

**INSTITUTIONAL REFORM AND UPDATE OF THE SOLID WASTE MANAGEMENT MASTER PLAN OF THE
GREATER SANTO DOMINGO**

DR-T1168

CERTIFICATION

I hereby certify that this operation was approved for financing under the **Japan Special Fund (JSF)**, through a communication dated April 26, 2018 and signed by Michiko Tamashiro. Also, I certify that resources from said fund are available for up to **US\$700,000** in order to finance the activities described and budgeted in this document. This certification reserves resource for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, representing a risk that will not be absorbed by the Fund.

Certified by:

(Original signed)

7/23/2018

Sonia M. Rivera
Chief

Date

Grants and Co-Financing Management Unit
ORP/GCM

Approved by:

(Original signed)

7/23/2018

Sergio I. Campos
Division Chief

Date

Water and Sanitation Division
INE/WSA

TC Document

I. Basic Information for TC

▪ Country/Region:	Dominican Republic
▪ TC Name:	Institutional Reform and Update of the Solid Waste Management Master Plan of the Great Santo Domingo
▪ TC Number:	DR-T1168
▪ Team Leader/Members:	Team Leader: Alfredo Rihm (INE/WSA); Thierry Delaunay, Alternate Team Leader (INE/WSA); Carlos Faleiro, Keisuke Sasaki, Giulia Carcasci, Marilyn I. Guerrero and Irene Cartin (INE/WSA); Misa Haratsu (INE/ENE); Willy Bendix (VPC/FMP); Helen Paulette Cruz Duran (CID/CDR); and Enrique Barragán y Lidia Brianza (LEG/SGO).
▪ Taxonomy:	Client Support
▪ Date of TC Abstract authorization:	February 2018
▪ Beneficiary:	Dominican Republic
▪ Executing Agency:	Inter-American Bank of development (IDB), through the Division of water and sanitation (INE/WSA)
▪ Donors providing funding (amount and Fund's name):	US\$700,000 from the Japan Special Fund (JSF)
▪ IDB Funding Requested:	US\$700,000
▪ Local counterpart funding, if any:	US\$80,000
▪ Disbursement period (which includes Execution period):	Disbursement period: 24 months Execution period: 20 months
▪ Required start date:	August 2018
▪ Types of consultants (firm or individual consultants):	Local and international firms and individual consultants
▪ Prepared by Unit:	INE/WSA
▪ Unit of Disbursement Responsibility:	CID/CDR
▪ TC Included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutional capacity and rule of law, climate change and environmental sustainability.

II. Objectives and Justification of the TC

- 2.1 The management of solid waste in Dominican Republic is characterized by the absence of an institutional framework in the sector. The head of urban cleaning (including management and final disposal) are the municipalities, which has led to an industry without regulation and the proliferation of dumpsites. In this context, the government made significant efforts recently in strengthening the sector through the implementation of the Project for Institutional Capacity Development on Nation-Wide Solid Waste Management in Dominican Republic (FOCIMIRS, 2014-2017), which was funded by the Japan International Cooperation Agency (JICA). Continuing on such efforts, there is a need to carry out further consolidation of the sector's institutional framework, aimed at defining an entity carrying out regulation and planning, and another for the monitoring and control.
- 2.2 On the other hand, mayors of the Commonwealth of the Great Santo Domingo (MGSD), have denounced the state of Duquesa dumpsite and the environmental and

public health problems due to its operating conditions, as well as the frequent crises between the operator and the municipalities. Additionally, the problem related to the ownership and use of the grounds of the dumpsite is widely known. The dumpsite is entering its final phase of use, but a clear vision of the remaining useful life and the required investments for the closing process has to be foreseen and anticipated to the Government. Additionally, the Ministry of Environment and Natural Resources (MIMARENA) pointed out that the Great Santo Domingo is a priority intervention area and must have a plan of adjustment of the final disposal sites, so the MGSD already has a Master Plan drawn up in the year 2013. Considering that since its development new transport infrastructure has been constructed and new estimations of population have been issued and new figures of production of solid waste by Municipality, politically given the presence of new local authorities, the plan requires an update and a dissemination strategy. The technical closures of the existing dump sites are a priority for the Government expressed through the MIMARENA and the Dominican Clean Plan.

- 2.3 The Board for the coordination of water resources was created by presidential decree under the Ministry of Economy, Planning and Development (MEPyD) (from here on, the MEPyD/Board), which is an intersectoral coordination instance¹. Its functions include the design and joint promotion with local governments of a national strategy of environmental sanitation. The MEPyD/Board has formed a "Committee of legislation and regulation" which is involved in drawing up the solid waste legislation, including regulations.
- 2.4 The TC will support the local authorities in drafting the policy framework and tools needed to improve the provision of waste management services according to the challenges described above. It will also support the update of the Solid Waste Master Plan of the Great Santo Domingo. The Bank provides an added value for the development of these activities since a previous TC, the ATN/JC-11912-DR, approved in 2009, developed the existing Master Plan as a complement to the plan developed for the city of the Nacional District of Santo Domingo (ADN). Lessons learned include the need to have a long-term plan in order to have a feasible solution for the integral management of Greater Santo Domingo, including the need to technically develop an action plan for the eventual closure of the Duquesa dumpsite, as well as the definition of alternative destinations for waste disposal. all accompanied by the development of minimal institutional and legal strengthening.
- 2.5 Additionally, this TC is expected to be carried out in collaboration with the JICA which have promoted various initiatives to strengthen the sector and they are continuously collaborating with MIMARENA. On the other hand, there are precedents of teamwork collaboration between the IADB and JICA in the definition and the co-financing of operations with the Dominican Government.
- 2.6 The TC is aligned with the Country Strategy (2017-2020) as (i) the improvement of health is a strategic objective, with a focus on prevention and based on access to good quality basic services; (ii) it contributes to the crosscutting action area of climate change; and (iii) issues related to solid waste management is indicated as a dialogue

¹The Board is chaired by the MEPyD and includes representatives from the Ministry of Environment and Natural Resources, Ministry of Public Health, Ministry of Agriculture, Ministry of Energy and Mining, the National Institute of Hydraulic Resources, Dominicana Limpia, the National Institute of Drinking Water and Sanitation, the National Council for Climate Change, the Enterprise for Hydroelectric Production, the Local Corporations for Drinking Water and Sanitation, the Dominican Municipal League, the Dominican Federation of Municipalities (FEDOMU), and one person or organization appointed by the river basin committees of Yaque del Norte, Yaque del Sur, Ozama-Nizao, Yuna, Atlántico and Cuenca del Este.

area. The improvement of the institutional framework, governance and environmental education are requirements that will be included in the programs by the sector. The TC is also consistent with the Update to the Institutional Strategy 2010-2020 (AB-3008) and is aligned with the cross-cutting themes of Institutional capacity and rule of law (by supporting the government entities on the development of laws and structure of responsibilities) and the climate change and environmental sustainability (as improved waste management practices will provide tools to mitigate greenhouse gas emissions and since a plan to manage the Duquesa dumpsite will be defined).

III. Description of Activities/Components and Budget

- 3.1 Component I. Support for institutional reform and for the drafting of the new law of solid waste and its regulations.** Will support the MEPyD/Board to: (a) ensure that the existing draft for the law defines a new institutional framework and responsibilities of existing institutions or new institutions to be created, because under the current institutional framework, the municipalities have not been able to maintain an adequate solid waste management service and (b) organize events that allow for socializing and disseminating the new law and the outcomes of the TC. Locally, support will be provided for the MGSD to develop the guidelines of the Master Plan to establish an entity that is responsible for the transfer, treatment and final disposal of solid waste in the area of the MGSD. The TC will finance the following activities:
- a. Development of a draft for the solid waste legal framework which can monitor and enforce the compliance of the law, including the concept of extended producer responsibility (national level).
 - b. Development of a comprehensive set of regulations to encourage the best practices on the management of domestic and non-domestic solid waste and the promotion of the recycling as a means to regularize the recovery of material and to increase the potential to create wealth and a whole economy sector (national level).
 - c. Development of a report for the creation of an entity for the jointly operation of facilities such as transfer stations, solid waste treatment and final disposal as defined in the Master Plan.
 - d. Creation of a comprehensive set of contract models to support of the solid waste operators by providing them with contract models which will cover their more significant and risky activities and the financial engagements. These contract models will include the collection and transport of solid urban waste; the management of final disposal services; the management of the recycling services; the management of transfer facilities.
 - e. Strategic communication activities for the dissemination of results among and engagement of stakeholders
 - f. Organization of workshops for the discussion and dissemination of the results of the consultancies above.
- 3.2 Component II. Update of the Solid Waste Master Plan of the Great Santo Domingo.** Within the framework of the Master Plan update, the activities will include the analysis of the operation of the Duquesa dumpsite, the estimation of its useful life, and the development of its closure plan and environmental management plan. In parallel, a transition plan from the existing Duquesa dumpsite to the new sanitary landfill (or landfills) of the MGSD will be defined and included in a holistic investment plan for the implementation of the Master Plan (including technical, environmental, social, and economic aspects). Activities under this component include:

- a. A first analysis will establish the operation base line, environmental and social impact assessment and mitigation measures, defining the final exploitation levels and affected area and the clarifying the final morphology of the whole area; a geo-technical study is required for engineering purposes. Based on these results, the remaining capacity of the dumpsite and establishment of the useful life will be defined and finally the triggering of the management landfill closure plan and post-closure monitoring will appear as the final step of the process. Information concerning the biogas production will also be collected and a feasibility study for construction of biogas recovery infrastructure and for the subsequent use of biogas will be developed.
 - b. Working in parallel but linked with the first one, a second analysis will be focused on the update of the information of the Master Plan, which will include the following information:
 - Municipal activities and initiatives focused on the 3R and circular economy;
 - Evolution of financial resource transfers from Government to local authorities to accomplish the mandate of solid waste management and their ability to self-sustain according the existing regulations;
 - A transition plan from Duquesa dumpsite to a new sanitary landfill(s) and the financial implication in the medium term based on the data provided by the master Plan;
 - Analysis of the financial profitability of the planned investments;
 - An evaluation of the property limits of Duquesa according to new administrative information dumpsite.
 - c. In collaboration with the of Ministry of Education, two analyses will be carried out: a review and upgrading of the existing basic education environmental guidelines, and an assessment of the production and characterization of solid waste produced in publics schools.
 - d. Finally, to improve the relationship with the communities and in order to facilitate the payment process of the invoices of the waste management collection service provided by the Municipalities, a legal consultancy on the applicability of the billing system of the electric service and its legal implications for the parties will be carried out.
- 3.3 During the definition of the TC, a meeting was held on October 30th, 2017, where the main stakeholders were represented: the MIMARENA, the MGSD, the Republic Presidency Special Programs, the MEPyD/Board as counterpart and JICA as the more important facilitator of the solid waste sector on the last years. During the meeting it was determined that the administration of the TC will be performed by the Bank as executing agency, while the preliminary review of the contracts and the approval of outputs will be done by the MEPyD/Board and agreed upon with at least the stakeholders mentioned above.
- 3.4 On a three-month basis, under the supervision of Bank with a close coordination with JICA, the local institutions, the stakeholders and the MEPyD/Board as counterpart will meet to oversee the procurement plan, the execution of the consultancies, the parties' responsibilities, and to evaluate the risks and mitigation measures to be adopted during the TC execution. For each meeting, a report will be distributed for knowledge and approval.

- 3.5 The total cost of this TC will be US\$780,000, of which up to US\$700,000 will be financed by the Japan Special Fund (JSF), and US\$80,000 is local counterpart funding. The local counterpart will be in-kind (see [Detailed Budget](#)).

Indicative Budget (US\$)

Component and description	IDB/Fund Funding	Counterpart Funding ²	Total Funding
Component I. support for institutional reform and for the drafting of a new law on solid waste and its regulations	185,000	50,000	235,000
Component II. Update of the Master Plan of waste solids of the great Santo Domingo	515,000	30,000	545,000
Total	700,000	80,000	780,000

- 3.6 No costs are foreseen related to the execution and supervision carried out by the Bank team. Evaluations established in the Bank's policies will be carried out. A TC monitoring report will be completed annually, which will indicate the progress in achieving the outputs and results of the TC, and the possible findings and recommendations to improve the execution of the TC, and that could also serve as lessons learned.

IV. Executing Agency and Execution Structure

- 4.1 Given the local administrative weaknesses and difficulties and considering that this TC may involve the potential implementation of a future loan project, the implementation will be performed by the IDB through INE/WSA with the local administrative support of the COF, according to the request made at the October 30th, 2017 meeting mentioned above, and confirmed in letter dated July, 13th 2018 ([see letter](#)). The activities will be carried out in close coordination and with approval of the MEPyD/Board and stakeholders, to guarantee the active participation of the local government and the appropriation and dissemination of the results. The execution of the TC is planned for a period of 2 years-time. The supervision of the TC will be carried out by the INE/WSA team in the Dominican Republic, in coordination with the government representatives mentioned above.
- 4.2 The activities to be executed are included in the Acquisitions Plan and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-1 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; and (c) GN-2303-20 for logistics and other related services.

V. Major Issues

- 5.1 There is a risk of a low appropriation of the results and products delivered throughout the execution of the TC. This risk is considered medium since the project stems from the urgent need to find alternative solutions to the above-mentioned problems. As a mitigation measure, there will be launch workshop prior to the beginning of the Master Plan update. Additionally, there is a risk that the municipalities and their contractors (operators, collectors etc.) do not have or do not share the information of the system. This risk is considered medium. As a mitigation measure a launch workshop and intermediate presentation workshop and the formal support of the MEPyD is expected

² The local counterpart contribution consists of the support of professionals from public agencies and entities in the development of the TC, mainly attendance at meetings; support and logistics for field trips and data gathering; and technical reviews to all the consultancies to be carried out.

in case it is required. Finally, this TC expects as a result the definition of a new management plan. While public statements of the mayors are geared to search solution, it is easy to understand that a new scheme will change the current status and will face resistance, so that this risk is medium/high. The formal support of the MEPyD would be expected to drive change.

VI. Exceptions to Bank Policy

6.1 This TC does not include any exceptions to the Bank's Policies.

VII. Environmental and Social Strategy

7.1 By their nature, the components financed by this operation will not have negative social or environmental impacts. On the other hand, the studies to be prepared with this TC will contribute to the preparation of projects that have environmental and social impacts are positive, promoting improvements in urban environmental quality and the conditions of life of the inhabitants of the cities selected. This TC receives the classification "C" (see [Environmental Filters](#)).

Required Annexes:

- [Request from the client](#)
- [Results Matrix](#)
- [Terms of Reference](#)
- [Procurement Plan](#)