

**Substantive Project and Budget Revision**  
**Saudi Arabia**

Project Title: **Sustainable Road and Transport Management**  
Project ID: SAU10/79238  
Expected CP Outcomes: Sustainable Development Mainstreamed Across the Economy  
Expected output(s): Achieving better expansion of roads network  
Implementing Partner: Ministry of Transport (MOT), Kingdom of Saudi Arabia

**Substantive Revision Justification**

The purpose of this revision is to provide support to new initiatives implemented by MOT under National Transformation Program 2020 and Kingdom Vision 2030. This revision intends to substantive address newly embraced Government's objectives of Improve efficiency of Transportation Infrastructure. In order to achieve this objective, the Project is hereby extended for two additional years until 31 December 2020 with increase in budget with a total amount of USD\$1,275,000.00

Programme Period:	<u>2017-2021</u>	Total resources required	<b>US\$ 2,965,104</b>
Key Result Area (Strategic Plan)	_____	Previous budget	<b>US\$ 1,690,104</b>
Start date:	<u>01/01/2019</u>	Revised budget	_____
End Date	<u>31/12/2020</u>	• Regular	_____
PAC Meeting Date	<u>02/01/2019</u>	• Other:	_____
Management Arrangements	<u>NIM</u>	○ Donor	_____
		○ Government	<b>US\$1,275,000</b>
		Unfunded budget:	_____
		In-kind Contributions	_____

**Agreed by the Government (Ministry of Transport)**

**H.E. Eng. Abdullah Bin Suliman Alsuliman**

Deputy Minister for Roads Implementation  
National Project Coordinator

 Date: 7-1-2019

**Agreed by (UNDP)**

**Mr. Firas Faleh Gharaibeh**

UNDP Resident Representative a.i

 Date: 6 Jan 2019



## Background

The National Transformation Program (NTP) launched in June 2016 was developed to help fulfil Kingdom Vision 2030 by identifying the challenges faced by government entities and establishing targets and initiatives to overcome those challenges. For the Ministry of Transport, 9 strategic objectives, (16) initiatives and (15) targets along with their Key Performance Indicators for 2020 have been defined with a main focus on developing an integrated strategy for transport sector and its governance structure, improving the legislative environment for the transportation sector, improving transport safety and efficiency, and increasing the private sector participation in financing and operating transportation projects to contribute to improving the effectiveness and efficiency of government spending as well as to increasing the self-funding of the Ministry of Transport.

The operating model of the NTP foresees that initiatives will be reviewed and evaluated and their adequacy and performance will be measured regularly throughout the duration of the program. The decree no. 362 of the Council of Ministers dated 6 June 2016(G) / 1 Ramadan 1437(H) instructed the Ministries and other government agencies to implement their initiatives set forth in the NTP 2020 and to raise to the Council for Economic and Development Affairs (CEDA) any difficulties or obstacles that might hamper their development. The NTP mechanism therefore includes the following phases:

- Development of detailed plans and timeframes for the implementation of each initiative and the identification of human, financial and legislative requirements.
- Publication of targets and outcomes with regular reports provided to the National Center for Performance Management ("Aadaa").
- Periodic audits, monitoring and follow-up to ensure the continuous improvement and progress toward initiatives' targets and the strategic objectives of the NTP.

Against this backdrop, the Ministry of Transport underwent restructuring process in August 2016 to be better aligned with the requirements of the implementation of the Vision 2030 and the NTP 2020 initiatives.

The tasks related to both the NTP 2020 and National Transportation Strategy (NTS) initiatives require a high level of coordination among MOT departments and with other government agencies and demand additional specialized knowledge to support the Strategic Planning Department and other concerned MOT entities. Due to the new context of the Vision 2030 and the current need for MOT to focus on the implementation of the NTP 2020 initiatives and a general delay with the implementation of actions from NTS, the activities as planned in the last UNDP Project Revision had to be adapted in 2017. In order to properly finalize the project in this new context, the duration needs to be extended beyond the planned one.

Under SAU10/79238 Project, the focus is on **Goal (9)** of the Sustainable Development Goals (**Industry, Innovation and Infrastructure**) which have an effect on all other SDGs.

The Investment in infrastructure and innovation are critical drivers of economic growth and development while the Ministry of Transport is so keen to improve efficiency of transportation infrastructure. This comes within the framework of National Transformation Program to achieve the Vision of the Kingdom 2030 with full coordination and integration between the transport sector and other related sectors.

By achieving the NTP 2020, set targets and Kingdom Vision 2030 strategic objectives will lead to achievement the Sustainable Development Goals. Below table highlights linkages to SDSGs achievement:

Strategic Objective No.	NTP 2020	Relevant Kingdom Vision 2030 Objectives
1	Minimize the rate of transportation accidents <sup>3</sup>	Enhance the livability of Saudi cities
2	Improve the legislative environment of the transportation sector	Improve performance, productivity and flexibility of public authorities.
3	Improve efficiency of transportation infrastructure	Establish a unique logistic platform across three continents.
4	Increase usage of public transportation	<ul style="list-style-type: none"> <li>✓ Enhance the livability of Saudi cities</li> <li>✓ Safeguard the environment and natural resources</li> </ul>
5	Increase reliance on Self-Funding.	Achieve budgetary balance
6	Increase percentage of private sector participation in financing and operating transportation projects	<ul style="list-style-type: none"> <li>✓ Expand privatization of governmental services,</li> <li>✓ Achieve budgetary balance,</li> <li>✓ Create an attractive environment for both local and international investors and</li> <li>✓ enhance their confidence in our economy,</li> <li>✓ Establish a unique logistic platform across three continents.</li> </ul>

All above objectives and others shall lead to Sustainable Development meeting the SDGs reinforcing the Kingdom's position as a unique logistics platform between the three continents.

## Amendments

### Improve efficiency of Transportation Infrastructure:

The achievement of the above NTP 2020 Objective is the main purpose of this revision to identify the tasks recently introduced within the project scope, select the appropriate qualified experts. This phase requires the recruitment of short-term experts to render technical assistance to MOT, especially in matters related to the road network in the Kingdom, and as well to contribute to solving the problems facing the Ministry's Departments and Divisions in providing technical advice on alternative technical maintenance solutions, lack of awareness of the traffic safety measures on roads etc. Evidently, these Departments are in charge of the construction, maintenance and management of roads. MOT believes that the priority at this stage for the Deputyship of Projects and Road Departments is specifically to improve efficiency of Transportation Infrastructure. Hence, it is assumed that the experts to be recruited to carry out the set assignments shall be well informed and experienced in engineering and technical aspects associated with road industry. UNDP technical assistance which would henceforth be rendered to MOT under the current project shall primarily focus on responding to the immediate expansion and sustainability needs of the Kingdom's road network to improve its performance and enhance its longevity.

### Contract Duration

The contract duration of the short-term experts shall range from 12- 24 months according to the nature of each individual assignment.





EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)		DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2019	Year 2020	
<b>Output 3:</b> Advisory Services to MOT provided.	3.1 Technical Procedures and Strategies of the Maintenance Department developed.	MOT strategic documents	0	2018	2	2	MOT Data system  Risks: Lack of MoT capacity and data collection personnel, lack of cooperation with external agencies.
	3.2 Percentage completion Dashboard for the Kingdom Transportation System.		60%	2017	20%	20%	
	3.3 MOT Strategies (Axial roads, National PMO and Separation of the Ministry's projects and municipal projects) implemented		0	2018	2	2	
	3.4 National Roads Safety Advertising.						



## Multi-Year Work Plan

Year: 2019/2020

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME								RESPONSIBLE PARTY	ESTIMATED BUDGET	
		2019				2020					Funding Source	Amount
		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q3	Q 4			
<b>OUTPUT (1):</b> Scientific Models for Expansion the Roads Network developed	1.1 Strategic Planning Evaluation Activities.									MOT	GCS	579,182
	1.2 Defining Road Works and Project Alternatives.											
	1.3 Performing Budget Constraints Optimization.											
	1.4 Delivering Sustainable Roads Network Expansion Scientific Models.											
<b>Sub-Total for Output (1)</b>											<b>1,185,000</b>	
<b>OUTPUT (2):</b> Crisis and Emergency Road Maintenance Plan & Strategy.	2.1 Crisis/Emergency planning and management plan and support materials inc. awareness and training programme.									MOT	GCS	50,000
	2.2 Risk Registers and a system to manage them											
	2.3 Design and establishment of MOT's Crisis/Emergency management and response center.											
<b>Sub-Total for Output 2</b>											<b>50,000</b>	



EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME								RESPONSIBLE PARTY	ESTIMATED BUDGET			
		2019				2020					Funding Source	Amount		
		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q3	Q 4					
<b>Output 3:</b> Advisory Services to MOT	3.1 Road Maintenance Technical Advisory Services.									MOT	GCS	1,516,125		
	3.2 Support for the development of Transport Data, Statistics and Analysis unit and system at MOT.													
	3.2.1 Roads Implementation Technical Advisory Services.													
	3.3 Strategic Planning Advisory Services. 3.2.1 Advertising Advisory services.													
<b>Sub-Total for Output 3</b>												1,516,125		
<b>Audit Fees</b>											UNDP	GCS	Audit	20,000
<b>General Management Support (3%)</b>													F&A	83,134
<b>Direct Project Cost (DPC) (4%)</b>													DPC	110,845
<b>TOTAL</b>													2,965,104	





**Annex (2) – Terms of References (TOR):**

- (1) Output (1): UNDP may provide experts to achieve this output based on detailed Terms of Reference provided by MOT.
- (2) Output (2): MOT may request more budget for output (2) above based on a comprehensive TOR to be provided to UNDP to hire the right experts accordingly.
- (3) Output (3): UNDP may provide the MOT with all required individual based on the provided TOR by MOT.

**Output (3) Terms of References includes but not limited to the following:**

**(1) Tasks of Technical Advisor in the Field of Asphalt Paving Technology:**

**Duties and Responsibilities**

- Adoption and application of advanced engineering techniques for longer service life of roads.
- Re-study of the properties and specifications of asphalt pavements and the quality of mixing plants to be used for each dual or single highway and draft recommendations.
- Inventory and description of different types of mixtures, and identification of the types that would match the environmental and climatic conditions in each region of the Kingdom of Saudi Arabia.
- Conduct research and technical investigations to identify the nature and causes of obstacles hampering the provision of asphalt bitumen from the appropriate source and suggest solutions.
- Consider the possibility of implementing Aramco's proposal on the necessity of studying the components and characteristics of asphalt pavements and finding appropriate alternatives.
- Investigate and study the nature and properties of material sources for each individual region.

**Academic Qualifications and Experience:**

**Education:**

- Advanced university degree (Master's degree or equivalent) in civil engineering

**Experience:**

- Have at least (15) years of progressive professional experience relevant to material with a strong focus on pavement materials and designs and having a good understanding of public administration at ministerial levels;
- Certified in AASHTO pavement design and analysis.
- Experience in the work environment of a national road transport administration or an international organization, and work experience in Saudi Arabia would be of additional advantage.

## (2) Tasks of Contract Project Management Engineer:

### Duties and Responsibilities

- Supporting Maintenance Department in supervise the implementation of road projects and ensure the proper construction of roads, bridges and other related structures.
- Adherence, adoption and application of the highest international standards in all construction and maintenance works.
- Close cooperation and coordination with all parties involved in implementing road projects, especially the engineering and management staff.
- Address with high professionalism all technical and administrative problems and obstacles facing road projects in the Kingdom in collaboration with other stakeholders to develop the appropriate solutions.

### Academic Qualifications and Experience:

- BSc or MSc in Civil Engineering or contract management of road projects.
- Professional experience in supervising the implementation of road projects for at least seven (7) years.

## (3) Tasks of Programming Specialist

### Duties and Responsibilities

- Provide research and development into management's deliverable enhancements and report it to the Deputy Minister of Roads.
- Create special programming (Dashboard) related projects management as requested by Deputy Minister of Roads.
- Develop a training curriculum based on a diverse set of competencies and learning needs.
- Develop training schedules and manage complex logistics.
- Planning, organization and problem solving.
- Facilitating workshops and/or meeting as requested by Deputy Minister of Roads.
- Work with M.O.T Departments Managers to meet current and future Management methodology requirements and strategies.

### Academic Qualifications and Experience:

- Bachelor/Master degree or equivalent.
- The subscriber shall have at least 15 years of progressive professional experience relevant to the work area.

**(4) Tasks of Strategic Planning Advisor:**

- Work with M.O.T Departments Managers to meet current and future requirements and strategies.
- Overseeing the daily performance, managing the performance of direct reporting staff and stimulating the collaborative production of targeted outcomes.
- Conduct preliminary assessment of the viability for PPP implementation of projects identified for PPP by the Project Evaluation Team
- Lead and manage the execution of privatization/PPP deals by securing the necessary internal approvals (e.g., Supervisory Committee, NCP) and implementing the bid process. The Directorate will include representatives from the transportation modes into each project team.
- Assess and review most appropriate funding model for capital projects that have been identified for PPP/Privatization
- Work with Asset Company/Agency project team in preparing PPP project for approval of Supervisory Committee
- Identify most appropriate operating model and financial structure for the asset, in collaboration with regulator and Asset Company/Agency
- Form PPP project team (from Directorate and transportation modes) to lead and manage the actual conduct of bidding (i.e. pre-qualification processes, evaluation of bids, contract review, etc)
- Identifies/provides solutions to the Asset Company/Agency PPP team for various financial, legal and contractual issues related to project development, approvals and implementation
- Review and finalization of draft contracts and other bidding documents (e.g., RFQ, RFP)
- Negotiate, appoint and manage consultants to execute privatization projects (e.g., consulting, technical, and legal).

**Academic Qualifications and Experience:**

- Master degree in any engineering specialization and/or project management.
- The subscriber shall have at least (20) years of progressive professional experience relevant to the work area.

**Annex (3) - Schedule of Payments:**

Date	Amount	Contributor
To be paid in January 2019	\$1,275,000	Kingdom of Saudi Arabia
Total	\$1,275,000	

H.E. Eng. Abdullah Bin Suliman Alsuliman

Deputy Minister for Project Implementation  
National Project Coordinator