Guyana | The Guyana REDD+ Investment Fund and Norway Partnership

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According to the Memorandum of Understanding [11] signed between the Governments of Guyana and Norway, the objective is to “foster partnership between Guyana and Norway on issues of climate change, biodiversity and sustainable, low carbon development […] and close cooperation regarding Guyana’s REDD-plus efforts, including the establishment of a framework for result-based Norwegian financial support to Guyana’s REDD-plus efforts.”

Introduction

In November 2009, the President of Guyana and Norwegian Minister of Environment signed an MOU for funding up to USD 250 million over five years, 2010-2015, for ex-post delivery of results measured on two sets of indicators: Enabling Activities and REDD+ performance. Finance is to be channeled through the Guyana REDD+ Investment Fund (GRIF), which was launched in October 2010 and is a vehicle to fund Guyana’s Low Carbon Development Strategy. More information on the agreement and Guyana’s REDD+ strategy can be found on Guyana’s REDD Desk Country Page [12].

Design Features

Scope [13]

Guyana’s “Combined incentives” reference level is based on rates of deforestation only (see Reference Levels). The calculation of payments, however, is discounted on a ton-by-ton basis of emissions from forest degradation, using an agreed set of indicators and a conservative estimate of carbon density to calculate emissions from degradation. Forest degradation may be added to the reference level and measurement of performance as MRV systems improve.

Scale [14]

National.

Reference Levels [15]

Guyana is currently using an interim national reference level under the framework of its MOU with Norway. Under the MOU Guyana uses a “Combined Incentives” reference level using a combination of the average deforestation rate for Guyana between 2000 and 2009 (0.03%) and the average deforestation rate for developing countries between 2005 and 2009 (0.52%), giving a reference level of 0.275%. This reference level will be further revised if and when a methodology is agreed under the UNFCCC. The reference level of 0.275% is intended to be used to determine payments under the MOU with Norway, but should the annual deforestation rate exceed the rate for 2010 of 0.056% Guyana will receive a reduced payment, with the reduction in payment increasing up to 100% at a level of 0.1%, above which Guyana will receive no payments. In addition, the Joint Concept Note relating to the MOU establishes a carbon proxy loss of 100tC/ha from deforestation, to be revised as more information arises from the establishment of Guyana’s MRV system.

Payments made to Guyana are calculated using the following steps:

1. Subtracting Guyana’s reported and verified deforestation rate from the agreed interim reference level (0.275%)
2. Calculating emission reductions by applying an interim and conservative estimate of carbon loss (100tC/ha)
3. Subtracting from that number an estimate for forest degradation (using agreed indicators and a conservative carbon density)
4. Multiplying the tons of “avoided emissions” calculated above by $5/ton.
5. As mentioned above, if the deforestation rate exceeds 0.056%, payments are reduced on a sliding scale, and will cease if the rate is at, or above, 0.1%.

**Additionality** [16]

Additionality is assumed in the design of the reference level—in particular, if deforestation rates in subsequent years exceed the rate for 2010 of 0.056%, payments are on a declining scale and will cease if the rate is at, or above, 0.1%.

**Leakage / displacements** [17]

Leakage is assumed to be captured in the national accounting system.

**Permanence / reversals** [18]

No requirements.

**Social measures or requirements** [19]

Projects funded under the GRIF will follow the social safeguards of the partner entities chosen to implement projects. As it stands, partner entities nominated are the UNDP, the Inter-American Development Bank (IDB) and the World Bank. Additional partner entities may be added if the GRIF Steering Committee deems it necessary and if the entities meet standards established by the committee. In addition, “enabling indicators”, upon which payments are dependent, in the 2011 Joint Concept Note include protection of the rights of indigenous peoples and other local forest communities. Progress against the indicators is evaluated by an independent expert chosen by both Guyana and Norway.
**Environmental measures or requirements [20]**

Projects funded under the GRIF will follow the environmental safeguards of the partner entities chosen to implement projects. As it stands, partner entities nominated are the UNDP, the IDB and the World Bank. Additional partner entities may be added if the GRIF Steering Committee deems it necessary and if the entities meet standards established by the committee. In addition, “enabling indicators”, upon which payments are dependent, in the 2011 Joint Concept Note include integrated land-use planning and management to protect high priority biodiversity and intact forest landscapes. Progress against the indicators is evaluated by an independent expert chosen by both Guyana and Norway.

**Procedural measures or requirements [21]**

Projects funded under the GRIF will follow the safeguards of the partner entities chosen to implement projects. As it stands, partner entities nominated are the UNDP, the IDB and the World Bank. Additional partner entities may be added if the GRIF Steering Committee deems it necessary and if the entities meet standards established by the committee. In addition, “enabling indicators”, upon which payments are dependent, in the 2012 Joint Concept Note include a section on: (a) Governance, i.e. progressive strengthening of a transparent, rules-based, inclusive forest governance, accountability and enforcement system, and (b) Continuous multi-stakeholder consultation process. Progress against the indicators is evaluated by an independent expert chosen by both Guyana and Norway.

In terms of transparency, the Government of Guyana hosts a website on the partnership that includes annual progress, progress on enabling activities, MRV, and third party verification reports. The Joint Concept Note specifies that necessary information to assess Guyana’s delivery on the agreed performance indicators (on which payment is based) will be easily accessible in the public space.

**Monitoring and Reporting [22]**

The Joint Concept Note between Guyana and Norway recognized a Roadmap that would establish a Guyana Monitoring Reporting and Verification System (MRVS). According to the most recent (2012) MRVS Interim Measures Report, the objective is to “establish a comprehensive, national system to monitor, report and verify forest carbon emissions resulting from deforestation and forest degradation”. MRVS reports are made public and include progress on development of the MRVS system, forest and land cover datasets, monitoring and spatial datasets, image processing, forest change and GIS-based forest change mapping, degradation methodologies under development, interim measures related to MRV, verification measure (including accuracy assessment) and Quality Assurance / Quality Control processes.

**Registry [23]**

There is no registry currently in place, but the creation of a registry is under discussion.

**Process [24]**

The Joint Concept Note between the Governments of Guyana and Norway sets out how Norway provides financial support to Guyana based on delivery of results as measured against two sets of agreed indicators: REDD+ Performance and Enabling Activities. Monitoring reports are generated on an annual basis, and performance is independently verified by one or more neutral expert organisations appointed jointly by Guyana and Norway. Once verified, payments are calculated...

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Brazil | The Amazon Fund [25]
Guyana | The Guyana REDD+ Investment Fund and Norway Partnership [26]

Initiatives on the REDD Desk linked to this standard

Guyana (1)

• Memorandum of Understanding between the Government of the Cooperative Republic of Guyana and the Government of the Kingdom of Norway [27]

Further reading

Guyana - Norway REDD+ agreement Payments based on performance - or politics? [28]
Case study: Guyana REDD-plus Investment Fund (GRIF) [29]

External Links


Related encyclopaedia articles

• Climate Change [31]
• Deforestation [32]
• Forest [33]
• Forest Governance [34]
• Option [35]
• Source [36]
• Verification [37]

Source URL: https://theredddesk.org/markets-standards/guyana-guyana-redd-investment-fund-and-norway-partnership

Links
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