

**Procurement Support Service  
For  
Japanese ODA Loan Projects  
(Southeast Asian Countries)**

**Annual Report  
FY 2011**

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March 2012

**JAPAN INTERNATIONAL COOPERATION AGENCY**

**OPMAC Corporation**

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### DOCUMENTS HANDED OUT TO THE EAs (Not included)

1. Handbook for Procurement under Japanese ODA Loans, March 2009
2. Sample Request for Proposals under Japanese ODA Loans, September 2009
3. Guide for Evaluation Procedures for Employment of Consultants under Japanese ODA Loans, December 2009



## ABBRIBIANTIONS

ADB	-	Asian Development Bank
CRAM	-	Consultant Recruitment Activity Monitoring
EA	-	Executing Agency
EOI	-	Expression of Interest
FY	-	Japanese Fiscal Year
JICA	-	Japan International Cooperation Agency
L/A	-	Loan Agreement
M/D	-	Minutes of Discussions between the Borrower and JICA Mission
MOF	-	Ministry of Finance
ODA	-	Official Development Assistance
PLN	-	PT Perusahaan Listrik Negara (Persero)
PMO	-	Public Management Office
PSR	-	Project Status Report
QBS	-	Quality-based Selection
QCBS	-	Quality- and Cost-based Selection
RFP	-	Request for Proposals
SRT	-	State Railway of Thailand
STEP	-	Special Terms for Economic Partnership
TOR	-	Terms of Reference for Consulting Services
WB	-	World Bank



## 1. INTRODUCTION

1. Japan International Cooperation Agency (JICA) is the sole agency of the Government of Japan that provides official development assistance (ODA) to developing countries. In 2010, JICA's assistance was extended to a total of 147 countries all over the world including international organizations with approximately 1,663 billion Japanese Yen (JPY) provided either through grant or lending scheme. Of the total, JPY733 billion belonged to the lending portion, while the remaining belonged to grant or other contributions. The lending achieved in 2010 to the countries in the Southeast Asia and Pacific regions including the Philippines, Malaysia, Indonesia, Timor-Leste, Thailand, Vietnam, Papua New Guinea and Fiji amounted to about JPY 350 billion or 35% of the total lending amount. JICA will continue to provide the same level of ODA for years to come.

2. It is JICA's utmost concern that many projects financed from the Japanese ODA loans for various countries have suffered delays or failure of completion of projects by the time originally scheduled. While there are a number of reasons that have been attributed to delays in implementation of projects, the front-end delays, in particular, the employment of project consultants is the common problem among others. JICA has, therefore, decided to provide procurement assistance to projects for which the estimated cost of consulting services is not less than JPY500 million equivalent or consulting services for projects with special terms for economic partnership (STEP).

3. Accordingly, OPMAC Corporation has been engaged by JICA to provide procurement support to executing agencies (EAs) of the Southeast Asia and Pacific regions including Indonesia, Philippines, Thailand, Vietnam, Cambodia and Timor-Leste. As in April 2011, a total of 26 projects in eight countries were anticipated for procurement support during fiscal year (FY) 2011. These projects were either the projects, for which the Loan Agreements were already signed or L/As were scheduled for signing during FY2011. A contract between JICA and OPMAC was signed on 28 June 2011. The contract period is from 28 June 2011 to 31 March 2014. The contract requires OPMAC to dispatch procurement specialists (the Procurement Specialists) over a period of three years whenever and wherever required by JICA. Namely, the Procurement Specialist should be dispatched to such EA who will implement a project with an estimated cost of consulting services not less than JPY500 million and/or need procurement support, in particular, for the employment of consultants. OPMAC has organized a team of experts consisting of six experienced senior personnel<sup>1</sup> including Mr. Tadayuki Kanazawa as Team Leader/Procurement Specialist.

4. The contract requires OPMAC to prepare various reports including annual reports for each FY. Accordingly, this annual report is prepared to describe consultant's activities undertaken and outputs delivered during FY2011 covering the period from June 2011 to March 2012.

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<sup>1</sup> Including Tadayuki Kanazawa as Team Leader, Hiroshi Suzuki, Yuji Morimoto, Hiroshi Oita, Eiji Maeda and Toshio Fujinuma as Procurement Specialists.

## **2. THE ASSIGNMENTS**

### **A. The Objectives**

5. The objectives of the assignment to the Procurement Specialist are primarily to develop the capacity of executing agencies for the employment of consultants for the projects that will be financed or scheduled for financing by JICA, and include specifically the following:

- i) Advise EAs on the employment of consultants that shall be undertaken in accordance with conditions of L/A and the Guidelines for the Employment of Consultants;
- ii) Advise EAs to ensure that (a) Terms of Reference (TOR), Request for Proposals (RFP) and shortlisting are prepared in accordance with the Guidelines and (b) the selection of consultants are made in a fair, transparent and indiscriminative manner;
- iii) Advise on particular eligibility conditions applied for STEP loan and how RFP should be prepared;
- iv) Provide guidance and instructions on preparation of proposal evaluation criteria, sequence of proposal evaluation and ranking, preparation of proposal evaluation reports, etc.
- v) Provide continued advice and assistance to EAs, including responses and clarifications to their questionnaire and inquiries by email, etc. until the contract expires;
- vi) Conduct training seminars on procurement to EA staff as well as JICA country office staff, if required;
- vii) Advise EAs on strictly observing the highest standard of ethics required in the Guidelines (Section 1.06 Corrupt and Fraudulent Practices) and report to JICA without delay, if any irregularity or misconduct is found through the services; and
- vii) Prepare and submit the following reports to JICA, (a) inception reports for each mission; (b) field operation reports at the end of each mission; and (c) annual reports at the end of every fiscal year.

### **B. Terms of Reference**

6. The detailed scope of services required under the contract is stated in Terms of Reference (TOR). It includes the following:

- (i) Works at home office before the mission. The works will include reviewing all documents such as minutes of discussions at the time of project appraisals (M/D), draft RFP including TOR, etc. and other relative information that will be provided to the Procurement Specialist and prepare an inception report and other relevant materials such as training materials.
- (ii) Field works. The works will include the conduct of a series of workshop, provision of guidance on procurement and relevant documents, and assistance in preparation of the selection documents for submission to JICA.
- (iii) Works at home office after the mission. The works will include preparation of a field operation report, follow-up of pending issues for clarification, etc.
- (v) Preparation of annual reports. The report will be prepared at the end of every FY.

The contract requires the Procurement Specialist to carry out all the required services for a period of three years from June 2011 to March 2014. The duration of services per project per

mission was estimated basically at 14 days in total, consisting of 3 days for the works before the mission, 7 days including 2 travel days for field works and 4 days for works after the mission, while it will be flexible depending of the status of the project. Details of TOR are shown in **Appendix 1**.

### 3. THE APPROACH

7. Before visiting the borrower's country, the Procurement Specialist reviewed all project-related documents including project appraisal reports (minutes of discussions and appendixes), L/As and outlined TOR provided by JICA to grasp project background and the status of project implementation and the employment of consultants.

8. In addition to the project-related documents, the Procurement Specialist was provided instructions by JICA on the subjects of assistance with priority according to the requests from the EA. The sample is shown in below:

Priority	Subject
	A. Guidelines for Employment of Consultant
	B. How to prepare Request for Proposals
	C. How to create Terms of Reference
Middle	D. How to set up evaluation criteria
High	E. Proposal evaluation procedure*
High	F. How to manage the negotiation with a consultant*
Middle	G. Conditions of contract
Middle	H. Anti-corruption method
	I. Others ( )

\*In principle, those issues will be handled at the 2nd field service.

Taking into account these instructions, therefore, the Procurement Specialist prepared and submitted to JICA and the EA an inception report, describing his findings of the project, issues to be resolved, proposed assistance to the EA and scheduled activities at the site and received JICA's concurrence on the proposed activities and others.

9. In addition to the inception report, the Procurement Specialist prepared various documents and materials that were needed to conduct the mission. They includes training materials for workshops on the employment of consultants, drafts of detailed TOR, RFP, detailed technical proposal evaluation criteria, etc. The preparation of these documents and materials helped achieve the objectives of the mission in an effective manner. In fact, the Procurement Specialist completed almost all the tasks required for a project within one week, while the tasks required for the mission was extensive and challengeable.

10. For the conduct of training workshops, the following JICA's relevant documents and training materials were used:

- a) JICA's Documents related to the Employment of Consultants
  1. Guidelines for the Employment of Consultants under Japanese ODA Loans
  2. Sample Request for Proposals (RFP) under Japanese ODA Loans, September 2009
  3. Guide for Evaluation Procedures for Employment of Consultant under Japanese ODA Loans, Amended December 2009
  
- b) Power Point Training Materials regarding the Employment of Consultants
  - Module 1: JICA's Guidelines for the Employment of Consultant
  - Module 2: Preparation of Consultant Selection Documents

- Module 3: Shortlisting
- Module 4: Consultant Proposal Evaluation and Ranking for QCBS
- Module 5: Analysis of Financial Proposals for QBS
- Module 6: Contract Negotiations
- Module 7: The Contract Documents
- Module 8: Contract Management
- Module 9: Fiduciary Risk Management

11. The conduct of training workshops was to familiarize project executing agencies and their staff concerned with JICA's rules and regulations regarding procurement of consulting services and to develop their capacity of procurement for project implementation. The workshops were conducted, using JICA's training materials on Procurement Support Workshop (power point form), which were slightly modified to increase the clarity and comprehensiveness for the purposes. The workshop was undertaken in a form of a "hands-on" approach to accommodate questions and answers about various matters from the participants. Of nine Modules, Modules 2, 4 and 5 are attached for reference as **Appendix 2**.

12. In addition to the workshops, the Procurement Specialist provided hands-on assistance to EA staff concerned to develop and finalize procurement documents including public advertisement for Expression of Interest (EOI), TOR, RFP and technical proposal evaluation criteria, such that those documents could be finalized by the concerned staff themselves and submitted to JICA in a timely manner. At the end of workshops and meetings, the Procurement Specialist provided the EAs with various sample documents for reference. They included the following:

- i) Sample advertisement for EOI
- ii) Sample shortlisting evaluation criteria
- iii) Sample TOR
- iv) Sample RFP
- v) Sample technical proposal evaluation criteria
- vi) Sample technical proposal evaluation report

13. Specific approaches undertaken by the mission for each of the projects were described in the mission's inception reports. Namely, depending on the progress of procurement and the EA's capacity, the focus of the Procurement Specialist's assistance for each workshop and training session was customized by each project.

#### 4. ACTIVITIES UNDERTAKEN DURING THE REPORTING PERIOD

##### A. Missions Conducted during the Reporting Period

14. Upon the signing of the contract, OPMAC was provided by JICA a list of 26 projects for 8 countries, for which the consultant's assistance and site visits will need to be undertaken during FY2011 and/or thereafter. During the reporting period of June 2011 to March 2012, OPMAC dispatched a total of 10 missions for 11 projects (excluding the workshop for the ministries/EAs in Thailand) in 6 countries including Indonesia, Thailand, Cambodia, Vietnam, Philippines and Timor-Leste to provide procurement assistance to project executing agencies as shown in **Table 1** below:

Table 1: Missions Undertaken during FY2011

Project Name	Purpose	Mission Dates*	Mission Member
<b>Indonesia</b>			
Upper Citarum Basin Flood Management Sector Loan	Training workshop and preparation of TOR and RFP	2 -12 Jul 2011	T. Kanazawa
Indramayu Coal Fired Power Plant Project	Finalization of TOR, RFP and EV criteria	13-23 Mar 2012	T. Kanazawa
Tulehu Geothermal Power Plant Project	Finalization of TOR, RFP and EV criteria		T. Kanazawa
<b>Thailand</b>			
JICA's workshop on procurement and employment of consultants	Workshop to government officials on JICA's rules and procedures for the employment of consultants	9-11 Aug 2011	T. Kanazawa
Mass Transit System Project in Bangkok (Red Line)	Training workshop and preparation of TOR and RFP	11-19 Aug 2011.	T. Kanazawa
<b>Cambodia</b>			
West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	Training workshop and preparation of TOR and RFP	16-19, 22- 23 Aug 2011	H. Suzuki
<b>Philippines</b>			
Forestland Management Project	Training workshop and preparation of TOR and RFP	13-19 Nov 2011	T. Kanazawa
Road Upgrading and Preservation Project	Training workshops on proposal evaluation	6 -10 September 2011	Y. Morimoto
National Irrigation Sector Rehabilitation and Improvement Project	Training workshop and preparation of TOR and RFP	29 Jan -4 Feb 2012	T. Kanazawa
Mindanao Sustainable Agrarian and Agriculture Development Project	Training workshop and preparation of TOR and RFP		T. Kanazawa
<b>Vietnam</b>			
Regional and Provincial Hospitals Development Project (II)	Training workshop and preparation of TOR and RFP	8-14 Jan 2012	T. Kanazawa
<b>Timor-Leste</b>			
National Road No. 1 Upgrading Project	Training workshop and preparation of TOR and RFP	23 Jan-1 Feb 2012	H. Suzuki

\* including travel days

15. The objective of the missions was basically to develop the capacity of project executing agencies in the following subjects:

- (i) Preparation of a short-list of consultants
- (ii) Finalization of TOR
- (iii) Preparation of request for proposal including LOI, etc.
- (iv) Preparation of technical proposal evaluation criteria
- (v) Proposal evaluation and report preparation
- (vi) Contract negotiations

During the reporting period, however, the assistance was provided to only (i) to (iv) subjects, as all 11 projects were at the initial stage of implementation or a loan agreement was yet to be signed.

16. The input of personnel from 28 June 2011 to 30 March 2012 was 156 person-days or 5.20 person-months, consisting of 74 person-days for field services and 82 person-days for home office work, or only about 33% of 15.9 person-months/year originally estimated under the contract.

## **B. Specific Activities by Country**

17. The specific activities undertaken and outputs delivered by the mission were described in detail in the field operation reports that were submitted to JICA and the EAs upon completion of each of the field visits. The following briefly describes the missions actually undertaken, compared with the projects initially anticipated and listed by JICA for dispatching the mission during FY2011.

### **Indonesia**

18. Eight projects were listed for procurement assistance during FY2011. However, only 2 missions were sent for 3 projects during FY2011. The first mission was sent to Bandung from 2 to 12 July 2011 for Upper Citarum Basin Flood Management Sector Loan. The Procurement Specialist conducted a training workshop on JICA's rules and procedures for the employment of consultants and assisted the EA in preparation of TOR, RFP and shortlisting. The second mission was sent to Jakarta to help PLN finalize TOR, RFP and proposal evaluation criteria for two power plant projects from 13 to 23 March 2012. No mission for the other projects was requested.

### **Thailand**

19. One mission was sent to Bangkok for Mass Transit System Project in Bangkok (Red Line) on 9-19 August 2011 as originally anticipated. Prior to conducting procurement assistance to the Project, the Procurement Specialist participated in a training workshop for Japanese ODA loan operation, co-organized by Public Debt Management Office (PDMO), Ministry of Finance and JICA Thailand Office on 10-11 August 2011, and conducted one training session to introduce JICA's rules and regulations for the employment of consultants under the Japanese ODA loan. After the workshop, the Procurement Specialist visited State Railway of Thailand (SRT) under Ministry of Transport (MOT) to train and assist the concerned staff in preparation of TOR, RFP and a shortlist for the Project.

### **Philippines**

20. Six projects were listed for procurement assistance during FY2011. However, three

missions were dispatched for 4 projects; firstly for Forestry Management Project on 13-19 Nov 2011, secondly for Road Upgrading and Preservation Project on 6-10 September 2011, and thirdly for National Irrigation Sector Rehabilitation and Improvement Project and Mindanao Sustainable Agrarian and Agriculture Development Project on 29 January to 4 February 2012. The 2<sup>nd</sup> mission for Road Upgrading and Preservation Project was to familiarize the EA in evaluation of proposals in accordance with the JICA Guide for Evaluation Procedures, while the 1<sup>st</sup> and 3<sup>rd</sup> missions were to develop the capacity of the EAs and to assist them in preparation of TOR, RFP and shortlisting.

### **Cambodia**

21. Two projects were listed for procurement assistance during FY2011. However, only one mission was sent for West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project on 16-23 August 2011. The mission conducted a workshop and assisted the EA in preparation of TOR, RFP and shortlisting.

### **Timor-Leste**

22. One project was listed for procurement assistance during FY2011 and a mission was sent for National Road No. 1 Upgrading Project on 23 January to 1 February 2012. Given that the EA implements an ODA project for the first time, emphasis was placed on familiarizing government officials with principal rules and regulations for the employment of consultants under JICA's Guidelines. Preparation of various selection documents was also explained in detail.

### **Vietnam**

23. Six projects were listed for procurement assistance during FY2011. However, only one mission was sent for Regional and Provincial Hospitals Development (RPHD) Project (II) on 8-14 January 2012 although the Project was not listed in the schedule. No mission was sent for the six projects initially listed as they were cancelled or pending for approval by JICA or the Government. The RPHD Project will be financed under a Special Terms for Economic Partnership (STEP) scheme where the loan agreement contains the eligibility requirements for procurement. The Procurement Specialist firstly explained differences in conditions for procurement between the ordinary loan and the STEP loan. Thereafter, he advised the EA staff how a shortlist, TOR and RFP should be prepared in accordance with the conditions required under the STEP loan and assisted them in preparation of draft TOR and RFP. The Procurement Specialist advised that given only Japanese firms are eligible, there will be no point to prepare a shortlist through public advertisement for EOI.

## 5. ASSESSMENT OF EA's CAPACITY FOR PROCUREMENT

24. The Minutes of Discussions (M/D) prepared at the time of project appraisal does not necessarily provide detailed information regarding the capacity of the project executing agency. The capacity of EA and staff members in charge of the selection of consultants was briefly assessed and the capacity gaps and needed assistance in the employment of consultants were examined during the time of site visits, and the findings were reported in the field operation report. The following generally summarizes the capacity of executing agencies:

25. **The Guidelines for the Employment of Consultant.** By and large, almost all project executing agencies have some experience in implementing externally financed projects such as those financed by Asian Development Bank (ADB) and the World Bank (WB), and, therefore, they are knowledgeable about principal rules and regulations for the employment of consultants. However, their knowledge about the QCBS method is mostly minimal as the QBS method has been used until recently.

26. **Preparation of TOR.** No TOR has been prepared fully in accordance with the instructions given in the Guidelines (Annex I) and the Sample RFP documents (Section 5). Some TORs failed to include or describe in detail basic information and data such as project background and profile, institutional arrangements, timing and duration of services, and particular responsibilities required in the Guidelines (Section 2.02). TOR should specifically describe, among others, the outputs required from the consulting firm or individual and the required activities for each output, and the time frame for implementation. Consultants usually respond better to a more detailed definition of their assignments in their proposals.

27. **Preparation of RFP and Shortlisting.** Following preparation of TOR, EA needs to prepare a shortlist of consultants and RFP. The shortlisting will not be a matter of serious problems for most EAs as it can be prepared according to their government rules or regulations. Preparation of RFP will not also be problematic for them as the JICA's sample RFP is used, while some provisions such as local taxation, provisional sum and contingencies in Data Sheet and liability of the consultants, insurances, etc. of the Special Conditions of Contract need to be clarified and stated in the RFP. A training workshop on preparation of the RFP and the other selection documents will, however, be essential to those who handle JICA financed projects for the first time.

28. **Technical Proposal Evaluation Criteria.** The Procurement Specialist has presented sample technical proposal evaluation criteria to most of the EAs, as no standard or sample technical evaluation criteria are provided in the JICA Guidelines and the Guide for Evaluation Procedures. It was found that only a few EAs have ever prepared such detailed technical proposal evaluation criteria that will enable them to evaluate technical proposals in a systematic and logical manner, minimizing the room of subjective evaluation. As such, training assistance in this subject is essential and sample detailed evaluation criteria should be provided for their reference.

29. **Proposal Evaluation and Reporting.** No assistance was provided to the evaluation of technical proposals and report preparation during FY2011. However, as discussed during the 1<sup>st</sup> mission, all the EAs wish to have the 2<sup>nd</sup> mission to get assistance or support from the Procurement Specialist in the conduct of technical proposal evaluation and report preparation, as most of these EAs will carry out proposal evaluation under QCBS for the first time. In this regard, a task force or evaluation committee responsible for carrying out proposal evaluation should be established and the members needs to be trained, focusing on differences between QBS and QCBS.

30. **Contract Negotiations and Preparation of Minutes of Contract Negotiations and Contract Documents.** No assistance was also provided to this matter during FY2011. Assistance to this subject should be provided to the EAs who implement an externally financed or ODA project for the first time or whose capacity is limited.

31. **Government Approval Procedures.** In processing the employment of consultants, the EA needs to seek approval of higher authority in accordance with local rules and regulations. Depending on country, the establishment of Project Management Office (PMO), the selection documents, proposal evaluation, etc. need to be approved by ministers or department heads of concerned ministries, EA's management, evaluation committee, etc., which is mostly time-consuming. Given the limited number of days for field operation, the Procurement Specialist could not fully examine local approval procedures and constraints that affect the speedy process of the employment of consultants. EAs indicated that JICA's support may expedite their internal clearance.

32. **Administration and Coordination.** During the site visit, the Procurement Specialist had discussed with the EAs the time schedule for all activities required for the employment of consultants, including the scheduled dates for submission of shortlist, TOR and RFP. However, only few agencies appeared to have followed the schedules as discussed. This is partly due to the non-establishment of the PMO, which will be responsible for administration and coordination of all project-related matters at the initial stage.

## 6. REPORTS AND DOCUMENTS

33. As required under the contract, the Procurement Specialist prepared and submitted to JICA with copy to EAs the following reports during the reporting period of FY2011:

Table 2: List of Reports submitted to JICA and EAs

Project Name	Inception Report	Field Visit	Field Operation Report
<b>Indonesia</b>			
Upper Citarum Basin Flood Management Sector Loan	Jun 2011	2 -12 Jul 2011	Jul 2011
Indramayu Coal Fired Power Plant Project	Mar 2011	13 -23 Mar 2011	Planned in April 2012
Tulehu Geothermal Development Project	Mar 2011		
<b>Thailand</b>			
JICA's workshop on procurement and employment of consultants	Aug 2011	9-11 Aug 2011	N/A
Mass Transit System Project in Bangkok (Red Line)	Aug 2011	11-19 Aug 2011.	Aug 2011
<b>Cambodia</b>			
West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	Jul 2011	16 -23 Aug 2011	Aug 2011
<b>Philippines</b>			
Road Upgrading and Preservation Project	Sep 2011	6-10 Sep 2011	Sep 2011
Forestland Management Project	Nov 2012	13-19 Nov 2011	Nov 2012
National Irrigation Sector Rehabilitation and Improvement Project	Jan 2012	29 Jan-4 Feb 2012	Feb 2012
Mindanao Sustainable Agrarian and Agriculture Development Project	Jan 2012	29 Jan-4 Feb 2012	Feb 2012
<b>Vietnam</b>			
Regional and Provincial Hospitals Development Project (II)	Jan 2012	8-14 Jan 2012	Jan 2012
<b>Timor-Leste</b>			
National Road No. 1 Upgrading Project	Jan 2012	23 Jan-1 Feb 2012	Feb 2012

These reports were initially prepared in draft form and submitted to JICA for their review and comments. Thereafter, the reports were finalized, incorporating JICA's comments, and submitted to JICA with copies to the EAs through JICA country offices.

34. In addition to those reports mentioned above, the Procurement Specialist has assisted the EAs in preparation of various reports related to the employment of consultants such as TOR, RFP, technical proposal evaluation criteria, and technical and financial evaluation reports. The Procurement Specialist has also provided samples of those documents for reference and power point workshop materials, if the EA so requested.

## 7. ACTIVITIES SCHEDULED FOR THE NEXT REPORTING PERIOD

35. For FY2012 from April 2012 to March 2013, OPMAC will continue to render procurement support services for EAs who implement Japanese ODA loan projects whenever required by JICA. The members of the team remain the same, consisting of Tadayuki Kanazawa as Team Leader/Procurement Specialist I, H. Suzuki as Procurement Specialist II and the other four standby specialists.

36. The services to be provided remain the same as for FY2011, covering the following areas:

- i) Conduct of training workshops on JICA rules and regulations regarding the employment of consultants;
- ii) Assistance in preparation of the consultant selection documents including TOR, shortlist, RFP and detailed technical proposal evaluation criteria;
- iii) Assistance in carrying out proposal evaluation and ranking, and report preparation;
- iv) Assistance in conducting contract negotiations with the first ranked consultant including preparation of minutes of contract negotiations and contract documents; and
- v) Other procurement matters.

37. As mentioned in paragraph 14 above, a total of 11 projects were assisted in the employment of consultants. During the time, the Specialist discussed with the EA the timing of the 2<sup>nd</sup> visit, which the EAs wished to receive. The following table shows the dates of the 1<sup>st</sup> mission and the dates of the 2<sup>nd</sup> mission requested at the time of the 1<sup>st</sup> mission and the main purposes.

Table 3: List of Projects requested for the 2nd mission

Project Name	1 <sup>st</sup> mission	Purpose	Requested 2 <sup>nd</sup> mission	Purpose
<b>Indonesia</b>				
Upper Citarum Basin Flood Management Sector Loan	2 - 12 Jul 2011	Workshop and preparation of TOR and RFP	Jun-Jul 2012	Technical proposal evaluation
Indramayu Coal Fired Power Plant Project	13-23 Mar 2012	Finalization of TOR, RFP and EV criteria	Jun-Jul 2012	Technical proposal evaluation
Tulchu Geothermal Development Project	13-23 Mar 2012	Finalization of TOR, RFP and EV criteria	Jun-Jul 2012	Technical proposal evaluation
<b>Thailand</b>				
Mass Transit System Project in Bangkok (Red Line)	11-19Aug 2011	Workshop and preparation of TOR and RFP	Oct-Nov 2011	Technical proposal evaluation
<b>Cambodia</b>				
West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	16 - 23 Aug 2011	Workshop and preparation of TOR and RFP	Feb-Mar 2012	Technical proposal evaluation

Project Name	1 <sup>st</sup> mission	Purpose	Requested 2 <sup>nd</sup> mission	Purpose
<b>Philippines</b>				
Road Upgrading and Preservation Project	6 - 10 Sep 2011	Workshops on proposal evaluation	None	None
Forestland Management Project	13-19 Nov 2012	Workshop and preparation of TOR and RFP	May 2012	Technical proposal evaluation
National Irrigation Sector Rehabilitation and Improvement Project	29 Jan - 4 Feb 2012	Workshop and preparation of TOR and RFP	Mar or May-Jun 2012	Workshop on proposal evaluation
Mindanao Sustainable Agrarian and Agriculture Development Project	29 Jan - 4 Feb 2012	Workshop and preparation of TOR and RFP	Mar or Jul-Aug 2012	Workshop on proposal evaluation
<b>Vietnam</b>				
Regional and Provincial Hospitals Development Project (II)	8 - 14 Jan 2012	Workshop and preparation of TOR and RFP	Apr 2012	Workshop on proposal evaluation
<b>Timor-Leste</b>				
National Road No. 1 Upgrading Project	23 Jan - 1 Feb 2012	Workshop and preparation of TOR and RFP	Jul 2012	Technical proposal evaluation

Out of a total of 10 projects requested, the 2<sup>nd</sup> mission was anticipated for 4 projects (Mass Transit System Project in Bangkok, West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project, National Irrigation Sector Rehabilitation and Improvement Project and Mindanao Sustainable Agrarian and Agriculture Development Project) by the end of FY2011 to assist the EAs in their evaluation of technical proposals. However, as of 15 March 2012, no request for the 2<sup>nd</sup> mission has been made from any of the EAs for these 4 projects to the Procurement Specialist.

38. In addition to the projects above listed, OPMAC has learned that there are about 16 projects that will need assistance during FY2012. An updated list of projects by country, indicating the names of projects, anticipated dates for the missions and purposes is shown in **Appendix 3**. The list of projects will be updated as needed.

## 8. CONCLUSIONS AND RECOMMENDATIONS

39. **Overall Achievement.** The Procurement Specialists have completed all the field operations required during FY2011. At the time of signing of the contract, it was envisaged that during FY2011 the mission would be sent to a total of 26 projects for which loan agreements were already signed or expected for signing early 2011. However, 10 missions were sent for 11 projects in 6 countries. All the reports including the inception reports, field operation reports and the annual report were submitted to JICA as required under the contract.

40. **Follow-up and Monitoring.** During the meetings with the EAs, the Procurement Specialist discussed the time schedule for all remaining activities required for the employment of consultants, including the scheduled dates for submission of shortlist, TOR and RFP. However, almost no EA has kept the Procurement Specialist informed of the progress of activities. It is recommended that JICA maintain close monitoring of EA actions and instruct them to update to the Procurement Specialist the status of activities.

41. **Second Missions.** The timing of the 2<sup>nd</sup> mission was also discussed with the EAs. For most of the projects, the 2<sup>nd</sup> mission was scheduled 3-6 months after the 1<sup>st</sup> mission to assist the EAs in proposal evaluation and others. However, no request has been made from the EAs for the 2<sup>nd</sup> missions, which were scheduled by the end of FY2011. It is recommended that JICA maintain close monitoring and coordination with EAs through its country office, so that the 2<sup>nd</sup> mission can be fielded in a timely manner.

42. **Mission Length.** Pending scheduled 2<sup>nd</sup> missions are presumably attributed to: (a) delays in finalization of TOR, RFP and shortlisting, and/or (b) delays in approval of the higher authority of the EA and submission to JICA. In order to ensure that these documents are finalized and submitted to JICA in a timely manner, all the documents should be finalized, EA's capacity be examined and fully developed, underlying constraints and bottlenecks such as approval procedures be identified and recommendations for improvement or resolution be provided to the EA during the 1<sup>st</sup> mission. The Procurement Specialist considers that the standardized duration of 5 days for the 1<sup>st</sup> mission was not long enough to tackle all these issues. It is recommended that the mission's duration be made flexible in a range of 1-2 weeks. The following indicates the adequate number of days and activities for the missions:

### First Mission (2 weeks)

- i) To conduct to a workshop to present Module 1 to 4 (3 days);
- ii) To assist EA in preparation and finalization of (a) shortlist, (b) TOR, (c) RFP, and (d) detailed technical evaluation criteria (preliminary discussions: 2 days and preparation of draft documents: 3 days);
- iii) To instruct detailed evaluation method of technical proposals (1 day); and
- iv) To assess the capacity of EA and government approval procedures and discuss the time schedule including follow-on assistance (0.5-1 days)

### Second Mission (7-10 days)

- i) To assist EA in carrying out technical proposal evaluation and report preparation (3-5 days)
- ii) To instruct detailed evaluation method of financial proposals and ranking (1 day);
- iii) To conduct a workshop on Modules 6 and 7 to introduce the method of contract negotiations for QCBS and preparation of minutes of contract negotiations and contract documents (1-2 day)

Third Mission (1 week)

- i) To assist EA in holding contract negotiations and preparing minutes of contract negotiations and contract document (2-4 days); and
- ii) To conduct a workshop on Modules 8 and 9 to explain contract management and fiduciary risk management (0.5-1 day).

43. **TOR Format.** As stated in paragraph 26 above, unsatisfactory TOR is due to a limited capacity of EAs and/or consultants who prepared outlined TOR during the conduct of a feasibility study. A lack of standard format of TOR is also attributed to this issue. In order to ensure that TOR is prepared with inclusion of all basic information and data, a sample format of TOR for a loan project has been developed as shown in **Appendix 4**. It is recommended that this type of format is used as sample format of TOR for JICA financed loan projects and disseminated among the borrowers as well as consultants who prepare draft TOR when they conduct a project feasibility study or formulate a project for JICA financing.

44. **Preparation of RFP.** Preparation of RFP was assisted by the Procurement Specialist, using Sample RFP documents. The Procurement Specialist has found there are some provisions, for example, Special Conditions of Contract (SCC) 3.4 (e) (ii), SCC 3.5, etc. where the EA found difficult to decide and enter data as appropriate. It is therefore recommended that Sample RFP provides detailed guides with example data for those provisions, based on which the EA could determine and complete these provisions.

45. **Preparation of CRAM.** Delays in processing the employment of consultants will be partly due to a lack of awareness of the parties concerned about the time schedule. In order to keep all the parties concerned abreast of the progress of employment of consultants, it is recommended that the consultant recruitment activity monitoring (CRAM) sheet is standardized and included as part of Attachments to M/D. The CRAM should be updated at an appropriate interval and shared with all the parties concerned. A sample CRAM sheet is shown in **Appendix 5**.

46. **Project Status Report (PSR).** The minutes of discussions (M/D) prepared between the borrower and JICA appraisal mission include various information and data, which are useful to prepare consultant selection documents. However, it was found that information and data given in PSR, Appendixes, Annexes and Attachments are sometimes duplicated and/or inconsistent among each other. It is therefore recommended that all information and data are prepared in the standardized form to avoid such confusion. It is also recommended that a list of borrower's persons met by JICA mission is attached to the M/D for convenience to obtain relevant data from them in a later stage.

47. **PMO/PMU and Evaluation Committee.** The establishment of a project management office/unit (PMO/PMU) is stated in the M/D. The timely establishment of the PMO is essential as preparation of TOR, RFP and shortlisting is important part of PMO's responsibilities before project implementation. Also, depending on country or agency, the establishment of a task force or the evaluation committee may be needed to carry out preparation or review of the selection documents, proposal evaluation and ranking, if there exist no permanent division/unit (like "a bids and awards committee" in the Philippines) within the EA. However, it was found that the establishment of the PMO and/or the evaluation committee had been pending in most of the EAs. It is therefore recommended that the deadline or the estimated date for the establishment of a PMO/PMU and the evaluation committee, as the case may be, should be clearly stated in the M/D and followed up by the JICA country office. This is important in view of the need of not only PMO staff but also the evaluation committee members to participate in the workshops and discussions with the Procurement Specialist during the 1<sup>st</sup> mission.

48. **Government Approval Procedures.** Time-consuming approval procedures are a bottleneck for EAs to implement the project in many countries. The Procurement Specialist has learned from several EAs that pending approval by higher authority, various key activities such as the establishment of PMOs and selection committees, submission of consultant selection documents, etc. were yet to be complete. It appears that government rules and regulations and time needed for approval were not fully examined and well reported in the M/D. This may lead to preparation of unrealistic time schedule at appraisal. It is therefore recommended that JICA engage staff consultants to examine government rules and regulations, potential constraints that affect the process of the employment of consultants, and actual time needed for processing, so that major constraints are removed and realistic time schedule be established in advance.

49. **JICA's Assessment of the Procurement Assistance.** The effectiveness and impact of the procurement support services provided during FY2011 is not clearly known to the Procurement Specialist. There may be cases that some EAs submitted the selection documents according to the schedule and the other not. Underlying reasons for delays vary depending on country and EA, etc. Considering that the procurement support services continue for the next 2 years, it is recommended that JICA conduct preliminary review of the procurement support services and feedback to the Procurement Specialist, such that lessons learned from services during FY2011 can be reflected in the services and activities for the following years.