



# Project Completion Report

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## PCR

***Project Name: Georgetown Solid Waste Management Program***

***Country: Guyana***

***Sector/Subsector: Water and Sanitation / Solid Waste***

***Original Project Team:***

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***Project Number: GY0055***

***Loan Number (s): 1730/SF-GY; 1731/SF-GY; LO-1487/SF-GY***

***CRG Date:***

***Final Approval Date of PCR:***

***PCR Team: Principal Author and Members: Yvon Mellinger (WSA/CBA); Marle Reyes (WSA/CGY); Marcello Basani (WSA/CEC); Javier Grau (WSA/CPN) Alfredo Rihm (INE/WSA); Javier Jimenez (LEG/SGO); Stefanie Brackmann (VPS/ESG); Emilie Chapuis (FMP/CGY); Paula Louis-Grant (FMP/CGY); Naveen Jainauth-Umrao, (FMP/CGY); and Leticia Ramjag (CCB/CGY).***



## Acronyms and Abbreviations

CO-	Contract between the CO-Operator and the EA
CO-	OPERATOR Firm that will construct and operate the HBSLF
CD	Cleansing Division
EA	Executing Agency
EIA	Environmental Impact Assessment
EMCP	Environmental Monitoring and Control Plan
EPA	Environmental Protection Agency
ERM	Environmental Resource Management
ESMP	Environmental and Social Management Plan
EU	European Union
GDP	Gross Domestic Product
GOG	Government of Guyana
HBSLF	Haags Bosch Sanitary Landfill
IAST	Institute of Applied Science and Technology
ISSC	Institutional Strengthening and Supervision Consultant
LCS	Living Conditions Survey
MC	Ministry of Communities
MF	Ministry of Finance
MH	Ministry of Health
MLGRD	Ministry of Local Government and Regional Development
MSWMD	Municipal Solid Waste Management Department
MTR	Medium-Term Review
NDC	Neighborhood Democratic Council
O&M	Operation and Maintenance
OP	Operation Manual
PAHO	Pan American Health Organization
PEU	Project Executing Unit
PRG	Partial Risk Guarantee
PROPEF	Project Preparation Facility
PSP	Private Sector Participation
PT	Property Tax
PUC	Public Utilities Commission
RDC	Regional Development Council
SC	Steering Committee
TOR	Terms of Reference



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## I. Basic Information

BASIC DATA (AMOUNTS IN US\$)	
<b>PROJECT NO:</b> GY0055	<b>TITLE:</b> Georgetown Solid Waste Management Program
<b>Borrower:</b> COOPERATIVE REPUBLIC OF GUYANA <b>Executing Agency (EA):</b> MINISTRY OF COMMUNITIES ( initially MUNICIPALITY OF GEORGETOWN, then MINISTRY OF LOCAL GOVERNMENT AND REGIONALDEVELOPMENT)	<b>Date of Board Approval:</b> 03 May 2006 <b>Date of Loan Contract Effectiveness:</b> 22 February 2007
<b>Loan(s):</b> 1730/SF-GY; 1731/SF-GY; LO-1487/SF-GY <b>Sector:</b> WATER and SANITATION (Solid Waste)	<b>Date of Eligibility for First Disbursement:</b> 30 September 2007  <b>Months in Execution</b> * from Approval: 224 * from Contract Effectiveness: 202
<b>Lending Instrument:</b> INL – INVESTMENT and GUI – Sovereign Guarantee (1731/SF-GY)	<b>Disbursement Periods</b> <b>Original Date of Final Disbursement:</b> 22 February 2012*  <b>Current Date of Final Disbursement:</b> 15 December 2015 <b>Cumulative Extension (Months):</b> 34 <b>Special Extensions (Months):</b> 10
<b>*Guarantee 1731/SF-GY has an original Disbursement Expiration of 22 February 2018.</b>	<b>Loan Amount(s)</b> * Original Amount: US\$ 18,070,000 + Guarantee MUS\$2.5 A Supplementary Financing of MUS\$2 2326/BL-GY (GY-L1034) was approved for the Program. * Current Amount: US\$15,187,524.22 (Plus Guarantee and Supplemental)
<b>Poverty Targeted Investment (PTI):</b> Yes/No <b>Social Equity (SEQ):</b> Yes/No <b>Environnemental Classification:</b> B	<b>Disbursements</b> * Amount to date: 100 (%)  <b>Total Project Cost (Original Estimate):</b> US\$ 18,070,000  <b>Re-directing of Funds</b> <b>Has this Project?</b> Received funds from another Project [No] Sent funds to another Project [No]
	<b>PMR Classification:</b> Problem <b>Forced from Alert to Problem to recognize implementation challenges</b> <b>ESG Classification:</b> Unsatisfactory

Summary Performance Classifications				
DO	<input type="checkbox"/> Highly Probable (HP)	<input type="checkbox"/> Probable (P)	<input checked="" type="checkbox"/> Low Probability (LP)	<input type="checkbox"/> Improbable (I)
IP	<input type="checkbox"/> Highly Satisfactory (HS)	<input checked="" type="checkbox"/> Satisfactory (S)	<input type="checkbox"/> Unsatisfactory (US)	<input type="checkbox"/> Very Unsatisfactory (VU)
SU	<input type="checkbox"/> Highly Probable (HP)	<input type="checkbox"/> Probable (P)	<input checked="" type="checkbox"/> Low Probability (LP)	<input type="checkbox"/> Improbable (I)

## **II. The Project**

### **A. Project Context**

During the period of 1994-2004, Guyana's economy slowed down and average GDP growth was 0.6%. This economic context impacted the provision of basic services such as a sustainable solid waste collection and disposal. The Government of Guyana (GOG) had identified waste disposal in urban centers as a critical constraint to urban development. The National Development Strategy "Eradicating Poverty and Unifying Guyana" called for the development of new landfill sites that avoid seepage into groundwater supplies and observe other environmental requisites. The proposed project responded to those needs and criteria.

The preparatory activities for the Project had actually started as early as January 2000 with the financing of 1052/SF-GY, a MUS\$ Operation (Georgetown Disposal Site Environmental Improvement) and its corresponding technical Cooperation ATN/SF-6858-GY, followed in 2003 by the approval of a Project Preparation Facility GY-L1001 (1487/SF-GY).

At the time of project preparation, Policy making was a shared responsibility between the Ministry of Health (MH) and The Ministry of Local Governments and Regional Development (MLGRD) while the MH and the Environmental Protection Agency (EPA) shared the responsibility for environmental and public health aspects of solid waste management. The MH carried this responsibility through the Environmental Health Units, responsible for approving the sanitary facilities and providing guidance to households, municipalities, industries and others regarding adequate solid waste collection and disposal. The MLGRD was responsible for formulating the national policy on solid waste management and for providing financial support to municipalities and Neighborhood Democratic Councils (NDCs). Regulation was mainly carried out by the EPA, the Environmental Protection Act of 1996 providing the enforcement mechanisms. The Public Health Ordinance of 1953, the Municipality and the Municipal and District Councils Act established the national and local framework for solid waste management. Municipalities and NDCs were and are still responsible for providing for solid waste collection, disposal and other sanitary services. Fees collected represented less than 1% of the cost of solid waste disposal in Georgetown, waste was deposited at open spaces, roadside and canals and of the 15 NDCs, only BV Triumph was reported as having adequate provisions for collection and disposal of wastes.

With its long execution period, many institutional changes have affected the execution of the Project; in November 2009 through loan contract amendment 1, responsibility for execution was transferred from the Georgetown Municipality (GM), through its Municipal Solid Waste Management Department (MSWMD) to the Ministry of Local Government and Regional Development (MLGRD). In March 2012, a second amendment acknowledged the necessity of a reformulation adjusting to the Project scope and the fact that the private company contracted for the operation of the Haags Bosh Sanitary Landfill (HBSLF) lacked the capacity to comply with its obligations under its construction and operation contract, situation that considerably impacted the Project outcomes. In 2015 the Ministry of Communities (MC) replaced the MLGRD in its mandates relating to Solid Waste Management.

### **B. Project Description**

#### **i. Development Objective (s)**

The general objective is to contribute to the improvement of the environmental conditions and quality of life of the population in Georgetown and Environs and the purpose is to implement sustainable solutions to solid waste management in these areas. The Program aims to solve the solid waste disposal problem through the implementation of a sanitary landfill at Haags, Bosch with private sector participation.

## **ii. Components**

### **Component 1: Institutional strengthening and capacity building for solid waste management**

The objective of this component was to ensure that the institutions responsible for the provision of solid waste services are adequately capable to implement the Program and carry out future activities.

### **Component 2: Community participation and public awareness program**

The overall aim of this component was to plan and implement a comprehensive and targeted awareness-raising program that fully informs and involves citizens, householders and other key stakeholders of improvements in solid waste management in Georgetown and surrounding NDCs, and engages their participation in the improvements and on sustainable activities such as source separation of waste.

### **Component 3: Design, construction, operation of the HBSLF**

This component was to provide the resources to prepare the designs, search for a Constructor Operator (CO-Operator), construct cell 1 and set the conditions to operate the HBSL for the first 5-10 of its 25-year lifetime.

### **Component 4: Waste collection and disposal from participating NDC**

This component was to finance the following activities: (i) tender process to hire the services of private entrepreneurs to collect the waste and deliver it at HBSLF from the participating NDCs; (ii) operation of the HBSLF for 16 months, or until the cost recovery system is in place; (iii) cleaning-up and closing of 5 dumpsites; and (iv) purchase equipment such as collection bins and small collection vehicles that will be operated by the NDCs.

### **Component 5: Rehabilitation, expansion and closure of the Mandela landfill**

This component was to provide resources to: (i) rehabilitate the existing land filled area; (ii) prepare five additional acres that will be used to receive and compact waste and will include gas venting; (iii) construct a leachate management system using artificial wetland to treat the collected leachate; and (vi) close and landscape the site when the HBSLF is operational.

### **Component 6: Treatment and disposal of health care and hazardous waste**

The component was to finance: (i) consulting services to assess the sources, quantities, and characteristics to define the most cost effective treatment technology for the health care and hazardous waste generated by Georgetown and participating NDCs; (ii) preparation of an Environmental Impact Assessment (EIA) Addendum to identify the proper impact and mitigation measures entailed in the construction of a hazardous and healthcare waste management facility at the HBSLF; (iii) preparation of construction designs of the hazardous and healthcare waste management facility; (iv) construction of the hazardous and healthcare waste management facility; (v) acquisition of the selected healthcare waste treatment technology and a special collection truck.

Through loan contract amendment 2 (See Annex 7), amounts and detailed scope of components were modified. The main amendments agreed upon were as follows:

- (i) Component 2: allocation of financing for the purchase and distribution of bins carrying messages in strategic locations;
- (ii) Component 3: (a) just one of the two cells that were envisaged initially would be constructed; and (b) the term for operation of the landfill by the CO-operator was reduced from the first 10 to the first 5 – 10.
- (iii) Component 4: (a) elimination of the requirements to finance the collection and disposal at the NDCs; (b) clean and close approximately 5 from 7 dumpsites identified during the EIA preparation; (c) suppress construction of transfer stations.

(iv) Component 5: “Rehabilitation, expansion and closure of the Mandela landfill”, with the adjustment of the scope.

(v) Component 6 “Treatment and disposal of health care and hazardous waste” to reflect the addition of the following activities: (1) preparation of an EIA Addendum to identify the proper impact and mitigation measures entailed in the construction of a hazardous and healthcare waste management facility at the HBSLF; (2) the preparation of construction designs of the hazardous and healthcare waste management facility; and (3) the construction of the hazardous and healthcare waste management facility.

## C. Results

### A. Outcomes

ACHIEVEMENT OF DEVELOPMENT OBJECTIVES (DO)			
Development Objectives:	Key Outcome (Indicators)		
<p>The general objective is to contribute to the improvement of the environmental conditions and quality of life of the population in Georgetown and Environs and the purpose is to implement sustainable solutions to solid waste management in these areas. The Program aims to solve the solid waste disposal problem through the implementation of a sanitary landfill at Haags Bosch with private sector participation</p> <p><i>Classification: HP,P,LP,I</i></p>	<p>1. Waste Disposal in the Neighborhood Democratic Councils (NDCs) improved</p> <p>1.1 (Solid Waste Collection and disposal rate for NDC)</p> <p>2. Healthcare and Hazardous waste appropriately collected and disposed</p> <p>2.1 (Hospital reporting that healthcare waste are appropriately collected)</p> <p>2.2 (Healthcare waste appropriately disposed)</p> <p>2.3 (Hazardous waste appropriately disposed)</p> <p>3. Solid Waste Management Sustainability improved</p> <p>3.1 (Revenues collected for solid waste management increased)</p> <p>3.2 (Expenditures on solid waste management (collection and disposal) increased)</p> <p>4 Fires in Le Repentir stopped</p> <p>4.1 (Fires per year at Le Repentir)</p> <p>5 Waste received and disposed regularly at the HBSL.</p> <p>5.1 (Tons received per day at HBSL)</p> <p>5.2 (Waste pickers active in separation activities on a daily basis as part of HBSL operation system)</p> <p>5.3 (Household with solid waste disposed in a sanitary landfill)</p>		
Planned Outcomes			Outcomes Achieved
Baseline	Intermediate	End of Project	
1.1B 26% (2007)	1.1I 50% (2011)	1.1E 90% (2012)	1.1 76% - Uncompleted (2015)
2.1B 0.0 (2007)	2.1I 4.0 (2011)	2.1E 4.0 (2012)	2.1 4 - Completed (2015)
2.2B 0.0 (2007)	2.2I 365t (2011)	2.2E 365t (2012)	2.2 - Uncompleted (2015)
2.3B 0.0 (2007)	2.3I 700t (2011)	2.3E 700t (2012)	2.3 - Uncompleted (2015)
3.1B 1.4M\$ (2004)	3.1I N/A	3.1E 2.1M\$ (2012)	3.1 - Uncompleted (2015)
3.2B 1.3M\$ (2004)	3.2I N/A	3.2E 1.9M\$ (2012)	3.2 - Uncompleted (2015)
4.1 3.0 (2008)	4.1I N/A	4.1E 0.0 (2012)	4.1 0 - Completed (2014)
5.1 0.0 (2007)	5.1I 273t (2011)	5.1E 273t (2012)	5.1 422t - Completed (2015)
5.2 0.0 (2007)	5.2I 30 (2011)	5.2E 30 (2012)	5.2 35 - completed (2015)
5.3 63608 (2013)	5.3I N/A	5.3E 86000 (2012)	5.3 63608 - Uncompleted (2015)
<b>Reformulation.</b>			
The Loan Operation was reformulated by Loan Contract Amendment No 2 (Annex 7).			
<b>PPMR Retrofitting.</b> PPMR was retrofitted when PMR replaced PPMR as project monitoring report.			
Summary Development Objective(s) Classification (DO):			
<input type="checkbox"/> Highly Probable (HP) <input type="checkbox"/> Probable (P) <input checked="" type="checkbox"/> Low Probability (LP) <input type="checkbox"/> Improbable (I)			
Based on the status of outcomes described above, the goal of improving the management of solid waste to the extent that it improves the quality of life of the population has not yet been fully achieved, some progress has however been made in comparison with the dire initial situation although HBSLF is not yet operated as a proper sanitary landfill (See Annex 8 Non-Compliances).			
<b>Country Strategy.</b> At the time of preparation, the goals and objectives of the Program were aligned with the Bank's country strategy, which focused on the promotion of sustainable growth by implanting the seeds of sound environmental management needed, while contributing to social development and poverty reduction, since inadequate waste disposal had its most significant impact on the poor. The Program also sought to introduce the participation of the private sector in the construction and operation of the proposed landfill, maintaining allegiance to the idea of the private sector as the primary engine of economic growth – this last premise was not verified.			



## B. Externalities

Many of the institutional strengthening have been completed or are nearing completion with some awaiting action by the pertinent national authorities. It is with regard to the core component, i.e. the construction and the operation of the new HBSL, that the problems have been experienced and perpetuated to the point where they have become intractable, at least within the remit of the executive and legislative branches of government and must now be resolved by the judicial system.

## C. Outputs

IMPLEMENTATION PROGRESS (IP)	
<b>Components (Outputs):</b>	
<b>1. Component 1: (<i>Institutional strengthening and capacity building for solid waste management</i>)</b> <b>Total cost = IDB: 2,198,255.23 IDB Disbursement: 100%</b>	
<b>2. Component 2: (<i>Community participation and public awareness program</i>)</b> <b>Total cost = IDB: 426,178.75 IDB Disbursement: 100%</b>	
<b>3. Component 3: (<i>Design, construction, operation of the HBSL</i>)</b> <b>Total cost = IDB: 5,229,685.52 IDB Disbursement: 100%</b> Note: Additional MUS\$2 Supplementary GY-L1034 for this Component	
<b>4. Component 4: (<i>Waste collection and disposal from participating NDC</i>)</b> <b>Total cost = IDB: 3,237,799.81 IDB Disbursement: 100%</b>	
<b>5. Component 5: (<i>Rehabilitation, expansion and closure of the Mandela – Le Repentir landfill</i>)</b> <b>Total cost = IDB: 744,238.39 IDB Disbursement: 100%</b>	
<b>6. Component 6: (<i>Treatment and disposal of health care and hazardous waste</i>)</b> <b>Total cost = IDB: 671,286.00 IDB Disbursement: 100%</b> Counterpart: N/A	
<b>Key Output Indicators:</b>	
1.1 Cells at Le Repentir (formerly Mandela) landfill closed 2.1 Study on healthcare and hazardous waste and acquisition of equipment completed 3.1 Formal system to receive and attend complaints established in the NDCs and Georgetown 3.2 Awareness campaign implemented 4.1 Dumpsites closed 4.2 Support packages for collection and disposal for the NDCs transferred 4.3 System and Equipment to collect and dispose waste in NDCs and Georgetown in place 5.1 Cells in HBSL constructed 5.2 km of access road constructed 6.1 Staff of relevant institutions strengthened and capacity building activities for solid waste management implemented 6.2 Cost recovery Mechanism Study finalized and approved 6.3 Institutional Legal Framework study completed and approved 6.4 Waste management plan completed and approved 6.5 Le Repentir waste pickers organized in coop according to the Project Resettlement Plan	



Planned Outputs			Outputs Achieved
Baseline*	Annual/Intermediate	End of Project	
1.1B 0.0 (2007)	1.1I 2.0 (2010)	1.1E 3.0 (2012)	1.1 3.0 (2013) - Completed
2.1B 0.0 (2007)	2.1I 1.0 (2011)	2.1E 1.0 (2012)	2.1 1.0 (2015) - Completed
3.1B 0.0 (2007)	3.1I 1.0 (2009)	3.1E 2.0 (2012)	3.1 1.0 (2009) - Uncompleted
3.2B 0.0 (2007)	3.2I 1.0 (2011)	3.2E 1.0 (2012)	3.2 1.0 (2015) - Completed
4.1B 0.0 (2007)	4.1I 2.0 (2010)	4.1E 7.0 (2012)	4.1 5.0 (2015) - Uncompleted
4.2B 0.0 (2007)	4.2I 1.0 (2011)	4.2E 2.0 (2012)	4.2 4.0 (2015) - Completed
4.3B 0.0 (2007)	4.3I 1.0 (2011)	4.3E 1.0 (2012)	4.3 1.0 (2015) - Completed
5.1B 0.0 (2007)	5.1I 1.5 (2011)	5.1E 2.0 (2012)	5.1 1.0 (2015) - Uncompleted
5.2B 0.0 (2007)	5.2I 2.5 (2010)	5.2E 2.5 (2012)	5.2 2.5 (2010) - Completed
6.1B 65 (2007)	6.1I 65 (2009)	6.1E 65 (2012)	6.1 65 (2009) - Completed )
6.2B 0.0 (2007)	6.2I 0.5 (2011)	6.2E 1.0 (2012)	6.2 0.5 (2015) - Uncompleted
6.3B 0.0 (2007)	6.3I 0.5 (2011)	6.3E 1.0 (2012)	6.3 0.5 (2015) - Uncompleted
6.4B 0.0 (2007)	6.4I 1.0 (2010)	6.4E 1.0 (2012)	6.4 1.0 (2011) - Completed
6.5B 0.0 (2007)	6.5I 1.0 (2010)	6.5E 1.0 (2012)	6.5 1.0 (2011) - Completed
Briefly explain differences between planned and actual outputs (if applicable).			
Removal of the output "Transfer Stations" and its indicator "Transfer Stations constructed"			
<b>Restructuring.</b> The Loan Operation was reformulated by Loan Contract Amendment No 2 (Annex 7).			
<b>Summary Implementation Progress Classification:</b>			
[ ] Highly Satisfactory (HS) [ X ] Satisfactory (S) [ ] Unsatisfactory (U) [ ] Very Unsatisfactory (VU)			

#### D. Project Costs

Category	Original Budget	Amount after Amendment 2	Final Amount	% Final/Orig.
<b>ADMINISTRATIVE COSTS</b>	<b>500,000.00</b>	<b>1,118,934.00</b>	<b>1,487,789.56</b>	<b>298</b>
<b>DIRECT COSTS</b>	<b>14,120,000.00</b>	<b>14,792,044.37</b>	<b>12,507,443.70</b>	<b>89</b>
INST STRENG & CAP BUILDING	1,750,000.00	1,451,950.80	2,198,255.23	126
COM PART & PUBLIC AWARENESS	420,000.00	426,178.75	426,178.75	101
DESIGN, CONS & OPERATION	8,750,000.00	7,103,527.96	5,229,685.52	60
WASTE FROM 15 PRE-IDENTIFIED NDCS	1,700,000.00	3,010,000.00	3,237,799.81	190
REHAB, EXP & CLOSE MANDELA	0.00	860,386.86	744,238.39	N/A
HEALTH& HAZARDOUS WASTE	1,500,000.00	1,940,000.00	671,286.00	45
<b>CONCURRENT COSTS</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>229,075.62</b>	<b>229</b>
AUDITING	100,000.00	100,000.00	229,075.62	229
<b>CONTINGENCIES</b>	<b>819,300.00</b>	<b>5,917.61</b>	<b>0</b>	<b>0</b>
<b>PAYOFF OF PPF LOANS</b>	<b>1,900,000.00</b>	<b>1,422,404.02</b>	<b>782,515.34</b>	<b>41</b>
<b>CAPITALIZATION CHARGES</b>	<b>630,700.00</b>	<b>630,700.00</b>	<b>180,700.00</b>	<b>29</b>
INTEREST	450,000.00	450,000.00	0	0
<b>Summary</b>	<b>18,070,000.00</b>	<b>18,070,000.00</b>	<b>15,187,524.22</b>	<b>84</b>

Several considerations have to be made when analyzing Project Costs: (i) the MUS\$ 2 from the supplementary loan that should be added to the direct costs (under Design, construction and Operations); (ii) the 2012 reformulation made official with the second amendment to the Loan contract (Annex 7); (iii) the long period of execution; (iv) the fact that, in December 2013, disbursements for Construction and Operations had been suspended by the Bank in reason of various non-compliances from the CO (Annex 8); and the closure of the Program as of December 12<sup>th</sup>, 2015, with the cancellation of remaining funds.



## **IV. Project Implementation**

### **A. Analysis of Critical Factors**

The importance of the selection of the operator for the construction and operation (CO-Operator) of the new landfill was acknowledged from project preparation as well as the related risks which, in spite of the mitigation measures established, materialized with the incompliances in the operation of HBSLF (Annex 8), and the corresponding consequences on the program's outcomes.

The Project Team also recognized the challenges related to the coordination between the entities in charge of Solid Waste Management in Guyana and participating in the execution of the Program, and proposed the special execution mechanism of the steering Committee which unfortunately did not exercise its functions, leading to the first contractual agreement (Annex 6) that transferred the execution from the Municipality of Georgetown to the MLGRD.

### **B. Borrower/Executing Agency Performance (Ref. Final Evaluation)**

<b>Borrower/Executing Agency</b>			
<input type="checkbox"/> Highly Satisfactory (HS)	<input checked="" type="checkbox"/> Satisfactory (S)	<input type="checkbox"/> Unsatisfactory (U)	<input type="checkbox"/> Very Unsatisfactory (VU)

### **C. Bank Performance**

<b>Bank Performance</b>			
<input type="checkbox"/> Highly Satisfactory (HS)	<input checked="" type="checkbox"/> Satisfactory (S)	<input type="checkbox"/> Unsatisfactory (U)	<input type="checkbox"/> Very Unsatisfactory (VU)

## **V. Sustainability**

### **A. Analysis of Critical Factors**

The Project Team and its national counterparts dedicated a considerable amount of attention to the issue of the sustainability of the program, particularly at the level of the NDCs. A praiseworthy effort that has to date, however, not yielded the results anticipated, particularly with respect to their financial viability; most of the NDCs are still experiencing considerable difficulty in generating revenues that suffice to cover their O&M expenses, although a number of recommendations to address the problem were made and validated by the MLGRD.

The effectiveness of the institutional strengthening and capacity building activities, have been hampered by the HBSLF situation as many of those activities are linked to the reality of a properly constructed and operated sanitary landfill, an example being that of the non-implementation of the tipping fee which was an essential component of the financial viability of the solid waste disposal activities. A specific effort was made, guided by OP-701 and with the participation of the Regional Initiative for the Inclusion of Recyclers, to support the waste pickers from the Mandela dumpsite. Although progress was made in organizing the recyclers in cooperative and in improving their working conditions the sustainability of those activities are not yet confirmed (See Environmental and Social Audit in Annex 9).

However, a lot has been accomplished in terms of the infrastructure at HBSLF. The GOG having in January 2016 taken over the operations at HBSL, it is expected that the HBSLF will be progressively brought to acceptable operating standards and that, with the retendering of the operation, the HBSL will in the medium term, be operated as a proper sanitary landfill.

The task is now to ensure that there is adequate follow-up on all of the institutional strengthening and capacity building activities that have been carried out in order to ensure that the benefits gained are not



lost and to expedite action (debate, approval, public consultation, etc.) on all of those requiring of GOG decisions. In this context, the national authorities can look to the solid waste strategy that has been prepared under this GSWMP for the strategic framework that it will provide to “guide the decision-making by the Government and serve as a foundation for establishing an integrated, financially self-sustaining, environmentally-sound and socially acceptable waste and resource recovery system that realizes maximum value from resources and minimizes long-term costs to households, industry and the GOG”.

## **B. Potential Risks**

The main sustainability risk would come from a decrease in the level of commitment from the Authorities in sustaining their support to the sector. The present situation suggests that there is a high level of awareness among the stakeholders, created by both the communication and awareness component of the program and also, unfortunately, by the difficulties experienced in project implementation.

## **C. Institutional Capacity**

Although the project, through its Institutional strengthening and capacity building component, contributed to the improvement of sectorial capacity in Guyana, a consolidation effort needs to be maintained, especially at the level of the NDCs.

### **Sustainability Classification SU:**

<input type="checkbox"/> Highly Probable (HP)	<input type="checkbox"/> Probable (P)	<input checked="" type="checkbox"/> Low Probability (LP)	<input type="checkbox"/> Improbable (I)
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## **VI. Monitoring and Evaluation**

### **A. Information on Results**

Since 2011, data collection and indicators analysis were conducted in the context of the Progress Monitoring Report (PMR) of the IDB. Latest PMR as well as Mid-Term Evaluation and Final Evaluation are annexes to the PCR (respectively Annex 3, 4 and 5)

### **B. Future Monitoring and ex-post Evaluation**

No future monitoring nor ex post evaluation are envisaged, the IDB has however confirmed its commitment to support the efforts of the Government in the Sector, as requested.

## **VII. Lessons Learned**

During project preparation the issue of tipping fees needed for project sustainability and the problems that it presented in earlier projects in the Region was acknowledged but, to-date, no cost recovery mechanism has been put in place at HBSL, raising the question of whether it should not have been a prerequisite to the initiation of investment works. The Team had also taken note of the difficulties encountered in project execution and sought to ensure that adequate support was provided to the Project Execution Unit (PEU), through the hiring of expertise in this area, which proved valuable all along Project Execution.

Continuous Contractor's non-compliance in the construction and operation of the landfill jeopardized the achievement of developmental objectives of the "Design, construction, operation of the HBSLF" Component. While the Government terminated the contract after years of unsuccessful negotiations with the contractor, the decision was challenged in the High Court of Guyana hindering the implementation of any solution to recover the site to a compliant state and jeopardizing the use of allocated funds for the improvement of the sector. A costly lesson for this Project is that Contractor's noncompliance should always be promptly addressed and resolved.

The execution arrangements included the establishment of the Steering Committee (SC) and its creation was acknowledged as a Special Condition (3.02 (b)), however the SC as established in the first place appeared to have lost its relevancy in the modified execution mechanism. Composition and roles for the for SC could have been adjusted post reformulation.



The Bank did provide through Loan 1731/SF-GY a Partial Risk Guarantee (PRG) to cover the minimum annual payment obligations of the GOG to the CO operator including early termination of the CO contract. As per the Loan Proposal (LP) "The PRG was designed to cover minimum payment and early contract termination obligations, enhancing the credit quality of the transaction, promoting the interest of better qualified CO operators, and thus minimizing the risk of bad environmental performance. The benefits of using a PRG to the GOG are among others: (i) promote greater competition and participation by qualified private sector operators of landfills; (ii) promote private investment in the construction and equipment for the HBSLF; (iii) reduce the cost of disposal per ton to the benefit of the population of Georgetown and NDCs; and (iv) support the achievement of the purpose of the program". The PRG clearly did not meet its objective, nor was it granted eligibility although this initiative was innovative and appeared well suited to the problems at hand. This result should not preclude project team to offer such instruments, but those should be the object of a periodic evaluation of their validity and relevancy during project execution.

The success of the project was depending on interlinked structural and non-structural actions. On insight, it would appear that, in spite of the precautions taken during the long project preparation period, a more careful sequencing of the activities could have provided for the establishment of an enabling environment as a prerequisite to the structural activities.

The consolidation of the recyclers' cooperative should be supported as part of the sustainability of the operations at HBSLF, their role confirmed and included in the waste value chain, and their working conditions improved.

**Annexes:**

- I. [Minutes from the Exit Workshop](#)
- II. [Borrower's Evaluation](#)
- III. [PMR](#)
- IV. [Mid-Term Evaluation](#)
- V. [Final Evaluation](#)
- VI. [Loan Contract Amendment No. 1](#)
- VII. [Loan Contract Amendment No. 2](#)
- VIII. [Non Compliances at HBSL from Contractor-Operator](#)
- IX. [Environmental and Social Audit](#)



GUYANA

Loan 1730/SF-GY Georgetown Solid Waste Management Program (GSWMP)

PROJECT COMPLETION WORKSHOP

AGENDA

**8:45 – 9:00      Registration**

**9:00 – 9:05      Welcome and Introduction**

Mr. Yvon Mellinger, Lead Water and Sanitation Specialist - IDB

**9:05 – 9:15      Opening Remarks**

Ms. Sharon Miller, Chief of Operations - IDB

**9:15 – 9:30      Overview of the Loan**

Mr. Gordon Gilkes, Project Manager (ag)

**9:30 – 9:45      Coffee Break**

**9:45 – 10:45      Findings, Lessons Learned  
& Recommendations of the Evaluation**

Mr. Keith Evans, Final Evaluation Consultant

**10:45 – 11:45      Discussion**

**11:45 – 12:00      Closing Remarks**

## Minutes

1. Meeting Start @ 9:00 am; Welcome Remarks from:
  - Mr. Gordon Gilkes, Project Manager (ag) and
  - Yvon Mellinger TL for the IDB Lead Water and Sanitation Specialist.
2. Opening Remarks
  - IDB Chief of Operations Mrs. Sharon Miller
3. Overview of the Loan – from Mr. Gordon Gilkes, Project Manager (ag)
4. Project Evaluation – Consultant, Keith Evans

The situation at HBSL and particularly the existing litigation between the Government and CO-Operator does not allow to draw final conclusions on the program.

But the evaluation has revealed that:

- The approach selected for the construction and operation of the landfill was novel and, with the lessons learned from the current experiment, could well be a model for the development of future sites;
- The Project Team and its national counterparts invested considerable thought and planning into the shaping of the Program. This notwithstanding, there are valid questions to be asked about its readiness and design – on insight it appears that a staged approach would have been better suited to progress from the baseline to the proposed situation of the sector;
- The long-term sustainability of the Program as this is linked not only to the financial capacity of the central government to maintain subsidies for the adequate management of solid waste activities, but also and more importantly to the capacity, both financial and operational, of the NDCs, is still in question;
- There needs to be a follow-up on the institutional strengthening activities that have been carried out, especially at the level of the NDCs;
- The procurement process resulted in the selection of the lowest cost bid, but did not result in the selection of the most qualified bidder;
- The approach to completion of the landfill by the Government of Guyana now being considered appears to hold the most promise for success. However, whatever the option selected, there would be a continuing need for expertise in construction supervision and operation, not only to guarantee the success of this effort, but also to

ensure that there is a transfer of knowledge that would be available for other similar projects in the future; and

- The design of the operation that would be put in place to complete the Program must pay very special attention to the mitigation measures to be implemented.

With respect to the Recommendations that emerge from the above-mentioned conclusions are as follows:

- Adopt whatever means that are administratively possible and that the existing legal procedures for settling disputes permit, in order to regain access to the site;
- Take the actions necessary to expedite consideration of the report of the consultants pertaining to the cost recovery mechanism at the appropriate level of the governmental structure (cabinet or the parliament) and, if approved, begin implementation;
- Institute an immediate follow-up to the institutional strengthening activities that were undertaken, in order to ensure that the benefits of the initial exercise are not lost;
- Intensify activities under the public awareness and education campaign;
- Attend with dispatch to the issues that threaten the future of the Livelihoods Plan for the waste pickers, including alternatives for extracting commercially viable products from the landfill and securing funding in order to maintain administrative support;
- Adopt measures to ensure that adequate guidance and support are provided to the Governmental sectorial entities;
- Review the environmental and social audit and, where acceptable and applicable, implement its recommendations;
- Alternatively, in the event that a decision is taken to retain the services of the current CO Operator, reinforce the supervisory capacity at the Government level and, in addition, consider the opportunity to re-engage the services of a technical support consultant; and review and strengthen existing protocols with regard to the implementation of all recommended and approved procedures governing operations of the landfill, including, but not limited to, environmental monitoring, water quality monitoring, odor monitoring, and health and safety management.

#### 5. Discussions

- Discussions were held on the different stages of the Project; from design to implementation.

#### 6. Ratings – Development Objective

- Parties validated the proposed ratings.

#### 7. Ratings – Implementation Progress

- Parties validated the proposed ratings.

#### 8. Critical Factors



- Parties validated the proposed ratings.
- 9. Borrower / Executing Agency performance
  - Parties validated the proposed ratings.
- 10. Sustainability
  - Parties validated the proposed recommendations.
- 11. Lessons Learned
  - Parties validated the proposed redaction.
- 12. Additional Comments
  - No additional comments were provided.

### Meeting Attendees

Name	Organization
Gordon Gilkes	GSWMP
Ronald Rajnami	GSWMP
Keith Evans	Independent Consultor
Odessa Duncan	EPA
Malicia Hall	EPA
Sharon Miller	IDB
Leticia Ramjag	IDB
Paula Louis-Grant	IDB
Yvon Mellinger	IDB

### Bank Performance

#### Inter-American Development Bank Borrower Evaluation

Project Name: Georgetown Solid Waste Management Programme

Executing Agency(ies): Ministry of Local Government and Regional Development now Ministry of Communities

Borrower: Government of Guyana

Date of Project Approval: May 3, 2006

Date of Contract Effectiveness: February 22, 2007

Date of Borrower Evaluation: January 18, 2016

Expected Date of Exit Workshop: December 14, 2015

### Borrower Project Performance Ratings

Probability on Achieving its Development Objective(s):

☐ Highly Probable (HP)      ☒ Probable (P)      ☐ Low Probability (LP)      ☐ Improbable (I)

Project Implementation:

☐ Highly Satisfactory (HS)      ☒ Satisfactory (S)      ☐ Unsatisfactory (US)      ☐ Very Unsatisfactory (VU)

Sustainability of Project Results:

☐ Highly Probable (HP)      ☒ Probable (P)      ☐ Low Probability (LP)      ☐ Improbable (I)

Comments: no comments

Please rate the Bank's overall performance during project preparation and execution. Factors to be considered include the extent to which the Bank facilitated a participatory project design, proposed adequate technical solutions to the problems identified, and responded to the needs of the Borrower (timeliness, selection of instrument type) as well as technical assistance (including informal and formal training) to Executing Agency, timeliness of Bank response and the Bank's flexibility to respond to emergency situations during project implementation. Your comments will be incorporated unedited into the PCR.

☒ Highly Satisfactory (HS)      ☐ Satisfactory (S)      ☐ Unsatisfactory (US)      ☐ Very Unsatisfactory (VU)

Comments: The Executing Agency received invaluable support and advice from the Bank staff during all stages of the implementation, and more so during difficult times when implementation of the main component was at a virtual standstill.

### Borrower Performance

Please rate your own overall performance during project preparation and execution.

☐ Highly Satisfactory (HS)      ☒ Satisfactory (S)      ☐ Unsatisfactory (US)      ☐ Very Unsatisfactory (VU)

Comments: The Executing Agency's performance on implementation was somewhat hindered by the many contentious issues in the implementation of the sanitary landfill and the contractors recalcitrance to execute the works in a timely manner.

### Additional Suggestions for Improving Bank Performance

Additional comments/suggestions for improving Bank performance in the future. The relationship between the Executing Agency and the Bank was very cordial, with both parties working assiduously to bring this programme to a successful end. However, this programme suffered tremendous setbacks from the commencement of implementation. Nonetheless, lessons learnt will be important for going forward with other interventions of this nature.