

USER'S GUIDE

FOR

**ADB REGIONAL DEPARTMENTS
AND
DEVELOPING MEMBER COUNTRY AGENCIES**

Manila, June 2016

CONTENTS

Introduction.....	1
I. Eligibility for AP3F Support.....	2
II. Use of AP3F Resources.....	3
III. AP3F Grant and Cost Recovery Scheme.....	4
IV. Priority Criteria for AP3F Support.....	6
V. Application Process.....	6
VI. Implementation of AP3F-Supported Activities.....	10
VII. Indefinite Delivery Contracts.....	11
Appendixes:	
1. Use of Advisors for PPP Project Development.....	12
2. Priorities for AP3F Support.....	14
3. Application Form for Project Preparation Support.....	16
4. Application Form for Capacity-Related Assistance.....	18
5. Application Form for Project Performance Support.....	19
6. International Infrastructure Support System.....	20
7. Implementation Guidelines for Indefinite Delivery Contracts	24

INTRODUCTION

The Asia Pacific Project Preparation Facility (AP3F or the Facility) is a multi-donor trust fund that provides additional resources and technical support for the preparation of infrastructure projects in developing member countries (DMCs) of the Asian Development Bank (ADB), in order to increase infrastructure development and enhance the quality of infrastructure in Asia and the Pacific. The Facility is supported by Australia, Canada, and Japan (Financing Partners).

The Facility will encourage private sector participation in infrastructure by adopting a consistent and higher-quality approach to public–private partnership (PPP) projects across the region. ADB will use the Facility to prepare, structure, and place in the market projects structured with the objective of promoting PPPs.

Target sectors for AP3F support include energy, transport, urban development, and social infrastructure.

AP3F is managed by the ADB Office of Public–Private Partnership (Facility Manager), and commenced its operations in January 2016.

The purpose of this User's Guide is to assist the ADB Regional Departments and DMC agencies preparing and submission of applications for AP3F support. The Facility Manager may, from time to time, make amendments to this User's Guide after consultation with the Financing Partners whilst ensuring its consistency with the provisions of ADB's "Establishment of the Asia Pacific Project Preparation Facility" Board Paper.

I. ELIGIBILITY FOR AP3F SUPPORT

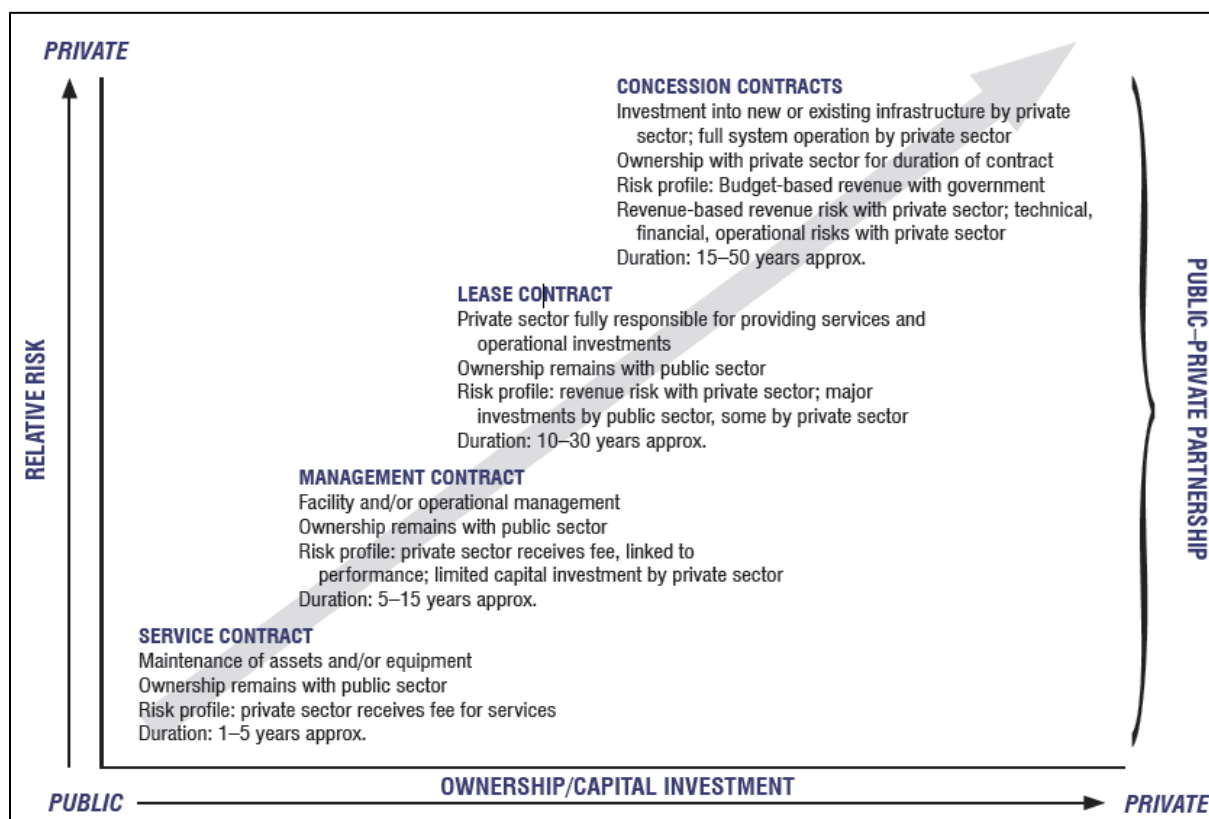
AP3F's main objective is to provide assistance to DMC governments and their public sector agencies in the preparation and structuring of infrastructure projects that seek private sector participation (including PPP modalities), and bring those projects to the global market. AP3F support is therefore primarily for assisting DMC governments and their public sector agencies in preparing infrastructure projects that can attract private sector investment and services.

The recipients of AP3F assistance may include central and local governments of DMC countries, government agencies (including sub-sovereign and government-owned entities), and other entities eligible to receive assistance from ADB (DMC Agencies). Projects and developments which do not involve a key public sector counterparty will not be supported by AP3F.

Projects eligible for AP3F support range from management and operating service contracts, through concession-type design, build, finance, operate and maintain contracts, through partial divestitures, or privatizations (full divestitures) in the following infrastructure:

- Energy infrastructure (such as power stations, transmission and distribution lines, substations);
- Transport infrastructure (such as ports, airports, railways, roads and bridges);
- Urban infrastructure (such as water and waste management and other infrastructure); and
- Social infrastructure (such as healthcare and education).

Figure 1. Public-Private Partnership Spectrum



Source: ADB PPP Operational Plan 2012-2020

II. USE OF AP3F RESOURCES

AP3F resources are intended for both, technical assistance provided by third parties and AP3F's direct charges, as follows.

A. Technical Assistance from Third Parties

AP3F can finance:

- (a) due diligence and early stage preparation of projects to be supported by AP3F, including but not limited to studies, specifications and reports dealing with technical, financial, economic, market/demand, legal, regulatory, insurance, climate, environmental, technical, social, institutional, governance, anticorruption, integrity, transaction structuring, and project management matters, as well as risk identification and risk mitigation;
- (b) assistance with the marketing, tendering and award of projects to be supported by AP3F, including but not limited to:
 - i. preparing information memoranda and marketing materials to place transactions with corporate sponsors, lenders and institutional investors;
 - ii. managing road shows;
 - iii. creating and overseeing data rooms and other channels for dissemination of project information for investor due diligence;
 - iv. preparing bid documents, financial models and draft contracts;
 - v. managing the bidding process; and
 - vi. assisting with evaluations, negotiations, and awards
- (c) project-related assistance (including upstream legislative and regulatory reform, appropriate PPP project selection criteria, application design and planning support, staff training, and market and/or stakeholder awareness); and
- (d) monitoring and evaluation of projects and activities and project restructuring (AP3F assistance, however, will not be provided for project restructuring caused by a public sector default or political risk event).

A brief description of the assistance that is typically required for the preparation, structuring, marketing, tendering and award of PPP projects is provided in Appendix 1.

B. AP3F's Direct Charges

AP3F resources can additionally be used for expenses relating to AP3F's own activities and operations, provided these are direct and identifiable.¹ These include:

- a) consultant services and related expenses, including rental and associated costs for office space, in cases where ADB headquarters space is not available to accommodate non-ADB personnel engaged for the operation of AP3F;
- b) translation services;
- c) conferences, forums, workshops, seminars, surveys and other learning events, including related expenses (such as travel and accommodation costs), with priority for learning events related to the preparation of AP3F-supported projects;

¹ In the case of AP3F operations, expenses are direct and identifiable if they relate to an activity which is directly connected to the operation of AP3F where AP3F is the only source of financing for such activity.


- d) subscription to specialized infrastructure or PPP information services, databases, and specialized software; and
- e) purchase and/or rental of office equipment needed for AP3F operations.

Figure 2. Technical Assistance supported by AP3F

Pillar 1	Pillar 2	Pillar 3	Pillar 4
Advocacy and capacity development	Enabling environment	Project development	Project financing
<ul style="list-style-type: none"> • Create awareness • Invoke leadership • Identify PPP potential in sector planning and the private sector development agenda • Development capacity of government and ADB staff • Enhance external knowledge management links 	<ul style="list-style-type: none"> • Develop policy, legal, regulatory, and institutional framework to facilitate, guide, and manage the development of PPPs (country- or sector-specific) 	<ul style="list-style-type: none"> • Align ADB project cycle to the PPP development process • Assist in the development of pathfinder projects • Provide support (including advisory support) throughout the process up to contract award and/or financial close that can come as expert support, tool kits, funding costs of transaction advisors, or procurement support 	<ul style="list-style-type: none"> • Provide credit enhancement products, e.g., equity, long-term debt, refinancing subordinate debt, cofinancing, and guarantees • Establish credit guarantee facility • Provide public sector financial support through schemes such as viability gap funding

Source: ADB PPP Operational plan 2012-2020

Technical assistance supported by AP3F can be tailored to the needs of the DMC Agency and the stage of the project under any of the Four Pillars of ADB Operational Framework



III. AP3F GRANT AND COST RECOVERY ARRANGEMENTS

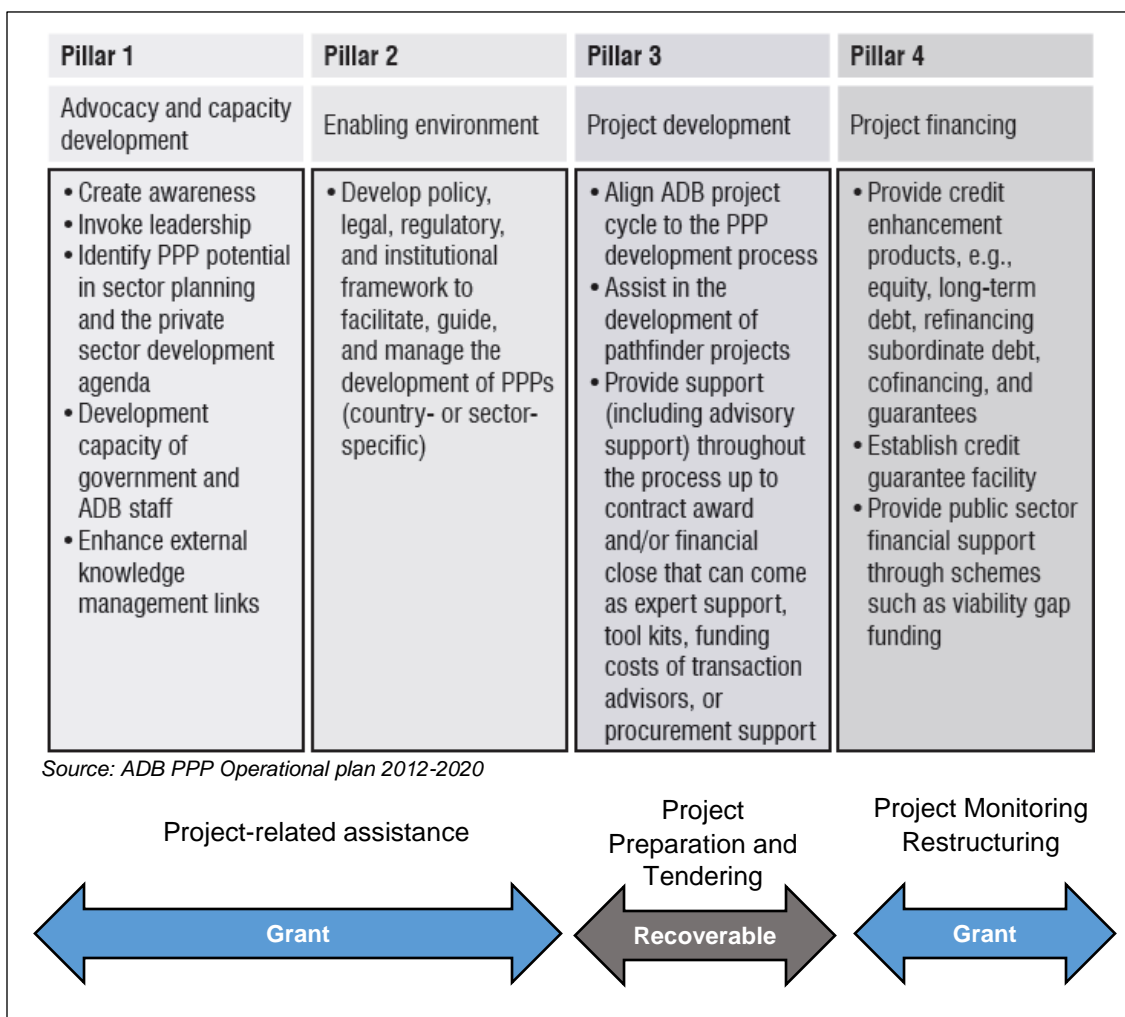
AP3F support will be provided on grant basis for project-related assistance that fall under the pillars 1 and 2 of ADB Operational Plan, including upstream legislative and regulatory reforms, capacity building activities and project identification. AP3F can also support on grant basis monitoring, evaluation and, where requested, restructuring of existing PPP projects.

AP3F support will be in principle provided on a cost-recoverable basis for project preparation costs in connection with concession-type projects. The purpose of such cost recovery is to enhance the sustainability of the Facility.

Concession-type projects are defined according to the PPP Operational Plan 2012-2020 as concessions that have all of the following characteristics:

- a) Investment in new or existing infrastructure by the private sector exceeding US\$ 25 mln
- b) Private sector operation of the entire asset under the PPP contract
- c) Ownership of the Special Purpose Vehicle (SPV) with the private sector
- d) Revenue from either budget based sources or allocated entirely to the private sector
- e) Financial and operational risks allocated to the private sector
- f) Contractual period of approximately 15-50 years

Figure 3. Grant and Cost-recoverable Technical Assistance



The cost of project preparation will be refunded by the successful bidder on project award. This could be by way of a development fee to be included in total project costs.

Cost recovery will also be sought from the relevant DMC Agency if the project is abandoned or terminated by the DMC Agency on the ground of the Agency's default, or upon discontinuation of the project for the occurrence of a political risk event attributable to the DMC Agency.

No cost recovery will be sought in the case of project award to the original sponsor(s) of an unsolicited proposal.

IV. PRIORITY CRITERIA FOR AP3F SUPPORT

AP3F support for the preparation of infrastructure projects will be prioritized where such projects:

- a. are climate resilient (i.e. which take climate change into account² and are demonstrably climate-friendly);
- b. are sustainable³ and have a positive impact on poverty reduction;
- c. enhance regional connectivity and/or support greater regional economic integration;
- d. involve new investments (although preparation for enhancement of existing (operational) projects may qualify for support based on the merit of their incremental development impacts);
- e. are identified as priorities by the respective DMC Agencies or are in sectors identified in the DMC's country partnership strategy with ADB;
- f. incorporate appropriate international practices in governance, procurement, and contracting;
- g. are first in kind in a given sector or DMC; and
- h. depending on the PPP modality or private sector participation proposed:
 - (i) demonstrate value for money and potential for replication in the relevant sector, country and/or region; and
 - (ii) have a reasonable expectation of commercial viability and probability of reaching financial close.

Detailed description of the priority criteria for AP3F support is provided in Appendix 2.

ADB involvement in the provision of financing⁴ or transaction advisory services is not a mandatory requirement for AP3F support.

V. APPLICATION PROCESS

1. Expression of Interest

- 1.1 Applications for AP3F support may be initiated by DMC Agencies or ADB⁵, and may be made in collaboration with bilateral agencies, other multilateral agencies, and multilateral agency funds.⁶
- 1.2 Submission of an expression of interest for AP3F support should be the first step towards the application for AP3F support. All applications for AP3F support should be linked to or otherwise complimentary to a specific infrastructure project or projects. All

² Applicants will be encouraged to include an ADB Rapid Environmental Assessment (REA) Checklist and Preliminary Climate Risk Screening assessment or equivalent.

³ For the purposes of AP3F, sustainability will include gender and environmental considerations.

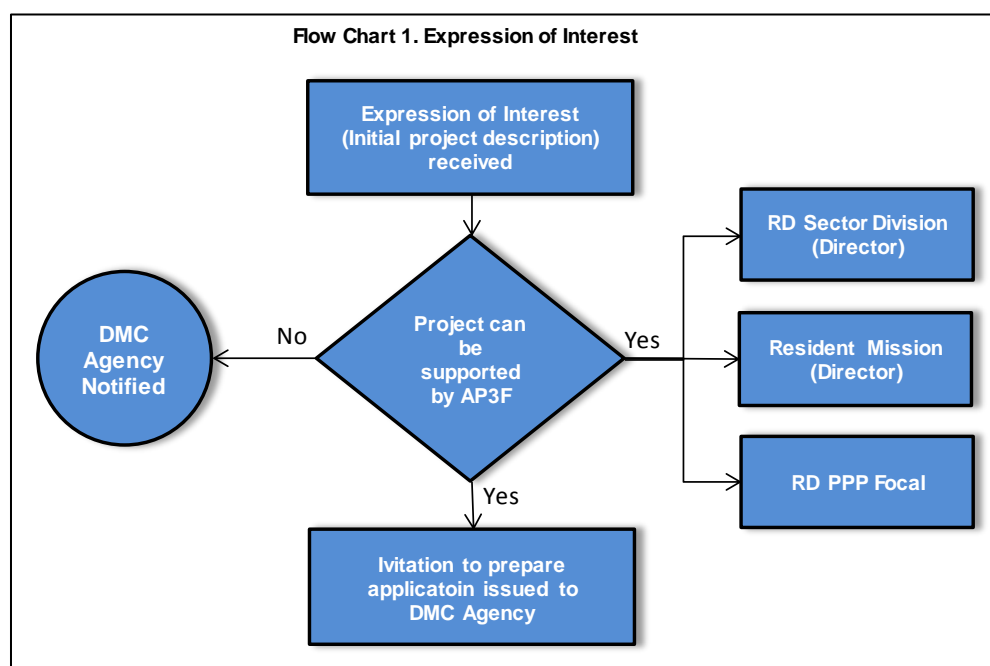
⁴ If ADB financing is provided, such financing will be subject to separate credit appraisals and management approvals. Potential conflicts will be addressed through ADB's standard operational guidelines.

⁵ For example, the ADB regional departments (South Asia, Central & West Asia, East Asia, Southeast Asia, and Pacific), the Office of Public Private Partnership, the Private Sector Operations Department, the Sustainable Development and Climate Change Department etc.

⁶ Where feasible, input from private sector participants in the global infrastructure market will be solicited so as to enhance the preparation of prospective projects, as well as related capacity development activities.

expressions of interest should therefore be prepared in the form of a concise description of the project or projects that the prospective application for AP3F support is intended for.

- 1.3 The Facility Manager will carry out a preliminary assessment of all expressions of interest with the view to determine if the relevant project or projects are eligible for AP3F support and the extent to which they stand reasonable chance of meeting the AP3F priority criteria. If the assessment is positive, the Facility Manager will invite the DMC Agency to prepare an application for AP3F support. If the assessment is negative, the Facility Manager may seek further information in relation to the project or projects or reject the expression of interest and inform the DMC Agency accordingly.



2. Preparation of Applications for AP3F Support

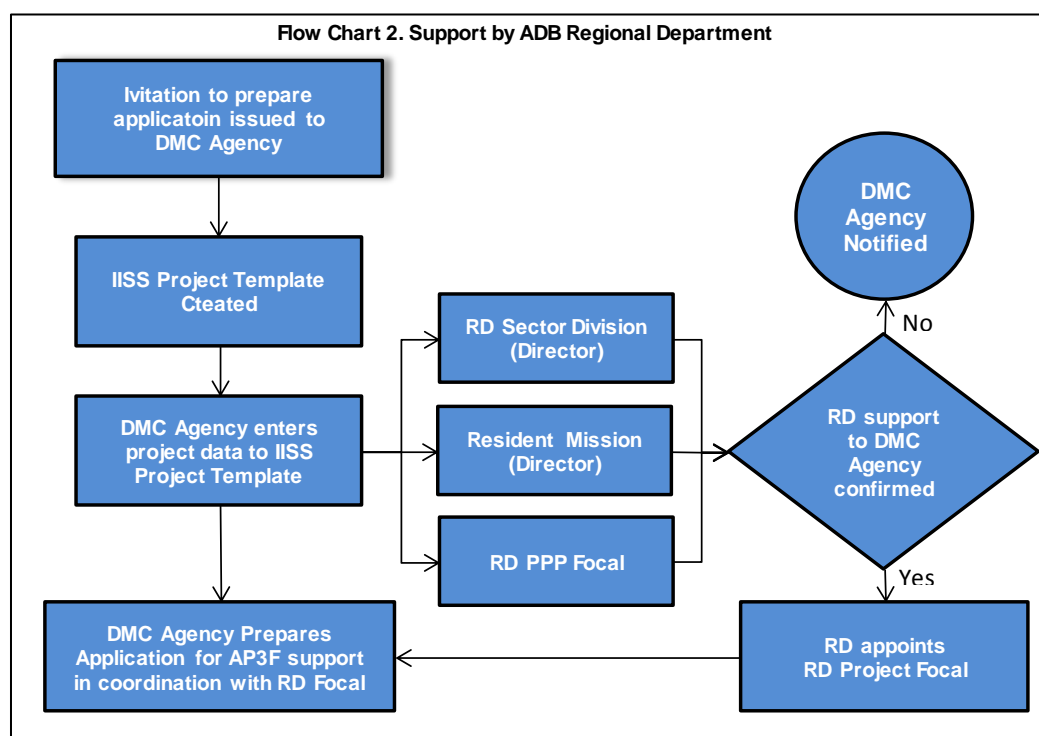
- 2.1 All applications for AP3F support must be prepared by DMC Agencies in coordination with the relevant ADB regional department using the appropriate application form depending on the nature of the AP3F support required (see Appendices 3, 4 and 5). DMC Agencies shall submit applications for AP3F support to the Facility Manager⁷ through the relevant ADB regional department.
- 2.2 The Facility Manager strongly encourages that all projects, which are linked to the application for AP3F support, are prepared using the *International Infrastructure Support System (IISS)*. IISS will assist the DMC Agency, the relevant ADB regional department and the Facility Manager to assess the nature and the extent of the services required to be supported by AP3F. IISS is a project preparation platform in the form of online guidelines and standardized templates (general and sector specific). Brief description of IISS is provided in Appendix 6.

- 2.3 The Facility Manager will create a template using IISS as, an *IISS Project Manager*, for

⁷ The Facility Manager is the Head, Office of Public Private Partnership of ADB, or his/her designate.

all projects for which DMC Agencies are invited to prepare applications for AP3F support. The DMC Agency will be invited to enter all project related data as *IISS Public Sector* user. Where the expression of interest is received via an ADB regional department, the Facility Manager will invite the relevant project officer to the IISS project template as *IISS Deputy Project Manager*.

- 2.4 The Facility Manager will notify and invite the relevant PPP Focal, Resident Mission and Sector Division (RD) to the IISS project template as *IISS Project Viewer* users. Following the review of the project description provided in the IISS project template, the RD will appoint a project focal (RD Project Focal) or inform the Facility Manager about the grounds on which the RD determined that the project does not merit its support.

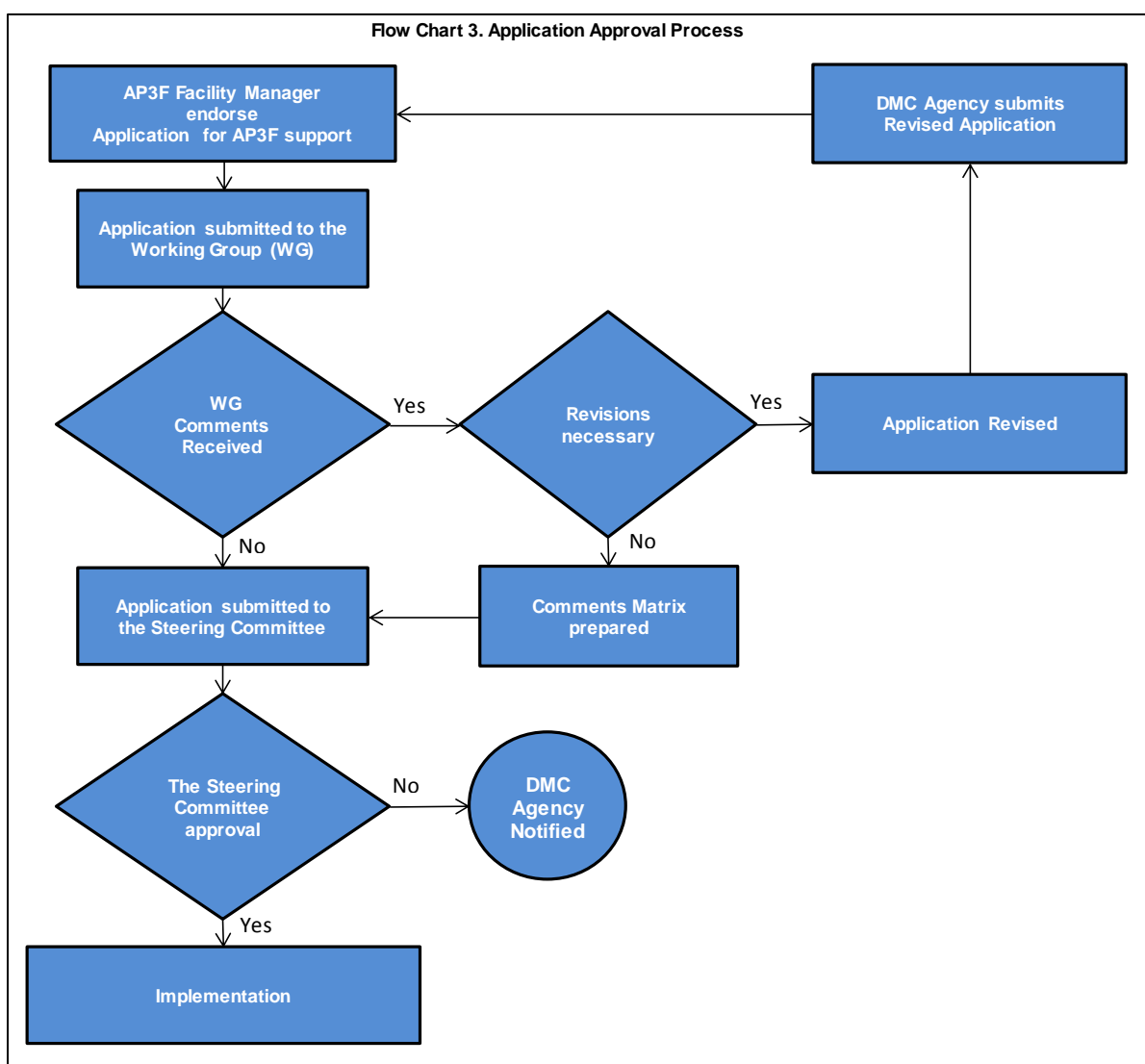


- 2.5 The RD Project Focal will be extended the *IISS Project Deputy Manager's* user status and will be in a position to invite the *IISS Project Team Members* and other *Public Sector Alternates*. The RD Project Focal will coordinate the preparation of application for AP3F support by the DMC Agency and ensure that the application:

- a) is aligned with the DMC's country partnership strategy with ADB and the DMC agencies' project priorities;
- b) is supported by the DMC authorities responsible for planning and financing infrastructure projects and endorsement of technical assistance that may be provided by ADB under the relevant ADB technical assistance framework agreement;
- c) is prepared in accordance with the relevant format and associated requirements;
- d) provides accurate information including legal, technical, institutional and other relevant aspects;
- e) incorporates draft terms of reference and associated detailed cost estimates; and
- f) integrates a viable monitoring and evaluation system.

3. Review and Approval of Applications for AP3F Support

- 3.1 The Facility Manager will carry out detailed review all applications submitted by DMC Agencies to ensure that these meet AP3F eligibility and priority requirements set out in Section I above. If the Facility Manager finds that the application does not meet the requirement, the Facility Manager will provide comments to the DMC Agency and the RD Project Focal. The DMC Agency will revise the application in coordination with the RD Project Focal.
- 3.2 If the Facility Manager determines that the application complies substantially with the AP3F priority requirements, the Facility Manager will request the Technical Advisor (Chair of the ADB PPP Thematic Group) to appoint an AP3F Working Group for further review of the application. The Working Group will comprise a number of ADB officers with PPP legal, technical and other expertise relevant to the application.



- 3.3 The Facility Manager will submit the application to the Working Group for review and comments. Where considered necessary, the Facility Manager may accompany the submission with an appropriate clarification of the grounds on which the Facility

Manager considers that the application should be endorsed. The Working Group will have five (5) working days to review the application and respond to the Facility Manager.

- 3.4 In the event if there is any feedback received from the Working Group, including any comments, request for clarification or, as the case may be, proposed revisions to the application, the RD Project Focal will ensure that such feedback is addressed by the DMC Agency and any proposed revisions are formally endorsed by the DMC Agency.
- 3.5 The Facility Manager will prioritize applications in accordance with the degree to which they align with the priorities set out in Section I above, and submit applications to the Steering Committee for final approval. The Steering Committee comprises the directors general (or their PPP Focal designates) of ADB's regional departments and Private Sector Operations Department, and Head, Office of Public–Private Partnership or his/her designate. Where necessary or appropriate, the Facility Manager will accompany the submission with a comments matrix reflecting the issues raised by the Working Group and associated clarifications. The Steering Committee will have five (5) working days⁸ to consider and approve such applications, and the allocation of the requisite AP3F resources⁹.

VI. IMPLEMENTATION OF AP3F-SUPPORTED ACTIVITIES

A. ADB Policy Application

AP3F activities (including the disbursement of AP3F resources) will be identified, designed, processed, approved, implemented, supervised and monitored in accordance with applicable ADB policies, procedures, and guidelines, including those on consulting services and procurement, social and environmental safeguards, financial management, disbursement, reporting, and governance. In accordance with ADB practices and guidelines, the required arrangements for accounting, auditing monitoring, and reporting will be in place for AP3F activities. During implementation, the Facility Manager and the RD Project Focal will jointly monitor AP3F activities and capture lessons to be learned.

AP3F activities will be subject to ADB's Anticorruption Policy and Integrity Guidelines and Principles (as amended from time to time). ADB's Anticorruption Policy requires staff, consultants, borrowers, beneficiaries, and contractors executing AP3F activities to observe the highest standards of ethics and personal integrity. Any party found in breach of ADB's Anticorruption Policy may be subject to disciplinary measures and/or sanctions in accordance with ADB's Integrity Principles and Guidelines. Financing Partners and ADB will immediately inform each other in writing on any indication of fraud and corruption of resources related to AP3F and will consult each other in terms of how to proceed.

Any major change or development affecting AP3F activities or the potential of an AP3F-supported project to be successfully awarded must be reported as soon as possible by the DMC Agency concerned to the relevant ADB regional department, which will in turn report the change to the Facility Manager.¹⁰ The Facility Manager shall confer with the Steering

⁸ These time periods may be extended with the consent of the Facility Manager should the circumstances warrant it.

⁹ Applications may alternatively be circulated to the Steering Committee on a no objection basis as and when necessary.

¹⁰ Examples of such events include, but are not limited to, amendments to agreements, public sector budgetary reallocations, changes to key public sector personnel, amendments to PPP-related legislation, suspension,

Committee regarding potential impacts of such changes or developments, including any implications on cost recovery. The Facility Manager will also promptly inform donors of any condition that interferes, or threatens to interfere, with the administration of AP3F.

B. Cooperation

The Facility Manager may work with a range of partners with respect to AP3F activities. Such partners may include international and local financial institutions acting as co-advisors on projects benefiting from ADB's transaction co-advisory services.

AP3F activities may complement existing project preparation facilities. Where appropriate, the Facility Manager shall consult, and may seek to collaborate, with the managers of such facilities on specific projects.

VII. INDEFINITE DELIVERY CONTRACTS

Speedy, timely, focused and efficient services to DMCs are critical for the success of AP3F operations. Given that AP3F is a demand-driven facility, the appropriate contracting modality for the procurement of all consulting services to be supported by AP3F shall be Indefinite Delivery Contracts, as described in the ADB Guidelines on the Use of Consultants (hereinafter referred to as "Framework Agreement").

A brief description of the implementation guidelines relating to Framework Agreements for the procurement of services to be supported by AP3F is provided in Appendix 7.

In order to facilitate the preparation of proposals for consultancy services under each application for AP3F support, all Framework Consultants shall be granted a *Project Viewer's* access to the IISS Project Description.

The *Project Viewer's* access shall be withdrawn from such Framework Consultants after the Facility Manager selects the successful AP3F Project Consultant for the execution the services sought under the relevant application for AP3F support. The AP3F Project Consultant will be granted IISS *Project Team Member* user's rights.

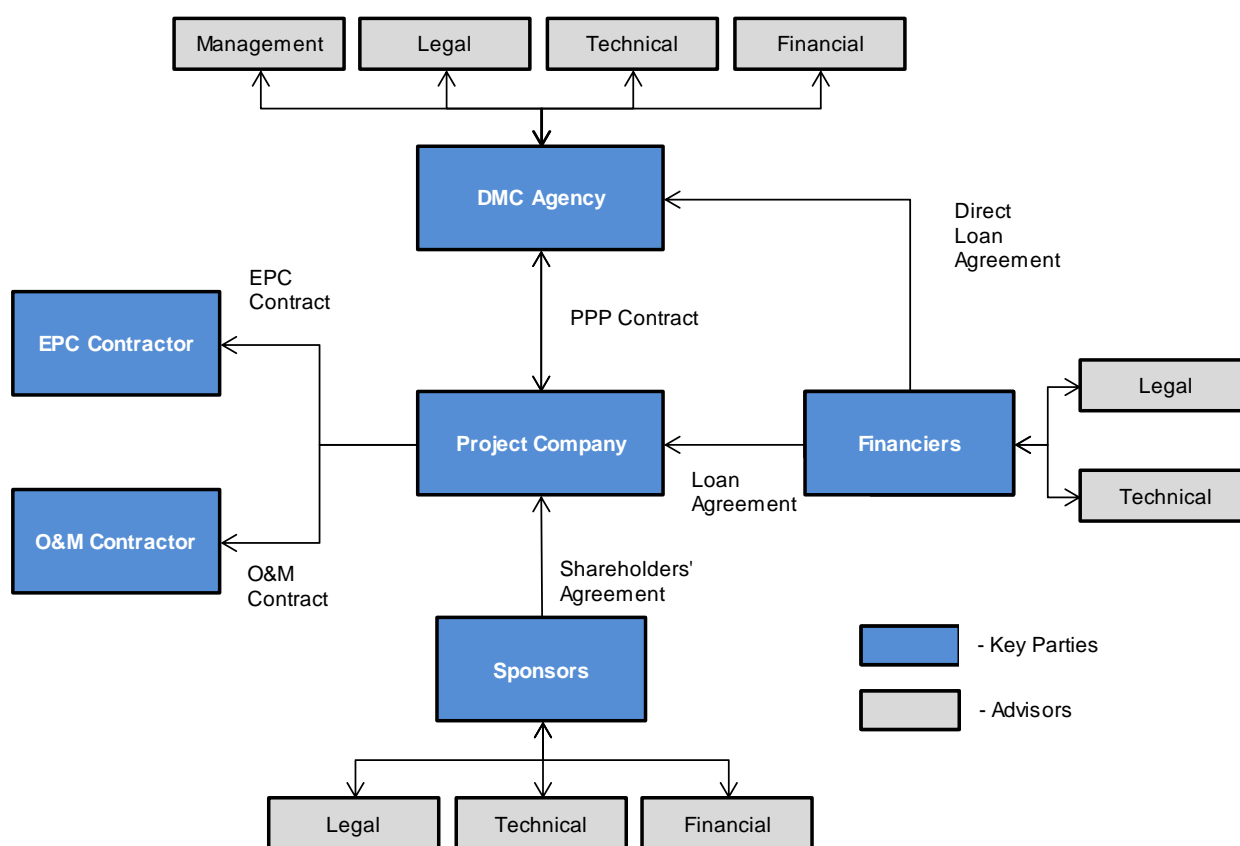
APPENDIX 1

USE OF ADVISORS FOR PPP PROJECT DEVELOPMENT

DMC Agencies generally do not have available in-house and maintain the range of expertise that are required for preparation and structuring of infrastructure projects with private sector participation including PPP projects.

The expertise commonly needed spreads over various fields such as technical, finance, legal, market/demand, tax, accounting and insurance. The “theoretical” knowledge required needs to be complemented with practical deal-making experience in areas such as project management or contract negotiation. In addition, the required skills need to be regularly refreshed to capitalise on recent experience, developments in market standards and innovation. In this context, hiring advisers is often indispensable to DMC Agencies undertaking a PPP project.

Figure 4 Use of Advisors in PPP projects



Advisers will not only bring skills and practical experience to the DMC Agency but also additional capacity to face the unusual, intensive and nonrecurrent workload that inevitably arises from implementing complex projects such as PPPs. The DMC Agency may otherwise be exposed to significant risks in delivering the right project on the right terms.

By appointing experienced and reputable advisers, the DMC Agency will send a positive signal to PPP market stakeholders that its project is well-resourced and deliverable effectively.

Table 1 Expertise covered by typical kinds of advisors¹¹

Fields of expertise	Project manager	Technical adviser	Financial adviser	Legal adviser
Project management	x			
Environmental impact		x		
Economic impact and cost/benefit analysis		x	(x)	
Costs and revenues forecasting		x	(x)	
Technical solutions (construction and service provision)		x		
Risk identification, mitigation and allocation	(x)	x	x	x
Administrative procedure	(x)			x
General legal issues				x
Contract drafting and negotiation		(x)	(x)	x
Financing and hedging costs and strategies (interest rate & currency)			x	(x)
Insurance			(x)	
Tax			x	(x)
Accounting			x	

Legend: x: main qualification – (x): secondary qualification

¹¹ Source: European PPP Expertise Centre, Role and Use of Advisors

APPENDIX 2

PRIORITIES FOR AP3F SUPPORT

Applications for AP3F support for the preparation of infrastructure projects will be prioritized by the Facility Manager based on the following priorities:

- **Climate Resilience, Sustainability and Impact on Poverty Reduction:**

Alignment with the relevant United Nations' Sustainable Development Goals (SDGs), particularly:

- **Climate Resilience, Quality Infrastructure and Environment:** Applications will include an ADB Rapid Environmental Assessment (REA) Checklist and Preliminary Climate Risk Screening assessment (or equivalent), in providing consideration for quality infrastructure and alignment with SDG 13 (Climate Action);
- **Gender:** Applications will include reference to applicable DMC-based Gender Action Plans and/or the Infrastructure section checklist in the ADB Public Sector Management Gender Toolkit (or equivalent), in providing consideration for alignment with SDG 5 (Gender Equality); and
- **Relevant SDGs as appropriate:** Applications are encouraged in providing consideration for relevant SDGs, including potentially SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 11 (Sustainable Cities and Communities), and SDG 17 (Partnerships for the Goals).

- **Enhancement of Regional Connectivity and Regional Economic Integration:**

Applications should be aligned with connectivity objectives and economic plans on a regional, or sub-regional, basis with consideration for connectivity and economic plans, including but not limited to ASEAN, Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), Central Asia Regional Economic Cooperation (CAREC), Greater Mekong Subregion (GMS), Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT), South Asia Subregional Economic Cooperation (SASEC) etc...

- **New investments:**

“Greenfield” infrastructure projects are encouraged however applications for the enhancement or rehabilitation of existing infrastructure assets or services, and where meeting the eligibility requirements, will also be supported by AP3F.

- **Projects identified as Priorities or in Priority Sectors:**

Applications will be aligned with DMC agencies' project priorities and/or the DMC's country partnership strategy with ADB.

- **International Practices in Governance, Procurement and Contracting:**

Consideration for international practices will be made in relation to the applicable DMC's practices with respect to a project's governance, procurement and contracting, including but not limited to the OECD's Principles for the Public Governance of Public-Private Partnerships (May 2012).

- **First in Kind Projects:**

Applications are encouraged to represent a “first in kind” in a given infrastructure sector and/or DMC.

- **Viability:**

Depending upon the modality of delivery, applications may also be prioritized based on commercial viability, value for money, and replicability, having regard for considerations such as:

- Relative demand for the service - including demand studies and/or a strong projected need for the service from users. Alternatively, the service “demand” could stem from the government on behalf of users whereby there will be a dedicated funding source (availability payment).
- Likely ease or difficulty to structure a viable, financeable project - including technical and financial feasibility measures, ancillary revenue opportunities, legal and regulatory environment for implementing PPPs in the relevant sector, and political will, including clarity for the decision making process for PPPs.
- Private sector interest - a higher level of investor interest will be given greater priority whilst noting that interest that is contingent upon resolving key structural issues will make for commensurate moderation of priority.

APPENDIX 3

A. APPLICATION FORM FOR PROJECT PREPARATION SUPPORT

1. **Applicant Details:** *(Name of organization, contact person and their contact details. Please also provide the Ministry of Finance / relevant Government contact person.)*
2. **Proposed Project:** *(Describe the proposed project, its objective, perceived benefits and target beneficiaries. Please also include brief description of major components.)*
3. **Scope of Project Preparation Assistance Required:** *(Describe the project development activities and timelines starting from the appointment of consultants and advisors culminating in the selection of the private sector partner.)*
4. **Estimated Funding Requirements for Project Preparation:** *(Indicate the estimated budget linked to project milestones)*
5. **Scope of Private Sector Involvement:** *(Describe how the private sector may be involved during project implementation, operation and/or maintenance. The perceived arrangement including cost recovery mechanisms should be indicated)*

<input type="checkbox"/>	Management Contract
<input type="checkbox"/>	Lease or Affermage (includes private sector OPEX)
<input type="checkbox"/>	Concession (Includes private sector CAPEX and will receive priority in the application process)

6. **Legal and Regulatory Framework:** *(Describe the provisions under the relevant Acts/Rules that grant authority to the Public Sponsor for developing and implementing the project and the proposed decision-making steps to award the project)*
7. **Addressing social, environmental, and gender concerns:** *(Describe how the project will enhance social, environmental, and gender aspects of the project, or mitigate social, environmental, and gender concerns associated with the project.)*
8. **Overview of Counterpart Funding for Project Preparation:** *(Describe what contributions your agency would commit, in cash and in kind, the others sources of funding that will be mobilized and the total estimated contribution towards the estimated project preparation cost outlined in Item 4. Include information on previous applications with other project preparation facilities)*
9. **Priorities:** *(AP3F support for the preparation of infrastructure projects will be prioritized where such projects demonstrate strong qualities in the following categories. Please tick where appropriate and provide the requested descriptions where applicable).*

Priorities	Remarks		
	Yes	No	Explanation / Description
Climate resilience <i>(Describe how the project will take into account climate change into its design.</i>			

<i>Please use ADB's Checklist for Preliminary Climate Risk Screening or equivalent)</i>			
<i>Sustainability and impact on poverty reduction (Describe how the project will be sustainable. Also describe the poverty reduction initiatives under the project.)</i>			
<i>Enhancement of regional connectivity and/or support for greater regional economic integration (Describe how the project will enhance regional connectivity.)</i>			
<i>Prioritization by respective DMC Agency or by association with sectors identified in the DMC's country partnership strategy with ADB (Cite the document or list in which the project was identified as a priority)</i>			
<i>Noteworthy innovation (Describe if/how the project is a "pathfinder" project or first of its kind in a sector or DMC)</i>			
<i>New investment or enhancement of existing project</i>			
<i>First in Kind Project: First in kind in a given sector and/or DMC will be given priority. (These projects are likely to need extensive support in project preparation.)</i>			

10. Attachments:

- i) Monitoring and Evaluation Framework
- ii) Draft Terms of Reference
- iii) Cost Estimates

APPENDIX 4

B. APPLICATION FORM FOR CAPACITY-RELATED ASSISTANCE**1. Type of assistance requested:** *(Please tick the type of assistance requested)*

<input type="checkbox"/>	Upstream legislative and regulatory reform support
<input type="checkbox"/>	Capacity development support

2. Applicant Details: *(Name of organization, contact person and their contact details. Please also provide the Ministry of Finance / relevant Government contact person.)***3. Proposed Activity:** *(Describe the proposed activity, its objective, perceived benefits and target beneficiaries. Please also include brief description of major components.)***4. Estimated Funding Requirements Needed for Capacity Assistance:** *(Indicate the estimated budget linked to activity milestones)***5. Timetable for Design and Implementation:** *(Describe the activities and timelines)***6. Related Assistance Provided:** *(List down all past and ongoing assistance provided by other agencies in relation to the activity being proposed, if any.)***7. Relation to Projects:** *(Describe any links and relevance to specific projects)***8. Attachments:**

- i) Monitoring and Evaluation Framework
- ii) Draft Terms of Reference
- iii) Cost Estimates

APPENDIX 5

C. APPLICATION FORM FOR PROJECT PERFORMANCE SUPPORT

1. Type of assistance requested *(Please tick the type of assistance requested)*

<input type="checkbox"/>	Project performance monitoring
<input type="checkbox"/>	Project restructuring support

2. **Applicant Details:** *(Name of organization, contact person and their contact details. Please also provide the Ministry of Finance / relevant Government contact person.)*

3. **Proposed Activity**

3.1 **Project Performance Monitoring:** *(Describe the proposed activity, its objectives and the major components of performance-based framework for monitoring)*

3.2 **Project Restructuring Support:** *(Describe the project, its background and current status, and provide the cause and rationale for restructuring. Provide copies of relevant contractual and financial agreements.)*

4. **Estimated Funding Requirements Needed for the Proposed Activity:** *(Indicate the estimated budget linked to activity milestones)*

5. **Timetable:** *(Describe the activities and timelines)*

6. **Attachments:**

- i) Monitoring and Evaluation Framework
- ii) Draft Terms of Reference
- iii) Cost Estimates

APPENDIX 6

INTERNATIONAL INFRASTRUCTURE SUPPORT SYSTEM

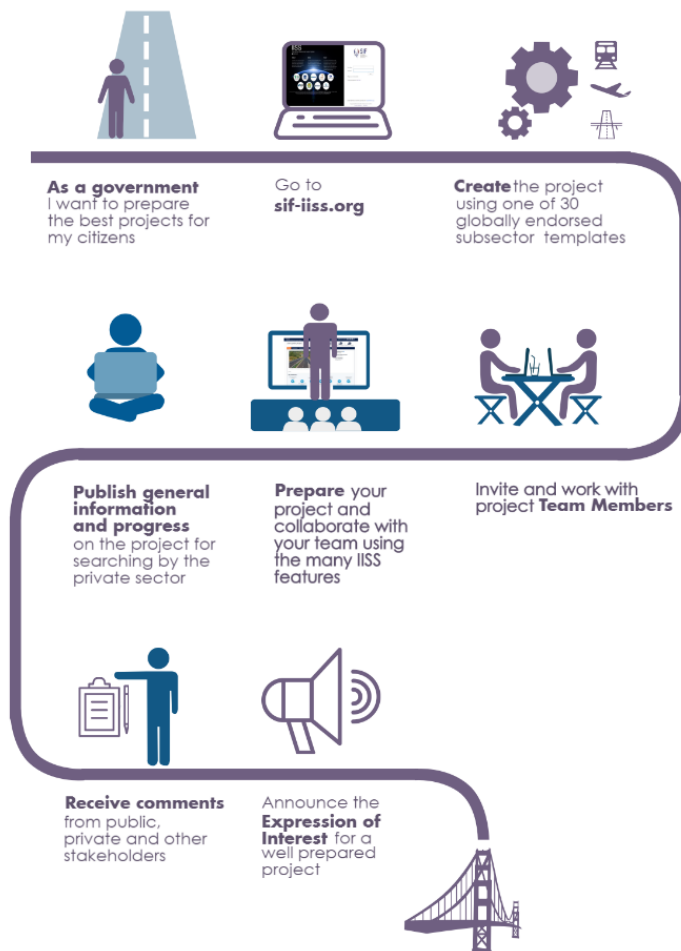
1. IISS is a computer-based system that gathers and synthesizes information and data on all aspects of development of an infrastructure project.

2. It provides immediate connectivity tailored to the needs of the public contracting authorities (on a national and subnational basis) and facilitates up-to-the-minute changes to project information as well as the input of additional data.

3. There is no user fee charged to DMC agencies for utilizing IISS, as the cost for development and subsequent usage is paid by MDBs. The AP3F team is being trained on IISS platform to streamline the AP3F application process. DMC agencies will be given a tutorial by the platform developers due course.

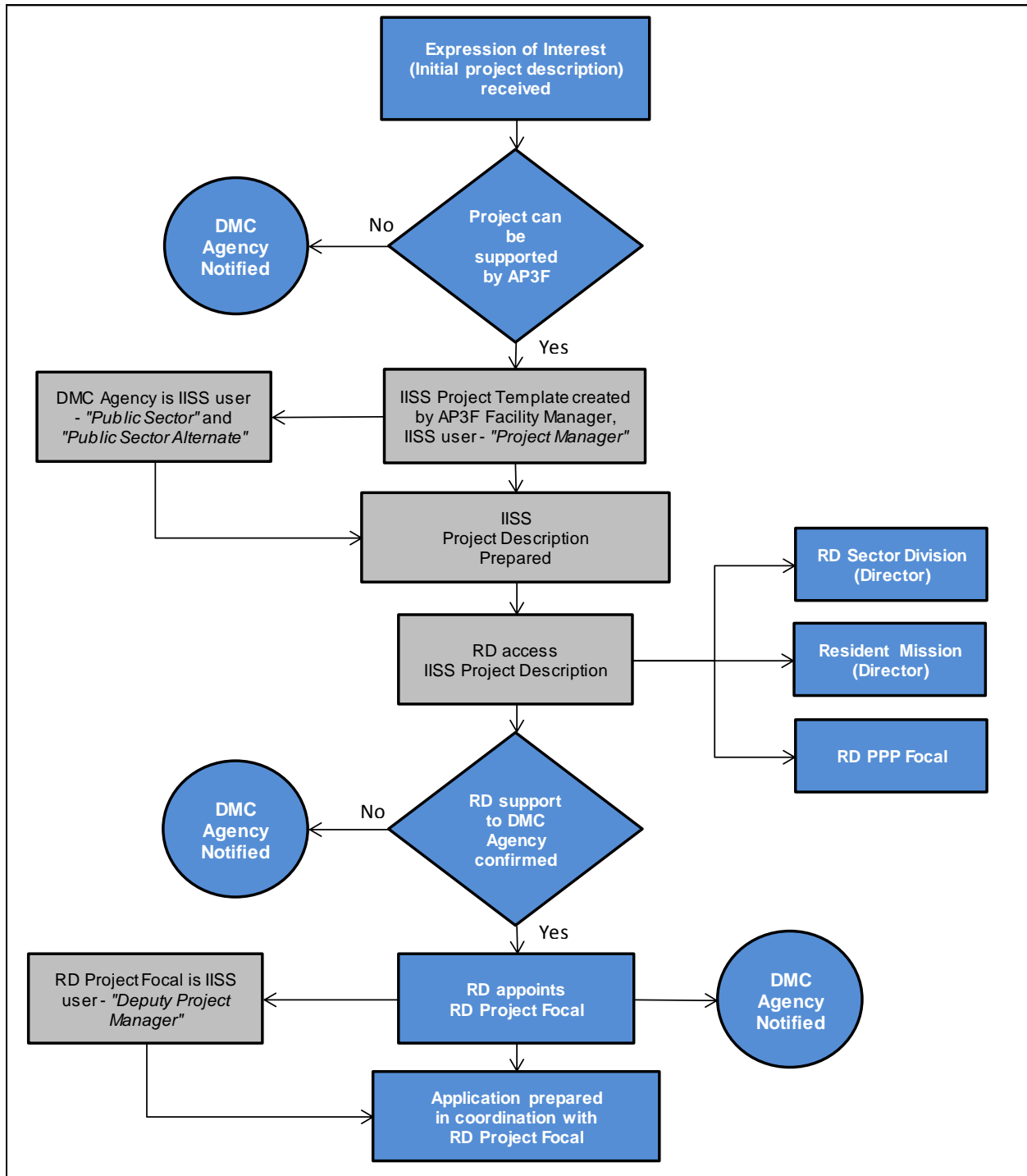
4. IISS offers:

- An online, scalable, secure working environment for data gathering and project management;
- A high-quality project preparation methodology;
- An effective communication platform for feedback between the public and private sector; and
- An efficient management of key data throughout the project cycle.



The following two flow charts illustrates how IISS relates to AP3F application preparation and implementation processes.

Flow Chart 5.1 - How IISS relates to AP3F Applications Preparation Process




DMC Agency / Public Sector Page Display on IISS

IISS
International Infrastructure Support System
Public Sector
Home
Help
Logout

Test Jun Salcor

REPORTS PUBLISH EXPRESSION OF INTEREST

Home
Governance
Technical
Economic
Legal
Financial
Environmental & Social




Test project

[Edit](#)


<p>SECTOR/SUBSECTOR Transport/Airport</p> <p>TYPE OF PROJECT ▾ New</p> <p>PROJECT CREATED ON IISS May 2016</p> <p>ESTIMATED CAPITAL COST 10,000,000 USD</p>	<p>TERRITORY/CITY ▾ Philippines/La Trinidad</p> <p>LEVEL OF PUBLIC SECTOR National/Federal</p> <p>LAST MODIFIED 27 May 2016</p>
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Key Milestones


Project Preparation Initiated




General Design




Public Sector ESG Analysis




Source of Funding




Support from Development Bank(s)



Contractual Doc Preparation



Timetable for Procurement



Project Manager Contact

Project Manager	projectmanagertest@sif-iiss.org
4126389400	SIF TEST

Project Preparation Status ▾

Overall
0%

Governance 0% <div style="width: 100%; height: 10px; background-color: #34495e;"></div>	Technical 0% <div style="width: 100%; height: 10px; background-color: #34495e;"></div>
Economic 0% <div style="width: 100%; height: 10px; background-color: #34495e;"></div>	Environmental & Social 0% <div style="width: 100%; height: 10px; background-color: #34495e;"></div>
Legal 0% <div style="width: 100%; height: 10px; background-color: #34495e;"></div>	Financial 0% <div style="width: 100%; height: 10px; background-color: #34495e;"></div>

My Tasks

[Add a New Task](#)

[All My Tasks](#)

Project Team

- [Project Manager](#)
- [Project Manager Deputies](#)
- [Public Sector](#)
- [Public Sector Alternates](#)
- [Team Members](#)
- [Project Viewers](#)

[Invite an Alternate](#)

[Invite a Viewer](#)

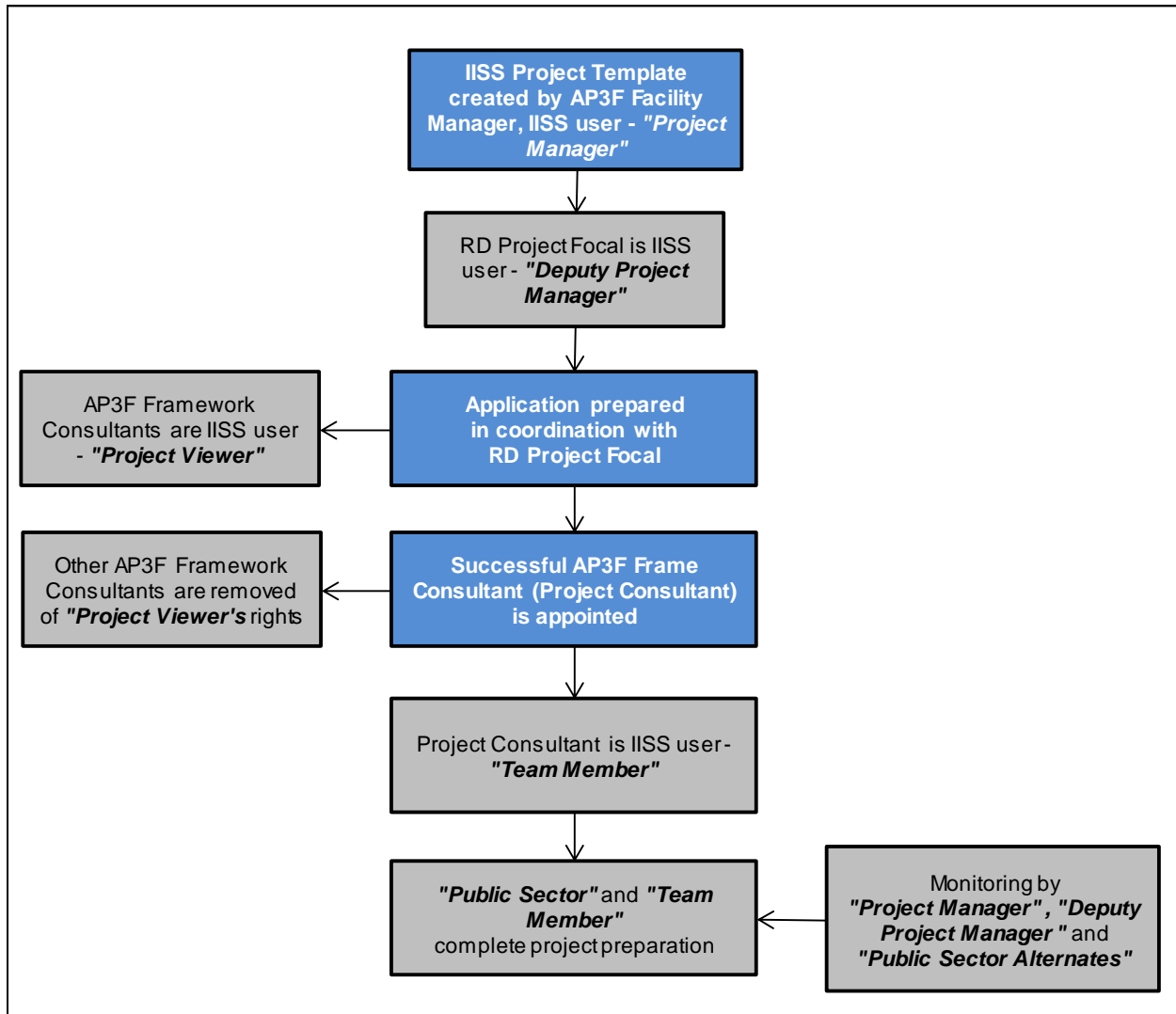
Project Documents

[Add a New Document](#)

Last Updates ▾

[History of modifications](#)

Flow Chart 5.2 - How IISS relates to AP3F Applications Implementation Process



APPENDIX 7**IMPLEMENTATION GUIDELINES****ASIA PACIFIC PROJECT PREPARATION FACILITY****INDEFINITE DELIVERY CONTRACTS****I. Introduction**

1. These guidelines have been prepared by the Office of Public-Private Partnership (Facility Manager) of the Asian Development Bank (ADB) in consultation with the ADB Operations Services and Financial Management Department (OSFMD) for the purpose of clarifying the procedures to select, contract and monitor consultants paid in whole or in part by the Asia Pacific Project Preparation Facility (AP3F).
2. The Facility Manager will manage AP3F and administer, in close collaboration with the relevant ADB Regional Departments (RD), all related technical assistance (TA) including the consultants' selection process.
3. Speedy, timely, focused and efficient services to DMCs is critical for the success of AP3F operations. Given that AP3F is a demand-driven facility, the appropriate contracting modality for the procurement of all consulting services to be supported by AP3F shall be Indefinite Delivery Contracts, as described in the ADB Guidelines on the Use of Consultants (hereinafter referred to as "Framework Agreement").

II. Indefinite Delivery Contract – Framework Agreement

4. A Framework Agreement is a contracting method used to retain qualified consultants (without having to pay retainer fee or to commit budget allocations) over an extended period of time in order to carry out repetitive services, often of similar nature, which can be described under a broad set of terms of reference for which the particular scope, timing and venue of the services are not known at the time of award of the Agreement.
5. The procedure to award a Framework Agreement is conducted in two stages:
 - First stage: Prequalification or empanelment of a pre-determined number of consultancy firms or consortia of firms to be parties to the Framework Agreement (Framework Consultants); and
 - Second Stage: Award of a "call-off" contract to a consultant following a competitive selection process amongst the Framework Consultants.
6. Each Framework Agreement shall set out:
 - (i) duration of the Framework Agreement;
 - (ii) names of the Framework Consultants and the procedure for their replacement (if applicable);
 - (iii) broad description of the services to be provided under the Framework Agreement (Framework Terms of Reference);

- (iv) procedures and criteria to be followed for the award of “call-off” contracts to the Framework Consultants(Call-off Contract));
- (v) terms and conditions, which are known at the award of the Framework Agreement and which shall apply throughout the execution of the Framework Agreement; and
- (vi) terms and conditions, which shall be confirmed or refined as part of the process for the award of “call-off” contracts to the Framework Consultants, i.e. for each “call-off” contract.

III. First Stage Procedures to Select Framework Consultants

7. All Framework Agreements supported by AP3F shall be advertised through the ADB Consultant Management System’s Consulting Services Recruitment Notice (CSRN). CSRN advertisement may be supplemented by additional advertisement in print and electronic media. CSRN requires consultancy firms to submit via CMS their Expression of Interests (EOIs) demonstrating their competence to carry out the services described in the Framework Terms of Reference. The deadline for submission of EOIs is normally within 30 days.

8. The Facility Manager will appoint a Consultant Selection Committee (CSC) to evaluate all EOIs received. The CSC will consist of a non-voting chairperson and at least three voting members. The role of the non-voting chairperson is to arbitrate on all issues that arise during the evaluation process and to advise on procedural questions. The CSC shall evaluate the EOIs in accordance with the criteria and methodology set forth in the relevant CSRN. The Facility Manager will consult and agree such evaluation criteria and methodology for all Framework Agreements with OSFMD prior to the publication of CSRN. The evaluation criteria shall depend on the complexity of the services sought under the specific Framework Terms of Reference and typically include:

- (i) the profile of the consultancy firm;
- (ii) information on relevant regional, sectoral and particular nature project experience; and
- (iii) CVs of personnel that can be made available to provide backstopping services during the execution of services under the Framework Agreement.

The focus of attention at this stage shall be on the profile and experience of the consultancy firm.

9. All Framework Agreements supported by AP3F shall include not more than four (4) consultancy firms or consortia of firms. Upon signing the Framework Agreement, the names of the Framework Consultants will be disclosed on www.adb.org.

10. The list of Framework Consultants under each Framework Agreement will be “refreshable.” This will allow the Facility Manager to periodically re-advertise each Framework Agreement with the objective of enhancing competitiveness of the procurement process for Call-off Contracts under each Framework Agreement. The criteria and the frequency of “refreshment” shall be determined by the Facility Manager in close consultation with OSFMD and may include replacement of a Framework Consultant, who: (i) consistently chooses not to submit proposals for Call-off Contracts; (ii) replaces the backstopping personnel named in the Framework Contract and fails to offer a replacement personnel with equivalent or better qualifications and experience; (iii) receive an unsatisfactory performance rating; (iv) are

consistently awarded below 80 technical merit points or at least 10 technical merit points outside of the highest technical score; and (v) are sanctioned in accordance with ADB Anticorruption Policy.

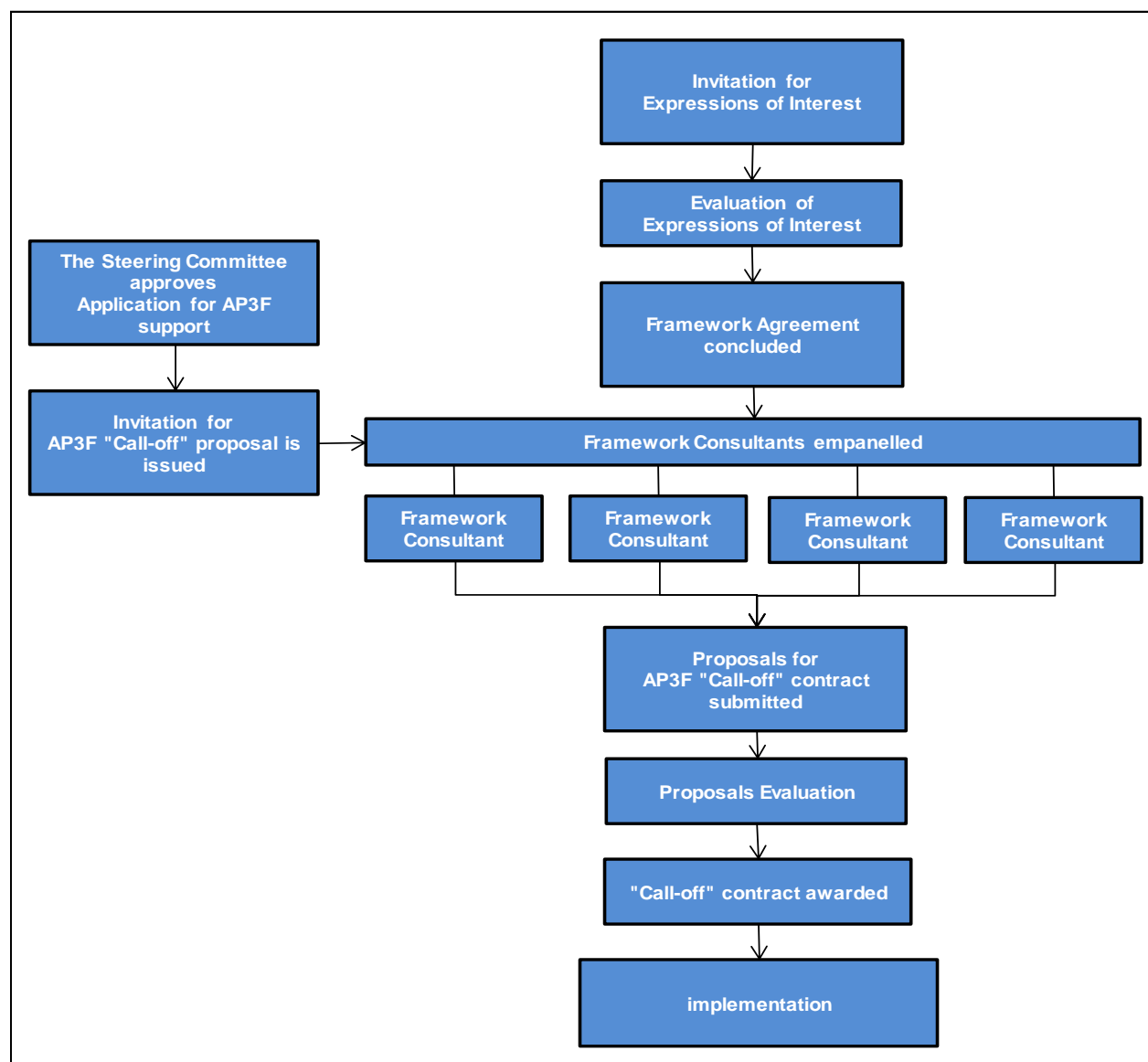
IV. Second Stage Procedures to Award “Call-off” Contracts

11. A Call-off Contract may be awarded only to a consultant that is a party to the Framework Agreement. All Call-off Contracts shall be awarded in accordance with the terms and conditions set forth in the Framework Agreement. All requests for proposal (RFP) to carry out particular Call off assignments shall be issued simultaneously to all Framework Consultants. Each RFP shall include the following information:

- (i) a restatement of the terms and conditions of the Framework Agreement to be included in the anticipated Call-off Contract and a statement of the terms and conditions that are to be subject to confirmation or refinement during the selection and award process for the anticipated Call-off Contract;
- (ii) the selection method to be followed for the award of the anticipated Call-off Contract, including the relative weight and the manner of application of all criteria for the evaluation of Call-off proposals:
 - a) the selection methods shall be those described in Chapter A, Selection Methods, of Section II, Procedures, of the ADB Guidelines on the Use of Consultants; and
 - b) a consultant may be precluded to provide downstream services relating to the project for which the Call-off Contract is awarded (the RFP will specify if the successful consultant is eligible for the award of any downstream services);
- (iii) instructions to prepare Call-off proposals, including the manner in which the financial proposal (if applicable) is to be formulated and expressed, including a statement as to whether these shall be inclusive of any applicable transportation and insurance charges, customs duties and taxes;
- (iv) the name, functional title and address of one or more officials who are authorized to communicate directly with, and to receive communications from, the Framework Consultant in connection with the selection process for the anticipated Call-off Contract;
- (v) the manner, place and deadline for submission of proposals for the anticipated Call-off Contract; and
- (vi) any formality that will be followed once a successful Call-off proposal has been selected, including but not limited to debriefing of unsuccessful consultants.

12. The contracting methods for Call-off Contracts under a Framework Agreement shall be those described in Chapter B, Contracting Methods, of Section II, Procedures, of the ADB Guidelines on the Use of Consultants. The choice of the contracting method and associated particulars will depend on the complexity and nature of the specific Call-off Contract. The NEC model contract for framework agreements (NEC FM) and the NEC Professional Service Contract (NEC PSC) will be used for the contracting all of consultancy services supported by AP3F.

Flow Chart 6.1 - Framework Contracting Process



V. MONITORING AND EVALUATION OF CONSULTANTS' "CALL-OFF" CONTRACTS

13. The Facility Manager and the relevant Regional Department will monitor performance of the Framework Consultants in accordance with the ADB policy requirements and practices. At Inception stage, the successful consultant will prepare and agree on a risk matrix which will be updated as and when needed. Inability to manage risks in relation to the Call-off assignment may constitute ground for pre-termination of the Call-off Contract.

14. The Facility Manager will evaluate the performance of the consultants at the end of each Call-off assignment in close consultation with the relevant Regional Department and the beneficiary of the services supported by AP3F. In the event of and before a decision on final "unsatisfactory" performance rating is taken, the consultant will be notified of the grounds for the rating followed by an appropriate debriefing.