



## **Terms of Reference**

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### **GUYANA PETROLEUM RESOURCES GOVERNANCE AND MANAGEMENT PROJECT (P166730)**

#### **CONSULTING SERVICES FOR THE DEVELOPMENT OF LEGAL AND REGULATORY FRAMEWORKS FOR THE OIL AND GAS SECTOR**

### **1. BACKGROUND**

The Cooperative Republic of Guyana (CRG) is in a new chapter of its history as a petroleum producing nation. Sustainable development lies at the core of the Government of Guyana's goals for the sector. Being keenly aware that petroleum is a non-renewable resource, considerations related to its extraction and conversion into financial capital highlight the requirement and responsibility to ensure that the resource is prudently managed, from the time petroleum 'appears' at the wellhead, for the long-lasting benefit of Guyana. In developing the policies, legal framework, regulations institutions and systems to oversee and manage the sector, the Government of Guyana is committed to ensuring that this framework allows both present and future generations to reap the benefits.

Guyana's petroleum sector is progressing swiftly with first oil being realized ahead of the 2020 schedule. This petroleum development, coupled with ongoing assessment of new discoveries, has led the Government of Guyana to focus on ramping up preparations to oversee the upstream sector (exploration, development and production); to develop policy and legislation, to build up internal capacity building, to promote proper governance and transparency, and to undertake financial and economic planning.

The Guyana Petroleum Resources Governance and Management Project (the 'Project') is supported by the World Bank and aims to enhance the Government's capacity to achieve its management goals for the petroleum sector through interventions focused on supporting the enhancement of legal and institutional frameworks and the strengthening of the capacity of key institutions to manage the oil and gas sector in Guyana.

### **1. OBJECTIVES AND SCOPE OF WORK**

The objective of the assignment is for the Consultant to provide legislative drafting services, inclusive of on-the-job-training, in relation to the development of the legal and regulatory framework for the oil and gas sector to the Ministry of Natural



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Resources (MNR), and the Petroleum Commission (PC), the sector Regulator, once established.

Further to the objectives of this assignment, the Consultant is invited to fulfil the scope of works described below under the present Terms of Reference:

1. Conduct a comprehensive review of Guyana's existing legal and regulatory framework, such review to include and maximise upon existing institutional, legislative and regulatory analysis and revision documentation<sup>1</sup>.
2. Support the Client in detailing the legislative and regulatory instruments required to update and establish Guyana's governance, management and oversight of the upstream, mid and downstream oil and gas sector so as to establish a modern and competitive framework.
3. On the basis of 1. and 2. above, develop a prioritised Legislative Agenda and Implementation Action Plan, in consultation with the Client.
4. On the basis of 3. above, draft the legislative and regulatory instruments required to update, replace or supplement Guyana's legal and regulatory framework for the governance, management and oversight of the oil and gas sector (upstream, mid and downstream), in consultation with the Client.
5. Support the Attorney General's Chambers in the review, assessment and drafting necessary to ensure that the draft legislative and regulatory instrument are finalised in good order for presentation to the National Assembly, and for passage into law.
6. Provide for the transfer of knowledge, including on-the-job training and review workshops, for selected personnel from the MNR, PC, Attorney General's Chambers and other ministries/agencies as identified by the MNR, on legal aspects of the petroleum industry.

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<sup>1</sup> Existing institutional, legislative and regulatory gap analysis and revision documentation' refer to all commentary, review, updating and re-drafting documentation pertaining to the institutional, legislative and regulatory status and revision of the petroleum sector produced for the Government of Guyana, including but not limited to, documentation produced by the Commonwealth Secretariat, the International Monetary Fund, the Inter-American Development Bank, the World Bank, Chatham House and PETRAD



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7. Provide overall support to the Client for the process of cohesively updating and establishing a modern and competitive governance, management and regulatory framework for the upstream oil and gas sector, including the detailing of institutional functions, roles and responsibilities, operational coordination mechanisms, and systems of operational checks and balances for the institutions charged directly with the sector oversight, and particularly the functions to be discharged by the MNR and the PC.
8. Provide ad hoc legal advice on matters arising from the MNR's governance and management of the petroleum sector as requested by the Client.

### 2. DURATION OF ASSIGNMENT AND DELIVERABLES

These activities are estimated to take place over a period of twenty-four (24) months commencing on July 2021 during which time the Consultant is expected to be physically present in Guyana for at least 35% of the twenty-four (24) months contract period.

The core deliverables for this assignment are the provision of Draft Legislation and Regulations and assistance to the Client as required in executing the Scope of Work.

The deliverables will include:

| <b>Contract deliverables</b>  | <b>Estimated Schedule</b>  |
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| Inception Report (inclusive of work plan)   | 2 weeks after contract effectiveness   |
| Report on comprehensive review of Guyana's existing legal and regulatory framework. | 6 weeks after contract effectiveness   |
| Legislative Agenda and Implementation Action Plan.                                  | 8 weeks after contract effectiveness   |
| Regular advisory notes and status updates of ongoing work;                          | Monthly, commencing from the date of Client approval of the Legislative Agenda and Action Plan |



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| 1 <sup>st</sup> Draft of Legislation and Regulations (Upstream).   | 6 months after contract effectiveness  |
| Final Draft of Legislation and Regulations (Upstream).   | 10 months after contract effectiveness   |
| Report on the preparation of the draft upstream legislation.   | 2 Weeks After acceptance of the final draft  |
| 1 <sup>st</sup> Draft of Legislation and Regulations (mid and downstream).   | 16 months after contract effectiveness   |
| Final Draft of Legislation and Regulations (mid and downstream).   | 20 months after contract effectiveness   |
| Report on the preparation of the draft mid and downstream legislation.   | 2 Weeks After acceptance of the final draft  |
| An annual report on review workshops carried out, being at least four (4) such workshops annually, including the training material utilised. | <ul style="list-style-type: none"> <li>- Report No. 1 - 12 months after contract effectiveness</li> <li>- Report No. 2 - 22 months after contract effectiveness</li> </ul> |
| A final report including summary of completed work and well-documented written advice and recommendations offered during the Consultancy.    | 22 months after contract effectiveness   |

All deliverables shall be in English and submitted electronically to the MNR **only**, for review and approval. It is expected that certain deliverables may require several drafts to incorporate comments by, the Client, and relevant stakeholders before they are determined to be final. The Consultant is advised that the Client may also request the World Bank to review the deliverables for consistency with World Bank Safeguards.

### 3. IMPLEMENTATION ARRANGEMENTS

- The Consultant selected for this assignment will work under the direction of the Permanent Secretary, MNR, or other designated official within the MNR and will work closely with other government agencies involved in the oil and gas sector as required.



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- MNR will designate a Focal Point to work with the Consultant. The Focal Point will provide relevant documentation and support the coordination and execution of the Consultant's tasks and activities; nevertheless, the Consultant will be responsible for obtaining all the necessary public information required to perform the tasks included in this TOR.
- The Consultant will be hired for a period of twenty four (24) months with an agreed schedule of hourly or daily rates.
- It is expected that a major part of the work will be conducted in the Consultant's office, with regular visits to MNR. The Consultant is expected to be "on call" basis and be available for audio or videoconferences when required.
- The Consultant shall make its own arrangements for carrying out its services, including accommodation, transport, health insurance, document(s) translation/reproduction.
- In light of the Covid 19 pandemic and the related ongoing travel restrictions, the Consultant and the Client will develop distance-facilitating engagement alternatives to the in-country requirements until such time as the remainder of the original in-country time requirements may be safely carried out as per prevailing health standards.

#### **4. EXPECTED EXPERIENCE AND REQUIRED QUALIFICATIONS**

1. To be eligible for the assignment, the Consultant must be an internationally recognized law firm with extensive experience providing professional opinions to Governments on oil and gas sector issues. Consultants may associate to enhance their qualifications
2. The Consultant should put forth a proposal for the transfer of knowledge, including on-the-job training and review workshops, for government's personnel.
3. The Consultant may propose the best team combination to achieve the overall goal. All team members are expected to show their credentials. To be considered for the assignment, proposed team members should all be fluent in both oral and written English, have in-depth international expertise, and the following minimum qualifications. (Note that consultants are invited to propose further skills as deemed appropriate for meeting the needs of the assignment):
  - (a) A lawyer specialized in petroleum law with minimum 15 years of experience in developing legal and regulatory frameworks for the oil and gas industry, been directly involved in at least three similar assignments.



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- (b) A lawyer having a minimum of twelve (12) years' experience in the development of Production Sharing Contracts;
  - (c) A lawyer having a minimum of twelve (12) years' experience in maritime law and the development of maritime legal and regulatory frameworks for the oil and gas industry;
  - (d) A lawyer having a minimum of twelve (12) years' experience in Health, Safety and Environment law and the development of Health, Safety and Environment legal and regulatory frameworks for the oil and gas industry; and
  - (e) A lawyer having a minimum of twelve (12) years' experience in Environmental law and the development of Environmental legal and regulatory frameworks for the oil and gas industry.
4. The nominated team members must demonstrate his or her experience and ability to advise in their individual areas of expertise.
  5. The key members of the Consultant's team, as set out in contract, shall not change throughout the duration of the contract save and except with the prior written approval of the MNR.
  6. A team member's previous experience of advising the World Bank or its agencies on oil and gas sector regulatory reform must be disclosed.

### **4. CONFLICT OF INTEREST**

The Consultant is required to comment on and disclose any potential, actual, or perceived conflicts of interest arising out of other assignments or a conflicting involvement in other assignments. Where the Consultant currently represents any party or potential stakeholders that would create a conflict of interest or to the extent any conflict of interest would or could arise in the future, the Consultant shall detail any measures that may be required to avoid such conflicts of interest in connection with the implementation of this assignment.



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### **5. CONFIDENTIALITY**

The Consultant and/or its employees agree to keep confidential all information that they receive, directly or indirectly, from the Authorities, its agencies or ministries, and any other stakeholder, as well as all copies or analyses that it makes, or have been made by third parties, on the basis of such information (collectively, the Material). The Consultant will use the Material exclusively for the purpose of preparing deliverables relevant to this assignment. The confidentiality obligations will not apply to information in the public domain. The Consultant will only permit access to the Material to persons within their organizations on a need-to-know basis. The Consultant will explicitly inform such persons of the confidential nature of the Material and, prior to providing them the Material, subject them to the confidential obligations contained in these Terms of Reference.