

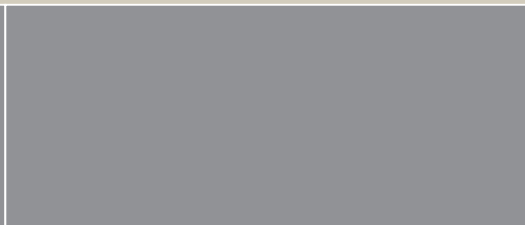
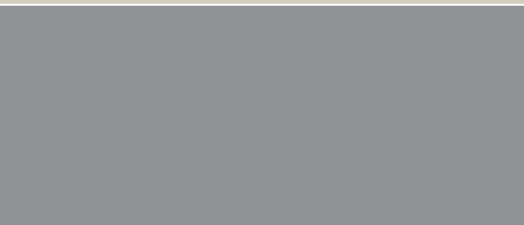


Real-Time Evaluation of Norway's International Climate and Forest Initiative

Contributions to National REDD+ Processes 2007-2010

Country Report: Guyana

Evaluation Report 15/2010



Norad

Norwegian Agency for
Development Cooperation
P.O.Box 8034 Dep, NO-0030 Oslo
Ruseløkkveien 26, Oslo, Norway

Phone: +47 22 24 20 30

Fax: +47 22 24 20 31

Photos: Espen Røst
Design: Agendum See Design
Print: 07 Xpress AS, Oslo
ISBN: 978-82-7548-558-6

Real-Time Evaluation of Norway's International Climate and Forest Initiative

Contributions to National REDD+
Processes 2007-2010

Country Report: Guyana

March 2011

LTS International in collaboration with Indufor Oy,
Ecometrica and Christian Michelsen Institute

Preface

This evaluation is part of the first phase of a real-time evaluation of Norway's International Climate and Forest Initiative (NICFI). As such, it is a major undertaking and the first of its kind for the Evaluation Department. The evaluation is conducted by a team of independent evaluators from the British company LTS International in collaboration with Indufor Oy, Ecometrica and Christian Michelsen Institute.

The evaluation was initiated in accordance with the Evaluation Department's mandated responsibility to evaluate Norwegian development cooperation and motivated by the strong interest from NICFI to draw early lessons and allow corrections to be made in 'real time'.

The primary purpose of this evaluation has been to develop a baseline for subsequent ex-post evaluations and to provide early feedback to the stakeholders and the public about preliminary achievements. As with any evaluation, the purpose is to provide feedback of lessons learned and to provide basis for accountability, including the provision of information to the public.

The evaluators have been provided with a rather daunting task, but we believe that the complexity of the evaluation subject has been well captured by the evaluators. Yet it should be recognized that not all aspects of NICFI have been evaluated at this stage and that the evaluation is not intended to give *the* answer about NICFI. It should also be kept in mind that REDD (Reducing emissions from deforestation and forest degradation) is a complex and moving target.

We would like to acknowledge the efforts made and the cooperation rendered by the initiative's staff and their development partners. We also gratefully acknowledge the support of our external advisers who have commented on the draft reports.

Our hope is that the reports from the first phase of the real-time evaluation will not only add to the experience and lessons learnt through this initiative, but as well contribute to an informed public debate about an important topic.

Oslo, March 2011

Asbjørn Eidhammer



Director of Evaluation

Acknowledgements

The Guyana country team is composed of three experts:

Name	Organisation	Responsibility
Pat Hardcastle	LTS International	Country Team Leader, institutions, REDD strategies, capacity and capability
Deborah Davenport	LTS International	Land use and related policies and strategies, national political dimensions and issues
Philippa Lincoln	LTS International	MRV systems and capacity, Low Carbon Development Strategy

The team wishes to acknowledge the great assistance provided by Simone Mangal, our local coordinator and James Singh, Commissioner of Forests for their unstinting work in putting together a challenging programme of meetings for us during the two weeks we were in Guyana.

We owe thanks to HE President Bharrat Jagdeo for being willing to spend significant time with us at both the start and finish of our mission and for allowing us to use the bulk of one meeting of the Multi-stakeholder Steering Committee for discussion of our mission and gathering views. These opportunities provided us with an excellent start.

The time in Guyana was mainly taken up with meetings, the more formal and the less formal, and we wish to express our gratitude to everyone that was prepared to give of their time, especially those who to do so had to travel considerable distances. We are also grateful to Roraima Tours for inviting us to spend the night at Arrow Point, which also enabled us to meet and talk with members of the community at Santa.

Our aim was to capture the range of views and we were very pleased that people were so willing to talk and discuss matters with us. The level of interest in and knowledge of the issues among all we met was remarkable.

To all who helped and looked after us, once again, we give our thanks.

Contents

Preface	iii
Acknowledgements	v
Contents	vii
Acronyms	x
Executive Summary	xiii
1. Introduction	3
1.1 General background	3
1.2 Real-time evaluation programme	3
1.3 This evaluation	4
1.4 The evaluation object – Norway’s International Climate and Forest Initiative (NICFI)	5
1.4.1 NICFI’s objectives	5
1.4.2 NICFI’s internal institutional framework	5
1.4.3 NICFI’s portfolio of inputs	5
1.4.4 National REDD Strategies	6
1.4.5 The rationale behind NICFI’s support to national level activities	6
1.5 Country context	8
1.5.1 Country profile	8
1.5.2 Brief description of forests and forest sector	9
1.5.3 Deforestation and forest degradation	12
1.5.4 Key policies	12
1.5.5 Institutions	13
1.5.6 Historical narrative of REDD process and key stakeholders	15
1.5.7 Overview of NICFI support to Guyana	15
2. Methodology	16
2.1 Real-time evaluation	16
2.2 The timeframe for the evaluation	16
2.3 Selection of themes and indicators	16
2.4 OECD/DAC criteria	17
2.5 Collection of evidence	18
2.6 Methodological limitations	18
2.6.1 Themes and indicators	18
2.6.2 OECD/DAC criteria	18

3.	Baseline in 2007	19
3.1	National ownership	19
3.2	REDD relevant policies, strategies, plans and actions	19
3.3	MRV capacity and capability	19
3.3.1	Field data availability	19
3.3.2	Estimation of Guyana’s biomass and carbon stocks available by 2007	20
3.3.3	MRV capacity and capability in 2007	20
3.4	Estimated deforestation and forest degradation rates	20
3.4.1	Deforestation rates	20
3.4.2	Capability in Guyana for forestry-related GHG accounting	21
3.5	Livelihoods, economic and social development and environment conservation	21
3.6	Donor support and coordination	21
4.	Status and Progress of the National REDD Process in 2010	22
4.1	National ownership	22
4.2	REDD relevant policies, strategies, plans and actions	23
4.3	MRV capacity and capability	24
4.3.1	New estimates of forest biomass and carbon stocks produced	24
4.3.2	Forest monitoring capabilities increased since 2007	24
4.3.3	National MRV system, Forest Inventory and Independent Forest Monitoring	25
4.4	Deforestation and forest degradation rates	26
4.5	Livelihoods, economic and social development and environment conservation	26
4.6	Donor support and coordination	27
4.7	Implementation of REDD strategies and payments	27
5.	NICFI Contribution on the Status and Progress of the National REDD Process	28
5.1	Guyana – Norway MoU	28
5.2	National ownership	29
5.3	REDD relevant policies, strategies, plans and actions	30
5.4	MRV capacity and capability	30
5.5	Deforestation and forest degradation rates	30
5.6	Livelihoods, economic and social development and environment conservation	30
5.7	Donor support and coordination	30
5.8	Implementation of REDD strategies and payments	31
5.9	Mapping of demonstration / pilot projects / activities	33
6.	Evaluation of the Contribution of NICFI	34
6.1	Relevance	34
6.2	Effectiveness	34
6.3	Efficiency	35

7. Lessons learnt and Recommendations	36
7.1 Lessons learnt	36
7.1.1 MRV capacity	36
7.1.2 Drivers of forest loss and degradation	37
7.1.3 REDD and LCDS	37
7.1.4 Observations on the LCDS	38
7.1.5 Amerindian lands and rights	40
7.1.6 Equity issues	42
7.1.7 REDD and lessons from past development aid to forestry	42
7.1.8 Donor coherence	43
7.1.9 Fund disbursement	43
7.1.10 Issues around REDD and LCDS	44
7.1.11 Governance	44
7.1.12 Making progress	45
7.2 Recommendations	46
Annex 1: Programme and people met	55
Annex 2: References	62
Annex 3: Terms of Reference	64
Annex 4: Summary of NICFI Financial Disbursements (NOK) 1 st January 2008 to 31 st December 2010	75

Acronyms

APA	Amerindian Peoples Association
CDM	Clean Development Mechanism
DFID	Department for International Development (UK)
ESRI	GIS technology company
EU-FLEGT	EU Forest Law Enforcement, Governance and Trade
FIF	Fiduciary Investment Fund
FAO	Food and Agriculture Organisation
GFC	Guyana Forestry Commission
GFRA	Global Forest Resources Assessment
GGMC	Guyana Geology Mines Commission
GHG	Greenhouse gases
GIS	Geographic Information System
GL&SC	Guyana Lands and Survey Commission
GOFC-GOLD	Global Observation of Forest and Land Cover Dynamics
GOIP	Guyana Organisation of Indigenous Peoples
GRIF	Guyana REDD+ Investment Fund
Gt	Giga tonne
IDB	Inter-American Development Bank
IIED	International Institute for Environment and Development (UK)
IPCC	Intergovernmental Panel on Climate Change
LCDS	Guyana's Low Carbon Development Strategy
MoU	Memorandum of Understanding
MRV	Monitoring, Reporting, Verification
MSSC	Multi-stakeholder steering committee
NGO	Non-governmental Organisation
NICFI	Norway's International Climate and Forest Initiative
Norad	Norwegian Agency for Development Cooperation
OECD	Organisation for Economic Cooperation and Development
PNC	People's National Congress
PPP	People's Progressive Party
REDD	Reducing Emissions from Deforestation and Forest Degradation
R-PIN	Readiness Plan Idea Note
R-PP	Readiness Preparation Proposal to the Forest Carbon Partnership Facility
UNFCCC	United Nations Framework Convention on Climate Change
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WB	World Bank

Executive Summary



Executive Summary

This report is one of five national-level studies conducted as part of the Real-Time Evaluation of Norway's International Climate and Forest Initiative. It aims to document the baseline on Reducing Emissions from Deforestation and Forest Degradation (REDD) in November 2007 and identify changes in Guyana between then and October 2010. Changes found were then analysed to determine the relevance, effectiveness and efficiency of Norway's support to Guyana so far and draw preliminary lessons learned and recommendations. There should be at least two further evaluation visits to Guyana over the next three years.

As a high forest cover / low deforestation rate country, Guyana has been keen to engage in a pilot of REDD for avoided deforestation and to utilise payments for the environmental services provided to protect its extensive forest resource and assist in funding its Low Carbon Development Strategy (LCDS). The Memorandum of Understanding (MoU) signed in November 2009 between Guyana and Norway created a system through which this could be achieved and lays out the aims and obligations of both partners, including agreement on a financial mechanism and on securing the important safeguards required for the use of Norwegian development funds. Guyana had developed its Readiness Plan Idea Note (R-PIN) in February 2008 and submitted its revised Readiness preparation proposal (R-PP) in April 2010.

The agreement with Guyana provides for performance based payments of up to US\$ 250 million over 5 years from 2010 to 2014 against measured and verified reduction in deforestation and forest degradation from an agreed baseline rate, as well as the fulfilment of a set of "enabling activities". Norway was keen to pilot a REDD mechanism in a high forest cover / low deforestation country and Guyana was an ideal candidate as a small country whose president had already promoted such a scheme for Guyana since the Bali UNFCCC meeting in 2007. Furthermore, the country had concrete plans for using the revenues generated to finance low carbon development.

Guyana has huge interest in capturing REDD payments as means of protecting its very extensive forest resource while ensuring its sustainable management, as well as using funds generated to support a Low Carbon Development Strategy (LCDS). Guyana's LCDS lays out ambitious plans for national low carbon economic development and was the subject of a country wide consultation process which was independently monitored and, despite some reservations, was considered by moderators to be credible, transparent and inclusive overall. The level of national ownership is high and Guyanese society is remarkably well informed about it, but the precise costs and obligations of REDD and LCDS are not always fully understood.

The MoU defining the agreement, with an attached detailed Joint Concept Note clarifying the obligations and intentions, was signed in November 2009 to foster partnership between Guyana and Norway on issues of climate change, biodiversity and sustainable low carbon development. Key topics included in the Joint Concept Note (JCN) include the strategic framework for REDD within Guyana, a continuous multi-stakeholder consultation process, governance, the financial mechanism, monitoring, reporting and verification, together with recognition of indigenous peoples' and other forest communities' rights.

In 2007, there was little national ownership of a REDD strategy; it was essentially an international and politically driven agenda. The relevant policies were mainly limited to forestry, which had endeavoured to expand the economic return from an extensive resource base of low inherent productivity with limited accessibility. Much of the commercial species in accessible areas had been cut and the return cycle is long, over 60 years. Promoting environmental services was thus very attractive and had been presaged by the Iwokrama international conservation project, undertaken to demonstrate forest conservation and sustainable management. There is also an extensive conservation concession run by Conservation International.

The availability of accurate data was quite limited in 2007 and capacity to collect monitoring information was low. On the positive side, the historic deforestation rate was very low, less than 0.5%. There was little information on livelihoods, economic and social development and conservation, the most extensive data coming from past forest inventories.

The financial mechanism for funding was only finalised in October 2010, although it had been agreed from the outset that funds would be disbursed through an intermediary using safeguards from recognised international implementing agencies.

Despite the lack of significant funding, NICFI engagement has encouraged and supported national ownership, with REDD being actively discussed widely in Guyana by many sectors of society. This has been paralleled by the setting up of specific government structures. A multi-stakeholder steering committee has been set up which meets regularly and has engaged people from a wide cross-section of society but not the main political opposition party.

In terms of relevant policies and strategies, the most notable changes that can be linked to NICFI support relate to much tighter control at field level of both forestry and mining, the two major drivers of forest loss and degradation. Progress has been made on enhancing monitoring, reporting and verification capacity through the engagement of international consultants and with support from other donors (notably USAID). This process has been largely driven from the Guyanese side.

In respect of livelihoods, development and conservation, the most prominent discussion has related to Amerindian interests, in part as these are specifically mentioned in the MoU. There has been less discussion or progress with other rural groups and the urban poor have been scarcely touched in the debate.

The level of cross-sectoral collaboration has been impressive and in particular, the close links established between mining and forestry are laudable if not yet fully effective. At the same time, it is those engaged in field activities in these two sectors who are being required to bring their operational standards to full compliance with regulations as part of the national REDD effort and yet appear to receive little direct benefit from so doing.

Against the standard OECD/DAC criteria of relevance, effectiveness and efficiency, NICFI support to Guyana is judged moderately or highly relevant and effective but of rather more limited efficiency. Nevertheless, overall NICFI support to Guyana is highly valued and has huge potential to assist wider development within the bounds of appropriate, mutually agreeable safeguards.

Recommendations

The evaluation team's recommendations are intended for follow-up by NICFI and their partners in their ongoing dialogue and partnerships on REDD+.

Financing

- The delays in releasing funds, which were resolved on 9 October 2010, have caused considerable antipathy in Guyana and the partners should ensure that the reasons are explained and action agreed to remedy this while clarifying that LCDS itself is not a Norwegian programme;
- It is not apparent to the evaluators why the delays were so protracted but the over optimistic statements by the government of Guyana on the speed of financing were inappropriate. A more proactive stance by the World Bank and Norway may have helped but the real cause was the unrealistic raising of expectations. Clearer agreement may be required from now on over the timetable;
- There may be value, with hindsight, in Norway and the World Bank revisiting the process by which GRIF was developed to identify whether there are lessons that may be learned that would pre-empt a similarly unfortunate delay and situation in future.

Safeguards

- While the safeguards that are to be applied to the use of NICFI funding are clearly laid out in the MoU/JCN and the Administrative Agreement – application of the safeguards of partner entities (e.g. WB, IDB, UNDP) – they may need to be more clearly explained and a clear consensus reached with Guyana about them; this has begun to be addressed in the agreement over GRIF signed 9 October 2010 and the transfer of funds to the Trustee;
- The partners should identify any activities proposed in the LCDS where there could be potential conflicts with agreed safeguard requirements, and agree on this with the Government of Guyana. It would be unfortunate if national funding for the LCDS activities were to compromise Norway's efforts to apply sound safeguards to those elements of the LCDS supported from its payments;
- Given the importance of biodiversity conservation within REDD, it would be appropriate for the Partners to engage in discussion on resuscitating the National Forestry Standard with a view to securing independently verified certification for production forests at all operating scales. An effective and perhaps mandatory

certification scheme for all production forests in the country would be highly complementary to joint aims;

- Wildlife conservation, especially in forest and mining concession areas, may need to be reviewed in the light of comments received on heavy hunting pressures.

Amerindian Issues

- While Amerindian issues (at least for titled communities) seem to have been relatively well accommodated in the LCDS by Guyana, the slow progress with titling and the resolution of outstanding extension claims needs to be addressed urgently. It would be useful for the partners to reflect on and, if appropriate, discuss the situation of other rural dwellers and the urban poor and potential benefits for them to secure more balanced equity for all poor and vulnerable groups. The present situation seems to take on board many needs of Amerindian communities but it is not evident that the needs of other poor groups will be similarly recognised;
- Greater clarity on the mandate and accountability of the various Amerindian representative groups would assist the debate on Amerindian issues. The Partners could usefully work towards greater independence for the National Tushaos Council as a national representative body;
- It would be useful to revisit the proposed speed with which outstanding Amerindian land titles will be settled and to endeavour to deal with all of them as soon as possible, to remove the disparity between titled and untitled communities in respect of REDD. The apparent impasse in respect of land extensions continues to cause friction within Guyana and engender criticism from outside and it would be helpful to tackle this matter;
- It is not clear that Amerindian communities yet have sufficient knowledge to take fully informed decisions on “Opting-in” and further effort is indicated on this. The apparent mechanism by which any REDD funds accruing to communities would be spent, essentially through approval by the Ministry of Amerindian Affairs, is inappropriate. Efforts to build capacity and leave communities in charge of their own affairs, while meeting appropriate transparency and accountability standards should be prioritised;
- It would also be appropriate to provide greater clarity on the interim position of untitled Amerindian communities and at the same time reconsider whether non-Amerindian rural communities should not receive more direct benefit from REDD.

LCDS and Wider Political Aspects

- Given that the LCDS is a national programme with a time-frame that extends beyond the political cycle, it would be useful to support measures which encourage a stronger bi-partisan approach, in order to minimise the politicisation of the LCDS and increase the chances that it would be maintained and advanced by future governments of any party;
- The current exclusion of the opposition PNC from direct engagement in the Multi-stakeholder steering committee (MSSC) and hence in debate outside parliament on the LCDS is not helpful to long term national interests. Measures to increase bipartisan understanding and agreement would be useful;

- Although the LCDS makes substantial mention of Amerindian communities and needs, it is largely silent on the needs of other rural poor and of the urban poor. Greater equity for all poor, disadvantaged and vulnerable groups in Guyana would be beneficial;
- Any support that can be marshalled to improve understanding in Guyana of the process of negotiating to address and resolve differences would be very helpful to the longer term success of NICFI support;
- Permanent representation by Norway in Guyana, at least during the initial phase would greatly facilitate programme delivery and should be considered for the remainder of the development phase;
- The present approach to securing improved mining and forestry practices may need to be revisited to secure better cooperation. Consideration is needed for benefit sharing to reward improved practices, especially by small operators;
- The Special Land Use Committee on Mining and Forestry is an excellent idea but it appears to be too heavily dependent on government agencies and needs to engage actors from both sectors if it is to be effective.

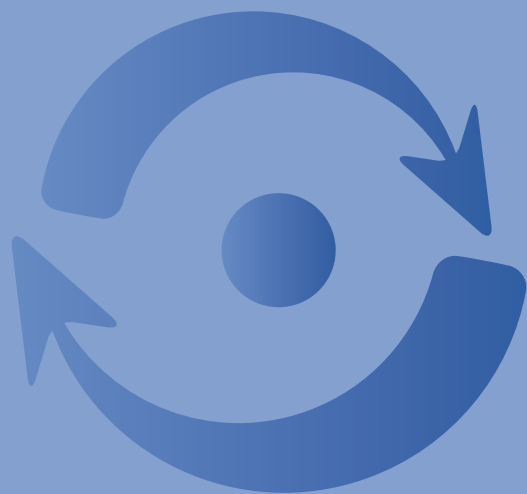
MRV

- As monitoring, reporting and verification (MRV) is crucial to long term success with REDD, capacity building is very important, especially in light of the historic loss of skilled people from Guyana. Further efforts may be needed to utilise fully existing expertise in Guyana and develop a balanced cohort of national personnel who can take over MRV from external people as soon as possible. External consultants should have skills transfer included in their contracts as a matter of course. Options for community based MRV, which could also create rural employment, should be taken wherever possible;

Forestry Sector Issues

- There may be merit in reviving the planned National Forestry Standard as a means to securing independently verified operations would fit well with the plans for effective REDD+. Some financial support to assist in improving practices, especially for smaller operators, would be useful and could secure greater cooperation in return;
- The Partners should give more detailed consideration to the lack of direct benefits from REDD to forest users, other than titled Amerindian communities, including the wider debate about efficiency in the wood processing chain since that is crucial to re-investment;
- Action to address the high cost of wood processing in Guyana, through measures to improve conversion efficiency could reduce the demand for log exports and should be pursued vigorously in concert with policy changes to limit and ultimately obviate most log exports. The impact of increased harvest of lesser used species should be subject to a special study with particular focus on its impact on REDD activities.

Main Report



1. Introduction

1.1 General background

The primary objective of the Norwegian Government's climate policy is to help establish a global, binding, long-term post-2012 regime that will ensure cuts in global greenhouse gas emissions sufficient to limit global temperature rise to no more than two degrees Celsius above pre-industrial levels. Measures to Reduce Emissions from Deforestation and forest Degradation (REDD¹) in developing countries are considered necessary if this target is to be achieved (Stern 2006; IPCC 2007). To this end, *The Government of Norway's International Climate and Forest Initiative* (NICFI) was launched in December 2007, pledging substantial development cooperation funding towards efforts to support REDD.

1.2 Real-time evaluation programme

As NICFI will be managing a significant part of Norwegian development cooperation funds for several years, it is in the interest of policy-makers and the wider public to have access to impartial information about its progress and performance. The overall objectives of the real-time evaluation are to assess the impact and results of NICFI's support:

1. For improving the prospects of the inclusion of a REDD mechanism in a post-2012 climate regime;
2. For the preparation of mechanisms and implementation of activities to attain verifiable reductions in greenhouse gas emissions;
3. For the conservation of natural forests to maintain their carbon storage capacity;
4. With regards to the general objectives of Norwegian development cooperation, such as those related to livelihoods, economic and social development and the environment.

The first three objectives refer to NICFI main objectives, while the fourth objective derives from the use of development cooperation funds.

A real-time approach to this evaluation has been adopted in order to assess and feed back the results of NICFI to facilitate rapid learning, give advice at an early enough stage for changes in implementation to still be feasible, and provide timely information to the international community engaged in REDD and climate change issues. This approach is particularly valid given the intensely dynamic nature of the international debate around REDD.

1 The terms REDD and REDD+ are used interchangeably in this report. In both instances the intended meaning is REDD+, as defined in the Bali action plan - "reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries".

In 2010 there have been two core evaluations:

1. Global level: NICFI contribution to an international REDD regime;
2. National level: NICFI support to the formulation and implementation of national REDD strategies.

The Norwegian government Ministries of the Environment and Foreign Affairs, which are responsible for the Initiative, are intended to be the main users of the feedback and recommendations generated by the evaluation programme. However, the wider intended audience for the evaluation also includes:

- The Norwegian Parliament, institutions, organisations, and the general public in Norway;
- Multilateral organisations engaged in REDD activities, including the UN REDD programme, the World Bank and the regional development banks;
- The international community, contributing to overall knowledge concerning the achievement of both REDD and sustainable development in general;
- The national REDD initiatives in target countries.

1.3 This evaluation

The purpose of this evaluation was to assess the International Climate and Forest Initiative's support to the formulation and implementation of national REDD strategies and other REDD readiness efforts. As NICFI promotes an international REDD architecture built on national policies and measures, this national level evaluation will constitute a main pillar of the whole real-time evaluation programme. The evaluation encompassed five case-study countries: Brazil, Democratic Republic of Congo, Guyana, Indonesia, and Tanzania. These countries receive significant support from NICFI through different channels and mechanisms, they represent a range of forest types and conditions, are at different stages in the forest transition, represent different national policy contexts, and together they cover each of the three tropical continents. Consequently, NICFI support in each of these countries has been used for different purposes, including stakeholder consultations, capacity-building, institutional strengthening, demonstration activities, and application of policies and measures.

Within each of the five countries this evaluation had two main objectives:

1. Develop a methodology for the real-time evaluation of NICFI support to the formulation and implementation of national REDD strategies;
2. Establish a baseline for 2007 and evaluate the status and progress of NICFI support to the formulation and implementation of national REDD strategies as of 2010.

This document is one of five case study country evaluation reports and presents results from Guyana.

1.4 The evaluation object – Norway's International Climate and Forest Initiative (NICFI)

1.4.1 NICFI's objectives

Norway's International Climate and Forest Initiative was launched by Prime Minister Jens Stoltenberg during the climate change negotiations in Bali in December 2007 with a pledge of up to three billion Norwegian Kroner (US\$ 500 million) per year to reduce emissions from deforestation and forest degradation (REDD) in developing countries.

The rationale behind NICFI's support for REDD is to make a substantial contribution in the struggle against global warming. The climate-related goals will therefore determine which support is to be initiated, continued, terminated or changed. Sustainable development and poverty alleviation are overarching goals of Norwegian foreign and development policy. Thus, in addition to the climate-related goals, these are essential goals for NICFI. In pursuing the different goals, the climate policy and the development policy should be mutually supportive.

The funding shall be used in accordance with the objectives of NICFI:

- To work towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime;
- To take early action to achieve cost-effective and verifiable reductions in greenhouse gas emissions;
- To promote the conservation of natural forests to maintain their carbon storage capacity.

1.4.2 NICFI's internal institutional framework

There is a high level of political drive for NICFI and three key government institutions, presided over by the Minister for the Environment and International Development, are involved in its implementation resulting in a complex structure:

- The Ministry of Environment, in which the NICFI Secretariat is based, has overall responsibility for the International Climate and Forest Initiative;
- The Ministry of Foreign Affairs, including the Norwegian missions abroad, is responsible for foreign and development policy related to NICFI, as well as the management and disbursement of funds; and
- The Norwegian Agency for Development Cooperation, (Norad), provides technical advice and manages funds for civil society support and scientific institutions.

1.4.3 NICFI's portfolio of inputs

The International Climate and Forest Initiative provides bilateral support to Brazil (Amazon Fund) and Tanzania, and civil society and scientific institutions through a grant scheme administered by the Norwegian Agency for Development Cooperation (Norad). The majority of financial support is channelled through multilateral entities including: The UN Collaborative Programme on Reduced Emissions from Deforestation and Forest Degradation (UN-REDD Programme) a collaboration between UNDP, UNEP and FAO; The Forest Carbon Partnership Facility (FCPF); The Forest Investment Program (FIP), The Guyana REDD+ Investment Fund (GRIF) all three hosted by the World Bank; and The Congo Basin Forest Fund (CBFF) hosted by the African Development Bank. Norway has entered into an agreement with the Democratic Republic of

Congo for the set-up of a climate change secretariat to support DRC's role as technical coordinator of African countries' positions and participation in the UNFCCC processes. NICFI contributes half of the Norwegian support to the secretariat as this function partially relates to REDD. A Memorandum of Understanding has been signed with Mexico (mainly for support to improve, develop and explore methodologies for monitoring, reporting and verification of forest-related emissions and removals), and a Letter of Intent with Indonesia (for broad support to the national REDD agenda). Disbursal of funds related to these agreements will also be through multilateral routes.

NICFI funding at the national level to the five evaluation case study countries is delivered through a diversity of channels and mechanisms. Guyana is supported through a single multilateral institution with multiple donors (FCPF) combined with Guyana REDD+ Investment Fund (GRIF) a potential multi donor fund established, where the WB as trustee will provide financial services and the WB, the Inter-American Development Bank and UNDP as Partner Entities will provide operational services.

1.4.4 National REDD Strategies

Norway's International Climate and Forest Initiative regards the following as important elements of National REDD+ Strategy development²:

- Establishment of a system for monitoring forest cover and biomass, collecting forest carbon volume data, and for reporting on emission levels from deforestation and forest degradation;
- Incorporation of sustainable development concerns including opportunities for economic and social development for the local population, conservation of biodiversity and promotion of respect for local and indigenous peoples' rights;
- Establishment of systems and national plans to prevent carbon leakage and ensure lasting results;
- Thorough analyses of the drivers of deforestation and forest degradation, and the best ways of dealing with them;
- Institutional and capacity building for national and local authorities, including anti-corruption measures and measures to increase transparency in forest and land use management;
- Mechanisms for compensation for the ecosystem service of carbon storage;
- Establishment of the necessary legal, administrative and economic framework for sound, sustainable forest and land use management, and of the necessary capacity to ensure compliance;
- Cost effectiveness (maximum possible reduction in emissions per unit of expenditure).

1.4.5 The rationale behind NICFI's support to national level activities

NICFI provides the majority of its country level support through multilateral funds / initiatives or via bilateral REDD+ partnerships. Through the multilateral funds and initiatives NICFI seeks to reach a large number of countries involved in REDD+, which they would be unable to do bilaterally, to contribute to the establishment of

2 <http://www.regjeringen.no/en/dep/md/Selected-topics/climate/the-government-of-norways-international-/why-a-climate-and-forest-initiative.html?id=547202#Strategy>

common donor platforms, and to prevent corruption by working under the auspices of entities like the UN and the World Bank that are able to handle large cash transfers safely. It is also considered important that all the relevant multilateral institutions are engaged and can contribute in a coordinated way in accordance with their comparative advantages.

The REDD+ Partnerships are intended to provide the first international examples and experiences with partnerships of this nature. As well as generating climate benefits against agreed reference levels, these partnerships are envisaged to produce a wide range of experiences and lessons learned that will provide input both to the UNFCCC negotiation process and to REDD+ endeavours by other countries' and partnerships. There are six key areas in which NICFI activities are expected to generate lessons and demonstrations. These include:

1. Modalities of funds transfer;
2. Methodologies for reference level setting in both high deforestation and low deforestation countries;
3. National-level MRV-systems; methodological and institutional choices;
4. Involvement of stakeholders, incl. indigenous and local communities;
5. Design and implementation of social and environmental safeguards in REDD+;
6. Strengthening of institutions relevant for REDD+.

Within these partnerships NICFI is obliged to adhere to Norwegian policy, guidelines and funding regulations for international development cooperation. In addition, NICFI general responsibilities within its REDD+ Partnerships include the development of the framework documents for the partnerships in accordance with international recognised standards and rules and through dialogue and negotiations with the partner country; fulfilling any responsibilities established in the framework documents; follow up the agreements through annual meetings, comments on annual reports, etc.; and to respect partner country sovereignty in development and implementation of policies and measures in line with the Paris Declaration on Aid Effectiveness 2005³, as long as basic requirements established in framework documents and/or for the use of development cooperation funding are met.

Guyana was chosen as a partner for a number of reasons. It is a high forest cover / low deforestation country, there is strong political will to engage in REDD and well-developed plans to utilise the income for low carbon development; both of these elements were congruent with Norway's interests. The partnership with Guyana requires a third party to handle the financial arrangements; Norway has no permanent diplomatic representation there. The parties agreed that such a third party should be an internationally recognised financial institution, which already had and could apply safeguards at the standard required to meet Norway's requirements for the use of development funds.

³ Available at: <http://www.oecd.org/dataoecd/30/63/43911948.pdf>

1.5 Country context

1.5.1 Country profile ⁴

The political economy of Guyana has been characterised by heavy dependence on sugar and rice as agricultural exports, plus exports of bauxite, gold and diamonds from mining. Forestry is significant (4.1% of GDP but only 1.9% of employment – FAO, 2009) with relatively low added value in country. Guyana is moving slowly from a centrally planned economy to a market economy, although many people remain strongly steeped in the older tradition.

Guyana's population primarily comprises two large ethnic groups, those of African descent (30%) and those of East Indian descent (43%). Amerindian's make up 9%, the balance being of mixed descent. The population is strongly divided along ethnic lines and the two main political parties also tend to follow this divide. There is a long standing history of conflict between the two major ethnic groups and this is reflected in the polarised political divide. Some 90% of the population live on the coastal strip. Access to the interior is limited and large areas of the country are effectively unoccupied and inaccessible.

Historically, Guyana has had an excellent education system, with a very high literacy rate, and Guyanese work widely in education across the Caribbean. Economic stagnation and political instability have led to extensive emigration of skilled people, creating a highly educated diaspora in the Caribbean, North America and UK particularly. Some people are now returning but the emigration of educated people has been a major loss to the country.

Although the economy has grown substantially in the last decade and there has been improvement in the quality of life, the Human Development Index (HDI) has risen from 0.500 in 1980 to 0.611 in 2010, somewhat below the regional average of 0.706 according to UNDP information. Guyana is placed at 104. The rise was not constant; by 1990, HDI had dropped to 0.472 before rising to 0.522 by 2000. From then, apart from a slight drop around 2005, HDI has steadily increased. Within the overall HDI, Guyana scores well for health (0.758), fair for education (0.650) but rather badly for income at 0.463. The Guyanese economy, after negative growth in the first part of the decade from 2000 is now in positive growth. The Corruption Perception Index from Transparency International is 2.7, putting the country in 116th place.

The political system is based on a unicameral parliament with an executive president, who is the leader of the party with the largest number of seats. The next national elections are due in 2011 and President Jagdeo is ineligible to continue as president, having served two terms. The latest elections in 2006 were classed as largely free and fair by Commonwealth observers. Municipal elections were last held in 1994 and are long overdue. Those expected in 2009 did not take place, which has led to considerable concern both within Guyana and outside.

⁴ From <http://www.state.gov/r/pa/ei/bgn/1984.htm> and Guyana national development strategy 2000-2010

Given the very large stable forest cover, the difficulties of access and the limited proportion of commercial species, the capture of benefits from environmental services – conservation and REDD – is a sensible strategy for Guyana. The relative abundance of commercial species in accessible areas is now quite low and the commercial viability of lesser known species is limited due to low prices and high costs. Guyana is a relatively high cost processing country with high energy costs, limited use of residues and often inefficient conversion. The Low Carbon Development Strategy, into which REDD funding will be channelled, tackles these weaknesses in Guyana's economic structure by proposing to develop capability for business process outsourcing, together with diversification and intensification of agriculture.

1.5.2 Brief description of forests and forest sector ⁵

Guyana's forests

Guyana is a small (215,000 km²), heavily forested country (75% cover of Tropical High Forest) on the north coast of South America. It has a population of some 750,000 who are predominantly settled along the coast. It is probably best known in forestry as the source of Greenheart (*Chlorocardium rodiei*), which is widely used for marine work, and of Balata latex (*Manilkara bidentata*). Guyana hosts the Iwokrama Rainforest Centre, established in 1996 on an area of 370,000 ha of largely pristine forest given by the Government of Guyana to the global community for a demonstration of conservation and sustainable utilisation.

Commercial wood harvesting occurs mainly in the tropical rainforests. These forests are found in the north-west and the south-east of the country. Seasonal forests are characterised by a lower tree density with a more even canopy and become deciduous in the dry season. They are located in the north Rupununi and upper Berbice areas.

Dry forests occupy the leached white sands along the Soesdyke to Linden highway and throughout the Pakaraima mountains, and commonly include the so-called wallaba forests. Swamp forests, including mangroves, occur in lower parts of the landscape and along the coast. These forests are mostly harvested for tanning bark and fuel wood.

⁵ Taken from Report of the Diagnostic mission to Guyana. ITTO, 2003 (Team led by P D Hardcastle)

Table 1: Land Use Figures for Guyana, 000 ha

Land Use	Area by sub-category	Category total
<i>Cultivation, settlement & deforested areas</i>		1,002
Tropical High Forest	16,835	
Mangrove Forest	81	
Savanna and Scrub	3,580	
<i>Total Forest cover</i>		20,496
<i>of which</i>		
State Forest	13,680	
Other forest land	6,816	
Total Land Area		21,497

Source: GFC

Table 2: Forest Types of Guyana

Forest Type	Area %
Rainforest	36
Montane	35
Swamp and Marsh	15
Dry Evergreen	7
Seasonal	6
Mangrove	1
Total	100

Source: GFC

Guyana's forest sector

In Guyana, ownership of the forests is vested in the State and access for commercial wood removal is controlled by the GFC through the allocation of temporary concessions and permits as follows;

- Timber Sales Agreement covers concessions of more than 24,000 hectares and is allocated for a period of more than 20 years;
- Wood Cutting License is issued for 3 to 10 years, and covers forests of between 8,000 and 24,000 hectares;
- State Forest Permission is for one year and covers areas of less than 8,000 hectares. SFP are generally issued to small-scale (chain saw) operators; and
- Exploratory Permits, which are issued for survey purposes only and do not include cutting rights.

In terms of processing, Guyana has a major plywood factory and static sawmills of various sizes and differing levels of efficiency. A great deal of chainsaw lumbering is undertaken, especially on State Forest Permits, mainly for the domestic market. The processing industry is generally not very efficient and there are problems with quality and accuracy. The historical approach has been for processing to be undertaken as

part of forward integration by concession holders and there are relatively few secondary processing units that are not linked with concessions.

Table 3: State forest area

Category	Number	Area 000 ha	% State Forest
Timber Sales Agreement	29	4,348	32.6
Wood Cutting Lease	2	31	0.2
State Forest Permissions	458	1,671	12.5
Exploratory Permits	4	632	4.4
Total production area		6,682	50.1
Research and reserve area		1,051	7.9
Unallocated		5,607	42.0
Total State Forest area		13,340	100.0

Source GFC R-PP, 2010

Table 4: Timber production trade and consumption figures 1000 m³ RWE– Guyana

Element	2006	2007	2008
Log production	474	425	438
Log export	200	171	176
Log consumption	274	254	262
Sawn production	68	74	77
Sawn export	34	44	45
Sawn consumption	34	30	31
Plywood production	34	39	40
Plywood export	24	24	25
Plywood consumption	10	15	15
Export value US\$ per m ³ - Logs	120	139	Not available
Export value US\$ per m ³ - Sawn	452	497	Not available
Export value US\$ per m ³ - Plywood	367	370	Not available

Note: RWE means round wood equivalent, the volume of logs required for 1 m³ of product. It allows summation of different products such as plywood and sawnwood.

Source – Annual review and assessment of the world timber situation, 2008. ITTO

The result of this has been underinvestment in processing, which combined with lack of marketing focus and poor handling of produce means that much of the industry, especially where there is no outside investment, is not competitive. There is considerable waste generated as a result.

The relatively limited numbers of skilled operators and service personnel for field machinery and processing equipment has caused staffing problems due to competition from the mining sector. Several interviewees noted this as an issue.

Apart from Ecuador, Guyana is the only country in Tropical America that allows significant log exports, mainly to China, India and Taiwan, and it exports almost twice what Ecuador does (figures from ITTO Annual Assessments of the World Timber Trade). There is considerable criticism of the export of logs, especially of the higher value species from Guyanese processors. The explanation offered related to the comparative costs of processing in Guyana. The country has high energy costs and high investment costs and is inefficient in terms of raw material usage. These are all factors that could be addressed as noted in, for example, *Report of the Diagnostic Mission to Guyana*, ITTO, Aug 2003 and more recent studies. Cheaper electric power would also assist processors be more competitive.

1.5.3 Deforestation and forest degradation

Guyana is one of 11 developing countries with high forest cover (>50% forest cover remaining) and historically low deforestation rates (da Fonseca *et al.* 2007). Forests account for around 16 million ha or 77% of Guyana's total land area. Although little quantitative information on historical deforestation rates is available, these are generally thought to be in the region of 0.0-0.4% per annum (Ecosecurities 2002, FAO 2005, Alder and van Kuijke 2009, GFC 2009), however many of these estimations have been derived by from differences in estimated total forest area between years (e.g. from the FAO GFRA reports), which seem to have been inconsistently reported. Guyana Forestry Commission (GFC) produced the first quantitative assessment of forest area change in 2009 (GFC, 2009). By comparing Landsat data for 2007 and 2008 they derived total deforestation rates of 0.29% across Guyana and 0.25% within the state forest estate for this period.

1.5.4 Key policies

There have been no significant policy or legislative changes made to accommodate REDD so far. The process is currently regarded as being adequately covered by existing instruments. The two most important are those relating to forestry and mining but agriculture, land use planning and, especially Amerindian affairs are also important.

Under the 2006 Amerindian Act, forestry on Amerindian lands is not subjected to any controls, even where it is on a commercial scale. In respect of mining, while industrial scale mining licences can override Amerindian rights in the national interest, small and medium scale mining has to be approved by the community, who are entitled to a royalty of at least 7%. There are also obligations placed on mining licensees to offer employment to community members and to offer to purchase supplies from the community. There is no obligation on the community to accept either the lease or the offer to provide employment or purchase supplies.

Perhaps the most significant question that needs to be addressed is the rights in respect of forest concession holders to benefit from climate change related payments, and indeed payments for other environmental services. Under the present

forest policy and legislation, only the state can benefit from such payments on state forest land, regardless of whether or not it is leased out.

As titled Amerindian communities legally own the forest on their land, they can benefit from such payments and in the case of REDD+, these communities are able to “Opt-in” to the wider national system. Untitled Amerindian communities have no rights to “Opt-in” and are no different from other rural communities in this respect. Iwokrama is not part of the state lands, either, having unique, international ownership and is free to benefit from the sale of its environmental services.

1.5.5 Institutions

The following are the key government institutions:

- Office of Climate Change in Office of the President – responsible for oversight of the Low Carbon Development Strategy (LCDS) and for international negotiations taking place under UNFCCC;
- Ministry of Agriculture – particularly in respect of irrigation, drainage and flood protection;
- Ministry of Culture, Youth and Sport – particular concern with engaging young people;
- Guyana Forestry Commission (GFC) and REDD Secretariat – key agency responsible for control and oversight of all forest on public land;
- Guyana Geology and Mines Commission (GGMC) – responsible for control and oversight of mining;
- Environmental Protection Agency (EPA) – responsible for Environmental Impact Assessments on all LCDS developments, including developments on Amerindian lands;
- Guyana Lands and Surveys Commission - responsible for land use plans, land titling and surveys, including the register of registered professional surveyors; and
- Ministry of Amerindian Affairs – responsible for all issues related to Amerindian communities, including progress with land titling and for consultation and negotiation on “Opting in” and delivery of relevant parts of LCDS.

The following are the key non-government organisations:

Trade and private sector related

- Forest Products Association – represents large concession holders and processors;
- Private Sector Commission – an umbrella organisation representing commercial interests including, but not confined to those with interests in forestry and mining;
- Guyana Gold and Diamond Miners Association – represents mining interests;
- Guyana Manufacturing and Services Association – includes representatives from forest product processors;
- Georgetown Chamber of Commerce and Industry – body representing general interests of commerce and industry;

Conservation

- WWF Guianas – regional conservation interests;
- Conservation International – conservation concession and wider conservation interests;

Amerindian interests

- National Toushaos Council – body representing all Amerindian community leaders;
- Amerindian Peoples Association – long established advocacy group focusing on land rights particularly, has declined to join the Multi-stakeholder steering committee (MSSC) on LCDS;
- Guyana Organisation of Indigenous Peoples – advocacy group on all matters relating to Amerindian communities;
- The Amerindian Action Movement of Guyana – advocacy group on Amerindian development issues;
- National Amerindian Development Foundation – Amerindian development issues;
- North Rupununi District Development Board – active livelihood development and promotion group;

Others

- Guyana Trades Union Congress;
- Federation of Independent Trade Unions of Guyana;
- Women's Affairs Bureau;
- President's Youth Award Republic of Guyana.

All of the above institutions are represented on the MSSC, with the exception of Amerindian Peoples Association, which has so far declined the invitation to join as they were unclear on the Terms of Reference, the role of the committee and the implications of their joining. In addition to those noted above, there are two individual capacity members of the MSSC and IIED, which undertook the monitoring of the consultation process, is also represented. The Ministry of Finance will obviously be crucial once payment systems need to be developed.

The list is wide-ranging but some additional interests may need to be considered. Firstly the non-Amerindian rural communities engaged in forestry, such as the Kwakwani and Ituni small loggers, both of which have active associations. There is also perhaps limited representation of the poor urban population, especially those not in regular employment.

The PNC opposition party was not invited to join the MSSC but expected to work through the parliamentary process. Its view is that it has no wish to jeopardise national development and is supportive of the LCDS concept but has differing views over the content of the LCDS, is awaiting more details of the safeguards to be applied and is committed to open and transparent decision making. A more solid bipartisan approach would be helpful.

1.5.6 Historical narrative of REDD process and key stakeholders

The Stern Review, commissioned by the UK government and published in 2006, drew attention to the importance of Greenhouse Gas Emissions from land use change and the importance of retaining forest cover. Although there has been subsequent debate on the assumptions and the economics presented in that review, it was seminal in galvanising wider international debate. As a country with a very low historical deforestation rate and high forest cover, Guyana was quick to recognise the potential of capturing financial benefits through REDD for the global contribution it was making from avoided deforestation. At the same time, Guyana also identified a linkage between REDD payments and a Low Carbon Development Strategy.

1.5.7 Overview of NICFI support to Guyana

NICFI support to Guyana until the end of September 2010 had been limited to discussion, encouragement and commitment to future payments. US\$ 30 million was transferred to the Trustee (WB) in October 2010 and up to US\$ 250 million may be transferred by 2016 but no payments have yet been received in Guyana. Funds have also been allocated to Conservation International from the Civil Society Support funds. (See Annex 4 for overall NICFI funding).

2. Methodology

2.1 Real-time evaluation

The need for timely information and rapid learning calls for a real-time evaluation (RTE) to progressively assess the results of NICFI with regard to its objectives and the general objectives of Norwegian development cooperation.

An RTE is distinct from a full-term or interim evaluation insofar as it is part of an ongoing process of reflection and improvement. The findings of an RTE should therefore be viewed in terms of how they can be used to adjust and improve the ongoing activities of the NICFI rather than providing definitive assessments. The RTE of NICFI aims to provide feedback to the stakeholders and a basis for subsequent ex-post evaluations.

This report represents one of five country reports from the first iteration of the RTE of NICFI's support to the formulation and implementation of national REDD strategies and other REDD readiness efforts. It is emphasised that the findings are not assessments of the final impacts of NICFI (which are unlikely to be known for several years) but are conclusions about progress and process towards the end goal.

It is expected that the RTE method will require some adjustment as NICFI evolves. This is firstly because RTE is a new element to the overall management of the Initiative, and secondly as the external policy context develops over time, so questions and indicators that are relevant at one stage of development may be less relevant at a later stage.

2.2 The timeframe for the evaluation

The starting (baseline) point for this evaluation was December 2007, corresponding to the launching of NICFI at COP-13, while the end point is October 1st 2010. The evaluation was carried out between June 28th and October 1st 2010. The Guyana field missions took place between 24th August and 4th September, with literature being consulted and further interviews conducted remotely until the end of September 2010.

2.3 Selection of themes and indicators

A standardised real-time evaluation framework was developed that is designed to allow comparisons over time. This included the definition of a set of common indicators that (i) remain valid throughout the real-time evaluation period, (ii) can be used across countries, (iii) address the overall objectives of the real-time evaluation, (iv) cover the issues raised in the Terms of Reference, and (v) enable assessment of contribution of inputs from NICFI to observed progress.

The 2007 baseline for each indicator was reconstructed and compared to the situation as of 2010. In order to facilitate easy comparisons between (i) the baseline situation (2007), (ii) overall country-level progress from 2007 to 2010, and (iii) the specific NICFI contribution to the progress, the results of the country-level evaluation were summarised in a concise evaluation framework matrix. The evaluation framework is based on indicators grouped under the five following themes:

1. National ownership
2. REDD relevant policies, strategies, plans and actions
3. MRV capacity and capability
4. Deforestation and forest degradation
5. Livelihoods, economic and social development, environmental conservation

Themes 1 to 4 reflect the two NICFI climate objectives that have particular relevance at the national level: (a) to take early action to achieve cost-effective and verifiable emissions reductions, and (b) to promote conservation of natural forests to maintain their carbon storage capacity. Theme 5 reflects the recognition of REDD co-benefits and relates to Norway's development and foreign policy objectives, which apply to the Initiative and all activities that it supports.

These themes and their respective indicators are designed to encompass the whole REDD and development agenda. Although NICFI is only directly involved in, and able to influence, a subset of this (and that subset differs between partner countries), the broad scope ensures that NICFI's contribution is contextualised. Indicators that are not applicable now may also become applicable if NICFI broadens its scope in the future.

The level of achievement against each of the indicators in 2007 and 2010 was assessed as high, medium, low, and a similar system was used to assess the NICFI contribution. These assessments will provide a basis from which to monitor changes over time through subsequent evaluation visits.

2.4 OECD/DAC criteria

NICFI's progress was assessed against the three Organisation for Economic Cooperation and Development / Development Assistance Committee (OECD/DAC) criteria relevance, effectiveness and efficiency. Their application within the RTE of NICFI's support to national REDD processes was as follows:

- *Relevance* – The extent to which NICFI's contribution across the themes and indicators has been consistent and coherent with the individual partner country's policy and development goals and needs, with wider global priorities, with other donors' goals and policies and with NICFI's overall objectives.
- *Effectiveness* – The extent to which NICFI's contribution across the themes and indicators whether direct or indirect, has achieved, or is likely to achieve, NICFI's objectives.
- *Efficiency* – Preliminary reflections on whether NICFI has targeted inputs – finance, personnel time, level and clarity of engagement – in a way that has produced outputs that have been conducive towards progress by the partner country and to achievement of NICFI objectives.

2.5 Collection of evidence

Evidence was collected through comprehensive programmes of stakeholder interviews, in-depth literature surveys, document reviews of research papers, reports, and policy documents, and triangulated across the data sources and through cross-validation of key pieces of evidence between interviews.

2.6 Methodological limitations

2.6.1 Themes and indicators

NICFI is a very complex evaluation object due to its size and scope. While performance indicators for NICFI's overall objectives were described in the Ministry of Environment's Proposal 1 to the Storting 2008-2009 (Det Kongelige Miljøverndepartement 2008) and added to in the Ministry of the Environment's Budget Proposal 2009-2010 (Det Kongelige Miljøverndepartement 2009), NICFI has not developed a comprehensive logical framework with detailed indicators for the whole range of activities. For such a large and innovative activity, the lack of a full set of indicators is understandable, but it creates room for interpretation as to which themes and indicators should be included in the real-time evaluation framework.

As REDD is a "moving target" and NICFI's activities will change over time, the themes and indicators assessed in this report may be revised in the next iterations of the real-time evaluation. For the present evaluation, a set of generic indicators was developed during the inception phase and during the field work the team attempted to revise, refine and adapt these to the national situations. The development of the evaluation indicators should therefore be considered a "work in progress".

2.6.2 OECD/DAC criteria

The multiple components contributing to progress against indicators make assessment and scoring against DAC criteria problematic. NICFI's early stage of implementation also makes assessment of DAC criteria preliminary and subject to interpretation, especially with respect to effectiveness and efficiency. The country reports therefore place more emphasis on the descriptive accounts of the baseline situation, REDD+ developments up to October 2010, and to the NICFI activities and their relevance.

3. Baseline in 2007

3.1 National ownership

In 2007, there was little discussion within Guyana on opportunities from REDD. The low historical deforestation rate and the existence of large tracts of forest with no human influences was an unusual attribute but beyond discussion of possibilities around wider international discussions by individuals responsible for land use and forestry, there was no wider sense of ownership in the country.

3.2 REDD relevant policies, strategies, plans and actions

The main REDD relevant policy in 2007 was that related to forestry. At that time, the relevant forestry strategy was focused towards increasing access to the forest and widening the range of species harvested in order to expand the level of economic activity in the forest. Apart from the separate Iwokrama area, there was one conservation concession allocated to Conservation International. Although a mechanism had been developed to accommodate this, no other interested parties had been found and the possibility of securing finance from avoided deforestation as an alternative payment mechanism for environmental services was still a largely unspecified concept.

3.3 MRV capacity and capability

3.3.1 Field data availability

Few key data sources relevant to REDD+ MRV were available in 2007. These were limited to a series of forest inventories dating from different periods and a vegetation map of Guyana. The FAO Forest Industry Development Survey (FIDS) of 1968-73 provided national forest inventory coverage, while the Great Falls inventory (1975), CIDA-financed Interim Forestry Project inventory (1990-94), and management level inventories of logging concessions, which were conducted from 2004 onwards, provide less extensive coverage. ter Steege (2001) developed the vegetation map of Guyana for Guyana Forestry Commission using data from soil plots, remote sensing imagery, research plots and forest inventory data.

In 2007 there was no consistent, recent (<10 yrs old) national forest inventory, and large gaps in available inventory data for areas more than around 160 Km inland from coast due to inaccessibility of the forest and the lack of active concessions. Management level inventories of forest concessions are limited to large trees of 35 cm diameter at breast height and above, so data for trees smaller than this are lacking. The vegetation map is not suitable for producing benchmark forest area map as it is >5 yrs old (GOFC-GOLD 2009) and based on incomplete information for NW Guyana according to one source.

3.3.2 Estimation of Guyana's biomass and carbon stocks available by 2007

Brown (1997) provided the first estimations of above-ground forest biomass for Guyana; these range from 125-405 t / ha depending on forest type. Despite a lack of country specific biomass plots in Guyana, ter Steege (2001) used stand tables based on the FIDS and Great Falls inventories, alongside a biomass expansion factor developed for French Guiana, estimations of below-ground biomass and litter from studies in neighbouring Brazil and Venezuela, and soil biomass from several studies in central Guyana to develop Guyana's first biomass stock assessment in 2008. He then used the forest inventory data along with soil studies from central Guyana to determine an average total biomass (including litter) in the range of 250-300 t/ha, noting that some areas in central Guyana on the Berbice formation, have markedly lower biomass (estimated at 160-215 t/ha). FAO GFRA 2005 gave a figure of 3,821 Mt of total forest biomass in Guyana based on expert estimation, including 2,824 Mt aboveground biomass, 619Mt belowground biomass; 378 Mt in necromass.

3.3.3 MRV capacity and capability in 2007

MRV capability in 2007 was limited to forest inventory and GIS skills among key agency staff: these skills were required for forest concession operations in order to meet the requirements laid down in the national forestry Code of Practice (GFC, 2002). The Forestry Training Centre provided training in inventory skills to forest workers and GFC staff. GFC and the two other main natural resources agencies (GGMC and GL&SC) had a small number of staff members with GIS capability that had worked together to develop GIS standards for application in the natural resources sectors in Guyana. Little capability existed for analysis and interpretation of remote sensing data in 2007 beyond this apart from Iwokrama which had facilities but had lost trained personnel during financial retrenchment.

3.4 Estimated deforestation and forest degradation rates

3.4.1 Deforestation rates

Estimated deforestation rates were low (<0.4%/yr) based on what little information was available. FAO GFRA (2005) gives a net deforestation rate of 0.0 %/yr, based on an assumption of no change in forest area between 1990 and 2005. Ecosecurities (2002) estimate deforestation increased from 0.1 %/yr in 1990 to 0.3%/yr in 2000 (about 542 ha/yr) based on differences in forest area figures cited in GFRA reports of those years. No consistent information is available on either forest area or forest area change and at this level, sampling errors become important.

Little quantitative information on forest degradation was available in 2007. An analysis of 1998 data provided by GFC and prepared for Guyana's First National Communication to UNFCCC (1st NC 2001), suggested that logging was the key driver of forest disturbance, with the forest area disturbed by logging estimated as 2,182,152 ha, or 13% of Guyana's total forest area. Mining was the next most significant activity, affecting 40,000 ha; however, both these estimates were based on forest area leased for logging and mining concessions rather than measurements of forest condition, *per se*. Ecosecurities (2002) report that agricultural and infrastructure expansion, along with wood fuel collection, are also key drivers of deforestation and forest degradation but these are localised in extent.

3.4.2 Capability in Guyana for forestry-related GHG accounting

Two attempts had been made by 2007 to estimate carbon emissions from deforestation. These provided emissions estimations of 2.53 Mt CO₂e /yr through forest conversion to grassland based on 1994 data (1st NC, 2001), and 0.31 Mt CO₂e /yr through conversion to pasture (Ecosecurities, 2002), based on the biomass stock assessment of ter Steege (2001) and forest cover for each forest type based on FAO GFRA (2001). Both of these assessments were carried out by external consultants and no capability was built up within Guyana for carbon emissions assessments. The entire GHG inventory included in the 1st NC was undertaken by an external consultant, consequently there was no national GHG accounting system in place and no national capability built for GHG accounting in Guyana.

3.5 Livelihoods, economic and social development and environment conservation

In 2007, the main information being collected was timber and forestry statistics and normal monitoring information on the extent of concession agreements and records of their compliance with regulations. Staff shortages precluded intensive supervision of forest concessions and mining supervision was very limited, especially in the case of small, isolated concessions.

With the exception of specific studies, such as one in 2006 on chainsaw logging, which is currently being further investigated, there was little information on livelihoods and no regular monitoring. Conservation indicators other than in the conservation concession and Iwokrama were not specifically measured other than through checking compliance with the code of practice that delineated areas were maintained intact.

3.6 Donor support and coordination

After substantial donor funding, mainly from DFID during the 1990s until 2002, there was little donor support for forestry and limited donor support to Iwokrama. Some support was secured, ultimately with predominantly Japanese funding, through ITTO to support training, work on Lesser Used [timber] Species and on the use of remote sensing to control illegal logging. USAID provided limited assistance on biodiversity conservation together with support from WWF for regional conservation efforts. These various interventions were coordinated through GFC; all were relatively small interventions of limited duration.

There were also two small biodiversity-related projects funded by UK Darwin Initiative. One developed a planning database for the Rupununi savanna area, the other piloting butterfly farming.

4. Status and progress of the National REDD process in 2010

4.1 National ownership

The consultation process in respect of the Low Carbon Development Strategy (LCDS) is described in Section 5.1 below. Although there is some dissent, most notably the non-engagement of the political opposition parties, the consultation process, the free flow of information and regular media debate (covering a wide range of views) means that the general population is remarkably well-informed about LCDS.

As also noted in Section 1.5.5, there are some key groups that are not well represented and appear to have been marginalised. The main ones are the small, non-Amerindian loggers living in rural areas and often made up of people made redundant from large scale mining. There is also the poor urban population, especially those not in employment.

In terms of major users of the forest resource, there is some resistance from forest concession holders, who are being held to increasingly rigorous inspection of their operations, are required to enhance their operating standards and yet have no direct benefit from REDD+ funds. The level of complaint seems mild so far but the uncertainty is limiting further investment. This requires revisiting.

By contrast, the miners are much more vociferously critical of the impact of REDD+ changes on their activities. These are accruing through tight enforcement of mining regulations, in particular restrictions on watercourse diversion and waste water cleaning. Their proposal that mining concessions be excised from the forest and therefore excluded from REDD negotiation has not found favour with government and indeed an excision of the extent proposed, some 40,000 ha, would have serious impact on the reference scenario and hence REDD+ related payments.

There is also significant conflict between miners and forest concession holders. The application of the forest code-of-practice restricts the felling of adjacent merchantable trees yet such trees may be shortly thereafter felled under a mining lease superimposed on the forest concession. Additionally, the use of mercury in gold mining is a major problem for concessions seeking certification and is reported as having been one factor in the loss of FSC certification by Barama.

The consultative group on land use conflicts, which is mainly a forum for discussion of such issues, is primarily composed of government forestry and mining agency personnel. While its mandate seems adequate, it has not so far been able to make progress in resolving these conflicts.

4.2 REDD relevant policies, strategies, plans and actions

The situation in 2010 is no different from that in 2007, as presented in Section 3.2.

The R-PP was assessed at the 3rd Participants' Committee Meeting of the FCPF and the formulation grant is signed but not yet disbursed. Due diligence is underway in view of preparation grant but progress has been slow. The revised R-PP submitted in April 2010 consists of nine components. These are summarised in the table below. A substantial proportion of the overall estimated cost is proposed to be met from national sources; so far no external finance has been forthcoming.

The miners' organisation (GGDMA) are content to have restoration activities undertaken and to pay for these but neither this, nor the enrichment practices referred to in R-PP has a solid research basis. Further follow up is indicated on subsequent visits.

Table 5: Guyana R-PP Summary (US\$)

Title	Guyana	FCPF	Other	Total	%
National Readiness Management Arrangements	80,000	380,000		460,000	8%
Stakeholder Consultation and Participation	80,000	525,000		605,000	10%
Assessment of Land Use, Forest Policy and Governance	55,000	30,000		85,000	1%
REDD + Strategy Options	90,000	450,000		540,000	9%
REDD + Implementation Framework	50,000	340,000		390,000	7%
Strategic Social and Environmental Assessment (SESA) in the Formulation of the REDD + Strategy	40,000	300,000		340,000	6%
Develop a Reference Scenario	50,000	430,000		480,000	8%
Design a Monitoring System for	110,000	1,110,000	1,630,000	2,850,000	49%
Emissions and Removals					
Other Benefits and Impacts					
Design a Programme Monitoring and Evaluation Framework	50,000	35,000		85,000	1%
Total	605,000	3,600,000	1,630,000	5,835,000	100%
Percentage	10%	62%	28%	100%	

4.3 MRV capacity and capability

4.3.1 New estimates of forest biomass and carbon stocks produced

Two new studies in 2009 used existing forest inventory data to develop new (and similar) estimates of forest biomass stocks. Cl *et al.* 2009 estimate carbon stocks in live tree biomass range from 189 t C /ha in white sand forests to 211 t C /ha in mixed forests, while Alder and van Kuijk (2009a) estimate overall mean tree biomass including roots, averages 442 t C /ha across the predominant closed forest types (lowland and hill mixed forest, wallaba and clump wallaba forest). Alder and van Kuijke (2009b) also developed a forest biomass monitoring system proposal for GFC that laid out a methodology for national biomass inventory.

4.3.2 Forest monitoring capabilities increased since 2007

Guyana Forestry Commission (GFC) has drastically increased its forest monitoring capability through investments in new equipment, resources, vehicles, training, and by hiring and involving many more staff in forest inventory and monitoring (Godfrey Marshall – *pers. comm.*). The forestry training centre reports a large increase in the number of people being trained (400 per year, although this figure also includes external students). There has also been an increase in uptake among the logging companies, who one interviewee suggested are taking inventory more seriously in response to GFC's more aggressive approach to enforcing the need for inventory and fines where compliance is lacking.

GFC, Guyana Geology and Mining Commission (GGMC), Guyana Lands and Surveys Commission (GLSC) all have GIS capability. GFC's Forest Resources Information Unit (FRIU) currently has nine members of staff, all with GIS capability, including five staff members that are trained and able to pre-process satellite images using geo- and radio-rectification techniques; two hold MSc degrees in remote sensing. Logging concessions and mining operations are all geo-referenced and incorporated into a GIS database held by GFC's Forest Resources Management unit. GFC is currently using these data to monitor forest road construction and mining activities to ensure that they are taking place in agreed locations. GGMC plans to map mining operation related forest clearance and pass these data to GFC to incorporate into the database.

In terms of remote sensing data availability, GFC and GGMC have full 30 m resolution Landsat coverage of Guyana for 2005 and 2006-8, along with some higher resolution ASTER and ALOS images for 2008-9. Landsat images for January 2010 have been ordered from INPE in Brazil. ESRI has also provided GIS and mapping software.

Pöyry (who are contracted to develop an historic forest area change sequence and benchmark forest map using NICFI funds) believe that the FRIU is well resourced with computers capable of conducting forest area change analysis, while the software and hardware upgrades that have been made available through this contract will ensure that FRIU has the resources required to undertake forest change detection at an adequate level of accuracy.

At the project scale, The Guiana Shield Initiative and Iwokrama, working with SarVision, are using various high resolution remote sensing sources and airborne technologies (radar) to identify and monitor areas of small-scale forest disturbance within Iwokrama forest, focussing on unplanned disturbance. As part of this initiative, one person at Iwokrama has been trained and mentored by SarVision to work with these data and a series of permanent sample plots for ground truthing radar data has been installed.

Iwokrama and UNDP, as part of the Guiana Shield Initiative, have also developed community, biodiversity, forest carbon and water quality monitoring protocols that are relevant in the context of REDD+. Local communities were involved in developing the biodiversity indicators, and now use the monitoring data for their own purposes too – perhaps demonstrating potential for community based monitoring on a wider scale.

4.3.3 National MRV system, Forest Inventory and Independent Forest Monitoring

Guyana is developing a new National Forest Inventory and a REDD+ MRV system under the guidance of a new National MRV Steering Committee, which includes representatives of Guyana's national REDD Secretariat, GFC staff and other stakeholders. GFC is the focal organisation for co-ordinating activities.

Guyana's current major data and capacity gaps for REDD+ MRV include:

- Comprehensive quantitative assessment of deforestation and forest degradation;
- Lack of biomass monitoring plots;
- Capacity building plan for biomass monitoring;
- Tailored GIS/Remote Sensing techniques for REDD+ MRV;
- National methodology for forest carbon stock assessment, historical baseline; and
- Projection of future emissions (Guyana R-PP, 2010).

A workshop held October 2009 and facilitated by Professor Martin Herold of GOF-C-GOLD developed a three-phase road map for building capacity and filling these gaps (Herold and Bholanth, 2009). Among the key areas identified for immediate action during Phase 1 (2010) was the provision of a comprehensive forest area change assessment for historic period up to 2009 and a bench mark forest map for 2009. Pöyry New Zealand has recently started work on this contract. Both activities were funded by Norway.

The second component of the work, which began in August 2010 and is being undertaken by Winrock International, involves the design and implementation of the forest carbon stock assessment and monitoring system, including provision of IPCC Tier 3 data for Guyana through sampling of all five key carbon pools, wood density of key species, root/shoot ratios and the establishment of national level coefficients and biomass expansion and emission factors.

Since January 2010, GFC has also been working with USAID and the US Forest Service to design a new national forest inventory. The US Forest Service, Pöyry and

Winrock are working together to minimise redundancy and maximise complementarity and integration of these various components of MRV system development, as well as the related capacity building and training activities. GFC is also currently inviting proposals for the development of an Independent Forest Monitoring plan, a direct follow-up from the MoU/JCN.

4.4 Deforestation and forest degradation rates

Several new estimates of forest area change were developed between 2007 and 2010. Alder and van Kuijk (2009a) estimated annual net forest area loss as 640 km² or 0.4% total forest area per year based on current forest area estimates provided by GFC versus forest area 1963, which they estimate is equivalent to 12.8 million t C. The most current estimate was developed by GFC as part of a Quick Assessment (GFC, 2009) of forest area change intended to provide preliminary quantitative information to feed into Guyana's REDD+ Preparation Proposal (R-PP) to the Forest Carbon Partnership Facility. GFC used Landsat imagery to derive deforestation rates of 0.25% in the state forest estate and 0.29% across Guyana in total for the year 2007-8. Forest degradation rates have not been quantified; however, relevant information on harvest estimates from logging concessions is available from GFC (Herold and Bholanth, 2009).

GFC conducted the first quantitative assessment of drivers of deforestation in Guyana in 2009 as part of their Quick Assessment Report. Mining was found to be the major cause deforestation in the state forest estate 2007-8, resulting in deforestation of 24,428 ha, and a further 21,903 ha was cleared for agriculture. The highest rates of deforestation and the highest density of deforested areas occurred in North West Guyana, where there is the greatest density of forest roads (GFC, 2009) but which is also an important area of gold and diamond deposits (GGMC – geological map of Guyana, undated). Forest degradation was also found to be most extensive in the North West, and was linked in the Quick Assessment Report (GFC, 2009) with the high concentration of mining concessions and the density of forest roads.

According to the R-PP, REDD+ activities designed to address drivers of deforestation and forest degradation in the forestry, mining, agriculture and infrastructure sectors will be identified later in 2010 and 2011.

There appears to be potential for leakage and permanence issues related to Amerindian titled forest areas that are able to opt out or in under the LCDS. It is difficult to assess how much of a threat this may be until the strategy is further developed and mechanisms for handling the possibility of opting in or opting out are more fully defined.

4.5 Livelihoods, economic and social development and environment conservation

There has been no significant change since 2007.

4.6 Donor support and coordination

No significant change since 2007.

4.7 Implementation of REDD strategies and payments

Although there has been preparatory work and extensive discussion, REDD implementation has not yet started. LCDS outlines that a REDD mechanism will be the main source of financing for the LCDS from 2020 onwards. Once these payments are provided, Guyana can protect its forest and simultaneously seek a development path that maximises the growth of low-carbon economic sectors and minimises deforestation and high-carbon economic activity. As well as securing its forest resource, this would lead to action in three areas that are essential to Guyana's future:

- Investing in low-carbon economic infrastructure
- Facilitating investment and employment in low-carbon economic sectors
- Generally enhancing the nation's human capital and creating new opportunities for forest-dependent and other indigenous communities

5. NICFI contribution on the status and progress of the National REDD process

5.1 Guyana – Norway MoU

Guyana was promoting its potential for avoided deforestation from the UNFCCC COP-13 in Bali in 2007 and developed its Low Carbon Development Strategy (LCDS)⁶ on the basis of the McKinsey (2009) report *Pathways to a Low Carbon Economy*. The LCDS, which has linkages to parts of the National Development Strategy 2000-2010, was launched formally in June 2009. Within the country, debate has revolved around the national LCDS rather than REDD, which is characterised as the source of funds. Political contacts between Guyana and Norway from 2007 on ultimately led to the signing of a Memorandum of Understanding (MoU) between the two countries in November 2009.

The objective of the MoU is:

... to foster partnership between Guyana and Norway on issues of climate change, biodiversity and sustainable low carbon development. ...

The MoU objective then goes on to emphasise that of particular importance:

...is the establishment of a comprehensive political and policy dialogue on these issues, and close cooperation regarding Guyana's REDD+ efforts, including the establishment of a framework for result-based Norwegian financial support to Guyana's REDD+ efforts.

There are then three pillars listed:

- a. Regular, systematic policy and political dialogue, to contribute to the establishment of a new global climate change regime and to the creation of a robust mechanism for the inclusion of REDD+ within it;
- b. Collaboration, knowledge-building and sharing of lessons learned on sustainable, low-carbon development, with REDD+ as a key component of this; and
- c. Collaboration on REDD+, including establishing a framework for financial support from Norway into a Guyana REDD+ Investment Fund.

This is followed by sections on the *financial mechanism* (the Guyana REDD+ Investment Fund) on *an evolving partnership*, which is the subject of a detailed Joint Concept Note and on identification of *focal points* in each country.

It is important to recognise that the Low Carbon Development Strategy (LCDS) and the MoU relating to cooperation and especially to REDD+ payments are closely related but not identical. This is reflected in the key stakeholder groups. In terms of REDD+, the key stakeholders are those who use and depend on the forest directly.

⁶ Transforming Guyana's economy while combating climate change. Office of the President, Guyana, 2010

This includes forest concession holders at all scales and rural communities within the state forest, including Amerindian communities, who do not have land title. Amerindian communities with land titles (recognising that some are not finalised and others are in dispute and/or discussion over extension) will not be brought into any REDD+ agreement without opting in with Free, Prior and Informed Consent. The LCDS, because of its substantial restructuring of the national economy, has a much wider stakeholder base and effectively impinges on the whole nation.

The LCDS was the subject of a very intensive, national consultation. IIED contributed to the design and oversaw moderation of the consultation process, with specific emphasis on the suitability of the process in Amerindian communities under contract from Norway.⁷ The consultation process was comprehensive in terms of the number of consultation events and IIED concluded it was credible, transparent and inclusive. The moderators did, however, observe a number of limitations. Several of these related to logistics, documentation and the decision not to use trained facilitators. More substantial points included the non-engagement of opposition Members of Parliament and opposition parties, the complexity of the concept of trading environmental services for most Guyanese and the lack of a clear statement of negative as well as positive aspects of LCDS. Despite these points, the consultation was a remarkable achievement and indeed some developed countries with far less challenging access would be hard put to match it.

Concurrently with the launch of the LCDS, a multi-stakeholder steering committee (MSSC) was created. This committee meets weekly under the chairmanship of the President and includes in addition to the Ministers of Agriculture and Amerindian Affairs, civil servants from relevant departments and agencies, national civil society organisations, international environmental NGOs and individual members. It is understood the opposition PNC party has not been invited to join on the grounds that it can express its views in parliament.

The Readiness Preparation Proposal (R-PP) for Guyana was submitted to the World Bank's Forest Carbon Partnership Facility (FCPF) by the Guyana Forestry Commission (GFC) in September 2009 and a revised version in April 2010. Although now accepted in principle, no payments have been actioned and even the R-PP formulation grant of US\$ 200K had not been paid when the team visited.

5.2 National ownership

With the exception of the independent monitoring of the consultation process, for which the Government of Norway engaged IIED, most of the contribution from NICFI has been indirect. It has encouraged progress on key issues such as MRV and provided sponsorship on two key activities in Guyana to support rapid progress.

- A workshop of international MRV-experts in Guyana (including Winrock, FAO, WRI, Clinton Foundation, Australia's NCAS, etc.) to discuss MRV approached with the GFC and other relevant stakeholders in Guyana.
- Norway financed Martin Herold's October 2009 workshop that resulted in the MRV roadmap document.

⁷ Independent monitoring of a consultative process for Guyana's Low Carbon Development Strategy and REDD. IIED, 2009

NICFI has also provided funding for the realisation of the so-called Bid 1 (historical deforestation data).

5.3 REDD relevant policies, strategies, plans and actions

Guyana made an approach to EU-FLEGT as part of the wider conditions of the MoU. This process was started but stopped due to lack of significant trade volume with EU. It is not clear that this should be the end of the process as EU-FLEGT may prove helpful in ensuring and validating improved forest governance.

5.4 MRV capacity and capability

According to USAID July 2010 update, the MoU has spurred intensive focus on MRV in Guyana. The rate of progress seems to reflect this and a call has been put out for expressions of interest to assist in developing Independent Forest Monitoring.

The rider on MRV capacity and capability is whether the current use of external consultants to make the rapid progress identified as ideal, is matched by delivery of the requirement for adequate national capacity building specified in the MRV road map. This aspect will need to be monitored.

5.5 Deforestation and forest degradation rates

It is too early to comment on this as so far no NICFI support has been provided. The Government of Guyana has undertaken preliminary work on establishing baseline and basic change data for deforestation as described in Section 4.4, although little has been done on measuring degradation or even defining systems to do this.

5.6 Livelihoods, economic and social development and environment conservation

These will depend on the precise use of agreed funds once the financial mechanism is established and there is greater clarity. As a general observation, there will have to be substantial work to develop indicators of wider achievement in addition to those for specific interventions and safeguards; data and indicators of wider achievement are presently lacking. These should be integrated into current inspection and monitoring plans as far as practicable. The precise safeguards employed will also affect the selection and range of indicators to be developed.

There needs to be action on the Guyanese side to start defining data specification and collection and to gather baseline information in all these categories to support future interventions. Without adequate baseline information, it will be hard to monitor change and impossible to determine impact.

5.7 Donor support and coordination

At the present time, it is not clear how the mechanism for donor coordination will be utilised. The funding mechanism needs to be established first and thereafter, donors are all open to engagement in a coherent system of donor support parts of LCDS and to the handling of REDD+ funds. It was observed by the donor representatives that the lack of any senior Norwegian representative in Guyana, or even in the region, made effective coordination problematic.

5.8 Implementation of REDD strategies and payments

No payments have yet been made from NICFI and REDD implementation has not yet started in Guyana so there has been no direct contribution to assess. There has been substantial support and encouragement through discussion and particularly through the signing of the Memorandum of Understanding (MoU) and the detailed Joint Concept Note (JCN) attached to this. Finance will be channelled through the Guyana REDD+ Investment Fund (GRIF), which has been formally set up.

Although implementation has not commenced, there has been work undertaken in expectation of this by Guyana. There has also been a great deal of debate and discussion within Guyana over the financing of REDD by Norway. The information presented in this section is important to understanding the baseline position and the situation at the time of the evaluation visit and is given to provide this.

The slow progress with payments has led to a great deal of criticism in Guyana. Although the MoU and JCN clearly lay out the agreement over safeguards, this seems to have been overlooked by some who hold the view of many that REDD+ payments are a contractual agreement for environmental services rendered, ignoring the important issue of safeguards. Both Guyanese and Norwegians view the partnership as a 'business relationship', as stated in a letter from the director of NICFI, Hans Brattskar, to Gaulbert Southerland of the Stabroek News, who also noted that 'the nature of this relationship is a fundamentally equitable and reciprocal one. The Government of Guyana is providing an environmental service to the world for which the Government of Norway is willing to pay' (5 August 2010, in response to article of 1 August 2010).

Mr Brattskar further stated that Norway has not imposed 'conditions' on Guyana, distinguishing conditions from 'internationally recognised safeguards' to which both partners are fully committed and on the implementation of which the Partnership is actually working. In addition, he added, it has recently been decided (October 2010) that the GRIF will be managed as a trust fund under the World Bank's Fiduciary Investment Fund (FIF), which has no safeguards of its own but that the safeguards will be ensured through the implementing parties of projects and activities using money from FIF. The Partner Entities (UNDP, IDB, WB) will apply their respective safeguards and operational policies and procedures in the implementation of GRIF projects and programmes. As NICFI funding originates from Norwegian development aid, which has its own requirements for safeguards, these must be met by all recipient countries, regardless of the distribution mechanism.

The progress which has been made to date is impressive and has been driven from the Guyana side. Progress against the Indicators in Section 2 of the Joint Concept Note appended to the MoU is to be undertaken by a separate monitoring mission agreed by both governments. The topics, however, provide a useful checklist on which to note progress to date. It is emphasised that these comments are based on discussion with people involved and no opportunity was available to undertake a thorough review.

Strategic framework – because REDD+ has not yet started, it is hard to make detailed comment on this. The evidence available to the team suggested that there was a good coordination within Guyana of relevant agencies and that substantial work had been done on preparing the basis on which the framework will be developed. As GRIF is not yet operational, no comments can be made on its operation.

Continuous multi-stakeholder consultation process – the LCDS MSSC is operating in a transparent manner and was subjected to a fair consultation process. There is further to go with ensuring people have sufficient understanding to take informed decisions and some comments on stakeholders whose interests seem currently overlooked are made in Section 5.1. The differences between LCDS and REDD+ payments are subtle and in practice the two are frequently conflated, with the result that activities under the LCDS are seen as implementing requirements for REDD+ under the R-PP. However, there is a key difference, which perhaps reflects Guyanese and Norwegian aims: while the LCDS is an economy-wide development strategy for Guyana, REDD+ simply provides funding from NICFI (and eventually, it is hoped, from other donors as well) that will be channelled through the GRIF for implementation of the LCDS. REDD+ is payment for environmental services, LCDS is using the payment.

Governance – the basic forest governance system in Guyana is potentially adequate for the initial purposes of REDD+ payments. Guyana secured funding for improved deforestation monitoring and log tracking some years before the MoU was signed. There has been a recent increase in field inspection as a result of new staff appointments, and a similar tightening of inspection of mining operations. There appears to be willingness to engage in the development of governance changes although some aspects such as the exclusion of concession holders from REDD+ benefits may need further attention. Other related issues concern log exports, which are related to processing costs and cause dissent from the Guyanese wood processing industry. The investigation of an EU-FLEGT agreement was started but then stalled due to the insignificant trade volume with EU. It is not clear when it will be resumed although it remains a key point agreed in the MoU/JCN.

Financial mechanism – the delays with setting up of GRIF, which were finally resolved on 9 October 2010 with the signing of the GRIF agreement, and indeed with agreeing the details of the financial mechanism and hence release of the first tranche of funds has led to considerable debate in Guyana. Expectations of rapid substantial payments were raised perhaps unwisely by the Government of Guyana, despite their agreement to the funding conditions. It would be helpful for everyone for funds to start flowing, provided adequate safeguards can be put in place. It seems that more explanation of the reasons for the delay over GRIF and the purpose of the safeguards attached to Norwegian funds may be required. Until GRIF is fully operational, there is not much more that can be done.

MRV – progress with the MRV system has so far been good. Advice has been contracted in on both remote sensing and field measurement aspects. The concern is whether national capacity is being built sufficiently quickly through this approach but strong commitment to achieving it is evident. Conservation International has

been working with communities on skills building so that they can engage in MRV as well as forest protection.

Indigenous peoples and other forest communities – considerable progress has been made on Amerindian land issues in recent years although some allocation processes remain outstanding. LCDS proposes generous treatment of titled Amerindian communities compared with that afforded to untitled Amerindian communities and to other rural communities. Titling is specified in LCDS although the high cost of surveys to support this process may benefit from review. There are issues relating to the use of forest resources on Amerindian lands when these reach commercial as opposed to traditional scale and an inventory of forest resources on Amerindian lands would be helpful. There is a considerable variation in terms of the extent to which Amerindian communities in Guyana are integrated into modern life and many of the requirements noted by Amerindian leaders and support groups are similar to those of rural communities in every country rather than being specifically Amerindian. Access, health, education and, particularly, economic opportunities were most commonly mentioned. No communities in Guyana are totally remote from modern society although the capacity to engage may be limited.

Given this, the disparity of benefit between Amerindian and non-Amerindian rural communities may prove to be a cause of future dissent. There are a number of NGO groups representing Amerindian interests although their precise mandate is not always clear. At the same time, the National Tushaoc Council presents a system which has the potential to have a solidly clear, democratic mandate to represent these communities. More independence from the Ministry of Amerindian Affairs, such as its own separate Secretariat, would help greatly in this.

5.9 Mapping of demonstration / pilot projects / activities

There are currently no demonstration or pilot activities supported by NICFI financing. Iwokrama has entered into an agreement on REDD funding with Canopy Capital but this is at too early a stage to be more than noted for the future as a source of lessons learned.

6. Evaluation of the contribution of NICFI

6.1 Relevance

The greatest difficulties in identifying relevance (and effectiveness and efficiency) are that, firstly, no financial support had been allocated at the time of the visit, although funds should now start to flow following signing of the GRIF agreement on 9 October 2010, and secondly, Norway looks at NICFI for achieving a model for REDD, whereas in Guyana the focus is on using REDD funds to implement LCDS. This extends to the situation where many people think that the LCDS is a Norwegian funded intervention and do not really grasp the important complexity of the REDD mechanism.

With this rider in mind, it seems that NICFI has been highly or moderately relevant for encouraging actions on all the progress made so far in Guyana on REDD relevant issues. It is however important to note that clarification of this misunderstanding would be useful in diverting some of the current criticism levelled at Norway which relates to LCDS.

Norwegian support for the monitoring of the consultation process by IIED was helpful in securing an independent view on the transparency and was done in accordance with internationally accepted best practice although there were lessons learned that could be usefully applied in future. There needs to be more investment in ensuring people do understand the full implications of REDD

The only significant indicator to which NICFI has not had some relevance is the proportion of certified forest. This is currently very low in Guyana and there may be value in resuscitating the work on a Guyana national forestry standard that could lead to independently verified national forest certification.

6.2 Effectiveness

Given the limited financial support delivered, NICFI has been very effective in securing major changes and encouraging preliminary actions, such as setting up the MRV system and on making sure Amerindian interests were adequately included. The level of attention to Amerindian issues is such that there are murmurs of discontent from some non-Amerindian groups. A number of important groups seem to be only marginally considered as potential beneficiaries. These include those managing the forest, the mining community, the non-Amerindian rural dwellers and the urban poor. Effectiveness in identifying and meeting the needs of these groups is harder to discern as is the question of securing equity between the costs of meeting obligations and the accrual of benefits.

Because the safeguards of the partner entities have yet to be applied to specific activities, it is also not clear that NICFI has been effective in ensuring conservation is not forgotten. It is too early to be definitive but the level of response so far in Guyana to the aim of enhanced biodiversity conservation does not seem to be high. There are also issues relating to the setting up of monitoring systems for wider issues and cross-cutting issues, including but not limited to livelihoods, economic and social development and the inclusion of marginalised groups other than indigenous people.

6.3 Efficiency

It is hard to evaluate efficiency of NICFI in Guyana as it is relatively new and no money was allocated. Work has been done by both partners. Overall, the efficiency is rated rather lower than the effectiveness and relevance. Despite the Government of Guyana being in agreement over matters such as safeguards and fund disbursement as evidenced by the MoU and JCN, this agreement seems to have been subsequently “overlooked”. The ability of Norway to remedy this was limited by the lack of close contact in country.

It appears that some of the issues reported to the team, and especially the question over the slow progress with making finance available, have been resolved after the team’s visit at the meeting between President Jagdeo and Norway’s Minister of Environment which took place in New York in September and seems to have led quickly to the formal signing of the GRIF agreement on 9 October 2010. This appointed World Bank as the Trustee and also noted that partner agencies such as the Inter-American Development Bank and UN Development Programme would be invited to act as partners with their internationally accepted safeguards applying to implementation. It is not clear that trying to undertake such a complex set of tasks without closer contact has been conducive to efficient delivery and the other donors certainly reported feeling the lack of a strong presence from Norway in Guyana.

7. Lessons learnt and Recommendations

7.1 Lessons learnt

7.1.1 MRV capacity

Capacity building needs identified and training planned

Although some stakeholders questioned the level of technical capability available within GFC to conduct REDD+ MRV, it is evident that appropriate training to cover particular identified gaps is planned. As part of the MRV system and National Forest Inventory development, four members of GFC staff will travel to the USA for training in September and October 2010 with US Forest Service, three will receive advanced training in GIS (Geographic Information System) and RS (Remote Sensing) and one will receive training in forest inventory and practice along with forest carbon stock assessment. GFC is also negotiating a package with ESRI to provide detailed courses (intermediate and advanced use GIS, spatial analysis) for staff at GFC and other natural resources agencies.

Capacity, in terms of the staffing requirements to implement an MRV system that involves annual assessments, was raised as a concern by various stakeholders. GFC is planning to expand staff numbers by recruiting recent graduates of the University of Guyana and Guyana Agricultural College; this will, however, exacerbate another concern raised by various stakeholders that GFC current personnel are young and lack the experience to implement an MRV programme of this size.

At field level, there is potential for community based MRV, Conservation International is engaged with the Wai Wai community in community-based forest protection that can be expanded to include MRV but the details and progress made to date was not made available to the team. Community based MRV would be a useful way of generating employment in rural and Amerindian communities.

MRV system development does not currently appear to draw on existing national expertise

The MRV Steering committee, which is responsible for guiding the development of Guyana's REDD+ MRV system, does not appear to draw adequately upon existing relevant capacity that is currently available within Guyana for forest inventory, area change detection or forest monitoring, or build linkages and interactions with other relevant local initiatives such as the Guiana Shield Initiative, Iwokrama and USAID's forest inventory work. This is an issue that requires investigation and remedy.

Capability for GHG inventory remains very limited

Although a Second National Communication, as part of Guyana's commitments to the United Nations Framework Convention on Climate Change, is in preparation (first

complete draft expected December 2010), there is no capacity in Guyana for carrying out greenhouse gas (GHG) inventory. International consultants have been hired to draw up the GHG inventory and draft sections on vulnerability, research and mitigation, which was also the case during preparation of the First National Communication. The consultants hired for GHG inventory provided four-day training on software and IPCC methodology to key stakeholders supplying activity data, however, this training was aimed towards increasing understanding of methodologies, rather than building national capacity to conduct future inventories. While recruiting short term expertise is a good stop-gap measure, Guyana should be developing national capacity for GHG inventory by using the experts recruited to provide skills building.

7.1.2 Drivers of forest loss and degradation

The most significant drivers of deforestation and degradation in Guyana have been mining and forestry. Land conversion for agriculture has been relatively much less especially in recent years and most forest land has limited agricultural capability. LCDS recognises the need for improved practices on forest use and in mining although it does not offer direct benefits in return. The most vocal opposition has come from the mining sector, and this sector has the potential to be quite disruptive for efforts to secure reduced emissions. At the same time, the sector is vital to the economy and to employment.

The Special Land Use Committee on Mining and Forestry was set up to address conflicts between the two sectors, which are widespread. It is a good initiative but it is not clear that this committee is adequately engaged with those operating in the sector to have useful effect and this issue needs to be given attention if the aims are to be achieved.

7.1.3 REDD and LCDS

President Jagdeo was an early entrant into the debate around climate change related payments to high forest cover/low deforestation countries and saw the potential for Guyana in deals that rewarded stability in forest cover. He promoted Guyana as a pilot for this at UNFCCC COP-13 in Bali in 2007. It is also interesting to note that the concept is not dissimilar to that underpinning Iwokrama, although the “services” that would to be delivered by Iwokrama, conservation and sustainable management, were perhaps more easily understood.

While the MoU between Guyana and Norway clearly states that it is about climate change, conservation and sustainable development, it is less clear that the partners have an identical view. Norway’s main aim is to demonstrate a feasible system for REDD payments, while Guyana wishes to use REDD funding from NICFI as means of securing finance for its Low Carbon Development Strategy (LCDS). The partners thus have slightly different goals, with Guyana’s aims focused on the use of REDD funding rather than on the funding system itself as its desired outcome.

Although the LCDS includes some elements directly related to climate change, as in the adaptation measures proposed to reduce flooding and enhance protection against rising sea-levels, the main thrust of the strategy is to transform the economy. This includes intensification of the existing sectors of agriculture, to concentrate on

commercial production of rice, soya, export quality fruit and vegetables, as well as infrastructure development including hydro-electric power to reduce the dependence on, and emissions from, hydrocarbon fuel for power generation.

It is also proposed to bring in fibre optic communications infrastructure which, together with a focus on training in information technology, could provide a basis for employment based around outsourced IT services. Guyana, as an English speaking country, has potential to tap into this market.

At the same time, the LCDS makes mention of the need to improve the standards achieved in forest management and to enhance the proportion of added value processing of forest products. In terms of mining, the core changes relate to much firmer adherence to current requirements on river diversion and wastewater purification together with elimination of mercury and the restoration of mined land, although the restoration systems are not proven.

In order to engage the population and secure buy-in for the LCDS, a very extensive system of consultation was undertaken. This was impressive, country-wide and is generally regarded as having been successful in creating basic awareness but less successful in providing detailed understanding of the implications for specific groups.

During the very intensive evaluation visit, discussion was held with wide range of representative groups. According to documents reviewed and participants interviewed, there was very little to no dissent from the concept of the LCDS but the content and balance of the strategy was subjected to varying degrees of criticism. Some of this was normal politically motivated criticism of the government in power, some was advocacy for narrow interest groups and some was carefully considered response to the obligations that will be imposed.

The process of consultation appears to have been reasonable given the resources of the Government of Guyana and especially compared to efforts at stakeholder consultations on similar issues in other countries. This process itself might be questioned by some given that two of the evaluators of the process were also the overall facilitators, are both Guyanese and are members of the Multi-stakeholder Steering Committee of the LCDS.

7.1.4 Observations on the LCDS

While the LCDS is a logical and reasonable set of proposals, it does not consider in detail the balance of obligations and rewards to different groups and sectors of society. In particular, the following aspects were made known to the evaluation team:

- Amerindian communities are allowed to opt in if they wish, and also to opt out subsequently. The way in which this could be accommodated within an internationally agreed REDD mechanism does not seem to have been considered in detail and few Amerindian leaders had real understanding of the obligations and restrictions opting in would engender.
- Amerindian lands currently have no regulation on their forestry or logging practices nor on any practices that indirectly lead to deforestation, such as agriculture. Although there are cases of good stewardship of Amerindian lands and

forest, there are also cases of mismanagement and, in some situations, commercial logging has led to certain species being cut almost to extinction. A detailed survey may in due course be useful.

- By contrast, non-Amerindian rural groups (most of which include some Amerindian members), many of which are mainly dependent on mining and forestry, have been given no specific consideration and indeed will be subjected to increased rigour in the application of operational standards without receiving any direct compensation. There was considerable opposition to this disparity from some specific groups interviewed. The issue here is not that Amerindian groups have been over-generously treated but that there is a significant lack of equity between their treatment and that of others whose livelihoods are affected.
- Urban poor groups are scarcely represented in Guyana other than by the PNC opposition party and may therefore be said not to be represented on the MSSC nor be 'heard' in the LCDS process at all, apart from through Dr George Norton who participates in the LCDS as a representative of Guyana Organisation of Indigenous Peoples (GOIP), not in his capacity as an official of PNC. While recent expansion of artisanal mining has created some employment opportunities, relatively little in the current LCDS proposals will benefit or be felt by the urban poor.
- Gold and diamond mining groups are vociferously and implacably opposed to the increased standards being imposed on them and are seeking exclusion of potential mining areas from the REDD area. The high price of gold has driven a much increased level of activity in mining and there is considerable friction between miners and forest concession holders. The miners' plans for forest restoration have no proven research base and as far as can be judged are merely a proposal but one that lacks full credibility.
- The refractory bauxite mining activities seem to pose little threat as they employ deep mining over a very limited area. The metallurgical grade bauxite ore mining company representatives did not appear at the meeting that had been scheduled with the team but it appears, from what we were able to learn, that their mining system poses a more serious threat in terms of area affected. The changes that may be required to their practices are as yet unclear.
- In terms of biodiversity conservation, the current forestry Code of Practice provides a good basis provided it is observed. The greatest threat to biodiversity appears to come from the plans to drain and farm the Rupununi, which is a unique wetland ecosystem. In addition to the loss of biodiversity, there would also be a huge GHG emission, which does not seem to have been adequately considered.
- The team was given a number of verbal comments on heavy but uncontrolled exploitation of wildlife particularly as an adjunct to mining and forestry. There was no opportunity to follow this up but more prominent action on wildlife needs to be included in biodiversity conservation actions associated with REDD.
- In order to meet requirements for Sustainable Forest Management (SFM) and reduced degradation, there will be more rigorous enforcement of forestry operating standards. Despite this and, notwithstanding the observation in the LCDS of the potential for adding value to the forest processing chain, no benefits are envisaged to accrue to forest concession holders from REDD payments. This threatens to undermine the specific purpose of REDD itself, to provide funding on

the basis of ameliorating practices that lead to deforestation and forest degradation.

- There is no provision made to either improve processing efficiency or to control the current high volume of log exports, which includes prime species.
- There has also been interest in harvesting “lesser used species” in Guyana. With the strong demand from Asia for a wide range of species, beyond the traditional ones, with a potential to greatly increase the harvest per unit area, which has implications for its impact on the forest structure and growing stock that would have significant implications for REDD calculations.
- Given the importance of wider achievement of SFM in parallel with REDD, there may be scope for resuscitating the Guyana National Forestry Standard, drafted in 2002, as a basis for an independently verified national certification scheme. Some of the initial costs for this could be met from REDD payments. Financial support from REDD to meet one-off costs to improve standards seem justifiable, especially if this differentially favours smaller operators.
- The lack of direct benefit from REDD to the forest sector, and the uncertainty surrounding this, was reported as leading to an unwillingness to make investments in more efficient processing technology and adding value. Exporting logs is much easier and cheaper to do for as long as it continues to be permitted. This is a valid point, although the policy level changes seem to be a long way from fruition and the problems and issues in the sector relating to inefficiency of conversion and marketing have been unaddressed for more than a decade.
- Guyana is a high cost processor for forestry and, as noted in the LCDS, for commercial agriculture, horticulture and aquaculture. Although high energy costs may be alleviated by hydroelectric generation, opportunities for biomass power also need to be given more consideration; fundamental infrastructure development for access and shipping is also crucial.

7.1.5 Amerindian lands and rights

While the Amerindian Act (2006) and the progress with land titling both represent considerable progress compared with the earlier situation of Amerindians in Guyana, there are a number of important unresolved issues (see e.g. UNCERD, 2006) that are highly relevant. Titled Amerindian communities will be allowed to “Opt-in” to REDD and receive benefits from doing so. It is far from clear that, despite the comprehensive consultation process, titled communities yet have the understanding required to take informed decisions. Furthermore, there is need for capacity building to ensure that revenues can be used and accounted for properly, while from discussion with community leaders, it appears that any use of the funds is still to be made through the Ministry of Amerindian Affairs, in a rather paternalistic system. This does not seem to be adequate to meet the spirit of the MoU and JCN.

Untitled Amerindian communities have no right to opt-in and until titling is completed, will derive no benefit from REDD. The completion of the process of outstanding title claims needs to be resolved as a matter of urgency. Even when this is done, the question will remain over the extension claims to land used historically. This is an issue of considerable contention, especially in the Upper Mazaruni area. It remains a cause of considerable dissent from at least some communities.

Despite the strong messages voiced on the importance of Amerindian land rights, especially from outside Guyana, in the discussions held by the team with Amerindian leaders and groups it was stated that this was not necessarily their primary interest. Some held the view that giving up some land used historically was a fair price to pay for integration into wider society. The most common concerns expressed related to improved access, health and education but especially the need for economic activity to encourage young people to remain in the community, as without this, Amerindian culture would not survive regardless of land allocation.

Resolution of the outstanding land titling is important but it is not understood why the costs included in LCDS to accomplish this need to be as high as stated. It is unclear whether the use of current technology has been fully investigated. As well as land titling, there are claims related to land used historically, which is of considerable extent. The most controversial seem to be in the Mazaruni area, which also has heavy mining and forest use, adding further complexity. This claim is currently stalled before the courts.

From the discussions held, and noting that the team were unable to undertake significant travel outside Georgetown and its environs, it is not fully clear whether the strong messages heard from some – though by no means all – quarters on Amerindian land title issues are actually derived from a consensus or even a majority of the Amerindian people themselves. It is certainly an issue that has received much attention from NGOs outside Guyana and also from donors as a result. On the basis of comments made, there is at least some danger that this focus may be excessive, non-Guyanese nor Amerindian-driven, and may be crowding out other issues of equal or more importance to Guyana's Amerindian population.

Amerindians in Guyana are generally not isolated in the way that some indigenous communities may be elsewhere in Latin America. Guyana's Amerindians have more in common in many ways with poor rural dwellers everywhere, and particularly with other rural dwellers in Guyana. The needs of rural communities have become enmeshed in debates over Amerindian land rights rather than being seen as issues of concern to all rural communities; it would be beneficial to separate these two threads.

There is diversity of opinion within the various Amerindian representative groups and among the communities themselves on the question of Amerindian rights. There is no doubt that the question of Amerindian land rights has moved forward greatly in the last decade although there is still further to go. The APA declined the invitation to join the Multi-stakeholder steering committee (MSSC) as they were unclear on the Terms of Reference, the role of the committee and the implications of their joining. It would be useful to secure greater clarity on the precise mandate and accountability of the six Amerindian organisations in Guyana. It is at present virtually impossible to know for whom each group really speaks and how authority or mandate to do so was given.

The National Toushaos Council is a nascent democratic organisation to represent Amerindian interests, although it is still largely under the wing of the Ministry of

Amerindian Affairs and the Government's official relationship with Amerindian communities seems somewhat paternalistic. Despite this, the NTC has high potential for genuine representation of Amerindian communities if it can secure greater independence since its members are elected by each community through the election of Toushaos and the re-election period is quite short.

7.1.6 Equity issues

The relatively generous treatment of Amerindian communities in Guyana and under the LCDS was remarked upon by nearly all non-Amerindian rural community representatives met, who felt that their needs were substantially overlooked in comparison. It must be noted that the mission had no opportunity to travel outside Georgetown and its environs. The Joint Concept Note specifically mentions the rights of indigenous peoples and other local forest communities as regards REDD. It is not evident that the needs of non-Amerindian local forest communities have been adequately considered so far.

The evaluation team was concerned with the question of equity for all poor and vulnerable groups. In doing so, it is important to recall the history of Guyana. Apart from Amerindians, the bulk of the population are either Afro-Guyanese descended from slaves or Indo-Guyanese descended from indentured labour not from European settlers who exploited and oppressed indigenous, slave, or indentured populations as in many other countries. The issue of equity is therefore starkly distinct. The issue appears to be one of securing equity for all.

Given the unfortunate political history of Guyana, through which the two main political parties are strongly polarised along ethnic lines, and the fact that many of the rural and urban poor are Afro-Guyanese, the exclusion of the PNC (a largely Afro-Guyanese party) from the MSSC and from active bi-partisan engagement in REDD related activities seems invidious and has potential for creating future problems.

7.1.7 REDD and lessons from past development aid to forestry

The question of safeguards and the use of donor funds raises a further issue of wider importance at the global level: The potential funding needed for reducing emissions from deforestation and forest degradation is such that it is beyond the capacity of donor funds. An alternative, such as a market mechanism, might provide needed financing. However, there are lessons from commercial forestry as well as from donor experiences, including the poor performance of forestry under CDM, that need to be borne in mind.

With regard to commercial forestry, commercial investors have been successful in forestry in tropical countries; however, where governance and/or standards are weak, short term profit-taking has dominated over sound practices. In recent years, efforts have been made to ensure that other forest values besides timber are safeguarded, such as through aid programmes at the bilateral or multilateral level. However, most donor programmes are quite generous even when requiring that agreed milestones be met: there are actually few examples of donors curtailing agreed funds. Over the past two decades and a little beyond, there have been

relatively few examples of successful technical forestry interventions made by donors, although their policy level initiatives have been more successful.

The CDM approach of the Kyoto Protocol, while having very strict standards, has been unsuccessful in a different way, in that CDM funds have been largely captured by Brazil, China and India, (Mexico is fourth but a good way behind). The poor countries of Sub-Saharan Africa have secured practically no CDM funding (Davenport *et al.* 2009). In great part, this is because the CDM is too complex and these countries lack the capacity to generate projects at an adequate standard. There are no CDM-registered companies in Sub-Saharan Africa to support them. This has wide implications for all poorer countries, including Guyana.

Unlike donor programmes, REDD is very specific in that it requires verified progress against agreed annual targets in order to release funds. REDD is a technical intervention that also requires a sound governance framework. However, there seems little reason to assume that REDD will be any different from past efforts unless there is a deliberate and substantial effort to change the ground rules to prevent similar outcomes. This may suggest that more attention to forest governance is required. So far, the focus has been on building capacity for MRV. Capacity for adequate governance and standards is also crucial if REDD is to be effective. This is comprehensively dealt with in the MoU/JCN for Guyana but the detailed plan has yet to be developed and the requirement to engage with the EU-FLEGT process seemed to be stalled at the time of the visit.

7.1.8 Donor coherence

In terms of donor coherence within Guyana, the most significant intervention is USAID support for forest inventory. The Guiana Shield Initiative of UNDP is also relevant. The general view of the donors was that Norway, having signed the MoU, might benefit from having a presence in Guyana to ensure good donor coherence; it seems Norway will rely for the time being at least on the intermediary system defined in GRIF.

7.1.9 Fund disbursement

The overriding response encountered by the evaluation team was one of intense frustration over the slow payment. The argument presented was that the MoU related to a commercial payment for services rendered. This is partially true in that it is a payment for performance but it is not simply performance in terms of tasks or even achievement of REDD. The MoU/JCN is very clear that biodiversity, poverty and governance are also important issues. These riders are essential because the funding comes from Norway's development budget and has to meet strict legal criteria when disbursed. The over-optimistic promotion of Guyana's success in securing payments from Norway without taking into account the complexities of the agreed process was perhaps unhelpful, perhaps even disingenuous, in this regard.

Norway has been hampered in responding to criticisms developing in country by having neither a diplomatic mission nor even a senior government technical person based in Georgetown or at least in the Caribbean. Furthermore, their Honorary

Consul, while a scientist of international repute, is a very prominent member of the PNC opposition party.

After the team's visit, it appears that progress in respect of setting up GRIF was made following a meeting between President Jagdeo and Norway's Minister of the Environment (Mr Solheim) at the UN in New York. The agreement reached over funding that President Jagdeo alluded to in remarks made on 1 October at GuyExpo 2010 (reported in the Guyana Chronicle on 3 October) appears to have been helpful to the debate over funding, as does the potential disbursement from the GRIF of \$40 million for 2011 using the agreed criteria in the first quarter of 2011, along with the \$30 million disbursed to the Trustee for 2010.⁸

7.1.10 Issues around REDD and LCDS

There is a highly vociferous debate being conducted in the local press in Guyana based on material coming from both within and outside Guyana. The level of interest in REDD and the LCDS and indeed the level of awareness of the wider population in these issues is remarkably high. Although some of the debate is about the underlying structure and focus of LCDS, much is also written and discussed in the press and by international NGOs, about the delivery. There seem to be severe misunderstandings about the level of engagement that Norway wants and indeed that would be appropriate. Some people interviewed were under the mistaken impression that LCDS is in its entirety a Norwegian funded aid programme; it is not.

Those elements of LCDS that are funded by Norwegian funds will be subjected to safeguards, as agreed in the MoU and defined in the GRIF. There are other elements in LCDS that may be funded from other sources, donor funds or Guyanese national funds. Within LCDS, there are elements that may not be consistent with Norway's views and with the safeguards required on the use of its development funds.

It is theoretically possible that the Government of Guyana could choose to undertake activities using its own funds, not those from Norway. Examples could include the draining of the Rupununi wetlands and aspects of the Amaila hydroelectric scheme. Norway would not be responsible for such activities but the difference may not be appreciated and could lead to criticism. As Norway will have no direct leverage in such cases, it would have to rely on its political influence alone.

It appears that expectations among some commentators are that Norway's influence should be much more than either government wishes and, while a great deal can be accomplished through political goodwill, there may be differences of view in future. The lack of permanent diplomatic representation in Guyana and the lack of a clear bi-partisan approach to LCDS both raise the risk of future difficulties with such matters.

7.1.11 Governance

Norway does have a few options for encouraging, more indirectly, practices of good governance which may not only help it to meet its own development funding require-

⁸ <http://www.lcds.gov.gy/documents/grif-trustee-reports/190-us70m-from-norway-funds-early-next-year-.html>.

ments but also help to achieve full buy-in to the process within Guyana itself. As noted above, while no opposition to the *concept* of the LCDS was heard during the team's visit, there are concerns, particularly on the part of opposition political parties and actors, about *how* decisions for projects to be funded through the LCDS are made.

The lack of direct engagement by the PNC opposition party appears to be because of the PPP government assertion that the PNC could discuss any issues of concern in parliament. This is an unsatisfactory position which appears to go against the spirit of the MoU/JCN, which emphasises transparency and good governance as an integral part of the REDD package. From Norway's perspective, it also increases the risks. Guyanese politics has been characterised by strongly divergent political views and a change of government could well impede progress at least in the short term. There would seem to be merit in trying again to persuade the present government to engage in a bipartisan way with the main opposition party.

7.1.12 Making progress

In order for this Guyanese 'national initiative' to succeed, it is critical that the various groups in the country, with sometimes very divergent interests, have trust in the overall system to meet their most fundamental needs. In other words, democratic forms must become institutionalised, such that the Guyanese people can trust the governance system to provide a means for addressing the conflicts that exist among the various stakeholders and interests in a constructive and appropriate way.

After an at times somewhat stormy past, even in the recent past, Guyana has made progress in establishing practices of governance that may be built upon productively in the future and inspire confidence in the institutions of government and the system of governance as the appropriate arenas for airing and resolving conflicts. Much remains to be done to build trust in the forms of governance among all members of Guyanese society, such as through building capacity for negotiation among groups with conflicting interests to achieve outcomes that may not be ideal for anyone but which represent the best alternative for everyone.

It should not be ignored that some groups stand to lose position or income with the advent of new practices under the LCDS, due to new restrictions or new enforcement of restrictions on their activities or due to the fact that they do not have as loud a 'voice' as some others. Transparency in decision-making, with full representation of all stakeholder groups including potential 'losers' can help to achieve full acceptance, in that they may either be encouraged that their sacrifice will ultimately benefit them in some way through benefiting society as a whole, or be able to negotiate and offset their losses in some way. This representation and consideration of all interests can help to build trust in the institutions in which such decisions are made. This in turn will help to institutionalise democratic forms in Guyana and build cooperation among the various groups within the Guyanese 'civitas' that hold very divergent interests.

7.2 Recommendations

The evaluation team's recommendations are intended for follow-up by NICFI and their partners in their ongoing dialogue and partnerships on REDD+.

Financing

- The delays in releasing funds, which were resolved on 9 October 2010, have caused considerable antipathy in Guyana and the partners should ensure that the reasons are explained and action agreed to remedy this while clarifying that LCDS itself is not a Norwegian programme.
- It is not apparent to the evaluators why the delays were so protracted but the over optimistic statements by the government of Guyana on the speed of financing were inappropriate. A more proactive stance by the World Bank and Norway may have helped but the real cause was the unrealistic raising of expectations. Clearer agreement may be required from now on over the timetable;
- There may be value, with hindsight, in Norway and the World Bank revisiting the process by which GRIF was developed to identify whether there are lessons that may be learned that would pre-empt a similarly unfortunate delay and situation in future;

Safeguards

- While the safeguards that are to be applied to the use of NICFI funding are clearly laid out in the MoU/JCN and the Administrative Agreement – application of the safeguards of partner entities (e.g. WB, IDB, UNDP) – they may need to be more clearly explained and a clear consensus reached with Guyana about them; this has begun to be addressed in the agreement over GRIF signed 9 October 2010 and the transfer of funds to the Trustee;
- The partners should identify any activities proposed in LCDS where there could be potential conflicts with agreed safeguard requirements, and agree on this with the Government of Guyana. It would be unfortunate if national funding for LCDS activities were to compromise Norway's efforts to apply sound safeguards to those elements of LCDS supported from its payments;
- Given the importance of biodiversity conservation within REDD, it would be appropriate for the Partners to engage in discussion on resuscitating the National Forestry Standard with a view to securing independently verified certification for production forests at all operating scales. An effective and perhaps mandatory certification scheme for all production forests in the country would be highly complementary to joint aims;
- Wildlife conservation, especially in forest and mining concession areas, may need to be reviewed in the light of comments received on heavy hunting pressures.

Amerindian Issues

- While Amerindian issues (at least for titled communities) seem to have been relatively well accommodated in the LCDS by Guyana, the slow progress with titling and the resolution of outstanding extension claims needs to be addressed urgently. It would be useful for the partners to reflect on and, if appropriate, discuss the situation of other rural dwellers and the urban poor and potential benefits for them to secure more balanced equity for all poor and vulnerable groups. The present situation seems to take on board many needs of Amerindian

communities but it is not evident that the needs of other poor groups will be similarly recognised;

- Greater clarity on the mandate and accountability of the various Amerindian representative groups would assist the debate on Amerindian issues. The Partners could usefully work towards greater independence for the National Toushaos Council as a national representative body;
- It would be useful to revisit the proposed speed with which outstanding Amerindian land titles will be settled and to endeavour to deal with all of them as soon as possible, to remove the disparity between titled and untitled communities in respect of REDD. The apparent impasse in respect of land extensions continues to cause friction within Guyana and engender criticism from outside and it would be helpful to tackle this matter;
- It is not clear that Amerindian communities yet have sufficient knowledge to take fully informed decisions on “Opting-in” and further effort is indicated on this. The apparent mechanism by which any REDD funds accruing to communities would be spent, essentially through approval by the Ministry of Amerindian Affairs, is inappropriate. Efforts to build capacity and leave communities in charge of their own affairs, while meeting appropriate transparency and accountability standards should be prioritised;
- It would also be appropriate to provide greater clarity on the interim position of untitled Amerindian communities and at the same time reconsider whether non-Amerindian rural communities should not receive more direct benefit from REDD;

LCDS and Wider Political Aspects

- Given that the LCDS is a national programme with a time-frame that extends beyond the political cycle, it would be useful to support measures which encourage a stronger bi-partisan approach, in order to minimise the politicisation of the LCDS and increase the chances that it would be maintained and advanced by future governments of any party;
- The current exclusion of the opposition PNC from direct engagement in the multi-stakeholder steering committee (MSSC) and hence in debate outside parliament on the LCDS is not helpful to long term national interests. Measures to increase bipartisan understanding and agreement would be useful;
- Although the LCDS makes substantial mention of Amerindian communities and needs, it is largely silent on the needs of other rural poor and of the urban poor. Greater equity for all poor, disadvantaged and vulnerable groups in Guyana would be beneficial;
- Any support that can be marshalled to improve understanding in Guyana of the process of negotiating to address and resolve differences would be very helpful to the longer term success of NICFI support;
- Permanent representation by Norway in Guyana, at least during the initial phase would greatly facilitate programme delivery and should be considered for the remainder of the development phase.
- The present approach to securing improved mining and forestry practices may need to be revisited to secure better cooperation. Consideration is needed for benefit sharing to reward improved practices, especially by small operators;

- The Special Land Use Committee on Mining and Forestry is an excellent idea but it appears to be too heavily dependent on government agencies and needs to engage actors from both sectors if it is to be effective;

MRV

- As monitoring, reporting and verification (MRV) is crucial to long term success with REDD, capacity building is very important, especially in light of the historic loss of skilled people from Guyana. Further efforts may be needed to utilise fully existing expertise in Guyana and develop a balanced cohort of national personnel who can take over MRV from external people as soon as possible. External consultants should have skills transfer included in their contracts as a matter of course. Options for community based MRV, which could also create rural employment, should be taken wherever possible;

Forestry Sector Issues

- There may be merit in reviving the planned National Forestry Standard as a means to securing independently verified operations would fit well with the plans for effective REDD+. Some financial support to assist in improving practices, especially for smaller operators, would be useful and could secure greater cooperation in return;
- The Partners should give more detailed consideration to the lack of direct benefits from REDD to forest users, other than titled Amerindian communities, including the wider debate about efficiency in the wood processing chain since that is crucial to re-investment;
- Action to address the high cost of wood processing in Guyana, through measures to improve conversion efficiency could reduce the demand for log exports and should be pursued vigorously in concert with policy changes to limit and ultimately obviate most log exports. The impact of increased harvest of lesser used species should be subject to a special study with particular focus on its impact on REDD activities.

Table 6: NICFI Country-level Evaluation Framework - Guyana

Detail of Indicator	Situation in 2007	Progress 2007 to 2010	Contribution of NICFI to progress 2007 to 2010
1. National ownership			
Position of REDD in the national agenda	Medium President Jagdeo 1st offered Guyana forest for avoided deforestation just prior to COP-13 in Bali.	High Guyana's Low Carbon Development Strategy (LCDS), of which the REDD strategy is a component, is very frequently debated in the national media, and stakeholders engaged. REDD is primarily on the agenda as a means of funding the LCDS rather than in its own right.	MoU with Norway, as a source of imminent funding for LCDS has raised the position of REDD in National agenda
Transparency and stakeholder inclusion of REDD coordination	Low No REDD co-ordination in place	Medium National REDD secretariat in place, based at GFC. MSSC and MRV Steering Group of the LCDS include a range of national stakeholders. Some dissent remains unresolved	Hard to see a direct link but the need for transparency is in part due to NICFI interest
Civil society participation	Low Little civil society participation or access to decision makers	Medium CI, WWF and Indigenous Peoples groups that accepted invitation participate on MSSC for LCDS and involved in preparation of R-PP, however, wider civil society not represented.	MoU has had influence on composition and Norway involvement encouraged participation
2. REDD relevant policies, strategies, plans and actions			
Policy addresses the key issues	Low Policy had no mention of REDD	Low No progress, most issues still at preliminary discussion stage	None
REDD strategy links well with NFP (or similar)	Low NFP not started	Low NFP process started 2009, no significant progress, some concerns of negative impact due to uncertainty	None, separate processes so far
Plans allocate adequate resources	Low No consideration in plans	Medium Much tighter inspection plans in place for compliance with Code of Practice and regulation	MoU and MRV needs have driven process

Detail of Indicator	Situation in 2007	Progress 2007 to 2010	Contribution of NICFI to progress 2007 to 2010
Actions are addressing key policy issues	Low No actions taking place	Medium More rigorous inspections, more breaches recorded and acted on, considerable resistance from concession holders who see no gain to them from REDD	MoU conditions crucial to enhanced inspection
3. MRV capacity and capability			
Quality of national forest inventory	Low Last national inventory 1960s-70s, several more recent partial inventories, recent management and stock inventories of harvest blocks in forest concessions	Low As 2007, except design of new national inventory being finalised; efforts to ensure compatibility with MRV system that is under development.	Progress speeded up to comply with conditions of MoU
Frequency of national communications to UNFCCC	Low 1st NC only, dated 2002	Medium 2nd NC under development, no capability to carry this out in-country at present	Little direct influence so far
Quality assurance and quality control of verification	Low No MRV system in place	Low No MRV system in place; planning of Independent Forest Monitoring system in progress	Progress to comply with conditions of MoU
4. Deforestation and forest degradation			
Rate of deforestation	Not known accurately Not measured; estimates range from 0.0-0.3% per year based on estimated gross change in forest area, however, inconsistencies between forest area estimates.	Preliminary information assembled GFC estimates 2007-8 based on Landsat data are 0.29% across Guyana and 0.25% in the State Forest Estate; no other quantitative historical data. Comprehensive time series expected late 2010.	Progress with information gathering speeded up to comply with conditions of MoU. No comment possible on actual deforestation until data available

Detail of Indicator	Situation in 2007	Progress 2007 to 2010	Contribution of NICFI to progress 2007 to 2010
Rate of forest degradation	Not known Estimated harvest from logging concessions available, but no data on forest condition within concessions.	Not known Estimate of total area of degraded forest available, based on total area leased as logging and mining concessions. Estimated harvest from logging concessions available, but no data on forest condition within concessions. Comprehensive assessment expected late 2010 / early 2011.	Progress with defining information gathering system speeded up to comply with conditions of MoU No comment possible on degradation rate and no system for assessment yet defined
5. Livelihoods, economic and social development and environmental conservation			
Share of forest-based income of rural family income	Not known	Not known	None
Present or planned sharing of REDD payments among stakeholder groups	Not applicable	Low Planned sharing only for titled Amerindian communities Iwokrama signed a Payments for Ecosystems Services agreement with Canopy Capital in 2008, at present valuing services, not been marketed yet, but Iwokrama has benefit sharing policy with local communities. Mechanism for disbursement of the GRIF is not yet finalised.	Too early to judge but progress with agreeing equity seems slow. No direct benefit to forest stakeholders planned

Detail of Indicator	Situation in 2007	Progress 2007 to 2010	Contribution of NICFI to progress 2007 to 2010
Rights of indigenous peoples and local communities to land and forest resources	Medium Progress has been made by 2007 compared with the earlier situation but there has been long-standing controversy on this in Guyana	Medium Yes, for Amerindian communities compared with other countries in the region; problems with legal tenure still exist. Lower for other communities, including untitled Amerindian communities.	Mainly in respect of Amerindian communities. Little contribution in respect of other communities
Share of conservation forest of all forests	Medium Should be around 30% based on Code of Practice	Medium No new data available	No direct influence
Proportion of certified production forests	Low 0 – 3 % based on total forest area of 18.6 M ha cited in R-PP. Barama was awarded FSC certification for 570,000 hectares of its concession in February 2006, this was withdrawn in January 2007 due to poor recording and extensive mining activities.	Low 2 % 371,000 ha of Iwokrama forest gained FSC in 2008, of which half is designated for sustainable use. Certification still in place September 2010.	None, potential exists for higher influence
Conservation included and applied in forest management guidelines	High	High	Already extant

Annexes



Annex 1: Programme and people met

Date	Organisation	Person
12 to 16.04.10	NICFI – inception meetings with key personnel in Ministries of Environment, Foreign Affairs and Norad Advisers	
20.08.2010	Wai Wai Community	Toushao
24.08.2010	Office of the President	President of Guyana H.E. Bharrat Jagdeo
24.08.2010	LCDS Multi-Stakeholder Steering Committee (MSSC)	Kevin Hogan, Adviser to the President
24.08.2010	Conservation International Guyana	Dr David Singh, Director
25.08.2010	World Bank Guyana Office	Giorgio Valentini Darshana Patel
25.08.2010	Guyana Forestry Commission	James Singh, Commissioner of Forests
25.08.2010	LCDS MRV Steering Committee	
25.08.2010	Ex-Director Conservation International Member MSSC	Maj Gen. (Rtd) Joe Singh
25.08.2010	Project Management Office, Office of the President	Steven Grin Louise Brown
25.08.2010	Office of the President and Office of Climate Change	Michael E. Brotherson Senior Foreign Service Officer
25.08.2010	Forest Products Development and Marketing Council	
25.08.2010	Special Land Use Committee, Mining and Forestry	Mr. Lubumba Mr. Woolford

Date	Organisation	Person
25.08.2010	National Amerindian Development Foundation (NADF)	Ashton Simon, President Rommel Simon, Youth representative
25.08.2010	The Amerindian Action Movement of Guyana (TAAMOG)	Peter Persaud
26.08.2010	Guyana Geology and Mines Commission	Mr. Woolford, Commissioner Karen Livan, Manager, Environmental Division Kampta Persaud Donald Singh, GIS Officer
26.08.2010	North Rupununi District Development Board	Mr. Sydney Allicock, Chairman
26.08.2010	Former Tushao of Fair View	Bradford Allicock
26.08.2010	First Field Station Manager, Iwokrama	Fred Allicock
26.08.2010	Rock View Lodge, Rupununi	Colin Edwards
26.08.2010	DFID	Nicola Jenns, DFID Caribbean Representative in Guyana
26.08.2010	National Competitiveness Strategy	Jonathan Said, Senior Economist
26.08.2010	Environmental Protection Agency	Indarjit Ramdass, Executive Director Sharifah Razack, Director EITD Asma Sharief, Environmental Officer Felicia Adams, Environmental Officer
26.08.2010	Board of Directors, Guyana Forestry Commission	Raj Singh, Chair J.C. Archibald Vanessa Benn Ed Persaud Andrew Bishop James Singh

Date	Organisation	Person
27.08.2010	Iwokrama International Centre	Dane Gobin, CEO
27.08.2010	Office of Climate Change	Shyam Nokta Andrew Bishop
27.08.2010	Mangrove Action Committee	Annie Pitamber, Ministry of Agriculture Kehe Moseley, Mangrove Project Office Romayne Atkinson, GFC Haimwant Persaud, GFC
27.08.2010	Guyana Organisation of Indigenous Peoples (GOIP)	George Norton, Chief Mimi Fernandes Colin (PR)
28.08.2010	National Touthao's Council	Yvonne Pearson, Chair, Touthao of Lake Mainstay David James, Touthao of Moraikabai, Region 5
28.08.2010	Santa Mission Amerindian Territory	Women's Group
28.08.2010	Santa Mission Village Council	Samuel, Touthao of Santa Mission Leonard Patterson
29.08.2010	Arrowpoint	Mike Patterson, General Manager
30.08.2010	Amerindian Peoples Association (APA)	Jean La Rose Laurence Anselmo
30.08.2010	Forest Resource Information Unit (FRIU) Guyana Forestry Commission	Jagdish Singh, Deputy Commissioner of Forests
30.08.2010	Gold and Diamond Miners Association	Mr. Edward Shields, Executive Director

Date	Organisation	Person
30.08.2010	Forest Products Association (FPA)	Mr. Hilbertus Cort, China Timber Resources Group Mr Kalawan Mohindra (Neil) Chand, Barama Company Ltd
01.09.2010	Focus Group: Large Forest Producers - Foreign Direct Investors	Mohindra (Neil) Chand, Barama Company Choo Siong Liew, Samling Plywood Sdn Bhd S.K.Chan, Demerara Timbers Limited Jailing Forest Inc. Dr L.W. Jenezon, Guyana Timber Products Limited Mr. Hilbertus Cort, China Timber Resources Group
01.09.2010	Focus Group: Large Forest Producers – Nationally Owned Companies	Mr Reggie Manbodh Guyana Shield Forest Resources Inc. Mr. Yacoob Ally A. Mazaharally & Sons Limited Mr. Leo Ramotar Mr. Anan Persaud Toolstie Persaud Limited Mr. B. Gitten Guyana Wood Products Limited Mr. Khalawan Senior Vice President Mr. Sela Raja Ramroop SAS Tropical Develop Inc Mr. Motie Singh Ganesh Singh & Bros. Ltd Mr. LJP Willems, Member Mr. Roopan Ramotar Roopan Ramotar Investment Inc. Mr. Ashish Sharma Astha International (Guyana) Inc

Date	Organisation	Person
01.09.2010	Independent Amerindian attorney working on Amerindian land rights cases in the Mazaruni	Mr. David James
01.09.2010	Sawmillers	
	Tasleem Drepaul Forest Enterprises Ltd.	Barama Waini (also member and coordinator of chainsaw logging association, Kuru Kuru).
02.09.2010	Focus Group: Small Non-Amerindian Forest Producers	Representatives from Kwakwani, Ituni and Port Kaituma
02.09.2010	Guyana REDD Secretariat, GFC	Nasheeta Dewnath
02.09.2010	Chainsaw Milling Project Forestry Training Centre	Godfrey Marshall, Director
02.09.2010	Focus Group: Bauxite Mining Companies	Norman Mclean, Bosai Mineral Group Guyana Inc. Hilbert Shields, Director, First Bauxite Corporation
02.09.2010	Donors	Mr. Didier Trebuq, UNDP Patrick Chesney, UNDP Jose Manuel Ruiz, IDB Norbart Probst, EU Nicola Jenns, DFID Carol Horning, USAID Raymond Drouin, Govt. of Canada Simon Bond, British High Commission
02.09.2010	Second National Communication to the UNFCCC	Annie Pitamber, Ministry of Agriculture

Date	Organisation	Person
02.09.2010	Focus Group: Trade Unions	Patrick Yarde, Guyana Public Service Unions
		Kenneth Joseph, NAACIE
		Mr. Aslim Singh, GAWU
02.09.2010	Office of the President	President of Guyana H.E. Bharrat Jagdeo
02.09.2010	Institute of Development Studies University of Guyana, University of Guyana Turkeyen Campus	Professor Clive Thomas
02.09.2010	Private Sector Commission	Ramesh Dookhoo, Chairman Captain Gerry Gouveia Mr. Hilbertus Cort
02.09.10	Guyana Manufacturing and Services Association	Mr Clinton Williams, President Mr Howard Bulkan Mr Ronald Bulkan

Date	Organisation	Person
03.09.2010	International Institute of Environment and Development Independent Monitoring Team LCDS Guyana	Jocelyn Dow Vanda Radzik
03.09.2010	Alliance for Change	Khemraj Ramjattan
03.09.10	Georgetown Chamber of Commerce and Industry	Mr Komal Ramnauth, President Ms Fahzeela Mohamed, Executive Director
03.09.2010	Iwokrama	Dr Raquel Thomas
03.09.2010	The Guiana Shield Initiative Project	Patrick Chesney
03.09.2010	People's National Congress Reform	Robert Corbin M.P, Leader of Opposition Lance Carberry, Chair, Natural Resources Sectoral Parliamentary Committee Mr Ramcharan, Party Chairman Dr George Norton
03.09.2010	USAID	Carol Horning Winston Harlequin
03.09.2010	Precision Woodworking Ltd.	Howard Bulkan Rustum Bulkan Ronald Bulkan
23.09.2010	Rainforest Foundation Norway	Vemund Olsen
30.09.2010	NICFI	Ellen Bruzelius Backer Marte Nordseth

Annex 2: References

- 1st National Communication (2001). Guyana's Initial National Communication in response to its commitments to the UNFCCC. Available at: http://unfccc.int/national_reports/non-annex_i_natcom/items/2979.php
- Alder D. and van Kuijke M. (2009a). A baseline assessment of forest carbon in Guyana. Available at: <http://www.bio-met.co.uk/menu.php?pg=pubs&PHPSESSID=4fdc46c1cd1f91773618e86f69fee67c>
- Alder D; and van Kuijke M. (2009b) Proposals for a National Forest Biomass Monitoring System in Guyana. Available at: <http://www.bio-met.co.uk/menu.php?pg=pubs&PHPSESSID=4fdc46c1cd1f91773618e86f69fee67c>
- Brown, S. (1997) Estimating biomass and biomass change of tropical forests: A primer. FAO Forestry Paper 134. Available at: <http://www.fao.org/docrep/w4095e/w4095e00.htm>
- Conservation International, Climate Focus, Terracarbon LLC, SarVision, Development and Policy Management Consultants (2009). Reducing deforestation and forest degradation while promoting sustainable development. South American regional infrastructure development, forests and REDD: Implications for Guyana. Available at: http://www.conservation.org/Documents/CI_South_America_Regional_Infrastructure_Development-Forests_REDD-Guyana.pdf
- da Fonseca G.A.B, Rodriguez C.M., Midgley G., Busch J., Hannah L., Mittermeier R.A. (2007). No Forest Left Behind. *PLoS Biology*, 5(8): 1645. www.plosbiology.org
- Davenport Deborah et al. Study of the Potential to Help Increase Sub-Saharan Access to the Clean Development Mechanism (CDM). LTS International for DFID, April 2009
- Det Kongelege Miljøverndepartement 2008 St.prp.nr.1 (2008-2009) For Budsjetåret 2009.
- Det Kongelege Miljøverndepartement 2009. Prop. 1 S(2009-2010) Proposisjon til Stortinget (forslag til stortingsvedtak) For Budsjetåret 2010.
- EcoSecurities Ltd. (2002). A baseline analysis for the Guiana Shield Region. Available at: <http://www.guianashield.org/site/index.php>
- FAO GFRA (2005). Global Forest Resources Assessment 2005. Available at: <http://www.fao.org/forestry/fra/fra2005/en/>
- FAO (2009). State of the World's Forests 2009. FAO Rome
- GFC (2002) Code of Practice for Timber Harvesting, 2 ed. GFC, Georgetown.
- GFC (2009). Quick assessment paper on deforestation and forest degradation in Guyana. Available at: <http://www.forestcarbonpartnership.org/fcp/node/69>
- GOFC-GOLD (2009). A sourcebook of methods and procedures for monitoring and reporting anthropogenic greenhouse gas emissions and removals caused by deforestation, gains and losses of carbon stocks in forests remaining forests and

- forestation. Available at: http://www.gofc-gold.uni-jena.de/redd/sourcebook/Sourcebook_Version_Nov_2009_cop15-1.pdf
- Guyana R-PP (2010). Guyana Readiness Preparation Proposal (R-PP) to the World Bank Forest Carbon Partnership Facility. Available at: <http://www.forestcarbon-partnership.org/fcp/node/69>
- Herold M. and Bholanath P. (2009). Preparing Guyana's REDD+ participation: Developing capacities for monitoring, reporting and verification Report and summary of a workshop and consultation held 27. – 29. October 2009 in Georgetown, Guyana. Available at: http://www.forestry.gov.gy/Downloads/Guyana_MRV_workshop_report_Nov09.pdf
- IPCC (2007). Summary for Policymakers. In: Climate Change 2007: Mitigation. Contribution of Working Group III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change [B. Metz, O.R. Davidson, P.R. Bosch, R. Dave, L.A. Meyer (eds)], Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA. Available at: http://www.ipcc.ch/publications_and_data/ar4/wg3/en/contents.html
- ITTO (2003). Report of the Diagnostic Mission to Guyana. ITTO, Yokohama. Available at: http://www.itto.int/mission_reports/
- ITTO. Annual Review and Assessment of the World Timber Situation (from 1997 to 2009). Available at: http://www.itto.int/annual_review/
- OP (2010) Transforming Guyana's Economy While Combating Climate Change. Office of the President, Republic of Guyana.
- Stern N (2006). Stern Review on the economics of climate change. Available at: http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/Independent_Reviews/stern_review_economics_climate_change/sternreview_index.cfm
- ter Steege H. (2001). Biomass estimates for forests in Guyana and their use in carbon offsets. Iwokrama Research Report 2001-01.
- UNCERD (2006). Document CERD/C/GUY/CO/14, April 2006

Annex 3: Terms of Reference

Real-time evaluation of Norway's International Climate and Forest Initiative: The Initiative's support to the formulation and implementation of national REDD strategies

Final version, 11 June, 2010

General background: REDD and Norway's Initiative

The primary objective of the Norwegian Government's climate policy is to play a part in establishing a global, binding, long-term post-2012 regime that will ensure deep enough cuts in global greenhouse gas emissions. To this end, the Government has launched Norway's International Climate and Forest Initiative and pledged substantial funding towards efforts to reduce emissions from deforestation and forest degradation.

Reducing emissions from deforestation and forest degradation in developing countries (REDD) has the potential to generate significant, cost-efficient and quick reductions in greenhouse gas emissions. It has been estimated that emissions from the forestry sector in developing countries account for about one fifth of the global CO₂ emissions. REDD has therefore attracted high-level political attention over the last few years¹.

REDD is based on the idea that the international community can pay developing countries, either directly or to sub-national actors, to put in place policies and measures to reduce their rate of deforestation and forest degradation. This would be a cheaper option than reducing greenhouse gas emissions from sources in developed countries as well as from most other sectors, yet there is widespread consensus that REDD must add to deep emission reduction commitments from industrialised countries. REDD could also generate a range of co-benefits, such as biodiversity conservation and poverty alleviation.

However, as with any transforming policy, the success of REDD is dependent on numerous conditions. The debate and emerging literature on REDD has especially concentrated on the difficulty of designing an international and national REDD architecture that can channel reliable funding and ensure real emissions reductions, while also delivering co-benefits². This involves issues such as determining the source and mechanism of finance (public or private, fund-based or market-based,

1 REDD is used here in a broad sense and generally includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks (i.e. REDD+).

2 See, for example: (1) Angelsen, A. (ed) 2008. Moving ahead with REDD: Issues, options and implications. CIFOR, Bogor, Indonesia. (2) Angelsen, A. with Brockhaus, M., Kanninen, M., Sills, E., Sunderlin, W.D. and Wertz-Kanounnikoff, S. (eds) 2009. Realizing REDD+: National strategy and policy options. CIFOR, Bogor, Indonesia.

compliance or non-compliance markets) and the scale of REDD (national or sub-national accounting), setting reference levels for REDD payments, developing systems for monitoring, reporting and verification (MRV), addressing possible land tenure reforms, ensuring the rights of indigenous peoples and local communities, and establishing governance safeguards, including fighting corruption in the forestry sector.

Norway's International Climate and Forest Initiative was launched by the Norwegian Government at COP-13 in December 2007, pledging up to 3 billion Norwegian kroner per year over five years to reduce emissions from deforestation and forest degradation in developing countries³. The objectives of the Initiative are⁴

1. to work towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime
2. to take early action to achieve cost-effective and verifiable reductions in greenhouse gas emissions
3. to promote the conservation of natural forests to maintain their carbon storage capacity.

The Initiative is being financed by official development assistance (ODA) funds. Thus, the overriding objectives of Norwegian foreign development policy also apply to the Initiative, in addition to the directly climate-related objectives listed above. These objectives include social and economic development, poverty reduction, the welfare and rights of indigenous peoples and other people living in or from forests, better land use, and the protection of biodiversity and the environment in general. In the work towards these goals, it is a goal in itself that the climate policy and the foreign development policy are to be mutually supportive.

The Initiative supports the UN Collaborative Programme on Reduced Emissions from Deforestation and Forest Degradation (UN-REDD Programme) jointly managed by FAO, UNDP and UNEP, the Forest Carbon Partnership Facility (FCPF) and the Forest Investment Program (FIP) managed by the World Bank, the Congo Basin Forest Fund (CBFF) managed by the African Development Bank, and the Amazon Fund managed by the Brazilian Development Bank (BNDES). Norway has also entered into a bilateral agreement with Tanzania, signed a Memorandum of Understanding with Guyana and with Mexico, and a Letter of Intent with Indonesia. Non-governmental organisations are funded through a grant scheme administered by the Norwegian Agency for Development Cooperation (Norad)⁵.

The overall responsibility for the Initiative lies with the Ministry of the Environment, where a secretariat has been established. The Ministry of Foreign Affairs, supported by Norwegian missions abroad and Norad, is responsible for foreign and development policy related to the Initiative, as well as the management and disbursement of funds. An inter-ministerial body has been established for coordination and, when necessary, the facilitation of government discussions related to the Initiative.

³ COP is an abbreviation for Conference of the Parties, which is the supreme body of the UNFCCC. COP-13 took place at Bali, Indonesia.

⁴ See Proposition No. 1 to the Norwegian Parliament 2008-2009

⁵ For more details about NICFI, see the web site (also available in English): <http://www.regjeringen.no/dep/md/tema/klima/klimaogskogprosjektet.html?id=548491>

It is essential to recognise the strategic nature of the Initiative. It was launched with the aspiration that it would contribute in building support for the potential of REDD to prevent climate change and encourage initiatives and funds from other parties in the international community. Substantial risks due to existing economic interests and weak governance in many of the countries harbouring the largest remaining tropical forests were recognised, and the Initiative was launched with an emphasis on the importance of patience, a long-term perspective and the need to experiment and learn from experience. Indeed, the development of national REDD strategies and implementation mechanisms are expected to require substantial time and support in most countries. An important objective of the Initiative is therefore to support capacity development and the political reforms needed to facilitate REDD over the longer term.

The real-time evaluation framework

The need for timely information and rapid learning calls for a real-time evaluation to progressively assess the results of the Initiative with regard to its objectives and the general objectives of Norwegian development cooperation. The real-time approach is especially useful in fast-moving situations, and the developing issues around REDD are just that. As the Initiative is expected to be a significant recipient of Norwegian ODA funds for several years, it is also in the interest of policy-makers and the public to have access to up-dated and impartial information about the progress and status of the Initiative. Hence, the real-time evaluation should serve both a documentation function and a learning function. This approach allows the Initiative to adjust its programming during the course of implementation, i.e. in real time.

The real-time evaluation will cover a time span of four years, i.e. 2010-2013. A framework agreement has been signed with a consortium of independent consultants and experts led by LTS International. The work load has been estimated at 150 weeks per year, distributed among several evaluation assignments. The terms of reference and timing of the different evaluation tasks will be agreed with the consultants and concerned stakeholders on a case-by-case basis. Each evaluation will be commissioned as a call-off order under the framework agreement.

The real-time evaluation should cover all the partners that have received ODA grants, including multilateral, bilateral and non-governmental agencies. In order to stimulate continuous learning and debate, the concerned stakeholders will be actively consulted during the evaluation process and reports will be made available to the general public.

The overall objectives of the real-time evaluation are to assess the results of the Initiative's support:

1. for improving the prospects of the inclusion of a REDD mechanism in a post-2012 climate regime
2. for the preparation of mechanisms and implementation of activities to attain verifiable reductions in greenhouse gas emissions
3. for the conservation of natural forests to maintain their carbon storage capacity

4. with regards to the general objectives of Norwegian development cooperation, such as those related to livelihoods, economic and social development and the environment.

The first three objectives refer to the objectives of the Initiative, while the fourth objective derives from the use of ODA funds.

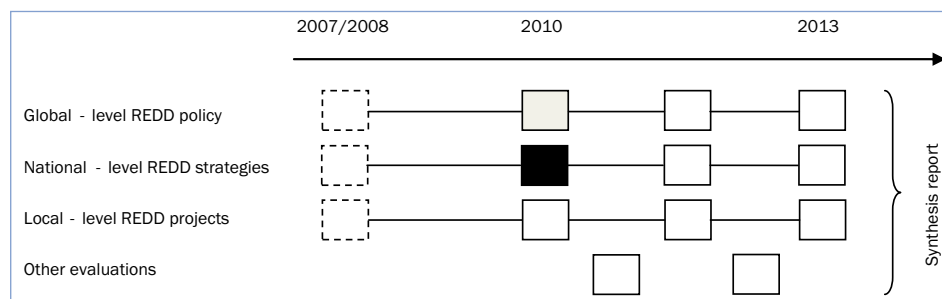
The final product of the real-time evaluation is expected to be a synthesis report that addresses the four overall objectives. However, in order to develop a synthesis and to create learning and provide feedback to the Initiative along the way, a series of evaluations will be carried out. It is envisaged that the real-time evaluation will consist of three core evaluation tasks, which will be repeated at regular intervals (e.g. 2010, 2012, 2013), combined with stand-alone evaluations or studies of specific thematic or geographical areas (e.g. evaluations of anti-corruption measures, effectiveness of different funding channels and mechanisms). The backbone of the real-time evaluation will be the following three core evaluations:

- Global level: The Initiative's contribution to an international REDD regime
- National level: The Initiative's support to the formulation and implementation of national REDD strategies
- Local level: Lessons learned from REDD demonstration projects supported by the Initiative

The global level evaluation will primarily address the first objective of the real-time evaluation, while the national and local level evaluations will primarily address the second, third and fourth objective of the real-time evaluation.

The three levels correspond to the notions of policy, programme and project. While the global level evaluation is policy-oriented and the local level evaluation is project-oriented, the national level ('programme') evaluation will assess the formulation and implementation of REDD strategies in a selection of case study countries. All the evaluations shall combine assessments of the status and progress of the overall REDD agenda with efforts to identify the actual contributions of the Initiative. The latter will be a main methodological challenge for the whole evaluation exercise, especially in cases where funding has been channelled through multilateral agencies and development banks.

Figure 1. A conceptual model of the real-time evaluation. Dashed lines indicate baseline (which shall be established retrospectively), grey box indicates an on-going evaluation, black box indicates the present evaluation, and white box indicates a planned evaluation.



There is also a need to closely coordinate this real-time evaluation with the monitoring and evaluation programmes of the Initiative's partners. It is known that the UN-REDD Programme, FCPF, CBFF, BNDES, and Norad's Civil Society Department are already planning reviews of their respective portfolios. There are also numerous research and development groups involved in REDD related studies, e.g. Centre for International Forestry Research (CIFOR) is conducting a global comparative study on REDD⁶. Norad's Evaluation Department and the evaluation team need to continuously follow the developments across the international REDD arena in order to avoid duplication of work and to incorporate knowledge generated by others.

The present evaluation

The present evaluation task concerns the national level described above. It aims to evaluate the Initiative's support to the formulation and implementation of national REDD strategies and other REDD readiness efforts, as of 2010. As the international REDD architecture is likely to build on national policies and measures, this evaluation task will constitute a main pillar of the whole real-time evaluation programme.

The target countries for Norway's International Climate and Forest Initiative are at different stages of REDD planning and implementation, ranging from initial readiness stage (early phase 1) to advanced REDD strategy formulation (late phase 1) and results-based REDD actions (phase 2)⁷. Consequently, the funds are used for different purposes, including stakeholder consultations, capacity-building, institutional strengthening, demonstration activities, and enforcement of policies and measures. In Brazil and Guyana, the Initiative's payments are intended to create incentives for REDD actions while the funds will be used to address a wider agenda beyond the Initiative's REDD related objectives (cf. the Amazon Fund and Guyana's Low Carbon Development Strategy, respectively).

The Initiative's funding at the country level is delivered through a diversity of channels and mechanisms, including a single multilateral institution with multiple donors (e.g. FCPF in Ghana), a single multilateral institution with multiple donors combined

⁶ See CIFOR's web site: <http://www.cifor.cgiar.org/>

⁷ The phased approach to REDD has not been formally adopted. For details about the proposed phases, see the IWG report (Report of the Informal Working Group on Interim Finance for REDD+, Discussion document, 27 October 2009). In short, phase 1 refers to national REDD strategy development, phase 2 refers to implementation of national policies and measures for REDD, and phase 3 refers to performance-based payments on the basis of quantified forest emissions and removals against agreed reference levels.

with a multi-bi program through an international financial institution (FCPF and Guyana REDD+ Investment Fund in Guyana), two multilateral institutions (e.g. FCPF and UN-REDD Programme in Bolivia), two multilateral institutions combined with a bilateral programme (e.g. FCPF, UN-REDD Programme and Royal Norwegian Embassy in Tanzania), two multilateral institutions combined with a regional fund (e.g. FCPF, UN-REDD Programme and CBFF in the Democratic Republic of Congo), and direct bilateral payments to a national fund (Amazon Fund in Brazil). Among these mechanisms, only the support to the Amazon Fund is directly performance-based (phase 2), but the Initiative also plans to make performance-based payments to Guyana and Indonesia.

The Initiative's wide geographical coverage (> 40 countries) and multiple support channels (multilateral, bilateral and non-governmental) create methodological and practical challenges in the evaluation process⁸. However, assessing the aid effectiveness with respect to REDD performance over time in a few selected countries may serve both the documentation function and the learning function of the real-time evaluation. In this initial evaluation, five countries have been selected for case studies, but other countries may be added at a later stage.

Purpose and objectives

The purpose of this evaluation is to assess the Initiative's support to the formulation and implementation of national REDD strategies⁹. This will be achieved by developing a real-time methodology upon which the status and progress of national REDD performance can be evaluated¹⁰. The national level evaluations using the same methodology (or adapted methodology if found necessary) will be carried out periodically in the selected countries.

Accordingly, the present evaluation has two main objectives:

1. Develop a methodology for the real-time evaluation of the Initiative's support to the formulation and implementation of national REDD strategies
2. Evaluate the status and progress of the Initiative's support to the formulation and implementation of national REDD strategies in a selection of case study countries as of 2010

As an integral part of the real-time evaluation approach, the learning aspect shall be addressed by identifying lessons learned and their potential implications for the Initiative's future support to the formulation and implementation of national REDD strategies.

⁸ The geographical coverage also includes countries supported by FCPF only.

⁹ 'Support' refers to financial contributions and policy and technical advice conveyed through the different channels and mechanisms that ultimately target national REDD efforts.

¹⁰ Status and progress of national REDD performance shall be measured against the second, third and fourth objective of the real-time evaluation, cf. page 3.

Scope

The evaluation shall include the following five countries: Brazil, Guyana, Democratic Republic of Congo, Tanzania, and Indonesia. These countries receive significant support from the Initiative through different channels and mechanisms, they are at different stages in the forest transition, they represent different national policy contexts, and they cover each of the three tropical continents.

Whereas the evaluation shall attempt to identify the actual contributions of the Initiative, it shall also include an assessment of the status and progress of the national REDD processes as a whole. This will ensure that the findings and recommendations from this evaluation could also be relevant for other REDD actors. The contributions of the Initiative need to be mapped by providing a summary of how its financial resources are being used by year (i.e. fund recipients, size of funding, country, activities).

National REDD strategies are expected to be informed by demonstration projects at the sub-national level, and hence, the evaluation shall carry out a preliminary mapping of such projects in the case study countries. While also relevant for addressing the objectives of this evaluation (cf. evaluation questions below), the available information about the REDD demonstration projects shall primarily feed into the subsequent local level evaluation described above¹¹. In Brazil, therefore, the performance of the Amazon Fund's project portfolio is, for the purpose of the present evaluation, subordinate to the wider REDD policies and measures at national level¹².

As the three climate-related objectives of the Initiative are supplemented with the development-related objectives associated with the use of ODA funds (cf. objective 4 of the real-time evaluation), including those related to poverty alleviation, indigenous peoples' rights, environment, and anti-corruption, the evaluation should try to distinguish between the climate-related effects and the development-related effects of the Initiative.

The time period under investigation in the present evaluation is 2007-2010. The launching of the Initiative in 2007 (COP-13) should serve as a base year for later evaluations, and hence, particular emphasis should be placed on assessing the national REDD situation at that stage, i.e. constructing a baseline retrospectively. The contributions of the Initiative towards the formulation and implementation of national REDD strategies should then be evaluated for the period 2007-2010.

The evaluation should focus on the relative contributions of the Initiative rather than the overall performance of the fund recipients.¹³ This is particularly relevant in cases where the funding is channelled through multilateral agencies and development banks. In such cases, the emphasis should be on the strategic contributions of the

11 Separate Terms of Reference will be developed for the local level REDD project evaluation.

12 The activities financed through the Amazon Fund are not necessarily part of the government's action plan to combat deforestation or an integral part of Plano Amazonas Sustentavel (PAS) since there is no direct link between the Amazon Fund and these programs (see 'Assessment of BNDES as a potential mechanism for Norwegian support to the Fundo Amazônia (Amazon Fund)', Norad, 27 June 2008).

13 It should be recognised that NICFI operates in an institutional context that is largely determined by other actors. The preexisting actors and frameworks limit the range of available options.

Initiative in influencing the policies and programmes of the fund recipients, and not only on the actual outcomes in terms of carbon effectiveness, cost efficiency, equity and co-benefits on the ground.

Evaluation questions

The below list of questions is not exhaustive and the questions may have different relevance for the different case study countries.

Formulation of national REDD strategies

National ownership:

- To what extent has the Initiative's financial and policy support contributed to building political REDD leadership and commitment?
- To what extent has the Initiative contributed to strengthening institutional capacities at the national level?
- To what extent has the Initiative contributed to cross-sectoral coordination within the government in the target countries?
- To what extent has the Initiative contributed to active involvement by civil society to enhance national ownership?

Donor support and coordination:

- To what extent has the Initiative and its partners contributed to a coordinated and harmonised approach to REDD at the country level?
- To what extent have the Initiative's multilateral partners responded to the support needs of the country?
- How has Norwegian ODA policies and the Initiative's viewpoints on social and environmental safeguards related to equity and co-benefits been communicated and negotiated with the fund recipients?¹⁴
- To what extent has the Initiative contributed to creating synergies across countries?

Consultation process:

- To what extent has the REDD stakeholder consultations been inclusive and participatory?
- To what extent has the national REDD process involved indigenous peoples and local communities?
- To what extent has the Initiative's support to civil society organisations and research institutions contributed to the national REDD strategy? How has the issue of equity and co-benefits been treated in the stakeholder consultations?

Policy content:

- Is the REDD strategy at present soundly formulated, based on solid analysis and data, and likely to be efficient and effective in promoting emissions reductions?
- Has the REDD strategy been effective in promoting diagnosis of causes of forest carbon emissions, including external drivers, and formulation of plans to reduce emissions?

¹⁴ Equity refers to the sharing of REDD benefits among different stakeholders, while the debate on co-benefits in REDD has concentrated on environmental services (e.g. biodiversity), socio-economic services (e.g. poverty alleviation), governance and rights issues (e.g. rights of indigenous peoples and local communities), and climate change adaptation. Safeguards refer to donor policies that promote equity and co-benefits, while avoiding harmful side-effects, e.g. anti-corruption safeguards and anti-plantation safeguards.

- To what extent is the REDD strategy integrated into the wider policy framework of the country, including land tenure policies, agricultural and energy policies, and infrastructure development plans?
- To what extent is the REDD strategy coordinated with Nationally Appropriate Mitigation Actions (NAMAs) or broader national low carbon strategies, and to what extent are REDD payments proposed to be channeled into NAMAs?
- Which sub-national incentives for REDD have been developed in the REDD strategy?
- Which institutional set-up is proposed at the national level in order to manage sub-national payments and ensure that the MRV system would meet international reporting and verification requirements?
- How adequate are the proposed MRV systems for carbon fluxes?
- To what extent are the proposed reference levels robust and credible enough to prevent any profiteering and free riding (capturing REDD payments on changes that would have taken place anyhow)?
- Is the REDD strategy likely to have a positive impact on livelihoods, development, and local environment (i.e. equity and co-benefits)?
- To what extent have social and environmental safeguards related to equity and co-benefits been incorporated into the REDD strategy?

Implementation of national REDD strategies¹⁵

- To what extent have the Initiative's REDD payments contributed to cost-effective and verifiable reductions in greenhouse gas emissions?¹⁶
- To what extent is the implementation of the REDD strategy addressing the underlying drivers of deforestation and forest degradation in the country?
- What is the quality of greenhouse gas emissions data on which the payments are based?
- To what extent is the Initiative contributing to improving the MRV system?
- To what extent is the Initiative's funding mechanism additional, contradictory or supplementary to other REDD-related policies and measures of the government?¹⁷
- To what extent are social and environmental safeguards related to equity and co-benefits being enforced and implemented through national REDD policies and measures?
- To what extent is the implementation of the REDD strategy likely to achieve the development-related objectives and contribute to equity and co-benefits?¹⁸
- How are stakeholders, especially indigenous peoples and local communities, involved in the implementation of the REDD strategy?

Methodology

The evaluation shall apply international best-practices to ensure objective, transparent, evidence-based and impartial assessments and learning. The methodology

¹⁵ Mostly relevant for Brazil and Guyana at present (i.e. phase 2 countries), but also applicable in countries where REDD measures are implemented while the REDD strategy is being developed. Note that the strategy in Guyana refers to REDD+, while Brazil's policies and measures predate the REDD agenda and primarily deal with reduced deforestation in the Amazon.

¹⁶ REDD payments can contribute either directly to reductions in greenhouse gas emissions by earmarked funding to REDD activities (e.g. support to REDD demonstration projects), or indirectly by creating incentives where payments are based on documented results (e.g. the Amazon Fund).

¹⁷ This is particularly relevant in Brazil, cf. footnote above.

¹⁸ Where REDD funds are provided or planned to be provided to national entities, it is important to map how and to whom they are distributed to assess whether those sectors or social groups who are bearing the main costs of REDD are being compensated.

shall be standardised into a real-time evaluation framework that allows comparisons over time. This includes the definition of a set of common indicators that (i) remain valid throughout the real-time evaluation period, (ii) can be used across countries, (iii) address the overall objectives of the real-time evaluation, (iv) cover the issues raised in the evaluation questions, and (v) enable attribution of observed results to inputs from the Initiative. The baseline for each indicator shall be reconstructed and compared to the situation as of 2010.

The country case studies shall include field visits and in-depth literature surveys. The evaluation shall be based on stakeholder interviews and document reviews, including research papers, reports and policy documents.

The analysis shall refer to the three OECD/DAC criteria relevance, effectiveness and efficiency. The latter will require that the evaluation prepares an inventory of the actual outputs and outcomes at the national level and compare them with the Initiative's inputs through the different funding channels and support mechanisms. The corresponding terminology in the REDD literature, i.e. carbon effectiveness, cost efficiency, and equity and co-benefits (the 3E+ criteria), may also be helpful in analysing the data.

In developing the evaluation framework, the monitoring and evaluation systems developed internally by the Initiative's partners (e.g. FCPF's M&E framework) should be considered and drawn upon.

Based on these guidelines, LTS International shall develop a detailed work plan and methodology.

Evaluation team

This evaluation will require team members with in-depth knowledge about the forestry sector and policy development in the target countries combined with international REDD experts.

LTS International shall suggest a composition of team members, taking notice of the size of the evaluation (see below) and the expected distribution of personnel categories agreed for the overall real-time evaluation.

Budget

The estimated size of this evaluation is 83 person weeks. LTS International shall propose a budget based on the personnel requirements and the expected travel and subsistence expenses.

Deliverables and time frame

14 June: Proposed team and final Terms of Reference

16 June: Start of the evaluation

20 July: Inception report ¹⁹

August: Country field visits, including validation workshops

10 September: Five draft final country evaluation reports

1 October: Draft final synthesis report

29 October: Final report

November: Seminars in Oslo

The reports shall be prepared in accordance with the Evaluation Department's Guidelines for Reports.

¹⁹ The inception report shall pay special attention to possible country-specific adjustments in the evaluation questions and the scope of the evaluation, presenting an adjusted and extended outline of the country evaluation reports of the four countries reflecting the respective country situation as well as an extended outline for a synthesis report. It shall also propose a detailed time schedule of each country evaluations, methodology for collecting and analysing data using a real-time approach.

Annex 4: Summary of NICFI Financial Disbursements (NOK) 1st January 2008 to 31st December 2010

Projects	2008	2009	2010
	Disbursed	Disbursed	Disbursed
UN-REDD	65 000 000	283 682 561	200 000 000
Forest Carbon Partnership Facility	-	69 590 000	-
Forest Carbon Partnership Facility (Readiness)	32 000 000	99 123 900	55 908 000
Forest Investment Program	-	-	285 000 000
Congo Basin Forest Fund	80 000 000	105 000 000	160 000 000
Support to Civil society (Norad)	-	172 500 000	163 092 681
Brazil (BNDES)	-	123 437 000	169 262 000
Guyana (World Bank)	-	-	176 681 000
Indonesia	-	9 800 000	184 664 000
Mexico	-	-	-
Tanzania	-	41 325 000	43 545 112
Climate secretariat, Congo DR	-	-	5 500 000
ITTO	-	25 000 000	-
Different projects	103 000 000	7 604 365	13 646 872
Promissory Note to BNDES	-	-	1 257 301 000
Total	280 000 000	937 062 826	2 714 600 665

Source: Figures provided by NICFI

EVALUATION REPORTS

- 6.98 Managing Good Fortune – Macroeconomic Management and the Role of Aid in Botswana
- 7.98 The World Bank and Poverty in Africa
- 8.98 Evaluation of the Norwegian Program for Indigenous Peoples
- 9.98 Evaluering av Informasjons støtten til RORGene
- 10.98 Strategy for Assistance to Children in Norwegian Development Cooperation
- 11.98 Norwegian Assistance to Countries in Conflict
- 12.98 Evaluation of the Development Cooperation between Norway and Nicaragua
- 13.98 UNICEF-komiteen i Norge
- 14.98 Relief Work in Complex Emergencies
- 1.99 WID/Gender Units and the Experience of Gender Mainstreaming in Multilateral Organisations
- 2.99 International Planned Parenthood Federation – Policy and Effectiveness at Country and Regional Levels
- 3.99 Evaluation of Norwegian Support to Psycho-Social Projects in Bosnia-Herzegovina and the Caucasus
- 4.99 Evaluation of the Tanzania-Norway Development Cooperation 1994–1997
- 5.99 Building African Consulting Capacity
- 6.99 Aid and Conditionality
- 7.99 Policies and Strategies for Poverty Reduction in Norwegian Development Aid
- 8.99 Aid Coordination and Aid Effectiveness
- 9.99 Evaluation of the United Nations Capital Development Fund (UNCDF)
- 10.99 Evaluation of AWEPA, The Association of European Parliamentarians for Africa, and AEI, The African European Institute
- 1.00 Review of Norwegian Health-related Development Cooperation 1988–1997
- 2.00 Norwegian Support to the Education Sector. Overview of Policies and Trends 1988–1998
- 3.00 The Project “Training for Peace in Southern Africa”
- 4.00 En kartlegging av erfaringer med norsk bistand gjennomfrivillige organisasjoner 1987–1999
- 5.00 Evaluation of the NUFU programme
- 6.00 Making Government Smaller and More Efficient. The Botswana Case
- 7.00 Evaluation of the Norwegian Plan of Action for Nuclear Safety Priorities, Organisation, Implementation
- 8.00 Evaluation of the Norwegian Mixed Credits Programme
- 9.00 “Norwegians? Who needs Norwegians?” Explaining the Oslo Back Channel: Norway’s Political Past in the Middle East
- 10.00 Taken for Granted? An Evaluation of Norway’s Special Grant for the Environment
- 1.01 Evaluation of the Norwegian Human Rights Fund
- 2.01 Economic Impacts on the Least Developed Countries of the Elimination of Import Tariffs on their Products
- 3.01 Evaluation of the Public Support to the Norwegian NGOs Working in Nicaragua 1994–1999
- 3A.01 Evaluación del Apoyo Público a las ONGs Noruegas que Trabajan en Nicaragua 1994–1999
- 4.01 The International Monetary Fund and the World Bank Cooperation on Poverty Reduction
- 5.01 Evaluation of Development Co-operation between Bangladesh and Norway, 1995–2000
- 6.01 Can democratisation prevent conflicts? Lessons from sub-Saharan Africa
- 7.01 Reconciliation Among Young People in the Balkans An Evaluation of the Post Pessimist Network
- 1.02 Evaluation of the Norwegian Resource Bank for Democracy and Human Rights (NORDEM)
- 2.02 Evaluation of the International Humanitarian Assistance of the Norwegian Red Cross
- 3.02 Evaluation of ACOPAMA ILO program for “Cooperative and Organizational Support to Grassroots Initiatives” in Western Africa 1978 – 1999
- 3A.02 Évaluation du programme ACOPAMA programme du BIT sur l’« Appui associatif et coopératif aux Initiatives de Développement à la Base » en Afrique de l’Ouest de 1978 à 1999
- 4.02 Legal Aid Against the Odds Evaluation of the Civil Rights Project (CRP) of the Norwegian Refugee Council in former Yugoslavia
- 1.03 Evaluation of the Norwegian Investment Fund for Developing Countries (Norfund)
- 2.03 Evaluation of the Norwegian Education Trust Fund for Africa in the World Bank
- 3.03 Evaluering av Bistandstorgets Evalueringnettverk
- 1.04 Towards Strategic Framework for Peace-building: Getting Their Act Together. Overview Report of the Joint Utstein Study of the Peace-building.
- 2.04 Norwegian Peace-building policies: Lessons Learnt and Challenges Ahead
- 3.04 Evaluation of CESAR’s activities in the Middle East Funded by Norway
- 4.04 Evaluering av ordningen med støtte gjennom paraplyorganisasjoner. Eksemplifisert ved støtte til Norsk Misjons Bistandsnemda og Atlas-alliansen
- 5.04 Study of the impact of the work of FORUT in Sri Lanka: Building Civil Society
- 6.04 Study of the impact of the work of Save the Children Norway in Ethiopia: Building Civil Society
- 1.05 –Study: Study of the impact of the work of FORUT in Sri Lanka and Save the Children Norway in Ethiopia: Building Civil Society
- 1.05 –Evaluation: Evaluation of the Norad Fellowship Programme
- 2.05 –Evaluation: Women Can Do It – an evaluation of the WCDI programme in the Western Balkans
- 3.05 Gender and Development – a review of evaluation report 1997–2004
- 4.05 Evaluation of the Framework Agreement between the Government of Norway and the United Nations Environment Programme (UNEP)
- 5.05 Evaluation of the “Strategy for Women and Gender Equality in Development Cooperation (1997–2005)”
- 1.06 Inter-Ministerial Cooperation. An Effective Model for Capacity Development?
- 2.06 Evaluation of Fredskorpset
- 1.06 – Synthesis Report: Lessons from Evaluations of Women and Gender Equality in Development Cooperation
- 1.07 Evaluation of the Norwegian Petroleum-Related Assistance
- 1.07 – Synteserapport: Humanitær innsats ved naturkatastrofer: En syntese av evalueringsfunn
- 1.07 – Study: The Norwegian International Effort against Female Genital Mutilation
- 2.07 Evaluation of Norwegian Power-related Assistance
- 2.07 – Study Development Cooperation through Norwegian NGOs in South America
- 3.07 Evaluation of the Effects of the using M-621 Cargo Trucks in Humanitarian Transport Operations
- 4.07 Evaluation of Norwegian Development Support to Zambia (1991 - 2005)
- 5.07 Evaluation of the Development Cooperation to Norwegian NGOs in Guatemala
- 1.08 Evaluation: Evaluation of the Norwegian Emergency Preparedness System (NOREPS)
- 1.08 Study: The challenge of Assessing Aid Impact: A review of Norwegian Evaluation Practise
- 1.08 Synthesis Study: On Best Practise and Innovative Approaches to Capacity Development in Low Income African Countries
- 2.08 Evaluation: Joint Evaluation of the Trust Fund for Environmentally and Socially Sustainable Development (TFESSD)
- 2.08 Synthesis Study: Cash Transfers Contributing to Social Protection: A Synthesis of Evaluation Findings
- 2.08 Study: Anti-Corruption Approaches. A Literature Review
- 3.08 Evaluation: Mid-term Evaluation of the EEA Grants
- 4.08 Evaluation: Evaluation of Norwegian HIV/AIDS Responses
- 5.08 Evaluation: Evaluation of the Norwegian Research and Development Activities in Conflict Prevention and Peace-building
- 6.08 Evaluation: Evaluation of Norwegian Development Cooperation in the Fisheries Sector
- 1.09 Evaluation: Joint Evaluation of Nepal’s Education for All 2004-2009 Sector Programme
- 1.09 Study Report: Global Aid Architecture and the Health Millennium Development Goals
- 2.09 Evaluation: Mid-Term Evaluation of the Joint Donor Team in Juba, Sudan
- 2.09 Study Report: A synthesis of Evaluations of Environment Assistance by Multilateral Organisations
- 3.09 Evaluation: Evaluation of Norwegian Development Cooperation through Norwegian Non-Governmental Organisations in Northern Uganda (2003-2007)
- 3.09 Study Report: Evaluation of Norwegian Business-related Assistance Sri Lanka Case Study
- 4.09 Evaluation: Evaluation of Norwegian Support to the Protection of Cultural Heritage
- 4.09 Study Report: Norwegian Environmental Action Plan
- 5.09 Evaluation: Evaluation of Norwegian Support to Peacebuilding in Haiti 1998–2008
- 6.09 Evaluation: Evaluation of the Humanitarian Mine Action Activities of Norwegian People’s Aid
- 7.09 Evaluation: Evaluation of the Norwegian Programme for Development, Research and Education (NUFU) and of Norad’s Programme for Master Studies (NOMA)
- 1.10 Evaluation: Evaluation of the Norwegian Centre for Democracy Support 2002–2009
- 2.10 Synthesis Study: Support to Legislatures
- 3.10 Synthesis Main Report: Evaluation of Norwegian Business-related Assistance
- 4.10 Study: Evaluation of Norwegian Business-related Assistance South Africa Case Study
- 5.10 Study: Evaluation of Norwegian Business-related Assistance Bangladesh Case Study
- 6.10 Study: Evaluation of Norwegian Business-related Assistance Uganda Case Study
- 7.10 Evaluation: Evaluation of Norwegian Development Cooperation with the Western Balkans
- 8.10 Evaluation: Evaluation of Transparency International
- 9.10 Study: Evaluability Study of Partnership Initiatives
- 10.10 Evaluation: Democracy Support through the United Nations
- 11.10 Evaluation: Evaluation of the International Organization for Migration and its Efforts to Combat Human Trafficking
- 12.10 Evaluation: Real-Time Evaluation of Norway’s International Climate and Forest Initiative (NICFI)
- 13.10 Evaluation: Real-Time Evaluation of Norway’s International Climate and Forest Initiative. Country Report: Brasil
- 14.10 Evaluation: Real-Time Evaluation of Norway’s International Climate and Forest Initiative. Country Report: Democratic Republic of Congo

Norad

Norwegian Agency for
Development Cooperation

Postal adress

P.O. Box 8034 Dep. NO-0030 OSLO

Visiting adress

Ruseløkkveien 26, Oslo, Norway

Tel: +47 22 24 20 30

Fax: +47 22 24 20 31

No. of Copies: 250

postmottak@norad.no

www.norad.no

