

DEPARTMENT OF
TRANSPORTATION,
COMMUNICATION AND
INFRASTRUCTURE



FSM 2021 Infrastructure Development Programme



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Outline of Presentation

1. Infrastructure Development Program
2. Main Sources of Funding for Infrastructure Projects
3. How we do our Procurement/Contracting
4. Project Listing for FY 2021 – FY 2023
5. Details of Upcoming Projects for 2021/2022



Infrastructure Development Plan (IDP) 2016 – 2025 - \$1 billion Investment

National IDP Projects

- Development Projects: \$118.74 million for 35 Projects
- Infrastructure maintenance - \$1.16 million in funding

Chuuk State IDP Projects

- Development Projects: \$283.71 million for 36 Projects
- Infrastructure Maintenance: \$40.62 million

Kosrae State IDP Projects

- Development Projects: \$162.7 million for 34 Projects
- Infrastructure Maintenance: \$12.56 million

Pohnpei State IDP Projects:

- Development Projects: \$253.79 million for 58 Projects
- Infrastructure Maintenance: \$25.47 million

Yap State IDP Projects

- Development Projects: \$162.44 million for 54 Projects
- Infrastructure Maintenance: \$16.35 million



Major Development Partners

1. US Government under the **Compact Agreement** (current level of funding for infrastructure until FY 23 - **\$281 million**)
2. US Federal Agencies (mainly FAA for airport infrastructure projects)
3. Asian Development Bank (new projects - \$44 m)
4. World Bank (current infra portfolio is over US\$140 million)
5. UN Agencies/EU/Japan/Others



Institutional Arrangements For Procurement in the FSM

Rules and Procedures for **Procurement** depend on the source of funding but are broadly similar

- **Fiscal Procedures Agreement** under the Compact with the United States of America
- **World Bank/Asian Development Bank Procurement Guidelines** for Projects funded by the development banks (available on the Bank's websites)
- **FSM Financial Management Regulations** for Projects funded by local revenue
- FSM is also a signatory to the **UN Convention against Corruption** which has specific procurement procedures to combat corruption
- **Note that requirements for Bonding differ depending on the Source of Funding and can range from 0 up to 100% performance +100% Payment**



Institutional Arrangements For Procurement in the FSM - 2

Procurement is undertaken by the Agency/Unit Responsible for the Management of the Project With Oversight Provided by the FSM/State Departments of Finance and Justice and the Funding Agency

- **Program Management Unit (PMU)** in the Department of Transportation, Communications and Infrastructure of the National Government – National Projects/World Bank/ADB Infrastructure Projects
- **Project Management Offices (PMOs)** in each of the 4 States for US Compact Funded infrastructure projects
- **Project Implementation Unit** in the Department of Resources and Development for Energy Projects
- **Other Government Agencies** such as Utility Corporations (CPUC for ADB Water Project) and Government Departments
- **Infrastructure Division for DTC&I** for Projects funded by FSM Congress



SOLICITATION METHODS

- Invitation to Bid (ITB) for Construction Services and/or supply of goods/equipment
- Requests for Expressions of Interest
- Requests for Qualifications
- Requests for Proposals

These are published on the National Government Website (www.tci.gov.fm), Local Newspapers/Notice Boards, State Government websites, United Nations Development Business (for WB and ADB Projects), published in regional newspapers, and sent directly to firms in the PMU/PMO **database of interested Contractors**



Overview of Infrastructure Construction Program 2021-2023

- The period from 2021 – 2023 will see a major program of Infrastructure Investment in the FSM
- Project Pipeline exceeds \$400 million
- Key Sectors will be schools, health care facilities, water and wastewater, runway rehabilitation, roads, and seaport improvements
- More than 80% of the funding is already in place
- Projects being progressively rolled out. Contractors already selected for about \$40 million worth of projects, comprising:
 - Electrical Vaults in Kosrae and Yap (FAA)
 - New Students Center and Technical and Vocational Center for College of Micronesia (Compact); and
 - Kosrae State Hospital Project (Compact)



Synopsis of Upcoming Procurement Opportunities over the Next 12-18 Months – Yap State

Project Description	Budget Range in \$'million	Source of Funding	Status
Rehabilitation of Airport Runway in Yap	25-35	FAA and FSM Congress	Ready for Bidding
Replacement of Water Treatment Plant in Yap (Design-Build)	2.5 - 6	Compact	RFP to be launched in June/July
Replacement of Wastewater treatment Plant in Yap (Design-Build)	2.5 - 6	Compact	RFP to be launched in June/July
Replacement of 2 Bridges	1-3	World Bank	Design Consultant being procured (ITB expected in mid-2022)
Improvement of 3 Schools	15-30	Compact	Designs being prepared. ITB/RFP expected in late 2021



Synopsis of Upcoming Procurement Opportunities over the Next 12-18 Months – Pohnpei State

Project Description	Budget Range in \$'milions	Source of Funding	Status
Kinakapw to Lehn Diadi Waterline (Design-Build)	7-12	Compact	RFP ready
Construction of Pohnpei Primary Healthcare Facility	5-10	Compact	Bidding Documents being Finalized
PICS Campus Improvements	10-20	Compact	Bidding Documents being finalized
PICS Library/Classroom Improvements	3-5	Compact	Bidding Documents being finalized
New Teaching Clinic at College of Micronesia (Design-Build)	3-5	Compact	RFP ready
Replacement of Awak Bridge	1-3	World Bank	Design Consultant being procured (ITB in Mid -2022)



Synopsis of Upcoming Procurement Opportunities over the Next 12-18 Months – Kosrae State

Project Description	Budget Range in \$'milions	Source of Funding	Status
Re-paving of the Airport Runway	15-25	FAA	Design Consultant being procured
Improvements to Malem Elementary School	2-5	Compact	Design Consultant being procured
Improvements to Lelu Causeway	1-3	World Bank	Design Consultant being procured



Synopsis of Upcoming Procurement Opportunities over the Next 12-18 Months – Chuuk State

Project Description	Budget Range in \$'million	Source of Funding	Status
Construction of 5 Dispensaries	2-5	Compact	Bidding Documents being prepared
Construction of 3 Schools	5-15	Compact	Designs being prepared
Extension of Weno Road Pavement	2 - 6	World Bank	Design Consultant being procured
Construction of 3 Schools and 2 Dispensaries	5-15	Compact	Site Investigations in progress
Construction of New Hospital	30-70	Compact	Scoping and Design expected to start in mid-2021
Expansion of Weno Island Water and Wastewater System (Implemented by CPUC)	8-12	ADB	Grant approved. Construction works expected to be bid out in 2022/2023



Thank You

