

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (herein referred to as the Memorandum) is concluded between:

The Comisión Permanente del Pacífico Sur (hereinafter referred to as CPPS)  
Coruna 2061 y Whimper  
Quito, Ecuador

*and*

The United Nations Environment Programme (UNEP)  
GPA Coordination Office - The Hague  
PO Box 16227, 2500 BE The Hague, The Netherlands

**UNEP/GPA Action Plan on Municipal Wastewater  
Inventory of socio-economic opportunities and inputs for regional meeting in the  
South-East Pacific region**

**Background:**

The Global Programme of Action for the Protection of the Marine Environment from Land-based Activities (GPA) identifies the priority for action on sewage. This priority was reconfirmed by seven regional technical workshops of Government designated experts, convened by UNEP in 1996-1998 in the framework of the Regional Seas Programme. The twentieth session of UNEP Governing Council requested the Executive Director to explore the feasibility for UNEP to convene a global conference to address sewage as a major land-based source of pollution affecting human and ecosystem health.

UNEP/GPA Coordination Office developed jointly with WHO, Habitat and the Water Supply and Sanitation Collaborative Council (WSSCC) an Action Plan on Municipal Wastewater to meet the above requests. The inventory for socio-economic opportunities related to sewage and the regional meetings for innovative cooperation are important components of this Action Plan. The Regional Coordination Units of UNEP's Regional Seas Programme will play an important role in the implementation of the Action Plan.

The IX Intergovernmental meeting of the Plan of Action for the Protection of the Marine Environment and Coastal Areas of the South-East Pacific decided, amongst others, that the Regional Coordination Unit, which tasks are performed by the CPPS, initiate actions leading to participation of the member states in preparatory and regional meetings on municipal wastewater and the development of a regional consensus.

The purpose of this Memorandum of Understanding is to formalize the cooperation between the UNEP/GPA Coordination Office and the CPPS, especially on the identification of socio-economic aspects related to the problem of wastewater (Task 1a); and the preparation of inputs for a regional meeting (Task 1b).

Under the terms of this Memorandum, it is hereby agreed that:

1.
  - a. **CPPS** will, on behalf of **UNEP**, provide an overview of socio-economic opportunities for addressing sewage, as per the attached Terms of Reference of Task 1a (Attachment I);
  - b. **CPPS** will, on behalf of **UNEP**, provide inputs from the South-East Pacific region for a regional meeting, following the attached Terms of Reference of Task 1b (Attachment II)
2. **CPPS** contribution to the project will be the following tasks during 2000:
  - a) Identification and selection of suitable consultant(s) (preferable an environmental economist) to carry out the tasks 1a and 1b above. Sept. 2000
  - b) Contracting the consultant(s) Sept. 2000
  - c) Assist in establishing contacts between the consultant(s), national experts and relevant bodies and organizations Oct. 2000
  - d) Make available to the consultant(s) relevant information on socio-economic developments and information on types and sources of pollutants Oct.- Nov. 2000
  - e) Select a number of case studies to be elaborated on in the consultant's report Oct. 2000
  - f) Critical review the first draft of the overview and the inputs for the regional meeting Dec. 2000
  - g) Present the inputs for the regional meeting at this meeting Dec. 2000
  - h) Deliver the final overviews in English and Spanish Febr. 2001

All tasks by **CPPS** shall be performed in close consultation with the GPA Coordination Office.

3. **UNEP** will pay **CPPS** a sum not exceeding US\$ 32,000. A cash advance of US\$ 24,000 will be paid to **CPPS** after the signature of this Memorandum by both parties (through the Global Cash Advance mechanism where appropriate) and the balance of US\$ 8,000 will be paid upon receipt of all substantial matter acquired or produced under this Memorandum and of a final expenditure statement as per attached budget (Annex I). Any portion of cash advance remaining unspent or uncommitted by **CPPS** on completion of the activities under this Memorandum will be reimbursed by **CPPS** before 31 March 2001.
4. Cost overruns are the responsibility of **CPPS**, unless a revised budget has been agreed with **UNEP** in advance of such overruns.
5. All correspondence regarding this Memorandum, including administrative and financial matters, between **CPPS** and **UNEP** should be addressed to:  
at **CPPS**:  
Secretary General  
Mr. Fabian Valdivieso Eguiruren  
Coruna 2061 y Whimper  
Quito, Ecuador  
Tel: (+593 2) 562 786  
Fax: (+ 593-2) 558 978  
E-mail: [cpps@ecuanex.net.ec](mailto:cpps@ecuanex.net.ec)  
(contact: Ulises Munaylla, Advisor; [ulisesmunayalla@andinanet.net](mailto:ulisesmunayalla@andinanet.net))

at **UNEP**:

Ms. Veerle Vandeweerd

Coordinator, UNEP/GPA Coordination Office

PO Box 16227

2500 BE The Hague, The Netherlands

Tel: (+31-70) 3114462

Fax: (+31-70) 3456648

E-mail: [gpa@unep.nl](mailto:gpa@unep.nl)

(contact: Leo de Vrees, Senior Programme Officer; [l.dvrees@unep.nl](mailto:l.dvrees@unep.nl))

with a copy to:

**UNON**

Chief, Budget and Funds Management Service

PO Box 30552 Nairobi, Kenya

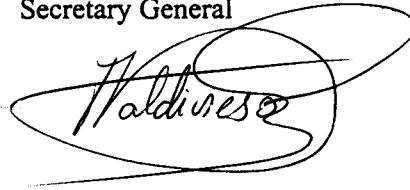
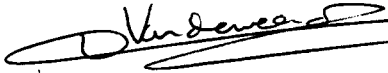
6. **CPPS** shall indemnify, hold and save harmless and defend at its own expense, **UNEP**, its officers, agents and employees from and against all suits, claims, demands and liability of any nature or kind, including costs and expenses, arising out of negligent misconduct of its employees or collaborators of any kind in the performance of the terms of this Memorandum.
7. Agents or employees of **CPPS** shall not be considered in any respect as being officials or staff members of **UNEP**.
8. **CPPS** shall neither seek nor accept instructions from any authority external to **UNEP** in connection with the performance or its activities under this Memorandum. **CPPS** shall refrain from any action, which may adversely affect **UNEP** or the United Nations and shall fulfill its commitments with fullest regard for the interest of the United Nations.
9. Any controversy or claim arising out of or in accordance with this Memorandum or breach thereof, shall, unless it is resolved by direct negotiation, be settled in accordance with **UNCITRAL** Arbitration Rules as at present in force. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjunction of any such controversy or claim.
10. Nothing in or relating to this Memorandum shall be deemed a waiver of any of the privileges and immunities of the United Nations.
11. This Memorandum shall be in effect upon signature to 31 March 2001.
12. This Memorandum may be terminated by either party before the expiration date of the Memorandum by giving notice in writing to the other party. The period of notice is 31 days.
13. In the event of the Memorandum being terminated prior to its due expiration date in this way, **CPPS** shall be compensated on a *pro rata* basis for no more than the actual amount of work performed to the satisfaction of **UNEP**. Additional costs incurred by **UNEP** resulting from the termination of the Memorandum by **CPPS** may be withheld from any amount otherwise due to **CPPS**.
14. Prior written communication between **UNEP** and **CPPS** shall make no change in or modification of this Memorandum. **CPPS** shall not assign, transfer, pledge, sub-contract or make other disposition of this Memorandum or any part thereof, or of any of **CPPS**'s rights, claims or obligations under this Memorandum except with the prior written

consent of UNEP.

15. Signed this 31 day of August, 2000 in The Hague and Quito.

For UNEP/GPA Coordination Office  
Ms. Veerle Vandeweerd  
Coordinator

For CPPS  
Mr. Fabian Valdivieso Eguiruren  
Secretary General



## ANNEX I

### Memorandum of Understanding between UNEP and CPPS Budget expressed in US\$. Budget year 2000

10	PROJECT PERSONAL COMPONENT	TASK 1a	TASK 1b
	1100 Personnel		
	1101 Programme Officer	1,000	2,000
	1199 Total		3,000
	1200 Consultants		
	1201 Environmental economists	8,000	13,000
	1299 Total		21,000
	1300 Administrative support		
	1301 Secretary	1,000	1,000
	1399 Total		2,000
	<b>1999 Component Total</b>		<b>26,000</b>
50	MISCELLANEOUS COMPONENT		
	5200 Reporting costs		
	5201 Printing of report	1,000	1,000
	5299 Total		2,000
	5300 Sundry		
	5301 Communications (fax, telephone)	1,000	2,000
	5302 Freight	500	500
	5399 Total		4,000
	<b>5999 Component Total</b>		<b>6,000</b>
99	<b>GRAND TOTAL</b>		<b><u>32,000</u></b>

## **TERMS OF REFERENCE TASK 1a FOR THE CONSULTANT**

### **Overview of socio-economic aspects related to the problem of wastewater in the South East Pacific**

Under the direct supervision of the UNEP/GPA Coordination Office for the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities and in close consultation with the Regional Coordination Unit of the Plan of Action for the Protection of the Marine Environment and Coastal Areas of the South East Pacific, the consultant will:

1. Prepare an overview of potential economic and social development in the region of the South-East Pacific, related to the marine, coastal and associated fresh water environment and the status of these developments. These developments should be related to the problem of sewage and especially urban domestic sewage. Examples are urban extensions, land reclamation, aqua-culture, harbor development, tourism development, integrated management approaches such as Integrated Coastal Area Management. This overview includes the identification of the stakeholders who can be associated with these developments (e.g. coastal and urban planners, private sector developers, tourism boards and associations, artisan fisheries organizations). These stakeholders should be involved in the drafting of the overview and in the regional meeting, foreseen in the Strategic Action Plan on Municipal Wastewater and described in Terms of Reference Task 1b.
2. A limited number of case studies, selected by CPPS should be identified and worked out in detail, involving the potential stakeholders (municipality authorities, private sector as water user such as fisheries, tourism, and the private water sector). These case studies, revealing the potential costs and benefits involved, will be presented as concrete examples for partnerships between the different stakeholders at a regional meeting.
3. The overview will include available information on:
  - Identification of economic sectors, impacting and benefiting of the coastal and marine environment
  - Review of National and sub-national Development Plans with regard to their potential for polluting the coastal and marine environment
  - Review of National and sub-national Development Plans with regard to the potential use and benefit of a clean coastal and marine environment
  - Qualitative assessment of the economic benefit of these uses, reviewed under the previous bullet
  - Identification of potential or existing public-private partnerships in the field of sewage management and possible pre-investment studies. Per country, at least one potential case should be identified.
4. In preparing the overview and the case studies, the consultant should make full use of existing relevant documentation and information, as well as consult with relevant regional and national authorities and experts. To facilitate his/her work, the consultant will:
  - (i) visit CPPS for sufficient time to review relevant information and consult with appropriate staff members; and
  - (ii) establish communication with national experts from the region and appropriate bodies and organizations (e.g. World Health Organization regional offices, Habitat, UNDP, World Bank, Regional Development Bank, Organization of American States, private sector), soliciting their input into the overview.
4. The consultant will submit a first draft of the overview to the GPA Coordination Office and the CPPS no later than 1<sup>st</sup> December 2000. After incorporating/addressing comments

provided by these offices within one month after receiving the draft, the consultant will submit a final report no later than 1<sup>st</sup> February 2001. The report will be produced in English and Spanish and submitted in electronic format (Word 97).

**TERMS OF REFERENCE TASK 1b FOR THE CONSULTANT**  
**Prepare inputs for a regional meeting for Latin America**

Under the direct supervision of the UNEP/GPA Coordination Office for the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities and in close consultation with the Regional Coordination Unit of the Plan of Action for the Protection of the Marine Environment and Coastal Areas of the South East Pacific, the consultant will:

1. Prepare inputs for a regional meeting, involving the South East Pacific region in the context of the GPA Strategic Action Plan on Municipal wastewater by:

- (i) Development of a regional annex to the Recommendations for Decision-making, developed under auspices of the GPA Coordination Office. This regional annex should contain recommended approaches as adapted to regional priorities, capacities and needs of stakeholders. It is targeted at the regional level, including policy-makers, other major stakeholders including the private sector, and other professionals. Their involvement in drafting and reviewing this regional annex will actively be solicited.
- (ii) Identify regional resource centres, where capacity building activities could be concentrated, and list relevant projects
- (iii) Identify urban wastewater demonstration projects in the South-East Pacific area. These projects should be innovative in the field of involving non-conventional sectors, or using new and appropriate technologies, or use innovative financial instruments, as identified in the Recommendations for Decision-Making.
- (iv) Identify the needs and opportunities for strengthening the capacities of the public sector in the region in order to become equal partners of other stakeholders, including the private sector.

2. In preparing the inputs, the consultant should make full use of existing relevant documentation and information, as well as consult with relevant regional and national authorities and experts. To facilitate his/her work, the consultant will:

- (iii) visit CPPS for sufficient time to review relevant information and consult with appropriate staff members; and
- (iv) establish communication with national experts from the region and appropriate bodies and organizations (e.g. World Health Organization regional offices, Habitat, UNDP, World Bank, Regional Development Bank, Organization of American States, private sector), soliciting their inputs.

3. The consultant will submit a first draft of the inputs to the GPA Coordination Office and the CPPS no later than 1<sup>st</sup> December 2000. After incorporating/addressing comments provided by these offices within one month after receiving the draft, the consultant will submit a final report no later than 1<sup>st</sup> February 2001. The report will be produced in English and Spanish and submitted in electronic format (Word 97).