

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	SURINAME/CCB - Caribbean Group
▪ TC Name:	Support for Bioeconomic Development in Southern Suriname through Sustainable Provision of Energy, Water and Telecommunication
▪ TC Number:	SU-T1182
▪ Team Leader/Members:	Ballon Lopez, Sergio Enrique (INE/ENE) Team Leader; Cuervo, Javier (INE/ENE) Alternate Team Leader; Hinestroza Olascuaga Laura Marcela (INE/ENE); Gangadin, Raijant Amarnath (CCB/CSU); Jimenez Mosquera, Javier I. (LEG/SGO); Juan Tulande Lopez (INE/ENE)
▪ Taxonomy:	Operational Support
▪ Number and name of operation supported by the TC:	Bio-economy Empowerment in Suriname Indigenous Communities through Access to Water, Energy and Telecommunications (Bio-SWEET) - SU-L1076
▪ Date of TC Abstract:	12 Feb 2024
▪ Beneficiary:	Republic of Suriname
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$300,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	36 months
▪ Types of consultants:	Individuals
▪ Prepared by Unit:	INE/ENE - Energy
▪ Unit of Disbursement Responsibility:	CCB/CSU - Country Office Suriname
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Productivity and innovation; Indigenous People; Environmental sustainability; Gender equality; Diversity

II. Objective and Justification

- 2.1 The general objective of this Technical Cooperation (TC) is to promote the social and economic development of the rural villages in the Amazon Hinterland of Suriname by increasing access to affordable, reliable, clean and sustainable electricity, potable water, and communication services. The specific objectives of the TC are to: (i) support the technical and economic studies of solar mini-grids, water supply and telecommunication systems for the formulation of the Bio-economy empowerment in Suriname indigenous communities through access to Water, Energy, and Telecommunications (Bio SWEET), SU-L1076; (ii) support the environmental and social studies; (iii) support the first stage of execution of the operation; and (iv) support the dissemination of the best solutions for access to basic services and promotion of bio-economy in the amazon region.
- 2.2 Suriname is committed to reaching universal access to electricity. As established in the National Development Plan 2017-2022, one of the main priorities of the GOS is to provide 24/7 hours of electricity using renewable energy sources (solar and mini hydraulic plants). The NDC 2020 states that Suriname will adopt a Renewable Energy Act, focusing on the Hinterland electrification. The NDC 2020 states that Suriname wishes to facilitate commercial finance and investment by standardizing the way mini-grid projects are structured and applications are evaluated by commercial banks.

The Government of Suriname has requested finance from the IDB to implement 20 solar mini grids, including the upgrade of the water supply and telecommunications systems, and the promotion of bioeconomic activities in the South part of Suriname. The southern part of Suriname is the most isolated area of the country, practically only reachable by air. It is mainly habituated by indigenous communities, which can be geographically, organized into two regions: south-east (Pelelu Tepu, Palumeu, Apetina, Kawemhakan, and Kumakapan) and south-west (Amatopo, Coeroeni, Alalapadoe, Sipaliwini, and Kwamalasamutu). In the south-east, the Wayana tribe dominates the region, and in the south-west the Trio tribe. In general, these communities generate incomes by selling and trading fish, wild meat, wildlife, arts and crafts, by providing services to visitors (governmental institutions, non-governmental organizations (NGOs), tourists, et al), and in some cases by being employed to the government as traditional authorities, public workers, and teacher's assistants. However, most of these income generators are seasonal; depending on the demand and availability of the sources, and there is still a great need for income-generating activities.

III. Description of Activities and Outputs

- 3.1 **Component I: Support the preparation of a new operation.** This component will finance the technical, economic, and environmental studies, institutional analysis for the preparation of the SU-L1076 operation. The operation will contribute to the socioeconomic development of the Hinterland of Suriname, in particular to 20 villages located in the southern part of the country, by improving the energy, water and telecommunication services, and promoting bioeconomic activities.
- 3.2 **Component II: Support the execution of operations.** This component will support the first stage of execution to the technical and procurement EBS team. In specific will finance: (i) expert consultancies for the procurement bidding documents and processes; (ii) expert consultancy for the technical areas; (iii) expert consultancy for the implementation of the bio-economy solutions.
- 3.3 **Component III: Capacity building and dissemination of results.** This component will support the dissemination of the state-of-the-art solutions that will be implementing within this project.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Total Funding
Support the preparation of a new operation	US\$130,000.00	US\$130,000.00
Support the execution of operations	US\$130,000.00	US\$130,000.00
Capacity building and dissemination of results	US\$40,000.00	US\$40,000.00
Total	US\$300,000.00	US\$300,000.00

V. Executing Agency and Execution Structure

- 5.1 At the request of the Government of Suriname (GoS), the Bank, through the Energy Division (INE/ENE) will be the Executing Agency (EA) of the project due to its experience in the preparation and development of both technical and operational instruments proposed for this type of operations, which will contribute more effectively to the achievement of the TC objectives in a timely manner. Moreover, the beneficiary specifically requested the Bank to be the EA given the technical, social, and environmental complexities related to the project. This is in line with Annex 10 of the

“Operational Guidelines for Technical Cooperation Products” (GN-2629-2) and Procedures for the Processing of Technical Cooperation Operations and Related Matters (OP-619-4, Annex II, C 2.2). Furthermore, the Bank and the beneficiary agree that contracting by the Bank would enhance independence under the impartiality criteria, as several stakeholders might have different interests in the regulatory and institutional aspects, as well as the proposed financial structure for the implementation of this TC.

- 5.2 The beneficiary of this TC will be the GoS, represented by the Ministry of Natural Resources, the Energy Authority of Suriname and the electric utility (EBS). The Bank will coordinate and engage with the main stakeholders from the beginning of the implementation of the TC, seeking feedback and regularly presenting and discussing progress reports. The designated focal point and sector specialist responsible for the execution and supervision of the TC will be the Team Leader, Sergio Ballon (INE/ENE), based in Suriname. He will have the support of the Bank's Country Office in Suriname (CCB/CSU) and the INE/ENE team.

VI. Project Risks and Issues

- 6.1 The main risk in the TC is the potential delay arising from the coordination with multiple stakeholders and the potential misalignment of the outcomes with political decisions. This risk will be mitigated by involving the counterpart from the beginning of the implementation of the TC, seeking feedback and regularly presenting and discussing progress reports. The achievement of development objectives will rely on securing financing to implement the systems. Another risk is the high level of staff turnover in the governmental entities. This risk will be mitigated through the involvement of the Bank's technical team to facilitate the dialogue with the new authorities.

VII. Environmental and Social Aspects

- 7.1 This Technical Cooperation is intended to finance pre-feasibility or feasibility studies of specific investment projects and the environmental and social studies associated with them; therefore, the terms of reference and products of this TC will be consistent with the applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).