

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

**Annual Report  
FY2013**

**March 2014**

**JAPAN INTERNATIONAL COOPERATION AGENCY**

**OPMAC Corporation**

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### APPENDIXES

1. List of Projects and Missions undertaken in FY2011/2012 and scheduled in FY2013

## **ABBRIBIANTIONS**

CRAM	-	Consultant Recruitment Activity Monitoring
EA	-	Executing Agency
EOI	-	Expression of Interest
FY	-	Japanese Fiscal Year
JICA	-	Japan International Cooperation Agency
JPY	-	Japanese Yen
JUMP	-	Joint Undertaking for Mutual Partnership
L/A	-	Loan Agreement
M/D	-	Minutes of Discussions between the Borrower and JICA Mission
ODA	-	Official Development Assistance
PMO	-	Project Management Office
PSR	-	Project Status Report
QBS	-	Quality-based Selection
QCBS	-	Quality- and Cost-based Selection
RFP	-	Request for Proposals
STEP	-	Special Terms for Economic Partnership
TOR	-	Terms of Reference for Consulting Services

## 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. During Japanese Fiscal Year (FY) 2012 (April 2012 - March 2013), JICA's assistance was extended to a total of 147 countries all over the world with approximately 1,485 billion Japanese Yen (JPY) provided either through grant or lending scheme. Of the total, JPY1,223 billion belonged to the lending portion as new commitment, while the remaining belonged to grant or other contributions. The lending achieved in FY2012 to the countries in the Southeast Asia region including Philippines, Malaysia, Indonesia, Thailand, Vietnam, Cambodia, Timor-Leste Laos and Myanmar amounted to about JPY461 billion or 31% of the total commitment amount. In 2013, JICA's lending was resumed to Myanmar in the amount of about JPY800 million. 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 (OPMAC) has been engaged by JICA to provide procurement support to project executing agencies (EAs) in eight (8) countries of the Southeast and Pacific regions including Indonesia, Philippines, Thailand, Vietnam, Cambodia, Timor-Leste, Malaysia and Myanmar. 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. 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 No. 3 is prepared to describe the consultant's activities and outputs undertaken during FY2013, covering the period from April 2013 to March 2014.

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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 EAs 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 a loan agreement (L/A) and the Guidelines for the Employment of Consultants;
- ii) Advise EAs to ensure that (a) terms of reference (TOR), request for proposal (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 corrupt and fraudulent practice required in the Guidelines, and report to JICA without delay, if any irregularity or misconduct is found through the services; and
- viii) 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. It includes the following:

- (i) Works at home office before the mission. The works will include reviewing all documents and information that will be provided to the Procurement Specialist and prepare an inception report and other relevant materials such as training materials, draft RFP, TOR, etc.
- (ii) Field works. The works will include the conduct of a workshop, provision of guidance on procurement and relevant documents, and assistance in preparation of the selection documents for submission to JICA.
- (iii) Works after the mission. The works will include preparation of a field operation report, follow-up of pending issues for clarification, etc.
- (iv) 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 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. The duration of services is considered flexible. Namely, it could be shortened or extended depending on project as the case may be. Details of TOR are shown in the Annual Report No. 1 for FY2011.

### 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, project status report and other appendixes), loan agreements and outlined TOR for consulting services 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 that shall be provided by the Procurement Specialist during his field operation as follows:

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, the Procurement Specialist prepared an inception report, describing proposed assistance to the EA, scheduled activities and others, and submitted it to JICA and the EA after receiving JICA's review and concurrence.

9. In addition to the inception report, the Procurement Specialist prepared various documents and materials that were needed to conduct the mission. They include training materials for workshops on the employment of consultants, drafts of 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.

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, Apr. 2012
  - 2. Standard Request for Proposals under Japanese ODA Loans, Oct. 2012
  - 3. Guide for Evaluation Procedures for Employment of Consultant under Japanese ODA Loans, Dec. 2006 (Amended Dec. 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 EAs and their staff concerned with JICA's rules and regulations regarding procurement of consulting services and to develop their capacity for procurement and project implementation. The workshops were conducted, using JICA's training materials on Procurement Support Workshop (power point form) updated in April 2012. Upon issuance of the amended RFP in October 2012, the training material (Module 2) was adjusted to meet the amendment in January 2013. The workshop was undertaken in a form of a "hands-on" approach to accommodate questions and answers about various matters from the participants.

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, whenever requested. They included the following:

- i) Sample advertisement for EOI
- ii) Sample shortlisting evaluation criteria
- iii) Sample TOR
- iv) Sample RFP, prepared based on the JICA Standard RFP
- v) Sample technical proposal evaluation criteria
- vi) Sample technical proposal evaluation report
- vii) Sample form of minutes of contract negotiations

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 differed from the conduct of a training workshop to direct assistance in preparation of shortlist, TOR, RFP and proposal evaluation criteria and proposal evaluation.



## 4. ACTIVITIES UNDERTAKEN DURING THE REPORTING PERIOD

### A. Missions Conducted during the Reporting Period

14. At the beginning of FY2013, JICA prepared a list of candidate projects, to which the missions would be dispatched. The list included 35 projects in five countries including Indonesia, Vietnam, Lao PDR, Philippines and Myanmar. The updated list in September 2013 is shown in **Appendix 1**.

15. Based on JICA's instructions, OPMAC dispatched a total of 22 missions for 19 projects to Philippines, Indonesia, Lao PDR, Myanmar and Cambodia from April 2013 to March 2014 as shown in **Table 1** below.

Table 1: Missions Dispatched during FY2013

Project Name	Mission	Purpose	Dates*	Mission Member
<b>Philippines</b>				
Maritime Safety Capability Improvement Project/ DOTC	1st	Orientation seminar and finalization of TOR, RFP and evaluation criteria	15-23 Aug 2013	Kanazawa
New Bohol Airport Construction and Sustainable Environment Protection Project/DOTC	1st	Orientation seminar and assistance in technical proposal evaluation	16-22 Oct 2013	Kanazawa
<b>Lao PDR</b>				
Vientiane International Airport Terminal Expansion Project	1st	Orientation seminar on the project cycle and employment of consultants	15-19 Jul 2013	Kanazawa
Nam Ngum 1 Hydropower Station Expansion Project	2nd	Hands-on assistance in technical proposal evaluation and report preparation	20 Jul-2 Aug 2013	Kanazawa
Vientiane International Airport Terminal Expansion Project/MPWT-DCA	2nd	Hands-on assistance in finalization of TOR, RFP and technical proposal evaluation criteria	23 Sep-2 Oct 2013	Kanazawa
Vientiane International Airport Terminal Expansion Project/	3rd	Hands-on assistance in technical proposal evaluation and report preparation	9-15Feb 2014	Suzuki
<b>Cambodia</b>				
National Road No. 5 Project (South Section)	1st	Assistance in preparation of TOR, RFP and technical proposal evaluation criteria JICA procurement seminar	16-27 Feb 2014	Kanazawa
<b>Indonesia</b>				
Professional Human Resources Development IV	1st	Orientation seminar and assistance in preparation of RFP	10-16 Nov 2013	Morimoto
Sewerage System Development in DKI Jakarta (E/S) under Metropolitan Sanitation Management Investment Program	1st	Orientation seminar and assistance in preparation of RFP	17-23 Nov 2013	Morimoto

<b>Project Name</b>	<b>Mission</b>	<b>Purpose</b>	<b>Dates*</b>	<b>Mission Member</b>
Rural Settlement Infrastructure and Kabupaten Strategic Area Development (RISE II)	x	Orientation seminar and assistance in preparation of RFP, shortlist and evaluation criteria	24-30 Nov 2013	Oita
Jabodetabek Railway capacity Enhancement Phase (I) Project	1st	Orientation seminar and assistance in preparation of RFP	8-13 Dec 2013	Morimoto
Urgent Disaster Reduction Project for Mount Merapi and Lower Progo River Area Phase (II)	1st	Orientation seminar and assistance in preparation of RFP	14-21 Dec 2013	Morimoto
Upper Citarum Basin Flood Management Sector Loan	2nd	Orientation seminar and assistance in preparation of RFP, shortlist and evaluation criteria	8-21 Dec 2013	Suzuki
Wonogiri Multipurpose Dam reservoir (II)	1st	Orientation seminar and assistance in preparation of RFP, shortlist and evaluation criteria	8-21 Dec 2013	Suzuki
<b>Myanmar</b>				
Regional Development Project for Poverty Reduction  Urgent Rehabilitation and Upgrade Project (Phase I)  Sub-project for Electric Power Development under Infrastructure Development Project in Thilawa Area  Sub-project for Expansion of Yangon Port under Infrastructure Development Project in Thilawa Area	2nd	Training workshop on the employment of consultants	28 Apr-11 May 2013	Suzuki
Sub-project for Expansion of Yangon Port under Infrastructure Development Project in Thilawa Area  Urgent Rehabilitation and Upgrade Project (Phase I)	3rd	Assistance in finalization of selection documents including TOR, RFP and evaluation criteria	7-14 Jul 2013	Kanazawa
Regional Development Project for Poverty Reduction  Urgent Rehabilitation and Upgrade Project (Phase I)  Sub-project for Electric Power Development under Infrastructure Development Project in Thilawa Area	3rd	Assistance in finalization of RFP and evaluation criteria	11-17 Aug 2013	Suzuki
Greater Yangon Water Supply Project/YCDC	1st	Training workshop on the employment of consultants	16 Aug 2013	Suzuki
Power Development under Infrastructure Development	1st	Orientation seminar on procurement to YESB	9-15 Oct 2013	Kanazawa

Project Name	Mission	Purpose	Dates*	Mission Member
Project in Thilawa Area Sub-project for Expansion of Yangon Port under Infrastructure Development Project in Thilawa Area	4th	Assistance to MPA in finalization of technical proposal evaluation criteria and guidance on technical proposal evaluation		
Regional Development Project for Poverty Reduction Urgent Rehabilitation and Upgrade Project (Phase I)	5th	Orientation seminar to MOAI and assistance to MNPED and MOEP in finalization of technical proposal evaluation criteria and guidance on technical proposal evaluation	15-19 Oct 2013	Suzuki
Greater Yangon Water Supply Project/YCDC	2nd	Orientation seminar and assistance in preparation of RFP, shortlist and evaluation criteria	12-25 Jan 2014	Oita
Irrigation Development Project in Western Bago Region	1st	Orientation seminar and assistance in preparation of RFP, shortlist and evaluation criteria	19-25 Jan 2014	Oita
Yangon –Mandalay Railway Improvement Project Infrastructure Development Thilawa Area Phase II	1st	Orientation seminar and assistance in preparation of RFP, shortlist and evaluation criteria	12-25 Jan 2014	Suzuki
Regional Development Project for Poverty Reduction	6th	Hands-on assistance in technical proposal evaluation and report preparation	2-8 Feb 2014	Suzuki

16. The objective of the missions was basically to develop the capacity of EAs 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

17. The input of personnel during FY2013 from 1 April 2013 to 31 March 2014 was 181 person-days or 6.03 person-months, consisting of 190 person-days for field services and 265<sup>2</sup> person-days for home office work. The cumulative inputs of personnel from June 2011 to March 2014 amounted to 729 person-days or 24.30 man-months, which are about 50.9 % of 47.7 man-months over 3 years (15.9 person-months/year) given under the contract.

## B. Specific Activities by Country

18. 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:

<sup>2</sup> Includes 3 days for home office work undertaken to prepare for the 3rd mission for MJIT, which was cancelled.

## **Indonesia**

19. A total of 15 projects were listed as candidate projects for procurement assistance during FY2013 in a JICA's list prepared in April 2013. However, only 7 missions for 7 projects were sent during FY2013. This was presumable due to delays in processing of project appraisal including government approval and the execution of the loan agreements.

## **Philippines**

20. Five projects were proposed for the procurement assistance during FY2013. Actually, 2 missions were dispatched for 2 projects; firstly for Maritime Safety Capability Improvement Project from 15 to 23 August 2013, and secondly for New Bohol Airport Construction and Sustainable Environment Protection Project from 16 to 22 October 2013. The 1<sup>st</sup> mission assisted DOTC in finalization of TOR, RFP and technical proposal evaluation criteria, and the 2<sup>nd</sup> mission assisted DOTC in carrying out the technical proposal evaluation.

## **Lao PDR**

21. Three missions were dispatched to handle two projects, one for Vientiane International Airport Terminal Expansion Project and the other for Nam Ngum 1 Hydropower Station Expansion Project. For Vientiane International Airport Terminal Expansion Project, the 1<sup>st</sup> mission conducted an orientation seminar on the project cycle and employment of consultants to MPWT-DCA, given their first experience in implementing a JICA financed project. The 2<sup>nd</sup> mission provided hand-on assistance to MPWT-DCA in finalization of TOR, RFP and detailed technical proposal evaluation, and the 3<sup>rd</sup> mission assisted MPWT-DCA in technical proposal evaluation and preparation of technical evaluation report. For Nam Ngum 1 Hydropower Station Expansion Project, the mission assisted EdL in their finalizing technical proposal evaluation and report preparation.

## **Cambodia**

22. No project was originally listed for procurement assistance during FY2013. Upon request from JICA Cambodia office, however, the mission was dispatched to assist Ministry of Public Works and Transport (MPWT-PMU) in preparation of TOR, RFP and technical proposal evaluation criteria for National Road No. 5 Project (South Section). In addition, the Procurement Specialist was invited as lecturer for a 2-day procurement seminar co-organized by JICA and Ministry of Economy and Finance (MEF). About 40 numbers of representatives of various ministries of the Government of Cambodia, including JICA and ADB officers concerned attended at the seminar.

## **Myanmar**

23. A total of 10 missions for 8 projects including 4 new projects which are under processing were sent to Myanmar. For Regional Development Project for Poverty Reduction (MY-P1), 4 missions were sent to FERD to develop their capacity of the employment of consultants, whereas 3 missions were sent to MEPE, YESB and MPA for Urgent Rehabilitation and Upgrade Project (MY-P2) and Infrastructure Development Project in Thilawa Area (Phase I) (MY-P3). For Sub-project for Expansion of Yangon Port in Thilawa Area, the assistance was provided to MPA in finalization of technical proposal evaluation criteria and guidance on technical proposal evaluation, and, thereafter, in their conduct of the evaluation of technical and financial proposals.

For Greater Yangon Water Supply Project, 2 missions were dispatched to Yangon City Development Committee, conducted an orientation seminar and assisted in preparation of RFP, shortlist and evaluation criteria.

For Irrigation Development Project in Western Bago Region, a mission conducted an orientation seminar for Irrigation Department, Ministry of Agriculture and Irrigation and, thereafter, assisted in their preparation of draft RFP including TOR, evaluation criteria and skeleton of evaluation report.

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

24. The Minutes of Discussions (M/D) prepared at the time of project appraisal do not necessarily provide detailed information regarding the capacity of the EAs. The capacity of EA and staff members in charge of the selection of consultants was 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 EAs:

25. **The Guidelines for the Employment of Consultant.** JICA issued a new version of the Guidelines for the Employment of Consultants in April 2012. The new version will be basically applicable for all the projects, which have been formulated after the issuance of the new version. During FY2012, the missions introduced the new version to almost all executing agencies through the training workshops, except Myanmar. The Procurement Specialist has explained the difference between the 2009 version and the new version to only the executing agency of Upper Citarum Basin Flood Management Sector Loan, Indonesia, to where the 2009 version was applicable.

For Myanmar, JICA's lending operation had been suspended for 25 years since 1987. It is, therefore, presumed that almost all EAs and their staff have no knowledge about the JICA Guidelines as well as those of multilateral development banks (MDBs) such as WB and ADB. The Procurement Specialist, therefore, provided a series of seminars and hands-on assistance for the employment of consultants as required in the JICA Guidelines. In particular, the training workshop was repeatedly conducted to MNPED, the EA for the Regional Development Project for Poverty Reduction where staff movement was significant.

26. **Preparation of TOR.** It was found that TORs for projects formulated in/around FY2013 and thereafter were mostly prepared, using a format presumably prepared by JICA. However, several TORs were found inadequate because of insufficient information and data. For example, they failed to include project background and profile, institutional arrangements, position-based scope of works, timing and duration of services, and particular responsibilities of the EA and the consultants required in the Guidelines (Section 2.02). Another issue was the description of the qualification requirements for key personnel. Some TORs provided "broad qualification," with many factors the EA considered preferable. This has led to the problem as to which factors should be taken up for personnel evaluation. The other TORs provided "minimum qualification," with only those factors that are used for the evaluation. The Procurement Specialist considers it appropriate that TOR provides only the "minimum" qualification with the limited number of factors, which will be used of the evaluation, and linked with the detailed technical proposal evaluation criteria (main and subcriteria).

27. **Preparation of Shortlisting and RFP.** Following preparation of TOR, EA is required to prepare a shortlist of consultants and RFP. The EA mostly prepared a shortlist based on JICA's information (list of Japanese consulting firms). Some EAs considered that only the firms listed by JICA should be the ones that have to be invited for submitting proposals. This has caused a problem as it sometimes resulted in the submission of only one proposal by the single firm or a joint-ventured group. In Myanmar, there were two projects out of three, where only one proposal was submitted. This raised a question among the EAs whether the competition existed through QCBS method. In fact, some EAs were reluctant to accept the single proposal or bid according to their local procurement laws.

It is recognized that many recipient countries are now conducting a pre-qualification for shortlisting consultants due to their internal procurement regulations. The pre-qualification normally take 1-2 months or even longer, as it involves public advertisement and evaluation of

expression of interests (EOI) from the consultants. This has sometimes caused a problem for the EA to submit the RFP and shortlist simultaneously to JICA for concurrence. It sometimes happened that the RFP including TOR became ready for submission to JICA through assistance of the Procurement Specialist, but the shortlisting was still on process. To avoid this time gap, it is recommended that the schedule of EOI together with its evaluation criteria is discussed at the appraisal and mentioned in the minutes of discussions (M/D), and the Procurement Specialist should be dispatched in a timely manner.

Preparation of RFP was not problematic for EAs since the use of the standard RFP became mandatory since April 2012. However, information related to local taxation, provisional sum and contingencies in Data Sheet, and liability of the consultants and insurances in the Special Conditions of Contract were common issues among the borrowers.

**28. Technical Proposal Evaluation Criteria.** Detailed technical proposal evaluation criteria are an essential tool for the conduct of technical proposal evaluation in accordance with the JICA Guidelines and the Guide for Evaluation Procedures. They will serve for the evaluator to carry out technical proposal evaluation in a systematic and logical manner and to minimize the room of subjective evaluation. The Procurement Specialist has, therefore, provided sample detailed technical proposal evaluation criteria to most of EAs. In fact, EA staff showed a great interest and positive attitude toward discussing detailed evaluation criteria. There were some cases that EA would like to evaluate all the members of both international and local consultants. As guided in the Guide, Section 5.1.4, it is recommended that only key personnel (not exceeding 10 numbers of personnel) are evaluated. Evaluating all the members will dilute the importance of key personnel. The other personnel will be evaluated either as group or otherwise in the organization and staffing subcriteria. This guide, however, is not necessarily followed by the EAs.

As mentioned in para. 34 above, most TORs now provide the qualification requirements of key personnel. However, the qualification requirements were not necessarily linked or congruent with the evaluation criteria. For example, the TOR indicates that the Project Manager shall have 20-year of professional experience, while the rating scale for 20-year experience is determined 40% or less than average or vice versa in the evaluation criteria. In order to avoid such conflict, the TOR and the evaluation criteria should be prepared or finalized, simultaneously.

**29. Proposal Evaluation and Reporting.** Assistance was provided to some EAs (Lao PDR and Myanmar) in their carrying out of technical proposal evaluation and report preparation during FY2013. It is found that those EAs who were provided with not only a training workshop but also hand-on assistance have completed the proposal evaluation and submitted the report to JICA in a satisfactory and timely manner. At the time, the Procurement Specialist also trained the EA on financial proposal evaluation and report preparation, so that they can conduct the financial proposal evaluation by themselves.

**30. Contract Negotiations and Preparation of Minutes of Contract Negotiations and Contract Documents.** No assistance was provided for contract negotiations during FY2013. 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 as the case may be. Depending on country, the establishment of Project Management Office (PMO) and Special Technical Working Group (STWG), the selection documents, proposal evaluation criteria, etc. need to be approved by ministers or department heads of concerned ministries, EA's management, bids award committee, etc. In Myanmar, approval is needed by not only the line

Ministry, but also Ministries of Finance and Planning, Auditor General, Cabinet, President and Parliament. This is 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 intervention may help expedite their internal clearance.

There were some cases that the PMO and/or the consultant selection committee have not been established and no counterpart staff assigned when the Procurement Specialist visited the country.

**32. Administration and Coordination.** During the field operation, the Procurement Specialist 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 and prepared a Consultant Recruitment Monitoring (CRAM) sheet. However, only a few agencies appeared to succeed to follow the schedules as discussed. There appears to involve various reasons behind this. Among others is the non-establishment of the PMO or technical working groups (TWGs), which will be responsible for the selection of consultants.

As discussed with JICA, the Procurement Specialist considers to communicate directly with the EAs to follow up the progress of the remaining activities and recommend to JICA remedial actions as appropriate.



## 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 FY2013:

Table 2: List of Reports submitted to JICA and EAs

Project Name	Inception Report	Field Visit	Field Operation Report
<b>Philippines</b>			
Maritime Safety Capability Improvement Project	N/A	15-23 Aug 2013	31 Aug 2013
New Bohol Airport Construction and Sustainable Environment Protection Project	N/A	16-22 Oct 2013	1 Nov 2013
<b>Lao PDR</b>			
Vientiane International Airport Terminal Expansion Project	27 Jun 2013	16-19 Jul 2013	12 Aug 2013
Nam Ngum 1 Hydropower Station Expansion Project	28 Jun 2013	22 Jul-1 Aug 2013	11 Aug 2013
Vientiane International Airport Terminal Expansion Project	8 Sep 2013	23 Sep-2 Oct 2013	6 Oct 2013
Vientiane International Airport Terminal Expansion Project/	6 Feb 2014	9-15 Feb 2014	21 Feb 2014
<b>Cambodia</b>			
National Road No. No. 5 Project	25 Jan 2013	16-27 Feb 2013	5 Mar 2013
<b>Indonesia</b>			
Professional Human Resources Development IV	28 Oct 2013	11-15 Nov 2013	28 Nov.2013
Sewerage System Development in DKI Jakarta (E/S) under Metropolitan Sanitation Management Investment Program	28 Oct 2013	18-22 Nov 2013	28 Nov.2013
Rural Settlement Infrastructure and Kabupaten Strategic Area Development (RISE II)	20 Nov. 2013	25-29 Nov 2013	20 Dec 2013
Jabodetabek Railway Capacity Enhancement Phase (I) Project	5 Dec 2013	9-13 Dec 2013	14 Jan 2014
Urgent Disaster Reduction Project for Mount Merapi and Lower Progo River Area Phase (II)	6 Dec 2013	16-20 Dec 2013	14 Jan 2014
Upper Citarum Basin Flood Management Sector Loan	2 Dec 2013	8-21 Dec 2013	7 Dec 2013
Wonogiri Multipurpose Dam reservoir (II)	2 Dec 2013	8-21 Dec2013	27 Dec 2013
<b>Myanmar</b>			
Regional Development Project for Poverty Reduction (P1) Urgent Rehabilitation and Upgrade Project (P2) Sub-project for Electric Power Development under Infrastructure Development Project in Thilawa Area (P3-1) Sub-project for Expansion of Yangon Port under Infrastructure Development Project in Thilawa Area (P3-2)	25 Apr 2013	28 Apr-11 May 2013	28 May 2013

<b>Project Name</b>	<b>Inception Report</b>	<b>Field Visit</b>	<b>Field Operation Report</b>
Sub-project for Expansion of Yangon Port under Infrastructure Development Project in Thilawa Area (P3)  Urgent Rehabilitation and Upgrade Project (Phase I)  Regional Development Project for Poverty Reduction	7 Jul 2013	7-14 July 2013	8 Aug 2013
Regional Development Project for Poverty Reduction Urgent Rehabilitation and Upgrade Project (Phase I) Sub-project for Electric Power Development under Infrastructure Development Project in Thilawa Area	4 Aug 2013	11-17 Aug 2013	27 Aug 2013
Greater Yangon Water Supply Project	4 Aug 2013	16 Aug 2013	27 Aug 2013
Sub-project for Expansion of Yangon Port under Infrastructure Development Project in Thilawa Area (P3)  Power Development under Infrastructure Development Project in Thilawa Area	20 Sep 2013	9-15 Oct 2013	31 Oct 2013
Regional Development Project for Poverty Reduction  Urgent Rehabilitation and Upgrade Project (Phase I)  Irrigation Development Project in Western Bago Region	20 Sep 2013	15-19 Oct 2013	31 Oct 2013
Regional Development Project for Poverty Reduction  Urgent Rehabilitation and Upgrade Project (Phase I)  Irrigation Development Project in Western Bago Region	6 Jan 2014	20-24 Jan 2014	30 Jan 2014
Greater Yangon Water Supply Project	6 Jan 2014	12-25 Jan 2013	31 Jan 2014
Yangon –Mandalay Railway Improvement Project  Infrastructure Development Thilawa Area Phase II	5 Jan 2014	12-25 Jan 2014	29 Jan 2014
Regional Development Project for Poverty Reduction	24 Jan 2014	2-8 Feb 2014	11 Feb 2014

Note: The duration of field visit includes two in- and out-travel days.

The date of submission of draft report to JICA for review and comments

N/A: Preparation of the inception report was dispensed due to short notice for the mission.

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. CONCLUSIONS AND RECOMMENDATIONS

35. **Overall Achievement.** The Procurement Specialists have completed all the field operations and submitted to JICA the reports as required under the contract. During FY2013, a total of 22 missions were sent for 19 projects in 5 countries including Indonesia, Philippines, Lao PDR, Cambodia and Myanmar. No more mission will be sent as the contract between JICA and OPMA will expire at the end of March 2014.

36. **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 issuance of RFP, technical proposal evaluation, etc. It is recommended that the officer(s) in charge of supervision of each project at JICA country office maintain contact with the EA to oversee and discuss the progress of the remaining procedures, and when and if 2<sup>nd</sup> and/or 3<sup>rd</sup> mission appear necessary or recommendable, those JICA country officer(s) inform the responsible officer of Loan Procurement Policy and Supervision Division of needed assistance in a timely manner.

37. **Next Missions.** The need and timing of the follow-up mission were discussed with the EAs during the field operation. At the time, most of the EAs indicated their wishes for the continued assistance in remaining activities such as proposal evaluation and others. Given that the contract expires at the end of March 2014, JICA should consider the engagement of consultants under a new contract for the years to come.

38. **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, while a sample format has been developed by JICA. In order to ensure the preparation of TOR of good quality, sample format of TOR for JICA financed loan projects should be further disseminated among the borrowers and consultants and the quality of draft TOR is critically assessed by JICA officers concerned at the time of appraisal.

39. **Preparation of RFP.** The use of the Standard RFP (SRFP) is now mandatory for any project. However, there is some confusion as to where, when or to what extent data should be entered. In order to minimize such confusion, the following are recommended:

- (i) The SRFP shows by color the items where data should be entered at the time of: (a) submission of draft RFP to JICA; (b) after JICA's concurrence, but before issuing the RFP to the consultants; and (c) after contract negotiations.
- (ii) The provisions be simplified or streamlined where there are alternative provisions exist. For example, Data Sheet 3.2 that requires to state the case other than those stated in ITC 3.2 Conflict of Interest may not be necessary as the other case will be minimal. There are also items in Data Sheet where the same information has to be entered, such as the name of the executing agency, date of submission of the proposal, etc. Also in SCC 6.02, the EA is required to choose one of the formulae for adjustments of remuneration and reimbursable expenses, which causes some confusion in the EA. The duplication of data should be avoided as far as possible.
- (iii) The SRFP may not be fully applicable for a project with JUMP. JICA may wish to prepare a modified version of the SRFP suitable for a project with JUMP.

40. **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 include time necessary for EOI if so discussed at appraisal. The CRAM should be updated at an appropriate interval and shared with all the parties concerned.

41. **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 streamlined to avoid such confusion.

42. **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 was pending in most of the EAs when the Procurement Specialist visited the EA. It is therefore recommended that the deadline or the estimated date for the establishment of a PMO/PMU and the evaluation committee, together with relevant rules and regulations 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.

43. **Government Approval Procedures.** Time-consuming approval procedures are a bottleneck for EAs to implement the project in many countries. 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.

44. **JICA's Assessment of the Procurement Assistance.** The effectiveness and impact of the procurement support services provided under the contract are 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. In case of a project in Myanmar, a total of 6 missions were dispatched, however, the engagement of the consultant could not be expedited as expected. Underlying reasons for delays vary depending on country and EA, etc. It is recommended that JICA conduct preliminary review of the procurement support services to know reasons why the EAs failed to follow the schedules of activities established during the field operations, such that lessons learned can be reflected in the services and activities for the forthcoming projects to be financed by JICA.

**APPENDIX 1: List of Projects and Missions undertaken in FY2011/2012 and scheduled in FY2013**

No.		L/A (planned)	No. of Mission	Category	1st Mission **	2nd Mission **	3rd Mission	4th Mission	5th Mission	6th Mission
<b>Indonesia</b>										
1	Upper Citarum Basin Flood Management Sector Loan	2013.2-3(P)	2	C	done	2013.12/9-13				
2	Bandung Intra Urban Toll Road Project	not yet fixed	1	A	done	not yet fixed				
3	Lumut Balai Geothermal Power Plant Project	2013.6-7(P)	1	A	done	not yet fixed				
4	GDAP (Hululais Geothermal Power Plant Project (E/S))	2013.6-7(P)	2	A	done	not yet fixed (RFP re-Assistance)	not yet fixed (Evaluation)			
5	Urgent Disaster Reduction Project for Mt. Merapi and Lower Progo River Area-Phase II	2013.3(P)	2	A	2013.12/16-20	not yet fixed				
6	Countermeasure for Sediment in Wonogiri Multipurpose Dam Reservoir (II)	2013.4-5(P)	2	A	2013.12/16-20	not yet fixed				
7	Professional Human Resource Development Project (IV)	2013.4-5(P)	2	A	2013.11/11-15	not yet fixed				
8	Regional Infrastructure for Social and Economic Development Project (II)	2013.4-5(P)	2	A	2013.11/25-29	not yet fixed				
9	Metropolitan Arterial Road Improvement Project	2013.4-5(P)	1	A	2013.12/9-13	not yet fixed				
10	Tulehu Geothermal Power Generation Project (E/S)	2013.3	2	A	2013 done	2014.Mar-Apr				
11	Jabodetabek Railway Capacity Enhancement Project Phase (I)	2013.2-3(P)	2	A	2013.12/9-13	not yet fixed				
12	MRT East West Line Project	2013.2-3(P)	2	A	2013.Aug-Sep	not yet fixed				
13	Ciramaya New Port Development Project	2013.4-5(P)	2	A	2013.Aug-Sep	not yet fixed				
14	Sewerage System Development Project in DKI Jakarta (E/S) under Metropolitan Sanitation Management Program	2013.4-5(P)	2	A	2013.11/18-22	not yet fixed				
15	West Java Solid Waste Disposal Treatment Improvement Project	2013.4-5(P)	2	A	2013.Oct-Nov	not yet fixed				

No.		L/A (planned)	No. of Mission	Category	1st Mission **	2nd Mission **	3rd Mission	4th Mission	5th Mission	6th Mission
<b>Vietnam</b>										
16	Hoa Lac Science and Technology City Development Project (I)	2012.3	1 ~ 2	C	2012.4/15-28	2013.May or later				
17	Project For Disaster And Climate Change Countermeasures Using Earth Observation Satellite (I)	2011.11	1 ~ 2	B	2012.9/2-14	Canceled				
18	North Nghe An Irrigation System Upgrading Project	2013.3(P)	1 ~ 2	C	2013.3/17-23	not yet fixed				
19	O Mon Thermal Power Plant Unit No.2 Construction Project (II)	2013.3(P)	1 ~ 2	A						
20	National Road No. 1 Upgrading Project (2nd mission)	2013.3(P)	1	B	2013. Apr-May					
21	Second Transport Sector Loan for National Road Network Improvement	2013.3(P)	1 ~ 2	C	2013. May-Jun					
22	Hanoi City Yen Xa Sewerage System Project (I)	2013.3(P)	1 ~ 2	C	2013. May-Jun					
23	Danim Hydro Power Plant Expansion Project	2013.9(P)	1 ~ 2	C	2014.Jan-Mar					
24	Hanoi City Ring Road No. 3 Construction Project (Mai Dich - South Thang Long Section)	2013.9(P)	1 ~ 2	C	2013. Oct-Dec					
<b>Laos</b>										
25	Nam Ngum 1 Hydropower Station Expansion Project	2013.3(P)	1	A	2013.3/11-16	2013.7/16-8/2				
26	Wattay Vientiane International Airport Terminal Expansion Project				2013.7/16-8/2	2013.9/22-10/1	2014.2/10-14			
<b>Philippines</b>										
27	Capacity Enhancement of Mass Transit Systems in Metro Manila Project	2013.3(P)	2	A, B	2013. Sep or later	not yet fixed				
28	New Bohol Airport Construction and Sustainable Environment	2013.3(P)	2	A, B	2013.10/16-22	not yet fixed				
29	Metro Manila Interchange Construction Project (Phase VI)	2013.7(P)	2	B	2013. Sep or later	not yet fixed				

No.		L/A (planned)	No. of Mission	Category	1st Mission **	2nd Mission **	3rd Mission	4th Mission	5th Mission	6th Mission
30	Cabite-Laguna Highway Construction Project (Laguna Section)	2013.7(P)	2	A	2013. Aug-Sep	not yet fixed				
31	Philippine Maritime Safety Capability Improvement Project for PCG	2013.12(P)	2	B	2013Dec	2013.8/15-26	2013. 10/16-22			
<b>Myanmar</b>										
32	Urgent Rehabilitation and Upgrade Project (P2)	2013.6.7	2 ~ 3	A	2013. 4/29-5/11	2013.7/7-12	2013.8/11-16	2013. 10/15-19		
33	Regional Development Project for Poverty Reduction (P1)	2013.6.7	2 ~ 3	A	2013.3/3-9	2013.4/28-5/11	2013.7/7-12	2013.8/11-16	2013. 10/15-19	2014.2/2-7
34	The Project for Development of Thilawa Area (P3) Power	2013.6.7	2 ~ 3	A	2013. 4/29-5/11	2013.4/28-5/11	2013.7/7-12	2013.8/11-16		
34	The Project for Development of Thilawa Area (P3) Port	2013.6.7				2013.4/28-5/11	2013.7/7-12	2013.10/9-15		
35	Irrigation				2013.10/15-19	2014.1/13-24				
36	Greater Yangon Water Supply Project				2013.8/11-16	2014.1/13-24				
37	Yangon-Mandalay Railway Improvement Project Phase I				2014.1/13-24					
38	Infrastructure Development Project in Thilawa Area Phase II				2014.1/13-24					
<b>Cambodia</b>										
39	Southwest Phnom Penh Irrigation and Drainage Rehabilitation and Improvement Project				canceled					
40	National Road No.5 Improvement Project (Prek Kdam - Thlea Ma'am Section)(Phase 1)				2014.2/10-21					

Category) A: Estimated contract amount for consultant is more than 500 mil.yen

B: STEP is applied

C: Project required other special assistance