

OVERVIEW OF THE ADB ASSISTANCE TO PALAU FOR A FACILITY FOR ECONOMIC AND INFRASTRUCTURE MANAGEMENT (FEIM)

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Scope of the project

The Republic of Palau and the Asian Development Bank are supporting a project to provide a Facility for Economic and Infrastructure Management (FEIM). The ADB has contracted Polytechnics International New Zealand (PINZ) to provide a team of international and national consultants for the FEIM project. The team will provide assessments and advice and undertake consultation as directed by a Project Steering Committee (PSC) on a range of policy, planning, economic development, social, environmental and infrastructure issues.

The purpose of the FEIM project is to help the Government to improve policies, institutions and implementation capacity in order to make better progress in implementing existing national development policies and plans and to suggest options for improved policies and planning. The PINZ team and government counterparts recognise that the success of the project will depend on ensuring that there is strong Palauan involvement in and ownership of recommendations that are made as part of the FEIM project and also that recommendations build on existing policies and plans where considerable work has been done to date.

Management of the project

To help ensure a successful outcome, the project team will be guided by the PSC in terms of establishing priorities and acceptable policy and institutional changes and the form and extent of consultation that will take place with stakeholders and the community.

The PSC was established by a recent Presidential Directive (No. 07-003). It will include representatives of the Ministry of Finance, the Ministry of Resources and Development, the Ministry of Health, and the Ministry of Education as well as representatives of the Governors association, the Chamber of Commerce and the Alliance of Non-State Actors and one additional member appointed by the President.

The PSC will be responsible for supervising the FEIM project including the consultative and communication process for the work of the PINZ team.

The PINZ team

The PINZ team comprises: a team leader and macroeconomist; an infrastructure specialist; a privatization and public enterprise specialist; an environmental specialist; a social sector specialist; a tourism specialist; an agriculture specialist; an aquaculture and fisheries specialist; a National Advisor on communication and Palauan issues; and a National Coordinator to assist with research, communications and logistics. There are a total of 21 months of international consultants time and 22 months of national consultant inputs and an additional 5 months of unallocated time to be spread over the project from September 2007 to July 2009. Additional inputs will be provided by Government counterpart staff and the PSC.

Timing and key activities

The project commenced in the last week of September 2007 with the National Advisor for the team establishing initial arrangements for an office facility and government support for the team as well as organising initial meetings. The Agriculture and Aquaculture and Fisheries Specialists prepared reports on their sectors in October and early November and these will soon be presented to the PSC. The team leader, infrastructure specialist, privatization specialist and environmental specialist also began their work in October and early November.

The major effort for the first six months of the project is to prepare various papers and recommendations to ensure that achievable improvements are made in policies and planning frameworks, including infrastructure needs and sector policies, so that these can be endorsed by the second quarter of 2008.

Other activities will relate to advice on economic policy and institutional changes in support of improved policies, frameworks and plans by the 3rd quarter of 2008 and measures to increase revenue, infrastructure development, maintenance, environmental management, action plans, community responsibility and accountability over the next 2 years.

It is recognized that much work has been done in the past on plans and policies across all sectors of the economy but that there is a compelling need for better implementation. The focus of the FEIM project will be on suggesting clear actions for making better progress with national development while preserving environmental and cultural values.