

TECHNICAL COOPERATION DOCUMENT

I. Basic Project Data

▪ Country/Region:	SURINAME
▪ TC Name:	Support for the Design and Implementation of Innovative Mechanisms for the Management of Works Contracts in Suriname
▪ TC Number:	SU-T1152
▪ Team Leader/Members:	Guerrero, Pablo (INE/TSP) Team Leader; Persaud, Christopher (INE/TSP) Alternate Team Leader; Berlanda Custodio Da Silva, Cleide (VPC/FMP); Calderon Anton, Jose De Jesus (INE/TSP); Centeno Lappas, Monica Clara Angelica (LEG/SGO); Hofwijks, Steven Romeo (CCB/CSU); Mix Vidal, Richard Alexander (INE/TSP); Oseguera, Agustin (INE/TSP)
▪ Taxonomy:	Operational Support Apoyo Operativo
▪ Operation Supported by the TC:	SU-L1057
▪ Date of TC Abstract authorization:	29 Apr 2022
▪ Beneficiary:	Republic of Suriname - Ministry of Public Works
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 – Infrastructure (W2B)
▪ IDB Funding Requested:	US\$185,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes execution period):	36 months
▪ Required start date:	Individuals; Firms
▪ Types of consultants:	Consultants / Firms
▪ Prepared by Unit:	INE/TSP-Transport
▪ Unit of Disbursement Responsibility:	CCB/CSU-Representative Suriname
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Second Update to the Institutional Strategy 2020-2023:	Productivity and innovation; economic integration; Institutional capacity and rule of law; Environmental sustainability; Gender equality

II. Description of the Associated Loan

- 2.1 This Technical Corporation (TC) is supported by the Specific Investment Operation (ESP) of Improving Transport Logistics and Competitiveness in Suriname ([4828/OC-SU](#)) that has the general objective of enhancing Suriname's competitiveness and logistics performance by improving efficiencies and reducing both costs and time to clear goods at the primary port facility in Suriname. The specific objectives of the program are: (i) improving the infrastructure and operations of the Port of Paramaribo through the provision of port efficient infrastructure, and the acquisition and implementation of equipment and digital platforms to facilitate trade logistics and goods clearance processes; (ii) improving the level of service, capacity, and resilience of adjacent roads and access to the port; and (iii) strengthening institutional capacity to ensure optimal execution, sustainable asset management, and adequate operation. This

loan was approved in July 2019 and is expected to have its last disbursement in December 2024.

III. Objective and Justification

- 3.1 The objective of this TC is to support the Government of Suriname in the design and implementation of technology-based tools, methods, and practices to improve the technical, environmental and fiduciary management of transport infrastructure works contracts, with the objective of reducing execution risks, and the fluctuation in time and value of works contracts.
- 3.2 **Background.** The Republic of Suriname is in the northeastern Atlantic Coast of South America, bordered by French Guyana, Guyana, and Brazil, with a population of 560,000 people, residing within a 30 km wide coastal region. The capital city, Paramaribo, and its suburbs are home of 70% of the population, whilst Nieuw-Nickerie is the second city of the country in terms of population and economic activity¹.
- 3.3 **Overview.** Suriname is a multiethnic and multilingual society, home to people of various ethnic, racial, religious, and national origins. As a result, the Surinamese do not equate their nationality with ethnicity, but with citizenship and allegiance to Suriname. Most of the inhabitants live in the north of the country, in the districts of Paramaribo, Wanica and Nickerie. More than half of the population lives in and around the capital.
- 3.4 The smallest country in South America, Suriname is one of the world's poorest countries, with over 70% of its population living under the poverty line. About one in four people in Suriname (26% of the population) live on less than US\$5.50 a day and, according to World Bank projections, poverty could increase by 9% due to the COVID-19 pandemic and other economic shocks². Projected GDP growth for 2022 is expected at 0.1% following a contraction in 2021 of 1.9%. Due to an increase of public spending, estimated public debt as a share of GDP rose to 132.9%.
- 3.5 The country is positioned 97 of 189 countries and territories in the Human Development Index. According to the [UN](#), Suriname has made progress in some social SDG indicators such as: (i) adult literacy, gender equality in primary and secondary education with females outperforming males; and (ii) a decrease in child mortality.
- 3.6 **Gender Equality.** Women and girls in Surinam society are more likely than men and boys to have less access to technology, education, technical training, land, credit, and basic needs. Historically, women have performed mostly laborious, gender-assigned duties with skills and tools passed down from generation to generation. The duties of women can be placed into three categories: reproductive and nurturing, family and household management, and productive and/ or income-generating roles (Momsen, 1998³; UNDP, 2019⁴). Studies have shown that in developing countries women, especially poor women, work an average of 12 to 18 hours a day compared to an average of 8 to 12 hours a day for men (Jacobson, 2010⁵). Among the tasks women perform are subsistence farming, food production and processing, traditional weaving and sewing, soap-making, petty trading, craft-making, baking, shop-keeping, procuring energy fuel and water, household work, payment of children's school fees, animal care, caring for the elderly, and raising children (Akubue, 1995⁶). Gender equality in

¹ General Bureau of Statistics, 2018.

² [The World Bank in Suriname](#).

³ Momsen, J. H. (2010). Gender bias in development. In A. Gonzalez & J. Norwine (Eds.), *The new Third World* (pp. 93-111). Boulder, CO: Westview Press.

⁴ United Nations Development Program. (2019). *Human development report, 1995*. New York: Oxford University Press.

⁵ Jacobson, J. L. (2010). Changing the gender gap in development. In L. Starke (Ed.), *The state of the world* (pp. 61-79). New York: Norton.

⁶ Akubue, A. I. (1995). Technology, women, and development. *The Technology Teacher*, 55(2), 10-15.

Suriname was reported at 0.33% in 2020, according to the [World Bank collection of development indicators](#), compiled from officially recognized sources⁷. The indicator is defined as the ratio of the gross enrollment rate of girls to boys in primary and secondary education levels in both public and private schools. Women have an enormous impact on the well-being of their families and societies, but their potential is sometimes not realized because of discriminatory social norms, incentives, and legal institutions. Although their status has improved in recent decades, gender inequalities persist. Education is one of the most important aspects of human development and eliminating gender disparity at all levels of education would help to increase the status and capabilities of women. This indicator provides a measure of equality of educational opportunity and relates to the third Millennium Development Goals (MDG) which seeks to promote gender equality and the empowerment of women. This TC intends to facilitate access to employment for women through contract management and public capacity expansion.

- 3.7 To combat and contain COVID-19, Suriname established a National Response Plan to protect vulnerable and low-income households, to compensate for losses in the private sector by increasing child support, to provide allowances for the elderly and the disabled, and make available unemployment benefits. The vaccination rate in the country remains low despite an active government campaign. As of March 13, 2022, only 40.3% of the population had received two shots of the vaccine.
- 3.8 Since the 2019-2020 discovery of offshore oil reserves, the government has stated its intention to develop its oil and gas industries with production scheduled to begin as early as 2025. While the World Bank has not provided support in this area, as Suriname develops these industries, it is important for the government to follow best practices and ensure governance mechanisms adhere to international environmental and social standards.
- 3.9 **The potential growth of the Surinamese economy.** As a result of the finding of new sites of oil and gas, the country is overcoming a series of challenges to guarantee the timely supply of the necessary infrastructure to accompany these new developments. Although in the near future the availability of resources for financing may not become a constraint, the limited planning and management capacity of public institutions for the development and timely and adequate maintenance of transport infrastructure could be a difficult issue to deal.
- 3.10 In this context, a relevant challenge in the execution of infrastructure projects in Suriname is related to the management, accompaniment, and monitoring of the different works and contracts. As for the Bank-supported programs, a considerable amount of effort is usually required given the scarce capacity of the executing counterparts in handling infrastructure contracts, social and environmental management, and quality control, among other factors.
- 3.11 In order to reduce risks, it is necessary to provide constant support to ensure the quality of the technical, environmental and social studies prior to the bidding of the works and to guarantee a successful accompaniment throughout the execution process. Hence, the management of the works' contracts is assisted to ensure compliance of the construction companies in terms of time and quality, as well as compliance with the Bank's policies and safeguards.
- 3.12 Promoting technology adoption and innovation in LAC is critical in the context of the technological revolution that offers immense potential for tackling the region's development challenges particularly reducing poverty, as well as serious risks if countries do not adapt

⁷ Suriname - Gender equality - actual values, historical data, forecasts, and projections were sourced from the World Bank in June of 2022.

adequately to the rapid technological change. The current situation is that in Guyana the processes are not engaged in innovation activities, much less in digital transformation.

- 3.13 **Institutional Alignment.** This TC is aligned with the Second Update to the Institutional Strategy 2020-2023 (AB-3190-2), as it aims to improve Suriname's ability to strengthen its technical capacities, improve employment, and stimulate innovation. These goals are aligned with the key development challenges that need to be addressed to preserve and continue to advance development gains (productivity and innovation, and economic integration) as well as the cross-cutting issues that must be mainstreamed in the Bank's work to address these challenges (gender equality and diversity; climate change and environmental sustainability; and institutional capacity and the rule of law). These priorities also remain relevant in the context of the global development agenda as they support the Sustainable Development Goals (SDGs) and Paris Agreement on action against climate change.
- 3.14 It is consistent with the strategic goals of: (i) Productivity and Innovation by supporting the implementation of tools and management of digital contracts to improve operational efficiency; (ii) Economic Integration by supporting the implementation of the strategy to strengthen the connectivity to regional and global markets through labor efficiency; (iii) Institutional capacity and rule of law by the deployment and scale-up of innovative project management tools and technologies to support project implementation at the Project Implementation Unit of the Ministry of Public Works. Better and up-to-date technological tools will benefit agricultural exports and reduce losses through the construction of the logistics center at the Paramaribo Port; (iv) Climate Change and Environmental Sustainability by financing the design and adoption of Information Technology (IT) based methodologies and tools to improve the monitoring of social and environmental management plans; and (v) Gender Equality and Diversity by including a gender perspective in the development and implementation of technical and socio-environmental management tools. It also aims to capitalize on a wider investment revolution to close its sustainable infrastructure gap and improve an effective, safe, and transparent transport sector infrastructure.
- 3.15 The TC is also consistent with: (i) the [Suriname Country Strategy 2021-2025](#) in its strategic objective of strengthening transportation connectivity and resilient infrastructure, improving infrastructure with a focus on transportation networks, regional connectivity, urban revitalization, and resilience enhancement and adaptation, as well aims to provide adequate knowledge and innovation ecosystems by facilitating the use of technologies, and enhancing private sector competitiveness and growth requires reforming the business climate, improving financial inclusion, closing the skills gap, enhancing innovation; and (ii) with the Transportation Sector Framework (GN-2740-7) by contributing to the second dimension of success, focused on supporting the region toward the consolidation of transportation systems to provide road improvements as it supports the key segment priorities of being bold in infrastructure, particularly through transport solutions.
- 3.16 In addition, the TC aligns with the Ordinary Capital OC SDP Window 2 - Infrastructure (W2B) (GN-2819-14) with the objectives of: (i) creating opportunities for Public-Private partnerships (PPP) in infrastructure in LAC; (ii) improve the quality of infrastructure projects in LAC; (iii) promote greater investment in the region's infrastructure sector and enhance the performance, quality, and sustainability of infrastructure services; (iv) enhance the quality of design and efficiency in the execution of infrastructure projects; (v) improve the design and monitoring of public policies and the transmission of lessons learned in the infrastructure sector; and (vi) generate and deepen sector knowledge on good infrastructure practices. It is also consistent with the Transportation Sector Framework Document (GN-2740-12) by: (i) promoting efficient, inclusive, sustainable, and quality mobility for urban and interurban

passengers; (ii) strengthening sector institutions and regulations; and (iii) promoting technological transformation in the sector. Lastly, it is aligned with the IDB Infrastructure Strategy of Sustainable Infrastructure for Competitiveness and Inclusive Growth (GN-2710-5) in: (i) the financing and technical assistance for infrastructure that supports economic growth, provides access, and fosters regional and global integration; and (ii) planning, building, and maintaining infrastructure for the delivery of quality services that promote sustainable and inclusive growth.

IV. Description of Activities and Outputs

- 4.1 **Component I: Strengthening of public capacities for the management and monitoring of works' contracts.** This component will cover the development of methodologies and tools for the contractual and technical management and monitoring of infrastructure works contracts and effective communication and coordination mechanisms. Outputs: (i) Intelligent Traffic Light Control System (ITLCS) project progress tools, methodologies, and reports; (ii) project and contract information management procedures established; and (iii) MoPW officials training with gender equality and diversity inclusion approach.
- 4.2 **Component II: Development and implementation of technical and socio-environmental management tools.** This component will finance the design and adoption of Information Technology (IT) based methodologies and tools to improve the monitoring of social and environmental management plans in infrastructure works projects, under the modality of Software as a Service (SaaS). Outputs: (i) Project Grievance Management digital tool designed and implemented; (ii) Contract and works' information management digital tool designed and implemented; and (iii) MoPW officials training.
- 4.3 **Component III: Knowledge, dissemination, and communications.** The component will finance products for the execution and dissemination of the lessons learned from the cooperation.

V. Budget

- 5.1 The indicative budget of the TC will be US\$185,000.00, of which 100% will be financed by the OC SDP Window 2 – Infrastructure (W2B). There will be no counterpart and the distribution of costs is presented in the following table.

Indicative Budget

Activity/Component	Description	IDB/Fund Funding	Counterpart Funding	Total Funding
Strengthening of public capacities for the management and monitoring of works contracts	The development of methodologies and tools for the contractual and technical management and monitoring of infrastructure works contracts and effective communication and coordination mechanisms.	US\$100,000.00	US\$0.00	US\$100,000.00
Development and implementation of technical and socio-environmental management tools	The design and adoption of Information Technology (IT) based methodologies and tools to improve the monitoring of social and environmental management plans in infrastructure works projects, under the modality of (SaaS).	US\$60,000.00	US\$0.00	US\$60,000.00
Knowledge, Dissemination and Communications	Products for the execution and dissemination of the lessons learned from the cooperation (technical notes and workshops).	US\$25,000.00	US\$0.00	US\$25,000.00
Total		US\$185,000.00	US\$0.00	US\$185,000.00

VI. Executing Agency and Execution Structure

- 6.1 At the request of the beneficiary, the Bank will be the executing agency of this TC. The activities will be coordinated by the Transport Division (INE/TSP). The Basic Responsibility Unit (URB) will be located in CCB/CSU for the management of the related contracts. This execution is justified by the Bank's experience with the preparation and development of the operational and technical instruments proposed and to better coordinate with other activities for the project preparation of SU-L1152.
- 6.2 The TC will be executed by the Bank through the hiring of consultants to deliver each study. In this sense, the Bank will be responsible for: (i) identifying the studies and technical work necessary to structure the project; (ii) selecting and hiring consultants to provide the necessary services; and (iii) managing the execution and delivery of consulting services. Bank execution will allow the TC to benefit from deep technical knowledge and coordination expertise provided by the IDB's Transport Division.
- 6.3 The execution and disbursement period will be 36 months.
- 6.4 This TC will be executed by the Bank responding to the request from the Beneficiary, considering that MoPW does not have the necessary technical, and operational capacity to duly and timely execute the activities foreseen under this TC. Furthermore, the Bank has the technical experience and capacity to ensure the high quality of products and activities to be carried out for this operation. This execution is justified by the Bank's experience with the preparation and development of the operational and technical instruments proposed and to better coordinate with other activities for the project preparation of SU-L1057. The TC will be supervised by its Team Leader, the Transport Specialist Pablo Guerrero who will work as
- 6.5 The activities to be executed are included in the Procurement Plan and will be contracted in accordance with Bank policies as follows: (i) AM-650 for Individual consultants; (ii) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (iii) GN-2303-28 for logistics and other related services.

VII. Project Risks and Issues

- 7.1 Minor risks are identified in the context of this TC. There is a risk of lacking active engagement from the beneficiaries. Even though there is a need to improve mobility and institutional capacities in Suriname, there is a risk of low involvement from public officials and stakeholders. To mitigate this risk, coordination mechanisms will be put in place in close coordination between the project team and high-level technical authorities to make sure the relevant stakeholders get involved in the activities and studies of the TC.
- 7.2 **COVID-19.** Since the onset of the COVID-19 pandemic, the Government of Guyana has placed restrictions including negative COVID testing for foreign countries visitors. With this in mind, and given the unpredictability of the public health crisis, the Terms of Reference (TOR) will specifically ask Consulting Firms and Individual Consultants to prepare for a proper screening until a full recovery of the situation in the country.
- 7.3 There are other activities that are not clear for the coming months such as field visits to projects and public consultations, which are ESPF requirements and must be adapted to the local sanitary context.

VIII. Excepciones a las políticas del Banco

- 8.1 No exemptions to the Bank are considered for this TC.

IX. Environmental and Social Classification

- 9.1 This TC will not finance feasibility or pre-feasibility studies of investment projects with associated environmental and social studies; therefore, it is excluded from the scope of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

- [Client Request Letter](#)
- [Result Matrix](#)
- [Terms of References](#)
- [Procurement Plan](#)
- [Gender and Diversity Checklist](#)