

**Dissemination Workshop – 27 March 2014**  
**Ministry of Planning and Investment**

**Frequently Asked Questions**

Question	Answer
Is there a PPSSF financing limit for each project?	No – There is no cost limit to the propose subproject as long as it is eligible under PPSSF financing.
Is PO approval a condition for application for PPSSF financing to be submitted?	No. Application for can be submitted any time once it is included in the ADB pipeline. Applications must be attached by a cover letter signed by the line agency (ministry/people’s committee).  <b>DO NOT</b> list the activities to be financed by PPSSF in section 7 on Advance Actions of the PO. Activities financed by PPSSF are stand-alone activities.
Can projects under the Ministry of Labor, Invalids and Social Affairs be eligible under PPSSF financing?	Yes, as long as (i) these projects are ADB funded and (ii) the proposed PPSSF subprojects are scheduled to be completed before 31 December 2019.
In case of urban projects which include several provinces:  1. Should a single application covering all project provinces be submitted, alternatively should there be several application forms, one for each province.  2. Has a capacity building component to be included in the proposed subproject?  3. Can taxes be financed through PPSSF funds?	Each province should submit one application.  No. PPSSF consultant team will (i) provide assistance to PMUs in preparing the application form, recruiting consultants according to ADB guidelines, and (ii) deliver training courses to EAs. and PMUs on procurement, project implementation and financial management.  No – Government taxes and duties cannot be financed through PPSSF funds. Taxes and duties are to be financed by Government counterpart funds.
Is there any relationship between PPTA funds and PPSSF	An EA which is provided a PPTA to prepare for the investment project is still eligible for PPSSF financing to prepare and start-up that project on condition that there is no duplication of activities financed by these two sources.
Are preparation activities required by the Government for proposed ADB-financed infrastructure projects eligible under the PPSSF?	Yes – Any preparation activities (like POs) required for the processing and approval of proposed projects under ADB financing are eligible under the PPSSF
What kind of subprojects would be eligible for	As a general rule the PPSSF funds should be

PPSSF grant?	provided to the EA on a grant basis. However, for revenues-generating investment projects, the Government may decide to lend the required PPSSF funds to the EA. ADB's position is that PPSSF funds should be all on-grants to all subprojects including revenue-generating investment subprojects.
What would be the disbursement procedures?	<p>Disbursement procedures will be further discussed upon acceptance of subproject under PPSSF financing. Three disbursement options can be envisaged:</p> <ol style="list-style-type: none"> <li>1. Direct payment: invoices from consultants and suppliers directly paid by ADB through Withdrawal Applications to be prepared by the relevant EA/PMU;</li> <li>2. Consultants and suppliers' invoices paid from the PPSSF imprest account maintained by MPI/PCU upon submission of a withdrawal application by the relevant EA/PMU;</li> <li>3. Consultants and suppliers' invoices paid through a subproject account to be maintained by the relevant EA/PMU, funds being provided from MPI/PCU imprest account.</li> </ol>
Can preparation of terms of reference be financed through PPSSF?	Yes – Any activity, including preparation of terms of reference, required to prepare an ADB investment project listed in the ADB project pipeline is eligible under PPSSF.
What is the basis for preparation of cost estimates to be included in the Application?	Line agencies need to discuss and agree with the ADB Project Team Leader of the investment loan the cost estimates. Same for the procurement plan which is to be attached to the Application.
When should EA discuss with the ADB Project Team Leader of the investment loan about the possibility of using PPSSF funds?	EA needs to discuss with the ADB Project Team Leader as soon as their project is included in the ADB pipeline.