

**PLAN OF OPERATIONS**  
**TECHNICAL COOPERATION PROGRAM**  
**GUYANA**

**I. EXECUTIVE SUMMARY**

<b>Project Name:</b>	Agricultural Export Services		
<b>Project Number:</b>	GY-T1025		
<b>Team Leader:</b>	Geoffrey Cannock (RE3/EN3)		
<b>Team Members:</b>	Francisco Basilio Souza (RE3/EN3), Ricardo Vargas (RE3/EN3), Javier Grau (COF/CGY), Diego Buchara (LEG/OPR), and Giovanna Mahfouz (RE3/EN3).		
<b>Date of Request:</b>	March 17, 2006		
<b>Beneficiary Country:</b>	The Co-operative Republic of Guyana (GOG)		
<b>Executing Agency:</b>	The Ministry of Agriculture		
<b>Target Beneficiaries:</b>	An estimated 11,000 farm households and 10 agribusiness firms		
<b>Financing Plan:</b>	IDB (FSO): (net income—no reimbursable)	US\$54,000.00	
	Local counterpart:	<u>US\$ 0.00</u>	
	Total:	US\$54,000.00	
<b>Objectives:</b>	The TC will support project preparation for the Agricultural Diversification Project (GY-L1007) regarding the detailed design of the public services related to agricultural exports.		
<b>Execution and</b>	Execution:	3 months	
<b>Disbursement Timetable:</b>	Disbursement:	4 months	
<b>Special Contractual</b>	None		
<b>Conditions:</b>			
<b>Exceptions to Bank</b>	None		
<b>Policies and Procedures:</b>			
<b>Environmental and Social Review:</b>	SDS/ENV and LEG recommendations were incorporated into the design of the program (¶4.2, ¶5.1, ¶8.2).		
<b>Coordination with other Official Development Finance Institutions:</b>	Coordination has been held with USAID, FAO, and the Brazilian government (¶2.13).		

**II. BACKGROUND AND JUSTIFICATION**

- 2.1 Agriculture is the most important sector of Guyana's economy, accounting for 32% of GDP, 30% of employment, and 40% of export earnings. Sugar and rice, with privileged access to the European Union (EU), account for 74% of agriculture's GDP as well as 65% of total agricultural exports, including shrimp and timber. About 75% of Guyana's sugar production is exported to the EU at prices more than double the world market prices.

- 2.2 Agriculture's growth rate exhibits large fluctuations that ranged from -9.4% to 14.8% during the last five years. These results are closely related to sugarcane and rice's output volatility. Moreover, both products face the challenge of the phasing out of their preferential quotas in their European markets coupled with low and declining world prices<sup>1</sup>.
- 2.3 Guyana has already been showing progress in non-traditional agro-based exports. In 2002, Guyana exported 78 different non-traditional agricultural products. Non-traditional exports have been growing at an annual 6% rate since 1993, however they still have a low base: US\$ 5.0 million in 2004.
- 2.4 It is likely that Guyana enjoys potential comparative advantages<sup>2</sup> to export other crops and livestock products. Those advantages arise from the availability of land, water, unskilled labor, organic production basis, and its preferential position as a potential exporter to the CARICOM. Guyana enjoys a favorable advantageous position in terms of animal and plant health status since it is free from the fruit fly and the foot-and-mouth disease. In spite of the said comparative advantages, Guyana has not been capable so far in building a dynamic non-traditional export sector since it faces several constraints along the supply chain as well as a poor business climate.
- 2.5 The main restrictions within the livestock cluster that need to be addressed are: (i) Lack of suitable volume. Cattle supply is far below an economic viable scale for export purposes. Current breeds are Creole, which are not suitable to be raised as meat cattle for the best markets; (ii) Ineffective sanitary surveillance systems. There are no systems for controlling cattle movement within the country. Sanitary controls at points of entry are not being offered on a 24hour-7day basis; (iii) The sanitary systems do not have enough technical, financial resources, and the adequate legal authority to undertake their tasks; (iv) Current abattoir facilities are not adequate and it is not feasible to upgrade them for export purposes; and (v) Weak technological awareness and business practices. There is limited knowledge on the technologies available for setting up pastures, raising cattle, and building abattoirs, as well as on meeting Good Manufacturing Practices (GMP) and Good Agricultural Practices (GAP).
- 2.6 The fruit subsector's main constraint is lack of volume at the farm level. A major weakness is the virtual absence of formal contract farming arrangements. Research and transfer of technology services are not effectively linked with specialized networks to facilitate the adaptation of new varieties for these products, and those will sorely be needed to increase the supply. The fruit subsector also requires investing and retooling its phytosanitary systems for addressing these exports.
- 2.7 The main public institution that supports agriculture is the Ministry of Agriculture (MOA). The Plant Health Unit (PHU) is responsible for all aspects regarding the phytosanitary quality of plants in the agriculture producing chain, including inspecting products at the

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<sup>1</sup> The long-term trend in sugar world market prices is projected at US\$ 9 cents/lb in real 2000 US dollar terms by 2015, half the current level of production cost in Guyana. However, during 2006 the sugar future prices on the New York Board of Trade have leaped past 19 cents a pound due to market speculations about possible alternative energy uses.

<sup>2</sup> Since drainage and irrigation fees are still not cost-based, the comparative advantage may turn out to be a competitive advantage instead.

packing houses. The Animal Health Unit (AHU) is responsible for programs in animal health, monitoring and control of animal diseases, and the inspection of animals in the food chain up to their slaughter. The Pesticides and Toxic Chemical Control Board (PTCB) exercises control over quality, sale and usage of pesticides and toxic chemicals. The Veterinary Public Health Unit (VPHU) promotes human health minimizing the risk of diseases transmissible from animals to humans and by food, derived from animals; and certifies processed meat for export. The Food and Drug Department (FDD)'s main remit is to protect public health, and helps compliance with the requirements of international trade. The National Agricultural Research Institute (NARI) is responsible for increasing the productivity of crops and livestock. The New Guyana Marketing corporation (NGMC) is charged with providing market facilitation services to the private sector for the export of non-traditional agricultural produce. The PHU, AHU, PTCB are administrative areas within the MOA, whereas NARI and NGMC are semi-autonomous agencies under the MOA. The FDD and the VPHU report to the Ministry of Health. These agencies have limited capabilities to cope with their respective missions.

- 2.8 The Guyana Lands and Surveys Commission (GLSC) is responsible for managing all state-owned lands, and specifically for making such lands available under a lease-hold or free-hold arrangement. The Guyana Office for Investment (GO-Invest) is responsible for investment facilitation and export promotion.
- 2.9 Farmers that grow crops other than rice and sugar have not established product-specific organizations, although they receive services from organizations such as the Rice Producer Association since it is common to farm mixed crops. Cattle Farmers Associations are organized along the Drainage and Irrigation Areas. In September 2005, the Guyana Agribusiness Association (GABA) was established to promote agribusiness development. GABA membership is open to interested private parties along the supply chain.
- 2.10 Private investors need to negotiate on an ad-hoc basis their agribusiness business plans that cover issues such as tax regimes and conditions to access to land. The Office of the President approves proposals that require access to land after being assessed by Go-Invest and the Guyana Lands and Surveys Commission.
- 2.11 The procedures for obtaining a leasing of public land involve four stages: application, research and processing, schedule and lease preparation, and registration and lease issuance. Procedures are clearly set out and standard forms have been created for the general use in the administration of public land at the GLSC. Information and orientation regarding the processes, as well as forms and letter templates required, are provided to interested parties.
- 2.12 However, private investors need to negotiate on an ad-hoc basis their agribusiness business plans that cover issues such as tax regimes and conditions to access to land. The Office of the President approves proposals that require access to land after being assessed by Go-Invest and the Guyana Lands and Surveys Commission. Applicants deem the process as lengthy.
- 2.13 The USAID-funded Guyana Trade and Investment Support Project (GTIS) launched in 2004 a US\$ 7 million multi-sector program to support exports. The GTIS finances mainly technical assistance activities, and does not cover core activities. The Project will complement the food processing cluster, specially regarding fruit and vegetables, and meat

products. The GOG and the Brazilian government have signed agreements for the establishment of soybean production and the cashew nut industry. FAO has been supporting food safety services through a Technical Cooperation, which ends in April 2006. The Project builds on FAO's work.

- 2.14 The GOG and the Bank agreed to prepare an Agricultural Diversification Project (GY-L1007). The Project's goal is to contribute to the increase of Guyana's growth rate and reduce its volatility. Its purpose is to support the GOG implementing an action plan for the agricultural diversification in Guyana that will result in a sustainable increase of non-traditional agricultural exports in the fruits and vegetables, and meat products. The Project's components are: (i) promote Private Sector Entrepreneurship (PSE) into agribusiness, which will have two subcomponents, one to promote and consolidate two clusters and a second one to support the implementation of agribusiness plans; (ii) improve capabilities of agribusiness export and facilitation services (AES); and (iii) strengthen and consolidate agricultural health and food safety services (AHFSS). The AES component will support agribusiness through delivering regulatory and public services such as technology development and transfer; and market information. The AHFSS Component will improve the effectiveness of the animal health, plant health and food safety systems.
- 2.15 The GY-L1007's Evaluation, Supervision and Monitoring System will emphasize achieving better coordination among Project's activities and generating learning processes that may be useful for similar clusters and, eventually, for preparing a second stage.
- 2.16 This Technical Cooperation will contribute to the GOG efforts by preparing studies related to the AES and AHFSS components, and for designing the monitoring and evaluation system. The GOG and the Bank found<sup>3</sup> that the level of effort for preparing the detailed investments for public services needs to be increased mainly due to lack of resources and experience in public agencies.

### **III. PROGRAM DESCRIPTION**

- 3.1 The Technical Cooperation's goal is to contribute to the preparation of the project GY-L1007, regarding regulatory and public services such as information systems, and animal health, plant health and food safety systems.
- 3.2 The Technical Cooperation will finance consulting services that will support the design of specific public interventions related to the fruits, vegetables, and meat sub-sectors.
- 3.3 The final products of the TC will be: (i) feasibility studies for the animal health, and food safety systems; (ii) studies for strengthening information systems for greenfield land-

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<sup>3</sup> Aide Memoir of March 13-17, 2006 for the Identification Mission (GY-L1007).

related investments within the Project area, and the design of a campaign to attract private investors, both local and foreign; and (iii) guidelines for evaluation and monitoring the project.

#### IV. COST AND FINANCING

- 4.1 Individual consultants will be contracted specifically for the purpose of producing the studies indicated above. It is estimated that three consultants will be required. These would include: (i) animal health and food safety specialist; (ii) information system specialist, and (iii) a project evaluation and monitoring economist.
- 4.2 The estimated cost of the Project to be financed by the net income of the Fund for Special Operations (FSO) on a non-reimbursable basis is US\$54,000. The details of the budget are as follows:

**Estimated Cost (in US\$)**

<b>Category/Item</b>	<b>COST</b>	<b>IDB (FOE)</b>
<b>Consultants<sup>4</sup></b>	<b>37,300</b>	<b>37,300</b>
Animal Health Specialist	21,000	21,000
Information system specialist	10,800	10,800
Project evaluation and monitoring specialist	6,300	6,300
<b>Travel</b>	<b>4,622</b>	<b>4,622</b>
International flights; (3 to Georgetown @ US\$1541)	4,622	4,622
<b>Per Diem</b>	<b>12,078</b>	<b>12,078</b>
Per Diem in Georgetown (61 days @ US\$198)	12,078	12,078
<b>TOTAL</b>	<b>54,000</b>	<b>54,000</b>

#### V. EXECUTING AGENCY AND MECHANISM

- 5.1 The GOG has requested that the Bank manage and execute the technical cooperation in order to expedite Project preparation. The selection and hiring of consultants will be carried out by the Bank in accordance with its policies and procedures. Responsibility for the coordination of the work of the consultants within the Bank will be with RE3/EN3, with the support of COF/CGY. The unit with technical and administrative responsibility will be RE3/EN3.

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<sup>4</sup> Daily rates are calculated at US\$450/day for international consultants and US\$ 200/day for national consultants.

- 5.2 Terms of Reference for the consulting services have been prepared. Potential consultants have also been identified. The execution period and disbursement periods are 3 months and 4 months, respectively.

## **VI. MONITORING AND EVALUATION**

- 6.1 The outputs of the Technical Cooperation consist of studies as outlined in the terms of reference. Draft reports, and final reports that include the feedback of major stakeholders will be requested to follow-up the Technical Cooperation progress. The review and approval of the consultants' reports will be given by RE3/EN3 in consultation with the GOG. The GOG will appoint a counterpart team to interact with the consulting firm and to ensure the know-how transfer.
- 6.2 Consultants will prepare the reports as indicated in the Terms of Reference (Annex 1). RE3/EN3 will be responsible for ensuring the cohesiveness of the reports.

## **VII. PROGRAM BENEFITS AND RISKS**

- 7.1 The Project's expected benefits are: (i) an increase in non-traditional agricultural exports; (ii) access to additional foreign markets for Guyanese exports; (iii) an increase in private investment on non-traditional agribusiness sector; and (iv) an enhancement in domestic plant and animal health, and food safety to protect consumers from health hazards.
- 7.2 Main expected results for the technical cooperation are: strengthened critical support services for agricultural diversification; improved administrative procedures for entering into agribusiness initiatives; improved domestic food safety; and enhanced evaluation and monitoring capabilities.

## **VIII. ENVIRONMENTAL AND SOCIAL ASPECTS**

- 8.1 Since the Project focuses on actions to enable agricultural diversification but not on directly financing such change, the main environmental impacts are indirect based on the induced change of the agricultural composition of Guyana. The Project's expected social impacts are positive since farmers will benefit from new income opportunities stemming from agricultural diversification that will also improve their risk management options. The implementation of good agricultural practices as well as the enhancement of sanitary systems in the fruit, vegetables, and meat products will raise domestic sanitary standards that will positively affect human health.
- 8.2 The CESI's minutes on its 48-05 meeting agreed that the GY-L1007 Project would require an assessment based on an Environmental Analysis. The Loan Document will be send for the verification of the CESI Secretariat.

## IX. RECOMMENDATION

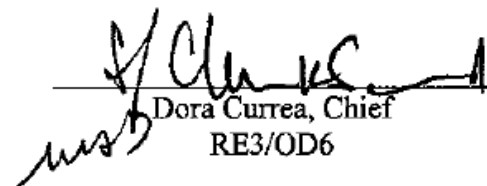
- 9.1 The Division Chief with technical responsibility (RE3/EN3) recommends that the Manager of Regional Operations Department 3 authorize the use of resources from the net income of the Fund for Special Operations to finance the project proposed in this Technical Plan of Operations.

  
Alvaro Llosa, Chief  
RE3/EN3

May 09. 2006  
Date

## X. CERTIFICATION


- 10.1 The Country Division (RE3/OD6) certifies that US\$54,000 from the net income of the Fund for Special Operations is available for the financing of the project proposed in this Plan of Operations.

  
Dora Currea, Chief  
RE3/OD6

05/18/06  
Date

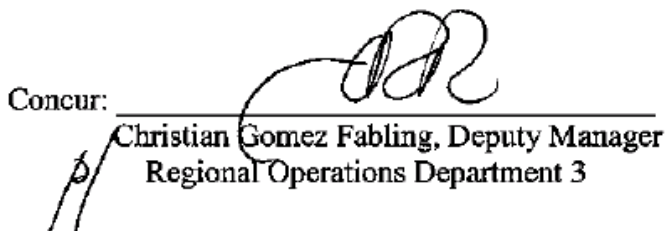
## XI. APPROVAL

- 11.1 According to Document CC-5290, approved by the Coordination Committee on August 2, 1995 and the corresponding simplification memorandum (Simplification of Procedures and Delegation of Authority to Approve Non-Reimbursable Technical Cooperation) of September 12, 1995, this Technical Cooperation is presented for the approval of the Manager of Regional Operations Department 3.

  
Alicia S. Ritchie, Manager  
Regional Operations Department 3

28 May 2006  
Date

Concur:

  
Christian Gomez Fabling, Deputy Manager  
Regional Operations Department 3

25/5/06  
Date

## AGRICULTURAL EXPORT SERVICES (GY-T1025)

### ANIMAL HEALTH AND FOOD SAFETY SPECIALIST

#### TERMS OF REFERENCE

#### I. BACKGROUND

- 1.1 The Government of Guyana (GOG) and the Inter-American Development Bank (IDB or the Bank) are collaborating in the preparation of the Agricultural Diversification Project (ADP). The Ministry of Agriculture will implement the Project, and its goal is to contribute to increase Guyana's growth rate and reduce its volatility. The purpose is to support the GOG on implementing an action plan for the agricultural diversification in Guyana that will contribute to increasing non-traditional agricultural exports of high-value products and compliance with international standards in the fruits and vegetables, as well as beef cattle products.
- 1.2 The Intermediate Savannahs appears to have potential for the livestock cluster as well as processed fruits and vegetables products. Regarding the fruit and vegetable sector, the following products have greater potential: heart of palms, coconut-based products, cherries, peppers, pineapples, plantains, pumpkins, and mangoes. They show good returns, relative low phytosanitary requirements, low logistic costs, established markets, and technology packages relatively easy to adopt. Some of these crops may also exhibit a short-term supply response.
- 1.3 The fruit subsector main constraint is lack of volume at the farm level. Its foremost challenge is how to induce exporters and farmers to increase the produce supply. Research and transfer of technology services are not prepared to effectively be linked with specialized networks to facilitate screening and adaptation of new varieties for these agribusiness chains, and those will sorely be needed to increase the supply at the farm level. The fruit subsector also requires investing and retooling its phytosanitary systems and institutions for addressing exports for these products. Testing services for pesticides residues are not being conducted; and there is no effective phytosanitary control of incoming and outgoing fresh produce.
- 1.4 Main restrictions within the livestock cluster that need to be addressed are: (i) *Lack of Suitable Volume*. Cattle supply is far below an economic viable scale for export purposes. Moreover, current breeds are Creole, which are not suitable for those areas in Guyana where land has a cattle-raising vocation or to be raised as meat cattle. (ii) *Lack of Effective Sanitary Surveillance Systems*. There are no systems for controlling cattle movement within the country. Serological services are not enough. For public health purposes, there is not an effective drug control system. Borders are relatively unprotected, specially the Venezuelan's. Sanitary control at the international airport is not being offered on a 24-hour-7day basis. (iii) *Lack of Effective Institutional Support*. The sanitary systems work under overlapping jurisdictions and outdated regulations, and public sector organizations do not have enough technical, financial resources and legal authority to undertake their tasks; (iv) *Weak Technological Awareness and Business Practices*. There is limited knowledge on the technologies available for setting up pastures, raising cattle, and building abattoirs, as well as on meeting Good Manufacturing Practices



(GMP) and Good Agricultural Practices (GAP) in the livestock chain. Training institutions show few linkages with private sector demands, and with state-of-the-art institutions.

- 1.5 It is expected a relatively high fixed cost of the Project (i.e. overhauling the animal and plant health systems) in comparison with the relatively low expected benefits on its initial years. However, this may be a case of a “chicken-and-egg” situation, on which there will not be enough interest of external traders in acquiring Guyanese agricultural products without the assurance of quality inspections and sanitary controls properly established and operating in the country. Moreover, justification for strengthening the sanitary system can be supported by looking at the public health issues involved.
- 1.6 Project’s design should analyze the sustainability of the Project in terms of funding and retaining adequate staff and maintaining equipment necessary to carry out the provision of public services related to support export businesses.
- 1.7 To prepare the Project, among other studies, it will be necessary to prepare/update an assessment of the national services that will support the export of agricultural products. Those services will have responsibilities related to the increase of non-traditional exports and with compliance with international standards in the fruits and vegetables, as well as meat products, products that have been targeted in the first phase of the Project.

## **II. OBJECTIVES**

- 2.1 The consultant will: (i) review the existing assessment<sup>1</sup> of the institutional organization and the actual technical capabilities of the areas of animal health & food Safety; (ii) propose strategy and policy recommendations for those two areas, if applicable; (iii) support the government in preparing the final proposals for investments in the areas of animal health & food Safety; y (iv) support the project team during the orientation and appraisal missions, specifically in the areas mentioned in item (i) above.

## **III. ACTIVITIES**

### **A. Institutional Framework**

- 3.1 With the Plant Health consultant recommend alternatives for institutional and legal organization of a system to provide food safety in Guyana geared to effectively increase agribusiness exports to main trading partners. Proposed design should rely as much as possible on the existing institutional framework. Is highly desirably that the strengthening of the subsystems of animal and plant health protection and food safety are designed as one integral system. Both consultants will analyze the possibility of the establishment of a National System

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<sup>1</sup> There are two assessments, one prepared by a Bank’s consultant, and another by FAO for Food Safety.

for Agricultural Health and Food Safety. The establishment of this System should rely on acts of the executive power, avoiding as much as possible the enactment of new Acts.

## **B. Animal Health**

3.2 The Consultant shall perform the following activities:

- a. Review and revise the estimate the demand for Animal Health services taking into account the prioritized agribusiness products. Identify, estimate, and discuss the expected benefits for domestic public health as well as those that may be obtained from foreign market access.
- b. Identify specific Animal Health services for the selected agribusiness chains. Needs should comprise the entire value-chain until products reach export markets.
- c. Analyze the information on the organization, institutional and legal structure of the animal health services, with emphasis on the permanent services such as quarantine, surveillance, and control of veterinary and plant products, laboratory services, and specific projects for the prevention, control and eradication of diseases; and analyze the cost recovery policy and norms of agricultural health services (tariffs).
- d. Analyze the national legislation and the application of the sanitary norms and guides of the reference organizations such as the World Organization of Animal Health (OIE) and the International Phytosanitary Convention (IPC).
- e. Analyze the participation of the country in the activities of the international and regional organizations such as WTO, OIE, PAHO, FAO, IICA, and CARICOM; and collect information of other multilateral and/or bilateral organization projects on A&P Health.
- f. Prepare a detailed investment and operative plan with its respective budget for the subcomponent according to Bank's policies for a 10-year time horizon. Propose financial-sharing schemes for those cases where needed. Efficient minimum scale services coupled with an adequate timing linked with result-trigger indicators for their roll-out will be given a careful analysis to avoid "white elephants"..
- g. When designing the upgrading of laboratories, recommend alternatives to upgrade and operate them as part of a network of laboratories. They should be viewed as part of a National System for Agricultural Health and Food Safety, avoiding duplication of efforts and resources.
- h. Propose the detailed logical framework for the animal health subcomponent.
- i. Furthermore, the proposal should include the procurement plan for the first 18 months as well as the term of references for the critical procurement contracts regarding the implementation of the investment project.

## **C. Food Safety**

3.3 The Consultant shall perform the following activities:

- a. Review the pre-feasibility study prepared by FAO, and the studies developed by the previous consultancy.
- b. Analyze all the information already collected. The following areas will be very important in preparing the feasibility proposal:
  - i. National food safety policies and legislation and the intersectorial coordination for the execution of food safety activities.
  - ii. Organization and institutional structure of food safety services with emphasis in legislation and regulations, inspection and certification services and surveillance of microbiological and chemical contaminants:
    - Cost recovery policy and norms of food safety services (tariffs).
    - Adoption of the norms of the International Reference Organization the FAO/WHO Codex Alimentarius and the organization of the National Codex Comisión.
    - Country's participation in international and regional organizations such as the Codex Alimentarius, FAO, WTO, PAHO, IICA, and CARICOM; and collect information of other multilateral and/or bilateral organization projects on food safety.
- c. Identify, estimate, and discuss the expected benefits for domestic public health as well as those that may be obtained from foreign market access.
- d. Prepare a detailed investment and operative plan with its respective budget for the subcomponent according to Bank's policies for an initial 5-year investment plan, with a projection of a 10-year time horizon. Propose financial-sharing schemes for those cases where needed. Efficient minimum scale services coupled with an adequate timing linked with result-trigger indicators for their roll-out will be given a careful analysis to avoid "white elephants".
- e. When designing the upgrading of laboratories, recommend alternatives to upgrade and operate them as part of a network of laboratories. They should be viewed as part of a National System for Agricultural Health and Food Safety, avoiding duplication of efforts and resources.
- f. Propose the detailed logical framework for the food safety subcomponent.
- g. Furthermore, the proposal should include the procurement plan for the first 18 months as well as the term of references for the critical procurement contracts regarding the implementation of the investment project.

**D. Supporting the Project Team**

3.4 The Consultant shall perform the following activities:

- a. In the revision and analysis of the documentation presented by the government.
- b. In the preparation of the technical annexes of documentation to be presented to Bank's Committees.

**IV. REPORTS AND DISBURSEMENTS**

4.1 The reports are the government proposal and technical annexes of the documents to be presented to the Bank. They will be presented as follows:

- a. Supporting the Government
  - i. Within two weeks of the orientation Mission scheduled, a draft technical annex covering information indicated on paragraphs 3.1 to 3.10. It will be presented in two separated documents, one for *Agricultural Research & Technical Assistance*, and the other for *Plant Health*, and
  - ii. Two weeks before the Analysis Mission, expected for Mid-May 2006, – Presentation of the complete draft technical annexes.
- b. Supporting the Project Team
  - i. During the Analysis Mission, scheduled for May 15 - Preparation of final technical annexes.

4.2 Payments for the consulting services will be specified in the Contract, using the concept of lump sum, and will be made as follows:

4.3 Payments for the consulting services will be specified in the Contract, using the concept of lump sum, and will be made as follows:

- a. 35% at contract signature.
- b. 30% upon presentation of items in paragraph 4.1 (i).
- c. 20% upon presentation of items in paragraph 4.1 (ii).
- d. 15% upon acceptance by the Bank of final reports.

## **V. SPECIFICATIONS FOR THE CONSULTANCY SERVICES**

- 5.1 Individual, international consultant under a lump sum arrangement.
- 5.2 Duration: The entire consultancy will be for a maximum of 25 person-business days.
- 5.3 Place: Consultant's office. An initial two-week mission is envisaged at Georgetown. A second mission of two weeks will take place.
- 5.4 Qualifications: Candidates should have: A Master's degree in an Agricultural field, with experience in public and private institutional development of research and animal & plant health services. Experience in management & administration of those entities is a plus. Should have also at least 10 years experience in the evaluation and analysis of programmes/projects financed by International Financing Institutions (IFI).

## **VI. COORDINATION**

- 6.1 The coordination of instructions and advice to the consultant will be through the RE3/EN3 with support from the IDB Country Office Guyana (COF/CGY) and the counterpart coordinator at the ADP or their designated representatives. The Consultant will work very closely with Agricultural Diversification Project Team, Ministry of Agriculture; and with the national consultant.

## **AGRICULTURAL EXPORT SERVICES (GY-T1025)**

### **INFORMATION SYSTEMS FOR GREENFIELD INVESTMENTS IN THE LIVESTOCK SECTOR**

#### **TERMS OF REFERENCE**

#### **I. BACKGROUND**

- 1.1 The Government of Guyana (GOG) and the Inter-American Development Bank (IDB or the Bank) are collaborating in the preparation of the Agricultural Diversification Project (ADP). The Ministry of Agriculture will implement the Project, and its goal is to contribute to increase Guyana's growth rate and reduce its volatility. The purpose is to support the GOG on implementing an action plan for the agricultural diversification in Guyana that will result in a sustainable increase of non-traditional agricultural exports in two cluster: fruits & vegetables (pineapple, plantains, pumpkins and peppers), and meat products.
- 1.2 The components are: i) promote Private Sector Entrepreneurship (PSE) into agribusiness; ii) improve capabilities of agribusiness export and facilitation services (AES); and iii) strengthen and consolidate agricultural health and food safety services (SPS).
- 1.3 The PSE component will look at initiatives to enhance entrepreneurship capabilities into the agribusiness cluster. The AES component will support agribusiness through delivering regulatory and public services such as technology development and transfer; and market information. The SPS Component will improve the effectiveness of the animal health, plant health and food safety systems.
- 1.4 The AES will focus on the strengthening public services needed to support the selected agribusiness productive chains, among these the access to land for Greenfield- type investments.
- 1.5 There are essentially two land tenure regimes in Guyana; private freehold property and state-owned public land. The vast majority, estimated at 98 percent, of the total 215,000 square kilometers of land in Guyana is public, and within the productive coastal plain the percentages of public and private land are 78 percent and 22 percent respectively. In terms of individual parcels, approximately 65 percent are public. There are various forms of possession of public land including: (i) formal leaseholds; (ii) proprietor estates; (iii) land schemes; (iv) land co-operatives/communal land; (v) sublet leaseholds; and (vi) informal squatting.
- 1.6 The current challenge facing land administration in Guyana is the need to implement policies, establish and sustain simple, cost effective and transparent procedures that will both provide access to land and allow for simple cost effective title and title transfer for all tenure groups. The proper functioning of a dynamic formal market in land depends on a number of factors: (i) regularization of existing informal tenure situations; (ii) a modern, comprehensive, easily accessible and affordable registry of real property rights; (iii) transparent and effective land

planning and physical development procedures; (iv) modernized legal provisions governing sale and rental; and (v) professional survey and valuation services.

- 1.7 Recent land policies and land investment projects have focused mainly on: i) land tenure regularization programs, ii) promoting free-hold access specially for small-scale farmers, iii) standardizing the lease's conditions regime extending its length to 50 years; iv) modernizing the land administration institutions, specially the Guyana Lands and Surveys Commission, and the Land Registry; v) implementing initiatives to offer services that contribute to the sustainability of the land administration; and vi) more efficient rent leases levels to encourage a better use of the lands.
- 1.8 The Government of Guyana has also taken significant steps to reform, modernize and strengthen the institutions responsible for land administration, particularly in terms of public land management, registration of real property rights, land surveying and land information management. Most significantly, legislation establishing the Guyana Lands and Surveys Commission (GLSC) was approved in December 1999. The GLSC became effective in 2001 and has three main functions: (i) development of appropriate land policies and plans; (ii) management of public lands; and (iii) land surveying and land information management. The Commission is a semi-autonomous agency which has the responsibility to manage public lands (including the issuing of land rights titles; land tenure regularization, including the conversion of leasehold to freehold, and billing and collection of rents), and develop land use plans, policies and information systems. It is also responsible for processing land applications for agriculture, eco-tourism and industrial and commercial development. The GLSC does not have jurisdiction on Region 5, where the Mahaica-Mahaicony-Abary Agricultural Development Authority (MMA-ADA) is in charge of land administration.
- 1.9 In the case of Guyana, obstacles to access to land for productive purposes have historically been an impediment to private sector development and in turn overall economic growth. The process of allocation of State land for productive purposes have historically been hindered by a number of policy and bureaucratic requirements outside the control of the person seeking access to land. These include: (i) complex, not well articulated or understood, and oftentimes non-transparent application procedures, (ii) need for an approval from the Regional Land Selection Committee on applications for land; (iii) lack of information regarding an application and an appeal process in regard to non approval; and (iv) the cumbersome process of individual approval of each and every application for land.
- 1.10 The procedures for obtaining a leasing of public land involve four stages: application, research and processing, schedule and lease preparation, and registration and lease issuance. Procedures are clearly set out and standard forms have been created for the general use in the administration of public land at the GLSC. Information and orientation regarding the processes, as well as forms and letter templates required are provided to interested parties.
- 1.11 Private investors need to negotiate on an ad-hoc basis their agribusiness business plans that cover issues such as tax regimes and conditions to access to land. The Office of the President approves proposals that require access to land after being assessed by Go-Invest and the Guyana Lands and Surveys Commission. Applicants deem the process as lengthy.

- 1.12 It has been estimated that about 59,000 acres, located in Regions 5 and 6 including areas within the Intermediate Savannahs, are needed for developing a sanitary enclave for the livestock cluster where cattle raising and meat processing aimed for the export markets will be held.
- 1.13 The Intermediate Savannahs appears to have potential for the livestock cluster as well as processed fruits and vegetables products. The mission learned that in the sixties a large livestock farm raised cattle (LIDCO). LIDCO is currently under an Intermediate Savannahs Project executed by the National Agricultural Research Institute (NARI) and under the jurisdiction of GLSC. As of May 2005, the GLSC has leased 76,000 acres out of 664,000 available and has approved for leasing 33,000 more acres, which signals business interest in that area.
- 1.14 Work has been conducted such as first-year action plans with the potential local members of the livestock cluster.
- 1.15 To complete the preparation of the Component II of the Project, it is necessary to adjust and strengthen, in close consultation with the agencies involved, an information system for land lease requests aimed for Greenfield-type investments; setting up a non-discretionary land lease and water rights allocation system; conducting a pilot program for allocating relative large land plots in order to attract larger investors that could better overcome some of the weaknesses identified in the livestock and fruit & vegetable clusters.

## **II. OBJECTIVE**

- 2.1 The objective of the consultancy is to contribute to the preparation of the land related activities for ADP, namely a land information system. The preparation of the reports should be made in close consultation with the agencies involved (GLSC, GoInvest, MMA, and regional authorities).

## **III. SPECIFICATIONS FOR THE CONSULTANCY SERVICES**

- 3.1 *Type:* Individual, international consultant under a *lump sum* arrangement. Payments shall be made as established in section V of this Terms of Reference.
- 3.2 *Starting date and duration:* A total of 25 non-continuous working days, during the period of May- June 2006.
- 3.3 *Place:* The work is to be done in Guyana (25 days). Tentatively, one mission is envisaged during May, 2006. It is expected three days visits from Georgetown to regions 5, 6 and the Intermediate Savannahs.
- 3.4 *Qualifications:* Professional with a postgraduate degree in geography, land use planning, land administration, or related field. More than 10 years of professional experience, preferable in



Guyana, on i) land information systems; ii) land planning; and iii) land adjudication processes for potential investors. Excellent level of the English language of is required.

#### **IV. ACTIVITIES**

##### **A. Document review**

4.1 The Consultant shall perform the following activities:

- a. Review the documentation related to the Agricultural Diversification Project, especially to the AES Component, as well as information prepared by the Guyana Land Administration Support (GLASP) Project, the GLSC, the Agricultural Sector Loan, the LIDCO Project, and the Competitiveness Program (GY-L1010).
- b. Review the legal framework and current procedures to grant state land leases.
- c. Examine land information systems, data and statistical results at the GLSC and hold discussions with key staff in order to assess current status and relevant performance indicators.
- d. Review international experiences and best practices on land allocation processes for Greenfield investments.

##### **B. Information System**

4.2 The Consultant shall perform the following activities:

- a. Design and propose an implement plan for a lease application tracking system in the GLSC which allows individual applicants for State land to readily question and determine the status of their application for State land.
- b. Review the existing land information system at GLSC and make recommendations that will allow potential investors to learn about land currently available for investment purposes.
- c. Identify the information linkages among the agencies involved in the investment process: GoInvest, EPA, GLSC.
- d. Assess the current capability of the Land Information System in the GLSC and elaborate the need and requirements for improving it to achieve greater efficiency in the area of application processing and land administration.
- e. Review the existing land information system at GLSC and make recommendations for completing the existing lease database, parcel database and survey database.

**C. Other Activities**

4.3 The Consultant shall perform the following activities:

- a. Propose the agreements needed among public agencies for the pilot project to execute the procedures under a fast-track, simplified mechanism (Go-Invest, Regional Authorities, MMA).
- b. Propose a detailed campaign to attract the private investors, both local and foreign.
- c. Propose the output, outcome indicators, and activities to carry out the land-related tasks using the “logical framework” approach.
- d. Prepare a detailed investment, and operative plan with its respective budget for the activities for a 5-year time horizon.
- e. Propose the procurement plan for the first 18 months of the as well as the term of references for the critical procurement contracts regarding the implementation of the land-related tasks.
- f. Prepare and submit to the IDB Project Team and the MoA-GY a Final Report of the Consultancy.

**V. REPORTS AND PAYMENTS**

5.1 The Consultant shall prepare and submit two reports:

- a. A Draft Final Report one week after his/her first that should cover all the tasks mentioned in section IV.
- b. A Final Report. The FR is a revised and complemented version of the DFR, after the validation of the proposal with the stakeholders, the GOG and the IDB Project Team and the proper inclusion of their comments.

5.2 Payments for the consulting services will be specified in the Contract, using the concept of *lump sum*, and will be made as follows:

- a. 40% at contract signature.
- b. 30% upon presentation and approval of the Draft Final Report.
- c. 30% upon presentation and approval of the Final Report.

## **VI. COORDINATION**

- 6.1 The coordination of instructions and advice to the consultant will be through the RE3/EN3 with support from the IDB Country Office Guyana (COF/CGY) and the counterpart coordinator of the ADP at the Ministry of Agriculture or their designated representatives. The Consultant should work in collaboration with the Agricultural Diversification Project Team of the IADB, Ministry of Agriculture; and with the national consultant.

## **AGRICULTURAL EXPORT SERVICES (GY-T1025)**

### **EVALUATION AND MONITORING GUIDELINES**

#### **TERMS OF REFERENCE**

#### **I. BACKGROUND**

- 1.1 The Government of Guyana (GOG) and the Inter-American Development Bank (IDB or the Bank) are collaborating in the preparation of the Agricultural Diversification Project (ADP). The Ministry of Agriculture will implement the Project, and its goal is to contribute to increase Guyana's growth rate and reduce its volatility. The purpose is to support the GOG on implementing an action plan for the agricultural diversification in Guyana that will contribute to increasing non-traditional agricultural exports of high-value products and compliance with international standards in the fruits and vegetables, as well as beef cattle products.
- 1.2 The Government of Guyana (GOG) and the Inter-American Development Bank (IDB or the Bank) are collaborating in the preparation of the Agricultural Diversification Project (ADP). The Ministry of Agriculture will implement the Project, and its goal is to contribute to increase Guyana's growth rate and reduce its volatility. The purpose is to support the GOG on implementing an action plan for the agricultural diversification in Guyana that will result in a sustainable increase of non-traditional agricultural exports in two cluster: fruits & vegetables (pineapple, plantains, pumpkins and peppers), and meat products.
- 1.3 The components are: i) promote Private Sector Entrepreneurship (PSE) into agribusiness; ii) improve capabilities of agribusiness export and facilitation services (AES); and iii) strengthen and consolidate agricultural health and food safety services (AHFSS).
- 1.4 The PSE component will look at initiatives to enhance entrepreneurship capabilities into the agribusiness cluster. The AES component will support agribusiness through delivering regulatory and public services such as technology development and transfer; and market information. The AHFSS Component will improve the effectiveness of the animal health, plant health and food safety systems.
- 1.5 Technical studies, draft logical framework, risk analysis, and institutional analysis have been prepared for the project. An evaluation and monitoring framework is needed to enhance the Project's development effectiveness, as well as contributing to the Project's Supervision Plan.
- 1.6 The Project's Evaluation, Supervision and Monitoring System will emphasize on achieving better coordination among Project's activities and on generating learning processes that may be useful for similar clusters and, eventually, for preparing a second stage. A final evaluation will be carried out to assess Project's performance, perform impact evaluation, and extract lessons learned according to the Project Evaluation Guidelines that will be prepared.

## **II. OBJECTIVE**

- 2.1 The objective of the consultancy is to design an Evaluation and Monitoring System for the Project that will allow: a) assess the Project's economic and social impacts on the beneficiaries; ii) follow-up periodically Project performance, risk, management, and environmental-social indicators; and iii) generate learning and feedback processes from the Project that may be useful for similar clusters, or for extending the Project.

## **III. SPECIFICATIONS FOR THE CONSULTANCY SERVICES**

- 3.1 *Type*: Individual, international consultant under a *lump sum* arrangement. Payments shall be made as established in section V of this Terms of Reference.
- 3.2 *Starting date and duration*: A total of 15 non-continuous working days, during the period of June - July 2006.
- 3.3 *Place*: The work is to be done in the Consultant's home office.
- 3.4 *Qualifications*: Professional with a postgraduate degree in economics, management, information systems, or related field. More than 5 years of professional experience, on i) assessing agricultural projects, specially with small farms; ii) quantitative evaluation studies; iii) baseline and survey design; and iv) evaluation methodologies such as logical framework and risk analysis. Excellent level of the English language is required.

## **IV. ACTIVITIES**

- 4.1 The Consultant shall perform the following activities:
- a. Review the documentation related to the Agricultural Diversification Project, specially the Project Concept Document, the draft logical framework, the SECI analysis, the project's risk assessment, as well as the technical reports prepared for the components.
  - b. Coordinate with the local consultant on existing data sources and methodologies.
  - c. Review evaluation and monitoring methodologies.
  - d. Review Bank's policies on evaluation.
  - e. Identify the causality relationships among the main variables, the main processes and activities to be established, and the indicators to assess and monitor the project.
  - f. Design the Evaluation and Monitoring System that will consider: methodology, data sources, and administrative responsibilities for implementation, staff and financial

resources. The System should specify the process of generating and processing the information, and its quality control mechanisms.

- g. Consider for monitoring purposes, annual evaluation meetings and qualitative survey techniques for the stakeholders for early detection of execution issues.
- h. Prepare an activity analysis that will link major events among Project components using a “Project Management” software, based on the guidance of the Project Team and technical reports prepared.
- i. Elaborate on the conceptual and operative elements for the evaluation system that will allow a learning and feedback process to the Executing Agencies, COF/CGY, and team members such as hypothesis to be tested, baselines, and suggested empirical analysis to be conducted on the impact evaluations.

## **V. REPORTS AND PAYMENTS**

- 5.1 The Consultant shall prepare and submit two reports:
  - a. A Draft Final Report one week after his/her first that should cover all the tasks mentioned in section IV.
  - b. A Final Report. The FR is a revised and complemented version of the DFR, after the validation of the proposal with the stakeholders, the GOG and the IDB Project Team and the proper inclusion of their comments.
- 5.2 Payments for the consulting services will be specified in the Contract, using the concept of *lump sum*, and will be made as follows:
  - a. 30% at contract signature.
  - b. 40% upon presentation and approval of the Draft Final Report.
  - c. 40% upon presentation and approval of the Final Report.

## **VI. COORDINATION**

- 6.1 The coordination of instructions and advice to the consultant will be through the EN3 with support from the IDB Country Office Guyana (COF/CGY) and the counterpart coordinator of the ADP at the Ministry of Agriculture or their designated representatives. The Consultant should work in collaboration with the Agricultural Diversification Project Team of the IADB, Ministry of Agriculture; and with the national consultant.

IN REPLYING QUOTE DATE  
HEREOF AND No. *SP/11/120/06*



**MINISTRY OF FINANCE**  
*Main & Urquhart Streets,  
Georgetown,  
Guyana.*

2006 - 17 - 03

Mr. Sergio Varas-Olea  
Representative  
Inter-American Development Bank  
47 High Street,  
Kingston  
Georgetown

Dear Mr. Varas-Olea,

**RE: Request for Technical Assistance for Agricultural Export Services**

The Government of Guyana requests that the Bank approve the following Technical Cooperation to be funded by grant resources under the current allocation of FSO net income:

- a. Technical Assistance for Agricultural Export Services. (Up to US\$ 54,000). This TC will support the design of the sanitary and phyosanitary services as well as the processes related to agricultural health services and land allocation for private investment purposes.

This operation will be administered by the Bank in collaboration with the GOG represented by the Ministry of Finance.

Yours Sincerely,

A handwritten signature in cursive script, appearing to read "Saisnaraine Kowlessar".

Saisnaraine Kowlessar  
Minister of Finance



# Ministry of Agriculture

## *Permanent Secretary*

Regent & Vlissingen Roads, Georgetown, Guyana, South America,  
P.O. Box: 1001  
Tel. No. (592) 227-5527, Fax No.: (592) 227-3638

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March 16, 2006

Mr. Saisnaraine Kowlessar  
The Minister of Finance  
Main & Urquhart Streets  
Georgetown  
Guyana

Dear Mr. Kowlessar,


**RE: Request for Technical Assistance for Agricultural Export Services**

The Ministry of Agriculture would like to request a US\$54,000 non-reimbursable Technical Cooperation (TC) for preparing detailed studies for activities under the Agricultural Export and Facilitation Services Component of the Agricultural Diversification Project.

The TC will specifically support the design of the sanitary and phytosanitary services as well as the processes related to agricultural health services and land allocation for private investment purposes.

The Ministry of Agriculture also requests that the Bank directly contract and pay the consultants following the Bank's procurement policies. Reports generated under the TC will be submitted to the Ministry for comments, and approved by the Bank.

Yours sincerely,



Dr. Dindyal Permaul  
Permanent Secretary





# Ministry of Agriculture

## Permanent Secretary

Regent & Vlissengen Roads, Georgetown, Guyana, South America,  
P.O. Box: 1001  
Tel. No. (592) 227 - 5527, Fax No.: (592) 227 - 3638

April 21, 2006

Mr. Geoffrey Cannock  
Economist (RE3/EN3)  
Inter-American Development Bank  
1300 New Avenue  
North West  
Washington D.C.  
Zip Code: 20577  
Stop No. E0807

Dear Mr. Cannock

### RE: TECHNICAL COOPERATION PROGRAMME - GUYANA

Your e-mail of April 12, 2006 on the subject at caption is hereby acknowledged.

We have perused the documents and have no amendments to offer on the Project entitled "Agricultural Export Services, GY-T1025".

With respect to the document entitled "Strengthening Land Administration for Greenfield Land-related Investments, GY-L1007", Mr. Andrew Bishop has provided some comments for your consideration. These are appended herewith.

With kind regards.

Yours sincerely



Dr. Dindyal Permaul  
Permanent Secretary

Cc: Mr. Javier Grau Benaiges,  
Environmental & Natural Resources Specialist



# GUYANA LANDS AND SURVEYS COMMISSION

22 Upper Hadfield Street, Durban Backlands,  
Georgetown, Guyana.

Tel: (592) 227-2582, 2535, 226-0529, 226-9521

Fax: (592) 226-4052

April 19, 2006



Dr. D. Permaul  
Permanent Secretary  
Ministry of Agriculture  
Regent & Vlissengen Roads  
Georgetown

Dear Dr. Permaul:

**SUBJECT: Comments on ADP documents**

Thank you for affording me the opportunity to make comments on the Technical Program (TCP) and the Terms of Reference for Land Administration (TOR's) of the Agriculture Diversification Program.

Comments on the TCP

I have no suggestion to amend the program description or the costing of the consultancy in this instance. The TCP correctly sets forth, twice actually, the importance of the Land Information component, (ref. 3.3.(i) and 3.4.(ii); the GLSC supports this emphasis.

Comments on the TORs

My principal observation is that Land Information Systems (LIS) is not featured in the activities of the consultant, even though it features quite prominently in the TCP. Very important, if not most important in this consultancy, is the need to examine the current LIS and to make recommendations how it can be improved to facilitate investors more efficiently.

Therefore I recommend the following:

In Activity C on Page 5, a new #3 should be added:

"Assess the current capability of the Land Information System in the GLSC and elaborate the need and requirements for improving it to achieve greater efficiency in the area of application processing and land administration."

Other recommendations on the TORs

Under C again, the existing #3 and paras a, b, c, and d should become a new section D - entitled

"OTHER ACTIVITIES".

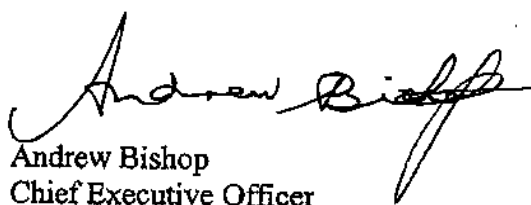
Section C – Land Adjudication should be entitled:

"Land Allocation and Administration"

With regard to IV - Activities A.1. (Page 4) – Documents review; it should be noted that under the IDB-ASL, several legislative and policy studies necessary for the land administration sector were undertaken. We should not be getting too involved in legislative review here in the ADP. Many systems have been established following the policy work of the ASL. What we need now are precise short to medium term inputs to fine tune and enhance the systems which were established under the ASL and which serviced the ASSP LTR requirements. Completion of the data inputs to the three databases, and then networking them will have more practical results in a shorter time than legislative reviews or proposals to change legislation.

I shall be happy to clarify any of these recommendations if needed.

With best regards

  
Andrew Bishop  
Chief Executive Officer