**GOVERNMENT OF GUYANA**

**INTER-AMERICAN DEVELOPMENT BANK**

**SUSTAINABLE AGRICULTURAL DEVELOPMENT PROGRAM**

**GY-L1060**

**XXXX/OC-GY**

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| **Program Operations Manual****Agricultural Sector Development Unit** **REVISION No. 1** |



**Georgetown – Guyana**

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Ministry of Agriculture

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Acronyms

|  |  |
| --- | --- |
| AISAOPASDUASSPBP | Agricultural Information SystemAnnual Operating PlanAgriculture Sector Development UnitAgricultural Support Services ProgramBank Procedure |
| QBS | Selection Based on Consultant Qualifications |
| CV | Curriculum vitae |
| DC | Direct Contracting |
| EA | Environmental Assessment |
| ECLAC | Economic Commission for Latin America and the Caribbean |
| EDWC | East Demerara Water Conservancy |
| EIA | Environmental Impact Assessment |
| EA | Environmental Assessment |
| EPA | Environmental Protection Agency |
| ESMP | Environmental and Social Management Plan |
| ESSFAOFBS | Environmental Strategy StrategyFood and Agricultural OrganizationFixed Budget Selection |
| FMFMRFRMP | Financial ManagementFinancial Monitoring ReportSustainable Agricultural Development Program |
| FSOGL&SC | Fund for Special OperationsGuyana Land and Survey Commission |
| GLDA | Guyana Livestock Development Agency |
| GMB | Guyana Marketing Board |
| GoG | Government of the Republic of Guyana |
| GPN | General Procurement Notice |
| ICB | International Competitive Bidding  |
| ICR | Implementation Completion Report |
| IADBIDB | Inter-American Development Bank Inter-American Development Bank |
| IFR | Interim Financial Report |
| LCS | Least-Cost Selection |
| MoA | Ministry of Agriculture |
| MoF | Ministry of Finance |
| MoH | Ministry of Health |
| MoU | Memorandum of Understanding |
| NAREI | National Agriculture Research and Extension Institute |
| NDIA | National Drainage and Irrigation Authority |
| NEAP | National Environmental Action Plan |
| NDPNGMCNPTAB | Neighborhood Democratic CouncilNew Guyana Marketing CorporationNational Procurement and Tender Administrative Board |
| PSC | Project Steering Committee |
| PMCPODPOMPPPS | Program Management CommitteeProposal for Operational DocumentProgram Operations ManualProcurement PlanPermanent Secretary |
| QBS | Quality-Based Selection |
| QCBS | Quality and Cost-Based Selection |
| RDC | Regional Democratic Council |
| RFP | Request for Proposal |
| SADP | Sustainable Agricultural Development Program |
| SBD | Standard Bidding Document |
| SCFOCSOE | Single Currency Facility of Ordinary CapitalStatement of Expenditures |
| SPFSPNSPS | Safeguard Policy FilterSpecific Procurement NoticeSanitary and Phytosanitary Standards |
| SSFTOR | Safeguard Screening FormTerms of Reference |
| UNDBUTF | United Nations Development BusinessUnilateral Trust Fund Agreement |

# INTRODUCTON

The Ministry of Agriculture (MoA), through the Agriculture Sector Development Unit (ASDU), based on the agreement GY/L-1060, signed between the Government of Guyana (GoG) and the Inter-american Development Bank (IDB), is implementing the “Sustainable Agriculture Development Program” (the Project). The design of the Project, as presented in this manual, is the result of a process of analysis and consultations, which included a review of institutional strengths and opportunities, which will contribute to the success of the Project in Guyana. During the design process, several institutions and stake holders, provided insights and comments to the design, which have been included in the documents approved by the Bank. Also, during the design, specific procedures and criteria were discussed, which form part of this manual.

This manual will guide the ASDU, as Project Implementing Agency, to comply with Guyana legislation and IDB financial, procurement and safeguards policies. Also, this manual contains instructions and guidelines, which will contribute to the achievement of goals and targets, as specified in the design documents.

##  Context of the Operating Regulations Manual

1. The Program Operations Manual (POM) is issued to set conditions for the eligibility of the works and other conditions to execute the Sustainable Agricultural Development Program (SADP, the Program) as specified in the Loan Contract: xxxxxx. This loan contract has been signed between the Government of the Cooperative Republic of Guyana (GOG) and the Inter-American Development Bank (IADB) to execute the Sustainable Agricultural Development Program (SADP).
2. The execution of the SADP will be carried out by the Ministry of Agriculture (MOA) in accordance with current administrative practices of the GOG. This Manual is designed to guide the agencies involved in the execution and monitoring of the SADP, whose purpose is to support GOG in increasing the productivity of the agricultural sector while maintaining a sustainable and climate resilient use of natural resources in Guyana.
3. The SADP is comprised of the following Components:
4. Component I: Information for policy making and natural resource management
5. Component II: Strengthening of the agricultural innovation and extension system
6. Component III: Support for compliance with sanitary and phytosanitary standards
7. The established norms of the Loan Contract have been aligned with those of this Manual. However, if there be any exclusion, the norms of the Loan contract precede those enclosed in this Manual. The POM is a permanent instrument of the Loan Contract and will be effectively applied during the execution of the SADP.
8. If GOG or the Bank considers it necessary to introduce specific changes to this Manual, those must be agreed to in writing by both parties.

## Rationale and Purpose of the POM

1. The POM is intended to provide support to the Agricultural Sector Development Unit (ASDU) in the efficient and transparent execution of the Program’s goals and objectives. This Unit is identified in the Organizational Structure discussed later in this POM and shown in Figure 1 on page x. The Manual establishes the formal procedures to execute and administer the loan contracted between the GOG and the IDB. Nothing in this Manual modifies the rights and obligations of the parties specified in the loan contract. The Manual should be available as required to SADP staff and upon request to beneficiaries and other participant stakeholders.
2. The POM addresses the following key elements: a description of the activities that will be financed under the Program; the institutional scheme for managing the Program; the human resource management requirements; the financial and administrative guidelines; the program supervision, monitoring and evaluation mechanisms.

## Intended Use and Users

1. The POM establishes the basic operating procedures for the program. The manual sets forth administrative and financial rules, instruments and procedures for carrying out routine operational tasks. The POM should guide the execution of the SADP Program. The users of this Manual are mainly the members of staff of the ASDU.
2. As such, all users of this Manual are invited to evaluate the regulations and procedures presented herein with a view to perfecting them even further. All observations and recommendations concerning this Manual should be forwarded to the Director, ASDU, who is responsible, in collaboration with the Project Coordinator of the SADP, for proposing updates to the Manual, as necessary.

## Scope and Limitations of the POM

1. The POM serves at least three important purposes:
2. Facilitate consensus on priority tasks among persons responsible for implementing the SADP;
3. Orient new employees and contractors/consultants to the SADP requirements; and
4. Clarify SADP operations for others whose participation or support is important to program success.
5. The POM incorporates the on-going experience and contextually relevant best practices of Guyana’s professionals in the Agriculture Sector and the Bank. It is expected, therefore, that the GOG and the Bank will periodically review and update this Manual to reflect practical experiences and incorporate necessary changes as the SADP implementation proceeds.

**FIGURE 1: AGRICULTURE SECTOR DEVELOPMENT UNIT SCHEMATIC**



# PROGRAM DESCRIPTION

## Objectives of the SADP

1. The SADP aims to increase the productivity of the agricultural sector while maintaining a sustainable and climate resilient use of natural resources in Guyana. Higher productivity will also reduce pressure on forest and fragile ecosystems, and at the same time, increase incomes for small and medium-sized farmers.

## The Program

The SADP will achieve its objectives through three components:

1. Facilitation of the implementation of a strategy to enhance the capabilities of the MoA for data collection, analysis and dissemination. This program will finance: the review and design of an appropriate Agricultural Information System (AIS), including the preparation and implementation of an Agricultural Census; and strengthening of the Monitoring and Evaluation capabilities of the MoA.
2. Implementation of a research program in Region 9 and Region 10, that will include the setup of an extension strategy tailored to the different groups of beneficiaries. The program will finance: a) the design and construction (Region 9) and improvement (Region 10) of research/extension facilities and infrastructure, as well as the development of 5 research programs. The design of these research programs include a) financing for visiting researchers; b) inputs; c) equipment and training for NAREI and GLDA staff; d) the preparation and implementation of an extension strategy that will include incentives for technology adoption for small farmers. Incentives will target individual small farmers, and will be complementary to the investment being prepared with IFAD funding; and lastly, e) legal and regulatory framework and specific investments to improve SPS standards for meat and dairy processing.
3. The Program will finance: a) the development and implementation of a simplified grading system for beef that compensate livestock owners for the quality of their beef animals; b) update of abattoir standards and preparation of legal basis; c) adaptation of codex alimentarius for Guyana; d) support for GLDA to enforce standards; e) preparation of regulations pertaining the Food Safety Act for development and enforcement of standards; f) financing of two meat processing centers (one in Region 9 and one in Region 5) ~~and one processing facility for dairy (Region 3)~~, that will include infrastructure for processing and waste management, and equipment; g) training of GLDA and producers associations members in management; standards; best practices; and environment protection; and viii) strengthening of producers associations to enhance management.

## COMPONENTS

## Information for policy making and natural resource management

### Agricultural Census

1. The Agricultural Census will be implemented by the FAO through a Unilateral Trust Fund (UTF) agreement. This UTF includes a project document, attached, that describes the details, calendar and budget for this activity (see Annex X). The MoA will supervise the implementation of the agricultural census through the ASDU and coordinate with the Guyana Bureau of Statistics (GBS). The ASDU will review reports submitted by the FAO and approve payments. Table X describes the milestones as agreed with the FAO. The ASDU will submit to the Bank the requests for payments, only when all comments and concerns have been addressed.

Table X. Milestones for the implementation of the agricultural census

|  |  |  |  |
| --- | --- | --- | --- |
| Milestone | 2017 | 2018 | 2019 |
|  | 1st Q | 2nd Q | 3rd Q | 4th Q | 1st Q | 2nd Q | 3rd Q | 4th Q | 1st Q | 2nd Q | 3rd Q |
| Recruiting AC team  |  |  |  |  |  |  |  |  |  |  |  |
| Update of legal framework |  |  |  |  |  |  |  |  |  |  |  |
| Preparation |  |  |  |  |  |  |  |  |  |  |  |
| Field work |  |  |  |  |  |  |  |  |  |  |  |
| Data cleaning and publishing |  |  |  |  |  |  |  |  |  |  |  |
| Final report |  |  |  |  |  |  |  |  |  |  |  |

1. The FAO will provide all the information about the implementation of the census to the MoA. All products generated through the UTF will belong to the MoA, including, but not limited to: i) equipment and assets; ii) datasets and databases; iii) reports and specific analyses; and iv) other documents generated through the agreement.

### Agricultural information system

1. The Agricultural Information System (AIS) will be supported by the Program through three activities:
	1. Raising the profile of the M&E unit
	2. Updating the legal and regulatory framework
	3. Providing access to sector specific data and training

### Training of MoA and GBS staff

### Staff from the M&E Unit; Guyana Marketing Board (GMB) and the GBS will be trained in: i) data management; ii) design and maintenance of databases; iii) virtual (cloud based) databases; and iv) analysis and reporting. Staff will be selected from these agencies based on criteria such as:

1. 1. Staff or long-term consultants with at least two- years tenure working with the agency
	2. Proficiency in the language of the country where the training will be offered
	3. Agreement signed with the MoA

## Strengthening of the agricultural innovation and extension system

### Agriculture centers

1. The Program will finance the design, build and equipment of two agriculture centers, one in Region 10 (Ebini) and one in Region 9 (Manari). Draft Terms of Reference (ToR) for the design and environmental impact evaluation were prepared during the design of the operation (see Annex X). The Program will finance, for each Agriculture Center:
2. *Design and environmental impact evaluation*. The MoA will prepare the ToR to identify a consultancy firm to prepare the final design of the infrastructure in each agriculture center. This will include: i) topography; ii) soil analysis; iii) volumes and unit costs; iv) construction strategy; and v) environmental impact assessment for new construction and the water catchment.
3. *Supervision of construction*. Based on the final design, the MoA will identify a consultancy firm to supervise the construction and refurbishment of infrastructure in both agriculture centers. The supervision will include: i) review of the design, including costs, topography and schedule; ii) permanent supervision on site including environmental, social, health and safety supervision; and iii) reception and certification of compliance with the contract.
4. *Construction*. The MoA will publish an open competitive bidding process to identify a suitable construction firm to refurbish and build two agriculture centers.
5. *Equipment and services*. The Program will finance the purchase of equipment, furniture and other accessories needed to facilitate the normal functioning of the agriculture centers. Equipment will include: i) laboratory supplies, machines, chemical reagents; ii) computers, printers, batteries; iii) vehicles; and iv) furniture, storage and teaching tools.

### Research programs

1. Prior to the construction of the agriculture centers, research programs will be designed and implemented in Region 9 and Region 10. Research in Region 10 will be based on current efforts and actual infrastructure. During the design of the Program, five research programs were identified: i) Perennial crops (Orchard crops); research ii) Annual Crops research; iii) Feeds and feeding systems research; iv) Livestock research – Breeds and breeding; v) Soil management research. Annex X presents details of the technical characteristics of each research program, as well as the technical and physical inputs needed for their implementation.
2. For the first and second year of the Program, NAREI and the GLDA will prepare a menu of technology packages already developed in Guyana. These packages will be used to start up the extension program and focus on: i) fertility; ii) water management; and iii) agricultural practices.
3. The list of species to be promoted in the research programs and technology packages will be presented to the Bank for approval to ensure invasive species are not being promoted (including Genetically Modified Organisms that have the potential to invade).
4. NAREI and the GLDA will be in charge of the implementation of research programs. Each agency will identify the researcher in charge of each research program and will include in the AOP the activities for each research program. This will result in a budget for each research program. This will also facilitate monitoring of the products associated with the research programs.

### Research consultants

1. The MoA through a specific request from NAREI and the GLDA will identify senior consultants to support the implementation of research programs. These consultants will have the following profile: i) PhD or MSc. with ten years of experience in agricultural research / innovation with focus on sustainable agriculture; ii) track record in publishing research papers in refereed journals; iii) experience in university teaching; and iv) willing to live in the agriculture centers for a certain amount of time. Consultants will facilitate the implementation of research programs, including: i) identification and acquisition of vegetable material; ii) statistical design, including controls and quality analysis; iii) data collection and systematization; and iv) preparation of reports and research articles.
	1. **Materials and inputs**. The Program will finance the purchase of vegetable materials, equipment and tools required to implement the research programs. This will include the purchase of tractors or other large equipment. The MoA will be in charge of maintenance, operation (including fuel and operators), and insurance.
	2. **Literature**. The Program will finance the purchase of subscriptions to journals in coordination with NAREI and the GLDA. Subscriptions will be made available to all researchers and MoA personnel related to research and innovation.
	3. **Participation in international events.** The Program will finance the participation of researchers in international conferences to present results of research in Guyana and contact potential partners. The eligibility criteria to participate in these conferences will be: i) lead researcher or junior researcher in a research program financed by the Program; ii) have a draft paper accepted in the conference; iii) have a poster accepted in the conference; and iv) have been registered at the conference. The Program will finance round-trip air tickets (economy); per diem; and registration fees.

### Extension service

1. Technology packages developed by NAREI and the GLDA will be transferred to final users (farmers) through extension programs. These extension programs will be based on current efforts, but will be tailored to target two different final users: i) small farmers; and ii) medium – large farmers.
2. NAREI and the GLDA will enhance their extension programs with the support of the Program. The Program will finance contracting extension officers, to offer technical assistance and training to all beneficiaries in Regions 5, 9 and 10. Extension officers will have the following profile: i) university (four-year program) or college (three-year program) graduates; ii) knowledge of dialects and languages spoken in the regions; and iii) willingness to relocate to the regions. The Program will finance extension officers for up to three years. After that, the MoA will incorporate extension officers.
3. The Program will finance training for extension officers. All extension officers (currently working for NAREI and the GLDA and future hires) will receive a two-week training, each semester. Training will focus on: i) adult education and transfer of knowledge; ii) data collection and reporting; iii) agricultural practices and technology packages; and iv) environmental management and social inclusion.
4. The Program will finance the purchase of vehicles, motorcycles or ATVs, equipment and materials for the implementation of extension services. The MoA will be in charge of maintenance and insurance.
5. The steps for the implementation of the extension program will be:
6. The MoA through NAREI and the GLDA will promote the Program in all target areas (Regions 5, 9 and 10). Promotion will use radio, TV and meetings, and will explain the objectives of the Program and potential benefits for farmers. NAREI and GLDA will explain in detail the eligibility criteria for the incentives program. The promotion will continue for the first two years, or until the number of beneficiaries expected by the Program is reached.
7. Farmers will be asked to register if interested to receive training and technical assistance. During registration, NAREI and the GLDA will collect the following information: i) Region, NDC and community; ii) size of the household; iii) size of the farm (lease and area under production / fallow); iv) number of animals; and crops / livestock / practices they are interested in.
8. NAREI and the GLDA will prepare a proposal for technical assistance based on the number of interested farmers for the first year. The number of farmers to be included in the first year of the Program will be matched with the number of extension officers and mobilization capacity. Both small farmers and medium – large farmers, will enter the Program randomly (see Annex X for details). All registered farmers in the selected communities will participate in technical assistance and training. If the number of registered farmers is higher than what is possible to service in the first year, they will be included in the second year of the Program.
9. Farmers will receive three kinds of extension services: i) for all farmers, technical assistance. Technical assistance will include personalized visits by extension officers to guide the implementation of technology packages. Farmers will get answers to particular questions and resolve doubts related to the implementation of technology packages; ii) for all farmers, training. Training will consist in workshops; field visits; farmer field schools; and participation in fairs; and iii) for small farmers, incentives for technology adoption (see section e. below).
10. During either visits or training, extension officers will collect data related to participation and production. Specific tools will be developed to collect data on production for each farmer that receives support from the Program.
11. Extension officers will be based on the Agricultural Centers in Region 9 and Region 10. NAREI and the GLDA will establish a formal rotation strategy to generate incentives for extension officers and to promote exchange of ideas and experiences within the NAREI and GLDA.

### Incentives for technology adoption

1. Research programs will generate technology packages to be transferred to farmers. To increase the likelihood of adoption, the Program will finance an incentive to adopt new technologies targeting small farmers. The eligibility criteria will be: i) area under production / fallow, less than 20 hectares; ii) agriculture / forestry is the main source of income; iii) farmer is a resident of Region 5, 9 or 10; and iv) farmer has a lease or right to use the land.
2. The steps to identify and select participants in the incentives program will be:
3. Farmers will be selected from the lists prepared by the MoA during the promotion of the Program. The target number of beneficiaries is expected to be 3,200 (with - 850 farmers from Region 5, 1,200 farmers in Region 9, and 1,150 in Region 10). The MoA will use the agreed eligibility criteria to identify the beneficiaries
4. Farmers will be selected from a random sample of communities. The number of farmers per year will be defined based on budget availability. However, during the preparation of the loan, a progression of 500, 700, 800 farmers per year was suggested (see Table X).

Table X. Number of farmers that receive incentives for technology adoption, per year, per Region

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Year 1** | **Year 2** | **Year 3** | **Total** |
| Region 9 | 200 | 300 | 500 | 1,000 |
| Region 10 | 200 | 200 | 200 | 600 |
| Region 5 | 100 | 200 | 100 | 400 |
| **Total** | **500** | **700** | **800** | **2,000** |

1. Farmers will select the technologies they want to implement from the packages offered by the MoA. Each package will include: i) inputs; ii) land preparation; iii) equipment; and iv) technical assistance. Packages will be designed for a specific area of production, for example, one hectare. Or a number of animals, in the case of livestock production. The Program will contribute up to 700 USD per farmer, depending on the technology (see Annex X for details of the technology packages).
2. Each farmer will open a bank account in the Bank of their preference. Funds will be transferred to that bank account, once the technology has been implemented. 50% when the farmer demonstrates that inputs and preparation of the land has been finished; and 50% when planting or purchase of animals is completed. The MoA will verify the implementation of the technology in the field and prepare a report.
3. Additionally, an external verification process will be implemented. This verification process will review, at random, the implementation of technologies; support provided by the MoA; and financial flows.

### Visiting researchers

1. NAREI and GLDA will identify international research and innovation institutions for collaboration. These international research institutions will sign an agreement with the MoA that will describe this collaboration. Because research to be implemented in Region 9 and Region 10 will leverage research done elsewhere, it is important that knowledge, skills and tools are transferred to local researchers. The agreements between international research institutions and the MoA will focus on this exchange.
2. The Program will finance the expenses of visiting researchers. Visiting researchers will spend at least two weeks, each visit, in Guyana. During these stays, researchers will help NAREI and the GLDA in the identification of genetic and vegetative material for research programs; the design of research programs; and provide training for researchers or other MoA or University staff or students. Expenses will include: i) round trip air tickets; ii) per diem; iii) supplemental daily honoraria, based on the agreement with the international research institutions; and iv) local transport.
3. International researchers will have the following profile: i) PhD in a relevant field; ii) at least 10 years of experience in the implementation of research programs and / or teaching; and iii) proven track record of publications in refereed journals (at least 10 papers published). Researchers must comply with the rules of origin of the procurement policies of the Bank.

### Training for NAREI and the GLDA staff

1. The success of research programs depends largely on the quality and level of researchers and human resources available. To increase local capacity, a training program for NAREI and GLDA staff will be financed through the Program. The same criteria described in paragraph 2.9 for research consultants, apply to NAREI and GLDA staff.
2. NAREI and GLDA staff will receive two types of training: i) training provided in Guyana. In this case, the Program will finance the costs of the instructor; venue, transport and per diem of trainees; and materials; and ii) international. In this case, the Program will finance the participation of NAREI and GLDA staff in international courses of different lengths, up to one year. Short courses will be preferred. For international courses, staff will be selected only once to facilitate the participation of a number of staff.

### Support for EPA supervision

1. The Program will finance support to EPA for supervision and monitoring of all new infrastructure during design, construction and operation phases. This covers both the agricultural centres, the water catchment, research and extension programs and the abattoirs. It is expected that this support to the EPA will be needed for throughout the program.

## Support for compliance with sanitary and phytosanitary standards

### Pilot facility for meat processing

1. The Program will finance the design, supervision and construction of two facilities for meat processing. During the design of the operation, the MoA identified Region 9 and Region 5 for the implementation of these facilities. The process described in paragraph 2.6 will be applied to the construction of these two facilities.
2. The meat processing facilities will be managed by producers’ associations. Producers associations will have the following eligibility criteria: i) organized and incorporated in Guyana; ii) have its legal documents approved or in the process of being approved; iii) bylaws approved by members; and iv) has a management board appointed by members.
3. The associations will sign an agreement with the MoA to manage the facilities. These agreements will indicate: i) the length of the lease or other form of transfer; ii) responsibilities of the association, in terms of payments or fees to be paid to the MoA, liabilities, limitations of the agreement in terms of responsibilities of the MoA; and penalties; iii) monitoring and evaluation to be implemented by the MoA. Facilities will be managed by the association for at least five years, but property will remain with the MoA. At the end of the agreement, the facility, including equipment and tools, will be returned to the MoA in similar conditions as when received.

### Update of SPS standards and legislation

1. Investments in pilot facilities to process meat will require updates to current legislation and Sanitary and Phytosanitary (SPS) standards. The MoA will lead this update and drafting of new legislation / standards, which will be concurrent with the activities planned for the pilot facilities. However, it is expected that the pilot facilities will comply with this updated legislation scenario.
2. The Program will finance individual consultants to be identified by the MoA that will help the GoG in the preparation of the updated legislation or support the design of new legislation or regulation. One individual consultant will be identified for each legislation / regulation. Also, the Program will finance the costs of the public consultations needed for this kind of activity, including workshops and materials needed.

## Monitoring and evaluation

1. Monitoring, evaluation and management of the Program. The purpose of this component is to improve the effectiveness of the animal health, plant health and food safety units of the Ministries of Agriculture and Health, transforming them in an integrated system to protect domestic consumers from illness, and domestic production from disease and contamination while ensuring that Guyana’s exports meet international standards. The component is designed to establish and strengthen the system and assure that policy and regulations are coordinated as well as the use of the resources of all institutions concerned. This integrated system will form the basis for the implementation of modern and specialized semi-autonomous agencies.

D. Special Contractual Clauses: Cost and financing

1. *Special Conditions Prior to First Disbursement.*

The following conditions would apply prior to first disbursement:

1. Evidence that the Ministry of Agriculture has hired the additional personnel to the ASDU -a projects coordinator; an agricultural health and food specialist; a procurement specialist; a monitoring and evaluation specialist; and has appointed, as part of the Project Steering Committee of the ASDU, a representative of the Ministry of Health, in accordance with the terms of reference previously agreed upon between the Executing Agency and the Bank, will be a condition prior to the first disbursement of Bank resources.
2. Evidence that this Program Operations Manual for the Program, previously agreed upon between the Executing Agency and the Bank, has entered into effect.
3. *Prior to bidding of each of the works of the Program, the Borrower undertakes, by itself, or through the Executing Agency to present to the Bank:*
4. the corresponding environmental licenses according to national law and the Environmental Impact Assessment (EIA) for each of the works under the Program, including the water catchment; and
5. the design plans for the abattoirs according to international standards, detailing, inter alia, the source of water and waste management procedures.
6. *Prior condition to the disbursement of Bank resources for Component I of the Program:*
7. Evidence that:
	1. a specialized agency or consulting firm has been hired by the Executing Agency to carry out the activities under this component, will be a condition prior to the disbursement of Bank resources for Component I of the Program**.**
	2. prior to the implementation of the activities related to the Guyana Bureau of Statistics (GBS) under component 1, the subscription and entry into effect of **an agreement between the MoA and the GBS.**
8. *Prior condition to the disbursement of Bank resources for Component II agricultural research and training activities of the Program, the Borrower undertakes, by itself, or through the Executing Agency to:*
9. present evidence of the subscription and entry into effect of an agreement between the MoA and the EPA, according to the terms and conditions previously agreed with the Bank;
10. present for the Bank’s approval the list of species to be promoted in the agricultural research centers and included in the technological innovation packages.
11. *Prior condition to the disbursement of Bank resources for Component III of the Program* *the Borrower undertakes to*:
	1. present evidence, prior to commencing infrastructure works related to the abattoirs financed under component 3, **an agreement between the MoA and a producers’ association** responsible for operating an abattoir, according to the terms and conditions previously agreed with the Bank;
12. Throughout the execution of the Program, the Borrower undertakes, by itself, or through the Executing Agency to:
	1. comply, and enforce any contractor to comply, to the Bank's satisfaction, with the conditions in the Environmental and Social Management Plan (ESMP), and require prior written approval of the Bank before approving or implementing any changes in this plan;
	2. obtain and present to the Bank any environmental, social, health and safety, and labor related permits, authorizations, or licenses applicable to the Program; and
	3. comply with all Bank relevant policies and procedures, including the Environment and Safeguards Compliance Policy (OP-703), the Disaster Risk Management Policy (OP-704) and the Disclosure of Information Policy (OP-102), and the Gender and Equity in Development Policy (OP-270).
13. The Bank’s financing will be provided using a blend of resources from the Single Currency Facility of the Ordinary Capital and from the Fund for Special Operations (FSO).
14. The Program does not require counterpart financing.

**Table 2: Program cost (In thousands of US$)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ACTIVITY** | **IDB** | **GoG** | **Total** | **%** |
| Component 1 | 4,170,000 |  | 4,170,000 | 27.8% |
| Component 2 | 6,398,000 |  | 6,398,000 | 42.7% |
| Component 3 | 2,800,000 |  | 2,800,000 | 18.7% |
| Monitoring and Evaluation | 400,000 |  | 400,000 | 2.7% |
| Management | 1,232,000 |  | 1,232,000 | 8.2% |
| **Total** | 15,000,000 |  | 15,000,000 |  |

# Institutional Arrangements For Executing the SADP

 A. Functions of the Ministry of Agriculture (MOA)

1. The executing agency for the SADP is the Ministry of Agriculture (MOA) (*see* ***Annex 1***). The MOA, as the Executing Agency will have overall responsibility for ensuring project progress, with specific responsibility for:
2. defining and overseeing that Program objectives are aligned with policies;
3. approval and/or modifications of this Operation Regulations Manual, with the Bank’s agreement;
4. organization and approval of the new hires of the Agricultural Sector Development Unit (ASDU), with the Bank’s agreement;
5. approval of the Executive Annual Report and the proposed budget to be submitted to the Bank;
6. collecting data and monitoring Program’s activities and accomplishments; and
7. mechanisms, processing, activity coordination for Component 1 (MoA with Bureau of statistics, etc.), Component 2, Component 3 (MOA and the Ministry of Health (MoH), Food Safety Authority, GLDA, New Guyana Marketing Corporation). The MOUs with relevant parties (including XXX, XXX and XXX) would be effected as the necessity arise.

B. National Steering Committee (PSC)

1. A Project Steering Committee (PSC) will be convened by the PS to coordinate activities among government agencies and monitor progress of the project.
2. The PSC will be comprised of the relevant departments and agencies of the MoA. The PSC will include, but not be limited to, representatives from the MOA Plant and Animal Health Units, the Guyana Environmental Protection Agency, the New Guyana Marketing Corporation (NGMC), the National Agriculture Research and Extension Institute (NAREI), Guyana Lands and Survey Commission (GL&SC), Office of Climate Change, Ministry of Indigenous Affairs, the National Drainage and Irrigation Authority (NDIA), and the Private Sector.
3. The Permanent Secretary (PS) of the MOA will write to the various representatives on the SADP soliciting recommendations for those who will contribute to the ASDU National Steering Committee.
4. The main functions of the ASDU NSC will be to oversee the planning and implementation progress of the SADP, including overseeing the environmental and social safeguard aspects, as in the case of the other projects under the purview of the ASDP.
5. Generally, the NSC will:
	1. Assess project progress
	2. Provide advice and guidance on challenges the project may face
	3. Assist with resolving strategic level issues and risks

The responsibilities and membership of the NSC are outlined in Annex X.

C. The Agricultural Sector Development Unit (ASDU)

1. The ASDU is responsible for technical, procurement, financial and managerial/control and reporting functions of the SADP. The execution functions for the SADP are described below.

*Core Services of the Agricultural Sector Development Unit (ASDU)*

1. Managerial/Control: (i) ensuring the establishment and compliance of Work Plans and internal and operational controls in accordance with the objectives of the project; (ii) promoting coordination, communication and integration among various agencies and beneficiaries; (iii) serve as liaison with the Bank and other Government agencies; and (iv) disseminate information regarding the project to the private sector, related professional associations and farmer and agribusiness organizations.
2. Coordinate the execution of all activities for the SADP Program, including the fiduciary, financial, procurement, safeguards, monitoring and reporting aspects, under the direction of the Steering Committee, and acting as a liaison with the decentralized agencies related to the SADP Program, and the relevant private sector representatives.
3. Coordinate on all administrative matters for the use of common resources between the Agricultural Support Services Program (ASSP), the SADP Program and other IDB-funded Program, and will be responsible for all communications to the Bank regarding the execution of the SADP Program.
4. coordinate all activities of the Specialists, ensuring that the Program objectives are achieved and the respective budgets are executed appropriately. The Project Coordinators will be responsible for the preparation of all Reports of the Project for submission to the IDB, MOF or the MOA.

*Specialist Services of the Agricultural Sector Development Unit (ASDU)*

1. Technical: (i) preparing the Annual Work Plans and presenting them for the review of the Steering Committee and the approval of the Permanent Secretary of the MOA; (ii) develop procedures for collecting and analyzing information from the various agencies involved in the Project on a periodic basis to allow monitoring Project benchmarks and overall evaluation of results and report on execution progress; (iii) preparing Terms of Reference and supervising the execution of activities; and (iv) coordinating the preparation of bidding documents, and the evaluation of proposals and bids.
2. Procurement: (i) preparing the procurement and contracts management aspects of works, goods, and services for the various components of the Program; (ii)ensuring the integrity of the procurement process, including for advertisements, bidding documents, Request for Proposals, evaluation, contracts issuance, change orders and contracts modifications; (iii) contracts management with contractors, consultants and other intermediaries; (iv) monitoring of performance, and delivery and completion of contracted works, goods and services. Please see Annex X, for further information on procurement.

*Support and Administrative Sector of the Agricultural Sector Development Unit(ASDU)*

1. Financial: (i) maintaining adequate financial and accounting records of Project funds and internal control systems to allow for verification of transactions, identification of sources and use of Project funds; (ii) providing documentation to verify transactions and to facilitate timely preparation of financial statements and reports; (iii) preparing and submitting disbursement requests and corresponding justification to the Bank; (iv) preparing and submitting to the Bank, the Program’s annual financial statements and facilitating their timely audit; and (v) maintaining an adequate disbursements support and documentation filing system, which must always be available for review by the Bank. Additional information on financial management may be found in Annex X.

D. Project Execution and Administration

1. The Program Administration: The Agricultural Sector Development Unit(ASDU) will be responsible for managing the Program, including its planning, organization, staffing, procurement, finances and control. The ASDU will be managed by a Director, who reports to a Project Steering Committee comprised of representatives from decentralized agencies, and other ministries and stakeholders involved in project execution.

**E. Supervision and Monitoring**

1. The Monitoring and Evaluation for the Project will: a) assess the Project’s economic and social impacts on the beneficiaries; ii) follow Project performance, risk, management, and environmental-social indicators; and iii) generate learning and feedback processes from the Project that may be useful for similar clusters, or for extending the Project.
2. Monitoring of the SADP by the Executing Agency will rely on the (i) the Results Matrix (RM); (ii) Project Execution Plan (PEP); (iii) this Monitoring and Evaluation Plan (PME); (iv) detailed budget; (v) Risks Management Matrix; (vi) Procurement Plan; (vii) the Progress Monitoring Report (PMR); and (viii) Project Completion Report (PCR). MoA will prepare semi-annual progress reports with review provided by the Bank. The MoA agrees to use the Results Matrix and activities defined in the Progress Monitoring Report (PMR) as key elements for monitoring the operation. This set of instruments will help identify early detection of execution issues. Monitoring will be conducted by an M&E Specialist and the Project Implementation Unit (PIU), while evaluations will be conducted by independent consultants.
3. The MOA’s current M&E data collection systems will allow for collection of some, but not all information required. To ensure adequate data collection and project monitoring, a Monitoring and Evaluation Specialist will be included in the ASDU.
4. By xxxx of each year, the ASDU will prepare an operating plan for the following year. This plan will also contain an evaluation of the results obtained during the previous period, and if needed, include a justification and recommended actions regarding the goals not achieved during the period in question.
5. **Reports**. The Executing Agency will collect, store and retain information, indicators and parameters, including the annual plans, the mid-term review, and final evaluations, to assist the Bank in preparing the Project Completion Report. During program implementation, the ASDU will present to the Bank semi-annual progress reports, to be presented within 60 days of the end of the semester, summarizing the execution and financial highlights of the period. The Progress Monitoring Report documents outputs and outcomes achieved during the program’s implementation, with an emphasis on outcomes. The Progress Monitoring Report strives to identify delays and deviations early on during project implementation, and changes needed during execution, using a quantitative approach to track the achievement of the project’s outputs and outcomes relative to its estimated time and cost parameters. This report should include at least the following elements: i) narrative description of activities executed under each component, including a description of the procurement processes carried out and issues affecting implementation during the reported period; ii) update on attainment of Results Matrix indicators, including annual targets for output indicators; iii) statement of costs incurred by component activities as well as Results Matrix indicators, including total sum of planned costs for all outputs; iv) identification of risks/events that may potentially affect the future implementation of the program, as well as proposed mitigation measures. A model report will be provided by the Bank.
6. **Mid-term evaluation**. The mid-term review will be undertaken after committing 50% of loan resources, and reaching the following events: i) xxxx; ii) xxxx; …... The ASDU will also undertake the agricultural health evaluation known as PVS – “Performance, Vision and Strategy”. A mid-term review mission will discuss with the MOA the results from the implementation of each component and review the plan of the activities for remaining of the Program.
7. **Final evaluation**. A final evaluation comprised of impact evaluations, as well as process evaluations, will be financed with project funds and will take place when 95% of loan resources are disbursed. The evaluation will assess the implementation of project and will document outcomes in participating agencies following the EMS guidelines.
8. ***Ex-post* evaluation.** The GOG will conduct an *ex-post* evaluation three years after the project ends. The EMS guidelines specify its budget, data required, and methodology.

**F. Environmental and Social Impact**

1. Negative Environmental and Social Impacts and Risks and their Mitigation during Construction
	1. An Environmental and Social Analysis (ESA) was carried out, that includes an Environmental and Social Management Plan that details actions, roles and responsibilities for the required actions to mitigate impacts to comply with IDB safeguards policies and national policies.
	2. The most significant project impacts can be mitigated through an adequate design of the facilities. This will be addressed through ensuring that the design meets international standards as assessed by a consultant in collaboration with ASDU and EPA.
	3. Other impacts relate to operation of the facilities. These will be addressed through training programs to abattoir operators and supervisors, as well as regular external auditing.
	4. The operation manual for research and training courses must state that that invasive species (including Genetically Modified Organisms that are invasive), crops requiring high herbicide and pesticide use and crops or livestock with high water demand must not be researched or promoted during the project.
	5. Safeguards Compliance Procedure During project Implementation
	6. As subprojects are finalized, the following process will be undertaken:
	7. Screening: For each of the new infrastructure works (abattoirs, agricultural centers and water catchment) an Environmental Impact Assessment (EIA) and an Environmental and Social Management Plan (ESMP) will be necessary in order to comply with national legislation and requirements as specified in the ESMP for the program.
	8. Preparation of Documentation: The EIA and ESMP will be prepared in order to analyze and develop mitigation measures for any impacts identified.
	9. Review and clearance: EPA will be in charge of assessing whether the draft EIA and ESMP respond adequately to the requirements and will issue the environmental permit if they are satisfied with the documents . The IDB will undertake review of the ESMPs as part of the regular supervision. In addition, ASDU shall provide the list of species to be promoted via the research centers and the agricultural extension programs for clearance by the Bank.
	10. Implementation: The applicable mitigation measures identified in the ESMP will be incorporated into the bidding and contract documents. The contracted construction firm shall be responsible for developing an on-site ESMP for the works. ASDU and the contracted construction supervisor responsible for environmental, social, health and safety issues will supervise the implementation of the provisions related to the mitigation measures. During operation of the abattoirs, ASDU shall be responsible to ensure correct action on any reports from EPA, Ministry of Health or the independent consultant
	11. Consultation and Disclosure: Consultations will be undertaken as part of the development of the subproject documentation, and consultations will be held with concerned stakeholders prior to approval of the individual EIA/EMP. In addition, a mechanism for grievance redress will be included in the ESMP to allow for feedback during its implementation. This framework and the individual ESMPs as they become available will be made available to the public through ASDU.
	12. Grievance procedures: Grievances will be addressed first through discussions between the affected persons and the ASDU. If consensus is not agreed, a mediator will be appointed from an agreed list of suitable persons, and finally if parties fail to concur, the matter may go through the courts. The procedure is delineated in the ESMP.
	13. Monitoring and Reporting: Technical staff from ASDU will be assigned to the Project to oversee the preparation and implementation of the infrastructure (including the water catchment) and ensure Environmental and Social Management Plans are implemented correctly. EPA and Ministry of Health will also carry out monitoring of various aspects during the construction and operation phases and will report directly to ASDU. Training will be provided to the ASDU Ministry of Health and EPA through the project and through IDB training to further develop capacity for implementation of Bank Policies and the Environmental and Social Management Plan
	14. The contractor shall have an environmental officer to provide oversight to environmental, social, health and safety issues in accordance with the site-specific ESMP developed by the contractor and report directly to ASDU.
	15. EPA shall be responsible for ensuring the design and construction meets national requirements. The EPA is about to open an office in Region 9 to ensure better supervision of the facilities and the Rupununi in general. During the operational phase, monitoring of the abattoirs shall be carried out by the Ministry of Health and waste management by EPA.
	16. The list of species being proposed for research and extension program contents developed by NAREI shall be approved by ESG and the use of invasive species monitored by EPA.
	17. ASDU shall be responsible for ensuring that the program ESMP as well as specific ESMP for each new construction are followed.
	18. External monitoring shall be carried out as follows: Infrastructure design shall be approved by an international specialist, and the operation audited annually by an external consultant.
	19. The Borrower will conduct internal audits and send six monthly reports to the IDB. A supervision mission will be conducted annually during construction and operation phases. In addition Bank supervision shall be carried out by the project team

**Monitoring and Supervision**

* 1. This project includes different levels of supervision, both internal and external. Internally, the contractor shall have an environmental officer to provide oversight to environmental*,* social, health and safety issues in accordance with the site-specific ESMP developed by the contractor and report directly to ASDU.
	2. EPA shall be responsible for ensuring the design and construction meets national requirements. The EPA is about to open an office in Region 9 to ensure better supervision of the facilities and the Rupununi in general. During the operational phase, monitoring of the abattoirs shall be carried out by the Ministry of Health and waste management by EPA.
	3. The list of species being proposed for research and extension program contents developed by NAREIshall be approved by ESG and the use of invasive species monitored by EPA.
	4. ASDU shall be responsible for ensuring that the program ESMP as well as specific ESMP for each new construction are followed.
	5. External monitoring shall be carried out as follows:Infrastructure design shall be approved by an international specialist, and the operation audited annually by an external consultant.
	6. The Borrower will conduct internal audits and send *six monthly* reports to the IDB. A supervision mission will be conducted annually during construction and operation phases. In addition Bank supervision shall be carried out by the project team
1.
2.
3. 1.
4.
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**ANNEXES**

* + 1. ASDU Proposed Organigram
		2. Procurement Management & Policies Information
		3. Accounting and Financial Management & Policies Information
		4. Safeguards
		5. Details of the technology packages
		6. Sample ToRs

**ANNEX**

**ASDU Proposed Organigramme**



**ANNEX**

**PROCUREMENT**

The procurement of works, goods (and non-intellectual services) and consulting services will be conducted in accordance with the Bank’s procurement policies and procedures for the Procurement of Goods and Works (GN-2349-9) and for the Selection and Contracting of Consultants (GN-2350-9), in accordance with Article 4.06 of the Special Conditions of the Loan Contract between the Government of Guyana and the Bank.

All procurement duties will be discharged as foreseen and agreed in the Fiduciary Annex and in the present Manual of Operations.

The EA will be responsible for the procurement of all goods, works and services financed through the operation. The thresholds applicable to Bank-financed procurement activities in Guyana are shown in Table 6.1 below.

**BIDDING DOCUMENTS AND METHODS**

The bidding documents for the procurement of consultant’s services should be prepared through a collaborative effort between the senior engineers of the PEU and the Procurement Officer prior to being validated by the Project Manager and then sent to the Bank for ex-ante no objection in the same conditions as the bidding documents for goods and works.

The Bank’s Standard Request for Proposals (July, 2013) and the Simplified form of Contract for Consulting Services Small Assignments (June, 2013) is to be used for the procurement of consultant services and the procurement process will be conducted in accordance with the Policies for Selecting and Contracting Consultants financed by the Inter-American Development Bank (GN-2350-9). These policies apply to all intellectual and advisory services. They do not apply to other types of services in which the physical aspect of the activity is predominant (for example surveys, services contracted on the basis of performance of a measurable physical output).

Methods of selection that can be used for Consultant’s services are:

**Quality-and-Cost-Based Selection (QCBS) (Sections 2.1 to 2.31 of GN-2350-9):** QCBS uses a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the services in the selection of the successful firm. Cost as a factor of selection shall be used judiciously. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment. The selection process shall include the following steps:

Preparation of the TORs in accordance with Section 2.3 of the Bank’s Policies;

Preparation of cost estimate and the budget in accordance with Section 2.4 of the Policies;

Advertising in accordance with Section 2.5 of the Policies;

Preparation of the short list of consultants in accordance with Sections 2.6 to 2.8 of the Bank’s Policies;

Preparation and issuance of the RFP [which should include: the Letter of Invitation (LOI); Instructions to Consultants (ITC); the TOR; and the proposed draft contract] in accordance with Section 2.9 to 2.11 of the Bank’s Policies;

Receipt of proposals in accordance with Section 2.13 of the Bank’s Policies;

Evaluation of technical proposals: consideration of quality in accordance with Section 2.15 to 2.23 of the Bank’s Policies;

Public opening of price proposals (see sections 2.15 to 2.23 of GN-2350-9);

Evaluation of price proposal (see Sections 2.15 to 2.23 of GN-2350-9);

Final evaluation of quality and cost (see Sections 2.15 to 2.23 of GN-2350-9);

Negotiations and award of the contract to the selected firm in accordance with Sections 2.24 to 2.27 of the Bank’s policies;

Publication and award of contract, including also information of the bidders whose proposal was not selected, in accordance with Section 2.28 of GN-2350-9.

**Quality-Based Selection (QBS) (Sections 3.2 to 3.4 of GN-2350-9):** QBS is appropriate for the following types of assignments:

Complex or highly specialized assignments for which it is difficult to define precise TOR and the required input from the consultants, and for which the client expects the consultants to demonstrate innovation in their proposals (for example, country economic or sector studies, multi-sectoral feasibility studies, design of a hazardous waste remediation plant or of an urban master plan, financial sector reforms);

Assignments that have a high downstream impact and in which the objective is to have the best experts (for example, feasibility and structural engineering design of such major infrastructure as large dams, policy studies of national significance, management studies of large government agencies); and

Assignments that can be carried out in substantially different ways, such that proposals will not be comparable (for example, management advice, and sector and policy studies in which the value of the services depends on the quality of the analysis).

The QBS methodology presents specific characteristics that are described in Section 3.3 and 3.4 of the Bank’s Policies. It is recommended to refer to the said sections during the planning exercises and prior to launching the procurement process to ensure that all prescriptions are indeed followed.

**Selection under a Fixed Budget (FBS) (Section 3.5 of GN-2350-9):** This method is appropriate only when the assignment is simple and can be precisely defined and when the budget is fixed. The RFP shall indicate the available budget and request the consultants to provide their best technical and price proposals in separate envelopes, within the budget. TOR should be particularly well prepared to make sure that the budget is sufficient for the consultants to perform the expected tasks. Evaluation of all technical proposals shall be carried out first as in the QCBS method. Then the price proposals shall be opened in public and prices shall be read out aloud. Proposals that exceed the indicated budget shall be rejected. The consultant who has submitted the highest ranked technical proposal among the rest shall be selected and invited to negotiate a contract. The publication of the award of contract shall be made as described in the section of the present Manual on QCBS and in Section 2.28 of the Bank’s Policies.

**Least-Cost Selection (LCS) (Section 3.6 of GN-2350-9):** This method is only appropriate for selecting consultants for assignments of a standard or routine nature (for example, engineering design of noncomplex works) where well-established practices and standards exist. Under this method, a “minimum” qualifying mark for the “quality” is established. Proposals, to be submitted in two envelopes, are invited from a short list. Technical proposals are opened first and evaluated. Those securing less than the minimum qualifying mark are rejected, and the price proposals of the rest are opened in public. The firm with the lowest price shall then be selected and the publication of the award of contract shall be as described in Section 2.28 of the Policies. Under this method, the minimum qualifying mark shall be established, understanding that all proposals above the minimum compete only on “cost.” The minimum qualifying mark shall be stated in the RFP.

**Selection Based on Consultants’ Qualifications (CQS) (Section 3.7 and 3.8 of GN-2350-9):** This method may be used for small assignments taking into account the nature and complexity of the assignment, but shall not exceed US$200,000 for which the need for preparing and evaluating competitive proposals is not justified. In such cases, the PIU shall prepare the TOR, request expressions of interest and information on the consultants’ experience and competence relevant to the assignment, establish a short list and select the firm with the most appropriate qualifications and references. The selected firm shall be asked to submit a combined technical-price proposal and then be invited to negotiate the contract.

**Single Source Selection (SSS) (Sections 3.9 to 3.14 of GN-2350-9):** Single-source selection may be appropriate only if it presents a clear advantage over competition: (a) for tasks that represent a natural continuation of previous work carried out by the firm (see next paragraph); (b) in emergency cases, such as in response to disasters and for consulting services required during the period of time immediately following the emergency; (c) for very small33 assignments; or (d) when only one firm is qualified or has experience of exceptional worth for the assignment. Sections 3.9 to 3.13 of the Bank’s procurement policies provide further guidance on SSS processes.

**Individual consultants**: are selected on the basis of their qualifications for the assignment in accordance with Section V of the Policies for the Selection and Recruitment of Consulting Services (GN-2350-9).

6.7 EVALUATION REPORT

Evaluations proceed through three stages:

**Examination:** This step serves to check whether bids/proposals are complete, properly signed, arithmetically correct and responsive to the invitation to tender. Only tenders that are deemed substantially responsive will be subsequently evaluated. The non-responsive bids are rejected.

**Evaluation:** This phase serves to determine which is the most advantageous bid, considering price and other relevant factors depending on the procurement methodology being used and that are referred to in the bidding documents. The objective is to secure goods/works/services at the most economical cost, or that most respond to the PIU’s needs, depending on the selection method that is used. This phase of the process entails verification of price and other relevant factors such as time for completion, operating costs, efficiency, availability of service and spare parts, reliability of the proposed construction method, etc.

**Post-qualification:** This step serves to verify that the most advantageous bid is also made by a reliable and trustworthy supplier/firm/entity. Unless all tenderers are prequalified and no reason exists to review their credentials before award, the PIU will need to check, before formulating the recommendation to award, that the tenderer who has submitted the lowest evaluated bid also has the capacity to carry out the contract and/or the assignment. Verification entails review of: capacity, technical capability, product reputation, financial resources, parts and services, past performance and experience (size/complexity), personnel resources, equipment resources and litigation/arbitration history.

The final evaluation report should contain the following information:

**Section 1:** Description of the goods/works/services

**Section 2:** Description of the bidding process

**Section 3:** Constitution of the evaluation committee

**Section 4:** Description of the bid submission and opening processes

**Section 5:** Analysis of the bid/proposal’s responsiveness

**Section 6:** Detailed technical evaluation of the bid/proposal

**Section 7:** Verification of the post-qualification requirements

**Section 8:** Determination of the lowest-evaluated bid/proposal

**Section 9:** Formulation of the recommendation for award

**Section 10:** Signature by all the members of the evaluation committee

**APPENDIX 1:** Bank’s no-objection to launch the procurement process

**APPENDIX 2:** Copy of the SPN / Request for Manifestation of Interest

**APPENDIX 3:** Bid opening minutes

**APPENDIX 4:** Preliminary examination of the bids

**APPENDIX 5:** Country of origin

**APPENDIX 6:** Evaluation of delivery schedule, if applicable.

In all instances, it is essential to note that the Bank should receive a copy of the evaluation report for no-objection, along with the corresponding offers/proposals and all other relevant support documentation.[[1]](#footnote-1)

Also, it is important to consider that, when negotiation is an option, the selected bidder should not: (i) be invited to reduce its prices; (ii) invited to undertake work not specified in the bidding document; or (iii) modify the bid.

6.8 Procurement Methods AND THRESHOLDS IN APPLICATION

**A./ THRESHOLDS**

The Selection methods used in the execution of the project will be in accordance with the Bank’s policies and considering the IDB thresholds for the Procurement of Goods and Works and Selection of Consulting Services (Table 6.1). Other methods for the procurement of Good and Works may also be considered according to the Bank Policy for the Procurement of Goods and Works (GN-2349-9), as described above. When using Direct Contracting, the EA will justify the use of this procurement method providing a justification establishing that the proposed method is the most economic and efficient procurement method.

Table 1. Thresholds for the Procurement of Goods and Works and Selection of Consulting Services (US$)

|  |  |  |
| --- | --- | --- |
| **International Competitive Bidding Threshold\*** | **National Competitive Bidding Range \*\* (complex works and non-common goods)** | **Consulting Services** |
| Works | Goods | Works | Goods | InternationalShort List |
| ≥1,000,000 | ≥100,000 | 100,000 - 1,000,000 | 25,000-100,000 | ≥100,000 |

\* When procuring simple works and common goods and their amount is under the International Competitive Bidding thresholds, Shopping may be used.

\*\* When procuring complex works and non-common goods with amounts under the NCB range, Shopping shall be used.

All procurement processes to be done under the Program shall be part of the approved Procurement Plan prior to the commencement of the process.

**B./ WORKFLOWS**

The following tables are designed to provide guidance on the workflow that should be followed when conducting a procurement process under a Bank-financed operation under ex-ante review. This workflow should also be useful to assist with the general planning of all procurement activities, more particularly when updating the operation’s procurement plan as described in Section 6.3 above.

Table 2. Workflows for the Procurement of Goods, Works– ICB and NCB

| **Process** | **Document/Mode** | **Details** | **Responsibility** |
| --- | --- | --- | --- |
| 1. Submission of request
 | Memo | Scope of works, Bill of quantities, Specifications, Drawings, Identifiable Cost, Centre /Account code, Source of funding, Authorized approval, Justification | Project Manager |
| 1. Preparation of Tender Document

AND Preparation of advertisement | IDB Standard bidding document AND Specific Procurement Notice (SPN) | ICB or NCB as specified in the PP and in line with thresholds OR QCBS/QBS/FBS/LCS/CQSANDSPN Template | Contract Engineer/Project Manager/ Procurement Officer |
| 1. Review of tender Document
 | Bidding Document |  | Procurement Officer/Project Manager |
| 1. No Objection to Tender Document and SPN from IDB
 | Official Letter by Authorized signatory | Bidding Document, SPN and all other relevant documentation if deemed necessary. | Authorized signature, *but not the financial officer.* |
| 1. Issue of bidding document
 | Register, email | Bidder, project name, ID, date, receipt No., etc. | Contract Engineer |
| 1. Bid Opening
 | Minutes |  | Procurement Officer/ Project Manager |
| 1. No Objection to Evaluation Committee by IDB
 | Official Letter by Authorized signatory | Names and designation of Evaluation Committee | Procurement Officer/ Project Manager |
| 1. Evaluation of tender
 | Evaluation Report |  | Evaluation Committee / Procurement Officer (but not as member of the evaluation committee) |
| 1. No Objection to Evaluation Report and draft contract
 | Official Letter by Authorized signatory | Bid DocumentEvaluation Report with recommendation of awardBids receivedDraft contractAll other documents such as clarifications, etc. | Procurement Officer/Project Manager |
| 1. Award of Contract
 | Letter of award by the Project Manager | Contractor, amount, etc. | Procurement Officer/Project Manager |
| 1. Notification of award to bidders
 | Letter of acceptance/unsuccessful bid by the Project Manager | Name of bidder, name of project, Project ID | Contract Engineer / Procurement Officer |
| 1. Agreement
 | Draft Contract | A system generated number is provided to the contract before its signature. | Contract Engineer / Procurement Officer |
| 1. Issue of Contract
 | Signed Contract, relevant Bonds and Insurances | A contract minor or major is created in oracle PO module using the approved agreement. | Contract Engineer |
| 1. Request to IDB for PRISM number
 | Official Letter by Authorized signatory | Letter of request and signed contract | Procurement Officer/Project Manager |

Table 3. Procurement of Goods and Works – Shopping

| **Process** | **Document/Mode** | **Details** | **Responsibility** |
| --- | --- | --- | --- |
| 1. Submission of request
 | Memo | Date, Description, Specifications, Quantities, Identifiable Cost, Centre /Account code, Source of funding, Authorized approval, Justification | Project Manager |
| 1. No Objection to Shopping and shortlisted suppliers
 | Official Letter by Authorized signatory | Justification, shortlisted suppliers, description and specifications | Procurement Officer/Project Manager |
| 1. Request for quotations
 | Letter to shortlisted suppliers | Date, potential supplier, Description, quantities, and specifications, country of manufacturer, brand, validity date, deadline for submission, availability/stock, and estimated delivery time. | Procurement Officer |
| 1. Receipt and acceptance of quotations
 | Quotation (letter or email) | Same as above. | Procurement Officer/Contract Engineer |
| 1. Evaluation of quotations
 | Bid sheet | Price (cost and VAT), required specifications, delivery time, quality, warranty, delivery service. | Procurement Officer/Contract Engineer |
| 1. Selection
 | Comments on bid sheet | Recommendation by Procurement Officer and endorsement by Procurement Director | Procurement Officer/Contract Engineer |
| 1. No Objection to selected supplier and drat contract
 | Official Letter by Authorized signatory | Selected supplier, compliance with requirements and conditions for delivery, draft contract | Director of Procurement/Project Manager |
| 1. Agreement
 | Draft Contract | This is also entered in Oracle for approval. A system generated number is provided | Procurement Officer/Contract Engineer |
| 1. Issue of Contract
 | Signed Contract, relevant Bonds and Insurances | A contract minor or major is created in oracle PO module using the approved agreement. | Procurement Officer/Contract Engineer |
| 1. Request to IDB for PRISM number
 | Official Letter by Authorized signatory | Letter of request and signed contract | Director of Procurement/Project Manager |

Table 4. Workflows for the Selection and Recruitment of Services

| **Process** | **Document/Mode** | **Details** | **Responsibility** |
| --- | --- | --- | --- |
| Submission of request | Memo | Scope of works, Terms of References, Identifiable Cost, Centre /Account code, Source of funding, Authorized approval, Justification | Project Manager |
| Preparation of RFP Document AND Preparation of advertisement | IDB Standard bidding document AND Specific Procurement Notice (SPN) | ICB or NCB depending on the amount; QCBS/QBS/FBS/LCS/CQSANDREoI Template | Contract Engineer/Project Manager/ Procurement Officer |
| Review of RFP Document | RFP |  | Procurement Officer/Project Manager |
| No Objection to RFP Document and REoI from IDB | Official Letter by Authorized signatory | RFP, REoI and all other relevant documentation if deemed necessary. | Authorized signature, *but not the financial officer.* |
| Issue of RFP document | Register, email | Bidder, project name, ID, date, receipt No., etc. | Contract Engineer |
| Bid Opening | Minutes |  | Procurement Officer/ Project Manager |
| No Objection to Evaluation Committee by IDB | Official Letter by Authorized signatory | Names and designation of Evaluation Committee | Procurement Officer/ Project Manager  |
| Evaluation of the technical proposal | Evaluation Report |  | Evaluation Committee / Procurement Officer (but not as member of the evaluation committee) |
| No-Objection to the evaluation report  | Evaluation Report, Copy of the received technical proposals |  | Procurement Officer/ Project Manager |
| Evaluation of the financial proposals | Evaluation report | Finalization of the evaluation and formulation of the recommendation for award | Evaluation Committee / Procurement Officer (but not as member of the evaluation committee) |
| No Objection to Evaluation Report and draft contract | Official Letter by Authorized signatory | Bid DocumentEvaluation Report with recommendation of awardBids receivedDraft contractAll other documents such as clarifications, etc. | Procurement Officer/Project Manager |
| Award of Contract  | Letter of award by the Project Manager | Contractor, amount, etc. | Procurement Officer/Project Manager |
| Notification of award to bidders | Letter of acceptance/unsuccessful bid by the Project Manager | Name of bidder, name of project, Project ID | Contract Engineer / Procurement Officer |
| Agreement | Draft Contract | A system generated number is provided to the contract before its signature. | Contract Engineer / Procurement Officer |
| Issue of Contract | Signed Contract, relevant Bonds and Insurances | A contract minor or major is created in oracle PO module using the approved agreement. | Contract Engineer |
| Request to IDB for PRISM number | Official Letter by Authorized signatory | Letter of request and signed contract | Procurement Officer/Project Manager |

## 6.9 Misprocurement AND PROHIBITED PRACTICES

In accordance with Section 1.12 of GN-2349-9 and Section 1.17 of GN-2350-9 (the IDB Procurement Policies applicable to the Program), the IDB will not finance expenditures for goods, works, consulting and non-consulting services which have not been procured in accordance with the Bank Procurement Policies and as the approved PP. In such cases, the Bank will declare misprocurement, and it is the policy of the Bank to cancel that portion of the loan allocated to the goods and works that have been misprocured. The Bank may, in addition, exercise other remedies provided for under the Loan Contract. Even once the contract is awarded after obtaining a “no objection” from the Bank, the Bank may still declare misprocurement if it concludes that the “no objection” was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower or the terms and conditions of the contract had been modified without the Bank’s approval.

In accordance with the Bank’s policies, conflicts of interests, and prohibited practices as defines in Section 1.14 of GN-2349-9 and 1.21 of GN-2350-9 are not allowed. It is also prohibited to engage in a contractual relationship with a supplier, firm and/or individual who has previously been sanctioned by the Bank and whose name appears on the list of sanctioned firms and individuals. It is the Project Team’s responsibility to check the said list which is periodically updated and can be accessed from the Procurement page of the Bank’s portal: [www.iadb.org/procurement](http://www.iadb.org/procurement), under “Other Resources”.

## 6.10 Advertising of Procurement Processes

Advertising is an important element of the procurement process, especially for ICBs for Goods, Works or Consulting Services, as well as for NCBs for Goods, Works and Consulting Services. Publication will enable broad participation of eligible bidders and will be performed according to the IDB Procurement Policies GN-2349-9, and GN2350-9.

The General Procurement Notice (GPN) containing information on major procurements to be made ​​under the project during its life cycle, must have the No Objection of the Bank and will be published in Development Business (UNDB Online) as well as in a newspaper of national circulation immediately after signature of the Loan Contract is signed by the Borrower and the Bank.

The Specific Procurement Notices (SPN) and Expressions of Interest (EOI) will be published after Bank’s no-objection prior, in Development Business (UNDB Online) and/or on the Bank’s website depending on the amount. SPNs must be published in a local newspaper or on any other media which is fit for this purpose, for example a website designed to that effect or other. Moreover, the EA will also publish the SPN on the website of GWI.

## 6.11 Procurement Monitoring

Procurement of goods, works and consulting services will be reviewed using ex-ante method as described in the relevant provisions of the loan contract, and the approved procurement plan.The EA will follow the requirements of the ex-ante review as highlighted in Appendix 1 of the IDB Procurement Policies GN-2349-9, and GN2350-9.

All documents related to the procurement processes financed under the Program shall be filed by the Procurement Officer. Filing of procurement documents will be guided by the Checklist in Annex VI.

## 6.12 Obligations for Beneficiaries and Consultants

The direct beneficiaries as well as consultants and any other institution that performs activities with IDB resources from the Loan GY – L1060 and administered by MoA, must agree with the following obligations, which will be included in the contract documents:

1. Allow the Executing Agency, the Independent Audit Firm, and the IDB to examine the procedures for buying or contracting works, goods and services financed with Loan resources;
2. Provide assurance that all works, goods and services financed with Loan resources will be used exclusively for the purpose of the Program. Once the Project has been completed, the construction machinery and equipment utilized in the execution of the Project may be used for other purposes with the prior no objection of the Bank;
3. Present complete and accurate financial information required by the Bank regarding use of resources from the Loan;
4. Present complete and accurate financial information and results to consultants hired to evaluate the Program or for other studies as required;
5. Adopt in agreement with legislation criteria the necessary mitigation measures to counteract negative environment effects from the Program activities;
6. Beneficiaries commit themselves to supervise the quality of works being built by contracting firms and financed with the Loan resources, as well as ensure compliance with environmental regulations;
7. The firm is legally established in a country member of the IDB or the Consultant is a citizen or a bona fide resident (non-diplomatic) of a Bank member country.

**ANNEX**

**ACCOUNTING PROCEDURES AND FINANCIAL MANAGEMENT**

This section details the accounting and financial management policies and procedures to be used in the implementation of the Project. It incorporates all the covenants of the Agreements as well as those of the Government of Guyana as specified in the Financial Regulations.

1. **Financial Management Responsibility**

The ASDU will be responsible for coordinating the implementation and financial management of the project. The Bank requires the establishment of a sound financial management system that will facilitate the production of accurate and timely reports to the Bank and GoG. The financial management System (FMS) must include records and accounts for the preparation of the financial statements in a format acceptable to the Bank and reflects the operations, sources of funds and expenditures related to the project.

1. **Financial Management Staff**

The ASDU will employ a Finance Manager and Accounting Officer who are familiar with the IDB’s project financial management requirements. The specific skill sets/capacity required for using the IDB’s procedures will be upgraded /strengthened through additional training provided by the IDB, as required. The following are the details of the financial management arrangements:

1. **Design of the Financial Management System (FMS)**

The financial management system is designed to accomplish the following objectives:

* outline and specify the accounting procedures to be used for the project, reflecting accountability and transparency;
* ensure that the established procedures are adhered to in the disbursement of project funds;
* ensure that all transactions are properly classified and accounted for;
* ensure that reports required by the Bank and the GoG are prepared on a timely basis, in an efficient and effective manner;
* define the procedures for creating, maintaining and safeguarding records and ensure that records are preserved and classified for easy access;
* allow for the efficient audit of the project financial statements;
* ensure that all assets and liabilities are properly accounted for, with a detailed inventory of goods/equipment; and,
* ensure that there are internal controls in place to foster the safeguarding of all assets.
1. Accounting System

ASDU uses a cash basis of accounting and its financial statements are prepared in accordance with International Financial Reporting Standards. ASDU uses Quick Books accounting software for recording transactions, maintaining the books of accounts and producing financial statements. The system allows for the tracking of inflows by sources of funding, and outflows by project component, sources of funding and disbursement category. The same software is being successfully used to support other IDB finance projects.

1. **Internal Control**

 All transactions are recorded in the Quick Books accounting system, and the internal controls associated with that software package are also applied. These are as follows:

1. Donor Annual Operations Plan report
2. Monthly financial reports - actual against budgeted
3. Semiannual reports, percentage of actual to budgeted
4. Bank reconciliation report – both summary and details
5. Expense to date sorted by class, sorted by category or sorted by component
6. **Flow of Funds**

The following disbursement methods will be available under the Loan: (a) Direct payment for eligible expenditures for contracts for works, goods and consultant services and (b) Reimbursements for Operating Expenses will be provided upon request by ASDU to the Bank. The following supporting documentation should be provided with each withdrawal application:

1. For requests for reimbursement: Statements of Expenditure for all operating expenses; and
2. For requests for direct payment: Records of eligible expenditures (e.g., copies of receipts, suppliers/contractors’ invoices).

As all direct payments will be for contracts subject to prior review by the Bank, it is expected that, at the time of payment request, the contracts would have been reviewed by the Bank and the No Objection issued. A segregated designated account (DA) denominated in United States Dollars and managed by the ASDU will be opened at a Commercial Bank. The ceiling of the DA will be US$xxxx. The Minimum Application Size for Direct Payments and Reimbursements will be US$xxxx equivalent.

Withdrawals from the IDB of amounts to be deposited into the segregated designated account (DA) shall be made by Application for Withdrawal supported by an Interim Financial Report (IFR). Payments to be processed by Direct Payment by the Bank must be done in accordance with the IDB’s *Disbursement Handbook[[2]](#footnote-2)*.

Upon approval of each application, the amount requested will be deposited into the segregated designated account (DA) in order to finance eligible expenditures (representing approximately six months of expenditures) following the date of the report provided. The ASDU will control the segregated designated account (DA) and will be responsible for the requests for replenishment.

The Withdrawal Application Form must indicate the amount of funds required and the currency, usually US$ dollars, in which the funds are required. The use of the IFR simplifies and accelerates the replenishment process since the review of documents for small payments would be eliminated.

1. **Disbursement Arrangements**

Disbursements for the project will be made based on “Report-Based Disbursement” procedures - using Interim Financial Reports (IFR) - submitted to the Bank as required, and no later than on a semiannual basis, within two (2) weeks after the end of reporting period.

All letters of authorization, cheques and payment vouchers should only be signed with appropriate supporting documentation (certified supplier invoices, purchase orders and requisition orders). Payment Vouchers should be stamped, indicating the date paid and cheque number, then attached to the relevant supporting documentation. In addition, after payment, all invoices must be stamped to ensure that payments are not duplicated.

All original records of receipts and payments, including; invoices, cheques, debit advices, loan advices, and bank reconciliation statements are maintained and filed by the Accounts section. Authorization letters and purchase orders must be properly filed.

1. **Disbursement Deadline Date**

The Disbursement Deadline Date is four months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by the IDB.

1. **Authorized signatories**

Persons authorized to sign the Application for Withdrawal to obtain replenishment from the IDB are:

|  |
| --- |
| **TITLE** |
| Finance Secretary - Ministry of Finance |
| Deputy Finance Secretary - Ministry of Finance |
| Permanent Secretary - Ministry of Agriculture |
| Finance Manager- Agriculture Sector Development Unit |

Two signatories are required for each application, one from the Ministry of Agriculture and the other from the Ministry of Finance

1. Journal Entries for Disbursement of funds

The proceeds from the IDB expenditures as per the Loan Agreement must be journalized at the end of each month. The Project’s Finance Manager should ensure that all expenditures recorded in the Disbursement Journal are captured in the Government’s system.

Table – Expenditures by Component (US$ million)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ACTIVITY** | **IDB** | **GoG** | **Total** | **%** |
| Component 1 | 4,170,000 |  | 4,170,000 | 27.8% |
| Component 2 | 6,398,000 |  | 6,398,000 | 42.7% |
| Component 3 | 2,800,000 |  | 2,800,000 | 18.7% |
| Monitoring and Evaluation | 400,000 |  | 400,000 | 2.7% |
| Management | 1,232,000 |  | 1,232,000 | 8.2% |
| **Total** | 15,000,000 |  | 15,000,000 |  |

1. Bank Reconciliation Statements

Monthly bank reconciliations must be prepared on all bank accounts and signed by the Permanent Secretary, Ministry of Agriculture. For the DA, the Finance Manager will reconcile disbursements received with the Disbursement Section of the IDB. A Bank reconciliation for the DA must also be submitted to the IDB, together with a copy of the bank statement, when submitting a withdrawal application for replenishment of the DA.

1. Funds Receipts

On receipt of funds from the IDB into the DA, the commercial bank sends a loan advice to the ASDU and also to the Accountant General’s Department. The Finance Manager will record the amount received in the project’s accounting system.

1. **Procedures for Payment to Vendors**

The Bank requires proceeds of the loan to be used economically, efficiently and only for the purposes for which the financing is provided as described in the loan agreements. The Procurement Specialist is responsible for vetting the Purchase Order and sends this on to the Finance Manager who commits the funds. For the payment of eligible expenditures, the following steps will be performed:

1. Once the bill is received, it is date stamped.
2. The Finance Manager ascertains that the expenditure was properly verified by the Senior Civil Engineer/Procurement Specialist. The Finance Manager then processes the payment.
3. The Finance Manager prepares the letter of payment, attaches supporting documents, including purchase order, copy of contract, vendor invoice and goods received note.
4. The letter of payment is passed to two of the following signatories for signature, one from the Ministry of Agriculture and the other from the Ministry of Finance:

|  |
| --- |
| Finance Secretary - Ministry of Finance |
| Deputy Finance Secretary - Ministry of Finance |
| Permanent Secretary - Ministry of Agriculture |
| Finance Manager- Agriculture Sector Development Unit |

The letter should give clear instructions to the Bank as to payee’s name, the account/s to be debited and the amount to be debited. Bank payments can be made by way of telegraphic transfers, bank draft or direct transfer.[[3]](#footnote-3)

1. When a payment is made by way of telegraphic transfer, details such as the ones below should be clearly stated:
* Payee’s name
* Payee’s address
* Payee’s bank name
* Address of Payee’s bank
* Payee’s bank account number
* SWIFT code/Sort code
* ABA/Routing Number
* Intermediary banking details
1. The letter to be sent to the Bank, together with the attached invoice, should be sent for the first signature. The letter is then sent for the second signature.
2. IDB Replenishment, Reimbursement and Direct Payments

Replenishment, Reimbursement and Direct Payments are methods that would be used to request funds from the IDB. The withdrawal applications supported by the Statements of Expenditure (SOEs) or summary sheets where applicable will be used to replenish the Special Account.

Before withdrawals from the IDB can begin, the following must occur:

1. The loan must be declared effective by the IDB, following compliance with all conditions specified in the loan agreement and the General Conditions.
2. The IDB must receive evidence of authority to sign withdrawal applications (the GoG designates which officials may sign withdrawal applications and provides copies of their authenticated specimen signatures). This letter is signed by the Minister of Finance on his letterhead.
3. Replenishment

Application for replenishment should be done on a timely basis to ensure the availability of funds to meet expenses. The first application is to request the initial advance (US$ X,XXX, XXX) representing the authorized allocation or a part thereof as specified in the loan agreement. It must include a completed application for withdrawal, but requires no supporting documentation. However, prior to requesting the initial advance, the ASDU must have done the following: (1) opened the Special Account in USD in a central bank acceptable to the IDB, and (2) obtained a comfort letter from the depository bank and submitted the letter to the IDB.

All subsequent withdrawal applications (replenishment requests) are made to request replenishments into the Special Account for payments already made (all replenishment applications to the USD Special Account must be in USD). The application, together with SOE’s and/or Summary Sheets and Summary of Categories, must be prepared and signed by at least one authorized signatory and sent to the IDB, together with a bank reconciliation statement. The disbursement letter will indicate the types of expenditure for which no supporting documentation other than the SOE is required and the contract value below, which SOEs are to be used (expenditures not subject to prior review). For other expenditures (above the prior review threshold), the Summary Sheets must be accompanied by full supporting documentation. SOE forms and summary sheets must set out the appropriate details for each expenditure. The application package should also include the bank statement for the Special Account and Reconciliation Statement. The borrower keeps the supporting documentation in a central location for examination by independent auditors and Bank staff during supervision missions.

If the Bank requires supporting documentation (as in the case of payments against contracts above the SOE limit, generally the same as contracts requiring prior review), copies of procurement documentation should have been forwarded to the Task Manager at the Bank for approval prior to contract award and payment. For expenses above the SOE limit, after the “no-objection” has been obtained from the Task Manager at the Bank, the relevant procurement documentation should be forwarded to the Disbursement Department of the Bank prior to requesting reimbursement on the SOE. One copy of each of the following supporting documents is normally given to the Bank:

1. Supplier’s or consultant’s invoice or a summary statement of work performed signed by the Project Coordinator, Senior Project Engineer and the Permanent Secretary or other authorized official.
2. Evidence of shipment (for equipment and materials purchased); this can be one of the following: copy of the bill of lading or forwarder’s certificate.
3. Evidence of payment; this can be one of the following: receipted invoice, formal receipt or commercial bank’s report of payment.
4. Direct Payment

Payment can be made directly by the IDB to a third party for goods, works and services. An Application for Withdrawal is prepared. The borrower must provide supporting documentation and give clear instructions to the Bank as to:

1. Payee’s name and address
2. Payee’s bank name and address
3. Payee’s bank account number and Swift Code
4. Sort Code
5. Country where payee is located

1. Required Reports

ASDU will be responsible for producing the Interim Financial Reports (IFRs) based on information from Quickbooks on a semi-annual basis, and submitting them to the Bank. The IFRs will provide required monitoring information and include a brief narrative outlining the major achievements of the project for the three-month period, the sources and uses of funds, and necessary procurement tables. These reports will be prepared by ASDU and made available to the auditors after the end of each fiscal year.

**ANNEX SAFEGUARDS**

1. **Social impacts and Safeguards**

The project has limited negative social impacts, and mitigation actions are indicated in the Environmental and Social Management Plan, disclosed prior to project approval. Key social risks are a lack of inclusion of indigenous people and women in the training program. This will be mitigated through training of MoA staff in techniques to ensure their inclusion, and to offer courses of relevance to these groups. No resettlement will occur due to this project. It is expected that key stakeholders will have access to regular, open meetings with the MoA to voice any views and concerns on project progress, monitoring and evaluation.

1. **Environmental impacts and Safeguards**

Due to the small scale of the infrastructure being built, this project has few significant risks, and it will be possible to mitigate all of the direct impacts during the construction phase. In addition many of the mitigation actions have already been addressed as key aspects of the project design. Risks during the operation phase are related to weak institutional capacity to operate and monitor the operation of facilities as well as indirect risks related to the methods and species being promoted via the agricultural extension services and research center.s

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1. **Impacts specific to potential works and proposed mitigation measures are outlined below.**
2. Negative Environmental and Social Impacts and Risks and their Mitigation during Construction
	1. The key environmental risks are flooding of new infrastructure, the sourcing of a reliable water supply for the abattoir and the risk of damage to the creek through construction of a water catchment for the agricultural centre in Region 9. These risks will be avoided through adequate design of the infrastructure, the digging of a well specifically for the abattoir and a study to better understand the impact of the reservoir construction that should be included in the EIA for the agricultural centre.
	2. There is also the risk that an inadequate design for the abattoir could result in issues of animal welfare, inadequate water and energy supply water pollution from abattoir waste. These will be dealt with by insuring the design complies with international standards.
	3. The standard risks associated with the construction of any infrastructure also apply to this project. These will be avoided through employment of an environmental officer by the construction firm, supervision of the works by *ASDU, and independent assessment by* EPA.
3. Negative Environmental and Social Impacts and Risks and their Mitigation during Operation
	1. Weak institutional capacity to monitor the operation of facilities, in particular the abattoir could result in localized pollution, poor animal welfare and sanitary issues related to meat production. This will be mitigated by training of the producers association in abattoir operation, training inspectors from the *Ministry of Health and EPA*, as well as an annual audit from an international inspector to ensure meat meets a suitable hygiene standard.
	2. Agriculture in the region is at risk from natural disasters and climate change. The project has incorporated into its research and training programs the promotion and adoption of technologies to adapt to climate change to reduce the risk of losses and increase food security.
	3. Key indirect impacts arise from the promotion of techniques that could result in ecosystem damage to the Rupununi in the short or long term. This will be mitigated partially by ensuring that research and extension programs focus on sustainable agriculture and do not promote invasive species, including Genetically Modified Organisms that are invasive, crops with high dependence on pesticides and herbicides or water.
	4. The new facilities and training program are just one of many factors needed to encourage wide-scale agriculture in Region 9. Other factors include plans to pave the Georgetown-Letham road, and development of better marketing and supply chains. These factors could lead to a wide-scale negative impact in the wilderness region. This could be mitigated through supporting the creation of a protected area in the Rupununi. It is anticipated that the Government will request a Technical Cooperation for a participatory process to develop a regional plan to help ensure sustainable development of this area, including the designation of a protected area.
4. **Environmental and Social Impact Assessment.**

An Environmental and Social Analysis (ESA) was carried out, that includes an Environmental and Social Management Plan that details actions, roles and responsibilities for the required actions to mitigate impacts to comply with IDB safeguards policies and Guyana’s national policies.

* 1. The most significant project impacts can be mitigated through an adequate design of the facilities. This will be addressed through ensuring that the design meets international standards as assessed by a consultant in collaboration with ASDU and EPA.
	2. Other impacts relate to operation of the facilities. These will be addressed through training programs to abattoir operators and supervisors, as well as regular external auditing.
	3. The operation manual for research and *training courses must state that* that invasive species (including Genetically Modified Organisms that are invasive), crops requiring high herbicide and pesticide use and crops or livestock with high water demand must not be researched or promoted during the project.

*Safeguards Compliance Procedure during Implementation. As subprojects are finalized, the following process will be undertaken:*

1. Screening: For each of the new infrastructure works (abattoirs, agricultural centres amd water catchment) an Environmental Impact Assessment (EIA) andr an Environmental and Social Management Plan (ESMP) will be necessary in order to comply with national legislation and requirements as specified in the ESMP for the program..
2. Preparation of Documentation: The EIA and ESMP will be prepared in order to analyze and develop mitigation measures for any impacts identified.
3. Review and clearance: EPA will be in charge of assessing whether the draft EIA and ESMP respond adequately to the requirements and will e issue the environmental permit if they are satisfied with the documents . The IDB will undertake review of the ESMPs as part of the regular supervision. In addition, ASDU shall provide the list of species to be promoted via the research centres and the agricultural extension programs for clearance by the Bank.
4. Implementation: The applicable mitigation measures identified in the ESMP will be incorporated into the bidding and contract documents. The contracted construction firm shall be responsible for developing an on-site ESMP for the works. ASDU and the contracted construction supervisor responsible for environmental, social, health and safety issues will supervise the implementation of the provisions related to the mitigation measures.. During operation of the abattoirs, ASDU shall be responsible to ensure correct action on any reports from EPA, Ministry of Health or the independent consultant
5. Consultation and Disclosure: Consultations will be undertaken as part of the development of the subproject documentation, and consultations will be held with concerned stakeholders prior to approval of the individual EIA/EMP. In addition, a mechanism for grievance redress will be included in the ESMP to allow for feedback during its implementation. This framework and the individual ESMPs as they become available will be made available to the public through ASDU.
6. Grievance procedures: Grievances will be addressed first through discussions between the affected persons and the ASDU. If consensus is not agreed, a mediator will be appointed from an agreed list of suitable persons, and finally if parties fail to concur, the matter may go through the courts. The procedure is delineated in the ESMP.
7. Monitoring and Reporting: Supervision reports for individual works and consolidated semi-annual reports will be produced. These will include environmental, social, health and safety aspects of the works both during construction and operation phases. Additional monitoring is indicated in the program ESMP. The IDB team will supervise implementation of the agreed plans during regular inspection visits to ASDU.
8. Training and Capacity Building: A training and capacity building program will complement the implementation of the Environmental and Social Assessment Framework. The IDB team will supervise implementation of the agreed plans during regular inspection visits to Guyana.
9. **Borrower’s Capacity to Implement Safeguards:**

Technical staff from ASDU will be assigned to the Project to oversee the preparation and implementation of the infrastructure (including the water catchment) and ensure Environmental and Social Management Plans are implemented correctly. EPA and Ministry of Health will also carry out monitoring of various aspects during the construction and operation phases and will report directly to ASDU.

Training will be provided to the ASDU Ministry of Health and EPA through the project and through IDB training to further develop capacity for implementation of Bank Policies and the Environmental and Social Management Plan.

1. **Consultations and Disclosure of Safeguards Documents:**

Consultations on the insfrastructure in Region 9 and Region 5 were held with stakeholders on 18th August 2016 and 29th August respectively.. Minutes of these consultations have been incorporated into the ESA,. As per IDB policy OP-102 , the ESA and ESMP have been disclosed on the IDB website . During project development EIAs will be required for each of the construction works. This information will be disclosed to stakeholders in country according to national requirements.

**ANNEX**

**SECTION – REPORTING**

The GOG, as part of its monitoring and evaluation function is required to produce and furnish to the Bank a number of reports on the implementation of the project and the progress achieved at various intervals in the life of the project. These include:

1. Project Progress Report
2. Mid-Term Review
3. Final Review/Project Completion Report

This section provides a summary of the reports and reporting mechanisms discussed throughout the manual. Descriptions of the reports are provided below:

1. Project Progress Reports

These reports are to be completed in accordance with the provision of Section 4.08 of the General Conditions and on the basis the indicators agreed to with the Bank. Each report will cover a period of six calendar months and shall be submitted to the Bank not later than forty five (45) days after the end of the reporting period.

1. Mid-Term Report

On or about twenty-four (24) months after project effective date, the GOG is required to submit to the Bank, a mid-term report documenting the progress achieved in the project during the period preceding this report. The report should take account the monitoring and evaluation activities performed during project implementation and should also recommend measures to ensure the efficient implementation of the project and the achievement of the project objectives for the remaining project implementation period.

Once submitted, and pursuant to the legal agreement, the GOG is required to review the mid-term report with the Bank, one month after its submission.

1. Project Completion Report

The final report on the execution of the project is to be submitted to the Bank not later than six months after the closing date of the project.

**Annex TORs**

**SAMPLE TOR FOR NATIONAL STEERING COMMITTEE**

National Steering Committee (NSC)

The NSC shall be chaired by the Minister of Agriculture of MOA initially, and consist of representatives of the MOA and coordinating Agencies (e.g., NAREI, GLDA, etc.), ASDU and subject Ministries involved in the SADP, as well relevant private sector representatives. Representatives must be of a senior enough level in the respective organizations to induce changes determined necessary for the effective implementation of Program activities as well as have access to the highest levels of Government, the political directorate and governance in the private sector.

The responsibilities of the NSC members are as follows:

1. Co-coordinate and monitor Program implementation
2. remove internal bottlenecks to Program implementation
3. identify programming risks, implementing mitigation and contingency strategies
4. Identify Projects/activities for IDB support.
5. Advise on specific concerns of indigenous communities
6. Advise on complementary initiatives being undertaken with the assistance of other development partners which impact the SADP
7. Evaluate any negative impact of Program
8. As the Program evolves, the MoA PS may consider inviting additional representatives to facilitate the development and co-ordination of interventions
9. The NSC shall meet at least twice per year of activities to execute its responsibilities
10. A quorum shall consist of the Chair, the representative of the Ministry of Agriculture or the Ministry of Public Works and two other members of the committee
1. The Filing Checklist can provide additional indication on defining which support documentation should be sent depending on the nature of the procurement process. [↑](#footnote-ref-1)
2. The Disbursement Handbook is accessible at [www.iadb.org](http://www.iadb.org). [↑](#footnote-ref-2)
3. * Telegraphic transfer can be used for making overseas payments;
	* Bank draft is used for both local and overseas payments; and
	* Direct transfer is used when making local payments. [↑](#footnote-ref-3)