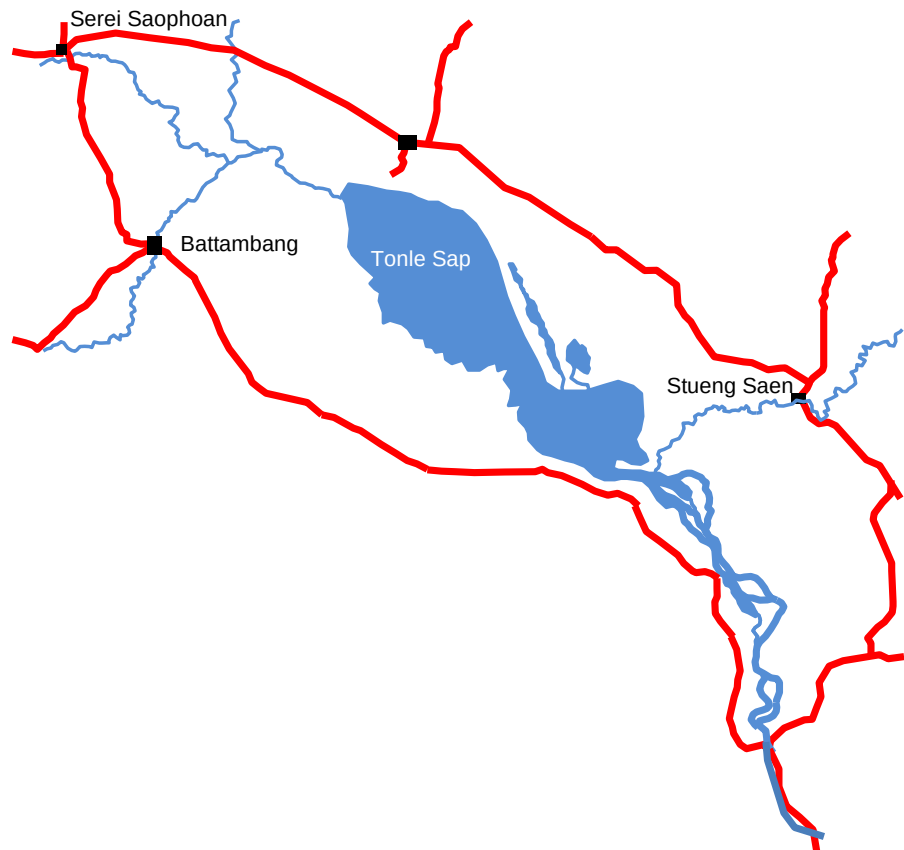




Ministry of Public Works and Transport
The Kingdom of Cambodia

**Second Urban Environmental
Management in the Tonle Sap Basin
Project**
ADB L3684/G0591 CAM



Quarterly Report
Quarter 3, 2019
July to September



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Abbreviations

ADB	Asian Development Bank
CBO	Community-Based Organization
CPP	Community Procurement Procedures
CPS	Country Partnership Strategy
CSO	Civil Society Organizations
DC	Development Committee
DRM	Disaster Risk Management
EA	Executing Agency
EMP	Environmental Management Plan
FGD	Focus Group Discussion
GAP	Gender Action Plan
IA	Implementing Agency
IEE	Initial Environmental Examination
IP(s)	Indigenous People(S)
NCB	National Competitive Bidding
PIU	Project Implementation Unit
PMC	Project Management Consultant Team
PMU	Project Management Unit
ROW	Right of Way
SWM	Solid Waste Management
TA	Technical Assistance
TNA	Training Needs Assessment
TOR	Terms of Reference
USD	United States Dollar

1 Introduction and Basic Data

1.1 Introduction

- 1 The Government of The Royal Government of Cambodia has obtained a loan and grant from the Asian Development Bank (ADB) towards the cost of the Second Integrated Urban Environmental Management in the Tonle Sap Basin Project (hereinafter referred to as TS2). The location of the project towns is shown in Figure 1.1.
- 2 This is the Quarterly Report for Quarter 3, 2019 (July 1 to September 30).

Figure 1.1 Location of Project Towns



1.2 Basic Data

- 3 The key data for the project are shown in Table 1.1 below.

Table 1.1 Basic Data – TS2

ADB Project number:	Loan 3684, Grant G0591
Project Title:	Second Integrated Urban Environmental Management in the Tonle Sap Basin Project
Borrower/Beneficiary:	Kingdom of Cambodia
Executing Agency:	Ministry of Public Works and Transport
Implementing Agency:	Provincial Governments of Battambang, Serei Saophoan, Stueng Saen
Date of Effectiveness:	
Closing Date:	December 2023
Date of Last ADB Mission:	6 November 2019

1.3 Cost Estimates and Financing Plans

1.3.1 TS2 Cost Estimates and Financing Plan

- 4 The total cost of the project is estimated at US\$97.7m including contingencies. The breakdown of cost estimates is given in Table 1.2.

Table 1.2 TS2 Summary Cost Estimates by Output (\$ million)

Item	Amount
A. Base Cost	
1. Urban environmental infrastructure improved	78.00
2. Institutional effectiveness improved	6.12
3. Policy and planning environment improved	1.10
Sub-Total (A)	85.22
B. Contingencies	10.02
C. Financial Charges During Implementation	2.46
Total (A+B+C)	97.70

Source: Asian Development Bank estimates.

5 The summary of the financing plan for TS2 is shown in Table 1.3.

Table 1.3 TS2 Financing Plan

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank		
Ordinary capital resources (concessional loan)	87.73	89.8
Special Funds resources (ADF grant)	1.27	1.3
Government	8.70	8.9
Total	97.70	100.0

Source: Asian Development Bank estimates.

2 Utilisation of Funds

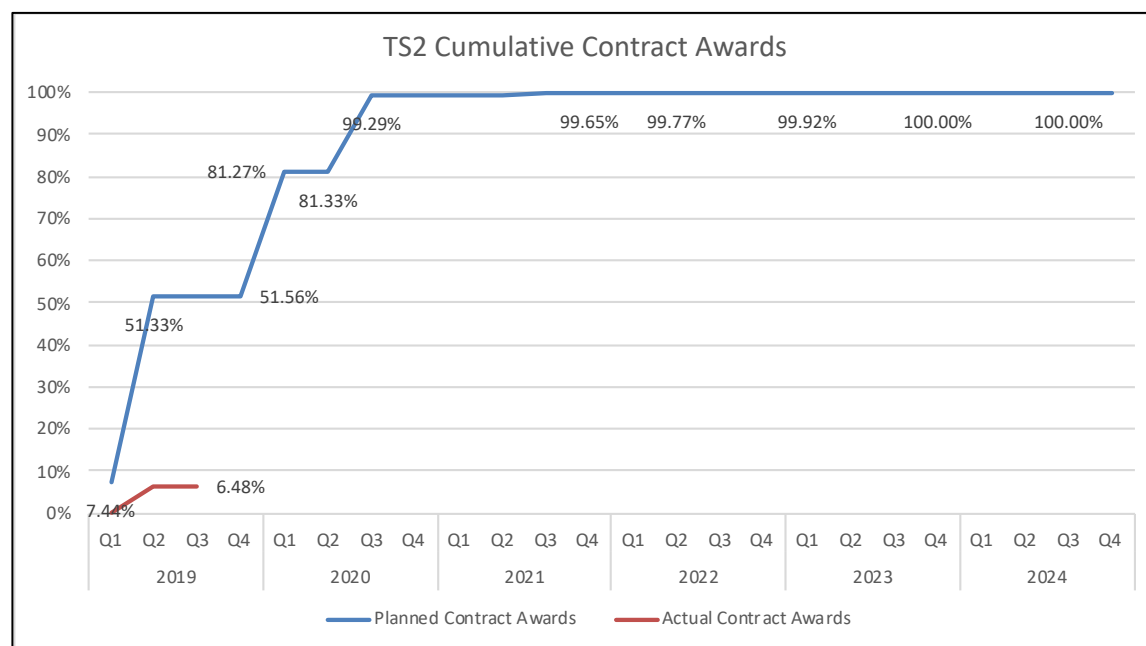
2.1 Cumulative Contract Awards

6 The cumulative contract awards of consulting services and goods/works are shown in Table 2.1. Thus far the only contract award is for the implementation consultants. No goods or works contracts have been awarded as of Q3 2017. The percentage contract awards compared to the original planned awards are shown in Figure 2.1.

Table 2.1 TS2 Cumulative Contract Awards

Description	Date of Contract Agreement	Total Cost (\$million)	Cumulative Contract Awards				
			ADB Loan	ADF Grant	Government Counterpart	Total Cumulative Amount	Cumulative Percentage
Goods/Works		77.09					
CW01 Wastewater & drainage in Stueng Saen and Battambang							
CW02 Wastewater & drainage in Serei Saophoan							
CW03 Solid waste in Stueng Saen, Serei Saophoan & Battambang							
G01 Landfill equipment							
G02 Vehicles							
G03 Office equipment							
Subtotal							
Consulting Services							
CS01 Project Management Consultants	26.6.19	5.83					
CS02 Social development & gender consultant							
Subtotal							

Figure 2.1 TS2 Cumulative Contract Awards



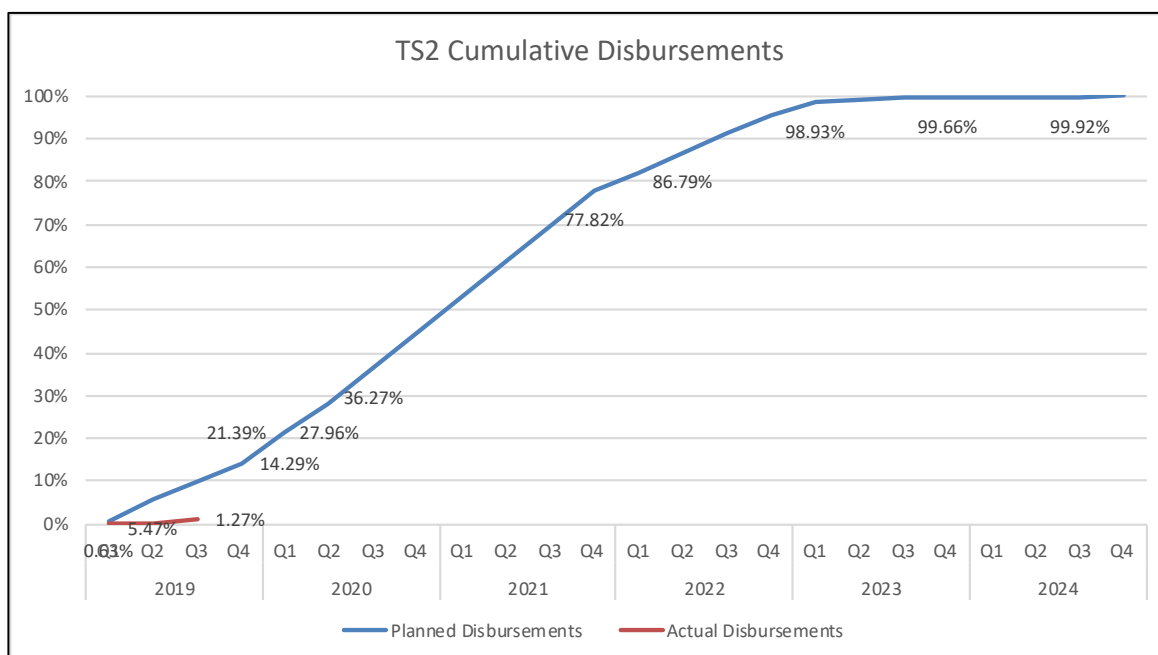
2.2 Disbursement Status

- 7 Disbursements to date have all been for the implementation consultants. The status of disbursements is shown in Table 2.2. The percentage of disbursements compared to the original planned disbursements are shown in Figure 2.2.

Table 2.2 Status of Disbursements – TS2

Description	Total Cost (\$million)	Cumulative Disbursements				
		ADB Loan	ADF Grant	Government Counterpart	Total Cumulative Amount	Cumulative Percentage
Goods/Works	77.09					
CW01 Wastewater & drainage in Stueng Saen and Battambang						
CW02 Wastewater & drainage in Serei Saophoan						
CW03 Solid waste in Stueng Saen, Serei Saophoan & Battambang						
G01 Landfill equipment						
G02 Vehicles		?	?	?		
G03 Office equipment		?	?	?		
Subtotal						
Consulting Services						
CS01 Project Management Consultants	1.12	1.12				
CS02 Social development & gender consultant						
Subtotal	1.12	1.12				

Figure 2.2 TS2 Cumulative Disbursements

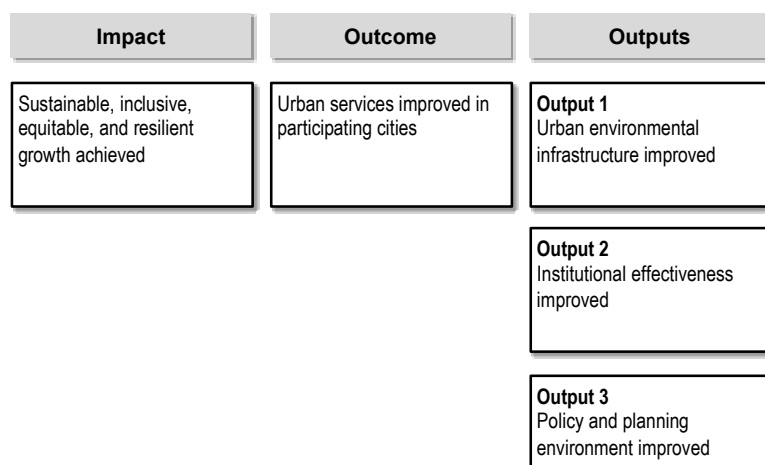


3 Project Scope and Purpose

3.1 Project Impact, Outcome and Outputs

- 8 The TS2 project will improve urban environmental services in Battambang, Serei Saophoan and Stung Saen, three of Cambodia's provincial cities located around the Tonle Sap lake. The project will also improve institutional effectiveness to provide sustainable services and support an improved policy and planning environment for wastewater and solid waste management.
- 9 The Design and Monitoring Framework (DMF) is included in Annex A. The key elements of the DMF are summarised in Figure 3.1 below.
- 10 Currently no major changes to the Project scope or arrangements are envisaged and the Project should meet its original purpose.

Figure 3.1 TS2 Impact, Outcome and Outputs



3.2 Sub-Projects

- 11 The sub-projects as proposed in the RRP are summarised in Table 3.1. Review and verification of the scope of each of the sub-projects is ongoing at the time of this Quarterly Report.

Table 3.1 Proposed Civil Works Sub-Projects

Town	Sub-Projects	Scope of Sub-Projects
Battambang	Wastewater	▪ 4,800 m ³ /day WWTP, 87km sewers
	Solid waste management	▪ 350,000m ³ landfill
Serei Saophoan	Wastewater & Drainage	▪ 2,500 m ³ /day WWTP, 78km sewers, 8.5km drains
	Solid waste management	▪ 130,000m ³ landfill
Stueng Saen	Wastewater	▪ 2,300 m ³ /day WWTP, 39km sewers, 17km drains
	Solid waste management	▪ 48,000m ³ landfill

Source: PPTA reports

3.3 Safeguards

- 12 The status of social and environmental safeguards is summarised in Tables 3.2 and 3.3.
- 13 Initial Environmental Examinations (IEEs) were prepared for all the subprojects during the PPTA activities. PMC tasks regarding IEE and EMPs as per TOR are the following:
- Update/redraft IEEs based on the detailed engineering design and domestic IEIAs/EIAs
 - Conduct additional analysis and data collection to ensure the final IEEs comply with ADB Safeguards Policy (SPS, 2009);
 - Prepare contract specific EMPs and assist MPWT/PMU to agree with design-build contractors and/or attach to bidding documents or potential contractors
- 14 At the time of this report discussions were ongoing with the General Department of Resettlement regarding the preparation, processing and review of resettlement documents.

3.4 Gender Action Plan

- 15 The TS2 Project is classified as Effective Gender Mainstreaming (EGM) and the Gender Action Plan monitoring table is shown in Annex E. Identified gender issues include insufficient solid waste collection services, limited sanitation and sewerage systems resulting in poor environmental sanitation, decrease in local business and income during flooding, limited participation in decision-making and representation in the water and sanitation sector of female staff; and limited opportunities to strengthen and expand job opportunities for women

Table 3.2 Status of Environmental Safeguards

			TOR Preparation		Survey & Report		Submit 1st Draft IEIA		1st Draft Review by MoE			Inter-Ministry Meeting			Issue License		Remarks
			Preparing draft ToR and submit to MoE for review	Discussion meeting with MoE and revise the ToR	Approval from MoE for conducting field survey on Physical, Natural and Social Resources	Preparing draft IEIA report	Submit the draft IEIA to MPWT for comments	Revised the first draft IEIA and submit to MoE	MoE conducting field visit	Discussion meeting on the draft	Revised 1st draft base on comments from MoE	Submission 2nd draft for Inter-Ministry meeting	Inter-Ministry meeting on 2nd draft	Prepare final draft based on comments from Inter-Ministry meeting	Minutes preparation for approval report	Document preparation for issuing license	
TS2	Battambang	WWTP&Drainage	Jul-19	Sep-19	Sep-19	oct-19	Nov-19	Dec-19	Dec-19	Dec-19	Dec-19	Jan-20	Jan-20	Jan-20	Jan-20	Jan-20	Planned
																	Actual
		Landfill															
	Serei Saophoan	WWTP&Drainage															
		Landfill															
	Stung Saen	WWTP&Drainage	Jul-19	Sep-19	Sep-19	oct-19	Nov-19	Dec-19	Dec-19	Dec-19	Dec-19	Jan-20	Jan-20	Jan-20	Jan-20	Jan-20	
		Landfill															

Table 3.3 Status of Resettlement Safeguards

Town	Subproject	Site selection	DED	Land type identified	Pre-Screening	Demarcation	Consultations / PIB	Land acquired (ha)	DED submitted to GDR	Consultation	DMS/SES	RCS	DRP	Comments
TS2														
Battambang	Landfill	TBC												Initial site selection done. Environmental and land review to be done
	WWTP	Yes	Done	Private	Yes	Yes	16/02/2018	10 ha	Done	Oct 2019	Oct 2019	Nov.19	Dec.19	DMS to follow after DMS completed for STS. Access road ROW not clear - additional LAR perhaps required to restore irrigation canals
Serei Saophoan	Landfill	Yes	Priority	Private	Yes			Pre-contract						Landfill to be demonstration site. . Access road need upgrade
	WWTP	TBC		Private	Yes			Pre-contract	Topo survey started					Provincial authorities suggested changing the location to cheaper site, further 4km from City
Stung Saen	Landfill	Yes	Priority	Private	Yes	Yes		Pre-contract						19.66ha site on unused shrub land. Access road need upgrade
	WWTP	Yes	Done	State 6.9 ha/Private 10 ha	Yes	Yes	12/02/2018	±10 ha	Done	Done	Aug/Sep 2019	Oct 2019	Nov.19	Access road has 9m COI. ROW of road and canal not clear. Impact expected on private property and land use. DMS not covering access road at the moment

4 Implementation Progress

4.1 Project Organisation and Management

- 16 The contract for PMC (Contract No. PMU/MPWT/TS-2&CTP-4/CS01) was signed on 26 June 2019 between the Ministry of Public Works and Transport (MPWT) (The Client) and Ramboll Danmark A/S in Joint Venture with Oriental Consultant Global Co., Ltd. and SCE in association with Tancons (Cambodia) Co., Ltd (The Consultant).
- 17 The PMC was mobilized on 15 July 2019. The kick-off meeting took place at MPWT in Phnom Penh on 17th of July 2019 attended by key stakeholders which addressed the overall planning of the project describing the key issues including subproject land status, priorities, future plans and understanding risks in order to develop a clear strategy and work plan.
- 18 The Ministry of Public Works and Transport (MPWT) is the Project's executing agency (EA) and will manage the implementation of the Project's outputs through a Project Management Unit (PMU) based in MPWT's main office in Phnom Penh.
- 19 Project Implementation Units (PIUs) have been established in each of the Project towns. These are embedded within the provincial Departments of Public Works and Transport (DPWT) for the different provinces.
- 20 As the available office space available in MPWT is insufficient to accommodate the large team, the PMC have rented an office space on the corner of Street 51 and Street 228. This will be the Project Office for at least one year.

4.1.1 Contract Variations

- 21 No contract variation requests have yet been submitted. The history and status of contract variations will be presented using the format in Table 4.1 in future Quarterly Reports.

Table 4.1 Contract Variations, Current and Previous Quarters

Period	Variation No.	Key Dates:		No Objection from ADB	Main Items in Variation
		Submitted	Approved by MPWT		
Previous Quarters	1	-			
	2				
	3				
	4				
This Quarter	5	-			
	6				

4.2 Progress Monitoring

- 22 A Project Performance Monitoring System (PPMS) is in preparation and will be the basis for reporting in future Quarterly Reports.
- 23 S Curve of overall project progress, and bar chart of progress by outputs to be shown when PPMS is established.

4.3 Implementation Activities

4.3.1 Consultant Team

- 24 The PMC team members mobilised during the quarter are shown in Table 4.2.

Table 4.2 International and National Consultants Active During the Quarter

Position	Name
International	
Team Leader	Hugh McLachlan
Wastewater / Civil Engineer 2	James MacPherson
Social Safeguards and Resettlement Specialist	Teemu Jantunen
Urban Development Specialist	Howard Trett
Urban and Regional Planner	Hisako Kobayashi
Project Performance and Monitoring Specialist	Nils Gardek
National	
National Deputy Team Leader 1	Chhit Socheat
Solid Waste Engineer	Mao Vanchann
Sanitation Engineer	Mam Deth
Social Safeguards and Resettlement Specialist	Chan Narith
Support from Ramboll India	
Senior Design Engineer	Dhanesh Prasad
Senior WWTP Engineer	Hariprasad C P
Senior Network Engineer	Sorav Kumar Arora
Process Engineer	Dhanesh Prasad
Solid Waste Expert	Iftekhar Enayetullah

4.3.2 General Activities

- 25 Activities during the quarter have included review of the PPTA proposals, initial meetings with stakeholders, site visits to the towns, start of topographical and soil surveys and initial design work.

4.3.3 Activities by Output

- 26 The key activities undertaken during this quarter are summarised in Table 4.3 below.

Table 4.3 Key Implementation Activities by Output During the Reporting Period

Outputs	Summary of Activities Undertaken
Output 1: Urban Environmental Infrastructure Improved	<i>Battambang – Wastewater:</i>
	- Initial meetings with PIUs site visit, and preparation of land and safeguard screening - Meeting on Corridor of Impact (COI) and overlaps with previous projects - Completed design structures drawing and access road with sewer line
	<i>Battambang – Solid Waste Management:</i>
	- Proposed 3 locations of landfill cancelled - Site visit for new landfill reviewed
	<i>Serei Saophoan – Wastewater:</i>
	- Initial meetings with PIUs site visit, and preparation of land and safeguard screening. - Approval of site for WWTP and access roads. - Walk survey of major sewer trunk mains - Visited WWTP site to review existing condition and flooding - Topographic surveying results confirmed in the field to facilitate an assessment of the sewer network layout and locations of pumping stations. - Checked location with PIU for all 4 sewage pump stations, 1 drainage pump station and 2 drainage outlets. proposed by PMC team - Design in progress for drawings of structures, sewer/drainage lines and pumping stations. - Topography survey 100% completed - Soil investigation SPT completed about 70%.
	<i>Serei Saophoan – Solid Waste Management:</i>
	- Review location of Landfill TS2 (SSP) with MOE - Selected pre-purchasing agreement made

	<i>Stueng Saen – Wastewater:</i> - Initial meeting with PIUs, site visit, and preparation of land and safeguard screening - Location approved - The Topography survey started beginning of mid of September 2019 - not yet completed - The Topography survey 100% completed
	<i>Stueng Saen – Solid Waste Management:</i> Site: selected and pre-purchasing agreement prepared
	<i>Battambang, Serei Saophoan, Stueng Saen – Landfill Equipment:</i> -
Output 2: Institutional Effectiveness Improved	<i>Semiautonomous Urban Service Units:</i> -
	<i>Training Government Staff:</i> -
Output 3: Policy and Planning Environment Improved	<i>Roadmap for Financial Sustainability:</i> -
	<i>Urban Development Strategies and Master Plans:</i> -

4.3.4 Meetings

- 27 The key meetings held during this quarter are listed in Annex B.

4.4 Project Costs

- 28 Estimates of sub-project costs are shown in Table 4.4. These costs will be refined and adjusted following completion of detailed designs.

Table 4.4 Current Estimates of Sub-project Costs

Town	Sub-Project	Cost Estimate US\$m
Battambang	WWTP and sewerage	22.20
	Landfill site	5.50
Serei Saophoan	WWTP and sewerage	26.50
	Landfill site	2.88
Stueng Saen	WWTP and sewerage	14.60
	Landfill site	2.74
Battambang, Serei Saophoan, Stueng Saen	Landfill equipment	2.37

4.5 Procurement

4.5.1 Procurement Plan

- 29 The Procurement Plans for TS2 is shown in Annex F.

4.5.2 Procurement of Civil Works and Equipment

- 30 There has been no procurement of civil works or equipment (other than for the implementation consultants) thus far. The status of civil works and equipment contracts is summarised in Table 4.5.

Table 4.5 Status of Civil Works and Equipment Contracts

Package No.	Package Name	Estimated Value (\$m)	Method of Procurement	Type of Contract	Review	Submission of Proposed Bidding Documents to ADB	ADB Approval of Bid Docs	Invitation for Bid/ RFP Issued	Pre-Bid Meeting	Bid Opening / Receipt of Proposals	BER to ADB	ADB Approval of BER/ Issuance of NOL	Contract Signing
CW01	Wastewater and Drainage Battambang & Stung Saen	37.61	ICB	Works	Prior	09-Aug-19	13-Aug-19	16-Aug-19	-	16-Oct-19			
CW02	Wastewater and Drainage Serei Saophoan	25.66	ICB	Works	Prior								
CWO3 Lot 1	Landfill Battambang	5.50	ICB	Works	Prior								
CWO3 Lot 2	Landfill Serei Saophoan	2.88	ICB	Works	Prior								
CWO3 Lot 3	Landfill Stueng Saen	2.74	ICB	Works	Prior								
G01	Landfill Equipment for 3 towns	2.37	ICB	Equipment	Prior								

4.6 Provincial Planning and Municipality Planning

- 31 Following start-up meetings, a list of demographic and other data required was prepared. The planning team will mobilise in 4th Quarter 2019.

5 Compliance with Covenants

- 32 The status of covenant compliance is shown in the tables in Annex G.

6 Project Implementation Issues

- 33 There are no major issues affecting project implementation at this stage, other than the processes for approval of safeguard documentation – see below.

6.1 Approvals

- 34 There is some concern over the length of time it will take to get all safeguard documents prepared and approved. Discussions will be held with MOE, GDR, ADB and PMU to explore ways in which the process might be streamlined.

7 Work Plan

- 35 The updated detailed Work Plan is shown in Annex D.

Annex A : Design and Monitoring Framework

TS2 Design and Monitoring Framework

Impact the Project is Aligned with sustainable, inclusive, equitable, and resilient growth achieved (National Strategic Development Plan, 2014–2018) ^a			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome Urban services improved in participating cities	By 2026 a. 69,800 people (35,750 women) serviced by new and improved wastewater collection and treatment facilities (2017 baseline: 6,300) b. 188,800 people (96,700 women) served by improved solid waste management (2017 baseline: 61,900) c. 15,700 people (8,040 women) benefit from reduced flooding through improved drainage (2017 baseline: not applicable)	a–c. Annual reports by DPWTs and MPWT, monitoring reports, ADB loan missions, and project completion report	Lack of financial sustainability from limited cost recovery and/or low willingness of households to connect to sewerage network or pay for improved services
Outputs 1. Urban environmental infrastructure improved	By 2024 1a. 3 new wastewater treatment plants with 9,600 m ³ /day capacity constructed (2017 baseline: 0) 1b. 204 km of new sewer networks constructed (2017 baseline: 0) 1c. 26 km of new drainage networks constructed (2017 baseline: 0) 1d. 3 controlled landfills with 528,000 m ³ capacity constructed and operational (2017 baseline: 3 dump sites) 1e. 30% of staff employed in O&M are women (2017 baseline: 0)	1a–e. Project construction records and project progress reports	Construction delays from late approval and implementation of land acquisition and/or resettlement Poor O&M of project infrastructure, given limited local capacity for O&M
2. Institutional effectiveness improved	2a. Semiautonomous USUs established and operational (2017 baseline: not applicable) 2b. 25 government staff (including 10 women) reported increased knowledge on urban service delivery, urban facilities O&M, and public–private partnerships and other institutional arrangements (2017 baseline: 0)	2a. Project progress reports 2b. Training records	Low financial management and technical capacity at PIUs, and ineffective transition to USUs
3. Policy and planning environment improved	3a. Road map for financial sustainability (including tariff road map) developed between MPWT and three provincial governments, with consultation from MEF, MIH, MOWA, MRD, and other agencies (2017 baseline: not applicable)	3a–b. Project progress reports	Ineffective or delayed implementation of financial sustainability road maps
	3b. Urban development strategy and master plan with climate-resilient and gender-responsive measures developed and approved in all three cities (2017 baseline: not applicable)		
Key Activities with Milestones			
1. Urban environmental infrastructure improved			
1.1 Issue bidding documents for Battambang wastewater and Stueng Saen wastewater and drainage contracts by Q3 2018			

1.2	Award works contracts for Battambang wastewater and Stueng Saen wastewater and drainage by Q2 2019
1.3	Complete land acquisition for Serei Saophoan wastewater and all landfills by Q2 2019
1.4	Issue bidding documents for Serei Saophoan wastewater and drainage by Q3 2019
1.5	Issue bidding documents for landfills in all three cities by Q1 2020
1.6	Award works contract for Serei Saophoan wastewater and drainage by Q1 2020
1.7	Award works contracts for landfills in all three cities by Q3 2020
1.8	Complete construction by Q4 2022
2.	Institutional effectiveness improved
2.1	Begin on-the-job training for PMU and PIU staff by Q2 2020
2.2	Establish semiautonomous units with adequate staff by Q1 2021
2.3	Conclude on-the-job training for PMU and PIU staff by Q3 2023
3.	Policy and planning environment improved
3.1	Begin preparation of urban development strategy and master plans by Q2 2019
3.2	Begin preparation of financial sustainability road map by Q2 2019
3.3	Finalize urban development strategy and master plans by Q4 2019
3.4	Develop financial sustainability road map by Q1 2020
Inputs	
Asian Development Bank: \$87.73 million (concessional loan)	
Asian Development Fund Disaster Risk Reduction Fund: \$1.27 million (grant) Government: \$8.70 million	
Assumption for Partner Financing	
Not applicable.	

ADB = Asian Development Bank; km = kilometer; m3 = cubic meter, MEF = Ministry of Economy and Finance; MIH = Ministry of Industry and Handicrafts; MOWA = Ministry of Women's Affairs; MPWT = Ministry of Public Works and Transport; MRD = Ministry of Rural Development; O&M = operation and maintenance; DPWT = Department of Public Works and Transport; PIU = project implementation unit; PMU = project management unit, Q = quarter, USU = urban service unit.

a Government of Cambodia. 2014. National Strategic Development Plan, 2014–2018. Phnom Penh. Source: Asian Development Bank.

Annex B List of Key Meetings Held During the Quarter

Date	
17 July 2019	Kick off meeting
12-14 August 2019	Technical meeting on design
2 September 2019	Site visit and meetings in Serei Saophoan for landfill
10-12 September 2019	Site visit and meetings in Stueng Saen, Serei Saophoan and Battambang

Annex C: Project Progress by Output

Tables from PPMS (to be included from next Quarterly Report)

[illegible]

[illegible]

Annex E: Gender Action Plan Monitoring

GAP Components and Outputs	GAP Targets and Activities	Responsible Organisation	Means of Verification	Progress to date (as of September 31st 2019)	Issues and Challenges
Output 1: Urban environmental infrastructure improved	Target 1: 1. Free household sewer connections (including on-site plumbing) for 2,540 ID Poor households including 700 FHH in participating towns (2018 baseline: 0).	PIUs, Cities	Project construction records and project progress reports		
	Target 2: Improved toilets provided free of charge to 760 ID Poor 1 and 2 (2018 baseline: 0) including 100 FHH	PIUs, Cities	As above		
	Target 3: 30% of staff employed in operation and maintenance are women (baseline 2016: 0)	PIUs, Cities	As above		
Output 2: Institutional effectiveness improved	Target 1: 25 government staff (including 10 women) reporting increased knowledge on urban service delivery, O&M of urban facilities, and PPP and other institutional arrangements (2018 baseline: 0)	PIUs, Cities	Project progress reports Training records		
	Target 2: Women's representation in PMU/PIU's decision-making and technical positions for: PMU: 30% (2018: 20%); PIU Stueng Saen 30% (2018: 23%); PIU Serei Saophoan: 30% (2018: 24%)	PIUs, Cities	Project progress reports		
Output 3: Policy and planning environment improved	Target 1: Road map for financial sustainability (including tariff road map) developed between MPWT and three provincial governments, with consultation from MEF, MIH, MOWA, MRD and other relevant agencies (2018 baseline: N/A)	PIUs, Cities, NGOs	Project progress reports		
	Target 2: Urban development strategy and Master Plan, with climate resilience and gender responsive measures, developed and approved in all three cities. (2018 baseline: N/A)	PIUs, Cities, NGOs	As above		

GAP Components and Outputs	GAP Targets and Activities	Responsible Organisation	Means of Verification	Progress to date (as of September 31st 2019)	Issues and Challenges
	Target 3: At least 81 schools (50% boys and 50% girls) informed on the benefits of proper sanitation, safe disposal of waste, and menstrual hygiene (2018 baseline: 0).	PIUs, Cities, NGOs	As above		

Annex F: Procurement Plan

TS2 PROCUREMENT PLAN

Basic Data

Project Name: Second Urban Environmental Management in the Tonle Sap Basin	
Project Number: 50102	Approval Number:
Country: Cambodia	Executing Agency: MPWT
Project Procurement Classification: N/A	Implementing Agencies: Department of Public Works and Transport, Battambang provincial government Department of Public Works and Transport, Banteay Meanchey provincial government Department of Public Works and Transport, Kampong Thom provincial government
Project Financing Amount: \$97.70 million ADB Financing: \$89.00 million Government: \$ 8.70 million	Project Closing Date: December 2023
Date of First Procurement Plan: 14 April 2018	Date of this Procurement Plan: 31 May 2018

A. Methods, Thresholds, Review and 18-Month Procurement Plan

1. Procurement and Consulting Methods and Thresholds

Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding (ICB) for Works	Above \$3,000,000	Prior. All bid documents, evaluations and contracts.
International Competitive Bidding for Goods	Above \$1,000,000	Prior. All bid documents, evaluations and contracts.
National Competitive Bidding (NCB) for Works	Beneath that stated for ICB, Works	Prior/post. Prior review for first set of bid documents for EA and post review for succeeding packages
National Competitive Bidding for Goods	Beneath that stated for ICB, Goods	Prior/post. Prior review for first set of bid documents for EA and post review for succeeding packages
Shopping for Works	Below \$100,000	3 quotations required
Shopping for Goods	Below \$100,000	3 quotations required
Works Contracts for Community-driven Environmental Improvements	Below \$120,000 NCB/Shopping	NCB / Shopping

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	Prior. Request for proposal, evaluations and contracts.
Quality Based Selection (QBS)	Prior. Request for proposal, evaluations and contracts.
Consultants' Qualifications Selection (CQS)	Prior. Expression of interest, evaluations and contracts.
Individual Consultants	Prior. Expression of interest, evaluations and contracts.

2. Goods and Works Contracts Estimated to Cost \$1 Million or More

Package Number	General Description	Estimated Value (\$ million)	Method	Review (Prior/Post)	Bidding Procedure	Advertise-ment Date	Comments
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CW01	Wastewater/drainage in Stueng Saen and Battambang	37.61	ICB	Prior	1S1E	Q3/2018	Large works
CW02	Wastewater & drainage in Serei Saophoan	25.66	ICB	Prior	1S1E	Q3/2019	Large works
CW03	Solid waste in Stueng Saen, Serei Saophoan & Battambang	11.24	ICB	Prior	1S1E	Q1/2020	Bid as 3 lots, subject to timing of land acquisition
G01	Landfill equipment	2.37 ¹	ICB	Prior	1S1E	Q1/2020	

3. Consulting Services Contracts Estimated to Cost More Than \$100,000

The following table lists all consulting services contracts above \$100,000.

Package Number	General Description	Estimated Value (\$ million)	Method	Review (Prior/Post)	Advertisement Date	Type of Proposal	Comments
CS01	Project Management Consultants	5.65 ²	QCBS (80:20)	Prior	Q2/2018	Full	Single contract for this package and for the Fourth GMS Corridor Towns Development Project*

*This consulting services contract will be combined with the consulting services for the Fourth GMS Corridor Towns Development Project. The consulting services for both projects will be awarded as a single package.

4. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

The following table groups smaller-value goods, works and consulting services contracts.

Goods and Works								
Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date	Comments
G01	Vehicles	\$160,000	1	NCB	Prior	-	Q4/2018	Govt SOP dated May 2012
G02	Office equipment	\$50,000	1	Shopping	Prior	-	Q4/2018	Govt SOP dated May 2012

Consulting Services							
Package Number	General Description	Estimated Value (\$ million)	Recruitment Method	Review (Prior/Post)	Advertisement Date	Type of Proposal	Comments
CS02	Social development and gender consultant	0.09	ICS	Prior	Q1/2019	NA	

¹ Cost estimate is exclusive of taxes and duties

² Cost estimate is exclusive of taxes and duties

B. List of Awarded and Ongoing, and Completed Projects

The following tables list the awarded and on-going contracts, and completed contracts.

1. Awarded and On-going Contracts

Goods and Works							
Package Number	General Description	Estimated Value (\$ million)	Awarded Contract Value	Recruitment Method	Advertisement Date	Date of ADB Approval Contract Award	Comments

2. Completed Contracts

Consulting Services							
Package Number	General Description	Estimated Value (\$ million)	Awarded Contract Value	Recruitment Method	Advertisement Date	Date of ADB Approval Contract Award	Comments

C. National Competitive Bidding

1. Regulation and Reference Documents

1. The procedures to be followed for national competitive bidding shall be those set forth for the “National Competitive Bidding” method in the Government’s Procurement Manual issued under Sub-decree No. 74 ANK BK dated 22 May 2012 with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.

2. For the procurement of ADB financed contracts under National Competitive Bidding (NCB) procedures, the use of harmonized national bidding documents (NCB and National Shopping) developed in consultation with development partners including ADB, is mandatory except where the Government and ADB have agreed to amendments to any part of the documents. The Procurement Manual also advises users to check the ADB website from time to time for any update on ADB documents, which form the basis, among others, of the existing harmonized national bidding documents

A. Procurement Procedures

1. Application

3. Contract packages subject to National Competitive Bidding procedures will be those identified as such in the project Procurement Plan. Any changes to the mode of procurement from those provided in the Procurement Plan shall be made through updating of the Procurement Plan, and only with prior approval of ADB.

2. Sanctioning

4. Bidders shall not be declared ineligible or prohibited from bidding on the basis of barring procedures or sanction lists, except individuals and firms sanctioned by ADB, without prior approval of ADB.

3. Rejection of all Bids and Rebidding

5. The Borrower shall not reject all bids and solicit new bids without ADB's prior concurrence. Even when only one or a few bids is/are submitted, the bidding process may still be considered valid if the bid was satisfactorily advertised and prices are reasonable in comparison to market values.

B. Bidding Documents

5. Use of Bidding Documents

6. The Standard National Competitive Bidding Documents provided with the Government's Procurement Manual shall be used to the extent possible both for the master bidding documents and the contract-specific bidding documents. The English language version of the procurement documents shall be submitted for ADB review and approval in accordance with agreed review procedures (post and prior review) as indicated in the Procurement Plan. The ADB-approved procurement documents will then be used as a model for all procurement financed by ADB for the project.

6. Bid Evaluation

Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.

7. A bidder shall not be required, as a condition for award of contract, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

7. Employer's Right to Accept or Reject Any or All Bids

8. The decision of the Employer to accept or reject any or all bids shall be made in a transparent manner and involve an obligation to inform of the grounds for the decision through the bid evaluation report.

8. ADB Policy Clauses

9. A provision shall be included in all NCB works and goods contracts financed by ADB requiring suppliers and contractors to permit ADB to inspect their accounts and records and other documents relating to the bid submission and the performance of the contract, and to have them audited by auditors appointed by ADB.

10. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that the Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question.

11. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or any integrity violation in competing for, or in executing, ADB-financed contract.

Annex G: Compliance with Loan and Grant Covenants

No.	Covenant	Reference	Status of Compliance
TS2 Loan 3684			
1	In the carrying out of the Project and operation of the Project facilities, the Borrower shall perform, or cause to be performed, all obligations set forth in Schedule 5 to the Loan Agreement	Section 4.01	
2	The borrower shall cause the Project Executing Agency to (i) maintain separate accounts and records for the projects; (ii) prepare annual financial statements for the project in accordance with financial reporting standard acceptable to ADB; (iii) have such financial statements audited annually by independent auditors whose qualifications, experience, and terms of reference are acceptable to ADB, in accordance with auditing standards, acceptable to ADB; (iv) as part of each such audit, have the auditors prepare a report, which includes the auditors' opinion(s) on the financial statements and the use of loan proceeds, and management letter (which sets out the deficiencies in the internal control of the project that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after the end of each related fiscal year, copies of such audited financial statements, audit report, and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.	Section 4.02 (a)	
3	ADB shall disclose the annual audited financial statements for the project and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.	Section 4.02 (b)	
4	The Borrower shall enable ADB, upon ADB's request, to discuss the financial statements for the project and the Borrower's financial affairs where they relate to the Project with the auditors appointed pursuant to subsection (a)(iii) hereinabove and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is provided that such discussions shall be conducted only in the presence of an authorized officer of the Borrower, unless the Borrower shall otherwise agree.	Section 4.02 (c)	
5	The Borrower shall enable ADB's representatives to inspect the Project, the Goods and Works, and any relevant records and documents.	Section 4.03	
TS2 Grant 0951			
7	In the carrying out of the project and operation of the project facilities, the Recipient shall perform, or cause to be performed, all obligations set forth in Schedule 5 to the Ordinary Operations [Concessional] Loan Agreement.	Section 4.01	
8	The Recipient shall cause the Project Executing Agency to (i) maintain separate accounts and records for the projects; (ii) prepare annual financial statements for the project in accordance with financial reporting standard acceptable to ADB; (iii) have such financial statements audited annually by independent auditors whose qualifications, experience, and terms of reference are acceptable to ADB, in accordance with auditing standards, acceptable to ADB; (iv) as part of each such audit, have the auditors prepare a report, which includes the auditors' opinion(s) on the financial statements and the use of grant proceeds, and management letter (which sets out the deficiencies in the internal control of the project that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after the end of each related fiscal year, copies of such audited financial statements, audit report, and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.	Section 4.02 (a)	
9	ADB shall disclose the annual audited financial statements for the project and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.	Section 4.02 (b)	
10	The Recipient shall enable ADB, upon ADB's request, to discuss the financial statements for the project and the Recipient's financial affairs where they relate to the Project with the auditors appointed pursuant to subsection (a)(iii) hereinabove and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is	Section 4.02 (c)	

No.	Covenant	Reference	Status of Compliance
	provided that such discussions shall be conducted only in the presence of an authorized officer of the Recipient, unless the Recipient shall otherwise agree.		
11	The Recipient shall enable ADB's representatives to inspect the Project, the Goods and Works, and any relevant records and documents.	Section 4.03	