

ENVIRONMENTAL MANAGEMENT TECHNICAL COOPERATION

(TC-97-06-36-0-SU)

EXECUTIVE SUMMARY

REQUESTER: Republic of Suriname.

EXECUTING AGENCY: The Office of the President of Suriname.

BENEFICIARIES: National Institute for Environment and Development of Suriname (NIMOS) and National Environmental Council.

FINANCING:

IDB:	US\$1,380,000 (FSO)
European Union:	US\$630,000
Local counterpart funding:	US\$220,000
Total:	US\$2,230,000

TERMS:

Execution period:	2 years
Disbursement period:	2.5 years

**ENVIRONMENTAL/
SOCIAL REVIEW:** The CESI has reviewed and approved the TC Profile and no recommendations were issued in addition to what has been proposed by the Project Team.

OBJECTIVES: The objective of the project is to advance the development of a national legal and institutional framework for environmental policy and management for Suriname.

DESCRIPTION: The project will be executed under three components: (i) institutional strengthening and support of the initial operation of NIMOS for the first two years. Technical assistance and staff training in several aspects of environmental management, focusing on forestry and mining sectors, will be provided. Implementation will focus on rendering operational capacity to four of the eight offices proposed within NIMOS organizational structure; (ii) development of environmental legislation and regulations including a system for Environmental Assessment and Monitoring; and (iii) development of four specific environmental studies and activities (regional environmental assessments, sector environmental plans and EA reviews). These studies will allow NIMOS to address urgently needed environmental problems while gaining practical experience.

With project assistance, NIMOS will define a strategy for long-term financing of its staff and operational costs.

BENEFITS:

The project will provide the Government of Suriname with the financial and technical resources necessary for the creation and strengthening of a national environmental management authority. Emphasis will be placed as much on generating positive, self-reinforcing processes (participatory policy-making, self-monitoring and enforcement programs, inter-agency coordination mechanisms) as on achieving short-term specific outputs and special programs.

RISKS:

The sustainability of project achievements is the major risk. Technical personnel who are familiar with the legal and organizational details of Suriname are limited to local and ex-patriate candidates. In the case of the latter, attractive salaries must be maintained to avoid attrition at the project's end. In general, the overall financial sustainability of NIMOS operations beyond the life of the project is a challenge. While all efforts should be made to increase government financial commitment to the structure here initiated, external support will play a key role in maintaining this environmental effort in the long term.

**THE BANK'S
COUNTRY STRATEGY:**

This operation is of the highest priority for the Bank's operational program in Suriname, as articulated in the Programming Paper and the Programming Mission Report of 1997. The operation was agreed upon with the Government of Suriname during the June 1997 Programming Mission. The project responds to needs identified by the Bank and the Government to improve and strengthen the management and monitoring of the nation's vast natural resources and to modernize the state.

**SPECIAL
CONTRACTUAL
CONDITIONS:**

Prior to first disbursement the Government of Suriname will present evidence of: (i) establishment and staffing of the Project Executing Unit; (ii) hiring of NIMOS General Director; and (iii) approval of the Agreement governing the terms of the EU's contribution to the project.

Within 6 months from the date of signing the Agreement, the Government of Suriname will submit: (i) a complete list of NIMOS professional staff to be assigned to the technical offices created for the initial phase; (ii) the Agreement establishing the

relationship between the Project Executing Unit and NIMOS for the execution of the project is in effect; (iii) evidence of the formal appointment of the members of the National Environment Council under the approved regulations; and (iv) the Signature of Memoranda of Understanding between NIMOS and key line ministries (NH; PLOS and RO), including formal designation of their representatives in the Inter-Ministerial Advisory Commission.

I. BACKGROUND

A. Natural resource base

- 1.1 The bauxite sector has long dominated Suriname's economy. All of Suriname's mined bauxite resources are processed locally into alumina and aluminum, and exported. The bauxite deposits currently being exploited will be largely mined out in the coming decade, but additional deposits of commercial significance have been identified in the western part of the country. The gold industry has the potential to become one of the most important sectors of economic activity. Other mineral deposits include iron ore, manganese, nickel, platinum and uranium. Diamonds are collected from the riverbeds by private operators. Offshore deposits of petroleum and petroleum bearing sands have been discovered and on-shore crude oil production is increasing. Indeed, Staatsolie, the State Oil Company, reported that output increased by 6.7% in 1996 and by 18% (a preliminary estimate) in 1997.
- 1.2 Added to all this, Suriname's total forest resources amount to 14.9 million ha, of which 2.4 million ha are considered accessible and exploitable. Forestry is based on timber production, which currently does not exceed 200,000 m³ per year. Typical of many tropical rainforests, Suriname has a rich diversity of tree species (more than 800 species), of which 30 are currently marketable.

B. Economic development and environmental concerns

- 1.3 Given this rich natural resource base, the mining, forestry and the agriculture sectors are considered the basis of the country's economic development. This focus is reflected in the country's land use patterns which show 2.4 million ha. allocated for concessions and cutting permits, 255,000 ha dedicated to agriculture, and 1.3 million ha to other uses (mining, lakes etc.). It is also reflected in the national income accounts which reveal that between 1992 and 1995, activities in these sectors generated an average of approximately 20% of the gross domestic product. An additional 5.5 per cent of GDP (or half of manufacturing value added) derives from bauxite processing activities (alumina refining and aluminum smelting). The gold sector, due to its informal nature, is not yet reflected in official national accounts statistics but its value added is estimated to be comparable to the bauxite sector.
- 1.4 While the exploitation of these natural resources has traditionally been managed with a conservation focus, economic pressures from the mining, gold and forestry sectors have led to trends which are of concern. In the forestry sector, there have been offers for the purchase of large concessions from international timber conglomerates whose practices have been described as questionable. Recently, hundreds of thousands of acres of forest lands in the

Brokopondo area have been given as concessions to foreign companies.

- 1.5 In the mining sector, explosive growth in informal and often illegal small-scale gold mining is taken place. It is estimated that there are about 95 illegal gold mining companies operating throughout the country. Additionally, approximately 10,000 to 12,000 local "porknockers" and approximately 15,000 to 20,000 Brazilian "garimpeiros" participate in small mining activities.
- 1.6 While the Government of Suriname and the majority of the population depend upon mining and forestry exploitation to serve as catalysts for increased economic development, the Maroon and Amerindian tribal communities are dependent upon the use of a portion of the land and forest for their subsistence. These communities comprise approximately 12 percent of the population (50,000 people). The challenge for Suriname rests in designing and implementing a process which permits the development and sustainable management of natural resources for the betterment of the entire population.

C. Institutional issues for environmental management

- 1.7 In meeting the challenges posed by an economy based on natural resources, the country's capacity for environmental management and sustainable development has been deficient. In the mining sector, for example, regulation and monitoring of mining activity is almost confined to the bauxite sector. In the gold sector, however, the existing legal framework and the system of regulation and control are totally inadequate. This is particularly evident in the small-scale sub-sector where there is virtually no monitoring, and where activities are characterized by inefficiency, wastage of mineral resources, absence of suitable mining techniques, environmental pollution, i.e. mercury contamination, destruction of vegetal cover, land degradation and health and safety hazards. In the forestry sector, the issues of greatest concern relate to uncontrolled logging in the absence of: a long-term national forest policy, legislation specifically addressing forest production control, subsidiary legislation needed to implement the Forest Management Act of 1992 and adequate institutional capacity in the Forest Service.
- 1.8 The lack of adequate environmental control can be attributed in large part to the absence of modern, comprehensive environmental legislation. Current legislation is dispersed in several separate acts, bills and regulations, few of which are enforced. In addition, national legislation is often not in line with international and/or regional treaties to which Suriname is a party, nor is there any legislation related to environmental impact assessments. Existing environmental planning and management activities are undertaken by line ministries with little or no capacity, as well as by state-owned enterprises, NGO's and private industry.
- 1.9 A number of national governments, multilateral organizations and international NGO's provide substantial support to the GOS to address specific aspects of natural resources management, mostly concerning mining and forest management sectors. The UN Food and

Agriculture Organization (FAO), for example, is in the process of executing a project which has the following objectives: (i) to establish the legal and regulatory framework for the implementation and enforcement of the Forest Management Act; (ii) to establish an information system for the sustainable use of the country's forest resources; (iii) to enhance the institutional framework for sustainable forestry development, featuring the preparation of a comprehensive, long-term national forest policy and the establishment of a Forestry Management Authority; and (iv) to provide on-going forestry advisory assistance to the Ministry of Natural Resources. In the mining sector, the European Union has provided funding for the establishment of a Minerals Institute, complete with the design of a new mining code and standard mineral agreements.

- 1.10 Nevertheless, most of these initiatives do not have environmental protection and management as the main focus. Furthermore, there is the risk that these initiatives could lose impact in the current chaotic managerial structure. Recognizing the absence of environmental control and coordination under the auspices of a national institutional framework, the Government has initiated the conceptualization of the framework for environmental management. General agreement on national priorities has been articulated in the National Environment Action Plan of Suriname, which was issued in July 1996, being the top priority the need for a national institutional framework for environmental management, sustainable use of natural resources, and urban pollution.
- 1.11 The environmental framework is now based on three operational entities utilizing cross-sectoral coordinating mechanisms:
 - a. The *Nationale Milieuraad* (National Environmental Council), a policy making body in the **Office of the President**, with two broad responsibilities: (i) to develop overall environmental policies for consideration by the President; and (ii) to advise and guide the Director of the National Institute for Environment and Development of Suriname (NIMOS) in setting priorities for environmental action.
 - b. Its operational arm, the *Nationaal Instituut voor Milieu en Ontwikkeling van Suriname* or National Institute for Environment and Development of Suriname (NIMOS), to be responsible for the preparation and implementation of national legislation designed to protect the environment, and monitoring compliance with national environmental laws and regulations.
 - c. Line ministries, which deal with sector-specific environmental issues and are responsible for different aspects of national environmental management.
- 1.12 In June 9, 1997, the National Environmental Council was established, and the Presidential Decree PB 017/97 formalized it within the President's Office. The Regulations for the Council membership and functioning approved in March 9, 1998, provide for a wide representation (ten (10) members) of both government areas/sectors and non-government interest parties, and will include

representatives of Maroon and Amerindian communities, the consumers, unions and the industry.

- 1.13 NIMOS was established as an autonomous government entity (known as a "foundation" in Suriname). The necessary bylaws (Articles of Association) have been developed and served as the basis for the legal establishment of NIMOS, by State Resolution of the Council of Ministers in March 17, 1998. The Interministerial Advisory Commission is designed to facilitate the interactions between NIMOS and all relevant Government entities, and therefore enhance coordination of all efforts in environmental management. While establishment of NIMOS was effectuated by Executive Decree, further support at the Parliamentary level would provide additional assurance of its legal sustainability.
- 1.14 NIMOS will collaborate closely with the line ministries and the agencies concerned on the basis of *Memoranda of Understanding* (MOU), and through joint meetings, site visits and other collaborative efforts. Once NIMOS is established, a General Memorandum will be agreed upon with most, if not all, Ministries, and followed up with specific MOU containing detailed plans for cooperation and coordination.
- 1.15 To implement the legislative and procedural measures already taken, the Government of Suriname has requested Bank support in the set-up and organization of NIMOS. The design of this operation is consistent with the Government's concepts of environmental management as developed to date and are in support of the national priorities for environmental action.
- 1.16 The proposed operation is a first step to initiate the process towards establishing an integrated environmental management in the country. It is expected that NIMOS would attract further international support for the subsequent phases of implementation.

D. Consonance with the Bank's country strategy

- 1.17 The Bank has identified four key development challenges for Suriname: consolidation of macroeconomic stability; improving the environment for private sector development; modernizing the state; and improving the management of natural resources and protecting the environment. As a result of the Bank Programming Mission which visited the country in June 1997 and in consideration of the activities of other sources of development assistance, the Bank has given priority to activities in the environment, agriculture, financial sector, consolidating improvements in tax administration.
- 1.18 The technical cooperation proposed in this document is a high priority in the Bank's operational program in Suriname and addresses two key challenges to the country's development improving the management and protection of the environment and modernization of the state.

II. OBJECTIVES

- 2.1 The objective of the project is to support the Government of Suriname in its efforts to implement sustainable development by advancing the development of a national legal and institutional framework for environmental policy and management.

III. PROJECT DESCRIPTION AND EXECUTION

A. Project activities

- 3.1 The project will be implemented under three components as follows:

1. Institutional strengthening of NIMOS (US\$1.38 million)

- 3.2 The following activities will be financed under this component:

- a. NIMOS staffing. During project execution, the project will finance 3 staff positions to be supplemented with counterpart personnel. This staff is considered essential for establishing NIMOS technical authority. Although selected staff will already be professionally qualified in environmental science, recruiting consultants for the staff positions will require specialized training for their new responsibilities.
- b. Staff training. Basic training will be provided to the professional staff at NIMOS and key line ministries, as well as to the members of the Environmental Council, in areas such as environmental assessment, social assessment, environmental monitoring and enforcement, environmental planning, community participation and conflict resolution. Much of the training will be provided in-country combining office training and fieldwork.

Courses for training of trainers (TOT) and technical workshops will be held for the NIMOS staff and a limited number of participants from key ministries and planning agencies. Several field trips will be conducted to other parts of Suriname and to neighboring countries, focused on specific subjects (e. g. environmental management of gold mining; sustainable forestry; environmental monitoring, community participation), as practical opportunities to observe how countries are addressing similar issues.

A series of workshops will be conducted to address issues of community participation, particularly as it applies to incorporating indigenous tribal groups into the discussion and decision making process, concerning environmental policies and granting of natural resources concessions.

- c. Diffusion of information. Resources will be provided for publications, in particular to finance the first edition of the National Annual Report on the Environment (NARE). As a first initiative to improve people's environmental awareness, the report would present a comprehensive account

on the state of the environment in Suriname, receiving main contributions from NIMOS, line ministries, the University of Suriname, industry, NGO's and private individuals.

- d. Equipment and technical services. The project also includes funds for computer hardware, software and maintenance, NIMOS office equipment and furniture and transportation equipment.

2. Formulation of environmental legislation and regulations (US\$212,000)

- 3.3 The establishment of a legislative and regulatory framework is comprised of the following steps:

- a. Establishment of legal framework for NIMOS. A comprehensive set of regulations, supported by appropriate parameters and standards, are considered essential for NIMOS to be operative and will be developed in this activity.

With the support of advisory services, the NIMOS technical team will develop the necessary state and parliamentary legislation to bolster up the official creation of NIMOS as the agency with full enforcement power in environmental matters. Legal assistance will be provided to assist in the preparation of legal regulations. NIMOS staff will be trained in the design and implementation of environmental legislation and regulations.

- b. Development of Environmental Assessment System (EAS). With the support of advisory services, an EAS with procedures and guidelines for Environmental Impact Assessment and Social Impact Assessment will be developed. Special attention will be given to Suriname's specific environmental problems, with emphasis to sectors, such as mining (including the oil industry), forestry, agriculture and energy, for which specific standards, parameters for assessment and management will also be developed.
- c. Monitoring and enforcement training. Training of NIMOS and line ministry collaborators staff, as well as other stakeholders in monitoring techniques and enforcement strategies will also be undertaken.

3. Specific studies (US\$436,000)

- 3.4 The project will provide for specific studies and activities to address several urgent environmental problems. An additional objective is the attainment of practical field experience in various approaches to environmental planning and sector EA's. These studies, to be prepared with the active participation of respective stakeholders, are:

- a. Regional environmental policy and strategic plan for the Greenstone belt (small-scale gold mining area).

- b. Regional/sector environmental plan for the forestry belt, to promote conservation and environmentally sound management practices.
 - c. Development of key GIS activities and coordinating of data collection in line ministries to support other NIMOS activities.
 - d. Environmental review of specific case studies, as needed, such as EA for mining and forestry concessions, oil field expansions, and hydropower projects, to be undertaken by line ministries during the period of the project.
- 3.5 The studies, in particular the sector/regional environmental plans, will permit the establishment of guidelines for implementing such projects in other regions and sectors, training ("on the job") of NIMOS and line ministries staff in such procedures and the development of relationships among the various planning agencies, necessary for these types of activities to be successful.
- 3.6 In addition to these studies, the project will provide for the preparation of a long-term financial plan, to define possible cost-recovery strategies and identify financial resources for the future operation of NIMOS, so as to sustain qualified trained professionals and cover NIMOS recurrent and operational costs.

B. Expected results

- 3.7 Implementation of the project is expected to produce the following key results (for details see Logical Framework in Annex I):
- a. NIMOS initial organizational structure (four Offices) will be staffed, functioning, and able to carry out their tasks;
 - b. Umbrella environmental legislation will be drafted and submitted for approval to Parliament;
 - c. Environmental regulations, general guidelines and procedures for Environmental Assessment and Monitoring will be available to line ministries, potential national and international investors and other stakeholders;
 - d. Community participation capabilities will be strengthened, particularly as it applies to incorporating indigenous tribal communities into the decision making process;
 - e. Various specific environmental studies will be completed;
 - f. A long-term financial plan will be completed;
 - g. Environmental data collection methods and procedures will be improved and guidelines for environmental data base developed;

C. Project execution

1. Execution responsibilities

- 3.8 The Office of the President, with the support of a Project Execution Unit (PEU), will be the executing agency. The PEU will administer the project, including all project funds, and will generate the periodic reports to be submitted to the Bank. As NIMOS is still in an incipient stage, the National Environmental Council will assume the designated functions of NIMOS until that agency becomes operational.

2. Project Beneficiaries

- 3.9 NIMOS would be the main beneficiary of the proposed project, while the line ministries which play a major role in environmental issues would also benefit from the project. Members of the National Environmental Council will participate in the training activities to help them prepare for their roles in guiding NIMOS and advising the President.

3. Phasing of NIMOS activities

- 3.10 Given the constraints of time and funding, all tasks related to the establishment of NIMOS cannot be undertaken within this project. Implementation, therefore, will focus on rendering operational capacity to four of the eight proposed NIMOS offices 1/. During this initial phase, personnel for NIMOS will be limited to the General Director, nine professional staff, and five support staff. NIMOS would expand in another phase to fulfill its long-term responsibilities, for which additional financing must be identified. In this context, defining and implementing long-term financial sustainability of NIMOS will be the primary focus of the international financial advisor immediately after project initiation.
- 3.11 **Selection criteria for NIMOS staff.** In its first year of NIMOS operations, recruiting and training professional staff and developing designated functions will be a significant challenge. Few people in the Government or in Suriname have all of the professional experience and attributes required for the professional positions in NIMOS. As a result, a combined recruitment strategy has been devised:
- a. A core of Surinamese personnel, comprising 6 professional positions, and 4 administrative and support staff, to be selected through local advertised competition.
 - b. A team of senior qualified professionals (preferably Surinamese or expatriates) hired as long-term technical assistants and

1/ The initial structure will consist of the Director's and Administration Offices and three (3) technical environmental offices: Legal Services; Environmental and Social Assessment; and Environmental Planning and Information Management. The functions of environmental monitoring will be carried out by the E&SA Office, and community outreach and environmental education will be initiated in the EP&IM Office.

selected via international competition, to work full time for the duration of the project. The selection criteria will require candidates with environmental expertise and significant management experience to qualify for the positions. The General Director is included under this category, as well as two Office Directors and the Legal Advisor.

- 3.12 A revolving fund will be established, with an initial disbursement up to the equivalent of 10% of the Bank's financing. As NIMOS will be initiating its functions as part of the first phase of project activities, it is expected that this amount would be necessary to cover start-up costs and staff hiring, estimated around US\$390,000 for the first quarter of project execution.

D. Supervision and reports

- 3.13 Due to its nature and being a new initiative to the country, the project will require close supervision by the Country Office and Headquarters. The Country Office will be directly responsible for daily supervision of the project and will guide the executing agency in the application of Bank policies for procurement and contracts. Headquarters will provide technical and managerial inputs during periodic supervision missions.
- 3.14 The project will finance an evaluation of the attainment of project objectives and expected results. The evaluation will focus on: (i) success in attracting and retaining qualified staff; (ii) quality and timeliness of major project activities and programs as indicated in the detailed work plan; (iii) recognition of the role of NIMOS by other agencies; (iv) financial sustainability of NIMOS operations; and (v) soundness of financial and administrative procedures.
- 3.15 NIMOS will provide the Bank with the following reports:
- a. Initial report: Within 60 days from the date of the Agreement, NIMOS present a report which includes: (i) progress in recruiting NIMOS staff and technical assistance; (ii) planned acquisitions and execution of physical investments; and (iii) a detailed work plan for project implementation, including all major activities required to fulfill project objectives and corresponding staff responsibilities.
 - b. Mid-term report: Due at the end of the twelfth month after initiation of project activities, the mid-term report will detail adherence to the work plan, adjustments that were deemed necessary, and overall achievement of project objectives and timetable. The mid-term report will be previewed and cleared by the NIMOS Board of Directors and submitted to the Bank.
 - c. Final report: A final technical and financial report would be presented by NIMOS at the conclusion of project implementation. This report would summarize project accomplishments and shortcomings, and principal outputs. Special attention will be given to a long-term funding strategy, as well as to the expected ability of NIMOS to retain the staff secured through

project funding. There will also be a description of expected future donor activities and support.

E. Costs and financing

- 3.16 The total cost of the project is estimated at the equivalent of US\$2.23 million. The Bank's contribution would be the equivalent of US\$1.39 million, to be disbursed in US dollars, and derived from the net income of the Fund for Special Operations (FSO). Government counterpart funding would be the equivalent of US\$217,000. The EU will contribute the equivalent of US\$630,000. The budget summary allocated according to the source of funding is presented below:

BUDGET US\$ X 1000				
BUDGET CATEGORY	TOTAL PROJECT	IADB	EU	GOE
A. STRENGTHENING NIMOS				
1. Consulting Services	767	767		
2. Training	129	129		
3. Other Personnel	149	9		140
4. General Support	120	70		50
5. Equipment	185	50	135	
6. Publications	40		40	
SUB-TOTAL	1390	1025	175	190
B. DEVELOPMENT, LEGISLATION & REGULATIONS				
1. Consulting Services	191		191	
2. Training	17		17	
3. Other Personnel	5		5	
SUB-TOTAL	213		213	
C. SPECIFIC STUDIES				
1. Consulting Services	380	200	180	
SUB-TOTAL	380	200	180	
Audits and Evaluations	42	32		10
Total Base Cost	2025	1257	568	200
Contingencies	205	123	62	20
Total Project Cost	2230	1380	630	220

- 3.17 Two international firms will be contracted for: (i) the institutional strengthening of NIMOS and (ii) the formulation of the legislative and regulatory framework for that agency. These international consultancies will require local experts in the Surinamese legal framework as well as in the environment.

- 3.18 In addition to the local support for the international firms, three local individuals will be contracted for the Project Executing Unit (1 professional and 2 support staff). Four individual consultants with technical expertise in various environmental disciplines will also be contracted to staff the NIMOS office.
- 3.19 Individual international consultants will lead the research and development of the special studies.
- 3.20 Transportation vehicles are essential to ensuring that the environmental technical staff: (i) make frequent and complete supervision visits to mining and forestry concerns, to informal mining sites as well as to remote indigenous farming communities and (ii) actively participate in the research and development of the special studies to be financed. The project will finance two motorcycles, three four-wheel drive vehicles as well one automobile for the Project Executing Unit.
- 3.21 Detailed information on procurement procedures is provided in Annex II.
- 3.22 Funding from both the IDB and the EU will finance: (i) top management positions in NIMOS; (ii) consultant advisory services; (iii) professional development and training technical assistance; (iv) acquisition of vehicles, office equipment and supplies; and (v) development of specific studies. The counterpart contribution will provide basic technical and administrative staff, as well as provide the NIMOS office building, and fund annual financed audits of NIMOS by independent auditors.

F. Special conditions

- 3.23 The following are special conditions prior to first disbursement:
 - a. establishment and staffing of the Project Executing Unit.
 - b. hiring of NIMOS General Director.
 - c. approval of the agreement governing the terms of the EU's contribution to the project.

G. Other Conditions

- 3.24 Within 6 months from the date of signing the Agreement with the Bank, the Government of Suriname will submit:
 - a. a complete list of NIMOS staff to be assigned to the technical offices created for the initial phase.
 - b. the Agreement establishing the relationship between the Project Executing Unit and NIMOS for the execution of the project is in effect;
 - c. evidence of the formal appointment of the members of the National Environment Council under the approved regulations; and

- d. the Signature of Memoranda of Understanding between NIMOS and key line ministries (NH; PLOS and RO), including formal designation of their representatives in the Inter-Ministerial Advisory Commission.

IV. BENEFITS AND RISKS

A. Benefits

- 4.1 The project will provide the Government of Suriname with the financial and technical resources necessary for the creation and strengthening of a national environmental management authority. Emphasis will be placed as much on generating positive, self-reinforcing processes (participatory policy-making, self-monitoring and enforcement programs, inter-agency coordination mechanisms) as on achieving short-term specific outputs and special programs.
- 4.2 The project responds to clear national priorities, by focusing on the forestry and mining sectors; developing environmental regulations to prevent undesirable environmental impacts from the exploitation of those resources, as well as devising general policies and regulations to address and enforce modern environmental management.

B. Risks

- 4.3 The sustainability of project achievements is the major risk. Technical personnel who are familiar with the legal and organizational details of Suriname are limited to local and expatriated candidates. In the case of the latter, attractive salaries must be maintained to avoid attrition at the project's end. In general, the overall financial sustainability of NIMOS operations beyond the life of the project is a challenge. While all efforts should be made to increase government financial commitment to the structure here initiated, external support will play a key role in maintaining this environmental effort in the long term.

V. EVALUATION

- 5.1 The evaluation of the present operation will be carried out through periodic programming and progress reports whose results will impact the continuation of subsequent activities and funding. The Bank and the Government of Suriname have agreed on undertaking a final evaluation of the project, as described in paragraph 3.14.
- 5.2 Both Bank headquarters and the Country Office will closely supervise the development of this operation. The NIMOS will generate reports, and annual financial audits prepared by independent parties and financed by the Government, which would be used by the Bank and the Government to better direct the execution and continuation of project activities.

**SURINAME
LOGICAL FRAMEWORK**

	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
environmental management and of key economic sectors in	Level of de-forestation, water contamination levels in mining areas	National environmental statistics	National commitment across sectors to environmental priorities is attained. Financial sustainability Issues are resolved
ment of a national institutional framework for environmental policy and	NIMOS is established and effectively managing key environmental issues in conjunction with sectoral ministries	Final Evaluation; Project Completion Report	
engthening NIMOS			
OS, 4 offices are fully operational	6 professional and 4 staff are hired. support systems are in place (equipment, vehicles)	Reports from the Environmental Council and PEU	
ic sector environmental staff is	15 people from NIMOS; 10 from National Environmental Council; 10 from line ministries and; 10 additional staff are trained in enforcement.	Reports from COS; reports from Project Executing Unit	
onger mechanisms for community participation in the decision-making processes are in place	Broader community representation in National Economic Council; Community review of Environmental Impact Assessments is a required step	Reports from COS; Project Executing Unit Reports; review of sample EIA's by Supervision Mission members	
ormation about national environmental institutions, issues is accessible nationwide	First edition of National Annual Report on the Environment is published	Copy of report is received by the Country Office	Report is distributed to areas outside of Paramaribo
toral and regional environmental assessments are completed	Four ministries and NIMOS staff will receive hands-on-support from advisory services	Country Office supervision, Project Executing Unit reports	Advisory services are accepted by line ministries
velopment, Legislation and Regulations			
OS legal framework is established	NIMOS regulations are finalized and approved by State Council; environmental standards regulations are finalized; by-laws are submitted to Parliament	Country Office supervision, Project Executing Unit reports	
Environmental Assessment System is developed	Regulations for EAS are approved by State Council; EAS is implemented accordingly	Country Office supervision, Project Executing Unit reports	
ific Studies			
Environmental studies are completed	3 specific studies and four case studies are completed		

SURINAME
ENVIRONMENTAL MANAGEMENT TECHNICAL COOPERATION
PROCUREMENT SCHEDULE

DESCRIPTION	FINANCING 1			METHOD	PREQUALIFICATION	DATE FOR PUBLIC ANNOUNCEMENT (QUARTER)
	IDB	EU	LOCAL			
A. CONSULTING SERVICES						
1. Institutional Strengthening of NIMOS. Includes basic environmental training, environmental enforcement training, advisory services for environmental assessment publication, environmental assessment support. No. of lots: 1 Total = US\$542,000	100	0	0	IPB	YES	II/98
2. Formulation of NIMOS Regulatory Framework. No. of lots: 1 Total = US\$191,000	0	100	0	IPB	NO	II/98
3. Local consultants (1 coordinator and 2 administrative) for the Project Executing Unit. No. of lots: 3 Total for 3 = US\$52,200	100	0	0	PPC	NO	II/98
4. Consultants for NIMOS staffing. No. of lots: 4 Total for 4 = US\$104,400	100	0	0	PPC	NO	II/98
5. Short-term local specialists in computer. No. of lots: 1 Total = US\$12,000	100	0	0	PPC	NO	II/98
6. Seven international individual consultants for specific environmental sector studies. No. of lots: 5 Total for 5 = US\$436,000	60	40	0	PPC	NO	IV/98 and II/99
B. GOODS						
1. Six transport vehicles (two motorcycles, four automobiles). No. of lots: 1 Total = US\$135,000	0	100	0	PPC	NO	II/98

ANNEX II

Page 2 of 2

DESCRIPTION	FINANCING %			METHOD	PREQUALIFICATION	DATE FOR PUBLIC ANNOUNCEMENT (QUARTER)
	IDB	EU	LOCAL			
2. Computer and peripherals installation and maintenance. No. of lots: 12 Total = US\$42,600	100	0	0	PPC	NO	II/98
3. Office network (including network hardware, software, installation and maintenance). No. of lots: 1 Total = US\$8,000	100	0	0	PPC	NO	III/98
4. Training equipment and office supplies. Audio-visual, classroom presentation supplies and other office equipment (fax, photocopier). No. of lots: 1 Total = US\$22,600	100	0	0	PPC	NO	III/98
5. Publication. Including preliminary printing costs (typing and composition, reproduction, editing), translation, printing and distribution. No. of lots: 1 Total = US\$40,000	0	100	0	PPC	NO	II/99
6. Office Furniture. Total = US\$17,300	100	0	0	PPC	NO	II/99

IPB: International Public Bidding.

PPC: Public Price Competition, or Public Announcement for Consulting Services.

Procurement for amounts under IDB procurement rules will be governed by local rules, which require PPC (Public Price Competition for goods, or Public Announcement for Local Consultant Services).

Limits over which IPB is required are US\$200,000 for consulting services and US\$250,000 for goods, per lot.

PROPOSED RESOLUTION

SURINAME. NONREIMBURSABLE TECHNICAL COOPERATION ENVIRONMENTAL MANAGEMENT PROGRAM

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary and to adopt such other measures as may be pertinent for the execution of the plan of operations referred to in Document AT-_____, with respect to a technical cooperation with the Republic of Suriname, the purpose of which is to contribute to sustainable environmental management in that country.
2. That up to the sum of US\$1,380,000, or its equivalent in other convertible currencies, is authorized for the purpose of this resolution, chargeable to the net income of the Fund for Special Operations.
3. That the above mentioned sum is to be provided on a non-reimbursable basis.