar) o storage and laundry a o storage, laundry and shower - - Hauling	Half disperse	Multifamily (2)	Handicraft: Flexi OPS, mecate, bucket tube, etc.

GST: Gravity system without treatment

GCT: Gravity system with treatment

PST: Pump system without treatment

PCT: Pump system with treatment

MP: Manual pump

RS: Roof system or rainwater collection

HF: Table or home filters

IS: Individual system

MS: Multifamily system

HC: Home connection.

PP: Public pump

(1) Population dispersion considering average distances between plots

(2) A public pool or multifamily pump bring service to a recommended maximum number of 5 to 8 families, who are entitled to exclusive use and responsibility of its O&M.

Source: JICA Study Team (2010)

Table N° 3.1-A: TECHNICAL OPTIONS AND SEWERAGE COVERAGE SERVICE LEVELS IN THE JUNGLE

Location	Technology			Components	Communities dispersion (1)	Service Level	
	Flood areas	Individual solution	Latrines				
C1 Low Jungle (< 400masl)	Flood areas	Individual solution	Latrines	Composter	Stand, toilets, urine collection chamber (optional)	Half disperse	Familiar
						Disperse	Familiar
				Continual compost	Stand, toilets, compost chamber	Half disperse	Familiar
						Disperse	Familiar
C1 Low Jungle (< 400masl) C2 High Jungle (400-1000m) or Edge of the Jungle (1000-2300m)	Non-flood areas	Collective solutions	With hydraulic drag	Conventional Sewerage System	Networks: tubular well, dug well, Transmitter, treatment plant, final disposal.	Concentrated	HC
				Condominium Sewerage System	Networks: tubular well, dug well, Transmitter, treatment plant, final disposal.	Concentrated	HC
		Individual solution	Latrines	Air dry pit	Hole, Stand, slab (Chamber pot), ventilation tube	Half disperse	Familiar
						Disperse	Familiar
				Composter	Stand, toilets, Sludge Chamber, ladder, urine treatment.	Half disperse	Familiar
						Disperse	Familiar
				With hydraulic drag	Pit latrine with black drag: toilets, stand, Pipe: For sewerage disposal, Ventilation, hole or well. Latrine with septic tank toilets, Stand, Pipe: For sewerage disposal, ventilation, septic tank, distribution box.	Half disperse	Familiar
						Disperse	Familiar

HC: Home connection

Source: JICA Study Team (2010)

(1) Population dispersion considering average distances between plots

3.6 PROJECT IMPLEMENTATION CRITERIA

3.6.1 Eligibility Criteria

These criteria are based on those established by the National Directorate of Sanitation, and have been adapted to the characteristics of the Program.

General Concepts

The eligibility criteria are the requirements which municipalities need to meet to be subject to funding by the Program. These requirements are related to the goal accomplishment of sustainability of the project to be executed.

Prioritization criteria allow the establishment of a ranking of districts that have previously shown interest in participating in the program.

Funding Allocation at the regional level

The regional distribution of available financial resources of the program is established by taking into account the following criteria:

- a. Percentage of regional rural population, in relation to the total rural country population.
- b. Poverty level from the population of the region, considering the percentage of the poor.
- c. Insufficient coverage of water and sanitation services at regional level.
- d. Availability of canon resources at regional level¹ (mining, hydroelectric, gas, forestry, etc.) weighted by factors between 1 and 0.1. Regions which don't receive canon revenues or fails to have a significant factor will be assigned a factor of 1 and those with the largest amounts of fees, with 0.1. In other regions, with canon intermediate values, intermediate factors will be assigned in relation to the total canon amount.

For each region, the resulting product is obtained by multiplying the percentages indicated in paragraphs a), b) and c) with the factor shown in d). The budgetary resources allocated to each region will be allocated in direct proportion to those products.

Eligibility Criteria

Districts to be eligible are those located in: Low Forest, Ceja de Selva y High Forest, with rural communities of 200 and 2,000 inhabitants and whose main characteristic is its location at a height less than 2,300 meters above sea level.

¹ It is considered the amount of canon per capita (total regional canon / total regional population)

Rural communities that won't be eligible are those who received W&S services from a Water and Sanitation Firm (Empresa Prestadora de Servicios de Saneamiento - EPS). In the case of rehabilitation projects, systems eligible are those who have more than 7 years of existence and are not financed through other financial sources.

The Project must be integral, including water and sanitation infrastructure, as well as activities in health education, and institutional strengthening for ABSS and local governments.

It must be clear the commitment to implement institutional strengthening activities for improving the capacity of technical and social management of W&S services, and the payment of family fees to cover operation, maintenance and management costs.

3.6.2 Prioritization Criteria

In accordance with the guidelines mentioned above, prioritization criteria applicable to the Program are:

GENERAL CRITERIA	SPECIFIC CRITERIA
Economic Efficiency	a. Service coverage
	b. Project type
Sustainability	a. Cofinance contribution
Equity	a. Poverty level
<i>Source: RM No. 693-2008-vivienda (2008)</i>	

Economic Efficiency Criteria

a. Service coverage:

This criterion includes project impact evaluation in terms of water and sanitation coverage level in the country. Projects that will be prioritized are those located in districts where W&S coverage level is under the national average.

b. Project type:

This criterion considers the impact in terms of sector policy accomplishment and health improvement according to the following scheme:

Type 1 – First priority

Water service projects:

- Rehabilitation projects

- Implementation of W&S services in communities where service coverage is zero²

Sanitation Basic Unit Projects

Type 2 – Second priority

Water service projects:

- Improvement and expansion projects²

Type 3 – Third priority

- Sanitation projects not included in the first or second type

Sustainability Criteria

Project sustainability needs community participation and empowerment to execute the Program, based on the contributions made from local governments and other public institutions at regional or local level.

a. Cofinance contribution:

Since local government contribution for work execution is not a requirement, municipalities which financially contribute to the Program will be prioritized.

Equity Criteria

This criterion intends to reduce poverty through projects which benefit low-income population. Therefore, a ranking based on Poverty Maps is needed.

Poverty indexes are directly related with low coverage of W&S services and with diarrhea diseases.

Prioritization Criteria Punctuation

Punctuation will be assigned for each district in accordance with the following criteria:

Economic Efficiency Criteria		
Criteria		Punctuation
District coverage (water)	Under rural average at Program's scope of intervention (High Jungle, Edge of the Jungle y Low Jungle).	25
	Between rural average at Program's scope of intervention (High Jungle, Edge of the Jungle y Low Jungle).and national rural average.	15
	Above national rural average	0
Project type	Type 1	25
	Type 2	15
	Type 3	10
<i>Source: RM No. 693-2008-vivienda (2008)</i>		

² It must include health education and training programs to ABSS and local governments.

Sustainability Criteria		
Criteria		Punctuation
Cofinance contribution	40 % or more	15
	Between 40% y 21%	10
	Until 20%	5
Equity Criteria		
Criteria		Punctuation
Poverty level	Quintile 1	35
	Quintile 2	20
	Quintile 3	10
Total Punctuation		
Criteria		Punctuation
Economic efficiency	Coverage	25-0
	Project type	25-10
Sustainability	Co-finance contribution	15-5
Equity	Poverty level	35-0
Total		100-5

(Source: RM No. 693-2008-vivienda (2008) for above three tables)

3.7 PROJECT CYCLE DESCRIPTION

Project cycle is divided in four stages: pre-cycle, pre-execution, execution and post-execution.

3.7.1 Pre-cycle

Ministry of Housing, Construction and Sanitation, National Directorate of Sanitation, PMU and local governments are responsible for implementation at this level.

During this stage, areas of intervention are prioritized and selected, Program is promoted, and communities expressed their requirements to local governments. Local governments expressed their interest in participating from the Program and expressed their attention needs; after that, beneficiary districts are selected according to the prioritized criteria developed in this Manual.

On the other hand, official announcement, selection and recruitment process of firms for Operator Consultant and Supervisor Consultant is made.

3.7.2 Pre-Investment

At this stage, Operator Consultant verifies and manages agreements with local governments, develops Program promotion and project profiles, under Supervisor Consultant supervision. Community and local government are informed and participate from decision-making process. In addition, Operator Consultant assessed the ABSS for its reactivation or constitution.

Technical approval of project profiles is made by the Supervisor Consultant and feasibility declaration will be in charge of PMU, through the Execution Unit N° 003 from the Ministry of Housing, Construction and Sanitation. Community and local government must be informed about the project profile approved.

After feasibility declaration, project profiles are sent to the Supervisor Consultant in order to be included at the Bank of Projects. Then, Cofinancial Agreement is signed between the community, the local government and the Ministry, to deposit cofinancial funds.

3.7.3 Investment

At this stage, Operator Consultant develops the technical dossier and training program for the community and local government. The Supervisor Consultant will evaluate and approved the documentation.

Operator Consultant prepares bid documentation for contractor recruitment and selection, and supports PMU with the selection and recruitment process until agreement is subscribed.

After technical dossier and budget approval, the Cofinancial Agreement Addenda is signed between the community, the local government and the Ministry.

The contractor is responsible for work execution, and will receive unskilled labor support from the community. Work supervision and promotion to guarantee community participation will be in charge of Operator Consultant. During work execution, simultaneously, the Operator Consultant carries out training activities, and institutional strengthening for local government and health education programs.

Finally, the contractor executes the work settlement, the Operator Consultant will technically approve it, and the PMU, the local government and the community receives the work.

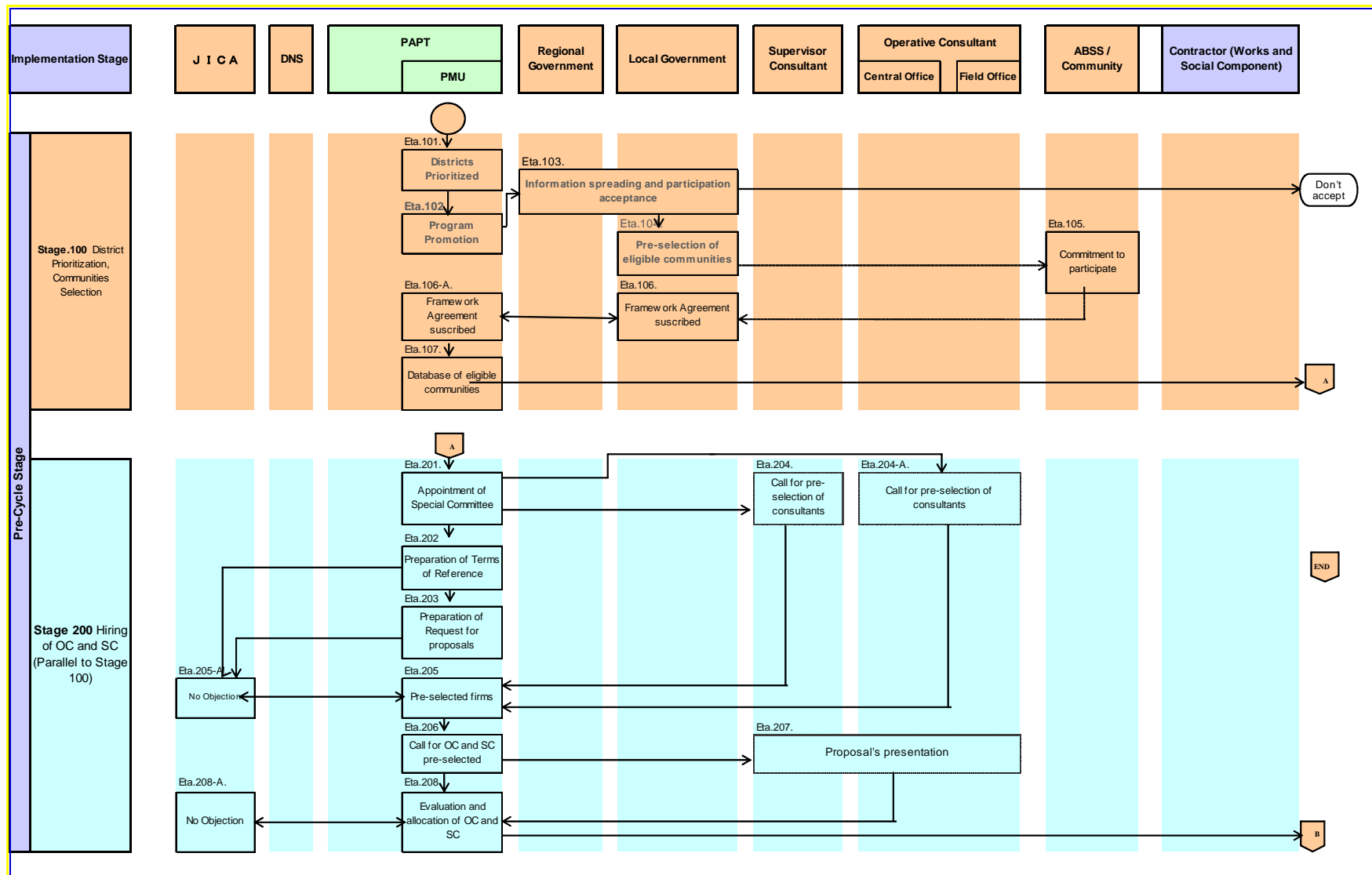
3.7.4 Post-investment

At this part, a training program for local government is carried out to reinforce technical assistance and supervision of water and sanitation services capacities, administration and operation and maintenance for ABSS, as well as institutional strengthening of the community capacity to change hygiene and health habits.

Finally, the Operator Consultant settle down the projects and the PMU approve them.

Now, each stage of implementation will be described. A flowchart is presented at the beginning of each stage.

See flowchart in the next page.



PRE – CYCLE COMPONENTS 1 AND 2

Stage 100: Districts Prioritization and Communities Selection

Stage / Responsible	Procedures	Instruments	Results
<p>Stage 101: Districts prioritization Intervention areas will be selected according to its priority order of provincial and district attention.</p> <p>Responsible: PMU</p>	Districts will be selected according to established priority criteria.	It will be considered the prioritization DNS' criteria: (i) Attention from other financial sources; (ii) percentages of coverage and lack of service; (iii) poverty indicators; (iv) health indicators; (v) accessibility.	Selected communities.
<p>Stage 102: Dissemination Program Stage 103: Information spreading and participation acceptance. Communities are informed about the scope, policies and strategies of the Program in order to generate interest in public institutions (GR, municipalities, health sector, education sector, etc.) and support to the district municipalities in the prioritization, financing and sustainability of projects</p> <p>Responsible: PMU. Regional and Local Governments, Health and Education Sector.</p>	The PMU will develop regional workshops to disseminate and promote the Program, in order to adequately inform regional and local governments about the scope, policies and strategies of the program. The regional and local institutions attend workshops; are informed and agree to participate.	Dissemination material (brochures, posters, publications, audiovisual, etc.). Schedule of Regional Workshops Dissemination.	Regional public institutions are informed and agree to participate. Memory of workshops and dissemination events.
<p>Stage 104: Local governments pre-selected eligible communities.</p> <p>Responsible: Local Governments.</p>	District municipalities preselect communities according to priority and eligibility criteria given by the Sector.	Participatory schemes.	Selected communities to be included in the Program.
<p>Stage 105: Participation commitment. Communities express their interest to their respective local governments.</p> <p>Responsible: Local governments, Community/JASS.</p>	Rural communities, informed of benefits, eligibility criteria and commitments to be undertaken with the Program, express their interest in participating through their local governments.	Participatory schemes.	List of communities committed with the Program.

Stage / Responsible	Procedures	Instruments	Results
<p>Stage 106, Stage 106A: Framework Agreement Subscription. PMU and local governments subscribe Framework Agreement to participate in the Program.</p> <p>Responsible: PMU, Local Government.</p>	<p>Local governments, according to Council Agreements, subscribe the Framework Agreement with the PMU setting commitments to participate in the program.</p>		<p>Framework Agreement subscribed.</p>
<p>Stage 108: Database of eligible communities. Database of eligible communities included at Framework Agreements subscribed for Program Implementation.</p> <p>Responsible: PMU.</p>	<p>PMU establishes a database of eligible communities.</p>	<p>Framework and Council Agreements, communities 'expressions of interest.</p>	<p>Districts database.</p>

PRE – CYCLE COMPONENTS 1 AND 2

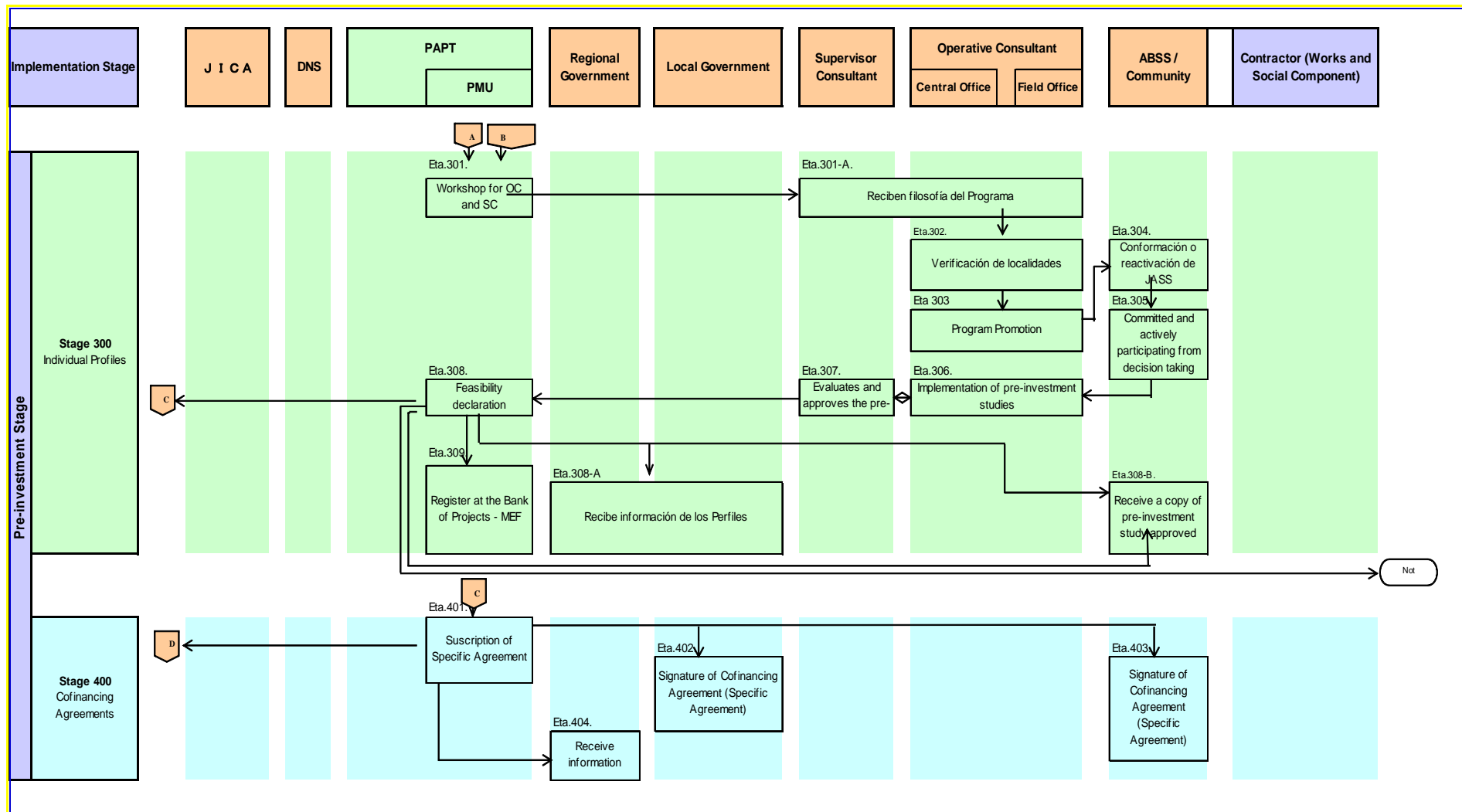
Stage 200: OC and SC Recruitment (Parallel to Stage 300)

Stage / Responsible	Procedures	Instruments	Results
<p>Stage 201: Appointment of Special Committee. Special Committee is formed for the recruitment process of the OC and DS, as the OM and the rules of JICA.</p> <p>Responsible: PAPT. PMU Coordinator.</p>	<p>PMU Coordinator suggests to Administrative Director of PAPT, the creation of the Special Committee, and the PMU designates 2 members.</p>	<p>Record of the appointment and implementation of Special Committee.</p>	<p>Special Committee appointed.</p>
<p>Stage 202: Preparing Terms of Reference.</p> <p>Responsible: PMU</p>	<p>PMU prepare terms of reference and propose JICA for No-objection.</p>	<ul style="list-style-type: none"> • JICA Guidelines³. • Operational Manual. • Program Study. 	<p>Terms of Reference with No-objection from JICA.</p>
<p>Stage 203: Preparing Request for Proposals. The request for proposal will be prepared.</p> <p>Responsible: PMU.</p>	<p>Prepare the competition rules for procurement based on a shortlist. The Request for Proposal contains the following documents: (i) Invitation Letter to those selected on the shortlist (See Annex III, JICA Guidelines), (ii) information for consultants, (iii) a proposed contract format, (iv) terms of reference; (v) technical proposal format; (vi) financial proposal format; (vi) a list of countries which accomplish the requirements.</p>	<ul style="list-style-type: none"> • JICA guidelines • National rules application • Standards for Selection and Employment of Consultants by Borrowers of JICA. • Registration database of OC and SD. 	<p>Request for Proposal.</p>
<p>Stage 204: Call for Expression of Interest (DS). Stage 204-A: Call for Expression of Interest (OC). Stage 205: Pre-selected firms Private Sector is called for the expression of interest to participate in selection processes as Operative Consultants or Design Supervisors for the Program</p>	<p>PMU preselect consultants to be invited for proposals. Preselection will be based on 3 or 5 consultants.</p> <p>If PMU find difficulties to select prequalified consultants, they could request for information</p>	<ul style="list-style-type: none"> • JICA guidelines <p>Notifications are published and announced.</p>	<p>Preselected list of firms to be invited.</p>

³ The Bank Guidelines are referred to the JICA official documents for borrowers: "Guidelines for hiring consultants for Japanese ODA loans" and "Guidelines for implementation of procurement processes for Japanese ODA loans".

Stage / Responsible	Procedures	Instruments	Results
implementation. Responsible: PMU.	about consultants at JICA. Notification is done through print media nationwide, the JICA business development, and communications to the embassies, among others.		
Stage 205-A: No Objection Cycles. To ensure the recruitment process of OC and SD, the PMU applies the No-Objection by JICA at different stages of the process. Responsible: PMU. JICA (Task Manager).	Documentation for the Proposal Request and the shortlist are sent to JICA for No Objection. With No Objection, the Special Committee starts the recruitment process of OC and SD.	<ul style="list-style-type: none"> Operational Manual. JICA Guidelines. No Objection proposal. No Objection Letters from JICA for Proposal Requests and shortlist. 	No Objection by JICA for: terms of reference, preselected firms, and request for proposals.
Stage 206: Preselected firms announcement. Preselected consultant firms are invited to present their technical and financial proposals. Responsible: PMU.	The Special Committee invites preselected firms for OC and SD. Develop a shortlist according to the following criteria: <ul style="list-style-type: none"> Preferably, the OC and SD must be constituted in the region where the call is made. Project experience in W&S at technical and social components. Experience in Forest rural areas. 	Invitation document to preselected firms.	Firms announced.
Stage 207: Proposals Presentation. Invited firms present technical and financial proposals. Responsible: Selected Consulting firms.	Consulting firms present technical and financial proposals.	Terms of reference, proposal request documentation.	Technical and financial proposals.
Stage 208: Evaluation and Allocation for OC and SD. The Special Committee evaluates, selects and hires OC and SD. Responsible: Special Committee PMU.	Evaluation of technical and financial proposals, combined evaluation (quality and cost), and negotiation, allocation and contract signature. OC and SD signed a framework agreement with the PMU. The Framework Agreement commits the OC and	<ul style="list-style-type: none"> Terms of Reference. Guidelines for Recruitment of Consultants by Borrowers of JICA. Operational Manual. 	OC and SD recruited and hired.

Stage / Responsible	Procedures	Instruments	Results
	SD selected to respect their financial proposal.		
<p>Stage 208-A: No Objection Cycle. No Objection Application by the PMU to:</p> <ul style="list-style-type: none"> (i) Technical Evaluation (ii) Draft Contract of selected firms. <p>Responsible PMU, JICA.</p>	<p>The technical proposal is submitted to JICA for its No Objection.</p> <p>Opening of financial proposal after No Objection of JICA's technical proposal.</p> <p>Combined evaluation is performed and sent to JICA for knowledge. Negotiation process with qualified firms.</p> <p>The PMU sends Draft Contract to JICA for its No Objection.</p>	<ul style="list-style-type: none"> • Terms of Reference. • Guidelines for Recruitment of Consultants by Borrowers of JICA. • Operational Manual. 	<p>Technical proposal approved by No Objection letter.</p> <p>Draft Contract with Selected Firm with No Objection.</p>



PRE – INVESTMENT COMPONENTS 1 AND 2

Stage 300: Individual Profiles

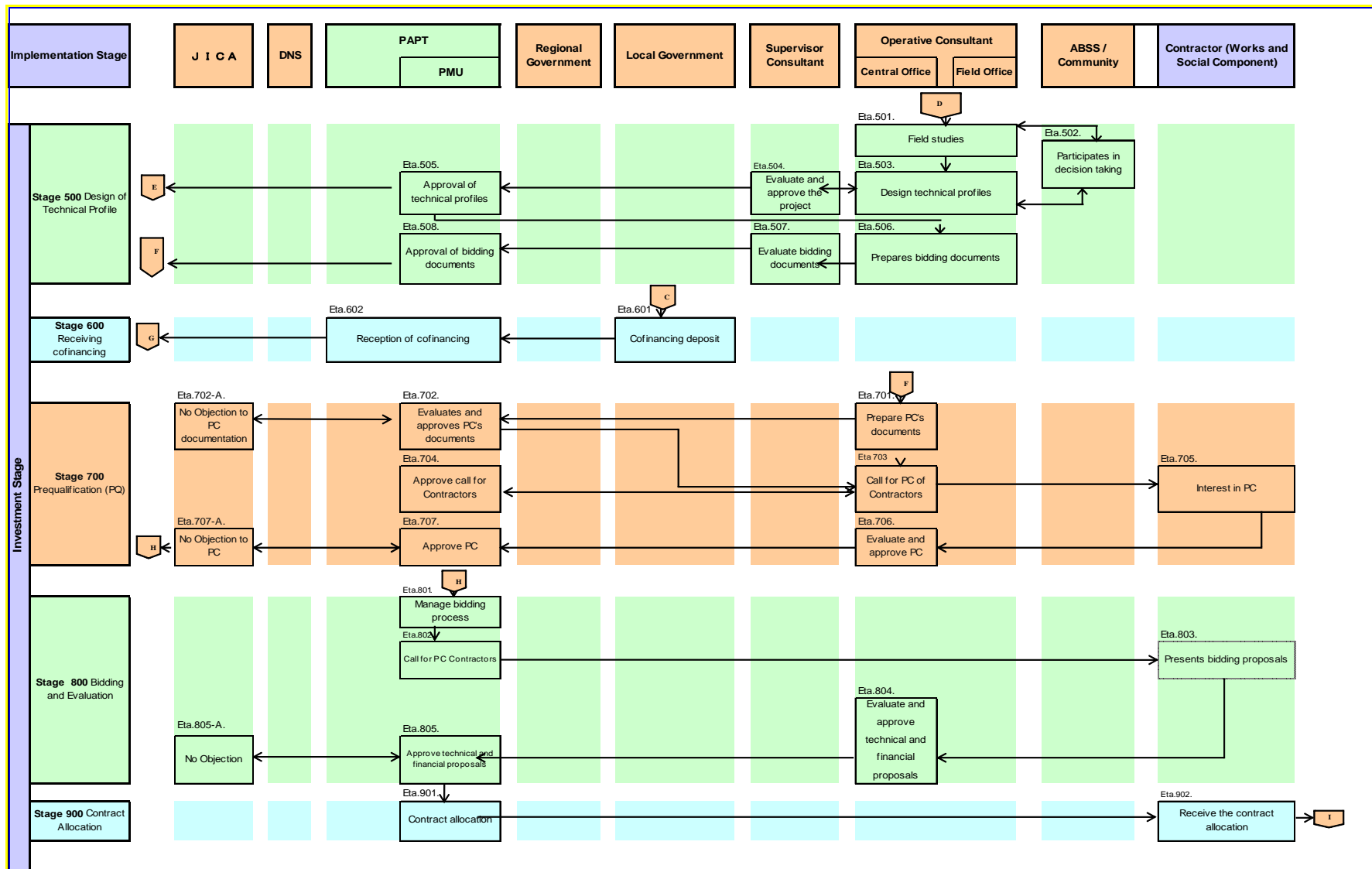
Stage / Responsible	Procedures	Instruments	Results
<p>Stage 301: Scope of the Program to OC and SD. Stage 301-A: OC and SD receive the Program Philosophy. The PMU organizes workshops for OC and SD to let them know in detail the program.</p> <p>Responsible: PMU.</p>	<p>The PMU announces workshops for OC and SD to let them know in detail the program.</p>	<ul style="list-style-type: none"> • Graphic materials (brochures, posters, publications, etc.). • Workshop Program. 	<p>OC and SD know and are identified with the Program.</p> <p>Workshop Record.</p>
<p>Stage 302: Test for selected communities. OC verifies that selected communities fulfill the requirements of the Program.</p> <p>Responsible: OC.</p>	<p>OC, in coordination with local governments, on the basis of the preliminary list of eligible communities, verifies the fulfillment of eligibility criteria and interest for implementing the Program.</p>	<p>Preselected communities.</p>	<p>Preselected communities.</p>
<p>Stage 303: Program Promotion and Diffusion. In selected locations, Program and the conditions and benefits of safe water and sanitation are promoted and diffused</p> <p>Responsible: OC.</p>	<p>OC performs the following actions:</p> <ul style="list-style-type: none"> • Coordinates with local government its participation in the Program. • In the community, through general meetings, promotes investment lines and disseminates the Program requirements. • Apply for documents which establish the requirements of Local Government and community funding. 	<ul style="list-style-type: none"> • Framework agreement between the municipality and the PMU. • Information guide about the investment line in W&S, made by the OC. 	<p>Local Governments and Communities know about requirements, Program Strategy and Financial Policy.</p> <p>The OC knows the Local Government's financial capacity and availability of funds to allocate to projects.</p>
<p>Stage 304: Appointment or reactivation of ABSS. CO promotes the appointment or reactivation of the Administrative Boards of Sanitation Services (ABSS) in selected communities.</p> <p>Responsible: OC.</p>	<p>The OC reviews the situation of the community organization responsible for the Administration, Operation and Maintenance (AOM) of services. If applicable, the ABSS is reactivated and, in absence, its implementation is promoted with the participation of the community.</p>	<p>Communal assemblies.</p>	<p>ABSS implemented.</p>

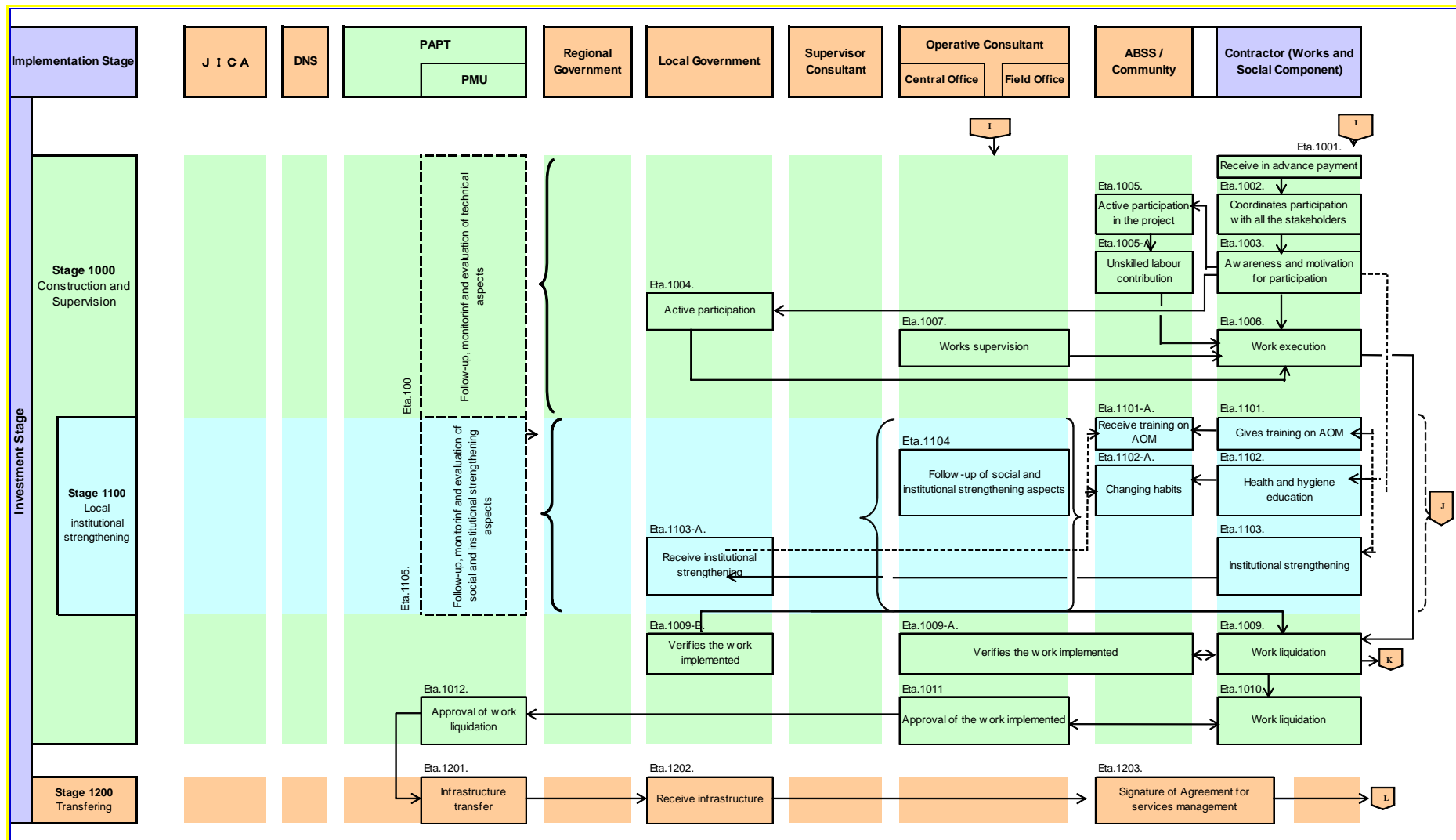
Stage / Responsible	Procedures	Instruments	Results
<p>Stage 305: Inhabitants of the communities participate in decisions. Informed community participates in the analysis and prioritization of their needs in W&S, organizes itself and makes decisions related to the project.</p> <p>Responsible: Community, OC.</p>	<p>Community participation is constant in developing the project profile, expressed in:</p> <ul style="list-style-type: none"> • W&S needs prioritization. • Leaders and representatives election. • Service level definition. • Familiar fee commitment, among others. 	<ul style="list-style-type: none"> • Informational events. • Surveys Table. • AOM benchmark costs by system type and level of service. 	<p>The informed population chooses to participate in the project.</p> <p>Community commitment in participating in the program.</p>
<p>Stage 306: Preparation of Project profile. The Profile defines the economical, technical, social, and environmental viability, as well as project sustainability.</p> <p>The commitment of the population with the Project is formalized.</p> <p>Responsible: OC.</p>	<p>The OC makes field visits to collect information and elaborates the profile.</p> <p>The profile is prepared in accordance with the guidelines of the National Public Investment System (SNIP) and according to criteria established for the Project Components 1 or 2.</p> <p>The project profile defines the technical, social, economic and environmental viability.</p>	<ul style="list-style-type: none"> • SNIP Guidelines. • Guidelines for the formulation and assessment of profiles. 	<p>Project profile.</p> <p>In this phase of the Project, the Local Government knows the profile and establishes, through a community assembly: the source, the technical option and the service level.</p>
<p>Stage 307: Assessment and approval of the profile. The project profile is assessed and approved by the Supervisor Consultant.</p> <p>Responsible: SC.</p>	<p>The SC evaluates the technical economic, social, and environmental feasibility, and sustainability; verifying accomplishment of the requirements specified by the program and its consistency with the reality of the community -which is verified in the field.</p> <p>The DS prepares an approval or disapproval report of the profile and recommends its feasibility or viability.</p> <p>To find observations, the SC prepares a report referring to the OC.</p> <p>The DS develops SNIP No. 02 Format Registration Form to enter the Bank of Projects under evaluation.</p>	<ul style="list-style-type: none"> • Project profile • DS reports • SNIP No. 02 format • SNIP Guidelines. • Guidelines for the formulation and assessment of profiles. 	<p>Approval report on the feasibility or not of the Project.</p> <p>SNIP N° 02 Format Registration Form - Bank of Projects.</p> <p>List of registered projects in the Bank of MEF Projects under evaluation.</p>

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 308: Feasibility Declaration PMU Coordinator stated the feasibility or not of the Profile.</p> <p>Responsible: PMU Coordinator.</p>	The Coordinator of the PMU, according to the evaluation provided by the DS, stated the viability or not of the Profile.	<ul style="list-style-type: none"> • Approval report of the SD profile. • Community acceptance minute of the Profile proposal in community assembly. • Letter to Local Government including a report establishing the viability or not of the project. 	Feasible project profiles. Non feasible Project profiles.
<p>Stage 308-A, 308-B: They receive information from the project profiles. The PMU reports to the Regional Government, Local Government and the community about whether the project is viable or not.</p> <p>Responsible: PMU.</p>	The PMU, after the declaration of feasibility or not, informs the Regional Government, Local Government and the community about the status of the Project Profile.	<ul style="list-style-type: none"> • Project Feasibility Statement. • Communication letters from PMUs. 	Local Government, Regional Government and the community are informed about the feasibility or not of the Project.
<p>Stage 309: Profile recorded in the MEF's Bank of Projects. Project profiles, declared as viable or nonviable, are recorded on the MEF's Bank of Projects.</p> <p>Responsible: PMU, SC.</p>	The DS, with the feasibility statement (Format No. 06 SNIP), records the format profile No. 02 in the Bank of Project, viable or not.	Format 06 SNIP. Format 02 SNIP.	Project profile recorded in the MEF's Bank of Project.

Stage 400: Cofinancing agreements.

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 401, 402, 403: Signature of Specific Cofinancing Agreement</p> <p>Responsible: PMU - Local Government - ABSS</p>	Specific Cofinancing Agreement is signed between the PMU, Local Government and ABSS.	Specific Agreement.	Specific Agreement signed.
<p>Stage 404: Information received. The Regional Government is informed about the signature of the Cofinancing Agreement.</p> <p>Responsible: PMU.</p>	The PMU reports to the Regional Government on their commitments to implement the project.	Specific Cofinancing Agreement. PMU Report to the Regional Government.	Regional Government knows about the Specific Cofinancing Agreement.





INVESTMENT COMPONENTS 1 AND 2

Stage 500: Technical, Social and Environmental File Design (TSE).

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 501: Field study Field survey information on technical, social and environmental aspects, for the formulation of the final draft.</p> <p>Responsible: OC.</p>	<p>Details of the situation in the community are obtained, in the following aspects:</p> <ul style="list-style-type: none"> - Technical - Environmental and vulnerability. - Social aspects. - Coordinations at the local level to obtain information and participation for the Project implementation. 		<ul style="list-style-type: none"> • Baseline in technical, economic and social aspects. • Availability of water sources, land and quarries to implement the project. • Topographical surveying. • Partnerships between local institutions and the OC to implement the Project.
<p>Stage 502: Participate in decisions on TSE issues. Active community involvement during the design of TSE file. Community also makes decisions related to the project.</p> <p>Responsible: Community and OC.</p>	<p>Community participation is permanent at this stage in terms of:</p> <ul style="list-style-type: none"> • Awareness of the importance of their needs in W&S. • Reaffirmation of the level of service. • Reaffirmation of its commitment to pay the family fee, among others. 	<ul style="list-style-type: none"> • Feasible Project Profile • Information Events. • Surveys • Table of benchmark AOM costs by system type and level of service. Communal assemblies. 	<p>Population is committed and constantly informed about participating in the project.</p>
<p>Stage 503: Project design The feasible project passes the design stage of Project File, which includes technical, social and environmental aspects.</p> <p>Responsible: OC.</p>	<p>The project design includes:</p> <ul style="list-style-type: none"> • Engineering Design • Communal Training Plan • Health Education Plan • Plan for Capacity Building for Local Government. 	<ul style="list-style-type: none"> • Feasible Project Profile • Design criteria from the Sector. • Technical, social and environmental baseline. • Training plan approved by the community. 	<p>TSE Project File.</p>
<p>Stage 504: Evaluation and approval of the TSE Project. Technical, environmental and social assessment in field and office, to define its scope in relation to the feasible profile.</p>	<p>DS assesses the TSE file, taking into account technical considerations assumed, implications, and environmental and legal requirements, seeking to ensure the sustainability of the project, and checking its relevance in field.</p>	<ul style="list-style-type: none"> • Feasible Project Profile • TSE file. • Design criteria from the Sector. • Terms of Reference from SC. 	<p>Approval of the TSE file.</p>

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
Responsible: SC.	Informs the approval to the PMU, otherwise sent observations to the OC.		
Stage 505: Approval of TSE file The PMU approves the file based on the approval report issued by the SC Responsible: PMU.	Project file is approved by the PMU.	<ul style="list-style-type: none"> • Feasible Project Profile • TSE file. • Approval of the TSE file. 	TSE file approved.
Stage 506: Documents preparation for Competitive Bidding. Documentation for the bidding process is prepared, after the approval of the Technical File. Responsible: OC.	The OC prepares the documents for the bidding process for works, considering the approved Technical File. He will take into account the communities' geographic location, differentiating the costs of unskilled labor in the budget.	Technical profile approved.	Bidding profile for Works.
Stage 507: Bidding documents evaluation. Responsible: SC.	SC evaluates the documents prepared by OC according to the approved technical profile. The bidding documentation for works is approved by the PMU.	<ul style="list-style-type: none"> • Bidding documents. • Technical profile approved. • Evaluated bidding documents. • SC report. • Bank and W&S Sector guidelines. 	Bidding documents approved by SC. Documents approved in order to start the bidding process.
Stage 508: Bidding documents approval. PMU approves the bidding documents in accordance with the SC report. Responsible: PMU.	SC evaluates the documents prepared by OC according to the approved technical profile. The bidding documentation for works is approved by the PMU.	<ul style="list-style-type: none"> • Bidding documents. • Technical profile approved. • Evaluated bidding documents. • SC report. • Bank and W&S Sector guidelines. 	Bidding documents approved by SC. Documents approved in order to start the bidding process.

Stage 600: Receiving cofinancing.

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
Stage 601: Cofinancing deposit is made Responsible: Local government.	Local Government co-financing deposit is made in WfAP account.	WfAP' financial procedures.	Co-financing deposit in WfAP account.
Stage 602: Cofinancing reception Responsible: PMU/WfAP	PMU approves the reception of cofinancing funds from local government.	WfAP' financial procedures.	Committed cofinancing from the local government.

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>

Stage 700: Contractor Prequalification (PQ) (in charge of works and implementation of training and local strengthening programs)

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 701: Preparation of documents for Prequalification (PQ). Responsible: OC.</p>	<p>Packages of work should be conformed to attract a significant number of signatures. The main items for prequalification are:</p> <ul style="list-style-type: none"> • Experience and performance on similar contracts (works and social component). • The human resource capacity of the firm. • The financial and capital of the firm, nationality, etc. 	<p>Bank and W&S sector guidelines.</p>	<p>Documents for prequalification.</p>
<p>Stage 702: Documents evaluation and approval for the PQ. Documents are evaluated and approved for the PQ. Responsible: PMU.</p>	<p>PMU evaluated and approves documents prepared by OC for contractors' PQ.</p>	<ul style="list-style-type: none"> • Documents for the PQ. • Bank guidelines. • W&S sector guidelines. • Approval report of the PMU to PQ documents. 	<p>PQ Documents evaluated and approved.</p>
<p>Stage 702-A: No objection to PQ documents. No-Objection is handled to ensure the procurement process of the Contractor. Responsible: PMU, JICA.</p>	<p>The PQ documents prepared for the bidding process of the work contractor are sent for No Objection at JICA.</p>	<ul style="list-style-type: none"> • Operational Manual. • Bank guidelines. • W&S sector guidelines. 	<p>PQ documents with No Objection from JICA.</p>
<p>Stage 703: Call for PQ of Contractors. Responsible: OC.</p> <p>Stage 704: Approval for call of PQ. The OC, with approval of the PMU, calls on private sector to express interest to participate in the PQ processes for building contractor of the Program. Responsible: PMU.</p>	<p>OC, with approval from PMU, calls to preselect a contractor.</p>	<p>Bank guidelines.</p>	<p>Contractors called.</p>

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 705: Presentation of expressions of interests to PQ. Interested contractors are presented for pre-selection process.</p> <p>Responsible: Interested contractors in PQ.</p>	Interested contractors submit documents according to the requirements of the Program to be prequalified.	<ul style="list-style-type: none"> • Bank guidelines. • PQ call. 	Contractors present documents for PQ.
<p>Stage 706: Evaluation and approval for PQ. PQ is evaluated and approved.</p> <p>Responsible: OC.</p>	The OC evaluates and approves the documentation submitted by firms for Prequalification of contractors.	<ul style="list-style-type: none"> • Documents submitted by contracting firms. • Bank guidelines. • Operational Manual. • Documents required for the PC. 	Approval documentation of prequalified contractors.
<p>Stage 707: PQ approval. PQ process for contractors is approved.</p> <p>Responsible: PMU.</p>	The PMU approves the documentation submitted by firms for Prequalification for contractors.	<ul style="list-style-type: none"> • Operational Manual. • Bank guidelines. • W&S sector guidelines. • Documents required for PQ. 	Approval documentation of prequalified contractors.
<p>Stage 707-A: No objection cycle for PQ. No Objection for PQ process.</p> <p>Responsible: PMU, JICA.</p>	The outcome of the prequalification for contractors is submitted by the PMU to JICA for its No Objection.	<ul style="list-style-type: none"> • Operational Manual. • Bank guidelines. • Documents required for PQ. 	No Objection for PQ of contractors.

Stage 800: Bidding process and evaluation

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 801: Bidding process orientation. The PMU, through an Evaluation Committee, leads the bidding process supported by the OC.</p> <p>Responsible: PMU - Evaluation Committee</p>	The offer documents will be prepared by the OC and proposed to the Evaluation Committee for their approval.	<ul style="list-style-type: none"> • Operational Manual. • Bank guidelines 	Bidding process by the PMU.
<p>Stage 802: Call for PQ contractors.</p> <p>Responsibles: PMU - Evaluation Committee</p>	The PMU calls for PQ contractors for the bidding process of contracts and the development of social component.	<ul style="list-style-type: none"> • Operational Manual. • Bank guidelines 	PQ contractors called.

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 803: Bidding proposals presentation. Prequalified contractors submit proposals for the bidding process.</p> <p>Responsible: Contractor firms.</p>	Prequalified contractors submit technical and financial proposals for implementation of works and of training and local strengthening programs.	<ul style="list-style-type: none"> Operational Manual. Bank guidelines 	Technical and financial proposals presented by contractors.
<p>Stage 804: Opening of technical and financial proposals.</p> <p>Responsible: PMU - Evaluation Committee</p>	Once you define the date and time, technical and financial bids will be open according the JICA guidelines.	<ul style="list-style-type: none"> Operational Manual. Bank guidelines 	Technical and financial proposals approved. Negotiation process with the chosen contractors.
<p>Stage 805: Technical and financial proposals evaluation.</p> <p>Responsible: OC.</p>	The OC evaluates and approves: <ul style="list-style-type: none"> Technical proposals. Financial proposals. 	<ul style="list-style-type: none"> Operational Manual. Bank guidelines Technical and financial proposals presented by contractors. 	Technical and financial proposals approved.

Stage 900: Contract allocation.

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 901: Contract allocation.</p> <p>Responsible: JICA</p> <p>Stage 902: Allocation and contract signature.</p> <p>Responsible: Contractor.</p>	<p>The PMU, by suggestion of the Evaluation Committee, stands for No Objection and publication of the results to JICA.</p> <p>Contractors signed contract with PMU.</p>	<ul style="list-style-type: none"> Operational Manual. Bank guidelines 	Contractors hired.

Stage 1000: Implementation and supervision

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 1001: Receiving in advance. PMU autorices the first disbursement or advance to the contractor to start the implementation of the</p>	Completed the process of allocating a contract, the first disbursement is made to the contractor for carrying out the work referred in the Technical File	<ul style="list-style-type: none"> ToR of the contractor. Request for Proposal. JICA guidelines 	Contractor has the resources to start implementation of works and social component.

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>work.</p> <p>Responsible: PMU.</p>	<p>and the development of social component..</p>	<ul style="list-style-type: none"> • Authorization of payment of the PMU. 	
<p>Stage 1002: Coordinating participation of all stakeholders. OC coordinates the participation of all stakeholders to ensure the implementation of the project in the scheduled time.</p> <p>Responsible: OC</p>	<p>Confirmed the deposit in advance to the contractor, the OC coordinates with the Contractor, Local Government and ABSS, relevant and timely measures to accomplish the work on time and according to the training and local strengthening programs planning.</p>	<ul style="list-style-type: none"> • Cofinancing agreement. • Coordination meetings. 	<p>Stakeholders committed with the implementation of the Project.</p>
<p>Stage 1003: Awareness and motivation for participation. The OC develops awareness and motivation activities in the community and their organizations to ensure the project have effective community participation.</p> <p>Responsible: OC</p>	<p>The OC develops awareness and motivation activities to the public about the importance of the project on their health.</p> <p>Permanently, promotes the ABSS to keep people informed to commit their participation in all aspects of the project.</p>	<ul style="list-style-type: none"> • Cofinancing agreement. • ToR of the OC. • Project TSE file. 	<p>Community awareness and motivation to participate.</p> <p>Community participates in accordance with their commitments.</p>
<p>Stage 1004: Local governments participate actively in the implementation of the Project.</p> <p>Responsible: Local Government, OC</p>	<p>Local Government assumes its commitment to participate actively during the execution of works.</p> <p>Coordinates with the ABSS about the communal fee with unskilled labor.</p>	<ul style="list-style-type: none"> • Project budget. • Cofinancing Agreement. 	<p>Local government participates actively and keeps its cofinancing commitments.</p>
<p>Stage 1005: Community participates actively in the implementation of the Project.</p> <p>Stage 1005-A: Unskilled labor contribution. People actively involved in the execution of the work, makes effective its contribution of unskilled labor.</p> <p>Responsible: Community / OC</p>	<p>OC mobilizes the population in coordination with the Contractor and the ABSS, distributes the duties and responsibilities to enforce timely contribution of unskilled labor.</p>	<ul style="list-style-type: none"> • Project Budget. • Cofinancing Agreement. • Unskilled labor contribution plan. 	<p>Population participates actively in the implementation of the work.</p> <p>Population provides unskilled labor as commitment.</p>

Stage / Responsible	Procedures	Instruments	Results
<p>Stage 1006: Work implementation The Contractor shall execute the work according to the specifications of the project. (Includes purchase of materials, labor and services).</p> <p>Responsible Contractor, OC, Community.</p>	<p>Before the start of the execution of works, the OC coordinates with the ABSS, the delivery and availability of the land by an act.</p> <p>It is necessary a notebook legalized by a notary or justice of the peace, where the Resident Engineer (Contractor) and the Supervision Engineer (OC) registrate the main effects of the implementation of the work.</p>	<ul style="list-style-type: none"> • Technical File. • Technical notebook. • Cofinancing Agreement • ToR of Contractor. • ToR of OC. 	<p>Implementation of works.</p>
<p>Stage 1007: Work supervision Work implementation is verified, evaluated and supervised.</p> <p>Responsible: OC</p>	<p>The OC monitors the proper execution of the W&S works, in accordance with the TSE File, fulfilling commitments specified in the Specific Agreement, controls the quality of materials purchased for work implementation, authorizes the payment to the contractor and others stated in the terms of reference of OC.</p>	<ul style="list-style-type: none"> • FIDIC and JICA guidelines. • National Procurement Regulation (when not opposed Standards JICA) • Technical File. • Technical notebook. • ToR from Contractor • Cofinancing agreement. 	<p>Work implementation complete.</p>
<p>Stage 1008: Monitoring and Evaluation of technical aspects. PMU monitors and evaluates the Works implementation activities.</p> <p>Responsible: PMU</p>	<p>The PMU monitors and evaluates the execution of works and approval of the documents that justify the payments to the OC and the contractor.</p>	<ul style="list-style-type: none"> • Reports from OC. • Field evaluation of the implementation of works. • ToR from the contractor. 	<p>Project implementation in supervision phase.</p>
<p>Stage 1009: Work finished Once finished the work, the contractor presents the final report of the work and closes the technical notebook.</p> <p>Responsible: Contractor</p>	<p>Complete the work according to the Engineering Project File and approved modifications, the contractor requests the pronouncement of the OC in order to sign the Act of Completion of Work.</p>	<ul style="list-style-type: none"> • Technical notebook. • Technical project profile. • Act of Completion of Work. 	<p>Work finished.</p>
<p>Stage 1009-A and Stage 1209-B: Work verification The Local Government and the ABSS, together with the OC, verify the quality of the work and operation of the system.</p> <p>Responsible:</p>	<p>The OC, Local Government and ABSS do a general inspection of the system. If any observation is made, it must be detailed in the technical work and must be overcome by the Contractor prior to the signature of the Act of Completion of Work.</p>	<ul style="list-style-type: none"> • Technical Project profile. • Technical notebook. 	<p>Work implementation complete.</p>

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
OC, Local Government and ABSS			
<p>Stage 1010: Work implementation completed Once the work is finished, the contractor presents the completion report of the work.</p> <p>Responsible: Contractor</p>	<p>The Contractor presents to the OC a detailed completion report of the work, which contains technical and financial aspects in accordance with procedures established by the program.</p> <p>If the local government does not provide financial funds for the work implementation, its presence in the verification phase is only informative.</p>	<ul style="list-style-type: none"> • Technical notebook. • Unskilled labor contributed by the community. • Technical profile. • Act of completion of the work. 	Completion report from the contractor.
<p>Stage 1011: Approval to the completion of the work. The OC evaluates the bidding documents presented by the contractor in accordance with the requirements established by the Program.</p> <p>Responsible: OC.</p>	<p>The OC reviews the Completion Report of the Work and endorse an approval sign, and prepares a Final Completion Report to the PMU in a deadline period of time.</p> <p>In case of observations, the OC must communicate to the contractor for considering these on time.</p>	<ul style="list-style-type: none"> • Completion Report from the contractor. • Completion Report considering the suggestions made. • ToR from the OC. • ToR from the contractor. 	Work completion approved.
<p>Stage 1012: Approval to the completion of the work The PMU approves the completion of the Work, taking into account the approval document issued by the OC.</p> <p>Responsible: PMU.</p>	Completion report is evaluated and approved by the PMU.	Completion report evaluated and approved.	Work completion approved.

Stage 1100: Training, health education and institutional strengthening of local capacities

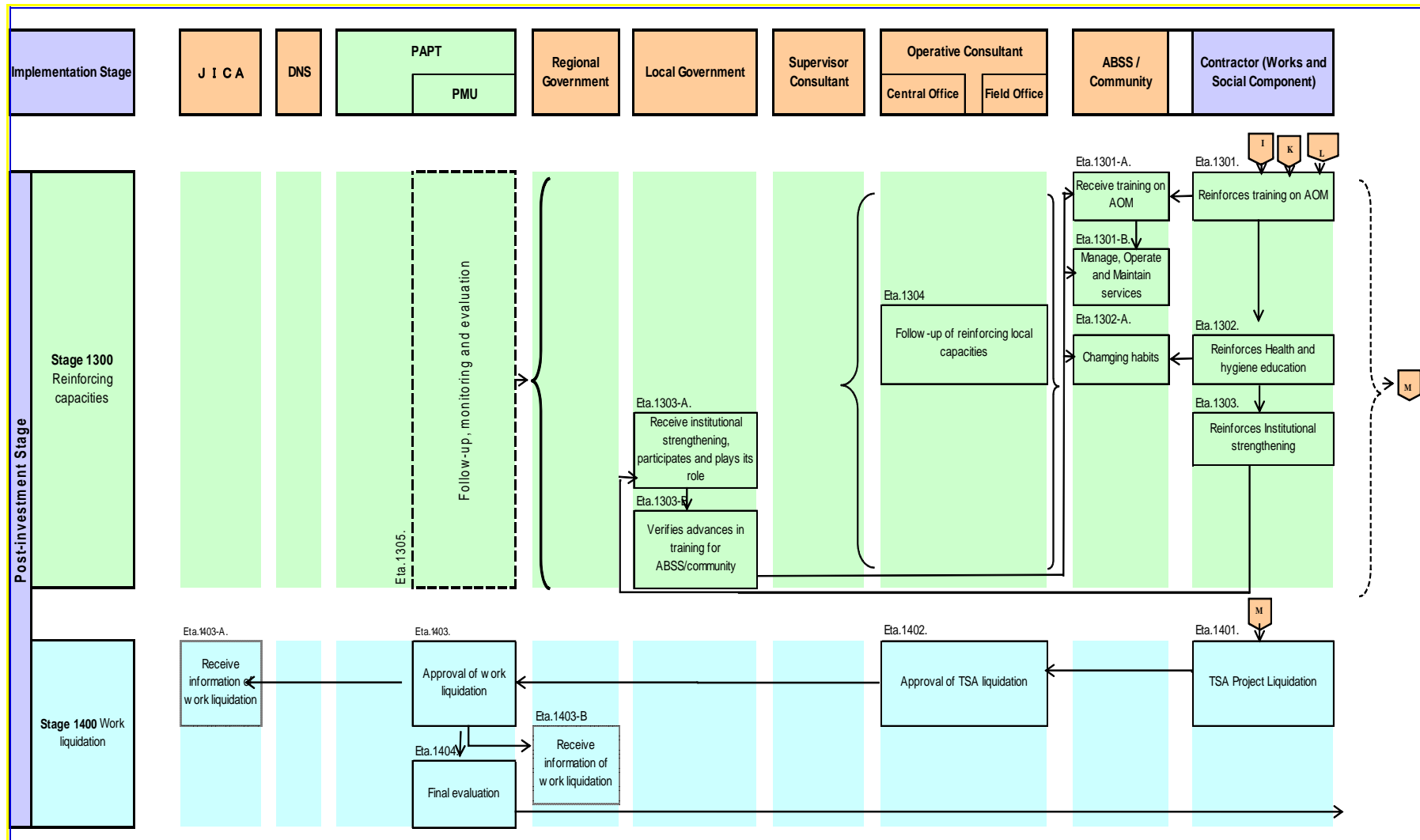
<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 1101: Training Programs Execution in AOM</p> <p>Stage 1101-A: Training Reception in AOM. The CO runs the training Plan in AOM.</p>	The CO, strengthens the population's and ABSS's capacities development in the ABSS-municipality interaction, to ensure an adequate AOM of the services.	<ul style="list-style-type: none"> • Training Plan of the TSA Record. • Educational Materials. • Training Events. 	Users and ABSS are trained to manage deployed services.

Stage / Responsible	Procedures	Instruments	Results
<p>ABSS and the Community, receive the training program, adapt the Project and have the skills needed to manage it.</p> <p>Responsible: OC, ABSS/Community</p>	<p>The community is receptive to the training process and they participate in an organized way.</p>		
<p>Stage 1102: Health and hygiene education. Stage 1102-A: Changing habits</p> <p>The CO runs the Health Education Programs in the community.</p> <p>The target population is trained in health education to promote change to healthier habits.</p> <p>Responsible: OC, Community.</p>	<p>The CO with the community participation develops health education, assessment and appropriate use of services and care for the environment programs, as raised in the TSA Record, encouraging people to acquire and practice healthier hygiene habits and customs.</p>	<ul style="list-style-type: none"> • Health education plan of the TSA Record. • Educational Materials. • Training Events. 	<p>The population is trained in health education aimed at promoting healthy hygiene habits.</p>
<p>Stage 1103: Strengthening local government capacities.</p> <p>Stage 1103-A: Strengthening Reception. The CO runs the Municipal Strengthening Programs.</p> <p>The Local Government receives training for the strengthening of their capacities.</p> <p>Responsible: OC/ Local Government</p>	<p>The OC seeks to strengthen and build local government capacity to adequately perform its oversight and technical assistance to ABSS, which the law assigns to them.</p> <p>Strengthening is performed by in-service training, for which the personnel designated by the municipality participates in all phases of project implementation, so that is involved in projects within their municipal area.</p>	<ul style="list-style-type: none"> • Capacities Strengthening Plan for Local Government. • Educational Materials. • Training Events. 	<p>Local Government strengthened in relation to its competence to the services of A&S.</p> <p>Local government officials are aware of their responsibilities when dealing with the services of AS.</p> <p>Local Government prepared to transfer A&S's works.</p>
<p>Stage 1104: Supervision and monitoring of social and strengthening issues.</p> <p>The OC does the monitoring and the tracking of the training, the health education and the capacity building development in the local government during the investment stage.</p> <p>Responsible:</p>	<p>The OC will supervise and monitor the following steps:</p> <p>(i) Awareness and motivation for participation, (ii) Effectiveness of training and promoting health and hygiene and (iii) Strengthening the capacities of Local Government.</p>	<ul style="list-style-type: none"> • Training Plan. • Health Education Plan. • Capacities Strengthening Plan. • OC's ToR. 	<p>Monitoring reports of the social aspects of the Project.</p> <p>Achievements in respect of beneficiaries of training and capacity plans proposed in the Project.</p>

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
PMU	Compliance with all documents supporting payments to the OC in this area.		
<p>Stage 1105: Supervision and monitoring of social and strengthening issues. The PMU does the monitoring and the tracking of the training, the health education and the capacity building development in the local government during the investment stage.</p> <p>Responsible: PMU</p>	<p>The PMU will supervise and monitor the following steps:</p> <p>(iv) Awareness and motivation for participation, (v) Effectiveness of training and promoting health and hygiene and (vi) Strengthening the capacities of Local Government.</p> <p>Approval of all documents supporting payments to the OC in this area.</p>	<ul style="list-style-type: none"> • Training Plan. • Health Education Plan. • Capacities Strengthening Plan. • OC's ToR. • Contractor's ToR. 	<p>Monitoring reports of the social aspects of the Project.</p> <p>Achievements in respect of beneficiaries of training and capacity plans proposed in the Project.</p>

Stage 1200: Works transfer

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 1201: Infrastructure transfer Stage 1202: Infrastructure reception Once the work is finished and awarded, with the approval of the PMU, the infrastructure will be transfer to the Local Government.</p> <p>Responsible: PMU, Local government</p>	<p>The PMU is responsible for the financial and physical transfer of the work. The Local Government receives the project, the AOM manuals, redesigning plans, and financial and technical documentation about the completion of the work.</p>	<ul style="list-style-type: none"> • Work completion. • Transfer act. 	<p>Infrastructure is transferred by the PMU and received by the Local Government.</p>
<p>Stage 1203: Signature of agreement for services management. Local Government transfer through an agreement with the ABSS, the delegation of provision of services.</p> <p>Responsible: ABSS, Local government.</p>	<p>The Local Government, after the transfer of the work, establishes an agreement delegating the provision of services to the ABSS.</p> <p>The ABSS assumes the responsibility for taking charge of the AOM.</p>	<ul style="list-style-type: none"> • Delegation Agreement for Provision of services. • AOM manuals. • Redesigning plans. 	<p>ABSS in charge of the provision of services.</p>



POST - INVESTMENT COMPONENTS 1 AND 2

Stage 1300: Institutional strengthening

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 1301: Reinforces training in AOM services Stage 1301-A: ABSS receives training in AOM services. Stage 1301-B: ABSS administrate, operate and maintain services.</p> <p>The OC reinforces the AOM training to the ABSS/Community to strengthen the management of deployed services. The ABSS receive training and apply the concepts learned, strengthen its capabilities and its organization.</p> <p>Responsible: OC, ABSS/Community.</p>	<p>The OC enhances the development of capabilities and the interaction ABSS-municipality to ensure the application of the knowledge given to the community in the previous phase, with appropriate AOM services.</p> <p>The ABSS/community organize and actively participate in the Programs for Knowledge Enhancement about AOM of W&S services implemented and strengthen its capabilities, performing activities oriented to service management.</p>	<ul style="list-style-type: none"> • TSE Project. • Final report of the PMU about the results of the investment stage. • Training events. • Training materials. 	<p>The ABSS reinforces and consolidates its knowledge.</p>
<p>Stage 1302: Strengthen health and hygiene education Stage 1302-A: Changing habits.</p> <p>The OC reinforces and continues with the health and hygiene promotion to the target population, in order to consolidate the change of habits. The population actively participates in health education measures implemented by the OC.</p> <p>Responsible: OC, Community.</p>	<p>OC enhances health practices, environmental education and hygiene to ensure that the community maintain and apply the knowledge given in the previous phase about the use of water and sanitation services, improving hygiene practices in the population.</p> <p>The population will be organized to participate in the training process running by the OC.</p>	<ul style="list-style-type: none"> • TSE Project. • Training Events. • Training materials. 	<p>Improved hygiene practices.</p> <p>Appropriate use of services.</p>
<p>Stage 1303: Strengthening Capacity Building of Local Governments Stage 1303-A: Municipality participates and assumes a role</p>	<p>The OC reinforces the training process to local governments, making them to assume their role gradually.</p>	<p>Training plans, materials and events.</p>	<p>Local Government institutionalizes and incorporates their role as part of their functions, through a legal instrument.</p>

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 1303-B: Verification of the training progress of ABSS and population Training reinforcement for Local Government to gradually fulfill its role of supervision, oversight and technical advice to the ABSS.</p> <p>The Local Government verifies the achievement in knowledge and skills in the community as a result of the training process in health education.</p> <p>Responsible: OC, Local Government.</p>	<p>The local government is involved in assuming its role as training supervisor, oversight and technical advisor of the ABSS of the jurisdiction.</p> <p>The OC coordinates with the major the activities of the implementation phase of the project and institutionalize it in the municipality, incorporating a legal instrument.</p> <p>Local Government arranges with local institutions of the Ministries of Health and Education to join efforts in the areas of health education and change in hygiene habits in the population.</p> <p>Local Government, in coordination with OC, verifies the attainment of knowledge and skills provided as results of the training and health education programs implemented.</p>		<p>Local Government oversees, supervises and provides technical assistance to ABSS.</p> <p>Local government consolidates its functions related to providing water and sanitation services.</p> <p>Local Government coordinates and assumes leadership in the participation of ministries of Health and Education in health education activities.</p>
<p>Stage 1304: Monitoring, control and supervision of the institutional strengthening process. In the post-implementation phase, the activities of the OC are monitored and supervised.</p> <p>Responsible: PMU.</p>	<p>The PMU will supervise and monitor the training reinforcement, hygiene and health promotion, and the actions of municipal development.</p> <p>Make unannounced visits to the community in order to assess and monitor the project, leaving the recommendations and observations that may be applicable.</p> <p>Gives the compliance of payments to the OC.</p>	<ul style="list-style-type: none"> • Training plan. • Health education plan. • Capacity Building plan. • ToR from the OC. 	<p>Monitoring reports about the social aspects of the project.</p> <p>Achievements from the beneficiaries in training and capacity strengthening as proposed in the Draft.</p>

Stage 1400: Project completion

<u>Stage / Responsible</u>	<u>Procedures</u>	<u>Instruments</u>	<u>Results</u>
<p>Stage 1401: TSE Project completion. Project completion in its technical, social and environmental aspects.</p> <p>Responsible: OC</p>	<p>The OC makes the final statement of the project, recounting the activities included during the project implementation in its technical, social and environmental aspects, considering a cost detailed report. The completion of the project is endorsed and approved by the PMU.</p>	<ul style="list-style-type: none"> • TSE Project. • OC' Contract. • Cofinancing Agreement. • Work completion. • Project Completion Report. 	<p>Project completion.</p>
<p>Stage 1402: Approval of the Project completion process. Approval of the project completion in its technical, social and environmental aspects.</p> <p>Responsible: OC</p>	<p>Project completion is evaluated and approved by the OC.</p>	<p>Project Completion Report.</p>	<p>Project completion approved.</p>
<p>Stage 1402-A: JICA receives information about the Project completion. Stage 1402-B: Local government receives information about the Project completion. JICA and the Regional Government are informed about the completed projects approved.</p> <p>Responsible: PMU, JICA y Regional Government.</p>	<p>The PMU will issue a report of the projects completed and submit it to JICA and the Regional Government for their knowledge.</p>	<p>Project completion approved.</p>	<p>JICA and the Regional Government are informed about the projects completed.</p>
<p>Stage 1403: Final evaluation Stakeholders' involvement is assessed at the end of the project implementation.</p> <p>Responsible: PMU</p>	<p>The PMU will make an assessment of community involvement, and perception of the OC participation, the Contractor and Local Government and the results obtained during implementation of the Project.</p>	<ul style="list-style-type: none"> • Surveys. • Evaluation meetings. 	<p>Project Final Evaluation Report.</p>

CHAPTER IV

FINANCIAL, ADMINISTRATION

AND

PROCUREMENT

CHAPTER IV: ADMINISTRATIVE, FINANCIAL AND PROCUREMENT ASPECTS

4.1 INTRODUCTION

This chapter introduces the general framework for the preparation, organization, management and control from the physical, administrative, financial and accounting aspects of the Program. In order to do this, some administrative and financial issues are defined, such as: funding sources, expenditures, accounts, funds, reports and systems, which constitute the basic information for the administrative and financial management of the Project financed by the JICA, treasury funds and the contributions of municipalities and beneficiary communities.

On the following sections, funding sources from the Program are described and the administrative organization of the State and Water and Sanitation sector, as well as the information systems required for systematizing the financial information. On the other hand, instruments for the planning and programming of activities are discussed such as the Annual Operating Plan, the Procurement Annual Plan and the Program Budget. Also, a description of the procedures for procurement, financial administration, internal controls and auditing mechanisms is made.

4.2 GENERAL ASPECTS

4.2.1 Funding Sources of the Program

The funding sources come from JICA loan funds and the Peruvian government counterpart funds through the Ministry of Housing, Construction and Sanitation and the contributions of district municipalities and/or beneficiary communities (see Table 4.2-1).

Table 4.2-1

FUNDING SOURCES FOR THE W&S PROGRAM FOR THE RURAL AMAZON AREA

Item	Institutions	Funding Sources	Amount (Thousand US\$)	Structure (%)
1.0	JICA (*)	JICA	302,447	59.6%
2.0	National Government (2.1 + 2.2)		204,743	40.4%
2.1	- MVCS	Ordinary Resources	193,884	38.2%
2.2	- District Municipalities/Communities	Donations and Transfers (Financial)	10,859	2.1%
Total			507,189	100%

(*) Official Operations from External Loans ,
Source: JICA Study Team (2010)

a. Financial Loan Agreement N ° ... - PE with JICA

The external credit from the JICA amounts US\$ 302.4 million, which are going to be assigned to the eligible expenditure categories included in the Loan Agreement for the financing of the

suppliers, contractors or consultants as part of the implementation of the Program.

The PMU will develop the Annual Program Budget in coordination with the Planning and Budget Unit of the Water for All Program and the MVCS. The annual budget for the program will be included into the budget of the OGPP-MVCS in coordination with the National Directorate of Public Debt (DNEP) and the National Directorate of Public Budget (DNPP) from the Ministry of Economy and Finance (MEF).

Table 4.2-2 presents a summary of the allocation by loan expenditure categories.

Table 4.2-2
ALLOCATION BY LOAN EXPENDITURE CATEGORIES

Item	Description	Total Costs of the Program	JICA		Peruvian Government			
			Thousand US\$	%	Thousand US\$	%	MVCS	Local Governments
1.	W&S Infrastructure	232,900	128,095	55.0%	104,805	45.0%	94,325	10,480
	1.1 Water Infrastructure	156,269	85,948		70,321		63,290	7,032
	1.2 Sanitation Infrastructure	76,631	42,147		34,484		31,036	3,448
2.	Social Intervention	46,594	46,594	100.0%	0	0.0%	0	0
3.	Call for Procurement	67,753	67,753	100.0%	0	0.0%	0	0
	3.1 W&S Profiles	25,929	25,929		0		0	0
	3.2 W&S Works Technical Profiles	41,824	41,824		0		0	0
4.	Supervision	58,667	58,667	100.0%	0	0.0%	0	0
	4.1 Works Supervision (W&S)	49,322	49,322		0		0	0
	4.2 Profile Supervision (W&S)	3,437	3,437		0		0	0
	4.3 ETSA Supervision (W&S)	5,908	5,908		0		0	0
5.	Program Administration	20,296	1,338	6.6%	18,958	93.4%	18,579	379
6.	IGV (19%)	80,980	0	0.0%	80,980	100.0%	80,980	0
	Total	507,190	302,447	59.6%	204,743	40.4%	193,884	10,859

Note: Total Program cost includes the IGV, which is assumed by the Peruvian Government

Source: JICA Study Team (2010)

b. National Government Counterpart Funds: Ordinary Resources

The National Government counterpart funds came from ordinary resources which amount to US\$ 193.9 million. Funds disbursement will be executed according to the annual, quarterly and monthly programming to be request through the OGPP-MVCS and the National Directorate of Public Budget (DNPP) from the MEF.

c. Financial Contribution from Local Governments: Donations and Transfers

The contribution of district municipalities amounts to US\$ 10.9 million, which will be assigned to fund projects from the beneficiary communities, and will be requested by the MVCS before project implementation and determined by the municipality itself during the process of districts prioritization (see section 3.6.2 "Punctuation of the Prioritization Criteria").

In exceptional cases, if the municipality proves to have the sufficient financial resources for the provision of co-financing for the execution of the works, the valorization of materials and equipment required in quantity and quality accepted by the Operator Consultant (OC) may be received as part of financing.

The cash contribution must be paid to a bank account from the MVCS, the contribution in materials, services and equipment will be valued by the OC. Commitment papers from the local government contribution in cash, materials and others would be eligible for funding the project with loan and ordinary resources.

d. Financial Contribution from the Beneficiary Communities

The contribution of the beneficiary communities will be in unskilled labor and in local materials, to be the case, which will be requested by the MVCS during project implementation.

4.2.2 Administrative Organization of the Peruvian State

The Peruvian State considers the execution of public resources from the Public Treasury and international cooperation agreements (grants and external borrowing operations), through Project Management Units in each of the respective ministries according to the specifications or budget allocated⁴ to each of them.

In this context, the Ministry of Economy and Finance (MEF) channels the financial resources based on the annual budget, the quarterly programming and timing of monthly commitments, depending on the application of resources of each Project Management Unit⁵.

The expenditure execution of public resources and administrative and accounting processes of the Peruvian State, by any source of funding, is established by the following legal framework: (i) Framework Law on Financial Administration of the Public Sector, (ii) General Law from the National Budget System (iii) Annual Public Budget Law, (iv) Directives on Budget and Treasury from the Ministry of Economy and Finance, (v) Resolutions and instructions of the National Public Accounts and the National Comptroller's Office (control rules), (vi) Standards from the Procurement and Contracts Supervisor Agency of State Contracts (OSCE).

According to the item 68.1 of the Article 68 of the General Law of the National Public Budget

⁴ The budget of each Project Management Unit is prepared on the basis of the resource demands of each one incorporated in the budget formulation process of each financial year and approved by the Congress through the Annual Budget Law.

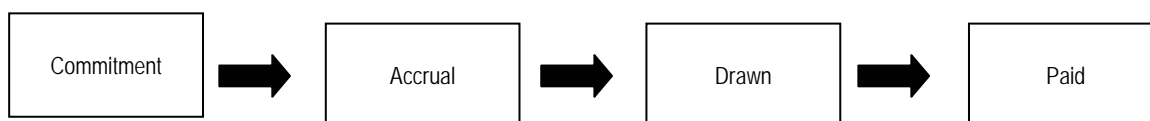
⁵ The Executive Unit of the Vice Ministry of Construction and Sanitation - Water for All Program is No. 004.

(Law 28411), institutions which use public funds from credit transactions will assign expenditure execution and the bidding process and competition to the conditions established in the respective Loan Agreements.

Each Project Management Unit has a Management Authority which may be exclusive or for a combination of them. In the case of PMU which depend from political line bodies, will have a Line Authority and a Management one, who will be delegated by Ministerial Statement or Resolution, according to the sector to which they belong. The Management Authority is responsible to carry out the administrative actions necessary for expenditure execution, procurement processes of goods and services and to comply with the existing rules established for this purpose. Also, each PMU will have an authority for each administrative system: Procurement, Personnel, Accounting and Treasury who, by delegation, may commit with third parties in the case of Supply, comply with accounting standards for the second and sign the payment documents for the third, under the direction of the Governing Authority.

The budget system also has a responsible for each PMU, and functionally depends on the General Offices of Planning and Budget of each sector.

The budget will be executed by the PMU with support from the PMU from the Water for All Program, assigned as PMU No. 004, which is in charge of conducting the execution of transactions to manage its funds, according to the rules and procedures of the National Treasury System and, in this sense, are directly responsible for the revenues and expenditures that they manage. The expenditure programming and execution is done through the Integrated Public Sector Financial Management System (SIAF - SP), which includes commitment, accrual, drawn and paid units.



Commitment	It is the partial or total control in the budgetary allocations approved by the document that corresponds to each transaction (purchase order or service contract, return of per diem, payment settlements, among others). The registration is done by the Logistic Team.
Accrual	The recognition of a payment obligation due to a previously committed expenditure, ensuring the availability of funds, which is supported by the original bill, valorizations; documented accountability, proof of expenditures justified and signed by authorized persons; receipt of fees; sworn statement in the absence of any document referred previously by the amount established in the Annual Budget Law. Registration is done by the Accounting Team.
Drawn	The process of issuing the receipt of payment, the issuing of checks or transfer letters charged against the relevant bank account to pay the total or a part of an accrued expense fully executed and recorded. The transfer or check is issue by the Treasury Team and signed by the treasury team leader and the responsible of the management unit.
Paid	The process involves cashing the check issued and/or the transfer letters, supported by the corresponding charged against the bank account.

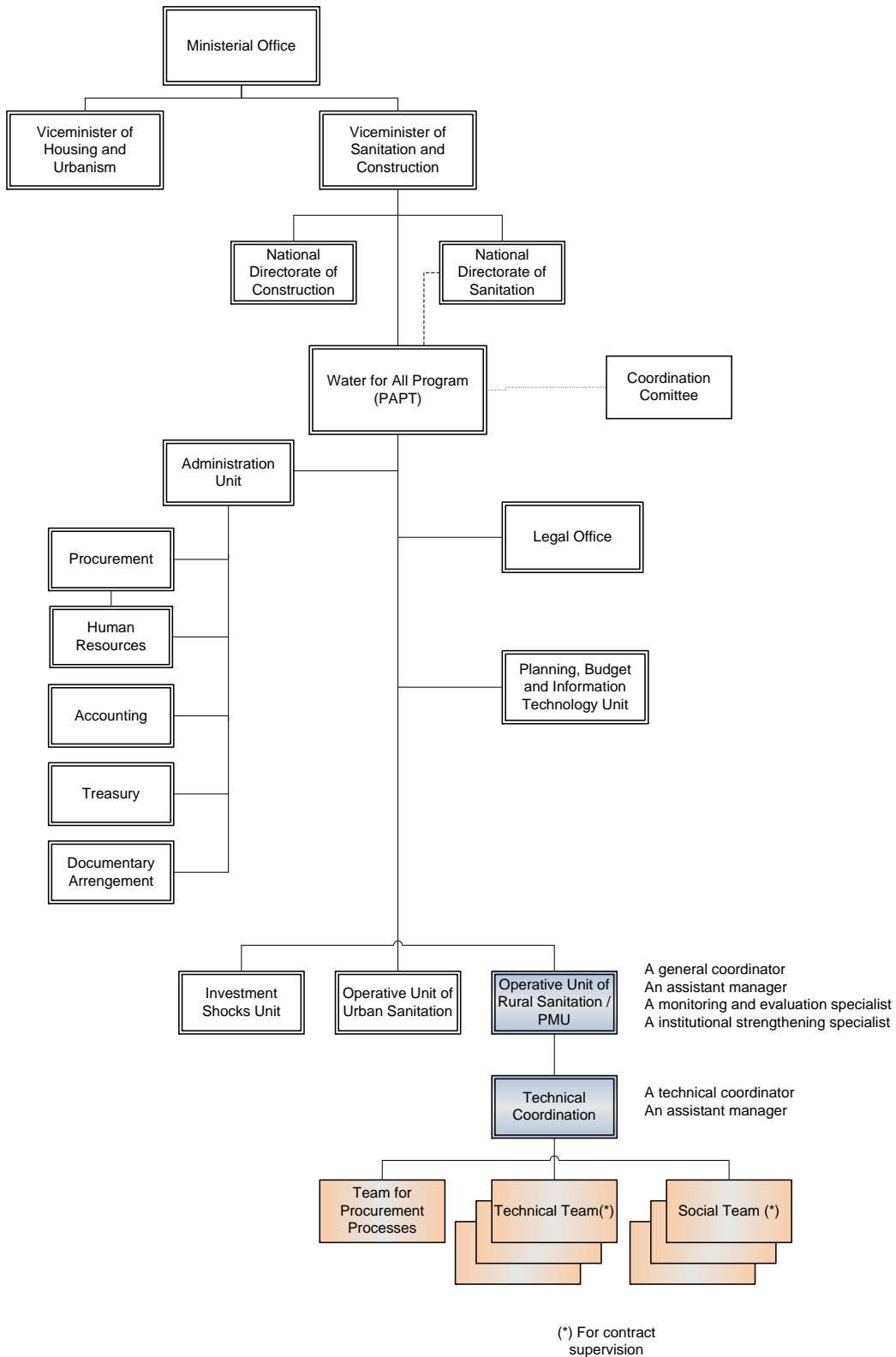
Source: JICA Study Team (2010)

4.3 FINANCIAL INFORMATION SYSTEM

4.3.1 Administrative Organization of the MVCS

The PMU will act as the Program Operational Unit of the Rural Sanitation “Water for All” Program (PAPT) and corresponds to the PMU N° 004 to provide administrative support through the Administration and Equipment Supply, Accounting and Treasury Unit, and the Planning and Budget Unit, which coordinate with the OGPP-MVCS.

Figure 4.3.1-1 PMU ORGANIZATION



Source: JICA Study Team (2010)

Housing Management System (SAV)

The SAV is a tool for the registration of financial transactions and compatible with the Integrated Financial Management System (SIAF) to obtain budget execution reports and financial statements of the Program (balance sheet, profit and loss, cash flow, budgetary evaluations and other reports) which is networked with the various administrative areas.

The system has the following modules:

POA	Records the Program by activity, funding source and unit costs related to the budget, the PAAC and accounting report.
Budget	Records the Program budget in accordance with the sector budget and the rules established by the DNPP and JICA.
Accounting	Executes the accounting reports from the financial operations accrued and from the financial statements.
Treasury	Issue the receipts of payment and the checks or transfer letters with the necessary documentation, keeping accounting books (cash and bank) updated.
Accountability	Delivers accountability reports and financial monitoring reports required by the JICA

Source: JICA Study Team (2010)

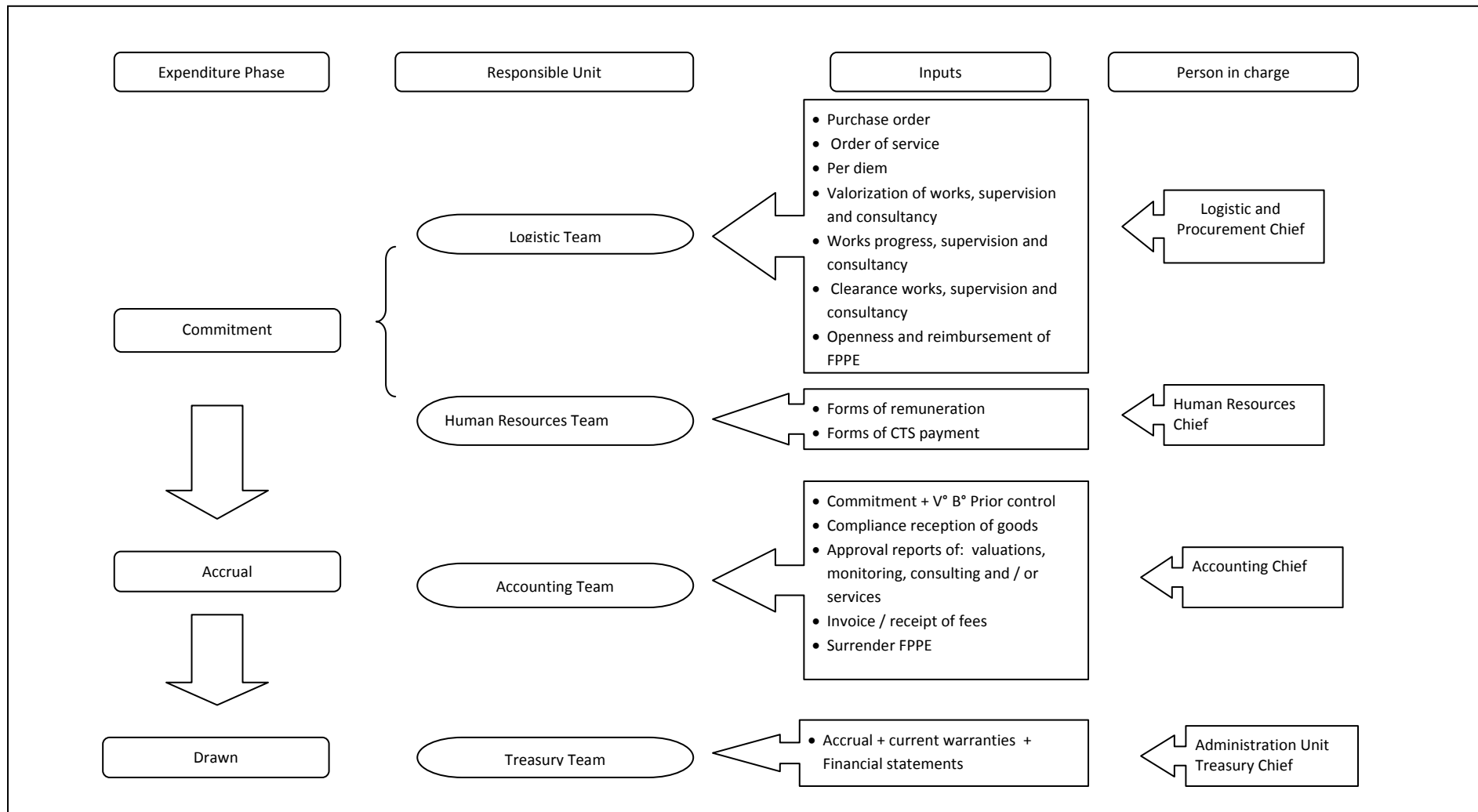
SAV also has a module that will deliver accountability and financial monitoring reports required by JICA.



Scheme 4.3-1 presents the procedures of the Administrative-Financial Management Unit from the Water for All Program.

Figure 4.3-1
PROCEDURES OF THE ADMINISTRATIVE-FINANCIAL MANAGEMENT UNIT FROM THE “WATER FOR ALL” PROGRAM

Source: JICA Study Team (2010)



4.4 INSTRUMENTS FOR PLANNING AND PROGRAMMING ACTIVITIES

4.4.1 Annual Operating Plan

The Annual Operating Plan (POA) is the planning, administrative and management tool which sets the objectives, goals, activities, responsibilities and deadlines for implementation of activities and financial resources within the annual budgetary exercise. Also, these targets should be established in accordance with the Annual Strategic Plan.

Its preparation will be undertaken by the PMU of the Program in coordination with the Unit of Planning and Budget of the PAPT and the OGPP-MVCS. The POA will be evaluated on a quarterly and annual basis in order to quantify the results of compliance with the management goals and objectives of the program.

The POA should contain the results to be obtained in each activity to be implemented during the year, with a brief description, the expected result and an implementation schedule of activities and products, with the probable dates of start and end.

It will be submitted to JICA for review and approval on 30 November each year.

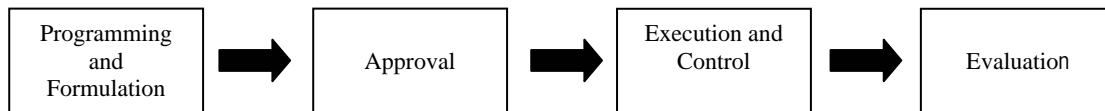
4.4.2 Annual Budget

The annual budget is a short-term management tool that determines, directs and allocates resources to fulfill the goals and objectives prioritized in the POA and which will be reflected in achieving measurable goals, subject to measurement. It also allows the quarterly and monthly financial programming and the schedules of commitments which determine the maximum authorized expenditure amount in a month.

The budget formulation process starts in the second quarter of each year and is approved in December, and is prepared on the basis of the POA and the PAAC.

The physical and financial programming contained in the POA must be expressed in the budget and also facilitate the operational costs associated with the implementation of activities and goals. Simultaneously, considering that the program is implemented by public funds and, due to the possibility of budgetary constraints in the period, the implementation of the goals should be consistent with them.

The annual budget will be undertaken by the PMU of the program in coordination with the Unit of Planning and Budget from PAPT and the OGPP-MVCS, and includes 4 stages: programming and design, approval, implementation and monitoring, and budget evaluation.



Programming and design	Budget requirements are defined in order to finance the goals and objectives that will be implemented in the following year of activities, and which will be scheduled annually, quarterly, and monthly by funding source.
Approval	The Congress approves the Budget Law submitted by the Executive containing the required budgetary allocations for each statement, with or without modifications to the legal and financial proposal and then every statement made the institutional approval of its budget. Once approved the budget allocations for next year, a monthly financial programming is conducted prior to start of the budget year which is the basis of the subsequent quarterly schedules.
Implementation and monitoring	The budget execution is organized by activities and funding sources according to the monthly scheduled commitments considering the financial constraints defined by the MEF and established in the POA.
Evaluation	The budget evaluation is conducted biannually and includes physical and financial issues, which must be consistent with the reports of physical and financial progress.

Source: JICA Study Team (2010)

4.4.3 Annual Procurement Plan

The Procurement Plan becomes a tool for planning activities and which determines the acquisition of goods and services, and the contracting of works for the implementation of the program during the fiscal year. Depending on its goals, identifies priorities and the respective programming, based on the public law principles which determine the procurement process⁶ (the principle of free competition and audience, impartiality, morality, efficiency, among others).

Its formulation allows programming the necessary actions to be executed, in specific periods, to achieve the outcomes established in the POA.

⁶ Article 4 from the Procurement Law.

Annual Procurement Plan (PAAC) includes a description of the activities identified with a code, the method of selection and recruitment of providers and the estimated dates of each stage. (See Table 4.4-1).

The PAAC is designed according to JICA⁷ rules and the criteria established in this manual for the procurement of goods and services and contracting of works contained in the Loan Agreement and in addition the regulations of the OSCE are considered.

Recruitment processes provided in the Procurement Plan which required any change according to the amendments registered in the POA, shall be incorporated in the Procurement Plan approved by the appropriate authorities before the beginning of the recruitment process.

⁷ JICA Standards are referred to the JICA official documents for borrowers: "Guidelines for the use of consultants for Japanese ODA loans" and "Guidelines for procurement for Japanese ODA loans"

Table 4.4-1
 ANNUAL PROCUREMENT PLAN

Loan Agreement :

Category:

Financing:

JICA

Code	Activities	Estimated Contract Value (US\$)	Procurement Process	Preselection	No Objection by JICA	Notification	Publication / documents sale / invitations	Offer Opening	Offer evaluation and preallocation	No Objection by JICA	Contract Celebration	Start date of delivery	Observations and comments
1	Goods												
2	Works												
3	Consulting Services												

Source: JICA Study Team (2010)

4.5 FINANCIAL AND ADMINISTRATIVE PROCEDURES

4.5.1 Preparation of the Annual Operating Plan and Procurement Plan

The procedures for preparation of the POA are described in the General Law of the National Budget - Law No. 28411 and consider the budget targets to be achieved for each fiscal year and constitute the administrative instruments which contain the processes to be developed in the short term, specifying the necessary tasks to meet budget targets established for this period and the opportunity for their implementation at each organizational unit:

a. Evaluation of current activities

The evaluation of the activities established in the POA will be submitted by the Technical Coordinator to the General Coordinator to be forwarded to the UPPI and will include the following:

- The physical and financial programming and evaluation.
- Change in the amount executed in comparison with the amount scheduled, which should underlie the causes and determine corrective measures in the short term.
- The running time of the physical and financial execution at the end of the fiscal year.
- The complementary measures to obtain the projected levels of performance and physical goals rescheduled, if any, for the following year.

b. Annual Activity Programming

- (i) The General Coordinator will request to the Technical Coordinator, the presentation of the financial resource requirements for the following year.
- (ii) To prepare the financial requirements, it must be taken into account:
 - The guidelines outlined by the General Coordinator.
 - The assessment, planning and rescheduling if any, of the activities and goals of the current period.
 - The Multi-annual programming of the activities contained in the Annual Operational Plan.
 - The management capacity of the PMU.
 - The financial requirements and acquisition dates of contracts subscribed.
 - The average costs of projected goals.

- (iii) The request for funding will be forwarded to the General Coordinator, including the following: objectives, activities, physical targets, total costs and disbursements to be made.
- (iv) The UPPI will be responsible for consolidating the financial requirements submitted by component, funding sources and expenditure categories, and for reporting to the General Coordinator on the results of general programming.
- (v) The UPPI will adjust the financial requirements to the submitted OGPP formats for the process of Programming and Budgetary Formulation.
- (vi) The Program Coordinator will forward the demand for resources to the PAPT Management Unit, to be consolidated in OGPP. Secondly, the process of programming and designing of the national budget will be developed, resulting in the budgetary allocation for the following year.
- (vii) With the budgetary allocation for the following year provided by the MEF and the updated report of the Evaluation and Planning of the existing POA, the UPPI will prioritize the approach of the physical and financial targets for the coming year.
- (viii) The person responsible for the Technical Coordination will send to the General Coordinator, the following information in accordance to the components in charge:
 - General and specific goals
 - Strategies
 - Activities planning
 - Annual and quarterly financial and physical goals
 - Other information considered necessary
- (ix) The UPPI will consolidate the information received and develop the POA for the following year, with the General Coordinator as responsible for forwarding it.
- (x) The Procurement Team will prepare the Annual Procurement Plan (PAAC) according to the POA.
- (xi) The Program Coordinator will send to the JICA the POA and the Procurement Plan.
- (xii) Any change in physical or financial targets scheduling will be processed as a modification of the POA and Procurement Plan.

4.5.2 Modification of the Annual Operating Plan

The amendments to the POA are generated by changes in the physical targets approved for a financial year by higher costs in the execution of works and / or incorporation of new physical goals, the same that lead to a readjustment of financial goals.

The changes will be reflected in the POA budget changes and the annual procurement plan, if the new goals involve developing new contracting and procurement processes.

The necessary amendments to the POA are intended to identify the resources needed to finance the readjustment of goals. These resources can be generated by:

- Cost savings contracts or acquisitions with lesser value than expected in accordance with the reference value of the procurement process.
- Partial or total removal of physical targets that identify free available resources.
- The projection of the implementation of physical and financial targets contained in the POA and the annual budget indicates that the resources may not be totally executed.
- Increasing the budget as a consequence of the inclusion of other sheet balances.

The General Coordinator will request to the UPPI greater resources with the following supporting information to explain the changes in the POA. If approved, the UPPI will change the budget and coordinate with the Procurement Team for changes to the Annual Procurement Plan.

4.5.3 Budget Process

Includes the following stages:

a. Program the following year's budget

The UPPI develops the budget programming process according to the budget rules and time limits established by the DNPP and as stated in the points i) to vii) of the activity b) Elaboration of the POA.

b. Formulation of the next year Budget

In the budget formulation phase, the functional structure of PAPT program is determined in order to reflect the institutional objectives and should be designed from the budget categories considered in the respective budget classifications and identified the targets based on a scale of priorities, considering the expenditure schemes and the respective funding sources.

c. Approval

Opening institutional budgets are approved on or before December 31 each fiscal year and are sent through the Ministry of Economy and Finance by an official report containing the unbundled revenues and expenditures budget at the level of the PMU, indicating the budgetary channels and sources of financing.

d. Implementation and control

This stage includes 5 Sub processes:

d.1 Quarterly Programming

Is the instrument through which the monthly programming is updated and incorporated into the SIAF - SP before the start of the fiscal year and constitutes the resource demand for each quarter of the year.

d.2 Quarterly Distribution Allocation

Once reported the quarterly allocation approved by the DNPP-MEF, the UPPI shall identify the deviations from the demand for resources included in the quarterly Schedule; if significant differences are found, adjustments to the financial programming will be made, proceeding to enter the adjusted budget allocation targets and funding sources in the SIAF.

d.3 Schedule of Commitments and Implementation.

Commitment Schedule

The commitment schedule is the authorization for the execution of budget allocations in terms of which a maximum amount is established subject to the effective collection of revenues which represent the funding sources.

Procurement Requirements and / or Acquisition

- i) The procurement requirements and / or acquisitions will be coordinated with the General Coordinator through the UPPI and must meet the following conditions:
 - The requirement will be directly related to a goal contained in the POA
 - The requirement will be registered in the Annual Procurement Plan of JICA and / or MVCS
 - Terms of reference and the reference value of procurement or contracting must be specified.
- ii) After receiving an application, the UPPI will proceed to define the programmatic and functional chains of expenditure from the National Budget and encoding them according to the POA structure.

iii) The General Coordinator shall forward the request to the Management Unit for the development of contracting and procurement processes.

Commitment Execution

i) The procedures established to execute the commitments of the obligations contracted will be channeled through the General Coordinator through the UPPI, considering:

- The name of the Study, Work, Consulting or name of contract.
- The contract number if applicable.
- The number of report or valorization as appropriate.
- The amount of commitment

ii) The UPPI will verify that the order of commitment has the budget framework and timetable of commitments, and shall specify the programmatic and functional chains of expenditure from the National Budget and encode them according to the POA structure.

iii) The General Coordinator will forward the request for commitment to the Administration Unit for the implementation of the budget allocation.

d.4 Budget Amendments

Amendments arise from changes in the physical targets contained in the POA which lead to financial adjustments or changes in costs of execution goals. The types of budget changes are the following:

- Cancellations and qualifications within the PMU program which not affect the annual budget allocated to the Project.
- Cancellations and external ratings to the PMU which modify the annual budget allocated to the Program, increasing or decreasing it.
- Supplemental loans which incorporate not provided resources or increased up takings of income to the resources scheduled, increasing the budget allocated to the program.

Cancellations and ratings from the budget allocations to the goals of the Program will be implemented only to meet new expenditure requirements to obtain financing resources generated by:

- Cost savings through contracts or acquisitions by an amount less than the expected in the reference value of procurement processes.
- Partial or total removal of physical targets, identifying the free available resources.

- The running time of the implementation of physical and financial targets included in the POA and the annual budget indicate that resources may not be exercised in full.

The external resource authorizations from the Program will only proceed in the case of new spending requirements for which no funding is identified against the existing budget allocations assigned to the goals of the program.

Cancellations and authorizations inside and outside the program will be requested by the General Coordinator for their evaluation at the UPPI, which will evaluate and approve the request based on the supporting documentation to be sent to the OGPP.

Additional Loans

Additional loans will only proceed:

- In the case of new spending requirements for which no funding is identified against the existing budget allocations assigned to the goals of the program.
- If the request for resources to enable the requirement against another project has been denied.
- In the case of co-financing contributions from the municipalities for the execution of works and
- When the recruitment of more income is identified as a precondition to process the additional loan.

The Program Coordinator will request an additional loan with the supporting documentation to the UPPI, who will evaluate the request by issuing the report and referring it to the OGPP for its approval. After that, the UPPI shall develop the budget amendment according to the rules established by the OGPP and reporting to the Program Coordinator.

d.5 Control of budget execution

The budgetary control is given in two areas:

- For the development and implementation of the POA, the financial management standards from JICA and Loan Contract will be taken into account.
- On the implementation of the national budget, the national budgetary rules will be taken into account.

The procedures for budgetary control in each field are:
About the development and implementation of the POA

The UPPI, after verifying that the POA will be reflected in the Procurement Plan, will perform the appropriate actions to ensure the program has the financial resources in a timely manner. The UPPI

will verify the existence of annual financial planning and programming in order to assess the financial and physical progress.

With regard to the development of the POA and its amendments, the UPPI will verify the efficiency of financial administration of the resources assigned to the developed activities.

In the process of implementation of the POA, the UPPI must indicate the functional chains, codifications by components and categories of expenditures established in all budget documents. The Supply Team will verify that the documents involving commitments and payments contain such information.

About the budgetary process

In the process of programming and budget formulation, the UPPI must verify that the allocation of national budget resources permits the implementation of activities and targets set in the demand for resources, and jointly with the Treasury Team will verify that the execution of monthly revenues will be realized according to the approved schedule.

In the process of expenditure execution, the General Coordinator with the UPPI will verify that the monthly commitments will be related to the commitments schedule approved and the budget available.

e. Budget Evaluation

The Planning, Finance and Information Technology Unit (UPPI) is responsible for conducting the budget evaluation in accordance with budgetary rules.

f. Special Budgetary Procedures

f.1 Enclosure of Co-financing funds

The addition of co-financing funds to the budget, by the local governments is through the Technical Coordinator who forwards the request to the Program Coordinator who will refer it to the UPPI, will include information relating to the works and its corresponding amounts, unbundled by materials and services components as well as its monthly programming, and also the specific co-financing agreement and the Agreement signed by the City Council authorizing the transfer of financial resources to MVCS.

The UPPI, after analyzing the requirement approving the Supplemental Credit Loan with the supporting documentation, will prepare the budget amendment informing the Program Coordinator about the feasibility to execute the procurement process, acquisition or administrative action to be financed with these resources. Also, the Operator Consultant (CO) will send a monthly report to the General Coordinator on the use of unskilled labor provided by the communities.

f.2 Additional Budget Financing

Work additional budgets are generated for the works performed by contractors and will be referred by the Program Coordinator to the UPPI for approval, including the following information: justification of the extension of the loan, the additional budget detail, the total cost and the unbundled budget by specific expenditure components and funding sources, programming and proposal of goals which would enable the necessary resources to finance them.

It should also include the following:

- Request for approval of additional budget by the OC.
- Legal and technical report approved by the OC.
- Feasibility report issued by the Legal Affairs Unit, with the draft Resolution approving the Supplemental Budget.
- Notification of favorable opinion from the Local Government regarding the expansion of its co-financing or contribution agreement or the Council Agreement which established the approval of the financial transfer in the amount of the cofinancing fund.

f.3 Approval Process of Technical Files and Works Settlement

The responsible of the contract will send the request for approval of the Technical Files and Works Settlement to the General Coordinator who will issue the approval report to the Legal Affairs Unit for respective resolution. The approval report shall contain the following documents:

Technical File	Work Settlement
<ul style="list-style-type: none"> – Technical Approval Report from the Supervisor Consultant (SC). – Approval report from the contract responsible provided with a report from the Technical Coordinator to the General Coordinator. 	<ul style="list-style-type: none"> – Approval report of the work settlement issued by the OC or SC. – Report from the contract responsible approving the report issued by the Works Specialist. – Memorandum issued by the Technical Coordinator raising the documentation to the General Coordinator.

Source: JICA Study Team (2010)

4.5.4 Procurement Issues

a. Competitions and tender processes

The person responsible for carrying out the competition and tender processes will be the Team Responsible for the Procurement Processes in the PMU of the PAPT. The PAPT Management Unit will support in the logistic, financial and accountant issues in the process of contract execution.

For the procurement of goods, works and consultancy contracts of small value (less than or equal to US\$ 100,000.00) a Permanent Evaluation Committee shall be appointed at the PAPT Management Unit, who will be responsible of the administrative support for the management of components 1, 2 and 3 (small contracts with consulting firms and individual consultants and for the limited acquisition of goods and services).

For the procurement of major goods, works and consultancies hired it will be designated a Special Committee at the PMU to drive the processes, assessed by the Team Responsible for the Procurement Processes in the PMU of the PAPT.

Procurement Plan

Before any call and / or send any invitation to participate in a recruitment and / or procurement process, the Procurement Plan of the Program will be sent to the appropriate bodies of MVCS and JICA for review and approval. The procurement of works, goods and consulting services shall be governed by the Plan and the "Guidelines for Procurement for Japanese ODA Loans" from March 2009.

b. Procurement for goods and works

b.1 General

Competitions and tenders for the procurement of goods, services and works must be executed according to Chapter 2: Guidelines for Japanese ODA Loan Acquisitions from March 2009.

The implementation of these guidelines for projects within Water Supply and Sanitation for the Rural Amazon Area to be financed by ODA loans extended by JICA will be stipulated in the Loan Agreement between the Peruvian Government and JICA.

b.2 International Competitive Bidding (ICB)

JICA believes that, in most cases, International Competitive Bidding (ICB) is the best method of satisfying the requirements with respect to the procurement of goods and works contracts (including related services other than consulting services) for the projects of the Program and which will be executed in accordance to the rules considered in Chapter 2: Guidelines in the Procurement for Japanese ODA Loans.

b.3 Other Procurement Procedures

When the amount involved in the acquisition is so small that it is clear that foreign firms are not interested or that the benefits of International Competitive Bidding (ICB) would be exceeded by the administrative burden involved.

b.3.1 Limited International Bidding (LIB)

It is essentially an international tender by direct invitation without commercials announcements. It should be apply for procurement of works whose estimated cost is between US\$ 250,000 and US\$ 5,000,000.

b.3.2 International Shopping

The procurement of goods and execution of works whose cost is less than US\$ 250,000 per contract may be purchased under this procurement method based on the comparison of price quotations obtained from several (usually at least three) foreign suppliers and/or premises to ensure competitive prices.

b.4 Review of the hiring and/or acquisition decisions by the JICA

Review by the JICA

For execution of works contracts in accordance with those referred to in section 1.01 of Chapter 2: Guidelines for Procurement of Japanese ODA Loans.

For the first two contracts, in accordance with the procedures specified in paragraphs B.2 and B.3.1, they must be subject to the review of JICA at the following times: (i) before the public announcement and/or notification of pre-qualification, the borrower must deliver the pre-qualification documents to JICA; (ii) Once pre-qualified firms are selected, the borrower must deliver to JICA a list of these firms and a report on the selection process, with the reasons that justify the selection process, providing all relevant documents; (iii) Before inviting tenders, the

borrower should deliver JICA the notifications and instructions to bidders, the bidding format, the proposed preliminary contract, the specifications, drawings and other documents related with the offer; (iv) When the bidding procedure establishes a single stage with two envelopes, the borrower, before opening the financial proposals, should deliver to JICA the analysis of the technical proposals; (v) Prior to sending a notification award to the bidder that has been selected, the Program will deliver to JICA the offers and proposals for the award.

With regard to the following contracts in accordance with the procedures specified in B.2 and B.3.1, they should be subject to the review of JICA at the following times: (i) When prequalified firms are selected, the borrower must deliver to JICA one list of these firms and a report on the selection process, with the reasons for the selection, attaching all relevant documents, (ii) Before submitting the award notification to the bidder selected, the Program will deliver to JICA the analysis of tenders and proposals for the award.

Final revision

With respect to each contract not covered by prior review, the procedures specified in Section 1.05, Chapter 2: Guidelines for Procurement of Japanese ODA Loan (The revised JICA) must be applied.

c. Selection and Hiring of Consultants

c.1 General

Consultancy services will be ruled according to Chapter 1: Guidelines for Japanese ODA Loan Acquisitions from March 2009.

The implementation of these guidelines for projects within Water Supply and Sanitation in the Rural Amazon Area to be financed by ODA loans extended by JICA will be stipulated in the Loan Agreement between the Peruvian Government and JICA.

c.2 Selection based on quality and cost (QCBS)

Except from the cases considered in Part C.3 of this Item, Consulting Services will be acquired as provided in Chapter 1: Guidelines for Consultants Hiring for Japanese ODA loans.

The selection based on quality and cost (QCBS) is a method that takes into account the quality of the proposal and the cost of services, is the method commonly recommended. This method will be used by the program to hire consulting firms and will be ruled in accordance to the rules provided in Chapter 1: Guidelines for Consultants Hiring for Japanese ODA Loan, from May 2009.

c.3 Other procedures for Consultants Hiring

c.3.1 Individual Consultants⁸

Individual consultants procedure is normally use for services for which (i) No personal equipment is required, (b) Additional external professional support is not needed, and (iii) Experience and qualifications of the individuals are primary requirements. If given the high number of individual consultants, coordination, administration or collective responsibility become difficult, it would be best to hire a consulting firm.

The selection of individual consultants is made taking into account their qualifications for the job. It is not required to post an announcement; however, in some cases, the program can take advantage of the announcement by their own choice. Consultants do not need to submit proposals and can be selected on the basis of comparison of qualifications of those who express interest in the job. Those considered in the comparison of qualifications must meet the minimum relevant qualifications and those selected for recruitment by the Program should be the best qualified and should be fully able to perform the work. The ability of the consultants will be judged on the basis of academic background, experience and, if applicable, their knowledge of local conditions, such as language, culture, administrative system and government organization.

c.4 Review by the Bank of the Selection of Consultants

Review by the JICA

In general, decisions regarding the hiring of consultants subject to review and concurrence of JICA are: (i) before inviting consultants to submit their proposals to JICA, the borrower will give a pre-selection list of consultants and the request for proposals (see notes 1, section 3.05); (ii) the program before opening the financial proposals will submit to JICA the analysis of the technical proposals; (iii) before starting contract negotiations with the consultant who obtained the highest score, the borrower shall deliver to JICA the results of its evaluation of proposals.

⁸ The Procurement Guidelines for Japanese ODA loans do not establish any procedures for recruiting individual consultants. Since it is a category that might arise in implementing the program, it has been considered the procedure of the Guidelines: Selection and Employment of Consultants by World Bank Borrowers (5.1 to 5.3 of Section 5)

Final revision

JICA can review the borrower's selection procedures, documents and decisions. The program will deliver to JICA, for its reference, any document and information related to the reasonable request of JICA. The loan agreement will specify the extent to which the procedures of review with respect to consulting services financed by Japanese ODA loans will be applied.

d. Special Conditions

d.1 Tenders for works, goods and non consulting services

In addition and without limitation or qualification, the established rules will be subsequently applied to all processes works, goods and non consulting services.

- To emphasize competition among bidders, JICA has not agreed with the idea of revealing the estimated price for the contract before the offering. Although JICA does not encourage the disclosure of the benchmark price, if the program believes that disclosure is necessary before the offering, JICA will not oppose the decision of the Program.
- Contracts will be based exclusively on price and, whenever appropriate, take into account other factors that can be quantified objectively. The procedure for such quantification will be described in the invitation to tender documents.

d.2 Consulting services

In addition and without limitations or restrictions, the rules provided will subsequently apply to all contracts for consultants.

- Foreign consultants will not be required to register locally as a condition of participation in selection processes.
- The reference value may be included for publication in the request for proposal documents.
- A minimum number of proposals would be required, prior to the award of contracts for consultancy services.
- Foreign consultants will not be required to legalize their proposals (or any documentation relating to such proposal) by a Peruvian consulate, the Ministry of Foreign Affairs or such other authority as a precondition for participation in the selection process.

4.5.5 Logistic

The Supply Unit of the PAPT will carry out the commitment of the obligations assumed in the SIAF-SP in coordination with the UPPI, based on purchase orders, service orders, demand for travel, contracts, valuations of works, decision for the opening of Funds Payment Cash, a thorough renewal requirement for cash payments and other documents that record the preventive involvement of an amount authorized by the Schedule of Commitments.

The generation of commitments by the PMU should be executed considering the activities in the Annual Operating Plan, Budget and the schedules of commitments approved.

Prior commitment to the completion of expenditure obligations means that you cannot pay obligations that are not compromised. The commitment must be made by funding source and according to the percentage of funding established for each category of expenditure of the loan.

4.5.6 Accounting

In accordance with the statements in the General Law of National Accounting - Law No. 28708 and other complementary legislation, the PAPT Accounting Team is responsible for formulating and presenting financial statements in accordance with the directives issued by the Governing Body System of Accounting, accounting principles generally accepted in the country applicable to the Government Accounting Standards and International Public Sector Accounting NIC - SP. The accounting records must be established in the Integrated Financial Management System – SIAF and the Housing Management System (SAV) which will issue reports by funding sources, components, sub-categories and categories from the Program, which will be useful to develop the reports requested by the JICA.

a. Financial Statements Presentation

The financial statements which will be presented to the JICA are:

- (i) Statement of Source and Uses of Funds,
- (ii) Accumulated Investment Statement,
- (iii) Disbursement Request Statement,
- (iv) Statement of the Special Account, and
- (v) Compliance with contractual terms.

The national Financial Statements are:

- (i) Balance Sheet
- (ii) Management Statement
- (iii) Changes in Shareholders' Equity Statement
- (iv) Cash Flow and Notes to the Financial Statements.

The Balance Sheet is based on information from purchases of goods and services and cash disbursements. The information from revenues is recorded through input notes and purchase orders, output notes, through exit orders or vouchers, and treasury (inflow of funds through revenue receipts and expenditure of funds through payment vouchers). The budget balance is based on information from the PMU.

Accountant Books like Diary, Major, Assistant Banks (per account), the purchase record under the funding to be submitted to JICA must be prepared and maintained to be submitted to SUNAT. (COA Report).

b. About the accounting record

The Accounting Team will record all transactions of the PMU in the accounts in compliance with relevant accounting standards and accounting procedures issued by the governing body, using charts of accounts and budget classifications of revenues and expenditures and the accounting systems applicable.

Regarding the implementation cycle of spending, the Accounting Team is responsible for the formalization of accruals, which comes after having checked one of the following conditions:

- (i) The satisfactory receipt of goods.
- (ii) The satisfactory delivery of services.
- (iii) The compliance with contract terms
- (iv)

As documentary support of the accrued phase some of the following documents, among others, must be presented:

- (i) Invoice, bill of sale or other proof of payment authorized by the SUNAT.
- (ii) Purchase Order or Service Order with the relevant proof of payment of SUNAT.
- (iii) Work valorization
- (iv) Single Payment Form of Remuneration
- (v) List of utility bills.

c. Inputs for the Preparation of Financial Statements

As supplementary information for the preparation of financial statements, Supply Team will deliver during the first five working days following, the reports indicated below:

- (i) Revenue and from storage reports.
- (ii) Movements of fixed assets.
- (iii) The report of depreciation and adjustments made through the SAV software.

Similarly, the Treasury team will deliver monthly the following documents:

- (i) Bank's books.
- (ii) Bank conciliations for each bank account of the program.
- (iii) Earnings reports.
- (iv) Reports of the Treasury reversals due to lower spending T-6
- (v) Deposit slips, money orders and deliveries of checks.
- (vi) Financial Reports rendered, sent and paid out by JICA in order to be verified with the state of the special account and the sources and uses of funds.

4.5.7 Treasury

Treasury Team, according to the General Law of the National Treasury - Law No. 28693 and the Treasury Policy approved by Resolution N ° 002-2007-EF/77.15, is responsible for centralized management of public funds through bank accounts authorized by the National Directorate of Treasury - DNTP, making possible its optimal implementation and sustaining all income and expenditure operations.

They are responsible for formalizing the stage of expenditure drawn by issuing the proof of payment and the respective check, electronic transfer order or letter against the corresponding bank account, in order to partially or completely extinguish the obligations of the entity, whereas for this purpose the funding sources and the determination of eligible expenses set out in the Loan Agreement and within the program's budget.

a. Opening and management of Bank Accounts

The administration of funds is done through bank accounts authorized by the DNTP at the National Bank regardless of the funding source and regardless of its purpose, and shall appoint for that purpose, through Ministerial Resolution, the Chief of the Management Unit and the Leader of the

Treasury Team as responsible for the management of treasury and bank accounts, considering in addition two alternates responsible.

The signature of the checks is pooled and may be signed by one member and alternate, and the responsibility fixed for holders of bank accounts is in solidarity with the substitutes with regard to money or signing checks, the issuance of transfer orders or electronic letters.

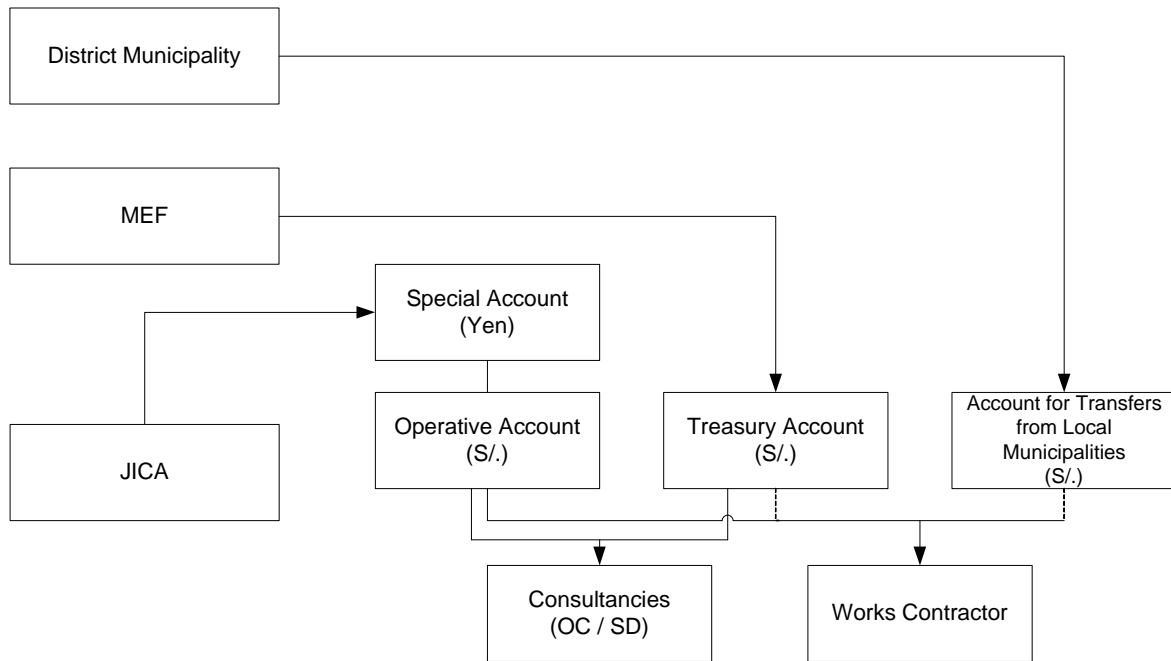
Bank accounts designed for the administration of the loan contract are as follows:

- As a host, a Special Account in the currency of loan contract open under terms and conditions accepted by the JICA, including appropriate protection against reservations, seizure and attachment.
- A current account in domestic currency to deposit the resources of the special account to finance the portion of external financing for those eligible project costs paid in local currency.
- A sub-account to deposit the regular resources provided from the MEF to pay the local counterpart.
- A current account to receipt the donations and transfers from Local Governments for co-financing of works.
- A current account to receipt the donations and transfers from Regional Governments for co-financing of works (in the case that local governments apply for co-financing of regional governments).

Security Letter: The National Bank must issue a security letter to ensure that the amounts deposited in the Special Account will not be used to offset financial obligations or be frozen or seized to pay amounts owed from the borrower to BN.

Flow of Funds: The resources used for expenditure execution are from the loan provided by JICA, Special Account in Yen, which will monetize the payment amount necessary to the Operating Account in Soles, and as national counterpart fund, the resources from the Public Treasury, and the co-financing funds received from the Municipalities. **Figure 4.5.7-1**

Figure 4.5.7-1



Source: JICA Study Team (2010)

b. Information processed by the Treasury Team

The documents and information in charge by the Treasury team are:

- Preparation of payment vouchers, which detailed the budget chains, expenditure categories, the supplier's name, the concept of payment, the check number, the electronic transfer or letter order.
- The issuance of checks is non-negotiable and is carried out according to the conditions outlined in the Treasury Policy.
- Withhold of 6% from the Sales Tax (IGV), on invoices greater than S/.700.00.
- Decrease of 12% from the Sales Tax (IGV) in payments to consulting firms.
- Prepares bank books for every checking account of the project monthly.
- Conciliations of each of the current accounts.
- Acceptance Letters Disbursements-NRD, as established by the DG of Public Debt to report about the reception of the Loan funds. It is made within 8 days from reception of disbursements.
- Preparation of quarterly reports to reconcile with DG Public Debt for the funds received.
- Yen monetization orders to soles for the payment of obligations in local currency.

- Preparation of certificates of expenses by category and Summary Sheets.
- Development of Requests for Withdrawal.
- Preparation of Withdrawal Applications.
- Drawing T-6 formats for less expense returns of national counterpart funds according to the format given at the SIAF.
- Preparation of income receipts for the money received from penalties, refunds of less spending, sales of databases, etc.
- Receiving, monitoring and control of financial resources from the Regional and Local Governments.
- Control and custody of security cards.
- Control and custody of checkbooks.

b) Disbursements and Use of Resources

The conclusion of external debt operations as the one signed with JICA is regulated by the General Law of National Debt - Law No. 28563 which states inter alia those issues relating to the programming, coordination, disbursements, payments and recording of transactions in debt processes.

Procedures for Requesting Funds from the Special Account

The PMU - PAPT will disburse loan funds from the Special Account to the Account for the Program Operation (S /.), when payment obligations are submitted.

i) Precedent conditions to first disbursement

The preconditions to be met are:

- The loan must be declared effective upon signature of the Loan Agreement.
- The JICA must receive the signature register, which empowers persons authorized to sign applications for withdrawal of funds.
- The Special Account and the current account should be opened at the National Bank and notified to JICA with the security letter of the Special Account.

ii) Disbursement mechanism to the Special Account

The disbursement mechanism to be used in implementing the program will be based on individual transactions (based on traditional disbursement certificates of expenditure, direct payments and reimbursements).

After signing the loan agreement, JICA will issue a Disbursement Letter to the borrower, which outlines the disbursement procedures, and also gives instructions on the following:

- Authorization of signatories who will sign the withdrawal applications.
- Conditions for the disbursement.
- Specific requirements for the operation of the Special Account.
- Deadline for submission of applications for withdrawal of funds
- Requirements for audit.

Disbursement method under Execution Schedule

The Borrower shall keep separate records of withdrawals made on the basis of statements of expenditure. In the disbursement letter sent by the JICA to the Borrower, the disbursement procedures to be use are explained. The specific formats of expenditure statements are attached to the disbursement letter.

Disbursements may be asked as provided in the Loan Contract by choosing the following options:

- The "authorized allocation" to the advance of the special account.
- The minimum amount of the payment request to upload directly to the loan account or the Special Account.
- Requests for replacement of funds from the Special Account shall be submitted monthly as specified in the letter of disbursement. All applications for replacement to the Special Account shall include reconciled bank statements and other appropriate documents, according to the categories defined in the Loan Agreement.
- If the JICA determine, at some point, that payments made from the Special Account were used for non eligible expenditure categories specified in the Agreement, the borrower will be notified immediately to deposit in the Special Account, an amount equal to that used or a specified portion specified as non eligible.

Documents for the disbursement request

A request for funds for the Special Account shall be accompanied by the following documents: Certificate / Statement of Expenditures, Summary of categories, bank statements and reconciliation of Special Account

iii) Responsibility for building applications for withdrawal of funds

Treasury Team from PAPT will be responsible for consolidating applications for withdrawal, after making payments for works, consulting services, and suppliers, substantiated with supporting documents such as invoices, fees, contracts and improvement works.

Complementary to the rules governing operations of foreign debt, the PAPT has issued directives that govern the payment valuations process under loan agreements signed with JICA.

Payment vouchers (bills and receipts from fees) will come in the name of the Executing Unit No. 004 - Water for All Program.

Withdrawal applications to the JICA must have the signature of the Coordinator of the PMU and the Head of the Administration Unit.

4.6 INTERNAL MONITORING AND PROCESS OF CONCILIATION OF ACCOUNTS

The program will have regular and mandatory processes to check the consistency of the movement of money between different areas and institutions involved in a string of spending, and the appropriate allocation of responsibilities.

4.6.1 Internal Monitoring

Steps along the control process:

Setting Performance Standards

The project implements the following policies of the Peruvian State, which are aimed at achieving adequate control of Human Resources, processes, documentation, etc.

- i) Treasury guidelines (MEF)
- ii) Accountant guidelines (Accountant and General Comptroller of the Republic)
- iii) Logistic guidelines (Supervisor Agency of the State Contracts - OSCE) y Procurement guidelines from JICA.

All of these attempts to provide a legal framework favor the effectiveness and efficiency in the implementation of expenditure, and for which it will be necessary to perform the following steps:

- i) Document's control
- ii) Monitoring of deadlines, responsible areas or persons, stages, firms, means of support, and so on.
- iii) Concurrent Control: verification at the time of issuing checks.
- iv) At each stage of the process (logistics, accounting and treasury)

Likewise, the Integrated Financial Management System (SIAF) is a tool of control in the Peruvian State, as it records all stages of expenditure implementation before the approval of the Ministry of Economy and Finance.

Measuring performance

The program through the Housing Management System (SAV) and the Monitoring and Evaluation System will perform information management processes.

4.6.2 Conciliation of Accounts as a measure of control.

The Treasury Team is responsible for preparing the monthly report of the conciliations of the Cash and Banks Accountant Book, contrasted with the bank statement and the information included at the SIAF system of the special account, operating account, Regular Resources Account and Transfer of Municipalities and / or regional governments. Every six months with the National Public Debt Directorate conciliations from Loan disbursements received from JICA and the conciliation of the special account and the loan account are performed.

4.7 AUDIT MECHANISMS

Appointment of audit firms

The audit program shall be implemented by a company with qualified and independent auditors in conducting subsequent monitoring external work, selected and contracted in accordance with Law No. 27785 "Organic Law of National Control System and the Comptroller General of the Republic" and the Resolution of the Comptroller No. 162-93-CG. The auditors assessed the activities and operations of the program, announce their opinion on the reasonableness of the financial statements and assess the management, recruitment and use of resources.

Audit implementation

Project accounts, including contracts, modifications and amendments, as well as deposits and withdrawals from the Special Account will be audited annually by the auditing firm on the terms and conditions set forth under the acceptance of JICA.

Audit reports

The annual audits will be submitted to JICA within six months before the end of the borrower's fiscal year. Copies of these reports will be forwarded to the holder of the budget statement and the PMU.

The audit reports should include: financial statements, sources and uses, use of funds, expenditure statements, compliance with contractual terms, the Special Account, the procedures and internal controls of the project and physical progress contrasted with the financial developments and progress of the Procurement Plan.

The reports audited according to the rules of Peru must include: the short report, the lengthy report that includes comments, observations and recommendations of the internal control system and relevant information that affects or could affect the accuracy of financial statements and the budget report that accounts for budgetary procedures and practices followed by the project. These reports will be sent to the Comptroller of the Republic and the financial institution (JICA).

CHAPTER V

MONITORING AND EVALUATION

CHAPTER V: MONITORING AND EVALUATION OF THE PROGRAM

5.1 INTRODUCTION

This chapter presents the tools that will ensure the efficient implementation of planned activities and achievement of the objectives, goals and budget for program development. For this reason, we will describe the management, monitoring and evaluation system, the progress reports and annual reviews, and the Program Impact Assessment.

Monitoring and evaluation of the Program implementation is conducted through a specialist from the Program Management Unit, based on the Annual Operating Plan and, having as reference, the objectives and targets set in the Logical Framework of the Program.

Monitoring and evaluation will be made to the physical and financial progress and for the Annual Procurement Plan and includes: Continuous monitoring of the development of activities and products defined within each contract (Operational Consultant, Supervisor Consultant, and Contractor, including others), to ensure compliance with contracts awarded to firms and / or individual consultants required for implementation of the program components. Reports will be prepared quarterly, semiannual and annual about the implementation progress of projects on stage, on the basis of the Operational Plan and Procurement Plan Scheduled annually (physical, financial and procurement targets).

5.2 MANAGEMENT, MONITORING AND EVALUATION SYSTEM OF THE PROGRAM

Monitoring and evaluation of the program management is based on the definition of indicators of inputs, processes, outputs, outcomes and impacts. Through these, activities of monitoring of the implementation of processes to calls, monitoring and assessment of the compliance with the targets set by the program and evaluation of the short, medium and long term results in the target population will be done.

The monitoring and evaluation system should have a schedule of activities and outcome and impact indicators as well as institutional strengthening indicators, the specific objectives are:

- Identify milestones and management control indicators of the procedures of the Program.
- Create a "dashboard" with indicators that measure the management of internal processes and goals of each component of the program.
- Create mechanisms for automation of alarms for early detection of delays.

- Define the flow and database and management, baseline and impact indicators of the program.
- Support the preparation of monitoring reports (quarterly), budget evaluation reports (semiannual), evaluation reports about the progress in the Institutional Operational Plan (quarterly), and monitoring and evaluation reports (monthly and quarterly).
- Generate management information for each of the components of the program according to the project cycle.
- Arrange staff and institutional training for the personnel and institutions involved in the project and in the monitoring and evaluation of program management.
- Determine the effectiveness and administration of the Program.
- Synthesize and disseminate results and lessons learned related to the efforts made to strengthen the capacity of those involved in the program.

5.3 MONITORING REPORTS OF THE PROGRAM

The PMU of the Program, through the financial and physical monitoring reports of the procurement plan, will report quarterly progress reports about the overall program, detailing the scope and restrictions on development progress of activities by component.

a. Quarterly reports

The quarterly reports are designed to track the implementation of projects under components 1 and 2 of the program. The reports should provide information required since the initial assessment and progress in program implementation, and must be linked with information on financial, physical and procurement progress. The reports must contain:

Financial reports

Must include at least the status of cash receipts by sources and uses of funds by major expenditure categories; the opening balances in cash and cash balances at the end of the Program; the annexes must include the support documentation which compares actual expenditures with those expected for the quarter stage and the cumulative financial costs to the date of the report.

Reports on physical progress

They contain a description and progress and / or outcomes indicators of the major activities of each component of the Program, linking financial information with physical progress and highlighting the aspects that must be addressed.

Reports on procurement progress

Must include information on procurement of goods, services and selection of consultants, regarding to the compliance with agreed procurement methods. The reports should compare the performance of the procurement process with the plan agreed at negotiations or subsequently updated. In addition to the progress of procurement, the reports should contain information on all authorized modifications of the contract.

b. Responsibility for preparing reports

The responsibilities for the preparation of reports fall within the following areas:

Program Management Unit (PMU)

The Program Management Unit, through the General Coordinator, has the responsibility to establish and maintain adequate arrangements for financial management, procurement and monitoring of the physical progress of each component of the program, to finally consolidate and reconcile all the necessary information to prepare the corresponding reports.

General Coordinator of the PMU

The General Coordinator of the PMU is responsible to ensure the preparation of comprehensive quarterly reports and their timely delivery to the Executive Directorate of the PAPT and the financial institution.

Technical Area

Prepare reports on the physical progress of projects according to planned targets by quarter in the Operational Plan, detailing the scope and limitations for the development of the activities of each component.

Administration Office of PAPT

Reports of Sources and Uses of Program Funds (financial reporting) should be prepared by specialists in Accounting from the Administration Office of the PAPT on the basis of the information reported by the SAV, and documentation necessary to: (i) verify financial transactions, (ii) facilitate the timely preparation of financial statements and reports, (iii) allow the identification of involvement of funding sources, and (iv) allow the identification of goods and services purchased and contracted and the use of them.

5.4 ANNUAL REVISIONS

By 31 December of each year or the date specified in the Loan Agreement, the PMU of the Program should prepare the annual report so JICA could carry out the joint evaluation on the implementation of the Program.

5.5 EVALUATION SYSTEM AND IMPACT ASSESSMENT OF THE PROGRAM

The system is based on information from the baseline and ex-post evaluation. The main impact indicators of the program are:

Objectives	Indicators
<p>Improve access, quality and sustainability of water and sanitation services in rural communities of the Amazon area located in the regions of Amazonas, Loreto, Ucayali, San Martin and Madre de Dios.</p>	<ul style="list-style-type: none"> • Tax incidence of infectious diseases, mainly intestinal, in children under 5 years. • N° of new water systems. • N° of water systems rehabilitated, improved and / or expanded. • N° of villages with a continuity of not less than 12 hours of water service. • N° of systems that applied disinfection in water service. • N° of sanitation modules built • % of families that make proper use of sanitation modules • N° of families trained in health education and hygiene practices.
<p>Develop capacity in local governments and operators of the Water and Sanitation Services.</p>	<ul style="list-style-type: none"> • N° of staff trained in supervision, oversight and technical support for operators in W&S systems. • N° of operators trained in operation and maintenance of W&S systems.

Source: JICA Study Team (2010)

5.6 PROGRAM SUPERVISION

The JICA will oversee the program through field missions whose frequency will be determined by the POA requirements.

APPENDICIES

APPENDICES

TERMS OF REFERENCES

**PREPARATION SURVEY
FOR WATER SUPPLY AND SANITATION IMPROVEMENT PROJECT
IN RURAL AMAZON AREA VOLUME-III
OPERATION MANUAL**

**APPENDICES
TERMS OF REFERENCES**

**TEAM OF THE PROGRAM MANAGEMENT UNIT
THE WATER SUPPLY AND SANITATION IMPROVEMENT PROJECT
IN THE RURAL AMAZON AREA**

1.	GENERAL COORDINATOR	AX-1
2.	ASSISTANT MANAGER OF THE PROGRAM MANAGEMENT UNIT.....	AX-4
3.	RESPONSIBLE FOR THE SECTOR INSTITUTIONAL STRENGTHENING	AX-7
4.	TECHNICAL COORDINATOR OF THE PMU	AX-10
5.	MONITORING AND EVALUATION SPECIALIST OF THE PMU	AX-13
6.	CONTRACT ADMINISTRATOR OF THE PMU	AX-16
7.	SOCIAL SPECIALIST FOR RURAL AREAS	AX-19
8.	PROCUREMENT SPECIALIST OF THE PMU	AX-22

1.GENERAL COORDINATOR

(TERMS OF REFERENCES)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **General Coordinator of the PMU** of the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the general coordination of the PMU of the Program, who will be in charge for the planning, implementation, monitoring, and evaluation of the program,.

ACTIVITIES TO BE DONE:

- Plan, organize, manage, control, deploy, implement and evaluate program activities.
- Ensure the efficient management of all Program Management Unit.
- Ensure the strict execution of the agreements made by the Peruvian Government under the JICA Loan Agreement.
- Authorize the administrative, financial and budget activities to be implemented through the Management General Office of PAPT and the Office of Planning and Budget (OGPP), with respect to the implementation the Program.
- Sign contracts whose delegation is expressly defined by the Executive Director of PAPT.
- Supervise, monitor and evaluate the physical, financial and procurement implementation of the Program.
- Act as the sole interlocutor with the JICA, MEF and other institutions related to the program.
- Represent the program officially in the coordination activities with public and private entities, as well as funding agencies.
- Approve the technical files, consulting studies and reports that the PMU calls.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Maintain a constant coordination and information with the Executive Director of PAPT.
- Generate and maintain a close coordination with the Technical Coordinator in order to ensure a constant flow of information and implementation of the activities of the project.
- Validate permanently the results obtained by the entire staff of the Project Management Unit.
- Register valid experiences to be systematized and used in implementing similar programs.

REPORTS:

The General Coordinator will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan, which will be forwarded to the Deputy Minister of Construction and Sanitation, the Executive Director of Water for All Program and the JICA, for their information.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Coordinator services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the Executive Director of the Water for All Program.

PROFILE:

- Professional qualification in Engineering or Business Administration.
- With completed studies in MBA or Master in areas related to project management.
- Professional experience of at least 10 years preferably in the Water and Sanitation Sector.
- Professional experience in implementing water and sanitation projects in rural areas.
- Experience in managing projects with international cooperation.
- Have held management positions in public and / or private organizations.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____ by month.

COORDINATION AND SUPERVISION

The General Coordinator will depend hierarchically from the Executive Director of the PAPT and functionally from the Deputy Viceminister of Construction and Sanitation.

EVALUATION

Management by the General Coordinator will be evaluated by the Executive Director of PAPT in compliance with Annual Operating Plan during the implementation of the PROGRAM.

2. ASSISTANT MANAGER OF THE PROGRAM MANAGEMENT UNIT

(TERMS OF REFERENCES)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Assistant Manager of the PMU** of the PROGRAM.

OBJECTIVE:

To hire a professional as Assistant Manager of the PMU of the Program.

ACTIVITIES TO BE DONE:

- Receive, review, enter, store and maintain documentation of the PMU.
- Organize and maintain the agenda, receive the telephone calls, travel, meetings and other activities of the General Coordinator.
- Participate in defining the needs of office supplies and furniture for the PMU.
- Monitor outstanding documentation of response by the General Coordinator of the PMU according to the stipulated deadlines.
- Prepare documentation for the General Coordinator and support the development of general documentation of the PMU.
- Attend external officials and visits from the PMU.
- Coordinate and / or inform staff of the Ministry and the general public about the project and / or procurement processes carried out or in process.
- Make written communications, by telephone or personal, and in English when necessary.
- Coordinate with relevant administrative bodies about the logistical support for carrying out all activities of the PMU.
- Others assigned by the General Coordinator.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain close coordination with the Technical Coordinator and other specialists in this area in order to ensure a constant flow of information in the project to facilitate the development of water and sanitation activities within the beneficiary areas.
- Validate permanently the results of the work developed.
- Register valid experiences to be systematized and used in implementing similar programs.

REPORTS:

The Assistant Manager will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Graduate in secretarial Management Assistance, Business Assistance or Administrative Assistance.
- Minimum with 05 years experience in public or private sector.
- Working experience with teams of no fewer than 15 people.
- Knowledge of office software, Windows Vista, Office XP (Word, Excel, PowerPoint) Internet, intranet and office monitoring systems.
- Very good command of Spanish and English.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____
_____ by month.

COORDINATION AND SUPERVISION

The Assistant Manager will work under the supervision of the General Coordinator from the PMU, who will approve the work.

3. RESPONSIBLE FOR THE SECTOR INSTITUTIONAL STRENGTHENING

(TERMS OF REFERENCES)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Responsible for the Sector Institutional Strengthening** in activities related with the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the execution, supervision and monitoring of the Institutional Strengthening of the Sector in activities related with the Program, whose execution is in charge of the Viceminister of Construction and Sanitation through the National Sanitation Directorate (DNS).

ACTIVITIES TO BE DONE:

- Assist the General Coordinator in the development of consultancies or activities designed to strengthen the executing capacity of PAPT in rural areas.
- Preparation of Terms of Reference and Requests for Proposals for invitations to tender of consultancies.
- Monitor the development of activities aimed at strengthening the executing capacity of PAPT, coordinating with the National Directorate of Sanitation and the Executive Directorate of Water for All Program.
- Prepare reports and information required by the General Coordinator of the PMU program.
- Any other functions assigned by the General Coordinator.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain a constant coordination with the National Director of Sanitation, the Executive Director of PAPT Program and the General Coordinator of the PMU to ensure a permanent flow of information and activities execution from the project.
- Validate permanently the results obtained by the entire staff of the Project Management Unit.
- Register valid experiences to be systematized and used in implementing similar programs.
- Ensure the update and accomplishment of National Policy of Sanitation in the Program and feedback the sector through the program experience.

REPORTS:

The Assistant Manager will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Professional qualification in Engineering or Business Administration.
- With completed postgraduate studies or Master in areas related to institutional development.
- Professional experience of at least 8 years in the Water and Sanitation Sector.
- Professional experience in the development of sectorial development, financial policy or water and sanitation services management.
- Experience in managing projects with international cooperation.
- Have held multidisciplinary project teams.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____
_____ by month.

COORDINATION AND SUPERVISION

The professional will work under the supervision of the General Coordinator from the PMU, who will approve the work.

4. TECHNICAL COORDINATOR OF THE PMU

(TERMS OF REFERENCES)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Technical Coordinator of the PMU** of the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the Technical Coordination, area in charge of the operative management, execution, supervision and monitoring of Components 1 and 2.

ACTIVITIES TO BE DONE:

- Coordinate, evaluate, supervise and monitor the implementation of Components 1 and 2 of the program.
- Oversee the implementation of the projects implemented by FONCODES, until the implementation phase (59 projects).
- Responsible for the advance of the Components 1 and 2 in their care, according to the Annual Operating Plan (POA) and coordination with the OC so that resources are available as needed for the implementation of the program.
- Manage the development of Short Lists, Terms of Reference, and Requests for Proposals for the calls of Operational Consultant, Supervisor Consultant, Works Contractor, Social and Technical Operators and Supervisors.
- Propose the special evaluation committee responsible for carrying out the selection processes of Operational Consultant, Supervisor Consultant, Works Contractor, Social and Technical Operators and Supervisors.
- Oversee the contract management of Operational Consultant, Supervisor Consultant, Works Contractor, Social and Technical Operators and Supervisors, by area staff.
- Participate in developing the Annual Operating Plan and Procurement Plan.
- Coordinate with the Operational Coordination about the necessary actions to ensure the normal operation of the Project.
- Prepare and submit the reports and the information required by the General Coordinator.
- Any other functions assigned by the General Coordinator.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain a constant coordination with the General Coordinator, the OC, as well as his team to ensure a permanent flow of information and activities execution from the Components 1 and 2 of the Program.

- Validate permanently the results obtained by the entire staff of the Project Management Unit.
- Register valid experiences to be systematized and used in implementing similar programs.

PRODUCTS-REPORTS:

The Technical Coordinator will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan related with the implementation of components 1 and 2.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Professional qualification in Sanitation or Civil Engineering.
- With completed master studies in areas related to project management.
- Professional experience of at least 8 years in the Water and Sanitation Sector.
- Professional experience in the development of water and sanitation projects in rural area.
- Experience in managing projects with international cooperation.
- Have held management positions in public and / or private organizations.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____ by month.

COORDINATION AND SUPERVISION

The Technical Coordinator will work under the supervision of the General Coordinator from the PMU, who will approve the work.

5. MONITORING AND EVALUATION SPECIALIST OF THE PMU

(TERMS OF REFERENCE)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Monitoring and Evaluation Specialist** of the PMU of the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the monitoring and evaluation of the activities to be developed by the program team (Operational Consultant, Supervisor Consultant, Works Contractor, Social and Technical Operators and Supervisors) as established in their contracts.

ACTIVITIES TO BE DONE:

- Make field visits to follow up and monitor the work of the operators and Program Managers.
- Collect field data to feed the system of monitoring and evaluation of the PMU.
- Prepare reports and recommendations of the field visits under a multidisciplinary approach.
- Evaluate the actions of the operators and the Program agents in coordination with the Contract Administrator.
- Verify that the program strategy, expressed in the Operational Manual will be completely honored.
- Prepare and submit the reports and information required by the Contract Administrator and Technical Coordinator.
- Any other functions assigned by the Technical Coordinator.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain a constant coordination with the Technical Coordinator and the other specialists to ensure a permanent flow of information and execution of the water and sanitation activities of the Program in the beneficiary areas.
- Validate permanently the results obtained by the entire staff of the Project Management Unit.
- Register valid experiences to be systematized and used in implementing similar programs.

PRODUCTS-REPORTS:

The professional will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Professional qualification in Sanitation or Civil Engineering.
- With completed postgraduate or master studies in areas related to the activities to be done.
- Professional experience of at least 5 years, of which at least 3 are related to the Water and Sanitation Sector, with preference in the rural sector.
- General knowledge in management, operation and maintenance of water and sanitation services in rural areas.
- Experience in working with multidisciplinary project teams.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____
_____ by month.

COORDINATION AND SUPERVISION:

The professional will work under the supervision of the Technical Coordinator from the PMU, who will approve the work.

6. CONTRACT ADMINISTRATOR OF THE PMU

(TERMS OF REFERENCES)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Contract Administrator** of the PMU of the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the contract administration of the OC, SC and Work contractor, and who gives additional assessment in technical aspects of engineering related with the implementation of the Program.

ACTIVITIES TO BE DONE:

- Manage a group of contracts for the OC, SC and works contractor to be assigned by the Technical Coordinator, and monitor, supervise and coordinate with local authorities where the projects are executed in order to meet the goals under the contracts.
- Integrate the special evaluation committee to select and award the contracts of the OC, SC and works contractors.
- Develop the Terms of Reference related to the technical aspects of engineering required to implement the program.
- Evaluate the actions of the OC, SC & Works Contractors in order to validate the intervention if it is developed successfully.
- Provide compliance, prior to the Technical Coordinator approval, for the payment of the OC, SC & Works Contractors in accordance with the agreements specified in their contracts.
- Prepare and submit reports and information required by the Technical Coordinator.
- Any other functions assigned by the Technical Coordinator.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain a constant coordination with the Technical Coordinator and the other specialists to ensure a permanent flow of information and activities execution from the Components 1 and 2 of the Program.
- Validate permanently the results obtained by the entire staff of the Project Management Unit.
- Register valid experiences to be systematized and used in implementing similar programs.

PRODUCTS-REPORTS:

The professional will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Professional qualification in Sanitation or Civil Engineering.
- With completed postgraduate or master studies in areas related to Project Management.
- Professional experience of at least 5 years, of which at least 3 are related to the Water and Sanitation Sector, with preference in the rural sector.
- General knowledge in management, operation and maintenance of water and sanitation services in rural areas.
- Experience in working with multidisciplinary project teams.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____
_____ by month.

COORDINATION AND SUPERVISION:

The professional will work under the supervision of the Technical Coordinator from the PMU, who will approve the work.

7. SOCIAL SPECIALIST FOR RURAL AREAS

(TERMS OF REFERENCES)

BACKGROUND

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Social Specialist for Rural Areas** of the PMU of the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the social intervention of the Program in rural areas through the participation of program agents (OC, SC, Work contractors and others).

ACTIVITIES TO BE DONE:

- Design and develop instruments, to be applied through the Program Agents, to conduct the activities of institutional strengthening of municipalities in the beneficiary areas of the Component 1.
- Define messages, information and training needs for each one of the different actors of components 1 and 2 of the program.
- In the area of social participation, define tools to: identify beliefs, customs and assumptions of the population, rights, social responsibility and citizenship, as well as the meaning of sustainability in the understanding of the population, municipal governments and Boards for Sanitation Services Administration (JASS).
- Develop instruments and tools to evaluate the actions in the social area of the Program Agents in the Components 1 and 2, in order to validate and systematize intervention.
- Develop Terms of Reference relating to the social aspects of consultancies of components 1 and 2, required to implement the program.
- Prepare, upon request, technical and social material in order to establish proposals for standardization of techniques and procedures, simplify processes related to the intervention in the Components 1 and 2 of the program.
- Carry out workshops, meetings and other events to enable the exchange of experiences among the Program Agents in the Components 1 and 2 of the program.
- Prepare and submit reports and information required by the Technical Coordinator.
- Any other functions assigned by the Technical Coordinator.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain a constant coordination with the Technical Coordinator and the other specialists to ensure a permanent flow of information and activities execution from the Components 1 and 2 of the Program.

- Validate permanently the results obtained by the entire staff of the Project Management Unit.
- Register valid experiences to be systematized and used in implementing similar programs.

PRODUCTS-REPORTS:

The professional will prepare an annual report which reflects the accomplishment of the activities established in the Annual Operating Plan.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Professional qualification in Sociology, Anthropology, Social Work or others.
- With completed postgraduate or master studies in areas related to Social Project Management.
- Professional experience of at least 5 years, related to the Water and Sanitation Sector, with preference in the rural sector.
- Experience in implementing projects that incorporate social aspects as a key component for achieving the objectives.
- Experience in working with multidisciplinary project teams.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____ by month.

COORDINATION AND SUPERVISION:

The professional will work under the supervision of the Technical Coordinator from the PMU, who will approve the work.

8. PROCUREMENT SPECIALIST OF THE PMU

(TERMS OF REFERENCES)

BACKGROUND:

From an exploratory study in rural Amazon villages, the Japan Bank for International Cooperation (Japan Bank for International Cooperation, JBIC) expressed its interest to support the Peruvian Amazon area and coordinated with the National Sanitation Directorate (DNS) from the MVCS to identify and develop the Program. The pre-Investment study at the first level (profile), required by the National Public Investment System (SNIP), was conducted from June to September 2008. The profile was assessed and approved by OPI-VIVIENDA and after that, with Official Letter N° 295-2009/VIVIENDA-OGPP from July 1, asked the General Directorate for Multi-Year Programming (DGPM), from the Ministry of Economy and Finance (MEF), to authorize the development of the Pre-investment study at the feasibility level.

DGPM with Official Letter N° 2099-2009-EF/68.01 dated 04.09.2009 and Technical Report No. 118-2009-EF/68.01 authorized the DNS to proceed with the preparation of the Feasibility Study.

In this context and within the proposed organizational structure for the program, it will be necessary professionals with knowledge and experience in implementing such programs.

Furthermore, the agreements between the Peruvian Government and JICA provides that the Operational Manual is the document that establishes the rules and procedures for implementing the Program, for which the structure of the PMU program has foreseen the need to have a professional responsible for overall program coordination. Funding for this Professional Program of the PMU is provided in Block 3 of the program. In this context, we formulate the Terms of Reference for the recruitment of the General Coordinator of the PMU of the PROGRAM.

Furthermore, the agreements between the Peruvian Government and JICA establish that the Operational Manual is the document that provides rules and procedures for implementing the Program, which is the reason to include in the structure of the PMU a professional responsible for the overall program coordination.

The financing for this professional is included in Component 3 of the Program.

In this context, we formulate the Terms of Reference for the recruitment of the **Procurement Specialist** of the PMU of the PROGRAM.

OBJECTIVE:

To hire a professional responsible for the procurement processes of works, services and consulting services as established in the Operational Plan and Procurement Plan.

ACTIVITIES TO BE DONE:

- Prepare as directed by the Technical Coordinator of PMU, the Procurement Plan of the Program, which must respond to the Annual Operating Plan.
- Schedule the procurement processes in accordance with the Procurement Plan and the applicable rules under the Loan Agreement.
- Implement a Contract Management System that allows the preparation, monitoring and compliance of all contracts arising from the activities of the PMU.
- Advise the Procurement Committees in the preparation of tender documents, tender price and request for proposal for selection of consultants, procurement of goods and works.
- Coordination and advising in the evaluation of tenders and preparing bid evaluation reports to be approved by the Standing Committee.
- Coordination and supervision of contracts for works, goods and services to delivery of final products.
- Organization and management of the recruitment file of the program.
- Perform other related activities in procurement and contracting when Program Coordination requests it.
- Advice Program Agents (CO, SC, contractors and other actors in the program) in the preparation of the processes, necessary to the program.
- Advice on the preparation of the technical - economic assessments, according to the formats set out in the Guidelines of JICA.

METHOD OF WORK:

In the context of the present terms of reference, the work method will intend to ensure the proper implementation of activities within the following lines of permanent action:

- Generate and maintain a constant coordination with the Procurement Area from the PAPT Program, the General Coordinator and the Operative Coordinator from the PMU.
- Validate permanently the results obtained by the entire staff of the Project Management Unit.

- Register valid experiences to be systematized and used in implementing similar programs.

PRODUCTS-REPORTS:

The professional will provide information about its activities to the Technical Coordinator in order to prepare the quarterly reports of the Procurement Plan.

Additionally, monthly reports of activities should be submitted.

EFFECTIVE PERIOD:

Services will last until the end of the program, 31 December 2020. Contracts will be renewed annually and only after the approval of the services by the General Coordinator of the PMU.

PROFILE:

- Professional qualification in Engineering, Administration, Accountability or Economics.
- Professional experience of 5 years in the public sector, at the logistic area, under the National Rules.
- At least 3 years working in Procurement with rules from JICA, BIRF or BID.
- Leadership, ability to work as a team and under pressure, ability to coordinate interdisciplinary groups of professionals.

CONSULTING COSTS AND PAYMENT:

The annual cost of the contract will be of S/_____, with partial payments of S/_____ by month.

COORDINATION AND SUPERVISION:

The professional will work under the supervision of the Technical Coordinator from the PMU, who will approve the work.