

LOAN NO. 20/SFR-GUY



**LOAN AGREEMENT**  
**(Water Sector Enhancement Project)**

**BETWEEN**

**CARIBBEAN DEVELOPMENT BANK**

**AND**

**CO-OPERATIVE REPUBLIC OF GUYANA**

Dated: September 4, 2018

**TABLE OF CONTENTS**

NOTE: This table of contents relates only to the special provisions of the Loan Agreement. The table of contents of the General Provisions is to be found at pages i-vii of Schedule I hereto.

<u>Articles/Sections</u>	<u>Title</u>	<u>Page</u>
<b><u>Article I</u></b>	<b><u>General Provisions, Interpretation, Definitions</u></b> .....	1
Section 1.01	General Provisions .....	1
Section 1.02	Interpretation.....	1
Section 1.03	Definitions .....	1-3
<b><u>Article II</u></b>	<b><u>The Loan and its Purpose</u></b> .....	3
Section 2.01	Amount of Loan.....	3
Section 2.02	Purpose .....	3
<b><u>Article III</u></b>	<b><u>Repayment, Interest and Other Charges</u></b> .....	4
Section 3.01	Repayment .....	4
Section 3.02	Interest .....	4
Section 3.03	Commission and Commitment Charge.....	4
Section 3.04	Accelerated Repayment .....	4
<b><u>Article IV</u></b>	<b><u>Withdrawal of Loan</u></b> .....	4
Section 4.01	Withdrawal of Loan .....	4-5
Section 4.02	Period of Disbursement .....	5
Section 4.03	Procurement.....	5
<b><u>Article V</u></b>	<b><u>Conditions Precedent to First Disbursement</u></b> .....	5

Section 5.01	Additional Conditions Precedent to First Disbursement.....	5-6
<b><u>Article VI</u></b>	<b><u>Particular Conditions</u></b> .....	6
Section 6.01	Implementation of the Project.....	6
Section 6.02	Project Management .....	6-7
Section 6.03	Engagement of Consultants .....	7
Section 6.04	Other Conditions .....	7
Section 6.05	Reports and Information .....	8
Section 6.06	Additional Funds.....	8
Section 6.07	Borrower's Contribution to the Project .....	8
<b><u>Article VII</u></b>	<b><u>Cancellation and Suspension</u></b> .....	8
Section 7.01	Cancellation by the Bank .....	8
<b><u>Article VIII</u></b>	<b><u>Miscellaneous</u></b> .....	9
Section 8.01	Addresses for Service .....	9
<b><u>SCHEDULES</u></b>		
Schedule 1	General Provisions Applicable to Loan Agreements with Borrower Only	
Schedule 2	Composition and Functions of the Project Advisory Committee	
Schedule 3	Terms of Reference - Consultancy Services for: (1) Preparation of Detailed Designs for Water Supply Improvement Works; and (2) Conduct of a Study to Determine the Feasibility of Utilising the Hope Canal as a Sustainable Potable Water Source	
Schedule 4	Terms of Reference - Consultancy Services for Strengthening Water Sector Governance	
Schedule 5	Duties and Responsibilities of the Project Coordinator	
Schedule 6	Duties and Responsibilities of the Project Engineer	
Schedule 7	Financing Plan	
Schedule 8	Procurement Plan	

**LOAN AGREEMENT**

**AGREEMENT** dated the \_\_\_\_\_ day of \_\_\_\_\_ 2018, between the Caribbean Development Bank (the Bank) of the one part and the Government of the Co-operative Republic of Guyana (the Borrower) of the other part.

**ARTICLE I**

**General Provisions, Interpretation, Definitions**

Section 1.01 **General Provisions.** The "General Provisions Applicable to Loan Agreements with Borrower Only" of the Bank dated June 30, 1995 set forth in Schedule 1 (hereinafter called the General Provisions) shall apply to this Loan Agreement subject, however, to any modifications thereof set forth herein.

Section 1.02 **Interpretation.** Unless otherwise stated, references to Sections are to Sections of this Loan Agreement, and references to Schedules are to the Schedules immediately following Section 8.01.

Section 1.03 **Definitions.** (a) Wherever used in this Loan Agreement, unless the context otherwise requires, the several terms defined in the General Provisions shall have the respective meanings set forth therein, and for the purposes of sub-paragraphs (v), (xiv) and (xv) respectively of Section 2.01 of the General Provisions, the terms:

- (i) "Due Dates" shall mean January 1, April 1, July 1 and October 1 in each year except in the case of interest payable under Section 3.09 of the General Provisions and other charges which are payable on demand;
- (ii) "Project" shall mean the services of consultants to: (a) prepare detailed designs, drawings, cost estimates and bid documents for the construction of water treatment plants and the upgrade of water supply infrastructure; (b) conduct a study to determine the feasibility of utilising water from the Hope Canal for domestic supply; (c) prepare a national water policy and associated strategic plans; and (d) develop recommendations for institutional

strengthening and capacity building for MOC and GWI, with respect to their mandate for the water sector, in accordance with the TORs at Schedule 3 and Schedule 4; and

(iii) "Project Country" shall mean the Co-operative Republic of Guyana.

(b) Wherever used in this Loan Agreement, unless the context otherwise requires, the following additional terms shall have the following meanings.

(i) "CDB" means the Bank;

(ii) "Composition and Functions of the Project Advisory Committee" means the composition and functions of the PAC set out in Schedule 2;

(iii) "Consultancy Services for: (1) Preparation of Detailed Designs for Water Supply Improvement Works; and (2) Conduct a Study to Determine the Feasibility of Utilising the Hope Canal as a Sustainable Potable Water Source" means the consultancy services described in the TOR at Schedule 3;

(iv) "Consultancy Services for Strengthening Water Sector Governance" means the consultancy services described in the TOR at Schedule 4;

(v) "Duties and Responsibilities of the Project Coordinator" means the duties and responsibilities of the PC set out in Schedule 5;

(vi) "Duties and Responsibilities of the Project Engineer" means the duties and responsibilities of the PE set out in Schedule 6;

(vii) "Financing Plan" means the Financing Plan set out in Schedule 7;

(viii) "GOGY" means the Borrower;

(ix) "GWI" means Guyana Water Inc., a company incorporated under the Companies Act of Guyana;

(x) "Implementing Agency" means MOC;

- (xi) "MOC" means the Ministry of Communities of the Borrower;
- (xii) "PAC" means the project advisory committee to be established in accordance with Section 6.02(d);
- (xiii) "PC" or "Project Coordinator" means the project coordinator to be appointed in accordance with Section 6.02(a);
- (xiv) "PE" or "Project Engineer" means the person to be appointed in accordance with Section 6.02(b);
- (xv) "Procurement Plan" means the procurement plan for the Project set out in Schedule 8;
- (xvi) "TORs" or "Terms of Reference" means the terms of reference set out at Schedule 3 and Schedule 4 as the case may be, or all such Schedules as the context requires; and
- (xvii) "USD" or "United States dollars" means dollars in the currency of the United States of America.

## ARTICLE II

### The Loan and its Purpose

Section 2.01 **Amount of Loan.** The Bank agrees to lend to the Borrower, on the terms and conditions set forth in this Loan Agreement, an amount not exceeding the equivalent of one million, two hundred and sixty-five thousand United States dollars (USD1,265,000) from the Special Funds Resources of the Bank.

Section 2.02 **Purpose.** The purpose for which the Loan is being made is to assist the Borrower in financing the Project.

### ARTICLE III

#### Repayment, Interest and Other Charges

Section 3.01 **Repayment.** Except as provided in paragraph (b) of Section 3.02 of the General Provisions, the Borrower shall repay the amount withdrawn from the Loan Account in thirty-six (36) equal or approximately equal and consecutive quarterly instalments on each Due Date, commencing on the first Due Date after the expiry of three (3) years following the date of this Loan Agreement or on such later Due Date as the Bank may specify in writing.

Section 3.02 **Interest.** The Borrower shall pay to the Bank interest at the rate of one percent (1%) per annum on the amount of the Principal withdrawn and outstanding from time to time. Such interest shall be payable quarterly in accordance with paragraph (a) of Section 3.03 of the General Provisions.

Section 3.03 **Commission and Commitment Charge.** Sections 3.04 and 3.05 of the General Provisions shall not apply to this Loan Agreement.

Section 3.04 **Accelerated Repayment.** In the event that the Borrower obtains financing from the Bank or other sources for a project or programme resulting from the Project, the amount of the Loan withdrawn and outstanding, together with the interest thereon, shall become payable in one (1) payment from the proceeds of the first disbursement of such financing, if such payment is compatible with the operating policy of the other source of such financing. The Borrower hereby undertakes that, if any financing is made available to it from any source other than the Bank, for a project or programme resulting from the Project, the Borrower will approach the source of funding with a view to reaching agreement that the amount of the Loan withdrawn and interest thereon be included in the financing, and paid to the Bank in one (1) payment upon receipt of the first disbursement of such financing.

### ARTICLE IV

#### Withdrawal of Loan

Section 4.01 **Withdrawal of Loan.** (a) Except as the Bank may otherwise agree:

- (i) the amounts withdrawn from the Loan Account shall be used to finance the components of

the Project allocated for financing by the Bank as shown in the Financing Plan up to the respective limits shown therein; and

- (ii) withdrawals from the Loan Account shall not exceed in the aggregate eighty-eight percent (88%) of the cost of the Project.

(b) Withdrawals from the Loan Account shall not be made on account of identifiable Taxes imposed under the laws of the Project Country.

Section 4.02 **Period of Disbursement.** The date to be specified pursuant to Section 4.03 of the General Provisions is March 31, 2020.

Section 4.03 **Procurement.** (a) Any goods, works and services to be financed from amounts withdrawn from the Loan Account shall be procured in accordance with the provisions of Section 4.04 of the General Provisions.

(b) The Borrower shall comply with the procurement requirements set out in the Procurement Plan. Any revisions to the Procurement Plan shall require the Bank's prior approval in writing.

(c) The Borrower hereby acknowledges that it has been furnished with a copy of the Bank's "Guidelines for the Selection and Engagement of Consultants by Recipients of CDB Financing" published in October 2011, which publication is in effect at the date of this Loan Agreement.

## ARTICLE V

### Conditions Precedent to First Disbursement

Section 5.01 **Additional Conditions Precedent to First Disbursement.** In addition to the requirements of paragraph (a) of Section 6.01 of the General Provisions, the Borrower shall, by the date referred to in paragraph (i) of Section 8.03 thereof, furnish or cause to be furnished to the Bank, evidence acceptable to the Bank, that:

- (i) PC has been assigned;



- (ii) PE has been assigned;
- (iii) PAC has been established; and
- (iv) the aggregate of all loans (including the Loan) raised under the External Loans Act does not exceed the limit imposed by Section 3(1) of that Act.

**ARTICLE VI**  
**Particular Conditions**

Section 6.01 **Implementation of the Project.** Except as the Bank may otherwise agree, the Borrower shall:

- (i) implement the Project through the Implementing Agency;
- (ii) carry out the Project at all times with due diligence and efficiency, with management personnel whose qualifications and experience are acceptable to the Bank, and in accordance with sound technical, environmental, financial, administrative and managerial standards and practices; and
- (iii) institute and maintain organisational, administrative, accounting and auditing arrangements for the Project, acceptable to the Bank.

Section 6.02 **Project Management.** (a) The Borrower shall, for the duration of the Project, assign a member of staff within MOC with qualifications and experience acceptable to the Bank, as PC, who shall be responsible for the day-to-day coordination and management of the Project and carry out the duties and responsibilities set out in the Duties and Responsibilities of the Project Coordinator. The qualifications and experience of any person(s) subsequently assigned to the position(s) referred to in this Section shall be acceptable to the Bank.

(b) The Borrower shall, for the duration of the Project, ensure that GWI assigns a member of its staff with qualifications and experience acceptable to the Bank, as PE, who shall be responsible for assisting the PC in coordinating the Consultancy Services for: (1) Preparation of Detailed Designs for Water Supply

Improvement Works; and (2) Conduct a Study to Determine the Feasibility of Utilising the Hope Canal as a Sustainable Potable Water Source and carry out the duties and responsibilities set out in the Duties and Responsibilities of the Project Engineer.

(e) The qualifications and experience of any person(s) subsequently assigned to the position(s) referred to in this Section shall be acceptable to the Bank.

(d) The Borrower shall establish and, for the duration of the Project, maintain a PAC to promote participation of, and information sharing among, major stakeholders, with the composition and functions set out in the Composition and Functions of the Project Advisory Committee.

Section 6.03 **Engagement of Consultants.** (a) The Borrower shall, in accordance with the procurement procedures applicable to the Loan, select and engage consultant(s) to provide the following consultancy services:

(i) Consultancy Services for: (1) Preparation of Detailed Designs for Water Supply Improvement Works; and (2) Conduct a Study to Determine the Feasibility of Utilising the Hope Canal as a Sustainable Potable Water Source; and

(ii) Consultancy Services for Strengthening Water Sector Governance.

(b) The Borrower shall within a time frame acceptable to the Bank implement such recommendations arising from the abovementioned consultancies, as may be acceptable to the Bank.

Section 6.04 **Other Conditions.** (a) The Borrower shall collect and store, in a location accessible to the consultants, all existing maps, reports, drawings, studies and any other relevant documentation required for the consultant, including data created as a result of the Project.

(b) The Borrower shall, by May 30, 2019 or such later date as may be specified in writing by the Bank, operationalise the National Water Council established under the Water and Sewerage Act, Chapter 30:01 of the Laws of Guyana.

Section 6.05 **Reports and Information.** Except as the Bank may otherwise agree, the Borrower shall furnish or cause to be furnished to the Bank: (i) quarterly status reports in such form or forms as the Bank may require; and (ii) the reports and other information required to be provided by the consultant(s) in accordance with the Consultancy Services for: (1) Preparation of Detailed Designs for Water Supply Improvement Works; and (2) Conduct a Study to Determine the Feasibility of Utilising the Hope Canal as a Sustainable Potable Water Source; and the Consultancy Services for Strengthening Water Sector Governance in the form specified therein not later than the times specified therein for so doing.

Section 6.06 **Additional Funds.** The Borrower shall be responsible for meeting any amount by which the total cost of the Project exceeds one million, four hundred and thirty-seven thousand United States dollars (USD1,437,000).

Section 6.07 **Borrower's Contribution to the Project.** (a) Without prejudice to the provisions of Section 7.05 of the General Provisions, the Borrower shall contribute to the Project an amount of not less than the equivalent of one hundred and seventy-two thousand United States dollars (USD172,000).

(b) Except as the Bank may otherwise agree, the contribution which the Borrower is required to make to the Project in accordance with paragraph (a) of this Section shall be expended by the Borrower in a timely manner on the components of the Project designated for financing by the Borrower as shown in the Financing Plan up to the respective limits shown therein.

**ARTICLE VII**  
**Cancellation and Suspension**

Section 7.01 **Cancellation by the Bank.** The date referred to in sub-paragraph (iii) of Section 8.03 of the General Provisions is January 31, 2019, or such later date as the Bank may from time to time specify in writing.

**ARTICLE VIII**  
**Miscellaneous**

Section 8.01 Addresses for Service. The following addresses are specified for the purpose of Section 12.03 of the General Provisions:

**For the Bank:**

Caribbean Development Bank  
Wilkey  
St. Michael  
**BARBADOS, W.I.**

Email: [legal@caribank.org](mailto:legal@caribank.org)

**For the Beneficiary:**

The Finance Secretary  
Ministry of Finance  
Main & Urquhart Streets  
Georgetown  
**GUYANA, S.A.**

Email: [hbuts@finance.gov.gy](mailto:hbuts@finance.gov.gy)

SCHEDULE I

(Section 1.01)

CARIBBEAN DEVELOPMENT BANK

GENERAL PROVISIONS APPLICABLE  
TO LOAN AGREEMENTS WITH  
BORROWER ONLY

DATED: June 30, 1995



CARIBBEAN DEVELOPMENT BANK

GENERAL PROVISIONS APPLICABLE  
TO LOAN AGREEMENTS WITH  
BORROWER ONLY

DATED: June 30, 1995

TABLE OF CONTENTS

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
Article I	<u>Application of General Provisions, Inconsistency with Loan Agreement</u>	
Section 1.01	Application of General Provisions .....	1
Section 1.02	Inconsistency with Loan Agreement .....	1
Article II	<u>Definitions, References, Headings</u>	
Section 2.01	Definitions.....	2
Section 2.02	References.....	4
Section 2.03	Table of Contents and Headings .....	4

TABLE OF CONTENTS  
(Cont'd)

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
Article III	<u>Loan Account, Repayment, Interest, Commission, Commitment Charge, Other Charges and Payments</u>	
Section 3.01	Loan Account.....	4
Section 3.02	Repayment.....	4
Section 3.03	Interest.....	5
Section 3.04	Commission.....	5
Section 3.05	Commitment Charge.....	5
Section 3.06	Other Charges and Interest on Overdue Payments.....	5
Section 3.07	Computation of Interest, Commission and Commitment Charge.....	5
Section 3.08	Advance Payments.....	5
Section 3.09	Overdue Payments.....	6
Section 3.10	Place and Application of Payments.....	6



**TABLE OF CONTENTS**  
(Cont'd)

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
Article IV	<u>Withdrawal of Loan</u>	
Section 4.01	Withdrawal and Application of Loan .....	7
Section 4.02	Special Commitments .....	7
Section 4.03	Period of Disbursement.....	7
Section 4.04	Procurement .....	7
Section 4.05	Goods and Services to be used exclusively in carrying out the Project .....	8
Section 4.06	Request for Withdrawal or Special Commitment.....	8
Section 4.07	Authorisation of Requests for Withdrawals .....	8
Section 4.08	Documentation of Requests for Withdrawals .....	8
Section 4.09	Application and Documents to satisfy the Bank.....	9
Section 4.10	Payments to the Borrower .....	9

**TABLE OF CONTENTS**  
(Cont'd)

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
Section 4.11	Withdrawal and Deduction of Interest, Commission, Commitment Charge and Other Charges .....	9
Article V	<u>Currency Provisions</u>	
Section 5.01	Currencies in which Withdrawals may be made .....	9
Section 5.02	Currency in which Principal is Repayable .....	9
Section 5.03	Currencies in which Commitment Charge, Interest, Commission and Other Charges are Payable .....	10
Section 5.04	Exchange Control Permission .....	10
Section 5.05	Purchase of Currencies .....	10
Section 5.06	Valuation of Currencies .....	11
Article VI	<u>Conditions Precedent to First Disbursement</u>	
	Section 6.01 .....	11

**TABLE OF CONTENTS**  
(Cont'd)

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
Article VII	<u>Particular Covenants</u>	
Section 7.01	Records, Accounts and Information.....	12
Section 7.02	Cooperation between the Bank and the Borrower.....	13
Section 7.03	Taxes.....	14
Section 7.04	Priority of Loan .....	14
Section 7.05	Additional Funds.....	15
Section 7.06	Maintenance of Insurance .....	15
Section 7.07	Transfer or Assignment of Loan Agreement or Loan.....	16
Section 7.08	Maintenance of Corporate Existence, Licences and Franchises and other special requirements if the Borrower is a limited liability company.....	16
Article VIII	<u>Cancellation and Suspension</u>	
Section 8.01	Cancellation by Borrower .....	17
Section 8.02	Suspension by Bank .....	17

**TABLE OF CONTENTS**  
**(Cont'd)**

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
Section 8.03	Cancellation by the Bank .....	19
Section 8.04	Amounts subject to Special Commitment not affected by Cancellation or Suspension by the Bank .....	20
Section 8.05	Effectiveness of Provisions after Cancellation or Suspension .....	20
Article IX	<u>Events of Default</u>	
	Section 9.01 .....	20
Article X	<u>Termination</u>	
	Section 10.01 .....	22
Article XI	<u>Enforceability</u>	
	Section 11.01 .....	22
Article XII	<u>Miscellaneous</u>	
	Section 12.01 .....	23
	Section 12.02 .....	23

TABLE OF CONTENTS  
(Cont'd)

<u>Article Number</u>	<u>Title</u>	<u>Page</u>
	Section 12.03 .....	23
	Section 12.04 .....	23
	Section 12.05 .....	24
Article XIII	<u>Arbitration</u>	
	Section 13.01 .....	24

CARIBBEAN DEVELOPMENT BANK

GENERAL PROVISIONS APPLICABLE  
TO LOAN AGREEMENTS WITH  
BORROWER ONLY

DATED: June 30, 1995

ARTICLE I

Application of General Provisions,  
Inconsistency with Loan Agreement

Section 1.01 Application of General Provisions. These General Provisions set forth certain terms and conditions generally applicable to loans made by the Bank and shall apply to Loan Agreements without an Executing Agency to such extent, and subject to such modifications, as may be provided in such Loan Agreements, provided however that, where there is no Guarantor, references in these General Provisions to Guarantor and Guarantee Agreement shall be disregarded.

Section 1.02 Inconsistency with Loan Agreement. If any provision of a Loan Agreement is inconsistent with a provision of these General Provisions, the provision of the Loan Agreement shall prevail.

**ARTICLE II**  
**Definitions, References, Headings**

Section 2.01 Definitions. The following expressions have the following meanings wherever used in these General Provisions unless the context otherwise requires:

- (i) "Aid Donor(s)" means such of the Donors or Lenders to the Bank which may be providing financing through the Bank for the Project;
- (ii) "Bank" means the Caribbean Development Bank;
- (iii) "Borrower" means the party to the Loan Agreement to which the Bank has agreed to make the Loan;
- (iv) "Closing Date" means the date referred to in Section 4.03;
- (v) "Due Dates" means the dates specified in the Loan Agreement for payment of instalments of the Principal and the interest (excluding interest payable pursuant to Section 3.09), commission, commitment charge and other charges in respect of the Loan;
- (vi) "Guarantee Agreement" means the agreement between the Guarantor and the Bank whereby the Guarantor guarantees the payment of the instalments of the Principal and the interest, commission, commitment charge and other charges in respect of the Loan, as such agreement may be amended from time to time, and includes all agreements amending such agreement or supplemental thereto and all schedules to such agreement;
- (vii) "Guarantor" means the party to the Guarantee Agreement which is the member of the Bank guaranteeing the payment of the instalments of the Principal and the interest, commission, commitment charge and other charges in respect of the Loan;
- (viii) "interest" means interest payable pursuant to Sections 3.03 and 3.09;

- (ix) "Loan" means the loan provided for in the Loan Agreement and includes portions of the Loan which are separately provided for in the Loan Agreement;
- (x) "Loan Account" means the account referred to in Section 3.01;
- (xi) "Loan Agreement" means the agreement between the Bank and the Borrower providing for the Loan, to which some or all of these General Provisions shall have been made applicable, as such agreement may be amended from time to time, and includes such of these General Provisions as thus made applicable thereto, all agreements amending such agreement or supplemental thereto and all schedules to such agreement;
- (xii) "other charges" means expenditure incurred by the Bank for or in connection with the remittance by the Bank of amounts withdrawn from the Loan Account, the purchase by the Bank of any currency needed by the Bank for payment to itself of interest, commission, commitment charge and/or other charges in accordance with Section 4.11 and the establishment or modification of Letters of Credit pursuant to Section 4.02, and amounts agreed to be paid by the Borrower to the Bank for or in connection with other special commitments entered into by the Bank in accordance with Section 4.02;
- (xiii) "Principal" means the amount withdrawn from the Loan Account and outstanding from time to time;
- (xiv) "Project" means the project or programme for which the Loan is granted, as described in the Loan Agreement and as such description may be amended from time to time;
- (xv) "Project Country" means the country specified in the Loan Agreement being the country of a member of the Bank in which the Project is located or in which the Borrower is directing the operations of, and implementing, the Project; and
- (xvi) "Taxes" includes imposts, levies, fees and duties of any nature in effect at the date of the Loan Agreement or Guarantee Agreement and thereafter.



Section 2.02 References. References in these General Provisions to Articles or Sections are to Articles or Sections of these General Provisions and reference to the singular shall include the plural and vice versa unless the context otherwise requires.

Section 2.03 Table of Contents and Headings. The Table of Contents and the headings to the Articles and Sections are inserted for convenience of reference only and are not a part of these General Provisions.

### ARTICLE III

#### **Loan Account, Repayment, Interest, Commission, Commitment Charge, Other Charges and Payments**

Section 3.01 Loan Account. The Bank shall open a Loan Account in its books in the name of the Borrower. The amount of the Loan shall be credited to the Loan Account and may be withdrawn therefrom as provided, and subject to the rights of cancellation and suspension set out, in the Loan Agreement and in these General Provisions.

Section 3.02 Repayment. (a) The Borrower shall repay the amount withdrawn from the Loan Account in the manner specified in the Loan Agreement. The Bank shall provide the Borrower with particulars of the repayments before the Due Date for the first repayment.

(b) Without prejudice to the provisions of Article IX, if there shall have been a cancellation, pursuant to Section 8.01 or Section 8.03, of such amount of the Loan as in the Bank's opinion is substantial and the Project has not been completed, the Borrower shall repay the Principal or, where portions of the Loan are separately provided for in the Loan Agreement, the amount of each portion of the Loan withdrawn from the Loan Account credited with such portion and outstanding in such fewer instalments than those specified in the Loan Agreement as the Bank may specify in writing not exceeding such portion of the number of such instalments to the nearest whole number as the Principal bears to the Loan or the amount of each portion of the Loan withdrawn from the Loan Account credited with such portion and outstanding bears to such portion, as the case may be.

Section 3.03 Interest. (a) The Borrower shall pay interest on the Principal at the rate provided for in the Loan Agreement, except as otherwise provided in Section 3.09. Such interest shall accrue from the respective dates on which amounts shall be withdrawn from the Loan Account and shall be payable on the Due Dates, the first payment being due and payable on the first Due Date after the date of the first disbursement of the Loan.

(b) The Bank may from time to time increase or decrease the rate of interest for the time being payable on any amount of the Loan which is being lent from the Ordinary Capital Resources of the Bank to take effect on the day after the first Due Date after June 30 and/or December 31 in any year, or on such other date or dates as the Bank may specify in writing from time to time.

Section 3.04 Commission. The Borrower shall pay to the Bank a commission on the Principal at the rate provided for in the Loan Agreement, except as otherwise provided in Section 3.09. Such commission shall accrue from the respective dates on which amounts shall be withdrawn from the Loan Account and shall be payable on the Due Dates, the first payment being due and payable on the first Due Date after the date of the first disbursement of the Loan.

Section 3.05 Commitment Charge. The Borrower shall pay to the Bank a commitment charge on the amount unwithdrawn from the Loan Account from time to time at the rate specified in the Loan Agreement. Except as the Bank may otherwise specify in writing, such commitment charge shall accrue from the date specified in the Loan Agreement to the respective dates on which amounts shall be withdrawn from the Loan Account or shall be cancelled and shall be payable on the Due Dates, the first payment being due and payable on the first Due Date after the date on which such charge shall accrue.

Section 3.06 Other Charges and Interest on Overdue Payments. Other charges due by the Borrower to the Bank and interest payable under Section 3.09 shall be payable on demand, except as otherwise provided in Section 3.10.

Section 3.07 Computation of Interest, Commission and Commitment Charge. Interest, commission and commitment charge shall be computed daily on the basis of a 360-day year of twelve (12) 30-day months.

Section 3.08 Advance Payments. The Borrower shall have the right, upon payment of all overdue Principal and all accrued interest, commission, commitment charge and other charges and upon not less than

forty-five (45) days' notice to the Bank, to repay as of a date acceptable to the Bank in advance of maturity any portion of the Principal, provided however that, unless otherwise agreed, such early repayment shall not interfere with the repayment in the regular course of the Principal, but shall have the effect only of accelerating repayment of the Principal and the particulars of the repayments to be provided pursuant to Section 3.02 shall be amended accordingly.

Section 3.09 Overdue Payments. (a) In case the Borrower fails to pay any portion of the Principal, interest (excluding interest payable under this Section), commission, commitment charge and/or other charges due and payable under the Loan Agreement, but without prejudice to the provisions of Articles VIII and IX, the Borrower shall pay to the Bank interest on such overdue Principal, interest, commission, commitment charge and/or other charges at such rate or rates of interest per annum as shall be applicable thereto as provided in paragraph (b) of this Section, for a period from the day immediately succeeding the Due Date for such overdue payment or payments to the day of actual payment thereof (both dates inclusive) if the Borrower fails to pay any portion of such overdue payment or payments within the period of twenty-one (21) days after the Due Date for such overdue payment or payments.

(b) The rate of interest per annum payable on the amount of an overdue payment, or, if there be more than one, of the aggregate of all overdue payments outstanding from time to time shall be such rate as the Bank shall specify in writing from time to time being equivalent to one per cent (1%) above the aggregate rates of interest and commission, if any, payable on the Loan on the day immediately succeeding the Due Date or Due Dates for such overdue payment or payments and each Due Date thereafter until payment in full of such overdue payment or payments.

(c) The rate or rates of interest payable on an overdue payment of Principal under this Section shall be in lieu of the rate or rates of interest and commission, if any, payable on the Loan.

Section 3.10 Place and Application of Payments. (a) The Principal and the interest, commission, commitment charge and other charges in respect of the Loan shall be paid at such place or places as the Bank may reasonably request.

(b) All payments shall be applied firstly to any interest payable under Section 3.09, then to any commitment charge and other charges due and payable, then to any interest (excluding interest payable under Section 3.09) and commission due and payable, then to any Principal due and payable.

**ARTICLE IV**  
**Withdrawal of Loan**

Section 4.01 Withdrawal and Application of Loan. (a) Subject to the provisions of the Loan Agreement, the Borrower shall be entitled to withdraw from the Loan Account amounts required for the purpose of the Project, but, except with the agreement of the Bank, no withdrawals shall be made on account of expenditures incurred before the date of the Loan Agreement.

(b) The amount withdrawn from the Loan Account shall be applied for the purpose of the Project in accordance with the provisions of the Loan Agreement and of these General Provisions.

Section 4.02 Special Commitments. At the request of the Borrower and upon such terms and conditions as may be agreed upon between the Bank and the Borrower, the Bank may enter into special commitments in writing to pay amounts to the Borrower or others in respect of the cost of goods and services to be financed out of the amount withdrawn from the Loan Account notwithstanding any subsequent suspension or cancellation.

Section 4.03 Period of Disbursement. The Loan may be disbursed up to the date specified in the Loan Agreement or such later date as may be specified in writing by the Bank.

Section 4.04 Procurement. (a) Any goods and services required for carrying out the Project shall, if they are to be financed out of an amount of the Loan,

- (i) be procured in accordance with the procedures outlined in the Bank's "Procedures for Selection and Engagement of Consultants by Recipients of CDB Financing" and "Guidelines for Procurement" as are in effect on the date of the Loan Agreement and as the same may be amended from time to time by the Bank or in accordance with such other procedures as may be specified in writing by the Bank; and

(ii) except as provided in the procedures referred to in sub-paragraph (i) of this paragraph, have their source and origin in and be procured from only the member countries of the Bank, all of which are specified in the Annex to these General Provisions, and such other countries as may be specified in, or pursuant to, the Loan Agreement.

(b) The Borrower undertakes that, in the procurement of goods and services for the Project, all necessary measures will be taken to ensure that the construction and service contracts and all purchases of goods financed out of an amount of the Loan will be made at a reasonable cost which will generally be the lowest market price taking into account time of delivery, quality, efficiency, reliability of the goods and availability of maintenance facilities and spare parts therefor and, in the case of services, of their quality and the competence of the parties rendering them.

Section 4.05 Goods and Services to be used exclusively in carrying out the Project. Except as the Bank may otherwise agree, the Borrower shall cause all goods and services financed out of an amount withdrawn from the Loan Account to be used exclusively in carrying out the Project.

Section 4.06 Request for Withdrawal or Special Commitment. When the Borrower desires to withdraw any amount from the Loan Account, or to request the Bank to enter into a special commitment pursuant to Section 4.02, the Borrower shall deliver to the Bank a written application in such form and containing such statements and agreements as the Bank shall reasonably request. Applications for withdrawal with the necessary documentation as hereinafter in this Article provided shall be made promptly in relation to expenditures for the Project.

Section 4.07 Authorisation of Requests for Withdrawals. The Borrower shall furnish to the Bank evidence of the authority of the person or persons authorised to sign applications for withdrawal and the authenticated specimen signature of such person or persons.

Section 4.08 Documentation of Requests for Withdrawals. The Borrower shall furnish to the Bank such documents and other evidence in support of the application as the Bank shall reasonably request, whether before or after the Bank shall have permitted any withdrawal requested in the application.

Section 4.09 Application and Documents to satisfy Bank. Each application and the accompanying documents and other evidence must be sufficient in form and substance to satisfy the Bank that the Borrower is entitled to withdraw from the Loan Account the amount applied for and that the amount to be withdrawn from the Loan Account has been or will be used for the purposes specified in the Loan Agreement.

Section 4.10 Payments to the Borrower. Payment by the Bank to the Borrower of amounts which the Borrower is entitled to withdraw from the Loan Account shall be made to or on the order of the Borrower.

Section 4.11 Withdrawal and Deduction of Interest, Commission, Commitment Charge and Other Charges. The Bank shall be entitled, but not obligated, to withdraw from the Loan Account when allocated for financing by the Bank without the necessity of an application for withdrawal by the Borrower, or deduct from any disbursement to, or on behalf of, the Borrower under the Loan Agreement, and pay to itself interest, commission, commitment charge and/or other charges due and payable under the Loan Agreement, and the Bank shall promptly notify the Borrower in writing of such withdrawal or deduction. Each such withdrawal from the Loan Account shall be deemed to be a disbursement of a portion of the Loan to the extent of the amount, and as of the date, of such withdrawal.

**ARTICLE V**  
**Currency Provisions**

Section 5.01 Currencies in which Withdrawals may be made. Except as the Bank and the Borrower may otherwise agree, withdrawals from the Loan Account shall be made in the respective currencies in which the expenditures to be financed out of the Loan have been paid or are payable or in such other currency or currencies available to the Bank, as the Bank may reasonably determine.

Section 5.02 Currency in which Principal is Repayable. (a) Any amount withdrawn from the Loan Account which is being lent from that portion of the Special Development Fund of the Bank subject to the Rules adopted by the Board of Directors of the Bank in May 1983, as the same may be amended from time to time by the Bank, shall be repayable in United States dollars.

(b) Except as provided in paragraph (a) of this Section or as the Bank may otherwise specify in writing, the amount withdrawn from the Loan Account shall be repayable in the several currencies withdrawn from the Loan Account and the amount repayable in each currency shall be the amount withdrawn in that currency, provided that, if a withdrawal shall be made in any currency which the Bank shall have purchased with another currency for the purpose of such withdrawal, the amount so withdrawn shall be repayable in such other currency and the amount so repayable shall be the amount paid by the Bank on such purchase.

(c) The portion of the amount withdrawn from the Loan Account to be repaid in a particular currency shall be repayable in such instalments as the Bank shall from time to time specify provided that the amount to be repaid on each Due Date shall remain as set out in the particulars of the repayments to be provided under Section 3.02.

Section 5.03 Currencies in which Commitment Charge, Interest, Commission and Other Charges are Payable. The Commitment Charge shall be payable in United States dollars, interest and commission on any portion of the amount withdrawn from the Loan Account shall be payable in the currency or currencies in which such portion of the amount withdrawn from the Loan Account is repayable, interest payable under Section 3.09 shall be payable in the currency or currencies in which the overdue payment is payable and other charges shall be payable in the currency or currencies utilised by the Bank for such other charges.

Section 5.04 Exchange Control Permission. The obligation to obtain any requisite exchange control permission shall be that of the Borrower.

Section 5.05 Purchase of Currencies. The Bank will, at the request of the Borrower and on such terms and conditions as the Bank shall determine, use its best efforts to purchase any currency needed by the Borrower for payment of Principal, interest, commission, commitment charge and other charges required under the Loan Agreement upon payment by the Borrower of sufficient funds therefor in such currency or currencies to be specified by the Bank from time to time. In purchasing the currencies required, the Bank shall be acting as agent of the Borrower, and the Borrower shall be deemed to have made any payment required under the Loan Agreement only when and to the extent that the Bank has received such payment in the currency or currencies required.

Section 5.06 Valuation of Currencies. Whenever it shall be necessary to determine the value of one currency in terms of another, such value shall be as reasonably determined by the Bank.

## ARTICLE VI

### Conditions Precedent to First Disbursement

Section 6.01 (a) The Borrower shall, by the date referred to in Section 8.03 (i), furnish or cause to be furnished to the Bank:

- (i) the Guarantee Agreement in form and substance acceptable to the Bank;
- (ii) evidence, acceptable to the Bank, that the Borrower, if it is not a member of the Bank, is legally established;
- (iii) one or more opinions, satisfactory to the Bank, of a legal practitioner, acceptable to the Bank, showing that:
  - (aa) the Borrower, if it is not a member of the Bank, has the legal capacity to contract the obligations assumed in the Loan Agreement and to fully execute the Project;
  - (bb) the Borrower has complied with all the necessary requirements under the Constitution of the Project Country and under the Laws and Regulations in force therein in order to enter into the Loan Agreement; and
  - (cc) the Loan Agreement has been duly authorized by and executed and delivered on behalf of the Borrower and constitutes a valid and legally binding obligation in accordance with all of its terms;
- (iv) proof, satisfactory to the Bank, that the person or persons who signed the Loan Agreement on behalf of the Borrower were legally empowered to do so;



- (v) evidence, acceptable to the Bank, that the Borrower has designated one or more representatives to represent it in all acts regarding the implementation of the Loan Agreement and the authenticated specimen signature of the said representative or representatives; and
- (vi) evidence, acceptable to the Bank, that the Borrower has authorised one or more persons to sign applications for withdrawals in accordance with Section 4.07 and the authenticated specimen signature of the person or persons so authorised.

(b) Except as the Bank may otherwise agree, the Bank shall not be obliged to make the first disbursement of the Loan until the requirements of paragraph (a) of this Section, as amplified by the Loan Agreement, have been complied with to the entire satisfaction of the Bank and the Aid Donor(s) shall have authorised withdrawals for the Project, if necessary.

**ARTICLE VII**  
**Particular Covenants**

Section 7.01 Records, Accounts and Information. (a) The Borrower, if it is not a member of the Bank, shall maintain records and accounts adequate to reflect in accordance with consistently maintained sound accounting practice the operations and financial condition of the Borrower. Without prejudice to the generality of the foregoing provision, if applicable, the Borrower shall maintain records and accounts adequate to identify the goods and services financed out of the amount withdrawn from the Loan Account, to disclose the use thereof in the Project, to show the expenditures of the amount withdrawn from the Loan Account and to record the progress of the Project (including the cost thereof). The Borrower shall maintain such accounts and records relating to the Project to the satisfaction of the Bank and such records and accounts shall be kept separately and distinct from the records and accounts of the other operations of the Borrower.

- (b) The Borrower, if it is not a member of the Bank, shall:
- (i) have its accounts and financial statements (balance sheets, statements of income and expenditure and related statements) for each fiscal year audited by independent auditors acceptable to the Bank in accordance with sound auditing principles consistently applied;
  - (ii) furnish to the Bank, as soon as available, but in any case not later than six (6) months after the end of each such year, certified copies of its audited financial statements for such year and an audit report by the said auditors of such scope and in such detail as the Bank may reasonably request; and
  - (iii) furnish to the Bank such other information concerning its accounts and financial statements and the audit thereof as the Bank may from time to time reasonably request.
- (c) The Borrower shall furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the expenditures of the amount withdrawn from the Loan Account, the Project, the benefits to be derived therefrom, the administration and operations of the Project and the financial condition of the Borrower.
- (d) The authorised representatives of the Bank and the Aid Donor(s) shall be entitled to inspect the goods financed out of the amount withdrawn from the Loan Account, the sites, works, plant and construction included in the Project, the operation thereof and any records, documents and accounts of the Project and for that purpose to enter any lands, buildings, erections or facilities owned or occupied by the Borrower. The Borrower will provide such representatives with all reasonable opportunities and facilities for this purpose.

Section 7.02 Cooperation between the Bank and the Borrower. (a) The Bank and the Borrower shall cooperate fully to ensure that the purpose of the Loan will be accomplished. To that end, the Bank and the Borrower shall, from time to time, at the request of either party, exchange views through their representatives with regard to the progress of the Project, the performance by the Borrower of its obligations under the Loan Agreement and any other matters relating to the Project.

(b) The Borrower shall promptly inform the Bank of any condition which interferes, or threatens to interfere, with the accomplishment of the purpose of the Loan, the maintenance of the service thereof or the performance by the Borrower of its obligations under the Loan Agreement.

Section 7.03 Taxes. The Borrower shall pay, or cause to be paid, all taxes, if any, imposed under the laws in force in the Project Country in connection with the execution, issue, delivery or registration of the Loan Agreement, any instrument given as a requirement of the Loan Agreement (including securities and promissory notes), any transfer or assignment by the Bank pursuant to Section 7.07 and any agreement amending or supplemental to the Loan Agreement, any such instrument and any such transfer or assignment, and all payments of Principal, interest, commission, commitment charge and other charges shall be made without deduction for, and free from, any taxes imposed under any such laws.

Section 7.04 Priority of Loan. (a) It is the mutual intention of the Borrower, if it is a member of the Bank, and the Bank that no other external debt shall enjoy any priority over the Loan by way of lien on governmental assets.

(b) To that end, the Borrower, if it is a member of the Bank, undertakes that, except as the Bank may otherwise agree, if any lien shall be created by the Borrower on any governmental assets as security for any external debt, such lien will, *ipso facto*, and at no cost to the Bank, equally and ratably secure the payment of the Principal, interest, commission, commitment charge and other charges and that in the creation of any such lien express provision will be made to that effect. The Borrower, if it is a member of the Bank, shall promptly inform the Bank of the creation of any such lien.

(c) The foregoing provisions of this Section shall not apply to:

- (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property; or
- (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one (1) year after its date.

(d) As used in this Section the term:

- (i) "external debt" means any debt payable by the Borrower in any medium other than the currency which at the time in question is legal tender in the Project Country whether such debt is payable absolutely or at the option of the creditor in such other medium; and
- (ii) "governmental assets" means assets of the Project Country, if the Borrower is a member of the Bank, of any of its political sub-divisions, or of any agency of the Project Country, if the Borrower is a member of the Bank, or of any such political sub-division including an institution performing the functions of a central bank.

(e) The Borrower, if it is not a member of the Bank or a political sub-division or agency of a member of the Bank or an enterprise in which equity participation by one or more members of the Bank or one or more agencies of such member or members of the Bank is a controlling one, undertakes that, except as the Bank may otherwise agree or as contemplated for the Project, no security which will rank prior to, or *pari passu* with, any security given as a requirement of the Loan Agreement shall, after the date of the Loan Agreement, be created or maintained on any of its property as security for any debts.

Section 7.05 Additional Funds. The Borrower shall provide promptly as necessary all funds in addition to the amount withdrawn from the Loan Account and all other resources required for the punctual and effective carrying out of the Project and, in particular, shall be responsible for meeting any amount by which the cost of the Project exceeds the estimated cost thereof as specified in the Loan Agreement.

Section 7.06 Maintenance of Insurance. (a) Except as otherwise specified in the Loan Agreement, the Borrower shall take out and maintain with responsible insurers, or make adequate arrangements acceptable to the Bank for, insurance against such risks and in such amounts as shall be consistent with sound business practice and, without limitation upon the foregoing, such insurance shall cover marine, transit and other hazards incident to the acquisition, transportation and delivery of goods financed out of an amount withdrawn from the Loan Account to the place of use or installation, any indemnity thereunder to be made payable in a currency freely usable by the Borrower to replace or repair such goods.

(b) The Borrower shall require any such insurers with which insurances in respect of any insurable property financed out of an amount withdrawn from the Loan Account and other insurable property are taken out and are to be maintained to give notice periodically to the Borrower and the Bank when such insurances are to be renewed and, in addition, advise the Bank immediately on each renewal date whether such insurances are renewed.

Section 7.07 Transfer or Assignment of Loan Agreement or Loan. The Bank shall be entitled to transfer or assign at any time to the Aid Donor(s) all or any of its right, title and interest in and under the Loan Agreement and any instrument (including securities and promissory notes) given as a requirement of the Loan Agreement and in and to the whole or any part of all monies whatsoever due or to become due to the Bank thereunder. The Bank shall promptly inform the Borrower of any such transfer or assignment.

Section 7.08 Maintenance of Corporate Existence, Licences and Franchises and other special requirements if the Borrower is a limited liability company. (a) Except as the Bank may otherwise agree or as specified in the Loan Agreement, the Borrower shall:

- (i) take all necessary steps as lie within its power and use its best endeavours at all times to maintain its corporate existence and the right to carry on operations and shall acquire, maintain and renew all rights, powers, privileges, licences and franchises owned or held by it and necessary and useful in the implementation of the Project and the conduct of the business contemplated by the Project;
- (ii) not amend its Memorandum or Articles of Association; and
- (iii) observe all the laws of the Project Country affecting the Borrower and, in particular, all the provisions of the Companies legislation in force in the Project Country as amended or modified from time to time especially in filing with the Registrar of Companies any information and documents required to be filed under such legislation.

(b) Except as the Bank may otherwise agree, at least fifty-one per cent (51%) of the issued and paid up share capital of the Borrower shall be held at all times by one or more of the Governments, nationals and belongers of Commonwealth Caribbean member countries of the Bank and corporate bodies controlled by such

Governments, nationals and belongers and the Borrower shall at all times be controlled by one or more of such Governments, nationals, belongers and corporate bodies.

**ARTICLE VIII**  
**Cancellation and Suspension**

Section 8.01 Cancellation by Borrower. The Borrower may by notice to the Bank cancel any amount of the Loan which the Borrower shall not have withdrawn prior to the giving of such notice, except that the Borrower may not so cancel any amount of the Loan in respect of which the Bank shall have entered into a special commitment pursuant to Section 4.02.

Section 8.02 Suspension by Bank. (a) If any of the following events shall have occurred and be continuing, the Bank may by notice to the Borrower and the Guarantor suspend in whole or in part the right of the Borrower to make withdrawals from the Loan Account:

- (i) the Borrower shall have failed to make payment (notwithstanding the fact that such payment may have been made by the Guarantor or a third party) of Principal, interest, commission, commitment charge or other charges under the Loan Agreement or any Principal, interest, commission, commitment charge or other payment required under any other agreement between the Bank and the Borrower;
- (ii) the Guarantor shall have failed to make payment of Principal, interest, commission, commitment charge or other charges under the Guarantee Agreement or any Principal, interest, commission, commitment charge or other payment required under any other agreement between the Bank and the Guarantor;
- (iii) the Borrower or the Guarantor shall have failed to perform or observe any of its other obligations under the Loan Agreement or the Guarantee Agreement;

- (iv) a situation shall have arisen which shall make it improbable in the Bank's opinion that the Project can be carried out or that the Borrower or the Guarantor will be able to perform or observe any of its obligations under the Loan Agreement or the Guarantee Agreement;
- (v) prior to the Closing Date, any material adverse change in the condition of the Borrower, as represented by the Borrower, shall have occurred;
- (vi) a representation made by the Borrower or the Guarantor in or pursuant to the Loan Agreement or the Guarantee Agreement or any statement furnished in connection therewith and intended to be relied upon by the Bank in making the Loan shall have been incorrect in any material respect;
- (vii) the Borrower, if it is a member of the Bank, or the Guarantor shall have withdrawn or been suspended from membership in, or ceased to be a member of, the Bank;
- (viii) the right of the Borrower or the Guarantor to make withdrawals under any other agreement with the Bank shall have been suspended in whole or in part by the Bank;
- (ix) the right of the Bank to receive funds for the Project from the Aid Donor(s) shall have been suspended in whole or in part or shall have terminated;
- (x) a situation shall have arisen whereby, in the Bank's opinion, any withdrawal or further withdrawal from the Loan Account will cause the Bank to exceed any of the lending limits of the Bank, established by the Board of Directors of the Bank from time to time;
- (xi) any event specified in sub-paragraph (vii) of Section 8.03 and sub-paragraphs (iv), (vi), (vii), (viii), (ix), (x), (xi) and (xii) of Section 9.01 shall have occurred; or
- (xii) any other event specified in the Loan Agreement for the purpose of this Section shall have occurred.

(b) The right of the Borrower to make withdrawals from the Loan Account shall continue to be suspended in whole or in part, as the case may be, until the event or events which gave rise to such suspension shall have ceased to exist or until the Bank shall have notified the Borrower and the Guarantor that the right to make withdrawals shall be restored, whichever is earlier, but, in case of any such notice of restoration, the right to make withdrawals shall be restored only to the extent and subject to the conditions specified in such notice, and no such notice shall affect or impair any right, power or remedy of the Bank in respect of any other or subsequent event described in this Section.

Section 8.03 Cancellation by the Bank. If any of the following events shall occur, then at any time thereafter the Bank may by notice to the Borrower and the Guarantor terminate the right of the Borrower to make withdrawals from the Loan Account or with respect to any amount of the Loan, as the case may be, and, upon the giving of such notice, the amount of the Loan specified therein shall be cancelled:

- (i) the Borrower shall have failed to comply with the conditions set out in Section 6.01 (a), as amplified by the Loan Agreement, by the sixtieth (60<sup>th</sup>) day after the date of the Loan Agreement or such later date as may be specified in writing by the Bank;
- (ii) in the opinion of the Bank, it is improbable that any requirement specified in or pursuant to Section 6.01 (b), or any condition to be fulfilled in meeting any such requirement will be satisfied;
- (iii) by the date therefor referred to in the Loan Agreement, the Bank has not received any application for withdrawal from the Loan Account or for Special Commitment in accordance with Article IV or all applications received by the date shall not have been acceptable to the Bank;
- (iv) the right of the Borrower to make withdrawals from the Loan Account shall have been suspended with respect to any amount of the Loan for a continuous period of thirty (30) days;
- (v) at any time the Bank determines, after consultation with the Borrower, that an amount of the Loan will not be required to finance the Project's cost to be financed out of the Loan;



- (vi) after the Closing Date an amount of the Loan remains unwithdrawn from the Loan Account;  
or
- (vii) the Bank shall have received notice from the Guarantor pursuant to Section 3.05 of the General Provisions applicable to Guarantee Agreements with respect to any amount of the Loan.

Section 8.04 Amounts subject to Special Commitment not affected by Cancellation or Suspension by the Bank. No cancellation or suspension by the Bank shall apply to amounts subject to any special commitment entered into by the Bank pursuant to Section 4.02.

Section 8.05 Effectiveness of Provisions after Cancellation or Suspension. Notwithstanding any cancellation or suspension, all the provisions of the Loan Agreement and of these General Provisions which shall have been made applicable thereto shall continue in full force and effect except as in this Article specifically provided.

#### **ARTICLE IX** **Events of Default**

Section 9.01 If any of the following events shall occur and shall continue for the period specified, if any, then, at any subsequent time during the continuance thereof, the Bank, at its option, may by notice to the Borrower and the Guarantor declare the Principal due and payable immediately together with interest, commission, commitment charge and other charges under the Loan Agreement and upon such declaration the Principal together with interest, commission, commitment charge and other charges under the Loan Agreement shall become due and payable immediately:

- (i) a default shall occur in the payment of Principal, interest, commission, commitment charge or other charges under the Loan Agreement and such default shall continue for a period of thirty (30) days;

- (ii) a default shall occur in the payment of Principal, interest, commission, commitment charge or other charges under the Guarantee Agreement and such default shall continue for a period of thirty (30) days;
- (iii) a default shall occur in the payment of Principal, interest, commission, commitment charge or other charge under any other loan or guarantee agreement between the Bank and the Borrower and such default shall continue for a period of thirty (30) days;
- (iv) a default shall occur in the payment of Principal, interest, commission, commitment charge, or other charges under any loan or guarantee agreement between the Guarantor and the Bank under circumstances which would make it unlikely that the Guarantor would meet its obligations under the Loan Agreement or the Guarantee Agreement and such default shall continue for a period of thirty (30) days;
- (v) a default shall occur in the performance or observance of any other obligation on the part of the Borrower or the Guarantor under the Loan Agreement or the Guarantee Agreement and such default shall continue for a period of sixty (60) days after notice thereof shall have been given by the Bank to the Borrower and the Guarantor;
- (vi) the Borrower, if it is not a member of the Bank, shall have become unable to pay its debts as they mature or any action or proceeding shall have been taken by the Borrower, if it is not a member of the Bank, or by others whereby any of the property of the Borrower, if it is not a member of the Bank, shall or may be distributed among its creditors;
- (vii) the Borrower, if it is not a member of the Bank, shall have taken or suffered any action for its reorganisation, liquidation or dissolution or the suspension of its operations or a receiver or liquidator shall have been appointed of all or any part of its property;
- (viii) any modification shall have been made in the purpose, nature or objectives, capital or assets of the Borrower, if it is not a member of the Bank, and particularly any substantial revision of the legislation establishing the Borrower, if it is not a member of the Bank and is established by legislation, which may have a deleterious effect on the Project or on the purpose for which

the Loan Agreement was entered into;

- (ix) the Borrower or the Guarantor shall have failed to fulfil any of its obligations to the Bank whether arising under the agreement establishing the Bank or otherwise;
- (x) there shall have been cancellation, pursuant to Section 8.01 or Section 8.03, of such an amount of the Loan as will make it improbable in the Bank's opinion that the Project can be carried out or that the Borrower will be able to perform or observe any of its obligations under the Loan Agreement;
- (xi) the Project shall have been discontinued or suspended without the prior approval of the Bank or the Borrower shall have suspended, or ceases or threatens to cease to carry on, the business contemplated in carrying out the Project; or
- (xii) any other event specified in the Loan Agreement for the purpose of this Section shall have occurred and shall continue for the period, if any, specified in the Loan Agreement.

**ARTICLE X**  
**Termination**

Section 10.01 Termination of Loan Agreement. Upon payment in full of the Principal and all interest, commission, commitment charge and other charges under the Loan Agreement, the Loan Agreement and all obligations of the parties thereunder shall forthwith terminate.

**ARTICLE XI**  
**Enforceability**

Section 11.01 (a) Except as provided in paragraph (b) of this Section, the rights and obligations of the Bank and the Borrower under the Loan Agreement shall be valid and enforceable in accordance with its terms.

(b) If the Borrower is not a member of the Bank, the rights and obligations of the Bank and the Borrower under the Loan Agreement shall be construed and determined in accordance with the laws of the Project Country at the date of the Loan Agreement.

(c) Neither the Bank nor the Borrower shall be entitled in any proceeding under or pursuant to Article XIII to assert any claim that any provision of the Loan Agreement is invalid or unenforceable because of any provision of the agreement establishing the Bank or for any other reason.

**ARTICLE XII**  
**Miscellaneous**

Section 12.01 All statements, reports, certificates, evidence, opinions, notices, communications and other documents or information furnished or given under the Loan Agreement shall be supplied or submitted in the English language without cost to the Bank.

Section 12.02 No failure or delay on the part of the Bank to exercise any right, power or privilege under the Loan Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under the Loan Agreement preclude any other or further exercise thereof or the exercise of any right, power or privilege.

Section 12.03 All notices and other communications required or permitted to be given or made under the Loan Agreement and any other agreement between any of the parties contemplated by the Loan Agreement shall be in writing. Any such notice or other communication shall be deemed to have been duly given or made when delivered by hand or mail or by telefax or to the party to which it is required or permitted to be given or made at such party's address specified in the Loan Agreement or at such other address as such party may have designated by notice to the party giving such notice or making such communication.

Section 12.04 Subject to Article 42 of the agreement establishing the Bank, if the Borrower, being a member of the Bank, or the Guarantor ceases to be a member of the Bank, any amount due to it for its shares repurchased by the Bank shall be withheld so long as the Borrower or the Guarantor remains liable to the Bank

in respect of the Loan. Such amount may, at the option of the Bank, be applied to any such liability as it matures.

Section 12.05 Subject to Article 46 of the agreement establishing the Bank, in the event of a distribution of the assets of the Bank, the Borrower, being a member of the Bank, or the Guarantor shall not be entitled to receive its share in such distribution until it has settled its obligations to the Bank under the Loan Agreement or the Guarantee Agreement.

**ARTICLE XIII**  
**Arbitration**

Section 13.01 (a) Any controversy between the parties to the Loan Agreement and any claim by any such party against any other such party arising under the Loan Agreement which shall not be determined by agreement between the parties shall be submitted to arbitration before an Arbitration Committee as hereinafter provided.

(b) The parties to such arbitration shall be the Bank on one side and the Borrower on the other side.

(c) The Arbitration Committee shall consist of three arbitrators appointed as follows:

One arbitrator shall be appointed by the Bank, another by the Borrower and a third (hereinafter called the umpire) shall be appointed by agreement between the parties, either directly or through their respective arbitrators. If the parties fail to agree on who shall be the umpire, he shall be appointed at the request of either party by the Secretary-General of the Caribbean Community. If either side fails to appoint an arbitrator, he shall be appointed by the Secretary-General of the Caribbean Community at the request of the other party. If either of the appointed arbitrators or the umpire is unwilling or unable to act or to continue to act in such capacity, his successor shall be appointed in the same manner as for the original appointment. The successor shall perform the same functions and shall have the same powers as his predecessor.

(d) An arbitration proceeding may be instituted under this Section upon notice by the party instituting such proceeding to the other party. Such notice shall contain a statement setting forth the nature of the controversy or claim to be submitted to arbitration, the nature of the remedy sought and the name of the arbitrator appointed by the party instituting such proceeding. Within thirty (30) days after the giving of such notice, the other party shall notify the party instituting the proceeding of the name of the arbitrator appointed by such other party.

(e) If within sixty (60) days after giving notice instituting the arbitration proceeding the parties shall not have agreed upon an umpire, either party may request the appointment of an umpire as provided in paragraph (c) of this Section. If within forty-five (45) days after becoming entitled to do so, neither party requests the appointment of an umpire as provided in paragraph (c) of this Section, the arbitration proceeding shall be deemed to have been abandoned.

(f) The Arbitration Committee shall convene in Barbados at such time and place as shall be fixed by the umpire. Thereafter the Arbitration Committee shall meet in Barbados or in the Project Country at such time and place as the Arbitration Committee shall determine.

(g) Subject to the provisions of this Section and except as the parties shall otherwise agree, the Arbitration Committee shall decide all questions relating to its competence and shall determine its procedure. All decisions of the Arbitration Committee shall be by a majority vote.

(h) The Arbitration Committee shall afford to both sides a fair hearing and shall render its award in writing. Such award may be rendered by default. An award signed by a majority of the Arbitration Committee shall constitute the award of the Arbitration Committee. A signed counterpart of the award shall be transmitted to each party. Any such award rendered in accordance with the provisions of this Section shall be final and binding upon the parties to the Loan Agreement. Each party shall abide by and comply with any such award rendered by the Arbitration Committee in accordance with the provisions of this Section.

(i) The parties shall fix the amount of the remuneration of the Arbitrators and such other persons as shall be required for the conduct of the arbitration proceedings. The Bank and the Borrower shall each defray its own expenses in the arbitration proceedings. The costs of the Arbitration Committee shall be divided between and borne equally by the Bank on the one side and the Borrower on the other. Any question concerning the

division of the costs of the Arbitration Committee or the procedure for payment of such costs shall be determined by the Arbitration Committee.

(j) The provisions for arbitration set forth in this Section shall be in lieu of any other procedure for the determination of any controversy between the parties to the Loan Agreement or any claim by any such party against the other such party arising thereunder.

(k) If within thirty (30) days after the counterparts of the award shall be delivered to the parties the award shall not be complied with, any party may enter judgment upon or institute a proceeding to enforce the award in any court of competent jurisdiction against any other party, may enforce such judgment by execution or may pursue any other appropriate remedies against such other party for the enforcement of the award and the provisions of the Loan Agreement. Notwithstanding the foregoing, this Section shall not authorize any entry of judgment or enforcement of award against any party that is a member of the Bank except as such procedure may be available otherwise than by reason of the provisions of this Section.

(l) Service of any notice or process in connection with any proceeding under this Section or in connection with any proceeding to enforce any award pursuant to this Section may be made in the manner provided in Section 12.03. The parties to the Loan Agreement waive any and all other requirements for the service of any such notice or process.

(m) Notwithstanding the provisions of paragraph (j) of this Section, if the Borrower is not a member of the Bank, nothing in this Section shall be deemed to preclude either of the parties from exercising or instituting any legal or equitable action to enforce any right or claim arising out of or pursuant to any instrument given as a requirement of the Loan Agreement with respect to the repayment of the Principal and payment of interest, commission, commitment charge and other charges and submission to arbitration under this Section shall not be deemed to be a condition precedent or in any way prejudice such exercise or other enforcement of any such right or claim.

ANNEX

[Section 4.04 (a) (ii)]

**MEMBERS OF THE BANK**

**Regional Members**

1. Anguilla
2. Antigua and Barbuda
3. Bahamas - Commonwealth of The
4. Barbados
5. Belize
6. Brazil
7. British Virgin Islands
8. Cayman Islands
9. Colombia
10. Dominica - Commonwealth of
11. Grenada
12. Guyana - Co-operative Republic of
13. Haiti - Republic of
14. Jamaica
15. Mexico
16. Montserrat
17. Saint Kitts and Nevis
18. Saint Lucia
19. Saint Vincent and the Grenadines
20. Suriname – Republic of
21. Trinidad and Tobago - Republic of
22. Turks and Caicos Islands
23. Venezuela

**Non-Regional Members**

1. Canada
2. China - The People's Republic of
3. Germany
4. Italy
5. United Kingdom



SCHEDULE 2

COMPOSITION AND FUNCTIONS OF THE PROJECT ADVISORY COMMITTEE

1. The main purpose of the establishment of the PAC is to provide formal mechanism for information sharing and discussion on policy and national strategic issues related to the development of the proposed Water Supply Improvement Project. PAC meetings will complement the consultations which are required to be undertaken as part of the Feasibility Studies.

2. The PAC comprises representatives of:

- (a) The Ministry of Communities.
- (b) The Guyana Water Services Inc.
- (c) The Ministry of Social Protection.
- (d) The Department of Environment.

The PAC will be chaired by the Permanent Secretary with responsibility for MOC, with PC as Secretary.

3. The PAC shall:

- (a) meet to consider and discuss the main reports to be delivered by the consultants at the relevant stages indicated in the TORs. The time for these meeting will as agreed by the PAC;
- (b) provide guidance to the implementing agency, MOC, on national policies, priorities and development plans, that are related to the Water Supply Improvement Project; and
- (c) facilitate the taking of policy decisions by the relevant authorities to ensure timely completion of the consultancy.

TERMS OF REFERENCECONSULTANCY SERVICES FOR:1. PREPARATION OF DETAILED DESIGNS FOR WATER SUPPLY IMPROVEMENT WORKS2. CONDUCT OF A STUDY TO DETERMINE THE FEASIBILITY OF UTILISING THE HOPE CANAL AS A SUSTAINABLE POTABLE WATER SOURCE1. INTRODUCTION

1.01 The Cooperative Republic of Guyana (Guyana) had a population of 747,884 (375,150 females and 371,805 males in 2012). The main ethnic groups are: Indo-Guyanese (39.8%); Afro-Guyanese (29.3%); and Amerindians (10.5%) living mainly in the hinterlands. The latest estimate for 2006 showed that 36.1% of the population was poor<sup>1</sup>. The Human Development Report (2016) however reveals steady improvement in overall living conditions. The country attained a Human Development Index value of 0.638 in 2015, increasing from 0.541 in 1990 (an increase of 17.9%). Life expectancy at birth increased by 3.0 years, mean years of schooling increased by 1.6 years, expected years of schooling increased by 0.2 years; and gross national income per capita increased by about 209.8% between 1990 and 2015. Notwithstanding the progress made, at-risk groups of women, Amerindians, persons with disabilities (PWDs), and youth, face vulnerabilities. For example, female labour force participation was 43.6% compared to 68.9% for males, and 56% for the total population in 2017 (Third Quarter). Comparatively, the female unemployment rate was 15.3%, as opposed to 9.9% for males, and 12% for the total population in 2017<sup>2</sup>. Social exclusion and vulnerabilities faced, impact all aspects of socioeconomic life, including ability to access to water and sanitation. The socially-inclusive *no-one left behind* 2030 Sustainable Development Goals agenda requires programming to address services disproportionately accessed by such groups.

1.02 Having signed on to the historic Paris Agreement in December 2015, the President of the Government of Guyana (GOGY), indicated that the government recognised the importance of battling climate change. As part of this approach, GOGY is pursuing a Green Economy, sparing no effort to ensure a sustainable future through the sustainable management of its natural resources and assets. Water resources management is a critical element of achieving the greening of the economy.

1.03 The Ministry of Communities (MOC) is the primary government agency which links the local government agencies to the central government. It has the overarching responsibilities for water and is embarking on the re-establishment of the National Water Council under MOC. One of the key functions of the Council is to advise the Minister on the development, implementation and coordination of the National Water Policy. In order to achieve this goal it is imperative that MOC coordinate plans to develop the National Water Policy and the related strategies and plans to improve water governance.

1.04 Water resources management is in its nascent stages in Guyana. The GOGY under the Green Economy Initiative, is addressing the challenges in the water sector. The GOGY is presently seeking to enhance the management of their water resources, as mandated under the Water and Sewerage Act of 2002. Reviews of the current system have indicated that additional governance structures and systems are needed

1 Poverty was more prevalent in rural areas, with the hinterland population having a prevalence of 74%, the Amerindian population 78%, and urban residents 19%. Afro-Guyanese, Indo-Guyanese and Mixed ethnic groups show similar poverty rates, about 1 in 3 are poor.

2 Unemployment rates are higher for youth age cohorts and more so for females and rural dwellers: males 17.3%, females 28.0%, both males and females 21.6%; rural 24.5%, and urban 20.5%. Further, some 15% of PWDs never attended school, 40% of unemployed suffer job losses due to disability, and 79% of families face financial difficulties (Bureau of Statistics 2006).

to facilitate the development of their Integrated Water Resources Management Plan. Key elements needed include a national water policy; greater definition of roles and responsibilities among stakeholders; improved institutional capacities, and improved strategy for targeting access to water for the vulnerable groups such as the poor, indigenous peoples, elderly, PWDs, and single parent households including female headed households.

1.05 The Guyana Water Inc. (GWI), a company incorporated under the Companies Act of Guyana and solely owned by the GOGY, falls under the purview of the MOC. It is charged with the responsibility of water production and sewage disposal in Guyana. GWI currently delivers water directly from source to 43% of the population; the remaining 57% are provided with water treated either at one of the 28 existing water treatment plants or through the use of SeaQuest<sup>®</sup>, an additive used in potable water to control corrosion, scale, lead, iron and discoloration. Death of children due to poor water, sanitation and hygiene<sup>3</sup> for Guyana stood at 132 per 100,000 in 2015, where women tend to bear the unpaid burden of care for dependents in households. GOGY, through the GWI wishes to increase the availability of and accessibility to treated water to 66% of the population by 2021 through new and upgraded water supply infrastructure. In keeping with this mandate, the GWI conducted studies and designs which resulted in recommendations of specific interventions at key locations. Recommendations included: constructing new treatment plants; metering; new storage facilities, and new transmission and distribution systems.

## **2. OBJECTIVE**

2.01 The objective of this consultancy is: (a) to prepare detailed designs, drawings, technical specifications, cost estimates and bidding documents for upgrading select water systems in Guyana, in order to facilitate the appraisal and financing of a capital project and incorporate considerations related to the Project's technical, environmental, natural hazard, climate change and social context; and (b) determine the feasibility of utilising the Hope Canal as a potable water source.

2.02 Resilience building measures to address climate change and natural hazard impacts will be assessed as part of this analysis.

## **3. DESCRIPTION OF WORK**

3.01 The Project consists of seven project sites (Table 1). The Project is expected to facilitate socially inclusive access to potable water for an estimated 16,963 households and a population of 67,990, consisting of 34,641 males and 33,349 females.

---

<sup>3</sup> Deaths of children under age 5 due to diarrhoea attributable to unsafe water, unimproved sanitation or poor hygiene (Human Development Report 2015)

(a) Water Treatment Plants (Component 1)

TABLE 1: TARGETED BENEFICIARY HOUSEHOLDS AND POPULATION BY GEOGRAPHICAL AREA FOR ACCESS TO TREATED WATER.<sup>4</sup>

Location	Number of Households	Population		
		Males	Females	Total
Region 1 – Mabaruma	1,310	2,929	2,311	5,240
Region 2 - Walton Hall to Charity	1,500	2,963	3,037	6,000
Region 3 – Wakenaam	2,300	4,753	4,447	9,200
Region 3 – Leguan Island				
Region 5 – Bush Lot,	5,888	11,689	11,861	23,550
Region 6 - Tain to No. 50 Village	5,000	9,985	10,015	20,000
Region 8 – Mahdia	965	2,323	1,677	4,000
<b>Grand Total</b>	<b>16,963</b>	<b>34,641</b>	<b>33,349</b>	<b>67,990</b>

**Region 1 - Mabaruma**

The Mabaruma water supply system is operated and maintained by GWI employees currently. It is divided into three independent service areas, each with its own spring, underground storage reservoir, diesel driven high lift pumps and water distribution network. None of the distribution networks has any interconnection with neighbouring networks. The water supplied to all three areas was untreated until recently when GWI installed chlorination systems. These areas are Mabaruma, Barabina and Wanaina. There is also a fourth service area, 'The Settlement', which is being served with very low pressure. This area also has a partially completed system that was originally intended to have its own water source, storage reservoir, high lift pumping station, elevated storage tank and water distribution network, and to be independent of the three existing service areas. Presently, the water supplied to the residents is limited since the only reliable source of water is the three springs within the respective water zones. The recharge rate of these springs has degraded over the years resulting in a 30% reduction in water supply during the dry season, this means that residents of "The Settlement" sometimes have little or no access to water. GWI is in the process of installing a new pumping system, transmission network and a storage tank to transmit water from the Hosororo falls to meet the needs of the community. However, from tests conducted, the water is of poor quality and cannot be supplied to the residents unless it is adequately treated.

*Proposed Intervention:* It is proposed that a water treatment plant (WTP) be constructed, along with storage reservoirs and transmission mains. Additionally it is proposed that new wells be drilled.

<sup>4</sup> The data was obtained from the GWI. The 2012 census was used with a projected population increase of 1% per annum and recent household count conducted by GWI.

**Region 2 - Walton Hall to Charity**

The community of Charity which is located on the Essequibo Coast is disadvantaged by poor water service and quality. The water supplied from Walton Hall is untreated and is delivered at a pressure head of less than one (1) meter. The water has been served untreated on a sectionalised basis due to restricted capacity of one of the existing production wells in the service area and the absence of a treatment plant. The community, already relatively large, continues to expand thereby placing additional demand on the system. Currently, GWI utilises SeaQuest® to treat the water before supplying to the customers, however this attracts an extremely high operational cost.

*Proposed Intervention:* It is proposed that a new water treatment plant be constructed, a new well drilled, and new transmission mains and service connections installed to satisfy the needs of the residents of the community.

**Region 3 - Leguan**

The community at Leguan Island suffers from substandard water quality and service. Untreated water is supplied from wells at Doorn Haag and Success at a pressure head less than 0.5 m. Water is also being served on a sectionalised basis directly from the wells which are extremely high in iron concentration.

*Proposed Intervention:* It is proposed that two new wells be constructed along with a new WTP in addition to the installation of new transmission mains and service connection upgrades.

**Region 3 - Wakenaam**

Like the communities mentioned above, those at Wakenaam Island also suffer from poor water quality and service. The water currently being supplied is sourced from two deteriorated wells high in iron content and is served on a sectionalised basis. The supply pressure is less than 0.5 m.

*Proposed Intervention:* It is proposed that two new wells be constructed along with a new WTP in addition to the installation of new transmission mains and service connection upgrades.

**Region 5 - Bush Lot**

Bush Lot comprises a population of around 15,000 persons that receive water directly from the wells without any form of treatment. There is a need for a new WTP to service areas along with Bush Lot on the west coast of Berbice. These communities include Bush Lot, Brahan, Waterloo Jib, etc.

*Proposed Intervention:* It is proposed that a WTP be constructed along with the installation of new transmission lines, a distribution system upgrade and metering to satisfy the needs of the communities.

**Region 6 - Tain to No 50 Village**

The residents of the communities from No. 50 to Tain, East Berbice, have been receiving untreated water supply as long as the communities have been in existence and are in urgent need of improvement of this essential utility.

*Proposed Intervention:* It is proposed that a new WTP be constructed, in addition to the installation of new transmission mains and service connection upgrades to provide water to meet the needs of the communities.

**Region 8 - Mahdia**

The Mahdia water supply system is a gravity feed system which uses the Salbora Creek as the water source to supply residents of Mahdia with potable water. Salbora Creek is located approximately 7 km away Mahdia Village. The system operates by storing water from Salbora Creek in a reservoir. The water is then gravity fed through a transmission and distribution pipe network system. Due to the high elevation of the catchment reservoir relative to the village, the water is transmitted at high pressure which allows for residents to have individual service connections for convenient water collection. This system serves a population of approximately four thousand persons. The catchment reservoir is located in the flow path of Salbora Creek. It is natural for siltation to occur and it intensifies during the rainy season. When this occurs, the volume of water that is stored is significantly reduced. Hence, the water supply system requires regular maintenance in order to function efficiently. The maintenance of the system becomes even more critical during the rainy season as the pipe network is likely to become clogged from debris entering the system.

Mahdia water supply system has been significantly affected over the years due to leakages and clogged pipelines. This is as a result of vandalism by miners and lack of maintenance of the water system. The level of service received by the residents is reduced significantly from as much as 24 hours water supply at a head of 5m to no water.

*Proposed Intervention:* In order to restore the level of service for the residents of Mahdia it is proposed that a parallel transmission main be installed from the source along with the installation of pressure regulating and non-return valves. The construction of ground storage tanks is also proposed along with the upgrade of service connections. The ground storage tanks is to ensure continuity of service during maintenance of the network and the prolonged dry seasons.

(b) **The Hope Canal (Component No. 2)**

The Hope Canal creates additional drainage facility for the East Demerara Water Conservancy (EDWC) close to the north eastern end of the facility. This Canal was constructed as a result of the occurrence of high intensity rainfall over the recent years which has resulted in the water levels in the EDWC rising above the maximum acceptable flood level and threatening the safety of the northern dam. Despite the opening of the Land of Canaan (LOC) flood relief structure, high water levels in the conservancy have persisted along the northern dam. This has resulted in the opening of the flood relief structures at Lama and Maduni which discharge into the Mahaica River. This additional water in the Mahaica River, has severely reduced the time available for gravity drainage of the adjacent lands. Water has also overtopped the flood protection

embankments. Both of these situations have resulted in flooding and damage to social and economic infrastructure of the area. A significant volume of water is currently being discharged to the Atlantic Ocean through the Hope Canal, therefore it is intended that some of this water can be utilised for supplying the lower part of the East Coast of Demerara.

*Proposed Intervention:* It is proposed that a detailed study be undertaken to determine the feasibility of using the water from the Canal to supply residents along the East Coast with treated water.

### **SCOPE OF WORKS**

3.02 **Undertake an ESIA of the proposed works** in keeping with CDB Environment and Social Review Procedures and GOGY requirements which will be used to inform the design of the proposed works. **The report should include draft Environmental and Social management plans for each project works site as listed above.** The ESIA should include broad stakeholder consultation and a stakeholder engagement plan for the participation by residents and other stakeholders during project implementation and operation of the built system (s). *The Consultant should present to stakeholders, proposed and recommended project options and provide a report on the public hearing and stakeholder consultations.* Refer to Annex 1 and Annex 2 of Appendix 1 for details.

3.03 Following the satisfactory conclusion and acceptance of the above by GOGY, MOC, and GWI, consultants are to proceed with Components (1) and (2) as follows:

(a) **Water Treatment Plants (Component No. 1)**

- (i) validate technical studies/interventions proposed by GWI in Section 3.01 above and recommend improvements/alternative solutions where merited.
- (ii) prepare functional engineering reports, setting out the routes for municipal services, alternate methods of construction or materials, which may be appropriate and advantageous in terms of capital costs, and land requirements. As well, present design criteria details for potable water and their appurtenances; water treatment facilities; pumping stations; water storage reservoirs; and transmission mains;
- (iii) natural hazard management and climate change parameters, which are to be defined during the functional engineering studies, shall be highlighted, identified and appropriate mitigating, adaptation and resilience-building measures incorporated into the final designs;
- (iv) prepare construction specifications for all the works shown on the drawings for which the Consultant is responsible. The specifications shall be clear and concise with a statement setting forth the general scope of work followed by a description of the various classes of work, segregated by trade and under appropriate sections and headings. The quality of the materials and workmanship required of the contractor or supplier will be described in detail;

3.06 A report will be prepared based on the findings and the team will recommend interventions necessary to achieve acceptable water quality standards, along with estimated associated cost.

4. **IMPLEMENTATION ARRANGEMENTS**

4.01 The Consultant(s) shall report to the Project Coordinator/ GWI or her/his designate. The staff of GWI and MOC will assist the Consultant(s) to coordinate activities including the planning of meetings, the stakeholders' workshop, interaction with the agencies and representatives and general administrative matters.

5. **QUALIFICATIONS AND EXPERIENCE OF KEY SPECIALISTS**

5.01 It is the consultant's responsibility to ensure that the team has an appropriate mix of key and non-key experts required to satisfy the full requirements of the terms of reference (TOR).

5.02 As a guide only, it is considered that the consulting team is likely to need to include the following key experts, from which a team leader (the candidate must have performed the function of Team Leader on at least two similar projects within the past five years) may be selected and proposed:

5.03 All of the members of the Consulting Team must have excellent communication, interpersonal and teamwork skills and must be fluent in English. The key experts required for the Consultant's Team and their minimum qualifications and experience are as follows:

- (a) **Key Expert No. 1: Water Supply Operations Engineer /Water Network Specialist**
  - (i) Education: MSc. in Water Supply Engineering/Water Network Engineering or equivalent.
  - (ii) Experience: At least 15 years' experience in water supply infrastructure and construction with at least 5 years' experience in developing countries. The candidate must have been a registered professional engineer for a minimum of 10 years and be a corporate/chartered member of international civil engineering professional organisations.
- (b) **Key Expert No. 2: Electro-Mechanical Engineer:**
  - (i) Education: MSc. in Electrical or Mechanical Engineering.
  - (ii) Experience: 10 years' experience in process electrical control system design and installation with at least 2 years' experience in developing countries. The candidate must have been a registered professional engineer for a minimum of six years and be a corporate/chartered member of international civil engineering professional organisations. The candidate must have performed this role on at least two projects of this size and complexity within the past five years.



- (v) contract documents will be prepared in accordance with CDB's standard bidding documents including: performance and maintenance bond forms; form of tender; schedule of quantities; articles of agreement; general conditions of the contract; and any special conditions that may be required;
- (vi) provide the client with a pre-tender engineer's cost estimate based on the final designs. This should indicate the anticipated division between local and foreign costs;
- (vii) submit the plans and specifications for approval to the client and the appropriate authorities, as required. Attend meetings at the offices of the client and authorities to discuss the designs and provide explanations for the purpose of furthering approvals;
- (viii) provide advice to the client during tender call, including tender evaluation and recommendation for award in accordance with CDB's "Guidelines for Procurement"; and
- (ix) preparation of a Draft Environmental and Social Management Plan (ESMP). The ESMP should include *inter alia* recommendations for: measures to avoid or mitigate negative environmental and social impacts; measures to facilitate social and gender benefits; stakeholder engagement plan; public education programmes; grievance mechanisms; monitoring arrangements /requirements, with institutional responsibilities (during implementation and the post construction periods); and the costing for all environmental, social and gender-related protection requirements.

(b) **Hope Canal Feasibility Study (Component No. 2)**

3.04 Undertake a feasibility study to determine viability of sourcing water from the Hope Canal to supply potable water to the nearby residents. The study will include but not be limited to the following source water assessment considering:

- (a) delineation and characterisation of the water source area;
- (b) natural processes that influence source water quality and availability;
- (c) activities and decisions in the source water area that influence the drinking water supply;
- (d) the impact that sanitary conditions and the location of potential water capture mechanisms can have on water quality;
- (e) analysis of raw water samples for possible contaminants;
- (f) a description of the biophysical and biochemical features of the source and their implications for water quality and availability;
- (g) the microbiology and microbes present in the water;
- (h) identification of hazards (if any) and potential sources of water contamination and how the threat can be mitigated; and
- (i) possible impact of climate change on water source.

3.05 The team should be acquainted with local legislation and international the World Health Organisation standards related to potable water.

- (c) **Key Expert No. 3: Civil Engineer:**
- (i) Education: MSc. in Civil Engineering.
  - (ii) Experience: 10 years' experience in civil engineering project design and construction, with at least 2 years' experience in developing countries. The candidate must have been a registered professional engineer for a minimum of six years and be a corporate/chartered member of international civil engineering professional organisations. The candidate must have performed this role on at least two projects of this size and complexity within the past five years.
- (d) **Key Expert No. 4: Social and Gender Specialist**
- (i) The Specialist will be responsible for assessing the social and gender conditions and the main factors affecting sustainable social development outcomes. The candidate should preferably have 10 years' experience in development projects using participatory qualitative and quantitative research methods in accordance with the policy, guidelines and requirements of major International Financial Institutions. Knowledge of vulnerable groups of youth, elderly, children, persons with disabilities, indigenous peoples, and gender issues affecting men and women, respectively is critical for this assignment. Experience with infrastructure, transportation and/or climate resilient projects will be distinct assets.
  - (ii) Education: Preferably a Master's Degree in Social Policy, Gender and Development Studies or related discipline.
- (e) **Key Expert No. 5: Environmental Management Specialist**
- (i) This Specialist will be responsible for ensuring that the project incorporates principles of environmental protection and will conduct a detailed environmental impact assessment as an input into the project. He/she will be responsible, *inter alia*, for: screening the proposed project against environmental protection criteria identifying and characterising expected impacts; the collection of relevant local data; identifying the probabilities/likelihood of specific change occurrences; conducting field investigations with local stakeholders; and, in consultation with other team members, contribute to the identification of possible environment and social mitigation options, including their costs and benefits and prioritisation. At least 7 years' work experience in the area of environmental impact assessment and in the preparation of environmental management plans. Experience in preparing ESIA/EIS is a requirement.
  - (ii) Education: Preferably a Master's Degree in environmental science from a recognised university.

**Key Expert No.6: Climate Risk Management Specialist**

- (i) This Specialist will be responsible for ensuring that the project incorporates principles of climate resilience and will conduct a detailed climate risk vulnerability and adaptation assessment as an input into the project. He/she will be responsible, *inter alia*, for: screening the proposed project against environmental protection criteria; identifying the climate change parameters to be assessed; the collection of relevant local historical climate data and climate change projections; identifying the probabilities of specific climate change occurrences; conducting field investigations with local stakeholders to identify existing vulnerabilities (such as areas prone to flooding); and, in consultation with other team members, contribute to the identification of adaptation options, including their costs and benefits and prioritisation. At least 7 years' work experience in the area of climate change impacts adaptation and mitigation. Experience with CVA/CRVA procedures is a requirement. The Specialist will also review existing hydromet monitoring network and propose additional weather stations and associated capacity requirements for proper monitoring and surveillance in the project areas.
- (ii) Education: Preferably a Master's Degree in a relevant field, including atmospheric science, engineering with concentration on climate related issues from a recognised university. Experience in conducting downscaled climate assessments to inform project design and risk analysis is highly preferred.

5.04 It is envisaged that part-time inputs would be required from the following other experts:

- (a) Surveyors;
- (b) CAD Technicians; and
- (c) Financial Analyst.

**6. INPUTS**

6.01 MOC will make available to the consultants: plans, reports and operating records of the existing facilities that might be necessary and applicable in the execution of the work required under this TOR.

6.02 The consultants will be responsible for obtaining all additional information, the execution of all studies, surveys and other services necessary for the correct execution of the work required under this TOR.

6.03 MOC will assist the consultants in obtaining from government departments and other sources, other basic data that might be necessary for the execution of the work required under this TOR.

**7. REPORTING REQUIREMENTS AND DELIVERABLES**

7.01 The consultants shall submit the following to MOC's satisfaction:

- (a) Stage I Report: within eight weeks of commencing the works, the consultants are required to submit an inception report related to all components. The Report shall include:
  - (i) initial findings;
  - (ii) consultants' detailed work schedule and methodology, including the schedule and scope of all surveys, investigations and test, etc., to be conducted;

- (iii) a programme for the use of resources including personnel, equipment and materials, etc.; and
  - (iv) a proposed outline for the final reports.
- (b) MOC should forward comments on the Inception Report to the consultants within four weeks of receipt.
- (c) Stage II ESIA Report: within 16 weeks of commencing the works, the consultants are required to submit an ESIA Report. This Report shall provide detailed findings in keeping with the TOR and focus on significant environmental, climate change, natural hazard and social, and gender issues. It will contain the findings, conclusions and recommended actions supported by summaries of the data collected and citations for any references used in interpreting those data. MOC should forward comments on the ESIA Report to the consultants within four weeks of receipt. The ESIA Report will be organised according to, but not necessarily limited by, the following outline:
- (i) executive summary;
  - (ii) description of problem;
  - (iii) description of proposed project and alternatives;
  - (iv) description of the affected environment;
  - (v) environmental, social and gender impacts;
  - (vi) mitigation measures;
  - (vii) environmental and social management plan;
  - (viii) applicable environmental laws and regulations; and
  - (ix) public consultation.
- (d) The Consultant is also required to submit a Draft Climate Vulnerability Assessment within the 16 week period. This Report shall provide detailed findings in keeping with the TOR and focus on the characterisation of relevant climate change impacts and the identification and prioritisation of adaptation measures. It will contain the findings, conclusions and recommended actions supported by summaries of the data collected and citations for any references used in interpreting those data. MOC should forward comments on the CVA Report to the consultants within four weeks of receipt. The ESIA Report will be organised according to the TOR.
- (e) In addition to the above, the Consultant will submit a report on the findings of the validation exercise referenced in Section 3.03 (a) (i) along with recommendations for enhancing (or providing alternative) interventions.
- (f) Stage III Draft Design Reports: within 6 weeks of receipt of comments by MOC on the ESIA Report, the consultants are required to submit the following:
- (i) Component 1: a Functional Engineering Report (FER), for consideration and approval by the client before the detailed designs commenced.
  - (ii) Component 2: draft report with findings and recommendation related to studies on the Hope Canal. The Report shall include analysis and summaries of all tests carried out.

- (g) MOC should forward comments/approvals on the Reports to the consultants within four weeks of receipt. Within 16 weeks of receipt of comments by MOC on the Reports, the consultants are required to submit the Draft Final Reports and policy document.
- (h) Stage IV Final Reports and Policy document: within four weeks of receipt of comments by MOC on the Draft Final Report and documents.

7.02 Six hard copies of all reports are to be submitted (four to MOC and one each to GOGY and CDB). These are also to be submitted in editable electronic format in Microsoft Word/Excel. Drawings are to be submitted in AutoCAD.

7.03 The timing for the preparation and delivery of all the Reports should be managed in a way to ensure that the design Reports can adequately take account of the key findings and recommendations from the other Reports.

**8. DURATION**

8.01 It is expected that the consultancy will be completed over a ten-month period.

**BUDGET**  
(USD '000)

Item	CDB (SFR)	GOGY	Total
<b>Professional Fees</b>			
Water Supply/Network Specialist Engineer	168	-	168
Electro-Mechanical Engineer	60	-	60
Civil Engineer	120	-	120
Social and Gender Specialist	120	-	120
Environmental Management Specialist	100	-	100
Climate Risk Management Specialist	100	-	100
<b>Sub-total</b>	<b>668</b>		<b>668</b>
<b>Reimbursables</b>			
Reports and Data Collection	15	-	15
Accommodation	39	-	39
Per Diem	49	-	49
Air Travel	32	-	32
Local Transportation and Communication		21	21
<b>Sub-total</b>	<b>135</b>	<b>21</b>	<b>156</b>
<b>Support Services</b>			
Project Management	-	48	48
Administrative Support	-	15	15
Office Accommodation	-	20	20
Workshops, Consultations and Public Education	5	15	20
<b>Sub-total</b>	<b>5</b>	<b>98</b>	<b>103</b>
<b>Total Consultancy Cost</b>	<b>808</b>	<b>119</b>	<b>927</b>
<b>Contingency (10%)</b>	<b>81</b>	<b>-</b>	<b>81</b>
<b>Project Total</b>	<b>889</b>	<b>119</b>	<b>1,008</b>
<b>Percentage</b>	<b>88</b>	<b>12</b>	<b>100</b>

ENVIRONMENTAL IMPACT ASSESSMENT

The full ESIA shall at minimum, include the following:

**1. Methodology:**

- (a) review of secondary data from reports, studies, hazard risk assessments, geotechnical surveys, hazard risk assessments, and relevant policy documents such as legislation, regulations, standards and policies in the related areas;
- (b) collection of primary data through participatory consultations with all categories of stakeholders in order to introduce the project, facilitate feedback, and gauge perception of the project. Information from the residents in the area on hazard history and impact, environmental impacts will guide in design and location;
- (c) field visits; and
- (d) analysis and computation of data.

**2. Description of the Environment**

Assemble, evaluate and present baseline data on the environmental, natural hazard, and climate change characteristics of the study area. Include information on any changes anticipated before the Project commences. The description should include:

- (a) Physical environment: geology (general description for overall study area and details for land application sites); topography; soils (general description for overall study area and details for land application sites); monthly average temperatures, rainfall and runoff characteristics; and description of receiving waters (annual average discharge or current data by month, chemical & biological quality and existing discharges). Temporal and spatial trends in key environmental indicators should be identified, where possible.
- (b) Biological environment: terrestrial communities in areas affected by construction, facility siting, effluent and construction waste disposal; aquatic and/or marine communities in affected waters; rare or endangered species; sensitive habitats, including parks or preserves and significant natural sites.
- (c) Natural hazard and climate change vulnerability: vulnerability of area to flooding, hurricanes, storm surge, earthquakes, sea level rise, temperature and precipitation changes.
- (d) Socio-cultural environment: present and projected population; present land use; planned development activities; community structure; present and projected employment by industrial category; distribution of income, recreation; public health; cultural properties; indigenous peoples; customs; and aspirations and attitudes.

- (e) Legislative and Regulatory Considerations: Describe the pertinent regulations and standards governing environmental quality, pollutant discharges to surface waters and land, industrial discharges to public sewers, water reclamation and reuse, agricultural and landscape use of sludge, health and safety, protection of sensitive areas, protection of endangered species, siting, and land use control at the international, regional, national and local levels.

**3. Determination of the Potential Impacts of the Proposed Project:**

Conduct a detailed analysis of potential environmental, natural hazard, and climate change impacts and recommend mitigation measures and prepare a draft environmental management plan for the water supply project. Distinguish between significant positive and negative impacts, direct and indirect impacts, cumulative, immediate and long-term impacts. Identify impacts that are unavoidable or irreversible. Wherever possible, describe impacts quantitatively in terms of environmental costs and benefits. Assign economic values when feasible. Special attention should be given to:

- (a) establishing baseline water quality at selected appropriate monitoring points after discussion with Department of the Environment. Assess the extent to which receiving water quality standards and/or beneficial use of objectives will be achieved with the proposed type and level of treatment; and
- (b) potential social, gender and economic impacts related to the proposed method for laying of water distribution mains during construction.

**4. Analysis of Alternatives to the Proposed Project**

Describe technical alternatives and the associated significant environmental, natural hazard, climate change, social and gender impacts examined in the course of developing the proposed project and identify key environmental, natural hazard, climate change and social vulnerability reduction objectives and the options/measures for achieving these objectives. (The concept of alternatives extends to siting and design, technology selection, construction techniques and phasing, and operating and maintenance procedures).

Compare alternatives in terms of potential environmental, natural hazard, climate change and social impacts, land and energy requirements, capital and operating costs, reliability, suitability under local conditions, and institutional, training, and monitoring requirements. When describing the impacts, indicate which are irreversible or unavoidable and which can be mitigated. To the extent possible, quantify the costs and benefits of each alternative, incorporating the estimated costs of any associated mitigating measures. Include the alternative of not constructing the Project, in order to demonstrate environmental conditions without it.

**5. Consult with the social development and gender expert, and collectively develop an Environmental and Social Management Plan (ESMP) to mitigate negative impacts and maximise project benefits for the vulnerable.**

- (a) Identify the critical issues requiring monitoring to ensure compliance to mitigation measures and present a Draft ESMP with clear environmental and social monitoring indicators.



- (b) Recommend feasible and cost-effective measures to prevent or reduce significant negative environmental, social and gender impacts to acceptable levels.
- (c) Recommended measures to maximise social and gender benefits particularly for vulnerable groups.
- (d) Identify core components of the stakeholder engagement plan with recommendations of public education programmes as appropriate; and grievance mechanisms.
- (e) Recommended monitoring arrangements/requirements, along with institutional responsibilities (during implementation and the post construction periods).
- (f) Estimate the impacts and costs of those measures and of the institutional and training requirements to implement them, including proposed work programs, budget estimates, schedules, staffing and training requirements, and any other necessary support services to implement the mitigating measures. Identify the costs of any special environmental mitigation measures to be incorporated into the ESMP.

**6. Stakeholder Consultations**

Identify appropriate mechanisms for providing information on progress of project preparation and implementation to stakeholders. It is anticipated that there will be considerable public interest concerning issues of viability, affordability, and the economic benefits to be derived from the Project. Public consultation work should be carried out at an early stage of the ESIA field work and once again when the draft ESIA report is available, before detailed designs commence. The results of the public consultation process should be reported in the ESIA.

**7. Climate Vulnerability Assessment**

The consultants shall prepare CVA to identify and evaluate the effects of climate change on the project components and to identify resilience measures that should be included in the proposed project. The CVA methodology used should be consistent with recommendations from the Inter-governmental Panel on Climate Change (IPCC).

They should begin by consulting relevant stakeholders to obtain the historical experience of past climate-related events. The analysis should be quantitative and include the following:

- (a) Characterisation of the area and relevant infrastructure. Drawing on the information obtained from consultations with key stakeholders describe the proposed project area, including delineation of the coastal zone potentially affected by climate change –sea level rise, intense tropical storms, surges- (the seaward and landward extent of areas that directly influence the coast and that the coast influences), collecting any additional relevant physical, biological, environmental, economic and social characteristics of the study area. In coordination with other technical teams the consultant shall present a detailed description of proposed alternatives and the identification of the elements that are vulnerable to the impacts of climate change.

- (b) Characterisation of relevant climate variables and establishment of a climate baseline. The key climate variables would include, *inter-alia*, temperature and precipitation changes, (e.g. maximum daily precipitation as the basis for assessing the risk of floods from surface runoff); sea-level rise, tropical storms and associated extreme wave heights, storm surge levels and wind. Both historical data and future scenarios will be required with the former being used for ground-truthing and to establish a climate baseline. The consultant should identify the hydraulic, hydrologic, topographic and bathymetric variables affecting project components and surrounding areas. The consultant will be expected to provide advice on the appropriate recurrence intervals for meteorological events impacting the proposed siting and design of the infrastructure.
- (c) Estimate Future Impacts and vulnerabilities. Once the climate change scenarios have been established the relationship between the changes in the climate parameters (such as average temperature and precipitation) and the impacts on the coastal zone and project components must be quantified. For each site, where appropriate, biophysical models such as hydrodynamic models can be used to analyse the physical interactions. The expected detail for each critical site (where impacts are likely to occur) will depend on site specific considerations. The most vulnerable sections "hotspots" should be identified, including roads, power, telecommunication linkages, water supply, etc. The impacts on communities should also be assessed. For these areas, the consultant should prepare an impacts matrix describing for each relevant climate variable: the outcome (e.g. higher intensity hurricanes leading to extreme storm surges), the impact on the physical (including community) assets and the impacts on community livelihoods, including quantification of the magnitude of these potential losses. They should also assess the adaptive capacity of the communities, i.e., their existing coping strategies and how they have been adapted to previous extreme impacts. When assessing the impacts on the community sex-disaggregated data shall be collected to infer on the differential impacts on women and men, their assets, their perception of and exposition to threats and coping strategies in times of disasters.
- (d) Adaptation assessment. The CVA Report should define the climate relevant parameters to be used for the detailed design of all works comprising the recommended alternative. All components shall include climate resilience considerations defined in terms the appropriate risk levels (return periods) as expected by mid-century, or at the end of the expected economic life of the infrastructure. The consultants shall also identify and prioritise the most appropriate adaptation options to incorporate into the project design parameters to address the potential climate impacts. The consultants should consider a range of resilience options (e.g. slope stabilisation measures, seawall design, increased maintenance, increased drainage, alternative routes in the event of flooding, river training, eco-system based approaches, institutional/policy measures, etc.). An economic and social analysis should also be conducted of each technically feasible adaptation option, showing the costs and benefits, or a cost-effectiveness analysis if the adaptation options are expected to deliver the same benefits. The Consultant is expected to comply with the technical quality requirements and the information required, including itemise costs of the recommended adaption measures in order to receive a dedicated allocation from the Department for International Development's International Climate Fund.

- (e) Recommendations on capacity building / public education of communities in the project areas concerning climate change, extreme weather events and disasters taking into account the different roles and responsibilities, assets and coping strategies of women and men.
- (f) Expected deliverables. The CVA Report shall include:
  - (i) a characterisation of the climate variables of interest, based on available observations;
  - (ii) a characterisation of the relevant climate parameters for design incorporating climate change considerations for mid-century or for the expected economic life of the proposed infrastructure. It should include the recommended design parameters relevant to build climate resilience (including but not limited to: maximum rainfall rates, maximum temperatures, expected sea level rise, expected storms surges elevations and impacts, salinity intrusion, etc.);
  - (iii) identification and prioritisation of measures to increase resilience to the infrastructure, and measures to increase the adaptation capacity of the proposed systems, the operators and the receiving communities;
  - (iv) recommended adaptation plan of action, including costs estimates of incorporating climate change; and
  - (v) recommended capacity building activities.

TERMS OF REFERENCE

SOCIAL IMPACT ASSESSMENT AND GENDER ANALYSIS

1.01 The Social Impact Assessment (SIA) and Gender Analysis will investigate developmental opportunities and risks related to the execution of a water project; and inform possible mitigating measures to safeguard against any risks identified, as well as other measures to support positive social impacts. It will be conducted in a highly participatory, gender-inclusive manner engaging the communities, particularly with representatives of women and men, vulnerable groups such as children, youth, elderly, indigenous peoples (Amerindians), and persons with disabilities (PWDs).

1.02 The methodology shall include, but is not be limited to the following:

- (a) Review of secondary data from reports, studies, gender assessments, poverty assessments, census reports, labour force surveys, and relevant policy documents such as legislation, regulations, standards and policies in the areas of gender and social development including: vulnerable groups of women, youth, PWDs; indigenous peoples; and human trafficking victims.
- (b) Collection of primary data through participatory consultations with all categories of stakeholders in order to introduce the project, facilitate feedback, and gauge perception of the project in order to gain and/or strengthen buy-in. Interviews, focus groups and other appropriate differential participatory methodologies may be employed for state and non-state stakeholders directly impacted by the works such as Community-Based Organisations, Non-Governmental Organisations, vulnerable groups (to include elderly, children, youth, men, women, PWDs, and indigenous peoples), private sector entities and relevant public agencies. Where applicable, focus groups may be convened for youth, PWDs, indigenous peoples, males and females, respectively. Facilitation of participation through the provision of transportation and child care as well as appropriate timing should be ensured. Data should be disaggregated by sex, age groups, disability status, indigenous groups, and race/ethnicity where feasible.
- (c) Execution of site visit exercises to verify, update and fill gaps using community maps, transect walks, snowballing, as well as photographic documentation, and other appropriate participatory approaches.
- (d) Computation and analysis of data and information collected.

1.03 The scope of work shall examine and report on the following, and related developmental issues:

- (a) Describe the project areas including demographic, economic, topographical and socio-cultural data, disaggregated by sex:
  - (i) total population of the project areas (communities/villages);
  - (ii) population density of the project areas (communities/villages);
  - (iii) number of households by sex of household head;
  - (iv) labour force participation, employment and occupation; and

- (v) prevalence of poverty.
- (b) Investigate whether and how the tariff structure would change due to the project, i.e. cost implications for consumers.
- (c) Determine the feasibility of stakeholders willingness to share cost and to connect to the water transmission/distribution mains, and how this differs by sex, ethnicity and other characteristics of vulnerability.
- (d) Assess the different economic and social as well as household activities of men and women, in particular those related to water usage.
- (e) Identify baseline access to and usage of water and customer satisfaction (if applicable) for both women and men, and vulnerable groups due to their different reproductive and productive tasks/activities in the household and the socio-economy.
- (f) Identify the effects of the project on time use in the household disaggregated by sex; in case time is freed up by the project, how men and women would use the time differently.
- (g) Identify any health impacts of the proposed water infrastructure at the community and household levels disaggregated by sex.
- (h) Identify any health, sanitation and hygiene behaviours at the household level in the project communities; if possible differentiate between practices of females and males.
- (i) Identify who pays the water bill in the household disaggregated by sex.
- (j) Assess accessibility of the project areas, determine the accessible universal design standards required for use by PWDs, and any other requirements to include the needs of PWDs.
- (k) Quantify the expected demand for water in beneficiary communities of the project areas – disaggregated by sex and vulnerable groups like the elderly, indigenous people, disabled and children – during works and after works are completed.
- (l) Assess the local labour force data and the potential of engaging communities, in particular youth and women, in the construction and maintenance and resilience building phases of the project. Give recommendations on training needs and legal requirements from a procurement perspective. Identify the number of men and women who will benefit from employment during project implementation and subsequent operation.
- (m) Identify any activity related to transactional and commercial sex in the project areas and the possible effect on the construction works.
- (n) Assess whether resettlement/replacement is necessary as an effect of the project and identify possible gender effects taking into account the distribution of male and female-headed households in the area and the distribution of land titles by sex. Identify possible gender-responsive resettlement and mitigation mechanisms.

- (o) Identify outstanding social issues and concerns in the project areas, including current deficiencies in the water supply arrangements that hinder men and women, and vulnerable groups to fully access services and markets.
- (p) Describe the potential impacts of the project at its various stages (preparation, construction, and operation) on the social context in the immediate surrounding communities. Identify any issues pertaining to the design of the Project which may have social impacts (gender, livelihood or other dimensions).
- (q) Identify measures required to mitigate any significant negative impacts and measures to enhance gender equality in the project areas:
  - (i) discuss the adequacy of proposed mitigation measures and measures to enhance gender equality and/or proposed alternative designs for the Project;
  - (ii) consider measures such as public education in the area of health, training opportunities for vulnerable people to take part in project activities, tariff adjustments, workers code of conduct and grievance mechanisms, measures to compensate for water outages; reform of workplace, human resources and customer policies and processes in GWI; etc.); and
  - (iii) estimate the cost of the measures and justify their suitability.
- (r) Prepare a detailed monitoring and evaluation plan for monitoring the implementation and evaluating the mitigating measures. Identify gender-responsive outputs and outcomes of the project activities to facilitate gender-responsive results monitoring and evaluation.
- (s) Define Community Participation Mechanisms (CPM) by identifying:
  - (i) appropriate mechanisms to engage women and men in the decision-making of the project in a gender-balanced way; and
  - (ii) appropriate gender-sensitive public education communication strategies for providing information on project activities and progress to stakeholders and for receiving timely feedback (pre-project, during implementation and post-implementation).
- (t) Convene a stakeholders' validation workshop, including community groups, representatives of vulnerable population groups (women, elderly, youth, indigenous people and PWDs), MOC, GWI and government agencies, to discuss the findings of the consultancy and to seek consensus and clarification on issues from participants for incorporation in the Draft Final and Final ESIA Reports and related ESMP. As part of the stakeholders' validation workshop, conduct a gender sensitisation training to report on the findings of the gender analysis.

## SCHEDULE 4

### TERMS OF REFERENCE

#### CONSULTANCY SERVICES FOR STRENGTHENING WATER SECTOR GOVERNANCE

##### 1. INTRODUCTION

1.01 The Cooperative Republic of Guyana (Guyana) had a population of 747,884 (375,150 females and 371,805 males in 2012). The main ethnic groups are: Indo-Guyanese (39.8%); Afro-Guyanese (29.3%); and Amerindians (10.5%) living mainly in the hinterlands. The latest estimate for 2006 showed that 36.1% of the population was poor<sup>5</sup>. The Human Development Report (2016) however reveals steady improvement in overall living conditions. The country attained a Human Development Index value of 0.638 in 2015, increasing from 0.541 in 1990 (an increase of 17.9%). Life expectancy at birth increased by 3.0 years, mean years of schooling increased by 1.6 years, expected years of schooling increased by 0.2 years; and gross national income per capita increased by about 209.8% between 1990 and 2015. Notwithstanding the progress made, at-risk groups of women, Amerindians, persons with disabilities (PWDs), and youth, face vulnerabilities. For example, female labour force participation was 43.6% compared to 68.9% for males, and 56% for the total population in 2017 (Third Quarter). Comparatively, the female unemployment rate was 15.3%, as opposed to 9.9% for males, and 12% for the total population in 2017<sup>6</sup>. Social exclusion and vulnerabilities faced, impact all aspects of socioeconomic life, including ability to access to water and sanitation. The socially-inclusive *no-one left behind* 2030 Sustainable Development Goals agenda requires programming to address services disproportionately accessed by such groups.

1.02 Having signed on to the historic Paris Agreement in December 2015, the President of the Government of Guyana (GOGY), indicated that the government recognised the importance of battling climate change. As part of this approach, GOGY is pursuing a Green Economy, sparing no effort to ensure a sustainable future through the sustainable management of its natural resources and assets. Water resources management is a critical element of achieving the greening of the economy.

1.03 The Ministry of Communities (MOC) is the primary government agency, which links the local government agencies to the central government. It has the overarching responsibilities for water, and is embarking on the re-establishment of the National Water Council under MOC. One of the key functions of the Council is to advise the Minister on the development, implementation and coordination of the National Water Policy. In order to achieve this goal it is imperative that MOC coordinate plans to develop the National Water Policy and the related strategies and plans to improve water governance.

1.04 Water resources management is in its nascent stages in Guyana. The GOGY under the Green Economy Initiative, is addressing the challenges in the water sector. GOGY is presently seeking to enhance the management of their water resources, as mandated under the Water and Sewerage Act of 2002. Reviews of the current system have indicated that additional governance structures and systems are needed to facilitate the development of their Integrated Water Resources Management Plan. Key elements needed include a national water policy; greater definition of roles and responsibilities among stakeholders; improved institutional capacities, and improved strategy for targeting access to water for the vulnerable groups such as the poor, indigenous peoples, elderly, PWDs, and single parent households including female headed households.

---

<sup>5</sup> Poverty was more prevalent in rural areas, with the hinterland population having a prevalence of 74%, the Amerindian population 78%, and urban residents 19%. Afro-Guyanese, Indo-Guyanese and Mixed ethnic groups show similar poverty rates, about 1 in 3 are poor.

<sup>6</sup> Unemployment rates are higher for youth age cohorts and more so for females and rural dwellers: males 17.3%, females 28.0%, both males and females 21.6%; rural 24.5%, and urban 20.5%). Further, some 15% of PWDs never attend school, 40% of unemployed suffer job losses due to disability, and 79% of families face financial difficulties (Bureau of Statistics 2006).

1.05 The Guyana Water Inc. (GWI), a company incorporated under the Companies Act of Guyana and solely owned by GOGY, falls under the purview of MOC. It is charged with the responsibility of water production and sewage disposal in Guyana. GWI currently delivers water directly from source to 43% of the population; the remaining 57% are provided with water treated either at one of the 28 existing water treatment plants or through the use of SeaQuest<sup>®</sup>, an additive used in potable water to control corrosion, scale, lead, iron and discoloration. Death of children due to poor water, sanitation and hygiene<sup>7</sup> for Guyana stood at 132 per 100,000 in 2015, where women tend to bear the unpaid burden of care for dependents in households. GOGY, through the GWI wishes to increase the availability of and accessibility to treated water to 66% of the population by 2021 through new and upgraded water supply infrastructure. In keeping with this mandate, GWI conducted studies and designs which resulted in recommendations of specific interventions at key locations. Recommendations included: constructing new treatment plants; metering; new storage facilities, and new transmission and distribution systems.

## 2. OBJECTIVE

2.01 The objective of the consultancy service is to identify the key issues presently confronting and expected to confront the Governance of Guyana's Water Supply and Sanitation (WSS) sector over the medium to long term, and to assist in charting the role of the key stakeholder in addressing those issues through the development of: (a) an Integrated WSS Sector Policy and Strategy for Guyana; (b) associated Operational Guidelines for the implementation of the strategy; (c) an assessment of the institutional capacities of players in the water sector at the national and local levels of government with the view providing recommendations for improving effectiveness; and (d) a review of GWI's governance manual and providing recommendations for enhancing governance.

## 3. METHODOLOGY

3.01 Desk Review: Analysis of the current state of WSS sector in Guyana, including national, regional and international policies/agreements, and reports.

3.02 Consultation with Key Stakeholders. The Consultant(s) will be responsible for coordinating field visits with key stakeholders and a representative communities. Priority must be given to consult with representatives of men as well as women, as beneficiaries of the urbanisation process. A list of all persons interviewed and other pertinent information must be documented.

3.03 A results-based approach is to be adopted in the conduct of the assignment, with SMART indicators (sex-disaggregated) baseline data collected, and targets established. Both primary (surveys, focus groups, interviews, etc.) and secondary research methods (literature review, desk research, etc.) are expected to be used.

## 4. SCOPE OF SERVICES

4.01 The scope of work for the consultancy is expected to cover all activities to accomplish the stated objective, whether or not a specific activity is cited in the terms of reference. The duties of the Consultant(s) will include, but will not be limited to:

---

<sup>7</sup> Deaths of children under age 5 due to diarrhoea attributable to unsafe water, unimproved sanitation or poor hygiene (Human Development Report 2015)



- (a) **PHASE I: A Review of the Activities in the WSS**
- (i) Collect, review and analyse information on policies, strategies, plans, legislation, regulations, etc., relevant to development WSS sector. These include, but are not limited to budgets and subsidies provided, commenting on their appropriateness, efficiency and transparency; review of existing governance manual (at the operational level) towards meeting standards of good governance, transparency and good management of a water authority; development partners' country strategies and plans; asset management information including information on existing infrastructure conditions; and existing and proposed projects and programmes. Examine the challenges and opportunities to addressing the immediate need for a strategic multi-sector water resources development agenda.
  - (ii) Preliminary review of data layers and mapping available to become familiar with the existing context. In particular, the assessment of the (b) Geographical Information System (GIS) layers, in terms of level of detail, data availability and data management protocol. Identification of data assumptions, sources and any data gaps that may be necessary to address to undertake the sectoral analysis.
  - (iii) Determine lessons learned from the experience in the sector and the experience of other countries with similar economic and social conditions like Guyana.
  - (iv) Assess the laws and regulations on water rights, Laws and regulations on the provision of water supply services, Laws and regulations on wastewater disposal.
  - (v) Regulatory and Institutional framework for the Government agencies participating in WSS sector:
    - (aa) institutional mandate and capacity self-assessment of key agencies mandated with WSS sector through interviews and group discussion of preliminary survey results;
    - (bb) role of the Regulator; and
    - (cc) institutional arrangements covering ownership, management and operation of infrastructure and an assessment of user charges and cost recovery and services assessing capacities and needs of vulnerable persons like women, poor, disabled and elderly.
  - (vi) Social policy commitments and legislative framework to mainstream gender equitable and social inclusive access of water resources by vulnerable groups<sup>9</sup>.

<sup>8</sup> Social inclusion is the process of improving the terms on which individuals and groups take part in society - improving the ability, opportunity, and dignity of those disadvantaged on the basis of their identity (<http://www.worldbank.org/en/topic/socialdevelopment/brief/social-inclusion>). This process includes those who are traditionally excluded due to inequalities associated with, *inter alia*, gender, poverty, disability, age cohort, geographic location (urban/rural/peri-urban), ethnicity, race and indigenous peoples' identity. The exclusion experienced may be evident in stereotypes, stigmas, and superstitions based on group identity and intersection of multiple identities. vulnerable groups identified versus necessary and available provisions such as for pensioners

<sup>9</sup> Vulnerable groups include inter alia, the poor, indigenous peoples, elderly, PWDs, and single parent households including female headed household The National Youth Policy, Draft Gender Equality and Social Inclusion Policy, Disability and Indigenous People's legislations call for the recognition of vulnerable groups and provisions of programmes to ensure that no-one is left behind national development benefits.

- (vii) Level of access to WSS services by the general population, disaggregated by sex, disability status, ethnicity, geographical location, age cohort (child, youth, working age and elderly) and other relevant socioeconomic variables. Users' participation in water resources management.
  - (viii) Stakeholders willingness to share cost and to connect to the water transmission/distribution mains, and how this differs by sex, ethnicity and other characteristics of vulnerability.
  - (ix) Main challenges and risk from climate change; Potential barriers to adaptation; what can constrain the ability of the Utility and other relevant organisations to adapt including: Legislation and regulation; management policies and procedures; human and financial capital; and information and science; and social and gender barriers which limit access to water. The consultant is requested to use secondary information and interviews with key stakeholders and knowledgeable individuals in the characterisation of the organisational context in which the adaption planning must take place. Tariff structure in the water sector and its connection to social protection policies and payment schemes for vulnerable households that are poor, female headed, and households with children, the elderly, indigenous people, pensioners and PWDs.
  - (x) Based on (i) to (ix) prepare an Inception Report.
  - (xi) Meet with MOC staff and management to discuss the findings of the above review, and the implications for conducting the assignment.
- (b) **PHASE II: Consultations**
- (i) Conduct key stakeholders consultations covering the range of issues considered in Part I, specifically:
    - (aa) lessons learned and best practices in implementing WSS initiatives also with regards to enhancing gender equality and sustainable economic growth;
    - (bb) key strengths and weaknesses facing the sector;
    - (cc) environmental, natural hazards/vulnerability reduction, institutional and regulatory framework, adherence to respective country and regional codes and practices;
    - (dd) key stakeholders, socio-political, socio-economic, and gender issues;

---

Sustainable Development Goal (SDG) 6 speaks to ensuring availability and sustainable management of water and sanitation for all. Target 1 of the Goal specifies that by 2030, universal and equitable access to safe and affordable drinking water for all shall be achieved. Water and water facilities and services must not meet only quality and accessibility criteria but must be affordable for all (<http://www.un.org/waterforlifedecade/human-right-to-water.shtml>).

- (ee) performance of the other key sector/sub-sectors to which WSS is linked;  
and
- (ff) future development trends.
- (ii) Based on Part I and Part II (i) prepare a report, outlining GOGY's activities in the sectors as well as major issues, constraints, opportunities and best practices, taking into consideration the major stakeholders and their contribution to the effectiveness and efficiency of the sector. The report should also include:
  - (aa) Strategy and policy options and alternatives.
- (iii) Present Report in: (ii) and act as resource person(s) in the stakeholders' workshop as well as facilitate discussions on critical inputs into the Policy, Strategy and Operational Guidelines.
- (iv) Revise Paper in (ii) above incorporating comments of the stakeholders' workshop and GOGY, incorporating recommended priority investment needs, strategies and policy directions.
- (c) **PHASE III: Draft WSS Policy, Strategy and Operational Guidelines and an Implementation Strategy, Revised Governance Manual**
  - (i) Prepare draft Integrated WSS Sector Policy and Strategy Document incorporating comments of the stakeholders' workshop, GOGY and CDB:
    - (aa) Policy: articulating GOGY's vision and role in supporting the attainment of that vision, and the priority areas for support.
    - (bb) Implementation Strategy: which incorporates Results-Based Monitoring methodology. The Strategy should include selected indicators, targets as well as critical actions required to implement Sector Policy and Strategy.
    - (cc) Operational guidelines.
  - (ii) National consultation will be convened to review the draft policy with stakeholders to include key stakeholders in the public, private and non-governmental organisations sectors and a Stakeholders' Consultation Evaluation Report prepared to document participants' profile and feedback gleaned from the workshop. The consultant shall incorporate feedback into the policy. The workshop participants shall include, but not limited to; MOC, GWI, the Ministry of Indigenous Affairs, the Gender Affairs Bureau, the National Commission on Disability (NCD), the Ministry of Health, and the Ministry of Social Protection and other participants as may be suggested based on discussions with key stakeholders.
  - (iii) Prepare revised governance manual taking into account findings informed by Phase I and Phase II activities.

- (iv) Submit the final draft of all documents together with a summarised version of the policy document in accordance with the comments received and agreed upon by the Consultant(s) and GOGY.

**5. IMPLEMENTATION ARRANGEMENTS**

5.01 MOC will assign a Project Coordinator (PC). PC will facilitate the work of the consultant(s) and make available all studies, reports and data relevant to the completion of the exercise and will act as liaison between the consultant(s) and GOGY officials and stakeholders.

**6. QUALIFICATIONS AND EXPERIENCE OF KEY SPECIALISTS**

6.01 It is the consultant's responsibility to ensure that the team has an appropriate mix of key and non-key experts required to satisfy the full requirements of the terms of reference (TOR).

6.02 As a guide only, it is considered that the consulting team is likely to need to include the following key experts, from which a team leader (the candidate must have performed the function of Team Leader on at least two similar projects within the past five years) may be selected and proposed:

6.03 All of the members of the Consulting Team must have excellent communication, interpersonal and teamwork skills and must be fluent in English. The key experts required for the Consultant's Team and their minimum qualifications and experience are as follows:

(a) **Key Expert No. 1: Water Resources Management Specialist**

- (i) Education: MSc. in Water Resources Management or equivalent.
- (ii) Experience: At least 15 years' experience in water resources management with at least 5 years' experience in developing countries. The candidate must have been a registered professional engineer for a minimum of 10 years and be a corporate/chartered member of international civil engineering professional organisations.

(b) **Key Expert No. 2: Social and Gender Specialist**

- (i) Education: Preferably a Master's Degree in Social Policy, Gender and Development Studies or related discipline.
- (ii) The Specialist will be responsible for assessing the social and gender conditions and the main factors affecting sustainable social development outcomes. The candidate should preferably have 10 years' experience in development projects using participatory qualitative and quantitative research methods in accordance with the policy, guidelines and requirements of major International Financial Institutions. Knowledge of vulnerable groups of youth, elderly, children, PWDs, indigenous peoples, and gender issues affecting men and women, respectively is critical for this assignment. Experience with policy development, will be distinct assets.

(c) **Key Expert No. 3: Environmental Specialist**

- (i) Education: Preferably a Master's Degree in environmental science from a recognised university.
- (ii) This Specialist will be responsible for ensuring that the project incorporates principles of environmental protection as an input into the project. He/she will be responsible, *inter alia*, for: screening the proposed project against environmental protection criteria; identifying and characterising expected impacts; the collection of relevant local data; identifying the probabilities/likelihood of specific change occurrences; conducting investigations with local stakeholders; and, in consultation with other team members, contribute to the identification of possible environmental mitigation options, including their costs and benefits and prioritisation. At least 7 years' work experience in the area of environmental assessment and in the preparation of environmental management plans.

(d) **Key Expert No. 4: Legal Expert**

- (i) Education: Preferably a Law Degree from a recognised university and relevant advance degree.
- (ii) This Specialist will be responsible for addressing the legal and regulatory aspects of the project.

(e) **Key Expert No. 5: Institutional and Policy Support Specialist**

- (i) Education: Preferably an advance degree or equivalent in Institutional Development, Business/Public Administration or other related fields; fluent in English. At least 8 years of working experience in the water sector at international level.
- (ii) The expert will have at least 3 years of specific working experience in water-related projects in developing countries as a long-term expert, expertise in WSS at policy, programme and project levels and in particular a proven experience in a reform process in the water sector and specific expertise in organisational and human resources development, gender mainstreaming, social and economic issues associated with WSS sector reform.

7. **INPUTS**

7.01 MOC will make available to the consultants: plans, reports and operating records of the existing facilities that might be necessary and applicable in the execution of the work required under these TOR.

7.02 The consultants will be responsible for obtaining all additional information, the execution of all studies, surveys and other services necessary for the correct execution of the work required under these TOR.

7.03 MOC will assist the consultants in obtaining from government departments and other sources, other basic data that might be necessary for the execution of the work required under these TOR.

**7. REPORTING REQUIREMENTS AND DELIVERABLES**

7.01 The Consultant(s) will be required to provide the following reports and deliverables:

- (a) Inception Report: Two (2) weeks of commencing the assignment, the Consultant(s) will be required to submit an Inception Report. The Report should include a detailed implementation schedule setting out the tasks, activities and resources and methodologies to be used to execute the Project component. The implementation schedule will be amended by agreement by GOGY and CDB.
- (b) Progress Report: Four (4) weeks of commencing the consultancy. The Consultant(s) must report on the work plan and progress of the work plan as laid out in the Inception Report within two weeks after commencement of the assignment. The Report should include a list of the activities conducted - target groups and participants and the status of implementation of the consultancy. The Report should also include problems encountered, and the recommended solutions. Critical problems that could affect the progress of the consultancy should be immediately reported to GOGY and CDB.
- (c) Draft Phase II Report: Ten (10) weeks of commencing the consultancy. The Consultant(s) must submit a Report which includes a detailed analysis of the findings, conclusions and recommendations in respect of the items as outlined at Phase II of the TOR. Two (2) copies of the report in hard copy one (1) in the electronic format - Microsoft Word, Excel and PowerPoint where appropriate – should be submitted for review and comments within six weeks before the end of the assignment. CDB and GOGY shall submit comments within two weeks of receipt of the Draft Phase II Report. Within two (2) weeks of receiving comments on the Draft Report, the Consultant(s) will be required to discuss with MOC's technical staff the arrangements for the Stakeholders' workshops.
- (d) Final Phase II Report: Within two (2) weeks of receiving comments on the Report at (c), the Consultant(s) will be required to submit a revised Phase II Report with comment received from GOGY and CDB.
- (e) Draft Final Report: Within four (4) weeks of receiving instructions from the GOGY to proceed with the completion of the Final Draft Report, the Consultant(s) will be required to present the first draft of the revised governance manual; WSS Policy, Strategy and Operational Guidelines and Final Report for the paper at item (d) above Key GOGY stakeholders for review and comments, convene a national consultations and incorporating feedback from the stakeholders' workshops and meeting.
- (f) Final Report: to be delivered within two (2) weeks of receipt of comments from CDB and GOGY. Two (2) copies of the Report in hard copy one (1) in the electronic format - Microsoft Word, Excel and PowerPoint where appropriate – should be submitted for review and comments within three weeks before the end of the assignment. The Final Report should take account of the comments and suggestions of CDB and GOGY.

**8. DURATION**

8.01 It is expected that the consultancy will be completed over a ten-month period.

**BUDGET**  
**(USD'000)**

<b>Item</b>	<b>CDB (SFR)</b>	<b>GOGY</b>	<b>Total</b>
<b>Professional Fees</b>			
Institutional and Policy Support Specialist	84	-	84
Water Resources Engineer	50	-	50
Legal Analyst	45	-	45
Social and Gender Specialist	25	-	25
Environmental Specialist	25	-	25
<b>Sub-total</b>	<b>229</b>	<b>-</b>	<b>229</b>
<b>Reimbursables</b>			
Reports & Data Collection	3	-	3
Accommodation	32	-	32
Per Diem	40	-	40
Air Travel	23	-	23
Local Transportation and Communication	12	-	12
<b>Sub-total</b>	<b>110</b>	<b>-</b>	<b>110</b>
<b>Support Services</b>			
Project Management	-	28	28
Administrative Support	-	5	5
Office Accommodation	-	12	12
Workshops, Consultations and Public Education	3	8	11
<b>Sub-total</b>	<b>3</b>	<b>53</b>	<b>56</b>
<b>Total Consultancy Cost</b>	<b>342</b>	<b>53</b>	<b>395</b>
<b>Contingency (10%)</b>	<b>34</b>		<b>34</b>
<b>Project Total</b>	<b>376</b>	<b>53</b>	<b>429</b>
<b>Percentage</b>	<b>88</b>	<b>12</b>	<b>100</b>

## SCHEDULE 5

### DUTIES AND RESPONSIBILITIES OF THE PROJECT COORDINATOR

1. The PC will have day-to-day responsibility for project coordination and management, arranging contacts with all government and other personnel, project-related discussions, and supervision of the consultants.
2. PC will be responsible for coordinating and monitoring all aspects of the implementation of the project. He/she is not expected to duplicate the role of PE but will work closely with PE to ensure that reports are submitted in a timely manner. Duties include the following where applicable:
  - (a) reviewing and finalising of the TOR for consultancy services to be undertaken in the project;
  - (b) coordinating the selection and engagement of consultants;
  - (c) collecting all relevant background studies and information;
  - (d) supervising the implementation of the consultancy;
  - (e) ensuring that social and gender considerations are incorporated in proposed interventions to:
    - (i) enhance gender equality, social inclusion<sup>10</sup> of vulnerable groups, and
    - (ii) promote social benefits and manage risks, as part of the TOR.
  - (f) organising stakeholder consultations;
  - (g) preparing and submitting claims to CDB for disbursement/reimbursement;
  - (h) submitting to CDB reports prepared by the consultants;
  - (i) submitting to CDB a report each quarter summarising progress, disbursement activities and forecasted expenditures to project completion;
  - (j) submission to CDB the Contract Completion Report within one month after the date of issue by the Consultants of a certificate of practical completion of each contract;
  - (k) preparation and submission to CDB a Project Completion Report, within two months after practical completion of the works. This report will focus on the project's performance on desired results as outlined in the results monitoring framework and lessons learned; and
  - (l) Updating the procurement plan as necessary and where applicable, at least annually.

---

<sup>10</sup> Social inclusion is the process of improving the terms on which individuals and groups take part in society – improving the ability, opportunity, and dignity of those disadvantaged on the basis of their identity (<http://www.worldbank.org/en/topic/socialdevelopment/brief/social-inclusion>). This process includes those who are traditionally excluded due to inequalities associated with, *inter alia*, gender, poverty, disability, age cohort, geographic location (urban/rural/peri-urban), ethnicity, race and indigenous peoples' identity. The exclusion experienced may be evident in stereotypes, stigmas, and superstitions based on group identity and intersection of multiple identities.



3. The assigned PC should have a minimum of the following qualifications:
- (a) a Master's Degree or equivalent in Civil Engineering, Construction Management or Project Management with a minimum of ten (10) years' experience in the management and implementation of civil engineering projects; or
  - (a) a Bachelor's Degree or equivalent in Civil Engineering, Construction Management or Project Management with a minimum of twelve (12) years' experience in the management and implementation of civil engineering projects.

## SCHEDULE 6

### DUTIES AND RESPONSIBILITIES OF PROJECT ENGINEER

1. The PE will be assigned from the GWI and will liaise with the MOC on matters related to the – *Consultancy Services for (1) Preparation of Detailed Designs for Water Supply Improvement Works (2) Feasibility Study for Sourcing Potable Water from The Hope Canal* and will be responsible for monitoring the implementation of the projects. He will report to the PC. PE is a member of the established PAC and will attend and contribute to convened meetings.
2. His/her duties will include, but will not be limited to:
  - (a) keeping accounts on project-related expenditure and disbursement activities;
  - (b) planning, scheduling and coordinating activities;
  - (c) directing and supervising the day-to-day operations of the Project, guided by the project documents and the Installation Work Plans;
  - (d) advising PC on technical aspects and costs variations;
  - (e) management and administration of the implementation of the Supervision Consultancy.
  - (f) submission to the CDB via PC (within three weeks after the end of each month), the monthly reports prepared by the engineering consultants on the progress of the works;
  - (g) preparation and submission to CDB (via PC), a Project Completion Report within one month after the project has been completed, and
  - (h) any other duties assigned by PC.
  - (i) Prospective candidates must be engineers with a minimum of the following qualifications:
    - (i) Masters' Degree or equivalent in a relevant engineering discipline, Project Management, Construction Management or related subject together with a minimum of five years' experience in supervision of construction or installation works; or
    - (ii) A Bachelors' Degree in civil engineering and a minimum of eight years of suitable experience in project supervision.

SCHEDULE 7

FINANCING PLAN  
(USD '000)

Item	CDB	GOGY	Total
Professional fees; accommodation. and other reimbursables ( <i>Water Supply Improvement Works and Hope Canal Feasibility Study</i> )	803		803
Professional fees; accommodation. and other reimbursables ( <i>Water Sector Governance</i> )	327		327
Project Management		76	76
Communication and Local Transport	12	21	33
Public Consultation and Support Services	8	75	83
Contingencies	115		115
<b>Total</b>	<b>1,265</b>	<b>172</b>	<b>1,437</b>
<b>Percentage</b>	<b>88</b>	<b>12</b>	<b>100</b>

**SCHEDULE 8**

**PROCUREMENT PLAN**

**I. General**

**1. Project Information:**

Country: Guyana  
Borrower: GOGY  
Project Name: Water Sector Enhancement Project - Guyana  
Project Implementing Agency: Ministry of Communities

**2. Bank's Approval Date of the Procurement Plan:** May 2018

**3. Period Covered by this Procurement Plan:** June 2018 – November 2019

**II. Goods and Works and Non-Consulting Services:**

N/A

**III. Consulting Services:**

1. **Reference to (if any) Project Operational/Procurement Manual:** For consulting services, CDB's Guidelines for the Selection and Engagement of Consultants (October, 2011).

**Procurement Packages with Methods and Time Schedule:**

1	2	3	4	5	6	7
Ref No.	Assignment (Description)	Estimated Cost (USD)	Selection Method	Review by Bank (Prior/Post)	Expected Proposal Submission Date	Comments
2.	Water Treatment Plants and Infrastructure Improvements Works – Project Preparation	889,000	QCBS	Prior	October 2018	EOI and RFP subject to prior review.
2.	Preparation of Policy paper and associated Strategic plans to enhance Governance in Water Sector	376,000	QCBS	Prior	October 2018	EOI and RFP subject to prior review

**IV. Implementing Agency Capacity Building:**

1. A procurement e-learning module has been prepared by CDB's Procurement Unit and is accessible online to all BMCs.

V. Summary of Proposed Procurement Arrangement

Project Component	CDB (USD '000)										NBF (USD '000)		Total Cost (USD'000)
	Primary		Secondary		Other						Country	Institution	
	ICB	NCB	RCB	LIB	Shopping	DC	FA	QCBS	COS	SSS			
1. Studies and Project Preparation	-	-	-	-	-	-	-	1,142	-	-	21	-	1,163
2. Project Supervision	-	-	-	-	-	-	-	-	-	-	76	-	76
3. Administrative Support	-	-	-	-	-	-	-	8	-	-	75	-	83
4. Contingency (10%)	-	-	-	-	-	-	-	115	-	-	-	-	115
<b>Total Project Costs</b>	-	-	-	-	-	-	-	<b>1,265</b>	-	-	<b>172</b>	-	<b>1,437</b>

CQS	Consultant Quality Selection	NCB	National Competitive Bidding
DC	Direct Contracting	QCBS	Quality and Cost-Based Selection
EOI	Expression of Interest	RCB	Regional Competitive Bidding
FA	Force Account	RFP	Request for Proposal
ICB	International Competitive Bidding	RFQ	Request for Quotation
IDC	Interest During Construction	SSS	Single-Source Selection
LIB	Limited International Bidding		
NBF	Non-Bank Financed		

IN WITNESS WHEREOF this Loan Agreement has been signed in two (2) equally valid copies at Wilbey, St. Michael, Barbados, on behalf of the Bank, and at Georgetown, Guyana, on behalf of the Borrower by their respective duly authorised representatives and shall be deemed to be in force as of the day and year first hereinabove written.

CARIBBEAN DEVELOPMENT BANK

GOVERNMENT OF THE  
CO-OPERATIVE REPUBLIC OF GUYANA

\_\_\_\_\_ *[Signature]*

\_\_\_\_\_ *[Signature]*  
Minister responsible for Finance