

18 April version

Project Administration Manual

Project Number: 46495-003
Grant Number: GXXXX
May 2017

Papua New Guinea: Building Resilience to Climate
Change in Papua New Guinea – Additional
Financing

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
AFS	–	Audited Financial Statements
CCDA	–	Climate Change and Development Authority
DMF	–	design and monitoring framework
EA	–	executing agency
EARF	–	environmental assessment and review framework
EMP	–	environmental management plan
FM	–	financial management
FMA	–	financial management assessment
GAP	–	gender action plan
IA	–	implementing agency
MBPG	–	Milne Bay Provincial Government
MOU	–	memorandum of understanding
NCB	–	national competitive bidding
O&M	–	operation and maintenance
PAC	–	Provincial Advisory Committee
PAM	–	project administration manual
PNG	–	Papua New Guinea
PMU	–	project management unit
PSC	–	Project Steering Committee
PIU	–	project implementation unit
SBD	–	standard bidding documents
SCF	–	Strategic Climate Fund
TOR	–	terms of reference

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Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with the Government and Asian Development Bank (ADB) policies and procedures. The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Climate Change and Development Authority (CCDA) (executing agency), the Milne Bay Provincial Government are wholly responsible for the implementation of ADB financed projects, as agreed jointly between the recipient and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by the CCDA (executing agency), and Milne Bay Provincial Government (implementing agency) of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At grant negotiations, the recipient and ADB shall agree to the PAM and ensure consistency with the grant agreement. Such agreement shall be reflected in the minutes of the grant negotiations. In the event of any discrepancy or contradiction between the PAM and the government, the provisions of the grant agreement shall prevail.

After ADB President's approval of the project's report, changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval, they will be subsequently incorporated in the PAM.

I. PROJECT DESCRIPTION

1. The ongoing Grant 0447-PNG: Building Resilience to Climate Change in Papua New Guinea Project (BRCC)¹ outputs are (i) climate change and vulnerability assessments carried out and adaptation plans developed for target communities, (ii) sustainable fishery ecosystems and food security investments piloted in nine vulnerable island and atoll communities, and (iii) enabling framework for climate-resilient infrastructure established and communications network extended.

2. The Government of Papua New Guinea (PNG) is requesting the Strategic Climate Fund for additional financing² to expedite climate proofing and connectivity improvement of the Alotau Provincial Wharf³ in the Milne Bay Province.

3. Milne Bay Province, located in the eastern part of the PNG mainland, is one of the 14 provinces in PNG with poor maritime access and high vulnerability to climate change impacts, and urgently needing transformational change towards climate-resilient development. The population of about 0.35 million including from outer islands are fully dependent on the provincial wharf which is an important point of access to markets and essential services in the capital district of Alotau. However, the existing aging Alotau provincial wharf is highly vulnerable to the adverse effects of climate change, especially sea level rise and storm surges. The provincial government confirms that the wharf is in urgent need of rehabilitation and climate proofing, and it will directly benefit the poor in the province. In PNG, including the Milne Bay Province, climate change is already beginning to put people's livelihoods at risk. Recent studies have found that climate change could result in losses of up to 15.2% of PNG's gross domestic product by 2100 (under a business-as-usual scenario)⁴. The most vulnerable to climate change are the coastal communities in PNG including Milne Bay Province. Disasters due to extreme weather and climate events can be worsened by climate change and pose significant risks to the population, environment and economy. Climate change is therefore a critical challenge with serious implications for the range of development concerns in PNG.

4. The additional financing component will respond to climate change challenges and further support the implementation of PNG's Strategic Program for Climate Resilience (SPCR) to (i) pilot and demonstrate approaches for integration of climate risk and resilience into infrastructure development; and (ii) support the strengthening of capacities at the provincial level to integrate climate resilience into development planning to improve operational efficiency for long term financial sustainability of the Alotau wharf.

5. This additional financing supports the Government's development objective to improve marine transport connections in the maritime provinces, and is listed as priority investment project in PNG's Medium Term Plan (2016–2017). The additional financing component is also aligned with PNG's Medium Term Development Plan 2016–2017, and the Development Strategic Plan 2010–2030. It is also in accordance with ADB's country partnership and strategy

¹ ADB. 2015. *Report and Recommendation of the President to the Board of Directors: Proposed Administration of Grant to Papua New Guinea for Building Resilience to Climate Change in Papua New Guinea Project*. Manila (approved in October 2015).

² The Government requested ADB's financial assistance in a letter dated 10 April 2017, as an addition to the Country Operational Business Plan: Papua New Guinea PNG, 2016–2018.

³ The project will require a project preparatory technical assistance.

⁴ ADB. 2014. *The Economics of Climate Change in the Pacific*. Manila.

2016–2020⁵, country operations business plan 2016–2018⁶, and ADB’s strategic priorities for the Pacific, 2010. The project also responds to ADB’s Pacific Climate Change Implementation Plan (2009)⁷, and it emphasize the need for integration of climate change adaptation and disaster management to deal with climate induced disasters.

6. The Strategic Climate Fund (SCF) will provide additional grant financing of \$5 million, to be administered by Asian Development Bank (ADB), for climate proofing of the Alotau Provincial Wharf in the Milne Bay Province. This work will be implemented by the Milne Bay Provincial Government (MBPG), as a distinct and separable component of the overall BRCC project.

7. **Reasons for proposed additional financing.** In 2015, during the first BRCC project processing, it was originally envisaged to include climate proofing of Kimbe wharf as part of the project. However, the Government were not able to timely commit cofinancing of \$19.5 million for the proposed Kimbe wharf in West New Britain Province. During a follow-up mission in February 2015, the Provincial Government of Milne Bay identified a modest sized provincial wharf in Alotau, the provincial capital, that is in urgent need of rehabilitation and climate proofing. In July 2015, the SCF Pilot Program for Climate Resilience (PPCR) Sub-Committee endorsed additional financing request of \$5 million to upgrade the Alotau provincial wharf. It was then agreed that pending country programming consultations, this proposal would be included in the PNG’s County Operations Business Plan 2016–2020. The approval of the additional grant would be subject to satisfactory completion of due diligence processes of the wharf in accordance with ADB’s policies and guidelines. The proposed project meets the additional financing eligibility criteria, and it is consistent with the current project’s development objectives of PNG.

8. The overall project impact of the additional component is increased resilience to the impacts of climate variability and climate change. The outcome will be improved capacities of communities (in vulnerable atolls and islands), government agencies, and civil society to plan and respond to the impacts of climate change. While the impact and outcome are unchanged, they will be enhanced through physical implementation of innovative climate change adaptation methods of climate proofing Alotau Provincial Wharf, which would have replication potential in other similar structures in PNG. The creation of new climate proofing design codes and standards for Alotau contribute directly to output 3 of the original project, which is to enabling framework for climate resilient infrastructure established and communications network extended.

II. IMPLEMENTATION PLANS

A. Project Readiness Activities (Additional Financing)

9. The project readiness activities, responsibilities, and estimated timeframe as follows:

⁵ ADB. 2015. *Country Partnership Strategy: Papua New Guinea, 2016-2020*, Manila

⁶ ADB. 2015. *Country Operations Business Plan: Papua New Guinea, 2016-2018*. Manila

⁷ ADB. 2009. *Mainstreaming Climate Change in ADB Operations—Climate Change Implementation Plan for the Pacific (2009–2015)*. Manila.

Table 1: Project Readiness-Indicative Activities

Month/Year	Date	Project Processing Milestones	Procurement Activities
Responsibility of:		ADB	MBPG
2017			
April	9–13	ADB Fact-finding Mission	
		MOU/PAM	
	13	Wrap Up meeting with CCDA and MBPG	
	18	Wrap up meeting with Treasury and DNPM	
	18	Government confirm signed MOU	
	18	Interdepartmental review	
	30		Agree TOR for management support consultant
May	5	Submission of grant application to PPCR of SCF	
	15		Issue advertisement for management support consultant
	31	Grant negotiation	
June	15		Evaluate curriculum vitae and engage management support consultant
	30	President's approval	
July	31	Grant signing	Assist PNGPCL in preparation of TOR and request for EOIs for DD and Supervision consultant
August	31	Government's legal opinion	Assist PNGPCL shortlist DD consultants and issue RFP
September	30	ADB declare grant effective	
October	15		Assist in evaluating proposals and recommend preferred bidder.

ADB = Asian Development Bank, CCDA = Climate Change and Development Authority, DD= detailed design, DNPM = Department of National Planning and Monitoring EA = executing agency, EOI = expression of interest, IA = implementing agency, MBPG = Milne Bay Provincial Government, MOU = memorandum of understanding, PAM = project administration manual, PPCR = Pilot Program for Climate Resilience, PNGPCL = Papua New Guinea Ports Corporation Limited, RFP = request for proposal; SCF = Strategic Climate Fund.

Source: Asian Development Bank.

B. Overall Project Implementation Plan for Additional Financing

Table 2: Overall Project Implementation Plan-Indicative Activities

Indicative Activities	2017 (Quarter)				2018 (Quarter)				2019 (Quarter)			
	1	2	3	4	1	2	3	4	1	2	3	4
Capacity Building and Project Management Support												
Activity 1.1 Engage Capacity Building & Management Support Consultant		■										
Activity 1.2 Capacity Building and Project Management Support			■	■	■	■	■	■				
Detailed design, contract document preparation and contract supervision (carried out by others)												
Activity 2.1 Documentation, tender, evaluation and award for design and supervision consultants		■	■									
Activity 2.2 Detailed design and contract document preparation				■	■							
Activity 2.3 Support tender, tender evaluation and award of contract					■	■	■	■				
Activity 2.4 Supervision of construction								■	■	■	■	■
Wharf Demolition Fabrication and Construction												
Activity 3.1 Preparation and submission of tenders					■	■						
Activity 3.2 Tender evaluation, negotiation and award of contract						■	■	■				
Activity 3.3 Wharf Demolition, Fabrication and Construction								■	■	■	■	■
Activity 3.4 Safeguards Monitoring and Evaluation			■	■	■	■	■	■	■	■	■	■
Annual/Midterm review					▲				▲			
Project Completion Report												▲

Source: Asian Development Bank estimates.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations: Roles and Responsibilities

Table 3: Project Implementation Organizations

Project Organizations	Management Roles and Responsibilities
Executing Agency	Climate Change and Development Authority (CCDA) <ul style="list-style-type: none"> • Overall management and coordination of project implementation. • Interagency coordination. • Engagement of detailed design and procurement. • Approve payments to the consultants and contractor.
Implementing Agency	Milne Bay Provincial Government (MBPG) <ul style="list-style-type: none"> • Manage day-to-day project activities. • Recruit project management consultant to provide capacity building and technical and administrative support. • Procurement of works. • Prepare progress reports. • Supervise construction of the facility. • Approve payments to the consultants and contractor.
Asian Development Bank (ADB)	<ul style="list-style-type: none"> • Administrator of the Strategic Climate Fund-Pilot Program for Climate Resilience (SCF-PPCR) fund: <ul style="list-style-type: none"> ○ Administer the SCF-PPCR grant; ○ Monitor project implementation arrangements, disbursements, procurement, consultant selection, and reporting; ○ Monitor schedules of activities, including funds flow; ○ Review compliance with agreed procurement procedures; ○ Review compliance with grant covenants; ○ Monitor effectiveness of safeguard procedures; ○ Monitor conformity with ADB anticorruption policies; ○ Undertake periodic review mission; and ○ Undertake a joint midterm review mission with the government.

Source: Asian Development Bank.

B. Key Persons Involved in Implementation

Executing Agency

Mr. Ruel Yamuna
 Acting Managing Director
 Climate Change and Development Authority
 Telephone: +675 70910300
 E-mail: ryamuna959@gmail.com
 Avara Annex Building
 Brampton Street, Downtown Port Moresby
 P O Box 4017

BOROKO, NCD Papua New Guinea

Implementing Agency

Mr. Michael Kape
Provincial Administrator
Milne Bay Provincial Government (MBPG)
Alotau
Telephone No.:
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Director
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Telephone No.: +63 2 632 6109
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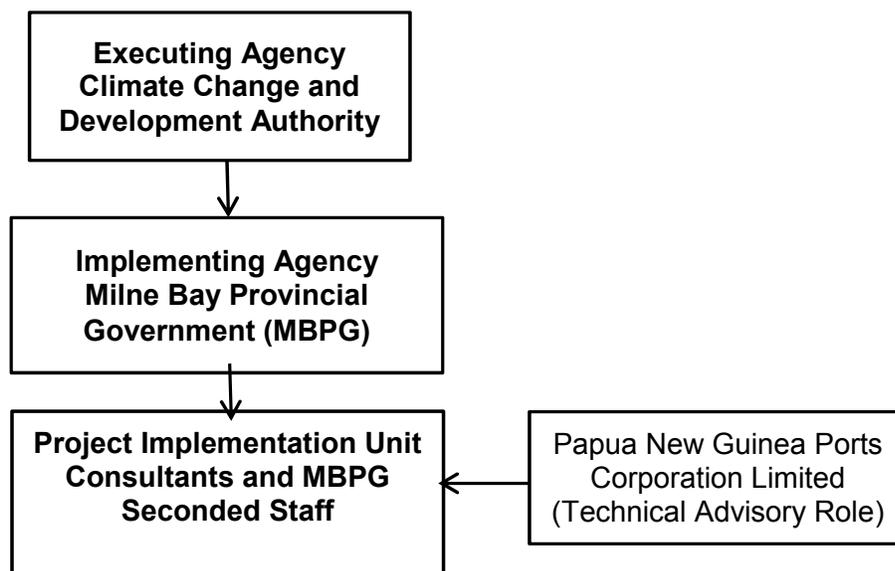
Mission Leader

Ms. Alexandra Pamela Chiang
Transport Specialist
Transport, Energy and Natural Resources Division (PATE)
Pacific Department
Telephone No.: +632 632 1546
Email address: achiang@adb.org

C. Project Organization Structure

10. The government will be the grant beneficiary. The executing agency (EA) will be CCDA.

Figure 1: Project Organizational Structure



Source: Asian Development Bank.

Table 4: Staff Assignment and Recruitment Plan Within the Project Implementation Unit

No.	Position	Name	Status
1	Project Director & Head of PMU	Mr Michael Viula	Appointed
2	Project Engineer	Mr. Wesley Katobwau	Appointed
3	Social and Environmental Safeguards Officer	Ms. Lulu Osembo	Appointed
4	Accounts Assistant	tbc	To be appointed within MBPG
5	Project Management, supervision and capacity building Expert	Tbc	To be engaged under the Additional Financing

IV. COSTS AND FINANCING

11. The overall project is estimated to cost \$34.05 million (Table 1).

Table 5: Cost Estimates

Item	Current Amount ^a	Additional Financing ^b	Total
A. Base Cost^c			
1. Climate change vulnerability assessment and adaptation plans	10.15	0.0	10.15
2. Sustainable fishery ecosystems and food security	7.52	0.0	7.52
3. Climate-resilient coastal infrastructure and early warning communications	7.18	0.0	7.18
3a. Climate-proofing Alotau Provincial Wharf		5.96	5.96
Subtotal (A)	24.85	5.45	30.30
B. Contingencies^d	2.44	0.19	2.63
Total (A+B+C)	27.29	5.64	32.93

^a Refers to the original amount and any previous additional financing.

^b Includes taxes and duties of \$614,905 to be financed from SCF grant financing.

^c In 2017 prices.

^d Pending completion of the detailed design of the Alotau Wharf project, the civil works cost component will be updated. There is currently \$2.44 million of unallocated funds in the main BRCC project, which is sufficient to cover additional taxes and duties, and physical contingencies that may be found to be required during the detailed design. Such funds could be reallocated if required, after approval of the proposed Additional Financing from SCF PPCR funds.

Source: Asian Development Bank estimates.

12. The government has requested a grant not exceeding \$5.0 million from PPCR's Strategic Climate Fund resources to help finance the project, including works and equipment, consulting services, and recurrent costs for project management. The government's financing will cover survey costs, demolition costs, including associated physical contingencies and taxes and duties.

13. The financing plan is in Table 2.

Table 6: Revised Financing Plan

Source	Current^a		Additional Financing		Total	
	Amount (\$ million)	Share of Total (%)	Amount (\$ million)	Share of Total (%)	Amount (\$ million)	Share of Total (%)
Strategic Climate Fund (grant)	24.25	88.9	5.0	88.7	29.25	88.8
Beneficiaries (in kind from beneficiary communities)	1.0	3.6	0.0	0.0	1.0	3.0
Government	2.04	7.5	0.64	11.3	2.68	8.2
Total	27.29	100.0	5.64	100.0	32.93	100.0

Note: Numbers may not sum precisely because of rounding.

^a Refers to the original amount and any previous additional financing.

Source: Asian Development Bank estimates.

A. Cost Estimates by Expenditure Category

14. The detailed cost estimates by expenditure category and detailed cost estimates by financier are presented below.

Table 7: Cost Estimates by Expenditure Category

	Description	Total ^a	PPCR		Government	
			\$	\$	% of total	\$
	A. Investment Costs					
	1.Civil works					
1	a) Survey	126,000	0	0%	126,000	20%
2	b) Demolition of existing wharf	342,000	0	0%	342,000	53%
3	c) Civil Work Cost (wharf) ^a	4,599,000	4,599,000	92%	0	0%
	Subtotal (A)	5,067,000	4,599,000	92%	468,000	73%
	B. Recurrent costs					
5	3. Project Management, supervision and capacity building	250,000	250,000	5%		0%
	Subtotal (B)	5,313,000	4,849,000	97%	468,000	73%
	C. Contingencies					
	4. Physical contingency	192,720	75,000	1.5%	118,180	18%
	Subtotal (C)	5,510,720	4,924,000	98.5%	586,180	92%
6	5.Taxes and duties	129,280	76,000	1.5%	53,820	8%
	Total Project Cost	5,640,000	5,000,000	100%	640,000	100%

^a Price contingency is absorbed into base costs. All prices includes taxes and duties other than GST.

Note: Figures may not sum precisely due to rounding.

Source: Asian Development Bank estimates.

B. Allocation and Withdrawal of Grant Proceeds

ALLOCATION AND WITHDRAWAL OF SCF GRANT PROCEEDS			
Building Resilience to Climate Change in Papua New Guinea Project – Additional Financing			
Category			
No.	Item	Total amount allocated for SCF financing (Million \$)	Percentages for withdrawal from the Grant Account
1	Civil Work Cost – Alotau wharf**	4,599,000	100% of total expenditure claimed*
2	Consulting Services**	250,000	100% of total expenditure claimed*
2	Unallocated	75,000	100% of total expenditure claimed*
4	Taxes and duties	75,000	100% of total expenditure claimed*
	Total	5,000,000	

ADB = Asian Development Bank, ADF = Asian Development Fund, SCF = Strategic Climate Fund.

* Inclusive of taxes and duties imposed within the territories of the Recipient.

** Subject to the condition for withdrawal described in paragraph ___ of Schedule 2 of the Grant Agreement.

Source: Asian Development Bank.

C. Detailed Cost Estimates by Financier

	Description	Total ^a	PPCR		Government	
		\$	\$	% of total	\$	% of total
	A. Investment Costs					
	1.Civil works					
1	a) Survey	126,000	0	0%	126,000	20%
2	b) Demolition of existing wharf	342,000	0	0%	342,000	53%
3	c) Civil Work Cost (wharf) ^a	4,599,000	4,599,000	92%	0	0%
	Subtotal (A)	5,067,000	4,599,000	92%	468,000	73%
	B. Recurrent costs					
6	Project Management, supervision and capacity building	250,000	250,000	5%		0%
	Subtotal (B)	5,317,000	4,849,000	97%	468,000	73%
	C. Contingencies					
	Physical contingency	193,720	75,000	1.5%	118,180	18%
	Subtotal (C)	5,510,720	4,924,000	98.5%	586,180	92%
5	3.Taxes and duties	129,280	76,000	1.5%	53,820	8%
	Total Project Cost	5,640,000	5,000,000	100%	640,000	100%

BRCC = Building Resilience for Climate Change (G0447-PNG), PPCR = Pilot Program for Climate Resilience.

^a Price contingency is absorbed into base costs. All prices includes taxes and duties other than GST.

^b To be funded under main BRCC project.

Source: Asian Development Bank estimates.

D. Detailed Cost Estimates by Quarter in US\$

	2017			2018			2019				2020		Total
	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020		
Surveys	0	0	99,000	99,000	0	0	0	0	0	0	0	198,000	
Existing Wharf Demolition	0	0	0	221,000	221,000	0	0	0	0	0	0	442,000	
Wharf Construction	0	0	0	0	0	475,000	712,500	712,500	712,500	950,000	1,187,500	4,750,000	
Project Management Support	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	250,000	
Total	22,727	22,727	121,727	342,727	243,727	497,727	735,227	735,227	735,227	972,727	1,210,227	5,640,000	
Cumulative	22,727	45,455	167,182	509,909	753,636	1,251,364	1,986,591	2,721,818	3,457,045	4,429,773	5,640,000		

Q = quarter.

**Calendar year ending 31 December.

Source: Asian Development Bank.

E. Contract and Disbursement S-curve (Overall Project)

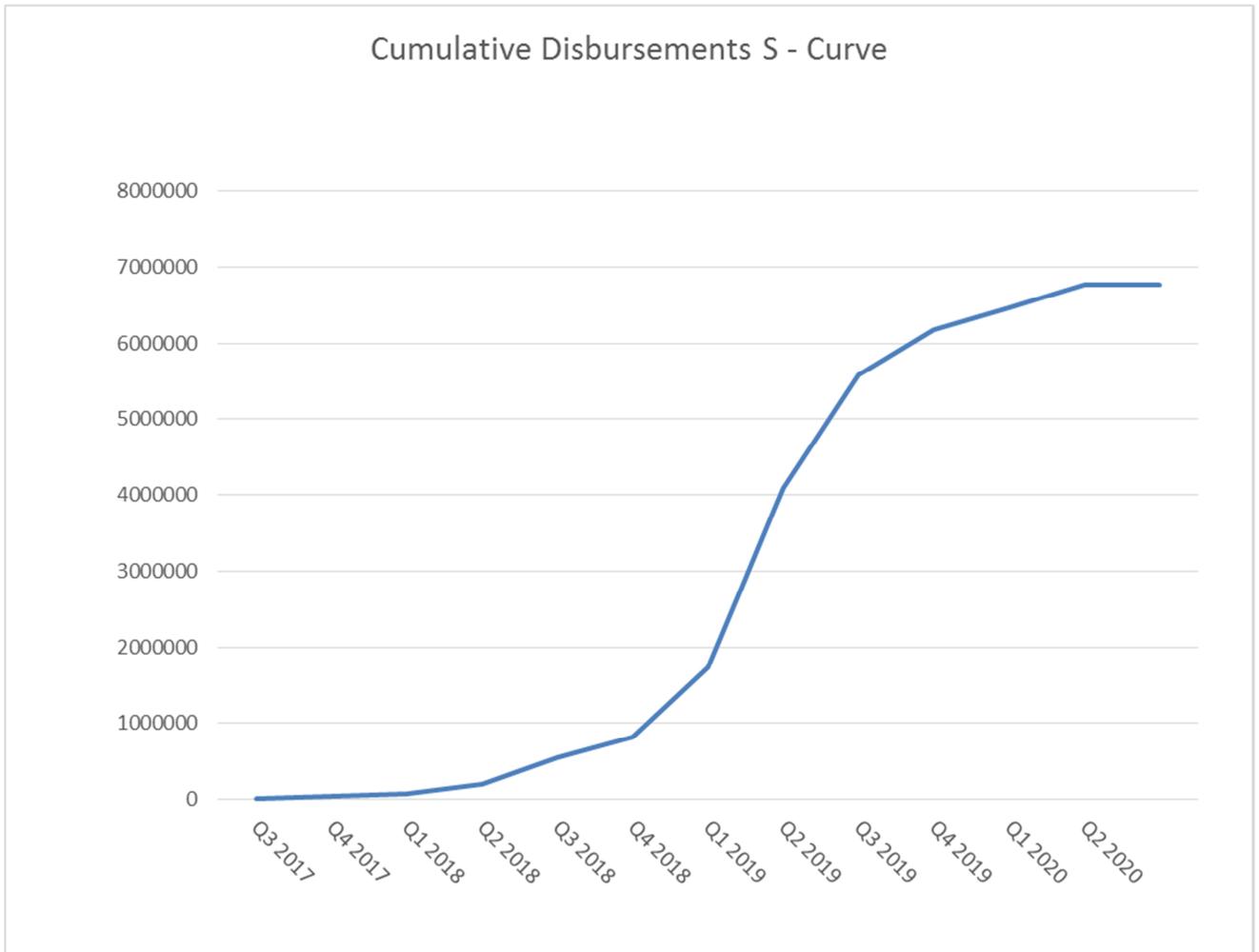
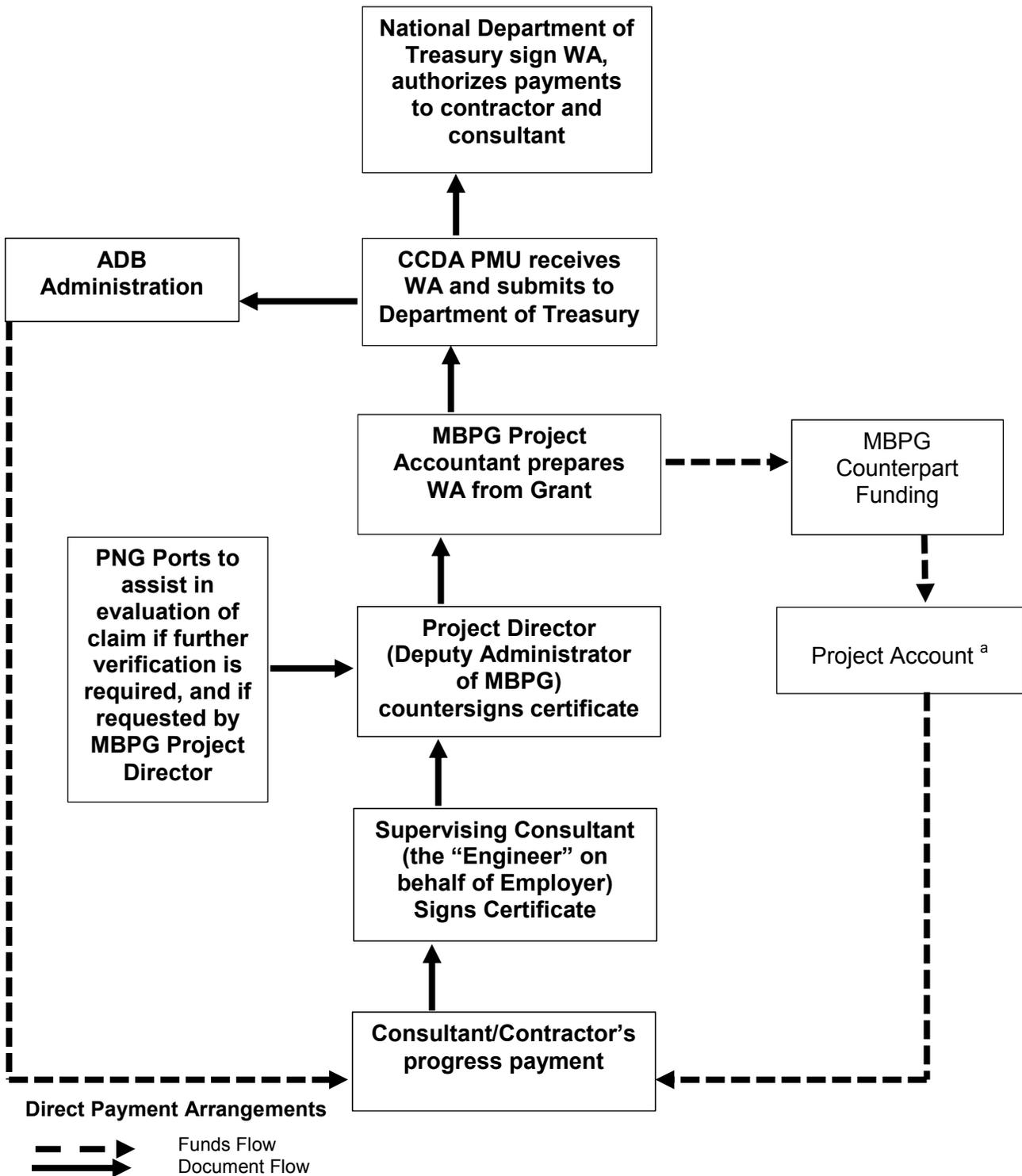


Figure 2: Fund Flow Diagram



ADB = Asian Development Bank, CCD A = Climate Change and Development Authority, MBPG = Milne Bay Provincial Government, PMU = project management unit, PNG = Papua New Guinea, WA = withdrawal application.

^a Establishment of government project Account by MBPG PIU is still subject to internal approvals within PNG Government. If this cannot be published in time, Direct Payment arrangements will be used to disburse MBPG government counterpart funds to consultants/contractors.

Source: Asian Development Bank.

V. FINANCIAL MANAGEMENT

15. The project financial management assessment (FMA) was prepared in March 2017 in accordance with ADB's Guidelines on Financial Management and Analysis of Projects and the Financial Due Diligence: A Methodology Note. The assessment concludes that the overall project financial management risk is high.

16. Climate Change and Development Authority (CCDA) is the executing agency for the project and also the implementing agency for Output 1 and the radio network coverage extension for Output 3 (in each case supported by technical agencies). The implementing agency is the Milne Bay Works Supervision Unit (WSU), which is the Department of the Milne Bay Provincial Government (MBPG) charged with the design, procurement and construction of civil works required by the Provincial Government. The Beneficiary of the wharf investment is the Milne Bay Provincial Transport Authority (MBPTA) which is the operator of the three Alotau wharves owned and operated by the MBPG, namely the Provincial Jetty, the Provincial Jetty and the dinghy (small open boat) wharves.

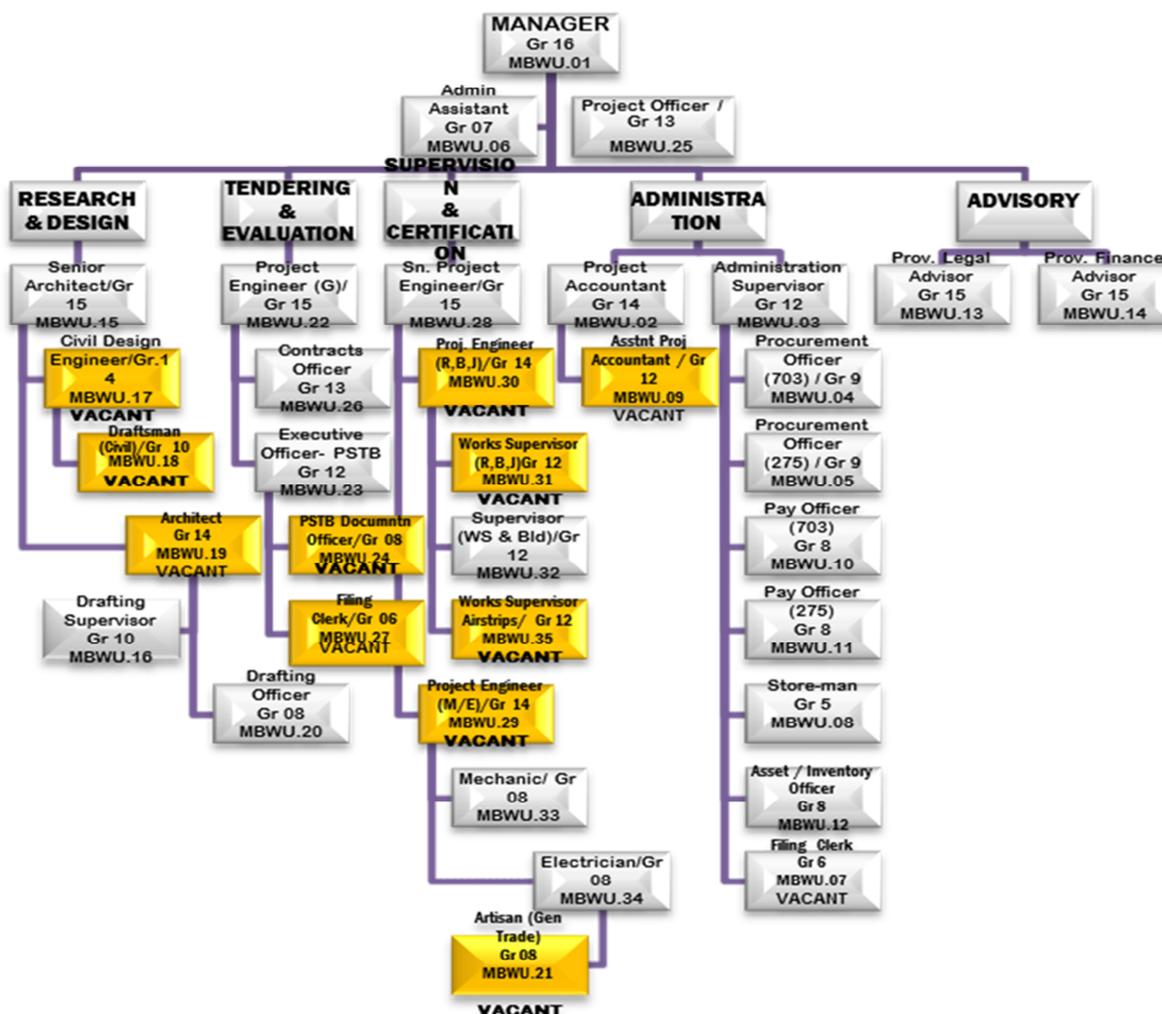
17. This Financial Management Assessment is confined to the WSU and to the Provincial Wharf. The assessment includes the funds-flow arrangements, staffing, accounting and financial reporting systems, financial information systems, and internal and external auditing arrangements for the WSU which is responsible for managing the capital works program. The accompanying FMA Questionnaire and its appendix set out the basis for the assessment.

A. Financial Management Assessment

18. Based on the assessment, the key financial management risks identified are:

- Lack of experience in the management of projects of this size, which is approximately double the size of any previously carried out by the Unit, and no project manager with experience in handling project funded by international aid agencies.
- Lack of experience in carrying out projects funded by international funding agencies.
- No finance personnel qualified to handle the financial aspects of the project and inadequate financial management systems to account for project expenditures in the detail and manner required by International Aid Agencies such as the ADB.
- No assurance of financial sustainability of the project to cover operation and maintenance.

19. The overall pre-mitigation financial management risk is **High**. The WSU has agreed to implement an action plan as key measures to address the deficiencies, but it will require support to provide a PMU with the strength required to manage this project. The financial management action plan and the support required is set out below (vacant posts shown in color).



B. Summary of Financial Management Assessment of Milne Bay Provincial Government

20. Key findings of the financial management assessment undertaken for the MBPG are as described in Table 8:

Table 8: Financial Management Risk Assessment

Weakness	Risk/Impact	Likelihood	Rating
Inadequate financial management system and weak project management unit that would not be able to accommodate the requirements of the project	Project funds may not be fully accounted for which can cause delays in release of funds from ADB.	High	High
Absence of a qualified finance person to handle the financial aspects of the project during implementation in accordance with ADB requirements	Project financial statements may not be adequately prepared and could result in failure to fully account for transaction details, causing negative audit findings	Medium	High
Limited project funds available to fully deliver the project	Project facilities may not have the necessary climate proofing required to ensure resilience to climate impacts.	Low	Low
Inadequate funding for operation and maintenance; limited budget allocation	May endanger the sustainability of project operation; failure to maintain facilities will mean that benefits from the	Medium	High

Weakness	Risk/Impact	Likelihood	Rating
	project are not fully realized		
Overall risk rating			High

ADB = Asian Development Bank.

Source: Asian Development Bank.

21. The results of the internal control and risk assessment are summarized in Table 2. Financial management risks shall need to be considered and updated throughout the life of the investment program. Risk mitigation measures shall also be updated accordingly.

Table 9: Time-Bound Action Plan

Weakness	Mitigating Actions	Responsibility	Timeframe
Weak project management unit inexperienced to manage a project of this size and to carry out procurement and financial management	<ul style="list-style-type: none"> Set up the PMU headed by a qualified Project Manager; The project manager will train staff and set up project control systems. The PMU should be guided by the Project Steering Committee (PSC) which should be set up before project implementation commences. The PSC should meet at least once every quarter to review status of project implementation and resolve issues; Minutes of PSC meetings to be included in the quarterly report to ADB;	CCDA, WSU and ADB	At start of project implementation
Inadequate financial management systems	<ul style="list-style-type: none"> The financial management system to be set up will be compatible with the CCDA accounting software, and is capable of producing timely reports; International financial consultant support to be provided during project implementation is important to set up the financial systems; Staff of PMU will have segregated duties and accountabilities; PMU will conduct mandatory bank account reconciliation, and reconciliation with ADB GFIS; Appropriate arrangement for independent audit made between MBPG and AGO. 	EA, IA and ADB	At start of project implementation
Absence of qualified finance personnel	<ul style="list-style-type: none"> Mandatory engagement of a qualified finance professional throughout project implementation to handle financial aspects of the project; Finance person to train staff 	IA and ADB	At start of project implementation

	<p>on appropriate systems ensuring knowledge transfer which may include training conducted by ADB; PIAP consultants will lend support as necessary;</p> <ul style="list-style-type: none"> • Finance professional to provide assistance to MBPG in preparing budgets; 		
Limited project funds	<p>Close monitoring of costs, with sufficient provision for contingencies to cover price escalation;</p> <ul style="list-style-type: none"> • During implementation, ensuring that government counterpart funds are made available on time; • Prior to operations, annual requirements for operational and recurrent costs are appropriately budgeted and budget request submitted through proper agency; Securing commitment for financial assistance from provincial government in case of fund shortage 	EA, IA and ADB	From project start up to completion
Inadequate funding for operation and maintenance; limited budget allocation	<ul style="list-style-type: none"> • Mandatory repair and maintenance by contractor during the defects liability period to be stipulated in contract; • Executing agency to take action to seek approval and impose reasonable tariff; Commitment from Provincial Government for efficient tariff collection and allocation of funds for maintenance. 	IA	<p>After project completion</p> <p>MPBG has submitted request for increase in tariff; awaiting review and decision by Provincial Executive Council</p>

ADB = Asian Development Bank, PMU = project management unit, WSU = Milne Bay Works Supervision Unit.
Source: Asian Development Bank.

C. Disbursement

22. The SCF and grants proceeds from other cofinancier(s) will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2015, as amended from time to time), and detailed arrangements agreed upon between the government and ADB. Online training for project staff on disbursement policies and procedures is available at: <http://wpqr4.adb.org/disbursement> elearning. Project staff are encouraged to avail of this training to help ensure efficient disbursement and fiduciary control.

23. Direct payment procedure by ADB will be utilized for progress payments on civil works and consultants' fees. Payments to the Contractors will be certified by the supervising construction consultant.

24. To facilitate cash flow during project implementation, CCDAs, the executing agency, will facilitate approvals of withdrawal applications coming from the project implementation unit (PIU),

and submit them to ADB for direct payment for all goods, works and consultancy services of the project. Disbursements of grant funds under the project will be used to procure goods, works, and related services.

25. The PIU will be responsible for accounting the use of funds in line with project activities and maintaining the documents necessary for supporting requests for payments from the ADB. The PIU will be responsible for preparing and sending the withdrawal applications to ADB. Before the submission of the first withdrawal application, the recipient should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the government, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is as stipulated in the Loan Disbursement Handbook. Individual payments below this amount should be paid by the EA/IA and subsequently claimed to ADB through reimbursement, unless otherwise accepted by ADB.

26. Procedures for disbursements and liquidation of government funds will follow the Public Finances (Management) Act 1995, the Financial Management Manual and Finance Instructions. The government contribution to project costs will be budgeted for in each project year with necessary funds placed in dedicated project account or imprest account to be established for the counterpart funds at the beginning of the financial year to cover project expenditures.

D. Accounting

27. The MBPG/PIU, in coordination with CCDA, will maintain separate project accounts and records by funding source for all expenditures incurred on the project following the government's financial regulations. MBPG will prepare project financial statements in accordance with government's accounting laws and regulations which are consistent with international accounting principles and practices.

E. Auditing

28. MBPG will subject the detailed project financial statements to be audited in accordance with International Standards on auditing by an auditor acceptable to ADB. The audited project statements will be submitted in the English language to ADB within 6 months of the end of the fiscal year by MBPG. MBPG, in consultation with Auditor General's Office, will appoint the external auditors to review the project financial statements. The costs of annual audits to be undertaken by independent auditors will be 100% funded by the project grant. Compliance with project financial reporting and auditing requirements will be monitored by review missions and during implementation, and will be followed up regularly will all concerned including the external auditor.

29. The audit report for the project financial statements will include a management letter and auditor's opinions, which cover (i) whether the project financial statements present an accurate and fair review or are presented fairly, in all material respects, in accordance with the applicable financial reporting standards; (ii) whether the proceeds of the grant were used only for the purpose(s) of the project; and (iii) whether the government or implementing agency was in compliance with the financial covenants contained in the legal agreements (where applicable).

30. The government, executing agency, implementing agency have been made aware of ADB' approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements. ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the recipient), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial

accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

31. Public disclosure of the audited project financial statements, including the auditor's opinion on the project financial statements, will be guided by ADB's Public Communications Policy 2011. After the review, ADB will disclose the audited project financial statements and the opinion of the auditors on the project financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on the ADB's website. The management letter, auditor's opinion, and audited entity financial statements will not be disclosed.

VI. PROCUREMENT AND CONSULTING SERVICES

A. Procurement of Goods, Works and Consulting Services

32. All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines.

B. Procurement Plan

33. The procurement plan, prepared in accordance with the country specific template, describing all procurement of goods and works to be undertaken under the project is provided below:

1. Basic Data

Project Name: Building Climate Resilience in Papua New Guinea	
Country: Papua New Guinea	Executing Agency: Climate Change and Development Authority
Grant Amount: SCF Grant - \$29.25 million	Grant Number: 0447
Date of First Procurement Plan: 1 November 2014	Date of this Procurement Plan: 12 April 2017

2. Process Thresholds, Review and 18-month Procurement Plan

a. Project Procurement Thresholds

34. Except as ADB may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Method	Threshold
International Competitive Bidding for Works	\$5,000,000 and above
International Competitive Bidding for Goods	\$500,000 and above
National Competitive Bidding for Works	More than \$200,000 but less than \$5,000,000
National Competitive Bidding for Goods	More than \$100,000 but less than \$500,000
Shopping for Works	Up to \$200,000
Shopping for Goods	Up to \$100,000
Community Participation in Procurement	Up to \$20,000

b. ADB Prior or Post Review

35. Except as ADB may otherwise agree, the following prior or post review requirements apply to the various procurement and consultant recruitment methods used for the project.

Procurement Method	Prior or Post ^{a/}	Comments
Procurement of Goods and Works		
ICB Works	Prior ^{b/}	
ICB Goods	Prior ^{b/}	
NCB Works	Prior/Post ^{c/}	
NCB Goods	Prior/Post ^{c/}	
Shopping for Works	Prior/Post ^{c/}	
Shopping for Goods	Prior/Post ^{c/}	
Recruitment of Consulting Firms		
QCBS (90:10)	Prior	EA/PMU will recruit Community Disaster Response Strategy NGO using (STP) using support consultants through a firm using a FTP.
Procurement Method		
	Prior or Post ^{a/}	IA/PNGPCL will recruit enabling framework consultants through a firm using a FTP. EA/PMU will recruit NGO Facilitation contracts using FTP.

EA = executing agency; FTP= full technical proposal; IA = implementing agency; ICB = international competitive bidding; NCB = national competitive bidding; NGO = nongovernment organization; PMU = project management unit; PNGPCL = Papua New Guinea Ports Corporation Limited; and QCBS = quality- and cost-based selection; STP = simplified technical proposal.

^a To be reviewed during implementation based on capacity of the executing agency.

^b The draft English language version of the procurement documents for each type of procurement should be submitted for ADB review and approval regardless of the estimated contract amount. First ADB-approved procurement document should be used as a model for all subsequent procurement of similar work and type of procurement financed by ADB, and need not be subjected to further prior review.

^c The first contracts for NCB, shopping, and community procurement regardless of their value will be subject to ADB's prior review and approval, subsequent contracts for similar work will be subject to post-review.

Source: Asian Development Bank.

3. Goods and Works Contracts Estimated to Cost \$1 million and above

36. The following table lists goods and works contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description ^{a/}	Contract Value (\$)	Procurement Method	Prequalification of Bidders (Y/N)	Advertisement Date (quarter/year)	Comments
Relay equipment on communication towers	\$1.18 million	NCB / Direct Contracting	N	Q2 / 2017	To be procured by EA/PMU with technical support from NDC
Climate proofing Alotau Provincial Wharf (additional financing)	\$4.59 million	NCB	N	Q1 / 2018	To be procured by MBPG with technical support from PNGPCL

EA = executing agency; ICB = international competitive bidding; MBPG = Milne Bay Provincial Government; NDC =

National Disaster Center, PMU = project management unit; PNGPCL = Papua New Guinea Ports Corporation Limited, Q = quarter.

Source: Asian Development Bank.

4. Consulting Services Contracts Estimated to Cost \$100,000 and Above

37. The following table lists consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Contract Value (\$)	Recruitment Method	International or National Assignment	Advertisement Date (quarter/year)	Comments
Project Implementation Support Consultants	\$1.5 million	QCBS (90:10)	International firm :- 55 pm national and 33.5 pm international	Q1 / 2017	One contract to be recruited by EA/PMU
Enabling Framework for Port Design Consultants (PEFC)	\$2.10 million	QCBS (90:10)	International firm :- 48 pm national and 51 pm international	Q1 / 2017	One contract to be recruited by EA with technical assistance of PNGPCL
Project management & supervision support & capacity building (additional financing) New	\$0.25 million	ICS	International: - 15 pm	Q2 / 2017	One contract to be recruited by EA with technical assistance of PNGPCL
Project Implementation Specialist	\$0.26 million	ICS	International : - 6 pm	Q4/ 2015	To be recruited by ADB
Financial Management Specialist	\$.0.33 million	ICS	International - 9 pm	Q3/2016	To be recruited by EA/PMU
Procurement Specialist	\$0.29 million	ICS	International - 9 pm	Q4/2016	To be recruited by EA/PMU
Project Implementation Coordinator	\$0.82 million	ICS	International - 26 pm	Q1/2017	To be recruited by EA/PMU
NGO Facilitation Contract and Community Disaster Response Strategy NGO	\$2.15 million	QCBS (90:10)	Established National or International NGOs	Q2 / 2017	One contract to be recruited by EA/PMU

ADB = Asian Development Bank; EA = executing agency; ICS = individual consultant selection; NGO = nongovernment organization; PM = person-month; PMU = project management unit; PNGPCL = Papua New Guinea Ports Corporation Limited; Q = quarter; QCBS = quality- and cost-based selection.

Source: Asian Development Bank.

5. Goods and Works Contracts Estimated to Cost Less than \$1 Million and

Consulting Services Contracts Less than \$100,000

38. The following table groups smaller-value goods, works and consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Contract Value (\$)	Number of Contracts	Procurement / Recruitment Method	Comments
Procurement of office furniture and equipment for the PMU.	\$28,700	1	Shopping	Equipment for the PMU to be procured by PMU.
Procure civil works to rehabilitate PMU facility	\$30,000	1	Shopping	To be procured by PMU
Procurement of vehicles 1 for PMU (Five for Facilitating NGOs - one per province procured as provisional sums).	\$55,000	1	Shopping	Vehicle for PMU to be procured by EA/PMU.
Project baseline study	\$50,000	1	CQS	One contract to be recruited by PMU
Project annual audit	\$20,000	1 (first year only)	LCS	To be procured by PMU
Downscaled climate projections	\$50,000	1	SSS	PMU to contract CSIRO to generate data for vulnerability
Water storage and supply facilities	\$1,974,000	Multiple contracts	Community Participation	Under guidance of PMU with DOH technical support
Sanitation facilities	\$444,000	Multiple contracts	Community Participation	Under guidance of PMU with DOH technical support
Demolition of existing Alotau Provincial Wharf (additional financing)	\$420,000	1	NCB	To be procured by MBPCL under guidance of PMU with PNGPCL technical support
Small-scale works under the SGF	Each contract up to \$50,000	Multiple contracts	Community Participation	Usual, customary and reasonable expenses as described under
Alotau wharf benthic flora and fauna, bathymetric & hydrological surveys (additional financing)	\$ 83,000	1	Shopping	To be procured by MBPA-PIU with PNGPCL consultant technical support
Alotau wharf geotechnical surveys (additional financing)	\$ 55,000	1	Shopping	To be procured by MBPA-PIU with PNGPCL consultant technical support

CQS = consultants qualification selection; LCS = least cost selection; MBPCL = Milne Bay Provincial Administration; NCB = national competitive bidding; NGO = nongovernment organization; PIU = project implementation unit; PMU = project management unit; PNGPCL = Papua New Guinea Ports Corporation Limited; SSS = single source election; STP = simplified technical proposal.

Source: Asian Development Bank.

6. Indicative List of Packages Required Under the Project

39. The following table provides an indicative list of all procurement (goods, works and consulting services) over the life of the project.

General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Domestic Preference Applicable	Comments
Works					
Water supply facilities	\$1.97 million	Multiple	NCB	N/A	By PMU
Sanitation facilities	\$444,000	Multiple	NCB	N/A	By PMU
Rehabilitation of PMU	\$30,000	1	Shopping	N/A	By PMU
Climate proofing Alotau Provincial Wharf (additional financing) New	\$4.59 million	1	NCB	N/A	By MBPA PIU with PNGPCL support
Demolition of existing Alotau Provincial Wharf (additional financing) New	\$0.42 million	1	NCB	N/A	By MBPA PIU with PNGPCL support
Goods					
Baseline survey	\$50,000	1	Shopping	N/A	By PMU
Office equipment and furniture	\$50,000	2	Shopping	N/A	By PMU
Vehicles	\$55,000	1	Shopping	N/A	By PMU
Monitoring equip. for LMMAs	\$90,000	3	Shopping	N/A	By PMU
Repeater station equipment	\$1,621,000	5	NCB	N/A	By PMU
Consulting Services					
Proj. Implementation Support Consultants ⁹	\$1.5 million	1	QCBS (90:10)	N/A	By PMU
PNGPCL Enabling Framework Consultants ¹⁰	\$2.1 million	1	QCBS (90:10)		By PNGPCL
Project Implementation Specialist	\$260,000	1	ICS	N/A	By ADB
Project Implementation Coordinator	\$820,000	1	ICS	N/A	By PMU
Financial Management Specialist	\$330,000	1	ICS	N/A	By PMU
Procurement Specialist	\$290,000	1	ICS	N/A	By PMU
Alotau wharf benthic flora and fauna, bathymetric & hydrological surveys (additional financing) New	\$83,000	1	Shopping	N/A	By MBPA PIU with PNGPCL support

⁹ Includes support to MBPG's PIU for social and environmental safeguards aspects.

¹⁰ Includes detailed design, bid document preparation, procurement support and supervision to MBPG's PIU for climate-proofing of Alotau provincial Wharf (additional financing).

Alotau wharf geotechnical surveys (additional financing) New	\$55,000	1	Shopping	N/A	By MBPA PIU with PNGPCL support
Project management & supervision support & capacity building (additional financing) New	\$250,000	1	ICS	N/A	By MBPA PIU with PMU support
NGO Facilitation Contracts	\$2.15 million	1	QCBS (90:10)	N/A	By PMU

ADB = Asian Development Bank; CQS = consultant qualifications selection; FTP = full technical proposal; ICB = international competitive bidding; ICS = individual consultant selection; NCB = national competitive bidding; PNGPCL = PNG Ports Corporation Limited; PMU = project management unit; QCBS = quality- and cost-based selection; QBS = quality based selection.

Source: Asian Development Bank.

C. List of Awarded and On-going, and Completed Contracts

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

1. Indicative List of Packages already awarded and ongoing under the project

❖ Consulting Services

Package Number	General Description	Estimated Value (US\$)/Kina	Contract Value (US\$)	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments ¹⁰
ICS001	Project Implementation Specialist	\$260,000.00	202,000.00	ICS	Oct 2015	April-2016	Contract Signing Date: April 2016 Kunhamboo Kannan
ICS-002	Financial Management Specialist (National)	(\$75,000) K230,025	(\$66,6623) K205,200	ICS	June 2016	Aug- 2016	Contract signing date 18 March 2015, Tony Kabar
ICS03	Financial Management Specialist (International)	(\$332,300) K110,766	(\$262,400) K87,466	ICS	Jun-2016	Sept- 2016	Contract signing date Sept16 Rodney Rickard
ICS-04	Financial Management Officer	(\$285,000) K95,000	(\$35,390) K109,200	ICS	Jun-2016	Sept- 2016	Contract signing date Sept16 Steven Saleu

❖ Goods and Civil Work Contract

Package Number	General Description	Estimated Value US\$	Contract Value US\$	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments ¹¹
Shopping-01	15 Seater Van	55,000,000	35,563..30	Shopping	07-Aug-16	02 Nov -2016	Contract Signing Date 8 Dec 2016
Shopping-02	PMU Office Refurbishment	30,000	32,071.43	Shopping	07-Aug-16	02-Nov- 2016	Contract Signing Date 15 Dec 16

E. National Competitive Bidding

1. General

41. National competitive bidding (NCB) shall conform to the provisions set in the Public Financial Management Act (PFMA) as issued in 1995 and amended in 2003, and the specific procedures prescribed in the Financial Instructions (FIs) issued in 2005, with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of ADB Procurement Guidelines.

2. Participation in Bidding

- (i) Government-owned enterprises in Papua New Guinea shall be eligible to bid only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the Borrower/Executing Agency/Implementing Agency.
- (ii) Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders.
- (iii) Bidding shall not be restricted to preregistered firms and such registration shall not be stated in the bidding documents as a condition for the submission of bids. Where registration is required prior to award of contract, bidders: (i) shall be allowed a reasonable time to complete the registration process; and (ii) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.

2. Classification of Contractors; Qualification; Post-qualification

- (i) Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan.
- (ii) Bidding shall not be restricted to any particular class of contractors, and non-classified contractors shall also be eligible to bid. Qualification criteria (in case prequalification was not carried out) shall be stated in the bidding documents, and before contract award, the bidder having submitted the lowest evaluated responsive bid shall be subject to post-qualification.

3. Conflict of Interest

42. Bidders may be considered to be in conflict of interest with one or more parties in this bidding process if, including but not limited to:

- (i) they have controlling shareholders in common, or
- (ii) they receive or have received any direct or indirect subsidy from any of them; or
- (iii) they have the same legal representative for purposes of this bid; or
- (iv) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the Bid or another Bidder, or influence the decisions of the Employer regarding this bidding process; or

- (v) a Bidder participates in more than one bid in this bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which the party is involved. However, this does not limit the inclusion of the same subcontractor in more than one bid; or
- (vi) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract is the subject of the Bid; or
- (vii) a Bidder or any of its affiliates has been hired (or is proposed to be hired) by the Employer or Borrower as Engineer for the contract.

4. Preferences

43. No preference shall be given for domestic bidders and for domestically manufactured goods.

5. Advertising, time for bid preparation

- (i) Invitations to bid shall be advertised in at least one newspaper of national circulation or freely accessible and well-known website, allowing a minimum of 4 weeks for the preparation and submission of bids, such 4 weeks period to begin with the availability of the bid documents or the advertisement, whichever is later.
- (ii) Bidding of NCB contracts estimated at \$500,000 or more for goods and related services, or \$1,000,000 or more for civil works, shall be advertised on ADB's website via the posting of the Procurement Plan.

6. Standard Bidding Documents

44. Until national standard bidding documents approved by ADB are available, bidding documents acceptable to ADB should be used.

7. Bid Security

45. If required by the bidding documents, bid security shall be in the form of a bank guarantee from a reputable bank. A bidder's bid security shall apply only to a specific bid.

8. Bid Opening and Bid Evaluation

- (i) Bidders may deliver bids, at their option, either in person or by courier service or by mail.
- (ii) Bidders shall not be allowed to amend their tenders after the closing date and time for submission of bids.
- (iii) Bids shall be opened in public, immediately after the deadline for submission of bids. No bid shall be rejected during bid opening. The name of the bidder, the total amount of each bid, and any discounts shall be read aloud and recorded in the minutes of the public bid opening.

- (iv) Evaluation of bids shall be made in strict adherence to the Qualifications and Evaluation Criteria stipulated in the bidding documents
- (v) No bidder shall be rejected merely on the basis of a comparison with the employer's estimate and budget ceiling without ADB's prior concurrence.
- (vi) The Contract shall be awarded to the technically responsive bidder that offers the lowest evaluated price, and meets the qualifying criteria. In determining the lowest evaluated price, the following are to be considered: (i) bid price, as offered, (ii) arithmetical corrections on the bid price, if any, and (iii) monetary value of the evaluation criteria that are stated in the bidding document.

9. Rejection of Bids

Bids shall not be rejected and new bids solicited without ADB's prior concurrence.

10. Extension of the Validity of Bids

46. In exceptional circumstances and with prior ADB approval, the procuring entity may, before the expiration of bid validity, request all bidders in writing to extend the validity of their bids. In such a case, bidders shall not be requested nor permitted to amend the price or any other condition of their bid. Bidders shall have the right to refuse to grant such an extension without forfeiting their bid security, but bidders granting such an extension shall be required to provide a corresponding extension of their bid security.

11. Disclosure on Contract Awards

47. At the same time that notification on award of contract is given, the Borrower /Executing Agency/Implementing Agency shall publish the following information on contract award on a free and open access website or other means of publication acceptable to ADB: (i) name of each bidder who submitted a bid; (ii) bid prices as read out at bid opening; (iii) name and evaluated price of each bid that was evaluated; (iv) names of bidders whose bids were rejected and the reasons for the rejection; and (v) name of the winning bidder, price it offered as well as the duration and summary scope of the contract awarded. The Executing/Implementing Agency shall respond in writing to unsuccessful bidders who seek explanations on the grounds on which their bids are not selected.

12. No Negotiations

48. There shall be no negotiations, even with the lowest evaluated bidder, without ADB's prior concurrence. A bidder shall not be required, as a condition of award, to undertake obligations not specified in the bidding documents, or otherwise, to modify the bid as originally submitted.

13. Inspection and Auditing

49. Each contract financed from the proceeds of a Loan/Grant shall provide that the contractor/supplier shall permit ADB, at its request, to inspect their accounts and records

relating to the performance of the contract and to have said accounts and records audited by auditors appointed by ADB.

14. Member Country Restriction

50. Bidders must be nationals of member countries of ADB, and offered goods must be produced in and supplied from member countries of ADB.

C. Consultants' Terms of Reference

PNG: CLIMATE PROOFING AND CONNECTIVITY IMPROVEMENT OF ALOTAU PROVINCIAL WHARF

OUTLINE TERMS OF REFERENCE FOR PROJECT MANAGEMENT SUPPORT, CABACITY BUILDING AND CONSTRUCTION SUPERVISION

A. Background

1. In July 2015, the Strategic Climate Fund (SCF) Pilot Program for Climate Resilience (PPCR) Sub-Committee endorsed additional financing of \$5 million to upgrade the Alotau provincial wharf. The application for support to MBPTA to prepare the project and carry out due diligence was approved by CDIA in July 2016, and feasibility studies for climate proofing of the wharf were completed in April 2017.
2. The implementing agency for the project is the Milne Bay Provincial Government (MBPG) which has established a project implementation unit (PIU) within the Works Supervision Unit (WSU) of the Milne Bay Provincial Administration (MBPA). This PIU requires assistance during project implementation, and capacity building to enhance the capacity of PIU staff and through this, MBPA itself. In addition, the MBPA requires project management and construction supervision support during construction of the Alotau provincial wharf

B. Objectives and Scope of Work

3. These Terms of Reference are for services to strengthen and support the MBPA PIU for the project to improve climate proofing and connectivity improvement of Alotau provincial wharf. The services have the following three objectives:
 - Provide the PMU with management and technical support and assistance through the design, tender and construction phases of the project.
 - Build the capacity and capability of the PIU staff for project management, implementation support and related due diligence activities through both formal and on-the-job training.
 - Support the PIU Project Director in construction supervision activities during the construction phase for the new climate-proofed wharf

C. Detailed Activities and Reporting Outputs

4. The detailed scope of work for the assignment and anticipated outputs and their timing is

presented below:

Management and Technical Support

- With PIU Project Director and Staff, review project implementation schedule and PIU roles, responsibilities and tasks, map skills and capability of PIU staff and identify gaps, training and capacity building requirements, key priority activities of the consultant, and any further technical support requirements;
- With the Project Director, develop a detailed work program for the PIU and for the project Management Assistance activities;
- Work with the project director to establish clear lines of responsibility among the PIU staff to help motivate performance and commitment within the team.
- Carry out support and assistance tasks as agreed and set out in the work program, as amended from time to time by mutual agreement between the consultant and Project Director

Capacity Building and Training

- Carry out on-the-job training throughout the assignment by ensuring that all tasks completed by the consultant are carried out in collaboration with the appropriate PIU staff;
- Train the PIU staff in the management and supervision of the contract, in particular including the environmental and social due diligence activities during project design and construction.
- Train the MBTA staff in the management of port assets after project completion, and in the need for ongoing environmental and social due diligence during port operations.
- Agree other training priorities with PIU Project Director during project execution and carry out training activities as required to support

Support in Construction Contract Management and Supervision

- Work with the Project Director to ensure that all required building, construction, environmental and other permits and permissions are in place before construction proceeds;
- Review the Contractor's work program and SEMP, and make recommendations for improvement, particularly in relation to ongoing port operations during construction.
- After consulting with MBTA in relation to the ability to maintain port operations, and when satisfied, give approval to these work programs.
- Assist the Project Director with the management of the construction contract for the port, including certification of interim payments for signature by the Project Director.
- Review, and after due consultation with the Project Director, certify variations in the construction contract necessary for proper completion of the works.
- Undertake the role of "Engineer" as defined by the FIDIC contract (harmonized edition) and advise the project director on his role as the Employer.
- Review submissions from the Contractor relating to claims and requests for additional payment and requests for extension of time and certify such claims that are within the limits of the authority delegated to the Engineer.
- Represent the interests of the employer as defined in the construction contract in any matter related to the construction contract and its proper execution.

- Consult with the Employer and Contractor on all such claims and recommend any awards of time or cost strictly in accordance with the construction contract.
- Within one month of completion of the physical works, work with the Project Director to prepare a draft project completion report in a form approved by the employer and the ADB, fully detailing the implementation of the project.
- Assess the adequacy of resources employed by the Contractor and the Contractor's methods of work in relation to the required rate of progress, and, when required, take appropriate action to obtain conformance with the project program.
- Verify, and when satisfied, approve the Contractor's design for any agreed change of design that becomes necessary in the course of construction to safeguard completed work or facilitate the progress of the work.
- Review the Contractor's temporary work proposals, adequacy of resources, method, and risk assessments for suitability and safety for the tasks to be undertaken, and taking appropriate action.
- Check sources equipment and materials that the Contractor proposes to use to construct the works for compliance with the contract and its specifications, either for temporary works or for incorporation in the permanent works.
- Undertake inspection of the works, ensuring the satisfactory performance of the Contractor and execution of the project in accordance with the contract documents and sound engineering practices; and ensuring the works' quality and conformity with the drawings and specifications prescribed in the contract.
- Certify the quality and quantity of completed works.
- Prepare monthly reports showing the progress of the works, the Contractor's performance, quality of the works, and the project's financial status including projections and highlighting potential problems and ongoing contractual difficulties.
- Inform the Project Director of problems, actual or potential, that may arise in connection with the execution of the contract, and recommending solutions.
- Extend timely assistance and directions to the Contractor in all matters relating to the interpretation of the contract documents and other matters relating to contract compliance and progress.
- Prepare and maintain inspection, environmental monitoring and engineering reports and records to adequately document the progress of the works and the performance of the Contractor.
- Receive and maintain as permanent records all warranties required under the terms of the contract for materials and equipment accepted and incorporated in the works. Record details of all materials and their source, incorporated in the works, and as-built drawings provided by the Contractor. All records are to be handed over to CIPA on completion of the works.
- Supervise all soils and materials testing and all verification surveys including hydrographic surveys, and maintain permanent record of these.
- Assist the MBTA in developing procedures for taking over the works on their completion.
- Finalize the value of the works and provide recommendations on any outstanding Contractor's claims.
- Assist the Project Director in the issue of the completion certificate and hand over certificate, and in compiling a list of defects and instructions on remedial works.

D. Selection of Consultant and Staffing Requirement

5. The selection of the suitable international consultant or consulting firm will be conducted in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time

to time).

E. Implementation Arrangements

6. BRCC is the executing agency for this consultancy assignment. The project management support, capacity building and supervision support consultant will be engaged by CCDA with the active participation of the implementing agency – MBPA. MBPA PIU will supervise, and be the prime beneficiary of the consultancy.

VII. SAFEGUARDS

A. Environment

51. The project is category B for environment. An initial environmental examination (IEE) has been prepared which includes an environmental management plan (EMP) which will be updated as required to reflect detailed design and additional baseline survey information to be obtained during the detailed design process. The updated EMP will be incorporated into the bid and contract documentation. Based on the updated EMP, the contractor will prepare site-specific EMP (SEMP) that will be reviewed and cleared by the PIU before commencement of any physical works. During implementation of the project the Environmental Officer of the PIU will be supported by the international and national environmental specialists engaged as part of the Project Implementation Support Consultant (PISC) under the umbrella BRCC project. The environmental specialist will also provide capacity building on environmental safeguards to both the PIU and MBPA staff during project implementation. The contractor's compliance with the approved SEMP during construction will be subject to monitoring and reporting (as per Section IX B of this PAM). In addition it is proposed that the construction contract will include provision for performance payments to be based on contract compliance with the SEMP.

B. Involuntary Resettlement and Indigenous Peoples

52. The project is Category C for involuntary resettlement and indigenous peoples. A due diligence report has been prepared confirming that civil works will be within the existing underwater lease by the government and will not require any physical and economic displacement. There are no indigenous peoples considered distinct and vulnerable. The MBPG Acting Environmental Conservation Officer will be responsible for overseeing and mitigating any social safeguards issues which may occur during implementation. During implementation, the PIU will be supported by the Social and Gender Specialist engaged as part of the PISC under the umbrella of the BRCC project. There are no expected grievances related to involuntary resettlement and land acquisition under the project, however, a grievance redress mechanism (GRM) will still be established to address any other potential social and environmental issues. The MBPG Transport Authority Manager will be the focal point to receive, record, and resolve grievances during project implementation.

VIII. GENDER AND SOCIAL DIMENSIONS

53. The project is categorized as some gender elements, and it is not required to prepare Gender Action Plan. However, gender-specific design features were incorporated in the preliminary engineering design of the provincial wharf including access ramps that are compliant for assisted wheelchair access, handrails, safety ladders, and 24-hour security lighting. The handrails and access ramps, in particular, will assist in the safety and mobility of pregnant women, elderly, children, and persons with limited mobility. The project will also facilitate women's participation especially during public consultations and capacity building activities. The specific gender targets identified in the Stakeholder Participation and Communication Plan

include (a) at least 30% women participation during regular consultations from project preparation, detailed engineering design, construction, and operations and maintenance; (b) at least 30% female attendees in capacity building activities for PIU, other key government agencies, NGOs, and other local partners; and (c) at least 30% female participants in awareness raising activities during project implementation. Short term employment is envisaged during construction and operations of the wharf for skilled and unskilled local workers, and will provide priority to women whenever feasible.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Project Design and Monitoring Framework

Impact(s) the Project is Aligned with Current project The project impact is increased resilience to the impacts of climate variability and climate change. Overall project Unchanged.			
Results Chain	Performance Indicators with Target and Baselines	Data Sources and Reporting	Risks
Outcome Current project Improved capacities of communities (in vulnerable atolls and islands), government agencies, and civil society to plan and respond to the impacts of climate change	Current project By 2021 a. Gender responsive CCVAPs prepared under the project used in formulating LGL, district and provincial development plans for climate change adaptation b. 50% reduction in the incidence of waterborne and water-related diseases in target communities c. Fish populations increased by 20% in target LMMAs and food insecurity reduced by 20% from baseline figures d. Pilot marine ecosystem and food security approaches developed under the project applied in locations outside e. Early warning messages broadcast and emergency responses coordinated increased from 0 to 10 and 100 per year respectively in the coverage area by 2021	a. KAP surveys of planning staff at respective levels compared to baseline b. Gender-disaggregated DOH database reports c. LMMA monitoring reports d. FDA annual work plans and budget requests: DAL annual work plans and budget requests e. NDC annual reports	Resources under the SGF will not be applied to the intended purpose Capacity building proposed in the design will not be extended to all intended beneficiaries/recipients

Results Chain	Performance Indicators with Target and Baselines	Data Sources and Reporting	Risks
<p>Overall project</p> <p>Unchanged.</p>	<p>Overall project</p> <p>Unchanged.</p>		
<p>Outputs</p> <p>Current project</p> <p>Output 1</p> <p>Climate change and vulnerability assessments carried out and adaptation plans developed for target communities</p> <p>Output 2</p> <p>Sustainable fishery ecosystems and food security investments piloted in nine vulnerable island and atoll communities</p>	<p>Current project</p> <p>By 2021</p> <p>1a. 21 vulnerable island communities with CCVAP, climate resilient development plans incorporated into LLG, district and provincial plans</p> <p>1b. Gender responsive disaster response strategies developed in 21 vulnerable island communities</p> <p>1c. Provincial (50) and NGOs (50) staff (30% being women) trained in adaptation to climate change</p> <p>Current project</p> <p>2a. Nine LMMAs established, registered and operational with approved management plans being implemented</p> <p>2b. Adaptation measures against climate change in home gardens demonstrated in nine target communities</p> <p>2c. Nine mangrove forest rehabilitation demonstrated</p> <p>2d. Three watershed rehabilitation demonstrated in communities adjoining target vulnerable islands</p> <p>2e. Food processing and preservation initiatives piloted in nine island communities (50% women)</p>	<p>1a. Provincial development plans in provincial administrator's office</p> <p>1b. NDC disaster reports</p> <p>1c. PMR and training evaluation reports.</p> <p>2a–e. PMR reports</p>	<p>Capacities of provincial staff prevent the program from being properly implemented</p> <p>Sanitation facilities are not a priority for local communities</p> <p>Motivation of provincial staff is low because resources are channeled through NGOs</p> <p>Capacities of villagers to participate in marketing and food processing initiatives</p>

Results Chain	Performance Indicators with Target and Baselines	Data Sources and Reporting	Risks
<p>Output 3</p> <p>Enabling framework for climate resilient infrastructure established and communications network extended</p> <p>Overall project</p> <p>Unchanged.</p>	<p>Current project</p> <p>By 2021</p> <p>3a. Upgraded engineering design standards for coastal structures used in port, wharf and jetty design</p> <p>3b. Building codes and design standards upgraded to incorporate climate change considerations</p> <p>3c. Climate risk management policy developed and adopted by PNGPCL</p> <p>3d. PNGPCL, national and provincial staff (30% being women) trained in the incorporation of risks from climate change in coastal port/jetty operations</p> <p>3e. By 2018, five VHF repeater stations established on existing towers and receiving substations established in 21 target islands</p> <p>3f. By 2016, PMU established, staffed and equipped and monitoring systems developed.</p> <p>3g. By 2016, project activities and performance posted on project website</p> <p>Overall project (Additional Financing)</p> <p>3h. Demonstration project for climate proofing Alotau Provincial Wharf completed by December 2019</p>	<p>3a. KAP surveys of design engineers (both government and private) c.f. baseline</p> <p>3b. Confirmation by professional institution</p> <p>3c. National policy statement prepared</p> <p>3d. PMR and training evaluation reports</p> <p>3e–f. PMR reports</p> <p>3g. Website inspection</p> <p>3h. PMR reports</p>	<p>Tower owners will not allow the project to access the towers for installation of equipment</p> <p>Counterpart funding will not be allocated to allow the PMU to operate efficiently</p>

Key Activities with Milestones

1. Climate change vulnerability assessments carried out and adaptation plans developed for target communities.
 - 1.1 Prepare localized projections of climate change in 21 target islands by Q1 2017.
 - 1.2 Undertake CCVAP mapping in 21 vulnerable islands by Q1 2017.
 - 1.3 Develop CCVAP for endorsement of the community and integration into the district development plans by Q2 in 2017
 - 1.4 Establish SGF to finance investments identified during CCVAP by Q3 2017.
 - 1.5 Supply and install 200 water supply and 100 sanitation facilities in target islands by Q4 2018.
 - 1.6 Develop emergency response strategies and train inhabitants of target islands by Q4 2018.
2. Sustainable fishery ecosystems and food security investments piloted in nine vulnerable island and atoll communities.
 - 2.1 Sustain the integrity of fishery ecosystems by piloting a ridge to reef approach in target communities by Q4 2019.
 - 2.2 Pilot food security initiatives (production, processing and storage) in target locations by Q4 2019.
 - 2.3 Provide NGO support to facilitate delivery of fisheries ecosystems and food security initiatives and build capacities of communities and provincial/district staff by Q2 2017.
3. Enabling framework for climate resilient infrastructure established and communications network extended.
 - 3.1 Support policy dialogue for the design and maintenance of port infrastructure by end 2018.
 - 3.2 Revise appropriate engineering standards to accommodate the impact of climate change in infrastructure design by end 2018.
 - 3.3 Build capacities of national and provincial port and wharf design specialists to incorporate economic returns achieved from incorporating climate resilience in feasibility studies by end 2019.
 - 3.4 Develop options for the sustainable financing of port rehabilitation and upgrading taking into account climate change by end 2018.
 - 3.5 Expand communications network in five provinces through radio repeater stations and island receivers by Q4 2017.
 - 3.6 Train CCDTA staff in procurement, financial management, and implementation coordination, among others.
 - 3.7 Maintain the project performance and management systems designed by the PISC throughout implementation.
 - 3.8 (i) Engage detailed design and construction supervision consultants for Alotau wharf by Q4 of 2017. Bidding documents for civil works package completed by Q1 of 2018, and awarded by Q1 of 2019. (New) 3.8 (ii) Bidding documents for construction contract for Alotau wharf completed by Q2 of 2018. Civil works for construction contract awarded by Q1 of 2019 (New).

Project Management Activities

Establish PMU, appoint incremental staff, second government employees to the PMU by end 2016.

Train CCDTA staff in procurement, financial management, and implementation coordination, among others. Recruit implementation support consultants by Q4 2016.

Establish project performance and financial management systems for project and SGF by Q4 2016. Complete monthly, quarterly, and annual progress and financial reporting to the Government and ADB ongoing.

Key Activities with Milestones

Participate in Midterm by end 2018 and Project Completion Reviews by end 2021.

Establish dedicated PMU within MBPA by end of Q 2017

Inputs

SCF Grant	Government
\$24.25 (current)	\$3.04 (current)
\$5.00 (additional)	\$0.64 (additional)
\$29.25 (overall)	\$3.34 (overall)

Assumptions for Partner Financing**Current project**

Not applicable.

Overall project

Unchanged.

CCDA = Climate Change and Development Authority; CFDA = Coastal and Inland Fisheries Development Agency; CIF = Climate Investment Fund; CCVAP = Climate Change Vulnerability Adaptation Plans; DAL = Department of Agriculture and Livestock; DOH = Department of Health; KAP = knowledge attitude and practice; LLG = local level government; LMMA = local marine management association; MBPA = Milne Bay Project Administration; NDC = National Disaster Center; NGO = nongovernment organization; PISC = Project Implementation Support Consultant; PMR = project monitoring reports, PMU = project management unit; PNGPCL = Papua New Guinea Ports Corporation Ltd.; PPCR = Pilot Program for Climate Resilience; Q = quarter; SGF = Small Grants Facility; VHF = very high frequency.

Source: Asian Development Bank.

B. Monitoring

54. **Project performance monitoring.** PIU will prepare quarterly monitoring reports, in coordination with MBPG will prepare monitoring reports. The quarterly reports will provide information necessary to update ADB's project performance reporting system. Two annual grant review missions and quarterly monitoring reports will include environmental and social safeguards monitoring reports.

C. Compliance Monitoring.

55. **Environmental safeguards monitoring.** The MBPA and PIU with support from the supervision consultant, will monitor the contractor and check compliance with the approved SEMP and any other contractual requirements on a regular basis. The quarterly progress report (QPR) to be prepared by the MBPA and PT will cover a summary of the contractor's monthly reports, details of monitoring data collected, and analysis of monitoring results, recommended mitigation measures, environmental training conducted, and environmental violations and corrective actions taken. The MBPA and PT will also prepare semi-annual safeguards monitoring reports and submit (based on safeguards activities reported in the QPR) these to the EA and ADB. The checklist in Appendix 1 can be used for safeguards monitoring. The table in Appendix 2 sets out the suggested contents for the semi-annual safeguards monitoring report.

56. **Social safeguards monitoring.** Social safeguards issues, if any, including grievances received, safeguards non-compliance requiring corrective actions and unanticipated social safeguards impacts which would trigger SPS will be monitored and reported in the quarterly progress report to be prepared by the MBPA and PT. These information will also be part of the semi-annual safeguards monitoring report to be prepared by the MBPA and TA. If required, checklist for safeguards monitoring and suggested contents for the semi-annual safeguards monitoring report are in Appendix 3 and 4 respectively.

57. **Gender and social dimensions monitoring.** MBPG Acting Environmental Conservation Officer will be the focal point responsible to ensure gender targets in SPCP. The progress of its implementation will be included in the quarterly progress report by the MBPA and PT. The construction of gender design features will be the responsibility of the contractor with inputs particularly from women and other key stakeholders. Its progress will also be included in the quarterly project progress report.

D. Evaluation

58. ADB will conduct regular (at least twice per year) reviews throughout project implementation to review and assess implementation performance and achievement of project outcomes and objectives; examine financial progress; and identify issues and constraints affecting the project and work out time-bound action plans for their resolution.

59. Apart from regular reviews, a comprehensive mid-term review will be jointly undertaken by the Government and ADB within 36 months of the effectiveness to identify implementation problems and to revise the PAM and other arrangements as necessary to resolve problems identified. These reviews will include a comprehensive evaluation of project implementation arrangements, detailed evaluation of the scope and implementation process and progress of subprojects, feedback from the PPMS, performance of consultants, capacity building progress, and possible reallocation of loan proceeds. During this more significant review, the impact from the climate mitigating initiatives linked to infrastructure development will be assessed as will the allocation by local administrations for the maintenance of the infrastructure developed under the project. Remedial action will be instituted as required.

60. Within six months of physical completion CCDAs will submit a project completion report to ADB.¹¹ In turn, the ADB will conduct a project completion mission to carry out a preliminary assessment of the success of the project to achieve its physical, and socio-economic developmental objectives, as well as to review compliance with ADB requirements and grant covenants.

E. Reporting

61. The PIU will prepare and submit to CCDAs and ADB within 30 days of the end of each calendar quarter, consolidated quarterly progress reports in a format consistent with ADB's project performance reporting system. These progress reports are designed to allow ADB staff to readily capture key information to record in ADB's project reporting system.

62. In addition to these quarterly progress reports, the PIU will prepare consolidated annual reports, which will include (i) progress achieved by output as measured through the indicator's performance targets, (ii) key implementation issues and solutions; (iii) an updated procurement

¹¹ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

plan; and (iv) an updated implementation plan for the next 12 months. To ensure the project continues to be both viable and sustainable, project accounts and the implementing agency annual financial statements, together with the associated auditor's report, should be adequately reviewed. The PIU will also prepare a report on the progress of the core indicators following the PPCR M&R toolkit. The report should be submitted annually to the CIF Administrative Unit not later than 30 June of every year. The reporting period is for 12 months from 1 January to 31 December.

63. Within six months of physical completion of the project, the PIU will submit to ADB through CCDA a completion report that describes the physical achievements of the project, actual costs incurred in relation to cost estimates, the results of project activities, a preliminary assessment of achieved benefits, and other relevant project implementation matters requested by ADB.¹²

F. Stakeholder Communication Strategy

64. SPCP was prepared to ensure the engagement of the key stakeholder groups throughout the project preparation, implementation, and operations and maintenance stages. The plan sets out what information will be communicated per project stage, the means of communication, who will provide the information, the target audience, and the frequency of the activity. MBPG Ating Environmental Conservation Officer will be in-charge of managing the implementation of SPCP jointly with other responsible agencies. The SPCP is in Annex 5 of the Social Safeguards Due Diligence Report.

X. ANTICORRUPTION POLICY

65. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the project. All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all project contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the project.

66. To support these efforts, relevant provisions are included in the grant agreement and the bidding documents for the project. Additionally, the government will (a) comply with ADB's Anticorruption Policy (1998, as amended to date), and cooperate fully with any investigation by ADB and extend all necessary assistance, including providing access to all relevant books and records for the satisfactory completion of such investigation; (b) ensure that relevant staff are trained in ADB's Anticorruption Policy; (c) ensure that the audited annual project accounts under the project, project progress, and procurement activities are disclosed on relevant government entities; and (d) allow and facilitate ADB's representatives to conduct spot and random checks on (i) flow of funds and their use for the projects in accordance with the legal agreements; (ii) work-in-progress; and (iii) project implementation under the project.

67. The implementation status of the RAMP for the main BRCC project has been updated (Appendix 2). This includes putting in place mitigation measures to promote good governance and anti-corruption. The CCDA has been briefed on ADB's anticorruption policy. MBPG, the IA, will also be briefed on the anticorruption policy during implementation. The various measures to

¹² Project completion report format available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

strengthen procurement and financial management capacity will also contribute to improving governance and anti-corruption.

XI. ACCOUNTABILITY MECHANISM

68. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.

XII. RECORD OF PAM CHANGES

	Date Changed	Section Changed	Changes made
1.	Fact-Finding Mission: 4-13 April 2017		The project scope is updated based on Fact-Finding Mission MOU.
2.	Interdepartment Review: 5 May 2017		PAM updated to incorporate feedback from interdepartmental review within ADB.
3.	20 June 2017		Project costs and financing table updated. \$5million of Additional Financing proposed.

Appendix 1 - SAFEGUARDS MONITORING CHECKLISTS

Checklist for Safeguard Supervision/Monitoring (Environment)

PARD Safeguards Implementation Checklist: Environment					
Date: _____					
PROJECT INFORMATION					
Loan/Grant No.:		Project Name:			
Approval Date:		Closing Date:		Cumulative Progress (%):	
Project Team Leader(s):				Implementing Agency:	
1) Categorization					
(Original)		A	<input type="checkbox"/>	B	<input type="checkbox"/>
(additional financing, if any)		A	<input type="checkbox"/>	B	<input type="checkbox"/>
		C	<input type="checkbox"/>	FI	<input type="checkbox"/>
		C	<input type="checkbox"/>	FI	<input type="checkbox"/>
<i>(Please complete the following sections if the project has been categorized as A, B or FI)</i>					
2) Planning					
Documents:		EARF	<input type="checkbox"/>	IEE/EIA	<input type="checkbox"/>
IEE/EIA Disclosed and Posted on ADB Website:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
EMP Finalized or Updated after Detailed Design:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
CEMP submitted, reviewed and approved:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If no, actions? _____			
		If no, actions? _____			
		(Attach a list of subprojects and status if necessary.)			
3) Institutional Setup					
PIU/PMU Environment Staff Assigned:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If yes, Name: _____		Since: _____ / _____	
				(month) (year)	
Environmental Specialist/Consultant Mobilized:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If yes, National Specialist's Name: _____		Since: _____ / _____	
				(month) (year)	
		If yes, International Specialist's Name: _____		Since: _____ / _____	
Participation of Gov. Environment Agency/Division:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If yes, Name: _____		Since: _____ / _____	
				(month) (year)	
Grievance Redress Mechanism Established:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, why? _____			
Allocation of Government Budget:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If yes, amount\$: _____			
4) Monitoring and Reports					
Internal Monitoring System Established:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
Compliance monitoring incorp. into Q Progress Reports:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
External Monitor Engaged (if needed):		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If yes, Name: _____		Since: _____ / _____	
				(month) (year)	
Monitoring Report Submitted to ADB:		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If Yes, provide information below			
	Baseline Report	Report 1	Report 2	Report 3	Report 4
Submission Date (m/yr)					
ADB Review Date (m/yr)					
Web-posting Date (m/yr)					
Name of ADB Reviewer					
5) Field Review with Participation of Safeguard Specialist/Officer/Staff Consultant					
		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		If no, actions? _____			
		If Yes, provide information below			
Mission Date (m/yr)					
Type of mission:					
Participants (safeguard specialist/officer/staff consultants)					

Suggested Outline of Monitoring Report – Environment

Heading/Section	Contents
Introduction	Brief background on the project and subproject; Institutional arrangements for project management and environmental management;
Monitoring Activities	Who participated in the monitoring; Methodology for monitoring (whether checklists prepared etc); When the monitoring was undertaken and what period it covers; Summary of other monitoring undertaken in the period (i.e. form contractor's monthly reports and if any survey/sample monitoring undertaken); Main activities – observations/inspections, consultations, interviews with contractor staff etc
Works in Progress	Details of the works being undertaken, (with photographs); Include whether any environmental training/awareness has been provided to contractor staff in the period (what, by whom etc)
Monitoring Results and Actions Required	Whether works and measures comply with the approved EMP/CEMP; Should follow sequence of items identified in EMP/CEMP and verify that all mitigations measures noted are being implemented; Corrective actions cited (date to be resolved and person responsible on contractor team and verification by IA/HRMG)
Summary and Conclusions	Summary of main findings; Main issues identified and corrective actions noted; Can include summary table which can be updated each period to track completion of actions required
Attachments	Monitoring checklist (based on items identified in the EMP/CEMP) refer annex 1 Additional photographs Additional information as required

Checklist for Safeguard Supervision/Monitoring (Resettlement)

Checklist for Safeguard Supervision: Involuntary Resettlement								
PROJECT INFORMATION								
Loan/Grant No.:	Project Name:							
Approval Date:	Closing Date:			Cumulative Progress (%):				
Project Team Leader(s):				Project Analyst:				
1) Resettlement Categorization								
(Original)	A	<input type="checkbox"/>	B	<input type="checkbox"/>	C	<input type="checkbox"/>	FI	<input type="checkbox"/>
(additional financing, if any)	A	<input type="checkbox"/>	B	<input type="checkbox"/>	C	<input type="checkbox"/>	FI	<input type="checkbox"/>
<i>(Please complete the following sections if the project has been categorized as A, B or FI involving land acquisition/resettlement issues)</i>								
2) Resettlement Planning								
Resettlement Planning Documents:	RF	<input type="checkbox"/>	RP	<input type="checkbox"/>	Number of RPs _____	ESMS	<input type="checkbox"/>	
RP Finalized or Updated after Detailed Design: (Attach a list of subprojects and status if necessary.)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
Final/Updated RP Disclosed and Posted on ADB Website:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
Compensation Rates Approved by the Government:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
3) Institutional Setup for Resettlement								
PIU/PMU Resettlement Staff Assigned:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
	If yes, Name: _____			Since: _____ / _____				
				(month) (year)				
Resettlement Specialist Consultant Mobilized:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
	If yes, Name: _____			Since: _____ / _____				
				(month) (year)				
Grievance Redress Mechanism Established:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, why? _____			
Allocation of Government Budget:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
	If yes, amount\$: _____							
4) Resettlement Monitoring and Reports								
Internal Monitoring System Established:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
External Monitor Engaged (if needed):	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
	If yes, Name: _____			Since: _____ / _____				
				(month) (year)				
Monitoring Report Submitted to ADB:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
	If Yes, provide information below							
	Baseline Report	Report 1	Report 2	Report 3	Report 4			
Submission Date (m/yr)								
ADB Review Date (m/yr)								
Web-posting Date (m/yr)								
Name of ADB Reviewer								
5) Resettlement Field Review with Participation of Safeguard Specialist/Officer/Staff Consultant								
	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If no, actions? _____			
	If Yes, provide information below							
Mission Date (m/yr)								
Type of mission								
Name of safeguard specialist/officer/staff consultants								

Suggested Contents of Resettlement Monitoring Report

Heading/Section	Contents
Introduction	Brief background on the project/subproject and progress status The project's category and planning documents (original, updated or new plans) on resettlement impacts Institutional arrangements and budget allocation for resettlement/social management; Arrangement for the monitoring
Monitoring Activities	Methodology for monitoring (whether checklists prepared etc); What period the monitoring covers Main activities – site visits, consultations, survey etc
Monitoring Results and Actions Required	Progress and performance in implementation of RPs and other programs (how their were implemented, what are the outputs, etc) Results on consultations, disclosure and grievance redress (whether they have been effective, level of satisfaction of APs with various aspects of the RP, public awareness of the compensation policy and entitlements will be assessed among APs.) Whether the implementation comply with the approved RPs (e.g. whether compensation rates were at replacement cost, full payment made to all APs sufficiently before land acquisition; prompt attention to unforeseen damages or losses, to ensure APs are fully compensated for losses) Results on outcome (whether APs were able to restore livelihoods and productive activities) Compliance on monitoring and disclosure (whether reports have been submitted, posted on website) Whether any issues and corrective measures identified to achieve the RP objective. If yes, actions with target dates and responsible agency/person) Follow-up item/plan for next report
Summary and Conclusions	Summary of main findings; Main issues identified and corrective actions noted; A table on follow-up action which can be updated each period to track completion of actions required including progress of the follow-up of problems and issues identified in the previous report
Attachments	Monitoring checklist (based on items identified in the RPs) Photographs Additional information as required

Appendix 2 - RISK MATRIX

Financial Risk Assessment

Weakness	Risk/Impact	Likelihood	Rating
Inadequate financial management system and weak project management unit that would not be able to accommodate the requirements of the project	Project funds may not be fully accounted for which can cause delays in release of funds from ADB.	High	High
Absence of a qualified finance person to handle the financial aspects of the project during implementation in accordance with ADB requirements	Project financial statements may not be adequately prepared and could result in failure to fully account for transaction details, causing negative audit findings	Medium	High
Limited funds available to fully deliver the scope of the project	Project facilities may not have the necessary climate proofing required to ensure resilience to climate impacts.	Low	Low
Low tariff and revenue generation rate that will not be sufficient for the operation and maintenance of project facilities	May endanger the sustainability of project operation; failure to maintain facilities will mean that benefits from the project are not fully realized	Medium	High
Failure to secure appropriate funding from budgetary allocations to sustain operations after project completion	Inadequate funding made available that may jeopardize regular maintenance or the necessary recurrent expenditures to operate the project efficiently.	Medium	High
Overall risk rating			High

Procurement Risk Assessment

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan
Procurement and consulting services under the project will not be effectively managed due to insufficient experience in managing international agency funded projects and projects of the size of the Alotau Wharf..	High The MBPG WSU (the Implementing Agency and the Procurement and Project Delivery Department of the Provincial Government) has no experience of managing projects of the size of the Alotau Wharf or experience of ADB or international procurement.	<ul style="list-style-type: none"> As part of Provincial Government capacity building, ADB to obtain the services of a Project Administrator for 12-18 months contract to set up a project PIU and train staff in project procedures appropriate to the Project (Q3 2017). WSU to fill an existing vacancy with a senior Project Accountant who will be allocated full time to the Alotau Project. (Q3 2017) ADB to arrange training in ADB project accounting procedures. (Q4 2017) Accountant to extend the existing project accounting procedures to include ADB requirements. (Q4 2017)
National Tender Committee making decisions or actions that are inconsistent with the ADB Procurement Guidelines and Guidelines on the Use of Consultants and procurement of	Substantial WSU staff do not have ready access to a procurement training program for	<ul style="list-style-type: none"> PIU Project Administrator to conduct training needs assessment for members of the PIU (Q4 2017). ADB to arrange training for PUI members in ADB procurement requirements

Contractors due to lack of experience with International Agency and ADB requirements.	foreign assisted projects. Although procurement staff has adequate on-the-job experience in small local projects, they do not have experience in foreign agency funded projects	<ul style="list-style-type: none"> PMU procurement officer to extend the existing National procurement guide to include ADB requirements
Record keeping system does not allow quick internal and external audits of procurement processes Tendering reporting and other documentary transfer hindered by poor internet systems with limited bandwidth and subject to breakdown.	Moderate The current record keeping system does not appear to cover all the ADB requirements	<ul style="list-style-type: none"> PMU Project Manager to organize extension of the current record keeping systems (Q4 2017) <p>Dedicated Project Accountant to organize extension of the current project accounting system to cover the ADB requirements (Q4 2017)</p> <p>Improvements to be instituted in internet based information transfer systems</p>
Overall		High

UPDATED RISK ASSESSMENT AND RISK MANAGEMENT PLAN (FROM MAIN BRCC PROJECT)

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan	Status
Technical Risk	Design		
1. The SPCR document for guiding project design was complex, involving a number of sectors and wide geographic coverage as requested by the client. To deviate from the approved SPCR would receive resistance from the client.	High	During design, apart from climate vulnerability, criteria used in selecting participating islands included relative access and isolation. Furthermore the number of islands selected to test approaches was kept to a minimum. There are 6 common islands for Output 1 and Output 2 activities. CCDA will be responsible for implementation but supported by the respective technical line agencies.	The TORs for the PISC are currently being finalized, and recruitment is expected to commence in May/June 2017.
2. The design requires coordination among multiple line agencies that has the potential to slow implementation. Inclusion of facilitating NGOs adds another tier to the implementation	High	Quarterly meetings of the Project Steering Committee have been included - at least until implementation is running smoothly. Provincial advisory committees are proposed to enhance cooperation at the lower levels of government and to	Two National Steering Committee meetings were already held for the project. Provincial Advisory Committees set up in each participating provinces. First meetings held in QTR1 of 2017.

structure confounding coordination issues.		coordinate agency inputs from the provincial and district authorities. NGOs are to be represented on the provincial management committees.	
3. Politicized investment decisions (in relation to subprojects) that do not align with approved sector and local administration priorities.	High	At a project level, ADB will apply: (i) international supervision consultants to monitor construction and operational activities; (ii) ADB and other involved development partners will monitor and review construction and operational activities; (iii) contracts financed from ADB funds will include provisions specifying the right of ADB to audit and examine the records and accounts of all contractors, suppliers, consultants, and other service; (iv) there will be independent external auditing of contracts, project accounts, and financial statements; and (v) forensic audits will be conducted of suspected corruption cases.	No procurement activities in the project sites have commenced.
Project Management Capability			
4. The technical and management skills of staff from CCDTA and other implementing agencies may prove inadequate, which would adversely affect implementation performance.	Medium	Consultants will be recruited to support CCDTA in its management of the project particularly in areas concerning procurement and financial management.	Two financial management consultants and 1 financial management officer are on board, while both Procurement Specialists (National and International) have also been recruited.
5. Government agencies, provincial/district governments, and PPCL may not assign suitably qualified counterpart staff to benefit from capacity building.	Medium	Participation in project training should confirm technical capacity prior to the event. Full-time counterpart public servants should be appointed in participating provinces as set out in the Grant Agreement.	Recruitment of the PEFC consultants is expected to commence in May/June 2017. PPCL will be required to provide the list of staff to be trained under Component 3. Likewise for the participating provinces.
Governance (Procurement)			
6. Potential implementation delays due to slow engagement of consultants.	Medium	Request ADB Management approval for advance for the recruitment of PISC consultants and implementation start-up support.	Done
7. Multiple packaging in procurement may result in delays.	Medium	ABD public sector management technical assistance will include support for improved infrastructure	Done

		design and project readiness. Procurement specialist to be recruited in PISC contract to provide training to PMU appointees.	
8. General lack of procurement capacity in CCDA.	High	Staff the CCDA with capable staff supported by international and national consultants, particularly in procurement. Officers will also undergo formal training in procurement.	Done. The International Procurement Specialist will provide training to staff. The procurement specialist will also assist in actual procurement activities.
9. Weaknesses in procurement controls that threaten probity, transparency, and effectiveness.	Medium	At the project level, ADB will ensure appropriate mechanisms are put in place to address weaknesses in procurement controls, for example (i) executing agency website will be developed to disclose, update and provide information on project implementation; (ii) disclosure of information on selection of consultants and contractors will be provided in a timely manner through local newspapers and the website; (iii) the quantity, quality and cost of any works will be independently verified; and (iv) information as to the expected service levels from performance-based contracts will be provided when calling for bids.	International Procurement Specialist will undertake these tasks.
Governance (Financial Management)			
10. Weak financial management capacities and experience within executing agency.	High	Financial management specialist to be recruited under PISC contract to establish systems and procedures and provide training. The on-the-job training component of local PMU staff will be an integral part of the project. The Financial Management Information System to be established within CCDA. External and independent financial manager will be appointed to administer SGF disbursements.	Financial Management Specialist recruited. FMIS has been established. The external and independent financial manager for the SGF will be recruited in Qtr 3 2017.
11. Extensive delays with submission of audited project financial statements to ADB	Medium	The PMU to produce APFS strictly in line with ADB project financial reporting and auditing requirements. The requirements to be part of grant covenant. Sufficient funding to be allocated for recruitment of independent audit firm.	The first financial statement has been submitted to the Auditor General's Officer for audit.
12. Poor project preparation and weak	High	Future PSM support to focus on implementation capacity	Noted. Financial management specialist should assist CCDA in

alignment between budget submissions and allocations, leading to under spending of capital budget and accumulation of project funds in poorly managed trust accounts.		development programs in areas of (i) planning framework, prioritization, and project selection, (ii) investment programming, (iii) maintenance programming, (iv) due diligence in project preparation, (v) expenditure controls, (vi) financial reporting, and (vii) trust account management, controls, accounting and reporting.	budget preparation and request.
Governance (Corruption)			
13. Compliance with anti-corruption rules.	Medium	PMU will put in place mechanisms to mitigate the risk of manipulation of processes for personal gain. Those performing evaluation services will be different from those approving project investments (e.g. SGF climate change adaptation subprojects.	Noted. A mechanism will be developed for selection of committee members.
14. Given cultural issues, bribes and corruption could be accepted as standard practice, particularly among members of the same island group.	Medium	CCDA will support anticorruption efforts and transparency through wide consultation and public disclosure on major project decisions regarding prioritizing subprojects to attract project financing. Criteria developed to minimize the opportunity for collusive behavior between contractors, stakeholders and beneficiaries.	CCDA and the PMU had been briefed on ADB's anticorruption policy. MBPG, the IA, will also be briefed on the anticorruption policy during implementation. The various measures to strengthen procurement and financial management capacity will also contribute to improving governance and anti-corruption.
Overall Medium			

ADB = Asian Development Bank; CCDA = Climate Change Development Authority; NGO = non-government organization; PCCL = PNG Ports Corporation Limited; PISC = project implementation support consultants; PMU = Project Management Unit; PNG = Papua New Guinea; PSM = Public Sector Management; OCCD = Office of Climate Change and Development; SPCR = Strategic Program for Climate Resilience.

Stakeholder Participation and Communication Plan

No.	Objectives	Target Stakeholders	Messages/ Agenda	Means of Communication	Schedule/ Frequency	Responsible Agencies/Groups	Resources	Reporting
1	PROJECT PREPARATION/DETAILED DESIGN STAGE							
	Ensure regular consultations/meetings with key government, nongovernment organizations, and private sector stakeholders from project planning to implementation	<ul style="list-style-type: none"> • Boat owners/operators • NMSA • PNG Ports Corp Ltd • Informal Market vendors and administrator • Transit Hotel administrators • Commercial shops near the project site • Alotau DDA • Alotau Urban LLG • PNG Women in Maritime • Eco Custodian Advocates 	<p>a) Project status, detailed project design and components (Option 3b);</p> <p>b) Potential benefits and negative impacts;</p> <p>c) Social DDR findings and mitigating measures (i.e. EMP and GRM);</p> <p>d) Measures for community participation</p>	<p>Public consultations or focus group discussions (FGD).</p> <p>Public bulletins in local Tok Pisin language to be posted in Provincial Government Office, Alotau DDA, and Alotau Urban LLG</p> <p>Key project information materials to be posted online (i.e., MBPG and CCDA websites and social media accounts, if any)</p>	<p>Q3 2017 to Q4 2017</p> <p>Two (2) public consultations or FGD with key stakeholders, with at least 30% female participants.</p>	<ul style="list-style-type: none"> • MBPG PIU • MBPG TA • CCDA • Design contractor 	<p>Content material for public presentations, print (public bulletin), and internet</p> <p>Venue and other logistics for the meeting/s</p> <p>Cost for print materials, venue and other meeting logistics</p>	<p>Detailed engineering designs</p> <p>Attendance sheets and notes from consultations</p>
	Conduct of information dissemination prior to construction mobilization (as per Environmental Management Plan/EMP)	<ul style="list-style-type: none"> • Boat owners/operators • NMSA • PNG Ports Corp Ltd • Informal Market vendors and administrator • Transit Hotel administrators • Commercial shops near the project site • Alotau DDA • Alotau Urban LLG • PNG Women in Maritime • Eco Custodian Advocates 	<p>a) Implementation period, project contacts;</p> <p>b) Potential impacts and risks during construction;</p> <p>c) EMP;</p> <p>d) GRM procedures;</p> <p>e) Measures for local labor hiring, where feasible; and</p> <p>f) Participation of community in construction monitoring</p>	<p>Public consultations or focus group discussions (FGD)</p> <p>Public bulletins in local Tok Pisin language to be posted in Provincial Government Office, Alotau DDA, Alotau Urban LLG, NMSA, Provincial jetty and wharf area, Transit hotel, and informal market</p>	<p>(Q3 2018 or prior to construction)</p> <p>At least one (1) public consultation or FGD with key stakeholders, with at least 30% female participants.</p>	<ul style="list-style-type: none"> • MBPG PIU • MBPG TA • CCDA • Construction Contractor 	<p>Content material for public presentations, print (public bulletin)</p> <p>Venue and other logistics for the meeting/s</p> <p>Cost for print materials, venue and other meeting logistics</p>	<p>Attendance sheets and Notes from the consultations</p> <p>Environmental Management Plan Monitoring/ Progress Reports</p>
2	CONSTRUCTION PHASE							
	Conduct information	<ul style="list-style-type: none"> • Boat owners/ 	a) Project	Public consultations	Q4 2018 to Q1	<ul style="list-style-type: none"> • MBPG PIU 	Content	Attendance

No.	Objectives	Target Stakeholders	Messages/ Agenda	Means of Communication	Schedule/ Frequency	Responsible Agencies/Groups	Resources	Reporting
	dissemination on the potential impacts during construction and mitigating measures	<ul style="list-style-type: none"> operators Dinghy owners/operators NMSA Informal Market vendors and administrator Transit Hotel administrators Commercial shops near the project site 	<p>construction progress and schedules;</p> <p>b) EMP monitoring</p> <p>c) GRM procedures and monitoring;</p> <p>d) Participation of community in construction monitoring</p>	<p>or focus group discussions</p> <p>Public bulletins in local Tok Pisin language to be posted in Provincial Government Office, Alotau DDA, and Alotau Urban LLG, Informal market, transit hotel, and provincial jetty</p> <p>Official announcements thru Radio Milne Bay</p>	<p>2019</p> <p>At least one (1) public consultation with key stakeholders, with at least 30% women participants</p>	<ul style="list-style-type: none"> MBPG TA CCDA Alotau DDA Alotau Urban LLG Construction Contractor 	<p>material for public presentations, print (public bulletin)</p> <p>Venue and other logistics for the meeting/s</p> <p>Cost for print materials, venue and other meeting logistics</p>	<p>sheets and Notes from the consultations</p> <p>Grievance Redress Mechanism Reports/Records</p> <p>EMP and Project Progress reports</p>
	Conduct capacity building sessions for the MBPG PIU and other key government agencies related to project management and implementation tools and skills	<ul style="list-style-type: none"> MBPG PIU MBPG TA CCDA 	<p>a) Project management tools (i.e., project preparation, implementation, monitoring and evaluation)</p> <p>b) Financial management;</p> <p>c) Procurement policies and procedures;</p> <p>d) Construction supervision and monitoring; and</p> <p>e) EMP monitoring</p>	Information session per topic, with at least 30% female participants.	Q3 2017 to Q4 2018	ADB	<p>Government office for venue and other logistics</p> <p>ADB handbook on procurement and safeguards policies</p>	<p>Attendance sheets from the information session</p> <p>Project progress report</p>
3	OPERATIONS AND MAINTENANCE PHASE							
	Implement province-wide information dissemination on new operations of the provincial wharf	<ul style="list-style-type: none"> Boat owners/operators Dinghy owners/operators NMSA PNG Ports Corporation Ltd Informal Market 	<p>a) New port regulations, tariffs, operations and systems</p> <p>b) GRM procedures</p> <p>c) Measures for community participation in operations and</p>	<p>Public consultations or focus group discussions per district</p> <p>Public bulletins in local Tok Pisin language to be posted in Provincial Government Office, Alotau DDA, and</p>	<p>Q1 2020 onwards</p> <p>At least one (1) public consultation with key stakeholders per district, with at least 30% women</p>	<ul style="list-style-type: none"> MBPG PIU MBPG TA 	<p>Content material for public presentations, print (public bulletin)</p> <p>Venue and other logistics for the meeting/s</p>	<p>Attendance sheets and Notes from the consultations</p> <p>Grievance Redress Mechanism Reports/Records</p> <p>Project Progress</p>

No.	Objectives	Target Stakeholders	Messages/ Agenda	Means of Communication	Schedule/ Frequency	Responsible Agencies/Groups	Resources	Reporting
		<ul style="list-style-type: none"> vendors and administrator • Transit Hotel administrators • Alotau DDA • Alotau Urban LLG • Other District Administration Authorities • PNG Women in Maritime • Eco Custodian Advocates 	maintenance	<p>Alotau Urban LLG, and other District Offices</p> <p>Key information materials to be posted online (i.e., MBPG and CCDA websites and social media accounts, if any)</p> <p>Official announcements thru Radio Milne Bay</p>	participants		<p>Cost for print materials, venue and other meeting logistics</p>	reports
	Develop and implement community awareness raising activities for the sustainable operations and management of the provincial wharf, through collaboration with NGOs and other government agencies	<ul style="list-style-type: none"> • Boat owners/operators • Dinghy owners/Operators • General public • Youth/students 	<ol style="list-style-type: none"> Community engagement in bay/port cleanliness and foreshore development; Community engagement in maritime safety; AIDs/HIV awareness and prevention; Emergency response and disaster preparedness 	<p>Public consultations or focus group discussions</p> <p>Public bulletins in local Tok Pisin language to be posted in Provincial Government Office, Alotau DDA, and Alotau Urban LLG, Informal market, transit hotel, and provincial jetty, and other public areas</p> <p>Official announcements thru Radio Milne Bay</p>	<p>Q1 2020 onwards</p> <p>At least 50% of the target audience with at least 30% female participants during public consultations</p>	<ul style="list-style-type: none"> • MBPG PIU • MBPG TA • Alotau DDA • Alotau Urban LLG • Other District Administration Authorities • NMSA • PNG Ports • PNG Women in Maritime • Eco Custodian Advocates • Radio Milne Bay 	<p>Content material for public presentations, print (public bulletin)</p> <p>Venue and other logistics for the meeting/s</p> <p>Cost for print materials, venue and other logistics</p>	<p>Attendance sheets and Notes from the consultations/meetings</p> <p>Project Progress reports</p>
	Implement capacity building programs for the MBPG PIU, other key government agencies related to sustainable operations and management of the new wharf facility	<ul style="list-style-type: none"> • MBPG PIU • MBPG TA • Alotau DDA • Alotau Urban LLG 	<ol style="list-style-type: none"> Port services, monitoring, inspection, and management; First aid, emergency response, and basic firefighting; Environmental monitoring and management; 	<p>One training workshop session per topic, with at least 30% female participants.</p>	<p>Q1 2020 onwards</p> <p>One training workshop session per topic</p>	<ul style="list-style-type: none"> • CCDA 	<p>Cost of training session to include venue and logistics, training materials, and resource person</p>	<p>Attendance sheets from the training workshops</p> <p>Project progress report</p>

No.	Objectives	Target Stakeholders	Messages/ Agenda	Means of Communication	Schedule/ Frequency	Responsible Agencies/Groups	Resources	Reporting
			4. Occupational health and safety; 5. Maritime safety; 6. Gender and development (i.e., women empowerment, gender-based violence, HIV/AIDs prevention);					

ADB=Asian Development, CCDA=Climate Change and Development Authority, EMP=Environmental Management Plan, GRM=Grievance Redress Mechanism, LLG=Local Level Government, MBPG=Milne Bay Provincial Government, MBPG TA=MBPG Transport Authority, NMSA=National Maritime Safety Authority, DDA=District Development Authority, PIU=Project Implementation Unit.