

Multilateral Financing Institutions and Business Opportunities in the Environment Sector

How to find project information and bid on contracts funded by
the Global Environment Facility,
the World Bank, UNDP, UNEP and other agencies

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Swiss Agency for the Environment, Forests, and Landscape
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Table of Contents

1. INTRODUCTION.....	1
1.1 BACKGROUND.....	1
2. GLOBAL ENVIRONMENT FACILITY, GEF	3
2.1 THE GEF AND ITS IMPLEMENTING AGENCIES	3
2.2 GEF ORGANIZATIONAL SETUP.....	4
2.3 THE GEF OPERATIONAL PROGRAMS	5
2.4 PROJECT DEVELOPMENT	6
2.5 PROJECT INFORMATION.....	7
3. THE WORLD BANK	9
3.1 LENDING ACTIVITIES	9
3.2 PROJECT CYCLE.....	9
3.3 PROJECT INFORMATION	10
3.4 PROCUREMENT.....	11
3.5 WORLD BANK INFOSHOP	13
3.6 ENVIRONMENT AND THE WB	13
3.7 ENERGY AND THE WORLD BANK	14
3.8 OTHER SUBJECTS RELATED TO THE ENVIRONMENT.....	15
4. THE INTERNATIONAL FINANCE CORPORATION.....	17
4.1 PROCUREMENT.....	17
4.2 IFC AND ENVIRONMENT	17
5. THE UNITED NATIONS DEVELOPMENT PROGRAM	19
5.1 PROJECT CYCLE.....	19
5.2 UNDP ENVIRONMENT PROGRAM	20
5.3 PROCUREMENT.....	20
6. THE UNITED NATIONS ENVIRONMENT PROGRAMME	23
6.1 UNEP'S ROLE IN THE GEF	23
6.2 PROCUREMENT.....	24
7. REGIONAL DEVELOPMENT BANKS	25
7.1 PROCUREMENT.....	25
7.2 OTHER MULTILATERAL LENDING INSTITUTIONS	25
8. SWISS CONTACTS	27
9. WEB-LINKS AT A GLANCE.....	29
ANNEX I: EXAMPLE OF A GEF PROJECT BRIEF	33
ANNEX II: EXAMPLE OF ENTRIES IN THE MONTHLY OPERATIONAL SUMMARY	37

Multilateral Financing Institutions and Business Opportunities in the Environment Sector

How to find and bid on contracts of the
Global Environment Facility, the World Bank and
the United Nations Development Programme

1. INTRODUCTION

This brochure addresses the following issues:

1) What are the potential business opportunities that exist in the context of environmental projects and programs financed by the *Global Environment Facility (GEF)*, the *World Bank*, the *United Nations Development Programme (UNDP)*, the *United Nations Environment Programme (UNEP)* and other multilateral financing mechanisms.

2) Where can information on project pipeline and environmental program activities be found quickly.

3) What are the general procurement and bidding procedures of the key multilateral financial institutions.

The present publication targets small- and medium- sized companies with an interest in exploring business opportunities funded through multilateral financial institutions in developing countries and economies in transition in the environment area. The publication is intended as a first source of information. It should serve to reduce barriers to dealing with multilateral financial institutions and thereby encourage companies to look at the role these institutions can play in leveraging financing for business opportunities in developing countries and countries in transition.

Any effort to tap into multilateral financing, however, will be challenging and should be one of several steps in an overall strategy to develop foreign markets in specific target countries. Considerable investments in human resources may be necessary to identify and successfully bid on contracts in the multilateral arena. It will require systematic review of project and bidding information as it becomes available through the channels of the relevant multilateral institutions.

Success may also depend upon developing and maintaining effective contacts and partners in both multilateral institutions and recipient countries, because this will help identify business opportunities early in the project cycle.

1.1 Background

The challenge to reconcile economic development with sustainable use of the world's natural resources and with an adequate protection of the environment is today well recognized. Countries face many national environmental problems. Furthermore, some environmental issues, such as climate change and biodiversity loss, have been recognized as of global significance and their solution critically depends on international cooperation. Business opportunities arising out of efforts to address environmental problems of both national and global relevance are potentially huge. In 1996, the OECD estimated that the global market for environment technology and environmental services was \$485 billion and growing.

A number of multilateral environmental treaties have been negotiated, and efforts continue to strengthen their provisions. International financial institutions and bilateral donors have responded to the needs of developing countries and countries in transition to address environmental and health problems. Although international funding levels for environmental program activities may have leveled off in the last few years, they are expected to increase again.

As part of their regular lending programs, the World Bank Group, the United Nations Development Program, and the Regional Development Banks are implementing projects that address national environmental priority concerns. At the same time, they are implementing projects with global environmental objectives, mostly by

using grant resources from the Global Environment Facility.

Multilateral financial institutions furthermore subject their lending activities to various levels of environmental impact assessment. Those that serve the GEF as implementing agencies are also asked to "mainstream" the environment into all their lending activities. This means that - as far as possible - the most environmentally benign technologies shall be used during project implementation.

Many opportunities therefore exist for the private sector to participate in projects financed fully or in part by multilateral finance institutions. But the challenges associated with identifying business opportunities in multilateral settings and with properly bidding on contracts are substantial.

These challenges are likely to be particularly great for small- and medium- sized companies with limited resources for developing new international business activities of uncertain prospect. On the other hand, the rewards could be considerable.

This brochure was produced as part of a broader initiative by the *Swiss Agency for the Environment, Forests, and Landscape* to support development and export of environmental technologies and services by Swiss companies.

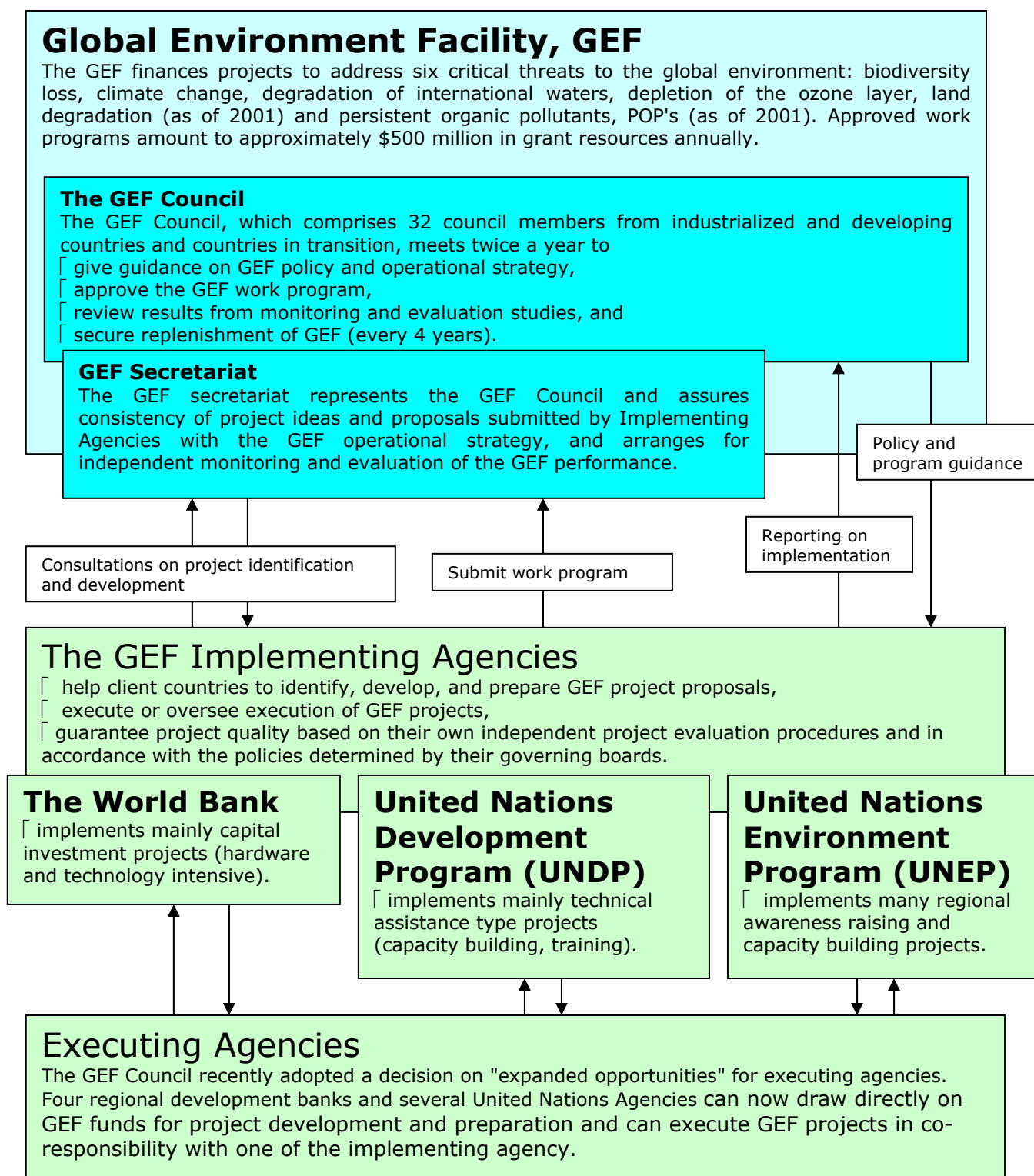
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September 2001

2. GLOBAL ENVIRONMENT FACILITY, GEF

2.1 The GEF and Its Implementing Agencies



2.2 GEF Organizational Setup

The *Global Environment Facility (GEF)* is the only multilateral financing window devoted entirely to addressing environmental problems in developing countries and countries in transition. The GEF was originally established to finance activities to address four critical threats to the global environment: biodiversity loss, climate change, degradation of international waters, and ozone depletion. In response to new multilateral environmental agreements, the GEF Council decided in May 2001 to pursue designating land degradation and desertification, and the threat from persistent organic pollutants (POPs) as new focal areas of the GEF.

The GEF is funding global environmental projects only. Environmental problems of primarily national impact are considered the responsibility of national governments and therefore must be addressed within the framework of national development programs and with help of regular lending from multilateral financing institutions such as the World Bank, and UNDP and the Regional Development Banks.

Since its establishment in 1991 as an experimental pilot phase, the GEF has committed some \$3.5 billion in grant resources to support activities in the focal areas in developing countries, on average \$500 million annually. GEF resources have been used to leverage some additional \$11 billion in co-financing from a variety of sources, including recipient countries, bilateral agencies, other development institutions, the private sector, and nongovernmental organizations.

The GEF was permanently established in 1994 and given an organizational and governing structure that responds to concerns of both developing and industrialized countries and thereby enables it to formally function as the financial support mechanism for the *Framework Convention on Climate Change*, the *Convention on Biodiversity*, and now for the *Convention on Persistent Organic Pollutants* concluded in December 2000.

The GEF was designed as a cooperative arrangement between existing international organizations. It is served by a small secretariat which receives guidance from the GEF Council. The GEF Council - comprising 32 seats with a balanced representation of industrialized and developing countries - meets twice a year to approve new GEF program proposals and to decide on GEF policy guidance.

GEF Contact Information

GEF Secretariat
1818 H Street, NW
Washington, DC 20433, USA

Telephone: (202) 473-0508
Fax: (202) 522-3240/3245
E-mail: gef@gefweb.org

Home Page: www.gefweb.org

Implementing Agency Contacts

Go to **1)** GEF Homepage (www.gefweb.org/) and click on **2)** [Participants](#), **3)** [Implementing Agencies](#)

or go directly to www.gefweb.org/participants/Implementing_Agencies/implementing_agencies.html

Note: Neither GEF or the GEF secretariat implements projects. Implementation is the responsibility of the implementing agencies. Consult respective homepages for information on procurement.

2.2.1 Implementing Agencies

Project implementation in the GEF is the responsibility of three founding GEF Implementing Agencies: The *World Bank*, the *United Nations Development Program (UNDP)* and the *United Nations Environment Program (UNEP)*.

The World Bank furthermore acts as the trustee of the GEF and also houses the GEF secretariat in its Washington D.C. offices.

GEF Project Allocation by Implementing Agency			
(as of May 2001)			
	regular GEF projects	million US \$	% of funds
UNDP	421	1,084	31
World Bank	246	2,003	57
UNEP	109	195	6
Multiple agencies	27	205	6
Total	803	3,487	

The three implementing agencies bring different comparative strengths to the GEF. UNDP is implementing projects with strong technical assistance components, while World Bank projects tend to have a stronger capital investment component, and thus are often more expensive. As the special agency of the United Nations for the environment, UNEP is building on its longstanding relationships with environment agencies in recipient countries and on its worldwide environmental network to implement regional projects with a focus on information dissemination, awareness raising and capacity building. Increasingly, GEF projects involve several implementing and executing agencies in order to realize synergies and maximize leveraging power of GEF grant resources.

2.2.2 Executing Agencies

GEF projects can be executed by a wide variety of institutions and NGOs under the responsibility of one of the three implementing agencies. In May 1999, the GEF Council approved an expanded role of four regional development banks in the GEF - the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, and the Inter-American Development Bank. More recently the Council approved the same expansion of opportunities for the Food and Agricultural Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO), and the International Fund for Agriculture and Development (IFAD). All these organizations now have access to funds from the GEF Project Preparation and Development Facility (PDF), which provides seed money to identify and develop promising GEF project ideas. PDF funds are granted by the Executive Officer of the GEF secretariat under expedited procedures. These agencies now also share some implementation accountability with the three original agencies.

Proposals for project ideas can be submitted to the national or regional offices of any eligible organization identified above as long as it has the support of the national governmental GEF focal point.

2.2.3 The GEF Secretariat

The GEF secretariat assures consistency of project ideas and proposals submitted by Implementing Agencies with the GEF operational strategy, and arranges for independent monitoring and evaluation of the GEF performance.

2.3 The GEF Operational Programs

Approved by GEF's Council in 1995, the Operational Strategy lays the foundation for GEF's efforts in four focal areas and - so far - 12 operational programs. The strategy incorporates guidance from two conventions for which GEF serves as financial mechanism: the *Convention on Biological Diversity* (www.biodiv.org/) and the *UN Framework Convention on Climate Change* (www.unfccc.de/). It also establishes operational guidance for international waters and activities to phase out ozone depleting substances consistent with the *Montreal Protocol on Substances that Deplete the Ozone Layer* (www.unep.org/ozone/). Two new operational programs on desertification and persistent organic pollutants (POPs) are in preparation. These will address the needs of the Convention on POPs (<http://irptc.unep.ch/pops/>) and the Convention on Desertification (www.unccd.int/).

As of May 2000, there are 12 operational programs (OPs). Projects to combat ozone depletion are not grouped among these.

Biodiversity: 1. Arid and Semi-Arid Zone Ecosystems; 2. Coastal, Marine, and Freshwater Ecosystems 3. Forest Ecosystems, 4. Mountain Ecosystems;

Climate Change: 5. Removal of Barriers to Energy Efficiency and Energy Conservation, 6. Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs, 7. Reducing the Long-Term Costs of Low Greenhouse Gas Emitting Energy Technologies, 8. Promoting Environmentally Sustainable Transport (new).

International Waters: 9. Waterbody-based Operational Program, 10. Integrated Land and Water Multiple Focal Area Operational Program, 11. Contaminant-Based Operational Program.

Multifocal Area: 12. Integrated Ecosystem Management.

Persistent organic pollutants (in preparation).

Desertification/land degradation (in preparation).

2.3.1 Biodiversity

A wide spectrum of efforts to conserve and sustainably use the earth's biological diversity makes up nearly half of all GEF projects. Between 1991 and May 2001, GEF allocated \$ 1,286 million in grants for biological diversity projects. Increasingly GEF projects have focused on

sustainable management of natural resources and on building local support for nature conservation.

2.3.2 Climate change

Projects addressing climate change make up the next-largest group of GEF-funded projects. From 1991 on the GEF has allocated 1,206 million to climate change projects and enabling activities. This was matched by more than \$6 billion in co-financing.

Promoting New Energy Technologies

As one of its most visible activities, the GEF is demonstrating the commercial and economic potential of innovative energy technologies, such as solar home systems, rural energy services and off-grid energy systems, grid-connected wind and biomass power, energy efficient lighting, and fuel switching and production/recovery initiatives.

2.3.3 International waters

A mosaic of regional and international water agreements designed to reverse the degradation of international waters inform and are supported by GEF projects (see www.unep.ch/seas/rshome.html). These projects enable countries to recognize and learn more about the water-related challenges they share, find ways to work together, and undertake important domestic changes needed to solve problems.

2.3.4 Ozone depletion

The GEF, in partnership with the *Montreal Protocol of the Vienna Convention on Ozone Layer Depleting Substances (ODS)*, funds projects that enable the Russian Federation and nations in Eastern Europe and Central Asia to phase out their use of ozone destroying chemicals. ODS phase-out projects for developing countries are funded through the Ozone Fund of the Montreal Protocol, not the GEF. The GEF has responded to all funding needs that so far have resulted from commitments to implement Montreal Protocol provisions and is currently not developing any new projects in this focal area.

2.3.5 Combating Desertification

The GEF until recently has addressed land degradation and desertification in connection with either the biodiversity or the climate change focal area. As a result of a recent Council decision,

combating desertification shall become a focal area by itself. This will provide a stronger impetus to target GEF resources to support successful implementation on the United Nations Convention to Combat Desertification.

2.3.6 Persistent Organic Pollutants

Persistent organic pollutants (POPs) will become a further new focal area of the GEF. The GEF is thereby responding to the desire of the parties of the *Convention on Persistent Organic Pollutants* to designate the GEF as the funding mechanism for this Convention, which was negotiated in December 2000 in Johannesburg.

The GEF will fund Enabling Activities related to the implementation of POP convention commitments – as it did for the Climate and Biodiversity Conventions. Such activities will include developing national reports and action plans addressing the threats posed by POPs. The GEF is already funding some activities that target POPs in the context of international water projects.

Check project pipeline!

Knowing what is being funded through the GEF Project Preparation and Development Facility can provide a company with valuable information on future projects for which goods and services need to be procured. See GEF project pipeline document.

Go to **1**) GEF Homepage (www.gefweb.org/) and click on **2**) Projects, **3**) Pipeline **4**) at bottom of page click on Click here for the Current Pipeline Document.

Or go to <http://www.gefweb.org/Projects/Pipeline/pipeline.html> and go to bottom of text and click on Click here for the Current Pipeline Document.

2.4 Project Development

GEF Project ideas must meet essentially two key criteria:

- They must reflect national priorities and have the support of the country or countries involved, i.e. of both the relevant local and national authorities.
- they must improve the global environment or advance the prospect of reducing risks to it.

In addition, GEF projects are generally expected to be able to demonstrate successful application of an innovative approach or technology and to be replicable. Also, GEF projects need to pay particular attention to local stakeholder participation and the sustainability of the effort after GEF funding runs out.

Funding for project preparation is available through the GEF Project Preparation and Development Facility (PDF). Block A grants (up to \$25,000) fund the very early stages of project or program identification, and are approved through the GEF's implementing agencies. Block B grants (up to \$350,000) fund information gathering necessary to complete project proposals and provide necessary supporting documentation. Block C grants (up to \$1 million) provide additional financing, where required, for larger projects to complete technical design and feasibility work.

One of the implementing agencies (or one of the executing agencies on its behalf) is responsible for preparing the Project Concept Document that describes the proposal in sufficient detail for eligibility review. The Secretariat reviews each proposal on the basis of project review criteria that include: country ownership (including eligibility, country-drivenness, and endorsement where relevant); program and policy conformity (including a conceptual project design, the incremental nature of the activity, and stakeholder identification); financing plan; and institutional coordination and support (including Implementing Agency core commitments, linkages, coordination, and collaboration issues).

The GEF has several financing windows. Next to regular GEF projects, which are at least \$1 million in size, medium-size projects up to this amount are considered by the GEF Council and Implementing Agencies under expedited procedures. In direct response to the Climate Change Convention and the Biodiversity Convention, the GEF is furthermore funding Enabling Activities to help countries fulfill their communication requirements under these Conventions.

2.4.1 Incremental Cost Financing

The GEF funds the "incremental" or additional costs associated with transforming a project with national benefits into one with global environmental benefits. For example, choosing solar energy technology over coal or diesel fuel meets the same national development goal (power generation), but is more costly. GEF grants cover the difference or "increment" between a less costly,

more polluting option and a costlier, more environmentally friendly option. On biodiversity conservation the GEF may consider the entire project costs to be incremental.

The process of determining incremental costs can be complicated because it may be difficult to establish what initiatives would have been taken without the availability of GEF funding (baseline scenario). The GEF has recently developed simplified guidelines for calculating incremental costs.

2.5 Project Information

The GEF secretariat itself does not implement projects. However it does provide access to detailed project proposal documents submitted by the implementing agencies for inclusion into the GEF program.

Detailed Project Proposals

Go to **1) GEF Homepage**, **2) Documents** **3) Council Documents**, **4) Click on the Council Meeting** in which desired program proposal was tabled. (for example [GEF/C.17 May 9-11, 2001](#), **5) Click on Work Program Submitted for Council Approval**. **6) Click on Secretary note on work program** or on desired [country/project title](#).

Or go directly to www.gefweb.org/Documents/Council_Documents/GEF_C17/gef_c17.html.

Comprehensive project files can now be downloaded.

Note: Each implementing agency has its own information source for the GEF projects and it implements. All bidding and procurement information must be obtained through responsible the Implementing Agency. See respective chapters.

Detailed project proposals contain calculations of baseline scenario and of incremental costs. They also contain information about the type of services and goods needed during implementation of the project (for an example of a project brief which is attached to the comprehensive project proposal, see ANNEX I).

Once a project has been approved by the GEF Council as part of a submitted program proposal, it must still be formally approved by the board of the respective Implementing Agency before it can be implemented. The time lag between GEF Council and final agency approval varies across agencies

and project types and can range from a few months to well over a year for large investment projects. While prospective suppliers of goods and services can find a lot of valuable information through GEF program and project documents, procurement information will only become available at a later stage of the project cycle and through the respective implementing or executing agency.

Council Meeting Documents

All GEF Council meeting documents and decisions can be downloaded:

Go to **1)** GEF Homepage (www.gefweb.org/) and click on **2)** Documents, **3)** Council Documents, **4)** select the desired Council meeting date, and **5)** select the desired document.

Or go directly to www.gefweb.org/Documents/Council_Documents/council_documents.html.

GEF Operational Reports

The most comprehensive listing of GEF projects is the Operational Report on GEF Projects. The directory is compiled twice a year, but only contains brief summary project descriptions and project status information.

To download Operational Report go to **1)** GEF Homepage (www.gefweb.org/), **2)** Projects, **3)** Projects. **4)** Status of GEF Projects.

Or go directly to www.gefweb.org/Projects/projects-Projects/projects-projects.html

Search on-line for the same brief summary information contained in the operational report using keywords:

go to **1)** GEF Homepage (www.gefweb.org/), and click on **2)** Project Map.

Or go directly to <http://www.gefweb.org/Map/map.html>

Project Factsheets

Two-page factsheets with useful contact information can be downloaded for all GEF projects.

To download go to **1)** GEF Homepage (www.gefweb.org/), click on **2)** Outreach and Publications, and **3)** Publications/Project Factsheets.

Or go directly to

www.gefweb.org/Outreach/outreach-Publications/Project_factsheet/project_factsheet.html

For more information and to order available documents by mail contact the GEF secretariat:

GEF Secretariat, 1818 H Street, NW
Washington, DC 20433, USA
Telephone: (202) 473-0508
Fax: (202) 522-3240/3245
E-mail: gef@gefweb.org

3. THE WORLD BANK

Founded in 1944, the *World Bank Group* consists of five closely associated institutions: the *International Bank for Reconstruction and Development (IBRD)*, generally referred to as the World Bank; the *International Development Association (IDA)*, the *International Finance Corporation (IFC)*; the *Multilateral Investment Guarantee Agency (MIGA)*; and the *International Centre for Settlement of Investment Disputes (ICSID)*.

The World Bank is the world's largest source of development assistance, on the average providing some \$25 billion in loans annually to "help developing countries onto a path of stable, sustainable, and equitable growth." The World Bank has recently made the fight against poverty its number one priority.

The World Bank has a 24-seat Executive Board of country shareholders which approves Bank policies, programs and projects. The World Bank is headed by the World Bank President, who reports to the Executive Board.

3.1 Lending Activities

Recipient countries use World Bank funds to purchase goods and equipment, construct civil works, and obtain consultant services needed for projects. Each project can involve many separate contracts and business opportunities for suppliers, contractors, and consultants worldwide.

40,000 private sector contracts

The average annual lending commitments from IBRD and IDA of \$20 billion to \$25 billion generate more than \$50 billion a year in total project investments worldwide. The World Bank awards some 40,000 private-sector contracts each year.

Contracts range in size from several hundred million dollars (for major infrastructure or industrial plants) to a few thousand dollars (for supplies of small quantities of goods and services). Contracts are awarded, with few exceptions, through competitive procedures detailed in the Bank's procurement guidelines (see 3.4 below). Currently, the Bank's lending portfolio consists of some 3000 active projects.

World Bank Contact Information

The World Bank
1818 H Street, N.W.
Washington, DC 20433 U.S.A.
Tel: (202) 477-1234
Fax: (202) 477-6391

Homepage: www.worldbank.org

The World Bank's homepage is well organized and provides fairly easy access to a wealth of information on development activities in developing countries and countries in transition.

3.1.1 Lending Instruments

The Bank's Resource Mobilization and Cofinancing activities help its members obtain financial assistance from other than Bank sources. Cofinancing refers to funding committed by an external official bilateral or multilateral partner, an export credit agency, or a private source in the context of a specific Bank-funded project. Trust funds enable the Bank, along with bilateral and multilateral donors, to mobilize funds for investment operations, as well as debt relief, emergency reconstruction, and technical assistance. Guarantees promote private financing in borrowing member countries by covering risks the private sector is not normally ready to absorb or manage.

Grant resources – financial resources that do not have to be repaid – have become an important complement to the Bank's lending services. Grants – such as from GEF – are often used as seed money for pilot projects in support of innovative, cutting-edge approaches and technologies.

3.2 Project Cycle

Projects are developed in several phases referred to as the project cycle. The basic model is that the borrower identifies and prepares the project, and the World Bank reviews its viability. During the loan negotiation, the Bank and borrower agree on

development objectives, components, outputs, performance indicators, an implementation plan, and a schedule for loan disbursement. Once the Bank approves the loan and it becomes effective, the borrower implements the project or program according to the terms agreed upon with the Bank. The Bank supervises implementation and evaluates results.

The Bank encourages participatory methods to involve project stakeholders and beneficiaries, including those in the private sector, throughout the project cycle. Bank projects also depend upon a wide range of institutional partnerships. The Bank partners with bilateral agencies, multilateral agencies, and sister UN agencies for the purpose of co-financing, aid coordination, and project implementation through, for example, the Global Environment Facility. The percentage of projects involving non-governmental organizations (NGOs) continues to increase, with these organizations most often contributing to project planning and execution.

Within the Bank, a project is carried forward by a designated Task Team which interacts directly with a counterpart Country Team.

3.2.1 Timing the Project Cycle

During identification, both governments and the Bank are involved in analyzing development strategies for the borrower's economy as a whole and in identifying projects that support those strategies. When the project identification is completed, the Project Information Document (PID) is made available (see below).

During preparation, the responsibility of the borrower, the technical and institutional alternatives for achieving a project's objectives are identified and discussed. Preparation usually requires feasibility studies followed by more detailed studies of the alternatives that promise to yield the most satisfactory results. The environmental assessment is usually carried out during this phase. In this stage of the project cycle, borrowers often supplement their own efforts by hiring consultants to carry out a major part of the work.

Project appraisal, the responsibility of the Bank, provides a comprehensive review of all aspects of the project (technical, institutional, economic, and financial) and lays the foundation for implementing the project and evaluating it when completed. Conducted by Bank staff, project appraisal may be supplemented by individual experts. A Project

Appraisal Document (PAD) is published following this stage (see below).

During negotiations, discussions are held between the Bank and the borrower and agreements reached are contained in the draft loan documents. Upon completion of negotiations, the project is then presented to the Executive Directors of the Bank for their consideration. After approval, the loan agreement is signed.

When to Express Interest

Implementation of a project usually starts after the loan is declared effective, usually a few months after loan signing. This is when contractors and suppliers should contact borrowers to express interest in specific projects. They should obtain information on what goods and services will be needed, and when and how to submit bids and proposals.

Note: The *Monthly Operational Summary* provides key information on the status of projects until loan agreements are signed (see below).

During implementation, consultants are often used to provide technical assistance and other project implementation support. As contracts for consulting services are not usually advertised, consultants, in particular, should contact the responsible implementing agency early in the project preparation period to express their interest.

3.3 Project Information

Two types of project documents can be downloaded for most regular World Bank projects, the *Project Information Document (PID)*, and the *Project Appraisal Document (PAD)*.

Information on regular World Bank Projects

Go to **1)** [World Bank homepage](http://www.worldbank.org) and click on **2)** [projects](http://www4.worldbank.org/sprojects/) (left side) or go directly to <http://www4.worldbank.org/sprojects/>

This brings up a webpage with links to all project related information. Projects can be searched according to a number of specific criteria, such as by country and project type (e.g. hydro, renewable energy, biomass).

World Bank/GEF projects

Because of the different project cycle the World Bank does not provide the same information for GEF projects it implements as for its regular projects. For GEF project information, go to

1) World Bank homepage and click on **2) Projects** (left side), **3) products and services**, **4) link to the GEF website** (box right) to
<http://www-esd.worldbank.org/gef/>

Or go to GEF home page. See under 2.5.

Project Information and appraisal documents and for the GEF the GEF Project Briefs do not contain procurement information but they often specify the type of goods and services that will be needed.

For companies and consultants interested in identifying business opportunities in World Bank projects, two publications are critical:

- the *Monthly Operational Summaries* and
- the *UN Development Business*.

The *Monthly Operational Summary (MOS)* reports on the status of projects in the World Bank's lending pipeline from the point of identification of the project to the signing of the loan or credit agreement. The Summaries provide contact information in the implementing agency for suppliers. By becoming familiar with the Bank's "project cycle" consultants or suppliers of goods and works can assess when the time may be right for them to pursue business opportunities with Bank borrowers. Each entry in the MOS tells at what point in the project cycle a particular project resides (see ANNEX II for examples).

Monthly Operational Summaries

can be viewed and downloaded for free.

Go to **1) World Bank Homepage** (www.worldbank.org), click on **2) Projects**, **3) Monthly Operational Summaries** (right side).

Or go directly to:

www.worldbank.org/html/opr/procure/MOS/contents.html

For examples of entries in the MOS see ANNEX II. They are also included in the publication *UN Development Business* (see below).

The key source for project procurement information is the publication *UN-Development Business*.

Contract Announcements

see

UN Development Business

This publication combines bidding information for all multilateral institutions, including World Bank, United Nations Development Program and the regional development banks for projects of \$100,000 and more. It is available as hard copy as well as on-line. For subscription information, see:

www.devbusiness.com

Note: It is recommended to subscribe to the on-line version. Some information, particularly on short-term consulting contracts, often does not appear in the hardcopy version of *UN Development Business*!

3.4 Procurement

When a company has identified a contract it would like to bid on, it is essential that bidding procedures are followed closely while the bid is put together.

The first stop is the publication *Guidelines Procurement under IBRD Loans and IDA Credits*. The guidelines and a number of other bidding documents can be downloaded.

Standard Bidding Documents

Go to **1) World Bank homepage** (www.worldbank.org/) click on **2) Resources**, **3) Procurement/Tender**.

Or go directly to

www.worldbank.org/html/opr/procure/contents.html.

The bidding documents contain all the relevant technical information, including forms, related to procurement. They address both procurement questions relevant to the borrower of IBRD loans (recipient country government) as well as to firms interested in bidding on contracts.

The two main downloadable documents are:

- *Procurement of Works*. May 2000.
- *Procurement of Goods*. January 1995. Revised March 2000.

3.4.1 Procurement Policy Rules

World Bank procurement is governed by five basic concerns:

(1) to ensure that the goods and services needed to carry out the project are procured with due attention to economy and efficiency; (2) to ensure that the loan is used to buy only goods and services needed to carry out the project; (3) to give all qualified bidders from the Bank's member countries an equal opportunity to compete for Bank-financed contracts; (4) to encourage development of local contractors and manufacturers in borrowing countries; and (5) to ensure that the procurement process is transparent.

DACON: Consultants Registration

Consulting firms with at least 5 full-time professional staff members should register with the World Bank **Data on Consultants Database**. At:

www.wbdacon.com.

While not a requirement for bidding on project contracts, registration will help establish such firms as viable partners with the Bank. It will help the World Bank 1) assess qualifications of firms when they are among the shortlisted firms proposed by borrowers and 2) prepare long and short lists of firms.

3.4.2 Avoiding Costly Mistakes

Bidders are urged to follow bidding instructions very closely in order to avoid mistakes that can invalidate a bid.

- Bids should be submitted in their entirety before the deadline.
- Particular attention should be paid to the bid security (financial guarantee that good or service can be delivered).
- If in doubt the client should be contacted and asked for clarification in writing (the World Bank does not provide clarifications on behalf of clients).
- If more time is needed it should be requested in advance.
- In case a firm wants to deviate from the bid conditions, they should submit a bid that is fully responsive to the requirements and submit any deviations as priced alternatives.

3.4.3 Business Seminars

Interested firms should consider taking advantage of the various training and information activities offered by the World Bank. The World Bank conducts business seminars on bidding and procurement both at its headquarters in Washington D.C. as well as at its European office in Paris.

Business Seminars

For information on upcoming activities in support of the business community as well as for contact information go to

- 1) [World Bank homepage](http://www.worldbank.org/) (www.worldbank.org/) click on
- 2) [Partners/Business](#).

Or go directly to:

<http://www.worldbank.org/business/>

Or contact:

Violeta Wagner, World Bank Group
1818 H Street, NW, Washington, DC 20433,
Tel.: 202 473 9011,
Fax: 202 522 2138,
Email: vwagner@worldbank.org

Paris office:

Marie-Noelle Tixeront
World Bank Group-Europe
66 avenue d'Iena
75116 Paris, France
Tel.: (33) 1 40 69 30 25
Fax: (33) 1 47 23 74 36
mtixeront@worldbank.org

The Bank is interested in information on new approaches and technologies that can help client countries address project objectives more efficiently. The Bank sees it as its role to ensure that technical specifications do not preclude the use of best technology. Firms with innovative and state-of-the art solutions should make these technologies known to the relevant departments of the Bank.

3.4.4 Contacting the Bank

For help finding contacts with specialized departments in the World Bank, try *Advisory Services*, particularly the *Environmentally and Socially Sustainable Development Network*.

1) World Bank Homepage, 2) Products and Services, 3) Analytical and Advisory, 4) Environmentally and Socially Sustainable Development (ESSD)

Or go directly to:

<http://wbln0018.worldbank.org/essd/essd.nsf/essd/ESSD+Advisory+Service>

3.4.5 Swiss Procurement

In fiscal year 1999/2000, payment to Switzerland as a supplying country for foreign procurement was \$53 million or 1.55% of total. This generally compares favorably with other donor countries.

3.5 World Bank Infoshop

Many documents can be ordered from the World Bank Infoshop. The on-line infoshop also provides an overview of all project and program documents available and downloadable from the World Bank.

Go to **1) World Bank homepage** (www.worldbank.org) and click on **2) Publications, 3) Infoshop/Project Info** (horizontal top bar) **4) Project Information**;

or go directly to

www.worldbank.org/html/pic/PIC.html;

or contact

The World Bank's Development Bookstore
1818 H Street, N.W.; Room J1-060
Washington, D.C. 20433
Tel: (202) 458-5454
Fax: (202) 522-1500
E-mail: pic@worldbank.org

3.6 Environment and the WB

The World Bank has embarked on a comprehensive effort to develop an environment strategy to enhance the Bank's effectiveness in addressing environmental challenges in its client countries. The stated objective is to improve health and livelihoods of poor people by helping to enhance environmental quality, achieve sustainable natural resource management, and maintain global ecosystems, thereby reducing vulnerability to environmental risks.

Environment Links

Go to World Bank homepage (www.worldbank.org) and click on **1) What We Do, 2) Topics/Sectors 3) Environment 4) Key Topics.**

Or go directly to

www.worldbank.org/environment/topics.htm

From the World Bank Environment Homepage, detailed information can be found through links to activities and programs relating to Natural Resources Management, Policy and Economics, Energy and Environment, Pollution, Global Commitments, Operations.

Environmental Project Information

Regular World Bank Projects

Documents such as the *Project Information Document (PID)* and the *Project Appraisal Document (PAD)*. can be downloaded:

Go to World Bank homepage

(www.worldbank.org) and click on **1) What We Do, 2) Topics/Sectors 3) Environment 4) Projects.**

Or go directly to

www.worldbank.org/environment/projects.htm.

(See also section 3.3 above)

GEF/World Bank Projects

Note: Detailed project information is not available for GEF/World Bank projects through the World Bank Homepage. Summarized portfolio information, sorted by Region and/or Focal Area can be found at www-esd.worldbank.org/gef/

3.6.1 World Bank Environment Projects

The World Bank implements environmental projects through three channels:

- Regular lending program,
- Global Environment Facility (Chapter 2),
- International Finance Corporation (Chapter 4).

Clicking on **3) Environment** and Environment Projects (see box above) engages a search engine which lists all the ongoing environment projects by date of Executive Board approval. Further links lead to downloadable project documents, such as

the *project information document (PID)* and the *project appraisal document (PAD)*.

3.6.2 GEF Projects

About two-thirds of all project-related GEF resources are allocated to the World Bank's GEF portfolio. The portfolio of projects under implementation includes projects directly managed by the Bank, as well as those managed by the *International Finance Corporation* (see chapter 4), the *Inter-American Development Bank*, and the *Asian Development Bank*.

While the World Bank is the major actor in the GEF, the GEF is only a small source of funding for the World Bank (annually about \$280 million), which lends some \$25 billion annually through its regular operations. But, because GEF funding is on a grant basis, it is playing a significant role in leveraging co-financing out of the Bank's regular budget.

3.7 Energy and the World Bank

Development projects in most sectors can profit from environmental technology and solutions designed to reduce pressures on the environment and to improve the management of natural resources. The energy sector is discussed here as an example of one policy sector with significant environmental impact.

The World Bank homepage provides many links to energy related activities of the World Bank and its partners, and to outside sources. All energy programs and projects of the World Bank either have an explicit environmental objective (mostly through the GEF) or claim to promote environmentally friendly technology.

Energy Links

Go to World Bank homepage (www.worldbank.org) and click on **1) What We Do**, **2) Topics/Sectors** **3) Energy**

or go directly to www.worldbank.org/html/fpd/energy/

World Bank lending in the energy sector has decreased over the last few years. While it was \$3.6 billion in 1998, it was only \$830 million in 1999 and \$ 1.2 billion in 2000. This reflects a shift in emphasis away from lending for large infrastructure projects towards more programmatic lending to client countries.

3.7.1 Energy and Environment

1) *Fuel for Thought: An Environmental Strategy for the Energy Sector*

The World Bank has prepared an environmental strategy paper for the energy sector. This Sector Strategy Paper, *Fuel for Thought: An Environmental Strategy for the Energy Sector*, aims to bring about a better understanding of policy and lending priorities at the nexus of energy and environment. It shall also serve as the basis for more detailed operational guidelines (forthcoming) that will help shape country-specific assistance programs.

The Executive Summary and Implementation Report of "Fuel for Thought" can be downloaded at www.worldbank.org/html/fpd/energy/eee/FuelforThought.htm.

2) *Energy Efficiency Programs*

World Bank lending supports operational activities directly promoting more efficient use of energy in energy distribution systems and among end-users, and selected innovative operational activities specifically designed to reduce negative environmental impacts from energy use (mainly air pollution). A collaborative program coordinated by the World Bank, for example, supports the integration of environmental concerns into power system planning in developing countries. (See www.worldbank.org/html/fpd/energy/energyefficiency.htm).

3.7.2 Global Climate Change

The World Bank has a number of programs designed to contribute to reducing green house gas emissions. The main activities are the climate change projects the World Bank implements with GEF funding (see 2.3 above). In addition, the World Bank is funding initiatives through its regular operations designed to encourage private sector activities for CO2 reduction.

1) *The Prototype Carbon Fund*

The World Bank's *Prototype Carbon Fund (PCF)* is a market-based mechanism to address climate change by promoting the transfer of finance and climate-friendly technology to developing countries. The PCF was established in the World Bank with contributions from governments and private companies and is an attempt to experiment with

the creation of a market in greenhouse gas (GHG) emissions reductions.

The Carbon Fund will invest in cleaner technologies in developing countries and transition economies, thus reducing their greenhouse gas emissions. These emissions reductions will be independently verified and certified, and then transferred to the Fund's contributors in the form of emissions reduction certificates.

So far, four governments and nine companies have approved participation in the PCF, bringing the total of committed contributions to \$85 million. The Swiss government was part of the early discussions on the carbon fund but at this point is not participating in the activity. For more information on the status of a possible Swiss participation contact the *State Secretariat for Economic Affairs* (www.seco-admin.ch).

During the next three years, the World Bank will invest the Fund's capital in some 20 projects. The primary focus will be on renewable energy technologies — such as wind, small-hydro, and bio-mass energy technology.

and potential benefits from participating in greenhouse gas reduction activities implemented jointly between developed and developing countries and countries in transition. Such Joint Implementation activities may become possible in fulfillment of obligations under the Kyoto Protocol and Climate Change Convention.

The program has focused on countries with economies in transition but has been expanded to also include developing countries and assist them in assessing their role in a *Clean Development Mechanism (CDM)* foreseen by the Kyoto Protocol agreement. The national strategy studies program aims at building local capacity. Studies are therefore conducted by host country experts in collaboration with experts from donor countries and the World Bank. The agreement between the World Bank and the Swiss government specifies that half of the funds shall be used to finance consulting services from Swiss nationals.

Among the objectives of the National Strategy Studies is to highlight the opportunities created by a possible market for greenhouse gas reduction projects and develop a pilot pipeline of possible projects for different financing opportunities.

For more information go to <http://www-esd.worldbank.org/cc/> and click on National Strategy Studies Program.

Business Opportunities

Carbon Fund

For more Information see:
www.prototypecarbonfund.org

The Carbon Fund is seeking service providers for activities such as project baseline assessment; project validation; verification and certification of emission reductions (ERs);

National Strategy Studies

For more Information see:
<http://www-esd.worldbank.org/cc/> and click on National Strategy Studies Program

2) National Strategy Studies Program

In September 1997 the *World Bank* and the *Government of Switzerland* formally launched a collaborative initiative to assist potential host country governments in exploring the opportunities

3.8 Other Subjects Related to the Environment

Companies providing environmental goods and services should look for business opportunities throughout the World Bank lending program.

For example look for programs on *pollution and waste reduction* and greening industry (See www.worldbank.org/nipr/ and click on Greening Industry) or World Bank lending for *water supply and sanitation* (See <http://www.worldbank.org/html/fpd/water/>).

4. THE INTERNATIONAL FINANCE CORPORATION

The International Finance Corporation, IFC, a member of the World Bank Group, was established in 1956 to encourage private-sector activity in developing countries. It does this primarily through three types of activities: financing private-sector projects, helping companies in the developing world to mobilize financing in international financial markets, and providing advice and technical assistance to businesses and governments.

Today the IFC is the largest multilateral source of loan and equity financing for private sector projects in the developing world. But with loan disbursements in fiscal year 2000 of \$859 million it is a small financing mechanism compared to the World Bank, which has an annual loan disbursement of some \$25 billion. The IFC could become more important as more developing countries and countries in transition grow out of their eligibility to receive concessional loans through the World Bank and UNDP.

IFC offers a full array of financial products and services to companies in its developing member countries. It can provide financial instruments singly or in whatever combination is necessary to ensure that projects are adequately funded from the outset. It can also help structure financial packages, coordinating financing from foreign and local banks and companies and export credit agencies.

IFC charges market rates for its products and does not accept government guarantees. To be eligible for IFC financing, projects must be profitable for investors, benefit the economy of the host country, and comply with environmental guidelines. IFC finances projects in all types of industries.

To ensure the participation of investors and lenders from the private sector, IFC limits the total amount of debt and equity financing it will provide for any single project to 25 percent of total estimated project costs. IFC investments typically range from \$1 million to \$100 million. Its funds may be used for permanent working capital or for foreign or local expenditures in any IBRD member country to acquire fixed assets.

IFC Contact Information

International Finance Corporation,
2121 Pennsylvania Avenue, NW, Washington,
DC, 20433, USA

Homepage: www.ifc.org

IFC may be worth a closer look!

Note: The IFC can provide support and some funding at market terms and thereby help leverage additional private sector funding. With the IFC private companies have flexibility to design and sell project ideas for which they can act as suppliers of goods and services.

4.1 Procurement

IFC has no part in the procurement process for any of the projects it finances. Responsibility for all aspects of procurement, such as evaluation of bids and contract awards, is with the local project company.

For more information go to IFC homepage (www.ifc.org) and click on **1) Contacts**, **2) Procurement**.

Or go directly to www.ifc.org/ifc/about/contacts/procurement/procurement.html.

4.2 IFC and Environment

IFC's Environment Division assists IFC in developing projects with low environmental and social impacts. The belief is that addressing environmental and social issues from the outset of the investment process can produce significant environmental, social, and financial benefits. The IFC's Environmental Projects Unit (EPU) acts as a catalyst to identify, develop and structure innovative projects with environmental benefits, and to mainstream those investments within the private sector and IFC.

Environmental Projects

The IFC's Environmental Project Unit (EPU) welcomes proposals seeking IFC financing for private-sector projects with specific environmental benefits.

Go to IFC homepage (www.ifc.org) and click on

1) Resources, 2) Environment,
3) Environmental Projects.

or go directly to

www.ifc.org/enviro/EPU/e pu.htm

or contact by email: ifcepu@ifc.org

In supporting projects ranging from renewable energy to clean water supply, the EPU draws on IFC's own investment resources and, where appropriate, concessional funding from sources such as from GEF.

4.2.1 Environmental Projects

The main environment sectors targeted by IFC for new project development are:

Biodiversity, Climate Change (Greenhouse Gas Emission Reductions), Energy Efficiency, Environmental Investment Funds, New Technologies (Fuel cells, electric vehicles, etc.), Pollution Abatement, Renewable Energy, Solid Waste Management, Sustainable Agriculture and Forestry, Sustainable Tourism, Water Supply, and Wastewater Treatment.

Some of the larger projects currently supported by the EPU on the environment include: Efficient Lighting Initiative, Hungary; Energy Efficiency Cofinancing Program; Photovoltaic Market Transformation Initiative; Renewable Energy and Energy Efficiency Fund; Small and Medium Enterprise Program; Solar Development Group; Terra Capital Fund.

1) Biodiversity-related investments

Conservation Agriculture seeks to maximize benefits to biodiversity within and around agricultural activity. For instance, certified organic agriculture may provide the basis for gaining significant biodiversity benefits, such as protecting bird habitats, wildlife corridors, etc.

The cultivation of aquatic species can be undertaken using sustainable practices that, in some cases, may be used to restore wild stocks, provide employment opportunities, and generate an economic rationale for safeguarding the surrounding environment.

Non-timber forest products - including nuts, fruits, palm oils, and other products - can be selectively harvested with minimal impact on wild forests and other ecosystems.

Conservation tourism directly links the growth of nature-oriented recreational travel (including leisure, adventure, and educational activities) to natural areas to the conservation of biodiversity in those ecosystems.

2) Climate Change related Investments

The IFC supports the development of projects that will reduce greenhouse gas (GHG) emissions. First, IFC helps sponsors to assess whether their investment projects are likely to generate emission reductions that may be marketable in the future. Second, IFC helps to structure investment projects in order to secure additional financing for the emission reductions. Finally, IFC provides advice on monitoring, verification, certification, and reporting requirements necessary to generate credible emission reductions under the Kyoto Protocol.

For more information go to **1) IFC homepage** (www.ifc.org) and click on **2) Resources, 3) Environment, 4) Environmental Projects 5) Climate Change, 6) Developing Greenhouse Gas Projects.**

Or go directly to

<http://www.ifc.org/enviro/EPU/Climate/develop/develop.htm>

3) Renewable Energy

IFC is actively seeking to participate in the financing of energy projects based on the use of renewable energy resources. Efforts focus on renewable energy technologies such as: run-of-the-river and conventional hydro, geothermal, biomass, wind, and solar (photovoltaic and solar thermal).

5. THE UNITED NATIONS DEVELOPMENT PROGRAM

The United Nations Development Programme, UNDP, is the United Nations' principal provider of development advice and grant support. Its core programs focus on the countries that are home to 90 percent of the world's extremely poor people. UNDP has program resources amounting to more than US\$2 billion a year. Its mission is to strengthen international cooperation for sustainable human development in its client countries.

UNDP was founded November 1965 through a merger of two predecessor programs for United Nations technical cooperation. The UNDP is headed by an Administrator, who reports to a 36-nation Executive Board, which represents all major regions and both donor and program countries. The Board sets policy guidelines and approves country programs and the volume of assistance allocated to each country. It reports to the UN General Assembly through the Economic and Social Council.

UNDP's more than 130 Resident Representatives serve as resident coordinators of the UN system. In crisis situations, they also serve as humanitarian coordinators, organizing UN responses to emergencies.

5.1 Project Cycle

Project identification and development within UNDP is the responsibility of the borrowing country in cooperation with UNDP's country offices. Projects must respond to the strategic direction laid down in the Country Cooperation Frameworks (CCF).

UNDP's *Programming Manual* details the most important steps towards designing programs and projects to be supported by UNDP, notably the processes that result in the preparation of the Country Cooperation Framework (CCF).

All programs and projects are nationally owned and entail the commitment of national human and financial resources along with external resources. In particular:

- UNDP provides support to programs and projects only at the request of a program country government;
- An essential strategy of the UNDP country office is to engage key government officials and other stakeholders, in a dialogue on the policy framework for national development.

UNDP Contact Information

United Nations Development Programme
GEF Unit/UNDP
304 E. 45th, 10th Floor
New York, NY 10017

Homepage: www.undp.org

The UNDP homepage provides for easy access to websites of the UNDP country offices, which are very useful portals for accessing information on the respective country. Select a country in the window in the upper right corner.

- The designated GEF Operational Focal Point within the program country's government must endorse a project before it can be considered by GEF.

Programming Manual

Go to **1)** [UNDP-Homepage \(www.undp.org\)](http://www.undp.org), click on **2)** [Discover UNDP](#) (in the right side bar), **3)** [Guidelines and policies/ Programming Manual](#).

or go directly to

<http://www.undp.org/osg/pm/index.htm>

For GEF, see the UNDP-GEF Guidebook www.undp.org/gef/guide/main.htm.

Program and Project Information

Go to **1)** [UNDP-Homepage \(www.undp.org\)](http://www.undp.org), click on

2) [Discover UNDP](#) (right side bar, bottom),

3) [Project Information/ Programme Documentation Library](#), **4)** Select among

- [Project Documents](#),
- [Evaluation Reports](#),
- [Terminal Reports](#),
- [Country Cooperation Frameworks](#), and
- [United Nations Development Assistance Framework](#).

Or for Project-info go directly to

<http://stone.undp.org/undpweb/dima/filesearch.cfm>

Note: The project search engine takes some getting used to before it produces the desired results.

5.2 UNDP Environment Program

UNDP helped many countries prepare for and participate in the 1992 UN Conference on Environment and Development (UNCED). Since then it has focused on assisting countries in realizing the goals of *Agenda 21*, UNCED's blueprint for action, which recognizes the link between poverty and environmental degradation. Thus, UNDP helps countries adopt integrated approaches that focus on managing natural resources to improve the livelihoods of people living in poverty. Priority is given to "preventive" approaches. Care is taken to ensure that actions to cope with immediate crises do not interfere with the long-term sustainability of resources and development processes.

The main responsibility for UNDP's activities in the environment field lays with the *Sustainable Energy and Environment Division (SEED)*. A guidebook has been developed to facilitate access to SEED's services, technical expertise, program, and staff. Among several sub-programs (described in the *SEED Guidebook* and online) of particular interest to suppliers of services and technology may be the Sustainable Energy (UNISE), Energy and Atmosphere Programs and FINESSE (Financing Energy Services for Small Scale End-users). UNDP's Public-Private Partnerships for the Urban Environment (PPPUE) program is another program through which considerable investment needs are being identified. The program intends to bring together government, private business and civil society to pool resources and skills to address a number of key urban environmental challenges.

Environment Program Information

Go to **1)** [UNDP-Homepage \(www.undp.org\)](http://www.undp.org), click on **2)** [Energy and Environment](#). Or go directly to www.undp.org/energy/index.html

See also **3)** [Sustainable Energy and Environment Division](#), **4)** [SEED Guidebook](#). Or go to www.undp.org/seed/guide/intro.htm

The *Sustainable Energy and Environment Division (SEED) Guidebook* is the most easily accessible source for information on UNDP's environmental programs. Project information can also be found through the UNDP country webpages that can be accessed from UNDP's homepage at www.undp.org.

5.2.1 GEF Participation

UNDP implements the largest number of GEF projects of the three implementing agencies, although the World Bank – due to its emphasis on capital investment projects – uses more of GEF funds. UNDP's comparative strength is technical development assistance and institutional capacity building through training and local stakeholder involvement. UNDP Resident Representatives provide well established contact points with national governments in recipient countries.

UNDP – in addition to implementing over 400 regular GEF projects – is also responsible for managing the *Small Grants Program (SGP)*, funded through the GEF. The SGP supports community-based NGO projects related to the GEF's global concerns. The Small Grants Program has thus far provided more than 500 grants of \$50,000 or less to grassroots groups in 33 developing countries.

The UNDP/GEF homepage provides direct links to the GEF homepage. Detailed project descriptions on all GEF projects, including those implemented by UNDP, can be found only there.

UNDP/GEF Overview Project Information

Go to **1)** [UNDP-Homepage](#) click on **2)** [Energy and Environment](#), **3)** [GEF](#), **4)** [Visit Our Projects \(www.undp.org/gef/portf/extlinks.htm\)](#)

Detailed UNDP/GEF Project Description and Project Pipeline Information must be accessed through GEF Homepage. See Chapter on GEF.

5.3 Procurement

The total volume procured by the UN system in 1998 was over \$3 billion, out of which about 45% were for professional services (sub-contracts) and the rest goods. UNDP accounts for about \$782 million of the total. Only 2% of UN procurement orders are above \$100,000, and 80% of orders are under \$10,000, which cater to requirements in the field.

Procurement for services and goods necessary for UNDP projects is the responsibility of the countries receiving the UNDP grant. The *Inter-Agency Procurement Services Office (IAPSO)*, a special UN agency, provides a wide range of advisory and direct procurement services to governments, organizations, and interested partners. These

services are provided on a self-financing basis from fees charged.

IAPSO also has the mandate to serve the business community to ensure that potential suppliers understand how the UN system undertakes procurement of goods and services and have fair and transparent access to the international development community. Regional procurement training workshops have been held in several countries, including in Switzerland.

5.3.1 Procurement Procedures

The normal procedures followed by the UN system for the various procurement levels of individual contracts are as follows (with minor variations among the agencies):

- Purchase orders up to \$30,000 require a direct selection of possible suppliers by the procurement officer concerned. Normally three suppliers are identified. Based on an analysis of the quotes received, the order is awarded to the supplier that meets the specifications and delivery terms and has the lowest price.

- Purchase orders from \$30,000 up to \$100,000 require limited competitive bidding. A pre-selected short list of suppliers respond through sealed bids. The short list consists of suppliers from developing countries (including the recipient country), under-utilized donor countries, and other donor countries. The order is awarded to the most qualified and responsive contractor submitting the lowest bid.

- Purchase orders above \$100,000 require international competitive bidding. Suppliers are invited to bid by advertisement in the UN publication *Development Business*, IAPSO's *Business Opportunities* or other trade publications. When requests for proposals have been issued, contracts shall be awarded to the best-evaluated responsive offer.

5.3.2 Supplier Database

In close co-operation with the UN system, IAPSO has developed an Internet-based database that is accessible to UN procurement staff. The United Nations Common Supply Database (UNCSD) enables them to search for new suppliers that have previously registered with the UNCSD.

UN Common Supply Database!

Go to

www.uncsd.org

Registration with UNCSD will improve chances of being invited to bid on projects with limited competitive bidding, where pre-selected short lists are used.

A listing in the UNCSD expresses a supplier's interest in providing to the UN system and allows the supplier to keep current business information available for all UN procurement staff. Listing in the UNCSD does not indicate that a supplier has been judged to provide goods or services needed by the UN System, nor that the supplier has met any prequalification requirements of specific UN organizations.

UNDP Procurement

See

Inter-Agency Procurement Services Office (IAPSO)

Homepage: www.iapso.org/

UNDP/IAPSO, Midtermolen 3, P.O. Box 2530,
DK-2100 Copenhagen Ø Denmark
Tel: (+45) 3546 7000,
Fax: (+45) 3546 7001

Email: registry.iapso@iapso.org

Note: The most effective way for a company to enter the UN market is through active search for information on approved projects and other business opportunities, together with active marketing towards the UN executing agency concerned.

UN Procurement Notices

and

Bidding Information

For information on projects over \$100,000 go to
1) IAPSO Homepage (www.iapso.org), click on
2) Supplying the UN, **3) Procurement Notices**.

Or go directly to

www.iapso.org/set.asp?id=33;

or visit

UN agencies websites;

or subscribe to

UN Development Business

www.devbusiness.com

(See Chapter on GEF)

5.3.3 General Business Guide

IAPSO has published two guides on how to do business with the UN. The *General Business Guide: Business guide for potential suppliers of goods and services* describes the procurement needs and procedures of all UN organizations (with addresses and phone/fax numbers) and indicates the dollar

value of goods and services purchased during the year.

General Business Guide

Download at:

www.iapso.org/set.asp?id=35.

6. THE UNITED NATIONS ENVIRONMENT PROGRAMME

The *United Nations Environment Programme (UNEP)* is the third implementing agency of the GEF. Its mission is to "provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their quality of life without compromising that of future generations."

UNEP has decades of experience with raising awareness for environmental issues in developing countries and with bringing global environmental issues to the attention of policy makers and multilateral economic development organizations like the World Bank and UNDP. UNEP has been a driving force behind almost all major multilateral environmental agreements, such as the 1987 *Montreal Protocol on Substances that Deplete the Ozone Layer*, and the *Biodiversity Convention*. UNEP provides secretariat support to more than sixteen regional and international legal instruments relating to the environment, including the *Regional Seas Conventions*. It also hosts the secretariats of many environmental agreements, such as of the recently adopted *Convention to Combat Desertification* and the *Convention on Persistent Organic Pollutants (POPs)*.

UNEP leads many initiatives for environmental data gathering and for providing information and training support to developing countries on such issues as *clean production technologies* and *management of hazardous wastes*. UNEP's normal mode of operations for its regular programs is through partnership, collaboration, and networking.

6.1 UNEP's role in the GEF

As the specialized United Nations agency for the environment and because of its longstanding relationship with environmental agencies in client countries and its extensive global environmental network, UNEP has provided much of the strategic input for developing the GEF's operational strategy and operational programs.

UNEP does not implement traditional development projects in client countries as do the World Bank and UNDP. But it does implement a number of GEF projects focusing on targeted information dissemination, awareness raising, capacity building, and research coordinating efforts.

UNEP Contact Information

United Nations Environment Programme
United Nations Avenue, Gigiri
PO Box 30552,
Nairobi, Kenya
Tel: (254-2) 621234
Fax: (254-2) 624489/90
Email: UNEP Webmaster

Homepage: <http://www.unep.org/>

See also under GEF participants:

Go to **1)** GEF Homepage_ (www.gefweb.org/) and click on **2)** [Participants](#), **3)** [Implementing Agencies](#) and [UNEP](#).

or go directly to

www.gefweb.org/participants/Implementing_Agencies/implementing_agencies.html

The GEF is a significant source of funding for UNEP activities. Because it is not originally an operational agency, its annual budget for its regular program activities is less than \$40 million.

6.1.1 Project Examples

A substantial part of UNEP's GEF portfolio is related to development of tools, methodologies and guidelines for sound environmental management. Several UNEP/GEF projects have assisted countries in strengthening their institutional, scientific and technical bases for developing national strategies and policy frameworks for the GEF focal areas.

Projects such as "Support to the Preparation of Biodiversity Country Studies" and "Economics of Greenhouse Gas Limitations" have been successful in providing countries with important tools for analyzing various options to reduce greenhouse gases and safeguard biodiversity while pursuing economic and developmental goals.

The "Global International Water Assessment Project" is the first systematic global assessment of the environmental conditions and problems in International Waters. In this area, UNEP builds on its long experience with the regional seas Conventions (www.unep.ch/seas/rshome.html).

UNEP is now implementing the global GEF project "Development of National Biosafety Frameworks," which assists countries in preparing for the entry

into force of the *Cartagena Protocol on Biosafety* which was adopted in early 2000.

In the climate change area, a new UNEP project undertakes a global assessment of "Impacts of and Adaptation to Climate Change in Multiple Regions and Sectors." A number of studies are being funded on climate change impacts and adaptation options for the most vulnerable developing countries.

The GEF Council in May 2001 approved the "Global Solar and Wind Energy Resource Assessment." The project is designed to provide data and technology assessment tools to public policy and private sector decision makers. UNEP is implementing the project in collaboration with a number of international and national executing agencies.

6.1.2 STAP

UNEP is hosting the *GEF Scientific and Technical Advisory Panel (STAP)*. The 12-member panel, which can draw on a roster of scientists from around the world, provides scientific and technical advice on GEF policies, operational strategies, and programs.

STAP convenes expert group meetings and prepares reports that help frame GEF's work. STAP is also completing assessments on topics such as sustainability in the context of ecosystems or the most promising renewable energy technologies.

6.2 Procurement

Many UNEP projects, such as the two new global GEF projects "Development of National Biosafety Frameworks" and "Global Solar and Wind Energy Resource Assessment" require extensive consultant services. But because UNEP/GEF projects are not investment projects, little procurement of goods is usually required. Opportunities for the private sector to take part in GEF/UNEP activities therefore tend to be limited to small contracts.

Procurement Information

Check GEF pipeline document and detailed GEF project proposals for GEF projects implemented by UNEP (see Chapter 2.4/5). Contact UNEP for more information on procurement of consultant services for specific projects. Compare also chapter 5.3.1 on UNDP for general information on UN procurement procedures.

For procurement notices for projects of \$100,000 and more, check also the **Inter-Agency Procurement Services Office (IAPSO)**:

www.iapso.org/set.asp?id=33

and the **UN Development Business**:
www.devbusiness.com

7. REGIONAL DEVELOPMENT BANKS

Next to the World Bank, four regional development banks exist that have to various degrees increased their lending for environmental projects. These banks, which often help finance large public investment projects, now have access to funding for GEF project preparation and can implement GEF projects in joint responsibility with the World Bank, UNDP or UNEP. This means that GEF project ideas can be initiated and pursued through the local offices of these agencies.

Regional development banks are characterized by a broad membership from both borrowing developing countries and developed donor countries. Although each regional bank has its own independent legal and operational status and Executive Board, they have similar mandates and a high level of cooperation.

7.1 Procurement

Efforts are under way to harmonize procurement procedures for the regional development banks and the World Bank Group. Contracts are usually advertised in *UN Development Business* (see Chapter 3.3). For information on procurement, consult the respective homepages:

The African Development Bank (www.Afdb.org)

The Asian Development Bank (www.adb.org)

The European Bank for Reconstruction and Development (www.ebrd.com)

The Inter-American Development Bank Group (www.iadb.org)

7.2 Other multilateral lending institutions

Several other banks and funds can be considered multilateral development lending institutions. They differ from regional banks in their more narrow ownership/membership structure or with regard to the focus of their lending activities.

For more information and direct links to many of these institutions, go to

1) World Bank Homepage (www.worldbank.org),
2) Partners, **3) Related Institutions**, **4) Multilateral Development Banks**.

Or go directly to:

<http://www.worldbank.org/html/extdr/institutions/mdb.htm>.

8. SWISS CONTACTS

Switzerland is actively participating in all multilateral organizations covered in this brochure. This participation involves:

- Contribution to the overall budget of the organization and government representation in the respective governing boards and councils that determine the organizational policy and lending criteria.
- Co-financing of specific programs and projects funded through the multilateral agency, often involving some provision for participation of Swiss experts and companies in project implementation.

In the World Bank - due to the size of its capital contribution - Switzerland appoints one of 24 Executive Directors. The Swiss constituency group includes Azerbaijan, Kyrgyz Republic, Poland, Tajikistan, Turkmenistan, Uzbekistan.

Until recently, Switzerland held its own seat in the 32-member GEF Council. Today it represents the same Central Asian countries in the GEF as it represents in the World Bank Executive Board (with the exception of Poland).

Several Federal Offices cooperate directly with relevant multilateral organizations on a range of issues, and usually provide co-financing for specific activities of particular interest to Switzerland. The most extensive co-financing arrangements are managed by the *State Secretariat for Economic Affairs, SECO*, and the *Swiss Development Cooperation Agency, SDC*.

SECO and SDC are also the lead agencies for representing Switzerland in the World Bank, in UNDP, and in the Regional Development Banks.

The *Swiss Agency for the Environment, Forests, and Landscape* is responsible for representing Switzerland in the GEF and UNEP.

Representation in most other United Nations organizations is the responsibility of the *Federal Department of Foreign Affairs*.

For more information on Swiss participation in multilateral organizations, on Swiss co-financing activities, and on business opportunities for Swiss companies and consultants that may result from co-financing activities, contact the relevant Swiss Federal Offices:

Swiss Government Contacts

State Secretariat for Economic Affairs,
SECO, (Staatssekretariat für Wirtschaft)
<http://www.seco-admin.ch/>

Swiss Development Cooperation Agency,
SDC (Direktion für Entwicklung und
Zusammenarbeit, DEZA)
<http://www.deza.admin.ch/>

Swiss Agency for the Environment,
Forests, and Landscape (Bundesamt für
Umwelt, Wald und Landschaft, BUWAL)
<http://www.umwelt-schweiz.ch/>

Federal Department of Foreign Affairs
(Eidgenössisches Departement für
auswärtige Angelegenheiten, EDA)
www.eda.admin.ch

See also private-sector organizations supported by the Swiss government that provide services for businesses seeking to develop export markets:

OSEC (Business Network Switzerland)
<http://www.osec.ch/>

OSEC provides a wide range of information and services in support of developing business opportunities in foreign markets and specific countries.

Swiss Organization for Facilitating
Investments (SOFI)

<http://www.sofi.ch/>

SOFI's objective is to facilitate implementation of investment projects between Swiss companies and counterparts from developing and transition countries.

9. WEB-LINKS AT A GLANCE

For detailed information and additional links, see text. Note that most websites are being up-dated from time to time. Web-addresses therefore may change and links may become outdated.

The Global Environment Facility

Contact information:

<http://www.gefweb.org>

The GEF Website contains extensive information on all aspects of the GEF business and includes many important links.

The World Bank

Contact Information:

<http://www.worldbank.org>

General Project Information:

<http://www4.worldbank.org/sprojects/>

World Bank/GEF project information:

<http://www-esd.worldbank.org/gef/>

Monthly Operational Summary (MOS):

<http://www.worldbank.org/html/opr/procure/MOS/contents.html>

Standard Bidding Documents:

<http://www.worldbank.org/html/opr/procure/contents.html>

Consultants registration:

<http://www.wbdacon.com>

Business Seminars:

<http://www.worldbank.org/business/>

The World Bank organizes business seminars in Washington D.C. and Paris

World Bank Infoshop:

<http://www.worldbank.org/html/pic/PIC.html>

Environment Links:

<http://www.worldbank.org/environment/topics.htm>

Environmental project information:

<http://www.worldbank.org/environment/projects.htm>

GEF/World Bank project information:

For summary information see: www-esd.worldbank.org/gef.

For detailed information see under GEF.

Energy and Environment: Fuel for Thought:

<http://www.worldbank.org/html/fpd/energy/eee/FuelforThought.htm>

World Bank Prototype Carbon Fund:

<http://www.prototypecarbonfund.org/>

National Strategy Studies Program on Climate Change:

<http://www-esd.worldbank.org/cc/> and click on [National Strategy Studies Program](#)
Collaborative initiative between the World Bank and the Government of Switzerland.

International Finance Corporation (IFC)

Contact Information:

<http://www.ifc.org/>

The United Nations Development Programme (UNDP)

Contact Information:

<http://www.undp.org>

Programming Manual:

<http://www.undp.org/osg/pm/index.htm>

UNDP-GEF Guidebook:

<http://www.undp.org/gef/guide/main.htm>

Program Documentation Library:

<http://stone.undp.org/eis3/documents.html>

Program and Project Information Documents:

<http://stone.undp.org/undpweb/dima/filesearch.cfm>

Online search engine.

Environment Program:

<http://www.undp.org/seed/guide/intro.htm>

The *Sustainable Energy and Environment Division (SEED) Guidebook* is the most easily accessible source for information on UNDP's environmental programs.

UNDP Procurement, Inter-Agency Procurement Services Office (IAPSO):

<http://www.iapso.org>

UN Procurement Notices and Bidding Information:

<http://www.iapso.org/set.asp?id=33>

or

<http://www.devbusiness.com>

For information on projects over \$100,000.

UN Common Supply Database:

<http://www.uncsd.org>

The United Nations Environment Programme (UNEP)

Contact Information:

<http://www.unep.org> and

http://www.gefweb.org/participants/Implementing_Agencies/implementing_agencies.html

Regional Development Banks

African Development Bank

<http://www.afdb.org/>

Asian Development Bank

<http://www.adb.org/>

European Bank for Reconstruction and Development

<http://www.ebrd.com/>

Inter-American Development Bank Group

<http://www.iadb.org/>

Further links to multilateral lending organizations

<http://www.worldbank.org/html/extdr/institutions/mdb.htm>

United Nations Agencies

Food and Agricultural Organization (FAO):

<http://www.fao.org>

International Fund for Agriculture and Development (IFAD):

<http://www.ifad.org>

United Nations Industrial Development Organization (UNIDO):

<http://www.unido.org>

General Procurement Information

UN Development Business:

<http://www.devbusiness.com>

Contains bidding information for all multilateral institutions, including World Bank, UNDP and Regional Development Banks. Available by subscription as hard copy and on-line.

International Environmental Agreements

Convention on Biodiversity:

<http://www.biodiv.org/>

Framework Convention on Climate Change:

<http://www.unfccc.de/>

Montreal Protocol on Substances that Deplete the Ozone Layer:

<http://www.unep.org/ozone/>

Convention to Combat Desertification:

<http://www.unccd.int/>

Stockholm Convention on Persistent Organic Pollutants (new): see also: <http://www.chem.unep.ch/pops>

Regional Seas Conventions:

<http://www.unep.ch/seas/rshome.html>.

Swiss Links

Bundesamt für Umwelt, Wald und Landschaft, BUWAL (Swiss Agency for the Environment, Forests, and Landscape):

<http://www.umwelt-schweiz.ch/>

Staatssekretariat für Wirtschaft, SECO (State Secretariat for Economic Affairs):

<http://www.seco-admin.ch/>

Direktion für Entwicklung und Zusammenarbeit, DEZA (Swiss Development Cooperation Agency, SDC):

<http://www.deza.admin.ch/>**Eidgenössisches Departement für auswärtige Angelegenheiten, EDA(Federal Department of Foreign Affairs)**

<http://www.eda.admin.ch/>

OSEC (Business Network Switzerland)

<http://www.osec.ch/>

Swiss Organization for Facilitating Investments (SOFI)

<http://www.sofi.ch/>

This brochure was authored by Raymond Cléménçon, Eco Policy International.
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ANNEX I: Example of a GEF Project Brief

PROJECT BRIEF1.1.1.1.1 1. IDENTIFIERS:**PROJECT NUMBER:****PROJECT NAME:****Brazil: Amazon Region Protected Areas Program (ARPA)****DURATION:**

4 years

IMPLEMENTING AGENCY:

World Bank

EXECUTING AGENCY:

Ministry of Environment (MMA)

REQUESTING COUNTRY OR COUNTRIES:

Brazil

ELIGIBILITY:

Brazil ratified the Convention on Biological Diversity in 1992

GEF FOCAL AREA:

Biodiversity Conservation

GEF PROGRAMMING FRAMEWORK:

OPs 2 and 3

1.1.1.1.2 2. SUMMARY: he overall objective of the Amazon Region Protected Areas Program (ARPA) is to expand and consolidate protected areas in the Amazon region of Brazil. The program is anchored in the GOB's commitment to set aside as strict conservation areas, at least 10% of the land surface of the Amazon biome in a period of 10 years. The proposed project would be the first phase and would last four years. The role and scope of GEF support for additional phases would be determined after Phase I ends. Phase #1 would support the following objectives:

- (a) supporting the establishment of 15 new protected areas (PAs) under strict protection representing approximately 40% of ARPA's 10 year goal;
- (b) consolidating management of 12 existing protected areas;
- (c) developing legal, financial and institutional vehicles to ensure sustainability of new and existing protected areas;
- (d) Establishment of a PA monitoring and evaluation program, including support for dissemination of lessons learned; and
- (e) Project coordination.

3. COSTS AND FINANCING (MILLION US):

GEF	-Project	30.00
	- PDF:	0.35
	Subtotal GEF:	30.35
Co-FINANCING:	-PPG7:	26.40
	-Other International:	5.00
	-Brazilian Government:	24.50
	- PNMA:	1.30
	- PROECOTUR:	1.80
	Subtotal Co-financing	59.00
TOTAL PROJECT COST:		89.35

1.1.1.1.3 4. Operational Focal Point endorsement:**Name:** Washington Aquino de Mendonça
Organization: SEAIN, Ministry of Planning**Title:** GEF Focal Point**Date:** April 17, 1998**6. IA CONTACT:**

Christine Kimes

Telephone: 152-473-3689**Fax:** 152-614-0087

BRAZIL AMAZON REGION PROTECTED AREAS PROGRAM

CONTENTS

A. Project Development and Global Objective

1. Project development objective and key performance indicators

B. Strategic Context

1. Sector-related CAS goal and GEF Operational Program supported by the project
2. Main sector issues and Government strategy
3. Sector issues to be addressed by the project and strategic choices

C. Project Description Summary

1. Project components
2. Key policy and institutional reforms supported by the project
3. Benefits and target population
4. Institutional and implementation arrangements

D. Project Rationale

1. Project alternatives considered and reasons for rejection
2. Major related projects financed by the Bank, GEF and/or other development agencies
3. Lessons learned and reflected in proposed project design
4. Indications of borrower commitment and ownership
5. Value added of Bank support in this project

E. Summary Project Analyses

1. Economic
2. Financial
3. Technical
4. Institutional
5. Social
6. Environmental assessment
7. Participatory approach

F. Sustainability and Risks

1. Sustainability
2. Critical risks
3. Possible controversial aspects

G. Main Grant Conditions

1. Effectiveness conditions
2. Other

H. Readiness for Implementation

I. Compliance with Bank Policies

ANNEXES

- Annex 1: Project Design Summary and Triggers for Next Phases
- Annex 2: Detailed Project Description
- Annex 3: Incremental Cost Analysis
- Annex 4: STAP Roster Expert's Technical Evaluation
- Annex 5: Selection Process and List of Candidate Areas
- Annex 6: List of Existing Protected Areas to be supported under the project
- Annex 7: Legal and Institutional Framework for Protected Areas management in Brazil
- Annex 8: Financial Data:
 - 1) Financing plan for the first phase by financiers (4 years)
 - 2) MMA financing plan and allocation to the current project
 - 3) Financial Resources spent in a representative sample of Amazon Protected Areas from 1995 to 1999.
 - 4) Estimated project costs by component and activities.

Maps

Annex I: GEF Project Brief

ANNEX II: *Monthly Operational Summary (MOS)*

Download at <http://www.worldbank.org/html/opr/procure/MOS/contents.html>

EXAMPLES OF ENTRIES (from: **World Bank Monthly Operational Summary, March 2001**)

Malawi

Environment

(R) Mulanje Mountain Biodiversity Conservation: The project will support the conservation of the biological diversity and environmental functions of the Mulanje mountain and its ecosystems through a combination of community environmental awareness, sustainable use and alternative livelihood initiatives and targeted community conservation schemes. Board presentation is scheduled for late March 2001. Environmental Assessment Category C. US\$ 5.0 (GEF). Consultants may be required. Ministry of Research and Environmental Affairs, Mulanje Mountain Conservation Trust

South Africa

Environment

Maloti-Drakensberg Conservation and Development: The objective of the project is to contribute to community development through income generation from ecotourism and through capacity building for sustainable utilization of the natural and cultural heritage of the project area. The project includes (a) project management and transfrontier cooperation; (b) conservation planning; (c) protected area planning; (d) conservation management in and outside of existing protected areas; (e) community involvement; (f) nature-based tourism development; and (g) institutional development. Project is being identified. Environmental Assessment Category B. US\$ 7.9 (GEF). Consulting services to be determined. KwaZulu-Natal Conservation Service, PO Box 13053, Cascades 3202, KwaZulu-Natal, South Africa, Tel: (27-331) 845-1999, Fax: (27-331) 845-1699

China

Environment

(R) Huai River Basin Pollution Control: The project will assist local governments in (a) developing and financing municipal pollution control investments in two provinces (Anhui and Shandong); and (b) formulating policies to control water pollution in the basin. Negotiations completed. Board presentation is scheduled for 22 March 2001. Environmental Assessment Category B. PID: CNPE47345. US\$ 106.0 (IBRD). Consultants have been appointed for project preparation. Implementing agencies are at the provincial level (Urban Construction and Finance Department).

China

Power

Renewable Energy Development (Ln. 4488-CHA): The objectives of the project are to supply electricity in an environmentally sustainable manner and to provide modern energy to remote rural households and institutions. The project includes (a) installation and operation of 190 MW of grid-connected wind farms in four provinces; (b) supply of about 10 MW of photovoltaic (PV) systems to households and institutions; (c) support for technology upgrading to improve the performance and reduce the cost of windfarms and solar PV technologies in China; and (d) assistance to strengthen institutional capacity and market infrastructure for commercialization of windfarms and PV. Approved by the Executive Directors on 8 June 1999. A major restructuring of the power sector initiated after Board approval of the project has been completed, and the project now needs to be restructured. Extension of the loan signing deadline to June 2001 has been approved to permit the restructuring and submission of the revised project to the Board. Environmental Assessment Category B. PID: CNPE46829. US\$ 100.0/35.0 (IBRD/GEF). Consulting services will be required for strengthening the government's institutional capability to implement windfarms and PV projects. Please refer to the general procurement notice published in UN Development Business No. 493, dated 31 August 1998. PID: CNPE46829. State Power Corporation, 137 Fuyou St., Beijing, China; State Economic and Trade Commission, 26 Xi Da Jie, Xuan Wumen, Beijing

(from: **World Bank Monthly Operational Summary, Projects Added to This Issue, March 2001**)

Cambodia

Water Supply/Sanitation

(N) Provincial and Peri-Urban Water and Sanitation: The project will finance water supply and sanitation infrastructure in the urban and peri-urban areas of Cambodia, focusing on promoting partnerships with the private sector. The project will implement the recommendations of the Cambodia Water Supply and Sanitation Policy Framework, which had been developed by the Royal Government of Cambodia (RGC) through the IDA-financed Cambodia Urban Water Supply Project (IDA Credit 3041-KH). The project will finance investments that (a) respond to what consumers in the project communities want and are willing to pay; and (b) facilitate and develop private sector participation in financing, operating and maintaining constructed facilities, while designing specific instruments that ensure inclusion of low-income communities residing in the service areas. Project was identified in December 2000. Next preparation mission was scheduled for March 2001. Environmental Assessment Category to be determined. US\$ 27.0 (IDA). Consulting services will be required. Department of Potable Water Supply, Ministry of Industry, Mines and Energy, 45 Norodom Blvd., Phnom Penh, Cambodia, Tel: (855-23) 210-272, Fax: (855-23) 210 272, Contact: Mr. Peng Navuth, Director, E-mail: watersector@bigpond.com.kh

(from: **World Bank Monthly Operational Summary: Projects Deleted from Issue, March 2001**)

Look for this project to now be listed in the *UN Development Business*

Mexico

Environment

Mesoamerican Biological Corridor: The objective of the project is to promote conservation and sustainable use of biodiversity through the establishment of biological corridors in the southeast of Mexico. The corridors will foster the ecological equilibrium of land and coastal ecosystems, within a sustainable development approach. Approved by the Executive Directors on 28 November 2000. Grant was signed on 30 November 2000. Environmental Assessment Category B. PID: MXGE60908. US\$14.8/4.3 (GEF/IBRD). Consulting services to be determined. Comisión Nacional para el Conocimiento y Uso de la Biodiversidad (Conabio), Liga Periferico Sur - Insurgentes 4903, Parques del Pedregal, 14010 México, DF, Mexico, Tel: (525) 528-9177