

PUBLIC

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

GUYANA

**INSTITUTIONAL STRENGTHENING OF THE PROJECT PREPARATION UNIT OF
ENVIRONMENTAL PROTECTION AGENCY (EPA)**

(TC9508352)

PLAN OF OPERATIONS

DECEMBER 1995

GUYANA
MEMORANDUM PLAN OF OPERATIONS
INSTITUTIONAL STRENGTHENING OF THE PROJECT PREPARATION UNIT OF EPA

(TC-95-08-35)

EXECUTIVE SUMMARY

REQUESTER: Government of Guyana

EXECUTING AGENCY: Office of the President, Advisor on Environment, Science and Technology

BENEFICIARIES: In general, the people of Guyana will benefit from stronger institutional structures designed to improve the environmental quality of programs and projects implemented in the Guyana.

FINANCING: IDB. Non-reimbursable. Swiss Fund for TC & Small Projects
(equiv. US\$130,435): CHF150,000 (SD)

TERMS: Execution period: 1 years
Disbursement period: 1.5 years

ENVIRONMENTAL CLASSIFICATION: This document has passed the review process required from SDS/ENV and the Environmental Management Committee; no objections were registered within the specified five day period ending on December 19, 1995.

OBJECTIVES: The current operation aims at supporting Government's efforts to establish an adequate Project Preparation Unit (PPU), charged with responsibility for successfully bringing the EPA project proposal to the consideration of the Bank.

DESCRIPTION: Funding is requested to: complete and strengthen the PPU staff with the addition of one senior environmental officer and one financial controller; contract two expert consultants; acquire basic office equipment and furniture; and perform office repairs.

BENEFITS: Benefits from this operation are associated to the overall objective of contributing to the establishment of the Environmental Protection Agency, and therefore to improving the ability of the Government of Guyana to improve the environmental quality of its projects and operations.

RISKS:

The EPA project holds significant support due to its crucial role in ensuring better environmental conditions for the country. However, the PPU and the future EPA face risks common to the whole public sector in Guyana, namely: lack of trained personnel, unattractive government salaries, as well as complex and often cumbersome institutional arrangements. This operation aims at reducing some of these risks precisely by identifying and employing candidates for future positions in EPA early on in the project inception process. Salaries covered in this operation are expected to attract good candidates, and those performing well are expected to continue on with EPA; the latter would enjoy out-of-civil-service salary conditions.

**THE BANK'S
COUNTRY STRATEGY:**

The Bank is involved in several operations with environmental implications; all of them would benefit from the establishment of the EPA and the prevention of undesirable environmental impacts of the Bank's and other operations.

SIGNING OFFICER:

Helena Landázuri. Ext. 1872

I. FRAMEWORK

- 1.1 Guyana covers an area of 215,083 km². The climate is tropical, with two wet and two dry seasons. The coast line is about 270 miles and a maximum north-south depth of approximately 540 miles. This narrow Atlantic coastal plain extends up to 16 km inland and includes much agricultural land protected by a network of sea walls and drainage canals. The area lies now below sea level and over 5,000 km² (500,000 ha) are cultivated mainly with rice and sugar cane. Soils in the coastal area are the most fertile from the coastal alluvium; elsewhere, the soil is generally poor and the topography and rainfall patterns adverse to agriculture.
- 1.2 Some 168,000 km² (78% of the territory) retain a tropical high forest cover; these forests are relatively well preserved fundamentally due to the very limited reach of the road network. Native wildlife is varied and abundant and includes many endemic species. Mangroves occupy about 804 km²; in contrast with the high forests, these are readily accessible and therefore threatened by bark and fuelwood gatherers; those activities have caused erosion of the shoreline (and consequently destruction of sea defenses) and loss of marine habitat and shore wildlife and fish.
- 1.3 Water resources are abundant, both in surface and sub-surface. The five main rivers (Essequibo, Demerara, Berbice, Mazaruni and Cuyuni) flow from the south into the Atlantic; their southerly upland reaches have numerous rapids and waterfalls; they are navigable in their lower courses.
- 1.4 The main economic activities are mining, agriculture and forestry, as well as small and medium scale manufacture industries. All of these are located mainly in the coastal areas, except for the forestry concessions, river mining and mining concessions, more or less distributed all over the territory. Bauxite and alumina, sugar, rice, and timber wood products are Guyana's traditional commodities; timber and wood products are the smallest by a wide margin. All these extractive activities exert pressure over Guyana's natural endowment, particularly given the absence of environmental guidelines and controls.
- 1.5 Current institutional structure to cope with the growing environmental problems are insufficient and lack adequate guidance and coordination. Treatment of environmental and natural resource management issues is still sectorialized and does not benefit from adequate analysis of potential environmental impacts, constraints or opportunities. There is duplication of efforts in what little is being done to improve the environmental quality of development projects and government investment.
- 1.6 Specifically, Guyana lacks a number of functions that characterize of a solid environmental management system. Among them are: (i) development of standards, regulations, and guidelines for sound environmental practice; (ii) environmental review, mitigation

planning, and approval process for new projects (EIA); (iii) environmental audit and remediation planning for existing projects/facilities (particularly: audit of projects exploiting renewable resources, and development of planning to ensure resource use is sustainable); (iv) emission permitting for new and existing projects; (v) environmental compliance monitoring and enforcement; (vi) baseline information development and management (including planning and administration of special projects); (vii) national-level land and natural resource use planning (including biodiversity and protected area planning and management); (viii) training, education, public awareness raising.

- 1.7 In view of these deficiencies, the Government has requested funding from IDB World Bank to prepare the technical and legal basis to establish an Environmental Protection Agency (EPA). It is expected that the EPA will be given direct responsibility in most of the areas mentioned above, while it will be assigned a coordinating function towards the rest (such would be the case of monitoring compliance with environmental safeguards, natural resource use planning, and environmental education). EPA's works will focus in sectors identified as priority during project preparation, namely: (i) mining; (ii) forestry; (iii) wildlife commerce; (iv) industry (manufacturing and processing); (v) urban and municipal infrastructure (including sewage and municipal waste management); (vi) rural infrastructure (especially roads); (vii) agriculture; and (viii) energy.

II. THE PROPOSED OPERATION

A. Objective

- 2.1 The current operation aims at supporting Government's efforts to establish an adequate Project Preparation Unit (PPU), charged with responsibility for successfully bringing the EPA project proposal (see parr. 1.7 above) to the consideration of the Bank. The PPU would continue to operate during the first period of the EPA project execution, ensuring adequate transfer of all technical and administrative functions to the new organization.

B. Description

- 2.2 The GOG established the PPU at the Office of the President, under the responsibility of the President's Advisor on Environment, Science and Technology. The GOG has initiated the implementation of the PPU with its own resources and with funding from the United Nations Development Program (UNDP). Available funding covers the salary of the Head of the Unit, two assistants, some office material and operation costs.
- 2.3 The GOG has requested funding to complete and strengthen the PPU staff with the addition of one senior environmental officer, and

one financial controller. These two senior personnel would have crucial functions; the first in the identification and development of priority environmental areas for EPA involvement, and the second in the establishment of all administrative, accounting and financial procedures for execution of IDB and World Bank funding (See Terms of Reference in Annex II). Contracts under this operation would cover a 12 month period. It is expected that, depending on their performance, these officers would become part of the permanent staff of EPA when it starts operations.

- 2.4 Additionally, funds would be used to contract two short-term consultants, to support the PPU in the analysis of priority actions that EPA would need to take in order to counter possible undesirable environmental impacts of undergoing natural resource policy development. Special attention would be given to the forestry and mining sectors, where EPA would coordinate its work with the Guyana Forestry Commission (GFC) and the Guyana Geology and Mines Commission (GGMC). A total of 40 international consultant/days are thought necessary. (See Terms of Reference in Annex II).
- 2.5 Funds requested would further cover the costs of most needed repairs to the PPU's office (physically located in one wing of the Institute of Applied Science and Technology, also dependent of the President's Office). Repairs would include modifications to the offices, provision of accommodation for professional staff, repairs to doors, windows and roof, electrical installations and minor plumbing repairs, as well as the painting of the interior and exterior walls.
- 2.6 Finally, this operation would allow the GOG to acquire minimum equipment for the PPU, specifically: (i) one PC, 486 or equivalent; (ii) one laserjet printer; and (iii) one photocopy machine.

C. Execution

- 2.7 Once the operation is approved, the Bank would sign a contract with the Ministry of Finances and the PPU on behalf of the Government of Guyana. The responsibility for the execution of the operation would rest in the PPU, under the supervision of the President's Advisor on Environment, Science and Technology, and the IDB's country office in Guyana. All contracts with the consultants to be hired would be signed and administered by the PPU; the PPU will follow the policies and procedures of the Bank in the acquisition of all goods and services with the funds provided by the Bank. A "special account" would be opened under the PPU's manager signature, with a second signature from the President's Advisor on Environment, Science and Technology, to manage the funds derived from this operation.

D. Cost and Financing

- 2.8 The total cost of the operation is estimated at CHF150,000 (approximately the equivalent to approximately US\$130,000, exchange rate US\$ 1: 1.15 CHF), according to the detail presented below:

Items	Unit	Cost/ Unit	# Units	Sub- total	Total eq. US\$	Total CHF
<u>5.1. COORDINATING UNIT STAFF</u>					\$45.600	52.440
1. Senior technical advisor	Person/mo.	\$2.000	12	\$24.000		
2. Finance controller	Person/mo.	\$1.800	12	\$21.600		
<u>5.1. SHORT-TERM CONSULTANTS</u>					\$54.440	62.606
1. "Green" environment	Person/wk.	\$2.000	8	\$16.000		
2. "Brown" environment	Person/wk.	\$2.000	8	\$16.000		
3. Travel and per diem				\$22.440		
a. International travel	Tickets	\$1.500	6	\$9.000		
b. Per diem	Local	\$120	112	\$13.440		
<u>6.3. EQUIPMENT</u>					\$10.500	12.075
1. PC (486 or equivalent)	Items	\$3.000	1	\$3.000		
2. Printer	Items	\$2.500	1	\$2.500		
3. Photocopy machine	Items	\$5.000	1	\$5.000		
<u>6.2. OFFICE SPACE AND FURNITURE</u>					\$19.895	22.879
1. Office space repairs	Contract.	\$15.000	1	\$15.000		
2. Office furniture	Dir.acq.	\$4.895	1	\$4.895		
TOTAL					\$130.435	150.000

III. EXECUTION AND DISBURSEMENT PERIODS

- 3.1 The project would be implemented and disbursed over a 18 month period from the date of the signature of the agreement or contract between the Bank and the Government of Guyana. Upon signature of the contract, the Bank will disburse 40% of the amount.

IV. SOURCE OF FUNDING

- 4.1 The proposed operation would be financed from resources of the Swiss Fund for Technical Cooperation and Small Projects.

V. REPORTS AND EVALUATIONS

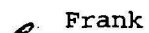
- 5.1 The GOG, through the PPU would submit semester reports during the execution period, and a final report with an executive summary . When the final report has received Bank approval, the last 10% of the resources will be disbursed.
- 5.2 The PPU would also present an audited certification, by an auditor acceptable to the Bank, of all expenses and investments incurred with the resources of the Bank's contribution.
- 5.3 Within three months of the end of the execution period, an evaluation would be conducted by an independent consultant to be hired by the Bank.

VI. SUPERVISION AND BASIC RESPONSIBILITY

- 6.1 The basic responsibility for the execution of the operation would rest on the Country Office in Guyana (RE3/COF/CGY).

VII. RECOMMENDATION

- 7.1 It is recommended that the Manager of RE3 authorizes the approval of CHF150,000, from the Swiss Fund for Technical Cooperation and Small Projects to finance the project proposed in this Memorandum - Plan of Operations.

 Frank Vukmanic, Chief RE3/OD6



GUYANA
TECHNICAL COOPERATION
TC-95-08-35
TERMS OF REFERENCE
PPU STAFF

1. Senior technical advisor:

- a. Objective: To support the Manager of the Project Preparation Unit (PPU) with specialized technical advice on issues relating to the national environmental management program.
- b. Specific tasks: The Senior technical advisor will be responsible for:
 - (i) review all reports and technical material generated during the project preparation period, and assist the PPU Manager and government authorities in the analysis of its implications for future EPA functioning;
 - (ii) generate, with the support of, and in coordination with all participating sectoral agencies, reforms to basic project documentation up to the development of the final project document;
 - (iii) participate in all discussions with donor agencies during the preparation period, and in the period between project approval and commencement of disbursements;
 - (iv) advise the government authorities and the PPU Manager on the priorities set for EPA's work, regarding thematic areas of concern for the institutional strengthening and regulation development components in particular;
 - (v) supervise international and local consultants hire in support of the PPU;
 - (vi) supervise the work of the environmental officers, who will assist him/her in the fulfillment of these tasks.
- c. Qualifications: Must have post-graduate qualifications in any one of the related environmental fields; must also have at least ten (10) years experience in environmental advisory/management positions, at an international level.
- d. Language requirements: Language required is fluent english.
- e. Duration of assignment: 12 calendar months. It is expected that, depending on the candidate's performance, his/her involvement would be extended to become part of the full-time

staff of EPA under similar functions as those outlined in this TOR.

f. Reporting: The senior technical advisor will generate technical reports detailing his/her suggestions and recommendations upon specific areas or themes, as they are required by the supervisor. Additionally, the advisor will present monthly progress reports, which will include reference to his/her fulfillment of this terms of reference. A final report will be generated with a final review of fulfillment of terms of reference and final recommendations.

g. Supervision: EPA's PPU Manager.

2. Financial controller:

a. Objective: To ensure that all financial and administrative systems for project preparation and later implementation are in place, and comply with international donor agencies' standards and procedures.

b. Specific tasks: The financial controller will be responsible for:

(i) manage all EPA project preparation and, later, project implementation accounts;

(ii) prepare disbursement request, and ensure timely completion of appropriate reporting, payment certificates, and other administrative procedures;

(iii) prepare the annual financial operation plans; once EPA is established, the financial controller will perform these tasks under the heading of the administrative unit, which the controller would head;

(iv) keep full records of all special accounts, and ensure that expenditures are within budgetary programmes and limits;

(v) prepare all financial reports (monthly, quarterly, half-yearly and annually), that would be part of the overall EPA periodical reports;

(vi) produce, with the Auditor, the annual EPA project auditing report;

(vii) supervise administrative/financial support staff.

c. Qualifications: Must have post-graduate qualifications in finance and accounting/administration; must also have at least ten (10) years experience in financial advisory/management positions, at an international level.

- d. Language requirements: Language required is fluent english.
- e. Duration of assignment: 12 calendar months. It is expected that, depending on the candidate's performance, his/her involvement would be extended to become part of the full-time staff of EPA under similar functions as those outlined in this TOR.
- f. Reporting: The senior technical advisor will generate technical reports detailing his/her suggestions, and recommendations upon specific areas or themes, as they are required by the supervisor. Additionally, the advisor will present monthly progress reports, which will include reference to his/her fulfillment of this terms of reference. A final report will be generated with a final review of fulfillment of terms of reference and final recommendations.
- g. Supervision: EPA's PPU Manager

GUYANA
TECHNICAL COOPERATION
TC-95-08-35
TERMS OF REFERENCE
PPU SHORT-TERM CONSULTANTS

1. "Green" environment expert

- a. Objective: Assist the PPU Manager in the identification of priority technical issues that must be dealt with at the initiation of EPA functions, in the areas of: forestry, agriculture, fisheries, and other renewable natural resource management areas.
- b. Specific tasks: The consultant will develop his/her tasks in two or three periods, of variable duration, pursuing the activities sketched below. The latter would be better specified and accompanied by a work plan as a result of the consultant's first mission to the field.

First mission:

- (i) review, with PPU technical and managerial staff, the project preparation material developed so far with particular emphasis on the areas of forestry, agriculture, wildlife protection, conservation, and other renewable natural resource management issues; if timely, provide the PPU with comments and suggestions in that respect;
- (ii) analyze documentation describing other bi-lateral and multilateral assistance projects that impinge upon the EPA, its functions, or the relations between sectoral agencies and the EPA, in the areas of his/her concern; special attention must be given to the Overseas Development Agency (ODA)'s program to strengthen the Guyana Forestry Commission (GFC), and the GTZ's project for the Guyana Natural Resources Agency (GNRA);
- (iii) identify and analyze plans and projects by other public sector organizations (notably, Ministry of Agriculture, the GFC) that would have an impact upon, or would be impacted by the implementation of the EPA project;
- (iv) meet with officers from the agencies and technical groups involved in such associated projects, to discuss needs and opportunities to coordinate the work at EPA and the concerned sectoral agencies;
- (v) structure a plan to continue this liaison function between those projects and EPA;

- (vi) discuss the work plan with EPA's PPU staff and government officials, generate a final version of it to be sent to the government agencies concerned, the bilateral agencies involved, and the IDB/WB teams.

Subsequent missions:

- (vii) implement the work plan agreed to, keeping the liaison function and advising the PPU on measures to take to ensure proper coordination with those projects and avoid duplication of efforts.
 - (viii) generate thematic progress reports, outlining development of his/her terms of reference, synthesizing comments and recommendations, and pointing at follow-up activities for the periods between the consultant's missions to Guyana;
 - (ix) as a final report, elaborate a succinct precis outlining coordination mechanisms and procedures to be used in the future, during and after the implementation of the EPA project, to guide the relation between EPA and the concerned projects/agencies; this report must be agreed upon with governmental and bilateral agencies concerned;
 - (x) support the PPU's senior technical advisor with advise in matters pertaining to his/her professional capacities, where so requested by the PPU's staff or management.
- c. Qualifications: Must have a PhD degree in environmental sciences, natural resource management, or associated field, with emphasis on forestry/agronomy, and specific experience in tropical forest and biodiversity. Overall work experience must be at least 15 years. Language required is fluent english.
- d. Language requirements: Language required is fluent english.
- e. Duration of assignment: 8 weeks, discontinuous, according to a work program to be elaborated by the PPU Manager during the consultant's first mission to Guyana.
- f. Reporting: The senior technical advisor will generate technical reports detailing his/her suggestions and recommendations upon specific areas or themes, as they are required by the supervisor. Additionally, the advisor will present monthly progress reports, which will include reference to his/her fulfillment of this terms of reference. A final report will be generated with a final review of fulfillment of terms of reference and final recommendations.

- g. Supervision: PPU's senior environmental adviser, and EPA's PPU Manager

2. "Brown" environment expert

- a. Objective: Assist the PPU Manager in the identification of priority technical issues that must be dealt with at the initiation of EPA functions, in the areas of: urban environmental quality, mining, and other non-renewable natural resource management areas.
- b. Specific tasks: The consultant will develop his/her tasks in two or three periods, of variable duration, pursuing the activities sketched below. The latter would be better specified and accompanied by a work plan as a result of the consultant's first mission to the field.

First mission:

- (i) review, with PPU technical and managerial staff, the project preparation material developed so far with particular emphasis on the areas of urban settlements environmental quality, water pollution, industrial pollution, mining, and other non-renewable natural resource management issues; if timely, provide the PPU with comments and suggestions in that respect;
- (ii) analyze documentation describing other bi-lateral and multilateral assistance projects that impinge upon the EPA, its functions, or the relations between sectoral agencies and the EPA, in the areas of his/her concern;
- (iii) review plans and procedures developed or in the process of being developed by the Guyana Geology and Mines Commission (GGMC) to incorporate environmental quality control throughout its operations;
- (iv) review similar plans to adopt environmental quality controls by other agencies associated to the fields of interest of the consultant; special attention would be given to: Municipal programs, and industrial public and private sector programs;
- (v) meet with officers from the agencies and technical groups involved in such associated projects, to discuss needs and opportunities to coordinate the work at EPA and the concerned sectoral agencies;
- (vi) structure a plan to continue this liaison function between those projects and EPA;
- (vii) discuss the work plan with EPA's PPU staff and government officials, generate a final version of it to be sent to the government agencies concerned, the bilateral agencies involved, and the IDB/WB teams.

Subsequent missions:

- (viii) implement the work plan agreed to, keeping the liaison function and advising the PPU on measures to take to ensure proper coordination with those projects and avoid duplication of efforts.
 - (ix) generate thematic progress reports, outlining development of his/her terms of reference, synthesizing comments and recommendations, and pointing at follow-up activities for the periods between the consultant's missions to Guyana;
 - (x) as a final report, elaborate a succinct precis outlining coordination mechanisms and procedures to be used in the future, during and after the implementation of the EPA project, to guide the relation between EPA and the concerned projects/agencies; this report must be agreed upon with governmental and bilateral agencies concerned;
 - (xi) support the PPU's senior technical advisor with advise in matters pertaining to his/her professional capacities, where so requested by the PPU's staff or management.
- c. Qualifications: Must have a PhD degree in environmental engineering or other associated field, with emphasis on pollution control, and specific experience in mining pollution control. Overall work experience must be at least 15 years. Language required is fluent english.
- d. Language requirements: Language required is fluent english.
- e. Duration of assignment: 8 weeks, discontinuous, according to a work program to be elaborated by the PPU Manager during the consultant's first mission to Guyana.
- f. Reporting: The senior technical advisor will generate technical reports detailing his/her suggestions and recommendations upon specific areas or themes, as they are required by the supervisor. Additionally, the advisor will present monthly progress reports, which will include reference to his/her fulfillment of this terms of reference. A final report will be generated with a final review of fulfillment of terms of reference and final recommendations.
- g. Supervision: PPU's senior environmental adviser, and EPA's PPU Manager