

Report prepared as part of:

**Development of an Integrated Financing Strategy and Investment Framework in support of an Aligned National Action Plan to Combat Land Degradation**

Under the Project entitled:

Support the Alignment of Guyana's National Action Plan to the UNCCD's 10-Year (2008-2018) Strategic Plan

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Author: Alexandre Borde



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## ACRONYMS

CARICOM	Caribbean Community and Common Market
CBD	Convention on Biological Diversity
COP	Conference of the Parties
CRIC	Committee on the Review of the Implementation of the Convention
CSO	Community Service Organisation
CST	Committee on Science and Technology
DEWS	Desertification Early Warning Systems
DLDD	Desertification, Land Degradation and Drought
DLUPP	Development of Land Use Planning Project
DNRE	Department of Natural Resources and the Environment
DRM	Disaster Risk Management
EA	Enabling Activity
ECLAC	United Nations Economic Commission for Latin America and the Caribbean
EDF	European Development Fund
EIA	Environmental Impact Assessment
EPA	Environmental Protection Agency
EWS	Early Warning System
FAO	Food and Agriculture Organization
GCF	Green Climate Fund
GDP	Gross domestic product
GEF	Global Environment Facility
GFC	Guyana Forestry Commission
GGMC	Guyana Geology and Mines Commission
GHG	Greenhouse gas
GL&SC	Guyana Lands & Surveys Commission
GM	Global Mechanism
GRDB	Guyana Rice Development Board
GRIF	Guyana REDD+ Investment Fund
GSF	Guiana Shield Facility
GuySuCo	Guyana Sugar Corporation
ICI	International Climate Initiative
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development

IFS	Integrated Financing Strategy
IIF	Integrated Investment Framework
LACS	Local Aid Coordination Secretariat
LCDS	Low Carbon Development Strategy
LD	Land Degradation
LUPP	Land Use Policy & Planning
MA	Millennium Assessment
MDGs	Millennium Development Goals
MTIP	Medium Term Investment Plan
NAP	National Action Plan to Combat Land Degradation
NCB	National Coordination Body
NGO	Non-Governmental Organizations
ODA	Official Development Assistance
PDA	Public Development Aid
PES	Payment for Environmental Services
PRSP	Poverty Reduction Strategy Papers
READ	Rural Enterprise and Agricultural Development facility
REDD	Reducing Emissions from Deforestation and Forest Degradation
SDGs	Sustainable Development Goals
SCCF	Special Climate Change Fund
SLM	Sustainable Land Management
UNCCD	United Nations Convention to Combat Desertification
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
WFF	Wetlands for the Future Fund
WSSD	World Summit on Sustainable Development

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# INTRODUCTION

Developed as a result of the Rio Summit, the United Nations Convention to Combat Desertification (UNCCD) is a unique instrument that has brought attention to land degradation in the drylands where exist some of the most vulnerable ecosystems and people in the world. Ten years after its coming into force, the UNCCD benefits from universal membership with 195 Parties being members, and is increasingly recognized as an instrument which can make a lasting contribution to the achievement of sustainable development and poverty reduction globally.

After a decade of implementation, it is recognized that limiting factors have prevented optimal deployment of the Convention. Chief among these factors are insufficient financing compared to its two Rio sister conventions, a weak scientific basis, insufficient advocacy and awareness among various constituencies, institutional weaknesses and difficulties in reaching consensus among Parties. Also, the UNCCD operates today in an environment that has evolved considerably since it was first negotiated and it faces different opportunities and constraints which will condition its implementation in the forthcoming decade.

For one thing, the policy environment has changed considerably since Rio with the adoption of the Millennium Development Goals (MDGs), the outcomes of the World Summit on Sustainable Development (WSSD), increased support to Africa and the least developed countries, stronger commitment for climate change mitigation and adaptation, prospects of global agricultural trade liberalization, and growing numbers of environmental refugees and migrants shedding new light on the impacts of poverty and environmental degradation.

The scientific environment has also evolved with the work of the Millennium Assessment (MA) on dryland ecosystems, which has improved understanding of the biophysical and socio-economic trends relating to land degradation in global drylands, and their impacts on human and ecosystem well-being. The MA has also contributed to mapping out key gaps in data and knowledge on dryland ecosystems and people.

The financing environment has also changed profoundly in the last decade, with the Global Environment Facility (GEF) becoming a financial mechanism of the Convention, and official development assistance (ODA) flows increasing again after a decade of stagnation and declining resources for rural development and agriculture. Donors have refocused their financing strategies to support country-driven priorities based on Poverty Reduction Strategy Papers (PRSPs) and other country-led development planning instruments. Lastly, various innovative financing instruments have come to life, including payments for ecological services and carbon finance.

This new environment provides the starting point for this strategic plan along with an assessment of the successes and limiting factors of the Convention as it enters its second decade. This strategic plan provides a unique opportunity to address some of the Convention's key challenges, to capitalize on its strengths, to seize opportunities provided by the new policy and financing environment, and to create a new, revitalized common ground for all UNCCD stakeholders.

With these objectives, the UNCCD enhanced the development of National Action Plans (NAPs) within affected countries to aid implementation of actions related to land management and fight against desertification. NAPs were comprised several concrete actions implemented within a given country, taking into account specific needs and requirements of each nation. It is an interesting tool and framework to foster initiatives that help to prevent, control and reverse desertification and land degradation. The UNCCD only requires elaborating strategies and priorities in those cases where relevant legislation, long-term policies and action programmes do not exist. However, many countries have faced the problem of a lack of technical and management staff, leading to unfinished programmes<sup>1</sup>.

### ***The UNCCD Ten Year 2008-2018 Strategy***

The eighth session of the Conference of the Parties of the United Nations Convention to Combat Desertification (UNCCD) which was held in Madrid in 2007 has led to the derivation of several objectives and, in particular, facilitated the opportunity to define a 10-year strategic plan and framework to support the UNCCD. This plan is defined to be implemented over a period of 10 years as of 2008 to 2018 to financially and technically support the implementation of the Convention within country Parties, taking into account changes and newly arising needs since the development of the Convention. These efforts should help in ensuring the main goal of the UNCCD, which is to prevent, control and reverse desertification/land degradation.

In this context, all Parties have to align their action programmes or NAPs, or other relevant implementation activities related to the UNCCD to this Strategy, fostering the achievement of the five operational objectives. The Global Mechanism, which is the entity that helps countries to mobilize financial resources and increase investments for sustainable land management, is also aligned to the UNCCD's 10-year Strategic objectives by promoting resources that enhance actions implementing the UNCCD through the Strategy.

The Executive Secretary, who has a key operational role in the COP organization, and the Global Mechanism builds their functional capacity so as to strengthen their coordination and the efficiency of the actions undertaken. In parallel, the Global Environment Facility, which finances several initiatives linked to climate change adaptation or mitigation, also includes the Strategy within its priorities and framework.

This 10-year Strategy has been designed to achieve several specific objectives, both in the long term or in the short/medium term. There are four (4) Strategic Objectives that will have long-term effects (that is, in ten years or more) which will be evaluated through specific indicators, while five (5) Operational Objectives have been defined with short and medium term effects (that is, in three or five years or more)<sup>2</sup>.

The Strategic objectives are the following:

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<sup>1</sup> UNCCD, "Evaluation of the effectiveness of national action programmes to implement the United Nations Convention to Combat Desertification", 2015

<sup>2</sup> "The 10-year strategic plan and framework to enhance the implementation of the Convention", 2008

- Strategic objective 1: To improve the living conditions of affected populations
- Strategic objective 2: To improve the condition of affected ecosystems
- Strategic objective 3: To generate global benefits through effective implementation of the UNCCD
- Strategic objective 4: To mobilize resources to support implementation of the Convention through building effective partnerships between national and international actors

And the Operational objectives are the following:

- Operational objective 1: Advocacy, awareness raising and education
- Operational objective 2: Policy framework
- Operational objective 3: Science, technology and knowledge
- Operational objective 4: Capacity-building
- Operational objective 5: Financing and technology transfer

### ***Global Mechanism***

Mandated by the UNCCD to increase the effectiveness and efficiency of existing financial mechanisms and to promote actions leading to the mobilization and channeling of substantial financial resources, the Global Mechanism (GM) supports developing countries to position SLM as an investment priority. In addition, the GM provides countries with specialized advice on accessing finance for SLM from a range of public and private sources, both domestic and international.

Since beginning its operations in 1998, the GM has been housed by the International Fund for Agricultural Development (IFAD), one of the world's leading international financial institutions in promoting smallholder agriculture and "enabling poor rural people to overcome poverty".<sup>3</sup>

The GM represents a major contribution for IFS design by financially supporting it and all the initiatives linked to Sustainable Land Management. While the IFS suggest a finance strategy, the GM, as well as the GEF 6<sup>th</sup> Focal Area, supports these activities by delivering financial support.

### ***Implementation of the Strategy by Guyana***

Guyana ratified the UNCCD on 24 September 1997. The UNCCD requires that each country undertakes significant measures to implement activities fostering SLM, in particular through National Action Plans (NAPs). The NAP takes into consideration the need for integration into and strengthening of the existing national policy and planning framework for sustainable development as well as the role of non-governmental organizations, the private sector, local communities and civil society at large in its implementation.

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<sup>3</sup> <http://global-mechanism.org/>



The case of Guyana highlights four major issues related to land degradation that must be addressed through the implementation of the NAP: incidents of floods, droughts, salt water intrusion particularly along Guyana's developed but vulnerable coast, and natural resource utilization in the mining, forestry and agriculture sectors.

Developed in May 2006 in Guyana, the NAP proposes the following actions to address these issues<sup>4</sup>:

- rationalizing the planning and management of land resources
- rationalizing legislative overlaps
- promoting effective coordination and information exchange
- establishing institutional synergies
- securing financial resources and establishing financial mechanisms
- promoting public education and awareness
- undertaking training and capacity building
- addressing issues of food security, management of agriculture and sustainable development; as well as sustainably manage drainage basins and watersheds
- developing early warning systems and emergency plans to mitigate drought
- utilizing traditional knowledge, and
- promoting regional aspects of land degradation prevention.

Several barriers may jeopardize the implementation of this financial strategy for SLM activities in Guyana:

Economic and financial barrier	Start-up and transaction costs are also a barrier to implementing SLM, mainly to small businesses having a role in SLM. By providing incentives to the small businesses, GL&SC should contribute to overcome this barrier. It requires providing more resources to GL&SC. The fact that the benefits of SLM are likely to accrue mainly in the medium and long term make individual action to engage in SLM less attractive and, given the levels of poverty in Guyana, often impossible.
Institutional barrier	The limitations of the institutional framework can be articulated as: <ul style="list-style-type: none"> <li>• Fragmented policy and legislative environment</li> <li>• Lack of an overarching policy and programme framework for SLM</li> <li>• Overlapping mandates amongst agencies</li> <li>• Limited understanding of roles and responsibilities amongst stakeholders</li> <li>• Insufficient co-operation and co-ordination</li> </ul>

<sup>4</sup> Guyana Lands and Surveys Commission National Focal Point (UNCCD) "Guyana National Action Programme to Combat Land Degradation", May 2006

	<p>between institutions with common objectives or with complementary functions</p> <ul style="list-style-type: none"> <li>• Lack of guidelines for SLM in the energy, livestock transport and housing sectors</li> <li>• Limited capacity to monitor and enforce SLM practices</li> </ul>
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*Table 1. Barriers to SLM implementation*

Basically, several market failures are responsible for land degradation in Guyana<sup>5</sup>:

Public good dilemma	Most of the land in Guyana is State owned, which means that the land is commonly seen as a public good. This has led to a squatting phenomenon with inadequate infrastructure provision, which has led to land degradation. In addition, squatters do not own the land and are therefore unlikely to invest in it through SLM.
Poor definition of property rights	Appropriate forms of property rights or tenure security play a key role in controlling access to natural resources and also define responsibilities for actions needed to ensure their sustainability. Where security of tenure is absent, or where property rights are poorly defined, this may lead to unregulated exploitation of resources by multiple users (e.g. miners and loggers), each with competing objectives. This also makes it difficult to penalise those who degrade natural resources or reward those who enhance or protect them
Social inequality	The large income inequality in Guyana may drive degradation in particular areas such as along the coastal strip and in the hinterland by forcing those in poverty to eke out a living on the only resource available to them: the land.
Failure to value non-market benefits of land	Although ecosystem services provide and contribute to global public goods, many of these goods, because of their nature, are not generally traded in the marketplace. As such, they are not generally ascribed a price and are thus regarded, for all intents and purposes, as free. This apparent absence of value can create problems of unregulated use and over-exploitation. So, while markets tend to assign value to the production of private goods and services, these prices seldom capture the full

<sup>5</sup> Abstract from Guyana Lands and Surveys Commission, United Nations Development Programme & Global Environment Facility (2008) National Assessment of Land Degradation in Guyana: Diagnostic Report

	costs (or benefits) of production decisions including the social and environmental impacts of unintended by-products (or externalities) and ecosystem damage. One solution is to introduce payments for ecosystem services (PES). It enables to consider services providers (persons who directly contribute to the maintenance and provision to the market of an ecosystem) and users. With such mechanisms as PES, there is a financial value given to their role in this situation.
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Guyana is increasingly vulnerable and concerned by issues related to land degradation. The country now deeply needs access to new funding to foster better land management and practices within a National Action Plan to Combat Land Degradation that is aligned with the UNCCD Strategy and promote sustainable land management.

Historically land degradation in Guyana has been low; however with the strong potential for it to increase, there is a need for Guyana to act proactively to prevent degradation.

*“For several decades the small population size and low levels of economic activity utilizing also low levels of technology have served to protect the country from large-scale land degradation. More recently these conditions have changed and a number of complex and conflicting land management issues are beginning to emerge, bringing into sharp focus concerns about land degradation”<sup>6</sup>*

In Guyana, change in land use has resulted from a rapid upsurge in economic activity over the last 10 years, particularly in the sectors of agriculture, forestry, and mining. This has been supported by an expansion in state land leases granted for these commercial activities.

Factors which contribute to land degradation in Guyana are loss of forest and vegetation due to inappropriate logging, irresponsible mining and urbanization; improper land management; monoculture farming systems, indiscriminate use of agro-fertilizers, changing climatic patterns and coastal erosion due to flooding. The drivers of land degradation can be divided into natural and anthropogenic (human-induced) challenges.

In Guyana, natural challenges include all the consequences due to:

- climate change: changes in the length and timing of the seasons, changes in climate variability and extremes, etc
- saline intrusion: the increase in concentration of salt in rivers, the rise of water tables, reductions in suitable agricultural lands
- erosion: Guyana having several type of soils exposed to erosion in the context of sea level rise and saline intrusion, the erosion of coastal soil poses a risk to Guyana

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<sup>6</sup> Guyana Lands and Surveys Commission, United Nations Development Programme & Global Environment Facility (2008) National Assessment of Land Degradation in Guyana: Diagnostic Report.

- flooding: Guyana has experienced several flooding episodes that are likely to increase in frequency and intensity with climate change

And anthropogenic challenges due to:

- mangrove destruction: until recently, mangroves used to provide a natural buffer to sea level rise but recent destruction has resulted in an increased tendency for flooding and saline intrusion. Was there any consideration taken in the work that is being done by the Guyana Mangrove project in the restoration of degraded site?
- agricultural practices: being mainly based in the coastal zone, agriculture is particularly vulnerable to sea level rise, saline intrusion and flooding; despite the implementation of measures such as the introduction of new water-tolerant crop varieties, agriculture in Guyana still heavily depends on irrigation and drainage system which are not efficient in draining the soils adequately, resulting in flooding during intense rainfall.
- forestry practices: although Guyana has a low rate of deforestation, the forest resource is increasingly under threat from mining, agricultural expansion and timber production, these land use need some sort of validation
- mining and other activities: mining is one the leading contributors to land degradation in Guyana since it results in clearance of tracts of forested land and in pollution of both groundwater and surface water

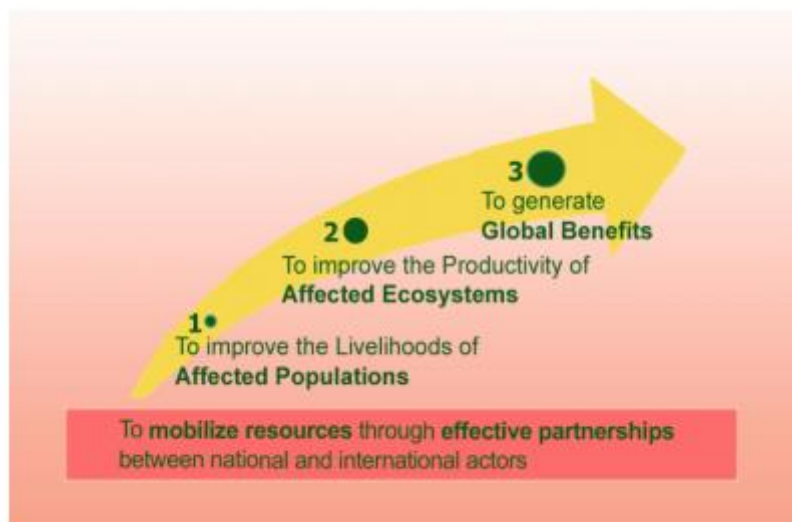
***The GEF funded project “Support the Alignment of Guyana’s National Action Plan to the UNCCD’s 10-Year (2008-2018) Strategic Plan”***

The Project addresses Guyana’s need to continue to fulfill its obligations under the United Nations Convention to Combat Desertification (UNCCD), with particular focus on Decision 3 of the UNCCD COP 8 (Paragraph 5-“Urges affected developing country Parties, and any other affected country Party in the framework of its Regional Implementation Annex, to align their action programmes and other relevant implementation activities related to the Convention with The Strategy, inter alia, by addressing the outcomes under the five operational objectives”).

The Project is a significant contribution to Guyana’s efforts towards implementing the UNCCD’s 10-Year Strategic Plan (2008-2018) at the national level. The Project builds on the current status and achievements of Guyana with respect to planning to align the National Action Plan and UNCCD Reporting. The Project aims to integrate Guyana’s obligations under the UNCCD into its national development and sectoral planning frameworks through a renewed and participative National Action Plan framework and strategic process. This process is expected to produce measurable targets to prevent and reduce the impacts of land degradation and droughts, and to promote Sustainable Land Management.

The Project will achieve its objective through the implementation of two components whose activities are thoroughly described in the GEF approved proposal for Land Degradation (LD) Enabling Activity (EA). These are: (1) Alignment of the National Action Plan (2006) to fully integrate new aspects of the UNCCD’s 10-Year Strategy (2008-2018) and (2) Undertaking UNCCD Reporting and Review process.

The Guyana Lands and Surveys Commission (GL&SC) is the Government institution responsible for the implementation of the 18-month Project and will act as the National Implementation Partner in collaboration with the Department of Natural Resources and the Environment (DNRE) and its Sectoral Agencies, as well as other Governmental and Non-Governmental Organizations (NGOs). The United Nations Development Programme (UNDP) is the Global Environment Facility (GEF) Agency for the Project and is accountable to the GEF for the use of funds.



*Graph 1. A brief overview of the UNCCD 10-year Strategic Plan 2008-2018 and the 4 Strategic Objectives. The 4<sup>th</sup> objective (shaded) is the rationale for incorporating IFS tools into the aligned NAP<sup>7</sup>*

### ***The Need for an Integrated Financing Strategy and Investment Framework***

The Project to “Support the Alignment of Guyana’s National Action Plan to the UNCCD’s Ten Year (2008-2018) Strategic Plan” is intended to integrate the country’s obligations to the UNCCD into its national development and sectoral planning frameworks.

There is need to develop an Integrated Financing Strategy and Investment Framework to identify national priorities in terms of investment needs and financial resources for the implementation of the Convention. The Framework should address the projects, programmes and priority actions, based on the priorities included in the Aligned National Action Plan (NAP) and taking into account the cross-cutting nature of investments on Desertification, Land Degradation and Drought (DLDD) and Sustainable Land Management (SLM). The Framework should outline priority interventions, expected outcomes and activities, lead responsibilities and the required financial resources, as well as funding sources (including contributions from development partners) and financial delivery mechanisms. In order to support the technology framework and technology needs transfers, the Integrated Financing Strategy and Investment Framework should identify

<sup>7</sup> Alignment of National Action Programmes with UNCCD 10 Year Strategy Through Use of Integrated Financing Strategy Tools, UNCCD, February 2013

adequate financing, effective economic and policy incentives and technical support to drive access to technology to prevent DLDD and promote SLM within the framework of South-South and North-South cooperation.

An Integrated Financing Framework (IFF) is defined in the UNCCD Glossary as “A programmatic financing approach whereby the governments of affected country Parties identify national priorities in terms of investment needs and financing resources for the implementation of the Convention. In a given country, the integrated investment framework identifies the projects, programmes and priority actions, based on the priorities included in the NAP, taking into account the cross-cutting nature of the investments on DLDD and SLM (for example, the benefits for food security and rural poverty reduction, adaptation to climate change, territorial planning and prevention of natural disasters). The framework may be summarized in a document, outlining priority interventions, expected outcomes and activities, lead responsibilities and the required financial resources, as well as funding sources (including contributions from development partners) and financial delivery mechanisms.” As such, the IIF includes the IFS.

Integrated Financing Strategy (IFS) is defined as a “*Methodological framework aligned with the priorities of the affected country, and (guideline) developed by the Global Mechanism to assist affected countries in their efforts to mobilize financial resources. Such strategies maybe pursued by various donors/organizations within different approaches and/or frameworks. They can be developed as a tool for addressing institutional, environmental, socio-economic and financial constraints that hinder full UNCCD implementation within a country. Such an approach serves to address country priorities and tackles multiple factors within a chain of activities falling under one integrated and comprehensive umbrella programme. An accompanying set of new financing modalities, procedures and instruments has emerged within the IFSs*”<sup>8</sup>.

Investment Financing drives development (from forestry programmes, sustainable livelihoods, etc.), and comprises of a broad umbrella of programmes from various sectors. The Study is expected to provide information which would guide resource mobilization for the implementation of the Aligned NAP. The IFS would strengthen the financing approaches to mitigate Desertification, Land Degradation and Drought (DLDD), and identify, prioritize and formulate a Sustainable Land Management (SLM) Investment framework. The Strategy provides for optimal use of existing financial resources as well as mobilizing new resources in order to support an investment framework for comprehensive financing programmes.

This study identifies existing and foreseen investments for the reduction of adverse impacts from DLDD and the promotion of SLM from national or other sources, reflected in national budgets and developmental strategies, policies and plans. It should be noted that the priority sectors in UNCCD Strategy are agriculture, energy, water, climate change, tourism and outward migration (ecological refugees and urbanization), post-conflict rehabilitation, drought prevention and rehabilitation, deforestation impacts and waste management. Financing should also review technology transfer needed to support DLDD and SLM programmes and projects.

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<sup>8</sup>Glossary for Performance and Impact Indicators, Financial Flows and Best Practices, Review of financial flows for the implementation of the Convention (UNCCD), Modified from The Global Mechanism (2010), Committee for the Review of the Implementation of the Convention, Germany, 2013

As indicated in the terms of reference, the IFS should address key UNCCD-related issues and the strategic options for public and private financing through: (i) mainstreaming of DLDD mitigation and SLM into key national/sector development plans and budgetary frameworks; (ii) increasing effectiveness of existing financial mechanisms; (iii) identification of traditional, non-traditional, new and innovative financing opportunities; (iv) strategic partnership building with a wide range of stakeholders; and (v) evidence-based advocacy to support decision making on financing and investment.

### ***Integrated Financing Strategy***

In the light of recent worldwide crises, changes and developments, new approaches and strategies are required to support resource mobilization for Sustainable Land Management (SLM). The Integrated Financing Strategy (IFS) was developed by the Global Mechanism with the ultimate goal of creating the enabling environment for mobilizing internal, external and innovative resources to provide an investment framework for SLM. The IFS, NAP and the national strategic objectives are integral parts of the Guyana strategic framework, whilst also being fully in line with the 10-year Strategic Plan (2008-2018) for the implementation of UNCCD<sup>9</sup>.

In order for IFS to be meaningful and appropriate, it should:

- be country led and nationally owned;
- built on existing strategies and processes, particularly NAP; and
- based on comprehensive and reliable analysis.

IFS should also be flexible, responsive, multi-disciplinary and multi-stakeholder oriented. Its success depends on effective partnership building and mainstreaming of SLM, to make rural development and land management a major national development priority that contributes directly to achieving the national objectives, mainly in tackling poverty, achieving food security and improving livelihoods of people.

In this regard, NAP and IFS were formulated through active participation of all relevant national stakeholders, by being members of the UNCCD and members in the five thematic groups that were established to deal with the major subject matters related to desertification as mentioned in chapter (1). At the same time the existing national strategies and processes, in addition to the international conventions and protocols, were reviewed and considered while developing the IFS. The relationship between NAP and IFS is very significant, as both have been developed together, unlike other countries that developed the NAP first then formulated the IFS as a separate document, so, both NAP and IFS are fully integrated.

The IFS consists of three key elements:

- examining the environment for SLM financing;
- identifying potential financing sources, instruments and mechanisms; and
- designing enabling measures for resource mobilization

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<sup>9</sup> “The National Strategy, Action Programme and Integrated Financing Strategy to Combat Desertification in the Occupied Palestinian Territory”, 2012

Several potential financing sources exist and can be useful to finance projects fostering sustainable land management activities. In particular:

- **Internal financing sources:** include the national budget allocation for such activities which may represent the main financing source. In particular, the Ministry of Agriculture, and the National Agricultural Research and Extension Institute may be the key institution dealing directly with issues of relevance to sustainable land management, in general and to desertification, land degradation and drought issues in particular. Other Ministries, such as the Ministry of Finance, may be involved in the implementation of these activities to enable an efficient coordination among the financing sources and the implementing agencies.
- **External financing sources:** Guyana will also take advantage of external support coming from relevant international institutions. Major funding sources active in these fields are the World Bank, EU, IFAD, USA, Netherlands, Germany, Japan, Italy, Canada and Denmark. UNDP, FAO, GM and UNESCO are the UN agencies involved in natural resources. In addition, several foreign NGOs are involved, together with Community Service Organisations (CSOs).
- **Innovative financing sources:** Several non-traditional funding sources are emerging because of the political, economic and climate changes that became evident during the past few decades. Among the potential international funding sources are the different financing mechanisms and instruments. There are more than twenty financing instruments dealing with climate change, taking into consideration that the link between climate change and SLM is considered a window with high potential. Adaptation to climate change is closely related to SLM which is considered a unique opportunity to access climate change funds. Among these financial mechanisms are: the recently established Green Climate Fund (GCF), the Adaptation Fund of the UNFCCC, the Least Developed Countries Fund and the Special Climate Change Fund (SCCF) managed by GEF, climate investment fund and the Reducing Emissions from Deforestation and Forest Degradation (REDD); these are in addition to many bilateral initiatives such as International Climate Initiative (ICI) of Germany and Hatoyama Initiative of Japan, as well as other new funds such as the United Kingdom Environmental Transition Fund and the World Bank Climate Investment Fund.

To date, financing mechanisms exist to support SLM activities can be outlined as follows:

Mechanism	Fund
UNFCCC	<ul style="list-style-type: none"> <li>• Guyana REDD+ Investment Fund</li> <li>• International Climate Initiative</li> <li>• The Global Environment Facility</li> <li>• The Multilateral Investment Fund</li> <li>• Special Climate Change Fund</li> <li>• UNFCCC Adaptation Fund</li> <li>• World Bank Carbon Fund and Facilities</li> <li>• BNDES Amazon Fund</li> <li>• Strategic Climate Fund (SCF)</li> </ul>
CBD	<ul style="list-style-type: none"> <li>• Small Grants Fund for Wetland</li> </ul>



	Conservation and Wise Use
	• Wetlands for the Future Fund (WFF)
	• Global Environment Facility Earth Fund (Private Public Partnership)
UNCCD	• The Global Environment Facility
	• The GEF Small Grants Programme (SGP)

*Table 2. Financing mechanisms supporting SLM*

# BACKGROUND ABOUT THE IFS AND THE IIF

The main objective of developing an Integrated Financing Strategy and an Investment Framework is to provide a general framework fostering the implementation of the United Nations Convention to Combat Desertification. This framework includes various parameters and each country's specifications to implement national actions and projects, directly and indirectly contributing to soil erosion prevention, as well as limiting and reversing land degradation. Actions are developed so that the benefits can be observed in the short, medium and long terms.

The Integrated Financing Framework is made to clarify and precisely define the issues to tackle within a specific country and the objectives to achieve through various initiatives. It identifies the projects, programmes and priority actions, based on the priorities included in the NAP and takes into account the cross-cutting nature of the investments on DLDD and SLM. This framework includes the Integrated Financial Strategy which aims at proposing a financing mechanism to support these actions. To this end, the IFS supported by the Global Mechanism which, in partnership with other funding sources such as the GEF (6<sup>th</sup> Cycle), contribute to finance the actions undertaken by the IFS and, to a larger extent, the IFF.

The objectives of the NAP-IFS are:

- To respond to the challenges, threats and constraints related to land degradation and deforestation in Guyana, by formulating and endorsing a unified national document to serve as a basis and guiding framework for future national and sectorial policies and plans (the means or how to accomplish this point) ;
- To guide Guyana and International Assistance Agencies to efficiently and effectively channel and use their financial resources to combat desertification and mitigate the effects of land degradation ;
- To reflect the importance, priority and commitment that the country is giving to the issues related to desertification, land degradation and deforestation and to comply with UNCCD obligations and requirements.

The IFS and IFF meet the UNCCD requirements to implement an Aligned NAP and benefit funding to foster Sustainable Land Management and deeply reform land practices in order to limit land degradation and droughts.

## ***The process***

This IFS and IFF are the results of a consultative process that took place in June 2015, including meeting the key stakeholders in Guyana involved in SLM.

For the design of IFS study in Guyana, several institutions and Ministries were consulted in order to take the larger part of stakeholders into consideration. The table below summarizes the organizations and contact persons met for this mission:

Organization Name	Contact persons
United Nations Development Programme (UNDP)	Dr. Patrick Chesney & Ms. Akua Carberry (Programme Specialist-Environment, Extractive Industries and Energy & Programme Associate respectively)
Guyana Lands & Surveys Commission (GL&SC)	Mr. Doorga Persaud (Commissioner of Lands and Surveys), Andrea Mahammad, Oleta Williams, Ms. Shamane Munroe, Asib Mohamed
Ministry of Finance	Audrey Johnson and Donna Levi
Ministry of the Presidency, Office of Climate Change	Ms. Gitanjali Chandarpal (Head, Office of Climate Change), Mr. Shane Singh, Technical Support Officer, Office of Climate Change
Hydrometeorological Department (Ministry of Agriculture)	Mr. Garvin Cummings (Chief Hydrometeorological Officer), Haymawattie Danny (Hydrometeorological Officer)
National Agriculture Research and Extension Institute	Mr. David Fredericks, Ms. Denisia Whyte
Guyana Rice Development Board	Mr. Kuldip Ragnauth
Guyana Sugar Corporation	Mr. Omadat Persuad, Mr. Ashley Adams
Ministry of Natural Resources and the Environment	Mr. Veetal Rajkumar
Guyana Forestry Commission	Mr. Marcia Gordon
Guyana Geology and Mines Commission	Mr. Donald Singh
Environmental Protection Agency	Ms. Anastasia Chandra, Mr. Colis Primo
Food and Agriculture Organisation (FAO)	Ms. Angela Alleyne
Inter-American Development Bank	Ms. Janelle Leitch
EU Delegation	Ms. Latoya DeMendonca-Blair

*Table 3. Persons consulted for the drafting of the IFS*

The consultation process resulted in several conclusions listed below:

- The needs to create synergies among agencies;
- The identification of concept notes for projects and activities for resource mobilization for NAP implementation and overcoming the barriers to NAP implementation that should be presented for funding;
- Recommendations for technology transfer needs inclusive of a financing framework with linkages to a technological approach.

The IFS and IIF Study corresponds to the UNCCD Strategy Operational objective 5: Financing and technology transfer. **The aim of this objective is to mobilize and improve the targeting and coordination of national, bilateral and multilateral financial and technological resources in order to increase their impact and effectiveness.**

Housed by the International Fund for Agricultural Development (IFAD), the Global Mechanism has a central responsibility to support the implementation of this objective, given its mandate to increase the effectiveness and efficiency of existing financial mechanisms and to mobilize and channel substantial financial resources. In particular for the operational objectives defined in the UNCCD 10 Year Strategy, the GM supports the operational objectives 1 and 2. Its program of work consists in a four-year strategic plan complemented by biennial program of work following an RBM approach consistent with the objectives and results of this strategic plan.

The objective of the study is to mobilize and improve the targeting and coordination of national, bilateral and multilateral financial, and technological resources in order to increase their impact and effectiveness. In particular, this main objective can be achieved through five outcomes:

**Outcome 5.1:** Affected country Parties develop integrated investment frameworks for leveraging national, bilateral and multilateral resources with a view to increasing the effectiveness and impact of interventions.

**Outcome 5.2:** Developed country Parties provide substantial, adequate, timely and predictable financial resources to support domestic initiatives to reverse and prevent desertification/land degradation and mitigate the effects of drought.

**Outcome 5.3:** Parties increase their efforts to mobilize financial resources from international financial institutions, facilities and funds, including the GEF, by promoting the UNCCD/Sustainable land management (SLM) agenda within the governing bodies of these institutions.

**Outcome 5.4:** Innovative sources of finance and financing mechanisms are identified to combat desertification/land degradation and mitigate the effects of drought, including from the private sector, market-based mechanisms, trade, foundations and CSOs, and other financing mechanisms for climate change adaptation and mitigation, biodiversity conservation and sustainable use; and for hunger and poverty reduction.

**Outcome 5.5:** Access to technology by affected country Parties is facilitated through adequate financing, effective economic and policy incentives and technical support, notably within the framework of South-South and North-South cooperation.

Furthermore, some key points arising from the recommendations from the Committee on the Review of the Implementation of the Convention (CRIC) are as follows:

1) Determine a spectrum of funding resources for Desertification / Land Degradation / Drought (DLDD)/ Sustainable Land Management (SLM) including the role of UNDP and other technical institutions and funding resources particularly the Green Climate Fund (GCF), the Investment Fund for Land Degradation Neutrality and the Adaptation Fund.

**Several potential sources of funding have been mentioned before and can be summarized in the table below:**

Internal financing sources	Department of Natural Resources and the Environment/Ministry of the Presidency Ministry of Agriculture Ministry of Finance Other relevant Guyanese institutions
External financing sources	International institutions: World Bank, IFAD, UNDP, FAO, GM, UNESCO, GEF NGOs Foreign countries: Netherlands, Germany, Japan, Italy, Canada, Denmark
Innovative financing sources	Financing instruments and mechanism: GCF, Adaptation Fund, etc. Bilateral initiatives: International Climate Initiative of Germany, Hatoyama Initiative of Japan New funds: United Kingdom Environmental Transition Fund, World Bank Climate Investment Fund

2) Describe the importance of concept of technology transfer for technologies related to DLDD and adaptive possibility noting constraints of energy and skilled resources particularly in Guyana's context

Technology transfer has a broad definition and can include land management practices and techniques for soil and water conservation, as well as protected area management systems, pastoral systems, silvicultural practices (agroforestry, afforestation, and reforestation), genetically-engineered/modified planting stock, efficient harvesting, processing, end-use technologies and indigenous knowledge.

Traditional and local technical knowledge, know-how and practices, often collectively referred to as traditional technologies, represent accumulated cognitive and perceptual experience of interactions between a group of people, their physical and biological environments, and the production systems. A Committee on Science and Technology (CST) has been set up to address traditional knowledge as one of its standing agenda items, and provided a number of observations in this respect. Key among these include the transfer of techniques for establishing narrow shelterbelt systems, the introduction of practices of straw checkerboards, clay/pebble/chemicals mulching for fixing drifting sands, extension of technologies for establishing bio-farms in steppe or rangeland areas, initiated to preserve overgrazed rangeland in semi-arid and dry sub-humid areas, application of practices for soil conservation, runoff harvest and terrace tillage systems, agroforestry for fertilizing soil and improving farmland<sup>10</sup>. A significant example is coming from the Mangrove Restoration Project<sup>11</sup>.

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<sup>10</sup> "Consideration of ways and means of promoting know-how and technology transfer for combating desertification and/or mitigating the effects of drought, as well as of promoting experience sharing and

3) Indicate how to evaluate, maintain and monitor efficiency of IIF. Technology transfer should not be limited to monitoring and reporting systems but should also include practical technology innovations on the ground.

4) Describe the options for Technology transfer to be further incorporated into strategies/policies/plans, all supportive of NAP implementation.

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information exchange among parties and interested institutions and organizations”, *Committee for the review of the implementation of the Convention*, UNCCD, Bonn, 2-11 May 2005

<sup>11</sup> <http://www.mangrovesgy.org/home/>

# METHODOLOGICAL APPROACH

The Integrated Financing Strategy and Investment Framework is developed in order to help Guyana design a National Action Plan to Combat Land Degradation that is aligned to the UNCCD's requirements.

The UNCCD defines desertification as “land degradation in arid, semi-arid and dry sub-humid areas resulting from various factors including climatic variations and human activities, in specific, the complex interactions among physical, biological, political, social, cultural and economic factors”. As such, the UNCCD brings together the socio-economic and the ecological aspects within a single framework; in this sense the Convention does not fall within the confines of what is considered to be purely an “environmental” convention. Currently, one hundred and ninety one (191) countries and the European Community have ratified, acceded or accepted the Convention, making the UNCCD one of the most globally subscribed to Conventions.

Given the cross-cutting nature of desertification - meaning that it has implications on various aspects of socio-economic development and environmental management - one of the approaches being increasingly used is that of Sustainable Land Management (SLM). According to the Australian Government's Department of Environment and Water Resources, “Sustainable land management means managing land without damaging ecological processes or reducing biological diversity. It requires the maintenance of the following key components of the environment:

- biodiversity: the variety of species, populations, habitats and ecosystems;
- ecological integrity: the general health and resilience of natural life-support systems, including their ability to assimilate wastes and withstand stresses such as climate change and ozone depletion; and
- natural capital: the stock of productive soil, fresh water, forests, clean air, ocean, and other renewable resources that underpin the survival, health and prosperity of human communities. This includes also assessing the current economic value of Guyana natural resources, the cost of restoring degraded land and consider how SLM contributes to poverty alleviation.

The UNCCD calls countries to align their NAP to the 10 Year Strategy, which means that each country has to check its existing NAP against the 5 Operational Objectives of the Strategy. The situation analysis of the existing NAP will lead to the identification of a set of gaps with regard to each of the 5 operational objectives: gaps with regard to raising awareness, needs in terms of policy coherence, coordination, scientific and technical data, capacity building, resources, etc. All the actions and measures required for filling the identified gaps (priority actions, priority fields of action, capacity building needs,...) will be identified and inserted into an action plan, complementary to the existing NAP, with the aim of aligning the NAP with the 10 Year Strategy. This action plan would not be another NAP but will rather supplement the NAP by stating all the actions needed for NAP its revision into a strategic document supported by biophysical and socio-economic baseline information; as well as for its inclusion in an integrated investment framework (IIF).

UNCCD calls upon all country Parties and institutions like the Global Mechanism (GM) to establish IIF for financing comprehensive programmes. The Global Mechanism has developed the concept of IFS for UNCCD financing which has as the main objective the establishment of the Integrated Investment Framework (IIF). The role of the IFS needs to be recognized and built into the newly aligned NAPs. It will be necessary to develop new strategies for financing sustainable development. The IFS is intertwined with the NAP and must be seen as an integral part.

Developing countries should create a conducive environment and upscale SLM financing including through domestic budgets and their processes as well as international ODA in any form (concessional loans, grants, budget support, sector-wide approaches and bilateral or multilateral programmes, etc.). The Strategy also calls upon developed country Parties to support effectively a change in setting of development priorities in favor of investments into SLM.

Innovative financial resources, in particular investments under the climate change regime, private sector, trade and market access and technology transfer should be part and parcel of the Integrated Investment Frameworks.<sup>12</sup>

Guyana is particularly affected by land degradation with several failures in policy (there is a National Land Use Plan<sup>13</sup> but no national land use policy, regulatory weaknesses, etc.) and market (land considered as a public good, social inequalities, etc.)<sup>14</sup>. The National Assessment of Land Degradation in Guyana: Draft Diagnostic Report (2008) has identified five regions within the country that are particularly vulnerable and exposed to land degradation mainly because of mining and agricultural activities, housing expansion and repeated flooding.

The IFS is presented under 7 components<sup>15</sup>:

- Analysis of the National Context
- Mainstreaming SLM into Country Frameworks
- Resource mobilization: internal sources of funding
- Resource mobilization: external sources of funding
- Resource mobilization: innovative sources of funding
- Partnership building and technology transfer
- Action Plan for the IFS

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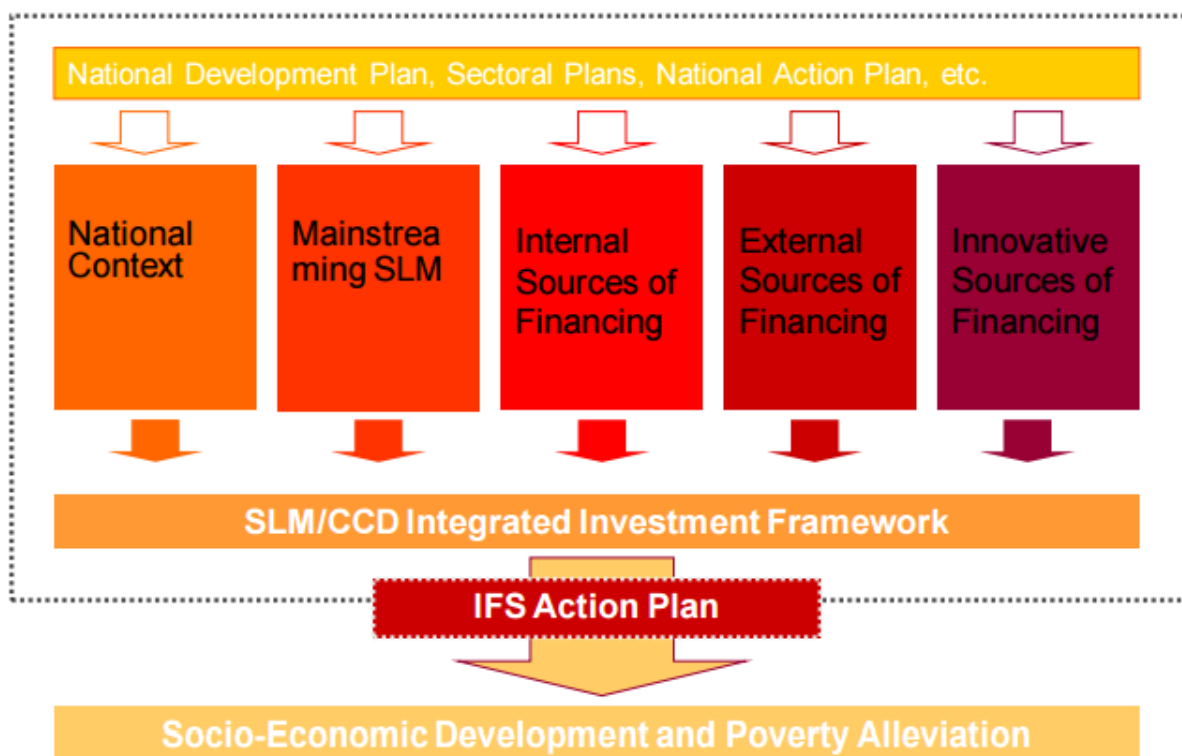
<sup>12</sup> V.R. Squires, "Alignment of National Action Programmes with UNCCD 10 Year Strategy Through Use of Integrated Financing Strategy Tools", 2013

<sup>13</sup> Guyana Lands & Survey Commission with support from the European Union, dated June 2013

<sup>14</sup> Guyana Lands & Surveys Commission, "Funding Needs Assessment for Sustainable Land Management Priorities", May 2012

<sup>15</sup> Global Mechanism of the United Nations Convention to Combat Desertification, "Practical Guide to Designing Integrated Financing Strategies", 2009





*Graph 2. Implementation of socio-economic development and poverty alleviation actions through IFS*

# Component 1: Analysis of the National Context

The National Context is comprised of the environmental factors and anthropologic framework within a country. It entails the elaboration of the country's natural features and the structures of organization and governance. The analysis of the national context describes the baseline conditions that provide the instrumental background needed to understand the conditions that influence the mobilization of resources.

The aim of the analysis of the national context is to identify those elements in the planning policy, legal, institutional, and coordination frameworks that could hinder or facilitate the mobilization and allocation of resources in the country. The national context exposes the strengths and weaknesses in the framework of governance and its conduciveness to resource mobilization. Once the constraints are identified, the steps created for an enabling environment becomes more evident.

## *i. Data collection and information management:*

The National Action Plan serves as a guiding document for initiating the preliminary research on the UNCCD. The NAPs generally provide an overview of the country context from a natural, anthropological, and socio-economic standpoint. It lists a number of recommendations and operational guidelines relevant to the implementation of the UNCCD. The NAP also identifies the priorities for attaining sustainable land management in the country and combating land degradation. In particular, the NAP developed in 2006 in Guyana deals with land degradation and would be an ideal starting point for the IFS.

Document	Source
Texts of international conventions, namely UNCCD	Websites of the conventions: <a href="http://www.unccd.int/en/Pages/default.aspx">http://www.unccd.int/en/Pages/default.aspx</a>
Reports of COP and CRIC meetings	Websites of the conventions: <a href="http://www.unccd.int/en/about-the-convention/the-bodies/the-cop/Pages/default.aspx">http://www.unccd.int/en/about-the-convention/the-bodies/the-cop/Pages/default.aspx</a> <a href="http://www.unccd.int/en/about-the-convention/the-bodies/The-CRIC/Pages/CRIC%20Bureau.aspx">http://www.unccd.int/en/about-the-convention/the-bodies/The-CRIC/Pages/CRIC%20Bureau.aspx</a>

### **Amerindian ownership of land<sup>16</sup>**

Shortly after Guyana acquired independence in 1966, the Amerindian Lands Commission was established with the goal of recognizing Amerindians right to communal land ownership. The Amerindian Lands Commission Report of 1969 offered a number of recommendations for

<sup>16</sup> “Transforming Guyana’s Economy While Combating Climate Change”, Low Carbon Development Strategy Update, March 2013

granting land titles to identified communities that existed prior to 1966. In 1976, the 1951 Amerindian Act was amended to provide for the granting of titles to 64 Amerindian communities. In 1991, 10 other villages were titled, bringing the total of titled villages to 74, approximately 6% of Guyana's territory. All 74 titled villages were mainly bound by natural boundaries, and the outcome of the initial titling efforts without demarcation did not provide closure on issues of Amerindian land claims. Furthermore, the Amerindian Act under which the lands were granted was considered to be defective because it provided the Minister and Chief Officer with extensive powers to reduce and confiscate lands granted and occupied by Amerindians. In 1995, agreement was reached with the Amerindian Toshias (village leaders), where-by a two-prong approach for addressing land claims was formulated:

- Demarcation of the existing 74 titled Amerindian villages
- Addressing the request for titles by communities without titled lands and examination of extensions requested by titled villages.

As a result, the total number of titled Amerindian villages is now 98 of which 77 are demarcated. In parallel, the policy framework was reformed and culminated in the Amerindian Act # 6 of 2006 which was formulated out of extensive community consultations with Amerindian villages. The Act provides the Village Council with functions to hold for the benefit and use of the village "all rights, titles and interest in or over village lands and to manage and regulate the use of and occupation of village lands." Ownership of land is communal. Villages decide on how much land will be used for mining, forestry and hunting, and residential occupancy. The law also allows Village Councils to lease community lands up to 10% of the titled area owned. Each Village elects a Toshao to represent the village, all Toshias meet together as part of a National Toshias Council, and they elect a Chairperson to represent the Council.

Due to its cross-sectoral nature, the activities that fall within the umbrella term of "combating desertification" are numerous. A thematic matrix helps to organize the activities that will be investigated in more detail in subsequent steps.

### *Thematic matrix*

The thematic matrix serves as a basis for the management of a multitude of information that may be encountered in the NAP. The NAP tackles a number of issues across sectors and may propose a number of interventions. Due to the cross-sectoral nature of SLM, it is useful to organize these issues according to the "theme" that they fall under. The development of a thematic matrix facilitates the organization of issues and interventions tackled in a typical NAP according to the sector that they fall under.

The table shows an example of the thematic areas that should be dealt for the case of Guyana:

National framework	
I	Institutional framework for NAP implementation
II	Legislative framework
III	Land use planning
IV	Socio-economic framework
Natural resources	

V	Water management
VI	Forest management
VII	Sustainable agriculture
VIII	Rangeland management
IX	Soil conservation
X	Protected areas
XI	Sustainable Mining

### Consultative process

The review of the literature revealed a limited number of stakeholders who have been consulted, and consulted throughout the development of the strategy. Stakeholder consultations served to complement and updated the information obtained from the literature.

The review of the literature provided information on the stakeholders involved in SLM. Consultations were held using during focus groups:

- Phase 1: Collection of information → to obtain information for the analysis of the national context and the elaboration of the different sources of funding
- Phase 2: Dissemination and validation → to expose the stakeholders to the strategy once the rudimentary structure has been defined, ensure consensus, and finalize the document according to stakeholder input



Stakeholder	Role in SLM	Role in Resource Mobilization	Stage of strategy preparation in which stakeholder should be involved	Format of consultation
Agriculture Related Agencies	Agricultural development and extension services, forest management, afforestation, and grazing / rangeland management	Dissemination and leading role to implement the Integrated Financing Strategy	Phase I: National Context, Coordination Mechanism, SLM Integration	Bilateral meetings
			Phase II: Dissemination	Round table consultation, Dissemination/Validation workshop
Donor agencies	Funding of SLM-related projects	External source of financing	Phase I: External sources of funding	Bilateral meetings
			Phase II: Dissemination	Dissemination workshop/Validation

*Table 4.Role of the stakeholders in SLM*

The key tool for the stakeholders' consultations was focus group meetings.

#### *Supporting documents for the focus groups*

The consultation meetings which took the form of focus groups had two purposes: (1) informing the stakeholder of the concept of the strategy, and (2) obtaining the required information. Two documents were therefore prepared prior to beginning the focus group meetings:

1. An official letter from the national authority that is carrying out the IFS. The letter provided proof of legitimacy of the consultations and the information to be collected.
2. A presentation, with targeted questions to the participants.

#### *Medium Term Investment Plan for Sustainable Land Management*

This document is very important to avoid reinventing the wheel as it relates to work that would have been done already.

In order to tackle land degradation and related issues in Guyana (such as deforestation), the Medium Term Investment Plan (MTIP) has been prepared in May 2012 that mobilizes a more diverse array of funding sources and mechanisms over a longer timeframe, and helps ensure that SLM-related development policies receive adequate resource allocations in public budgets and expenditure frameworks.

Ultimately, the purpose of the MTIP is to ensure that SLM priorities are more closely connected to broader national development policies and frameworks and are therefore more explicitly considered in public and private budgeting processes and in negotiations with lending organizations and development agencies. The MTIP is therefore an instrument to support the Government of Guyana in mobilizing financial resources necessary for UNCCD implementation<sup>17</sup>.

## *ii. Analysis:*

### Description of the environmental context

Assessment of the magnitude of land degradation to provide the natural background against which the strategy is set. At the conclusion of this assessment, the environmental pressures within the country become evident and the priority interventions in need of funding can be easily identified.

Land degradation varies geographically and depends on the underlying adaptive capacity of both ecosystems and communities. Regions that already face issues such as poor land quality, poverty, population pressure and poor technological capabilities, are likely to be more adversely affected than those which do not.

In order to evaluate the range of existing and potential measures for addressing land degradation it is important to have an understanding of the key drivers of degradation in Guyana.

Historically land degradation in Guyana has been low; however with the strong potential for it to increase there is a need for Guyana to act proactively to prevent degradation.

*“For several decades the small population size and low levels of economic activity utilizing also low levels of technology have served to protect the country from large-scale land degradation. More recently these conditions have changed and a number of complex and conflicting land management issues are beginning to emerge, bringing into sharp focus concerns about land degradation”*

Land degradation in Guyana, while not very visible at this stage, has been increasing and the potential exists for it to expand at an increasing rate. Change in land use has resulted from a rapid upsurge in economic activity over the last 10 years, particularly in the sectors of agriculture, forestry, and mining. This has been supported by an expansion in state land leases for these commercial activities.

Factors which contribute to land degradation in Guyana are loss of forest and vegetation due to inappropriate logging, irresponsible mining and urbanization; improper land management; monoculture farming systems, indiscriminate use of agro-fertilizers, changing climatic patterns and coastal erosion due to flooding. The drivers of land degradation can be divided into natural and anthropogenic (human-induced) challenges.

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<sup>17</sup> “Development of a Medium Term Investment Plan for Sustainable Land Management”, Guyana Lands & Surveys Commission, May 2012

### The Low Carbon Development Strategy (LCDS)<sup>18</sup>

The LCDS outlined how Guyana intended to ensure that at least 10% of Guyana's land area would be under some form of protection. In the period to March 2013, this policy has been advanced further, and a key milestone was the passing in 2011 of the landmark Protected Areas Act. Today, Guyana's policy objective is to achieve the United Nations Convention on Biological Diversity (CBD) target of having at least 17 % of Guyana's land and inland water under some form of protection by 2020.

This represents the latest step in a long history stretching back to 1929 and the creation of the Kaieteur National Park, which was one of the first protected areas in the region.

Since then, Guyana has made steady progress in conservation and protected area development. Key accomplishments have been the establishment of the Iwokrama International Centre in 1996 and the creation of the community owned conservation area at Konashen in 2006. These achievements ultimately paved the way for the Protected Areas Act of 2011, which was a watershed moment for Protected Areas in Guyana. For the first time, Guyana has in place a national legislative framework that allows for the establishment, management and growth of an effective system of protected areas.

The passage of the Act was followed by the legal establishment of two new protected areas in the Kanuku Mountains and Shell Beach. These areas join the existing Kaieteur National Park and Iwokrama Rainforest Reserve, and the Community Owned Conservation Area at Konashen, which together account for approximately 8.6% of Guyana's landmass. The system also includes the National Park, Zoological Park and the Botanical Gardens.

With the Act in place, 2012 saw the appointment of the Protected Areas Commission (PAC) Board, recruitment of staff members, establishment of the PAC office and finally the opening the Commission in November of 2012. The initial focus was on operationalizing the legal and institutional framework, raising awareness in communities on the new legislation and the work of the PAC, and preparing management plans for the areas within the National Protected Areas System.

Progress was made possible in part through a number of long-standing partners for Guyana's protected areas – including Guyana's Environmental Protection Agency, the Government of Germany, Conservation International (CI), World Wildlife Fund for Nature (WWF), Flora and Fauna International (FFI) and the Guyana Marine Turtle Society (GMTCS). The PAC is now working to create new partnerships. One example saw the signing of a MoU with Panther, which paves the way for future collaborations with the private sector and corporate groups.

In 2013, important areas of focus will be the rehabilitation of the National Park, Zoological Park and the Botanical Gardens under the Three Parks Initiative, facilitating the creation of the

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<sup>18</sup> "Transforming Guyana's Economy While Combating Climate Change", Low Carbon Development Strategy Update, March 2013

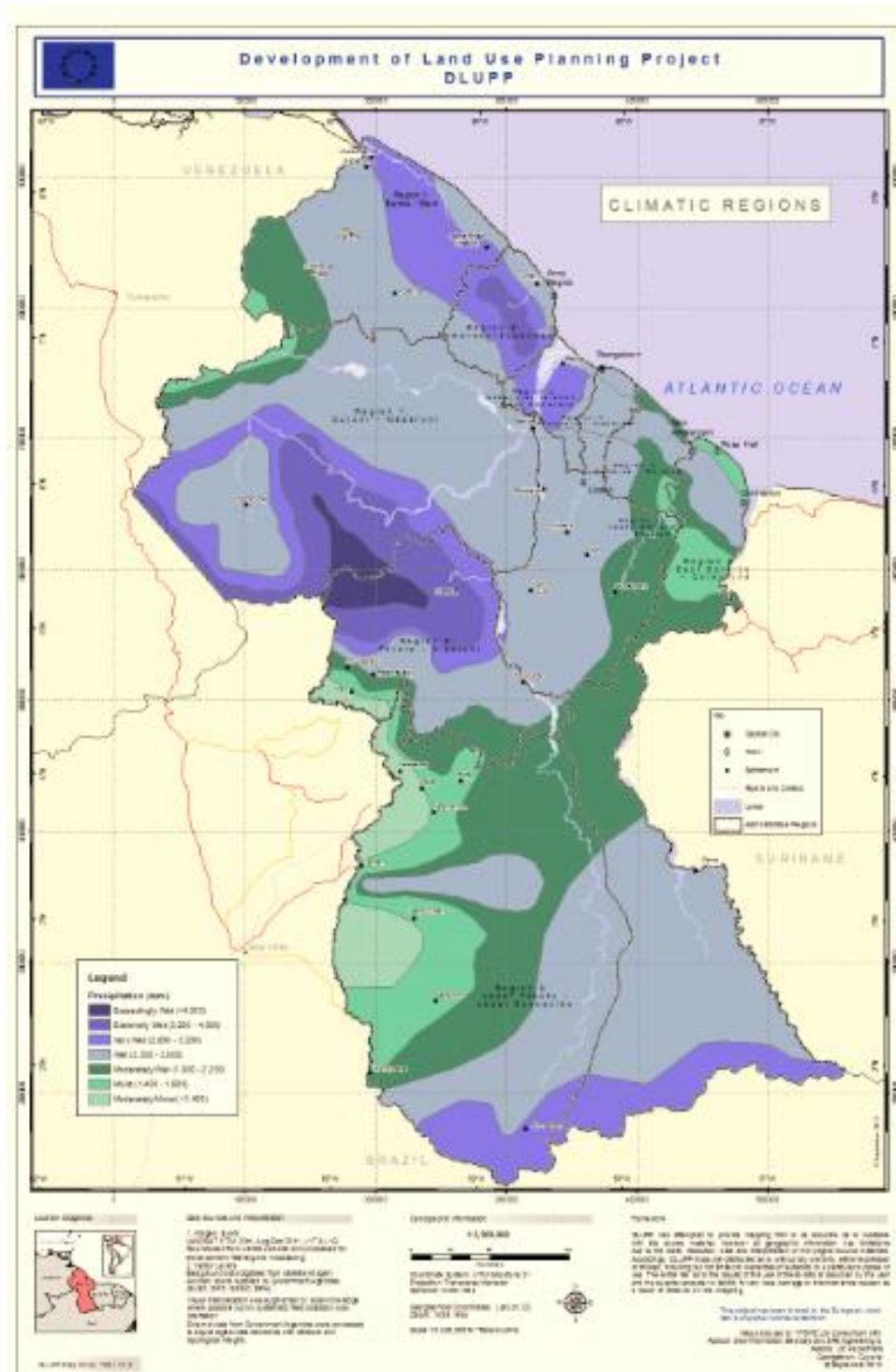
National Protected Areas Trust Fund, developing a strategic plan for the PAC, a systems plan for the protected areas system, management plans for individual protected areas, and establishing a field presence in these protected areas. Partnerships will also be strengthened with local communities, the private sector, NGOs and other important stakeholders locally and overseas.

### *Natural challenges*

#### *Climate change*

Unsustainable land management and ecosystem degradation leads to the release of greenhouse gas (GHG) emissions into the atmosphere. Conversely, climatic change, caused by the release of GHG emissions, is one of the major factors contributing to land degradation, as recognised in the definition of land degradation given by the UNCCD. The climatic regions of Guyana are distributed as followed:





Graph 3. Map of the climatic regions (Land Use Planning project)

Climatic change can lead to land degradation through the following processes:

- Changes in the length and timing of the seasons;
- Changes in climate variability and extremes, such as the occurrence of droughts, floods and other climate extremes;
- Long term changes in temperature and precipitation patterns, which effect land cover, water resource and soil quality;
- Sea level rise.

Due to the geographical distribution of Guyana's population, which is heavily skewed towards coastal areas, sea level rise is seen as the major climate-related threat, with increases of 40 cm by the end of the century predicted. Recent increases in sea level rise have already led to saline intrusion and difficulties in draining the agricultural soils in the coastal zone. Projected increases will put an increasing stress on drainage and irrigation systems, as well as sea defenses.

Climate variability particularly increases in the intensity of rainfall events, which will also put a stress on irrigation and drainage systems and is likely to lead to increasing inundation of agricultural lands. Periods of droughts, also forecast to increase, will potentially result in greater concentrations of salt in rivers and ponds, adversely impacting agricultural yields.

Climate change therefore represents a significant threat to Guyana and is likely to exacerbate land degradation, especially in the coastal area.

#### *Saline intrusion*

Most of the settlements and agricultural land in Guyana are in areas deemed vulnerable to saline intrusion and brackish water. Further intrusion inland is likely to have the following adverse effects:

- The concentration of salt in rivers will increase, which will lead to further intrusion of salty waters in-land and will have a detrimental effect on agriculture;
- Water tables will rise and due to their higher salt content, good quality agricultural lands now under cultivation will become less productive; and
- Reductions in suitable agricultural lands and increasing salt concentrations in rivers and ponds will lead to population displacement, which could lead to greater incidences of deforestation and degradation.

## *Erosion*

Guyana has the following characteristics in terms of soils:

- The coastal soils in Guyana are fertile but acidic. They overlie white sands and clays and support intensive agriculture but are also prone to erosion if they are not left fallow.
- Pegasse soil, a type of tropical peat, occurs behind the coastal soils and along the river estuaries, while silts line the banks of the lower rivers.
- Reef sands occur in bands in the coastal plain, especially near the Corentyne and Essequibo rivers.
- The rock soils of the interior are leached and infertile, and the white sands are almost pure quartz.

Given the context of sea level rise and saline intrusion, the erosion of the coastal soils and the natural sea defense poses a significant risk to Guyana. Coastal erosion results both from human activity, such as the removal of mangroves and sand mining, and from natural events, such as sea level rise, storms and changes in ocean currents.

## *Flooding, Drought and DRM*

Guyana has experienced a series of floods, which have caused significant damage to infrastructure and agricultural production and has severely impacted on livelihoods. Extreme levels of precipitation caused an estimated \$55.5 billion of damage, equivalent to 59% of Guyana's GDP, during the 2005 and 2006 floods.

Moreover, in order to forecast floods and droughts, the country drafted a National Integrated Disaster Risk Management Plan and Implementation Strategy for Guyana in October 2013<sup>19</sup>. In this strategy, a Flood and Drought Insurance Project is proposed to tackle these issues. The objective of the project is to reduce and/or transfer, disaster risk for flood and drought through insurance mechanisms at the national and regional level.

## *Anthropogenic challenges*

### *Mangrove destruction*

Until recently mangroves, which provide an important natural buffer to sea level rise, were not protected through regulation. As a result, many of the mangroves have been removed. Given the context of sea level rise, flooding and saline intrusion, the regulation and rehabilitation of mangroves has been identified as a priority for Guyana, and an Action Plan to reverse the degradation has been initiated.

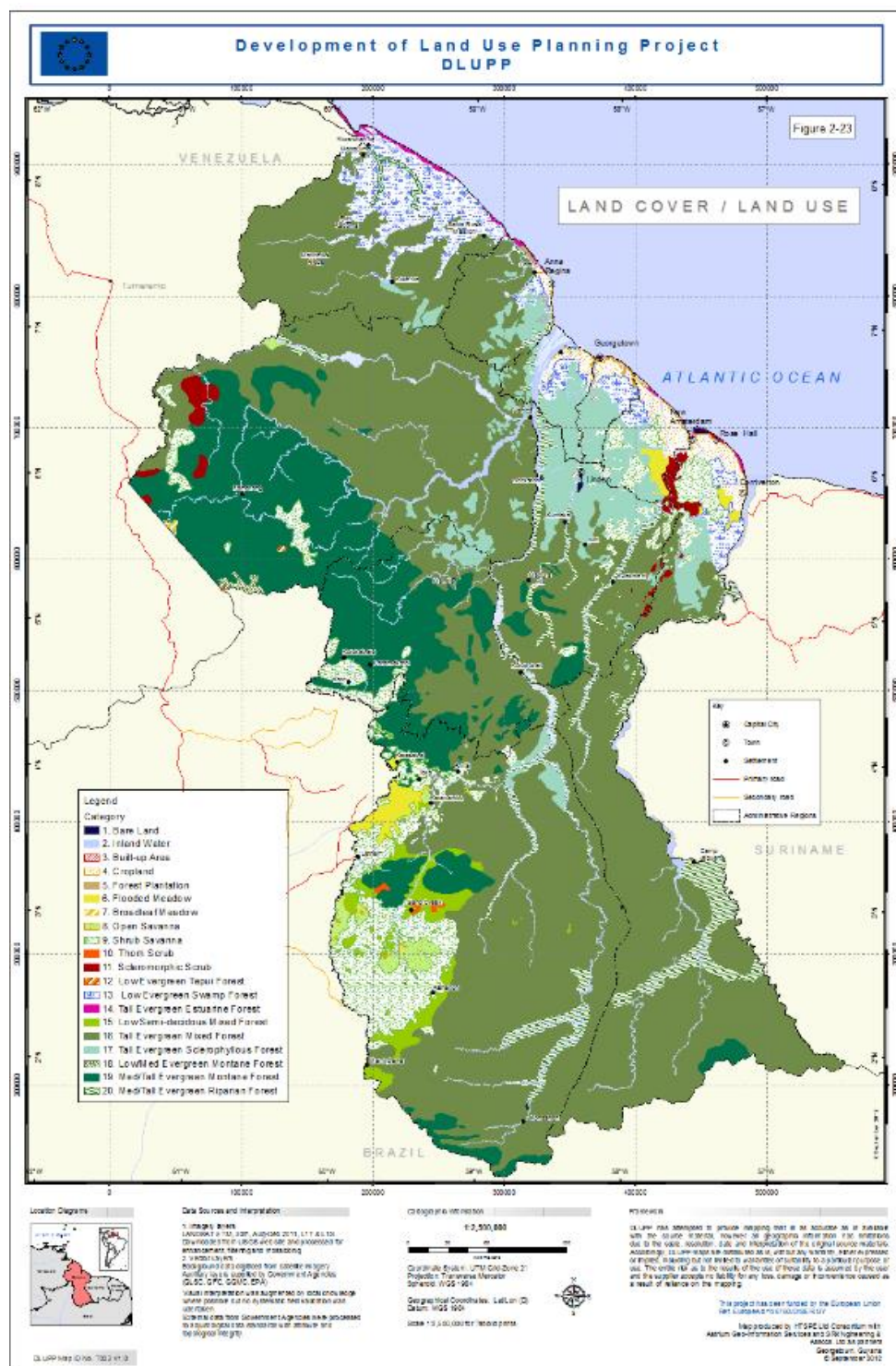
### *Agricultural practices*

Guyana's agriculture is predominantly based in the coastal zone, which as discussed above is particularly vulnerable to sea level-rise, saline intrusion, and flooding. A recent report by the

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<sup>19</sup> National Integrated Disaster Risk Management Plan and Implementation Strategy for Guyana, 2013

United Nations Economic Commission for Latin America and the Caribbean (ECLAC) noted that climate change will have a serious impact on the livelihoods of a large part of Guyana's population unless the country adapts. The report listed a variety of climate change factors that are likely to affect Guyana's agriculture, including temperature changes, drought, increased rainfall intensity, an increase in sea level and temperature, and the risk of salt water intrusion.



*Graph 5. Land Cover/Land Use (Land Use Planning Project)*

Sugar accounts for nearly 12 % of GDP and over 20 percent of Guyana's exports (2005). Most sugar exports are destined for the E.U. under a preferential trade agreement. In 2005, production amounted to nearly 259,000 metric tons. Rice accounted for nearly 9 percent of Guyana's exports in 2005. Like sugar, Guyana exports rice primarily to Europe and the CARICOM region. The Guyana Sugar Corporation (GuySuCo) and the Guyana Rice Development Board (GRDB) are therefore already beginning to implement measures to enhance the resilience of the sugar and rice crops respectively to climate change.

Measures include species trials on new water/drought-tolerant crop varieties, improving the drainage network and diversifying the range of income-generating activities available to farmers. However, one of the most important factors in producing high yields is the preparation of the land. The land within the coastal zone is fertile but acidic; lost fertility must be returned to the soil by periodic fallowing or the addition of fertilizers. Uncontrolled irrigation and application of agro-chemicals in rice production has led to water logging, salinization and water pollution.

Unlike other countries in South America, Guyana has not experienced significant deforestation and degradation due to agricultural expansion from cattle ranching. However, agricultural practices such as rice production, sugar cane cultivation and cash crop farming have led to a degree of land degradation. Sugar and rice dominate the agricultural sector and their cultivation leads to extensive monocultures which are vulnerable to degradation. Furthermore, sugar cane cultivation and cash crop farming have led to expansion into new areas leading to a degree of deforestation. While agricultural expansion has so far been limited, there are calls for increased expansion and the Government has identified the best-suited areas for agriculture. This represents a significant threat, in terms of, deforestation and degradation.

The majority of agriculture in Guyana depends on the irrigation and drainage system originally built by the Dutch in the late 1600s and maintained by the British during the colonial period. Drainage is conducted by means of a gravity-flow system, with water being discharged when the sea and rivers are at low-tide. These systems are currently not sufficient to drain the soils adequately, resulting in flooding during intense rainfall events. This is a primary cause of land degradation, which needs to be addressed, especially given the predicted increase in intense rainfall events.

### *Forestry practices*

Guyana has a low rate of deforestation; however the forest resource is increasingly under threat from mining, agricultural expansion and timber production. The forests contain species that are extremely commercially valuable, such as greenheart (*Chlorocardium Rodiei*), crabwood (*Carapa Guianensis*) and purpleheart (*Peltogyne VenoseVenosa*). There are also significant mining opportunities in the forested areas. Without adequate financial incentives, there is a significant risk of deforestation. Deforestation will have local and global implications such as the removal of a carbon sink, increased vulnerability to climate change and reduction in biodiversity. A major cause of land degradation in forestry operations is the impact of the heavy machinery used. Even with a planned road network in place, this can cause soil compaction, and in the long term, problems with erosion.

### *Mining and other activities*

Mining is one of the leading contributors to land degradation in Guyana. Not only does mining result in clearance of large tracts of forested land that provides important habitats for wildlife and biodiversity, but it often also results in pollution of both groundwater and surface water resources. The disturbed forest area from mining activities is estimated to be 5.3 million hectares. This does not include the downstream effects on ecosystems (e.g. water pollution) and the impacts on local communities. While the Environmental Protection Agency (EPA) requires Environmental Impact Assessments (EIAs) and management plans to be undertaken for all mining activities taking place within concession areas, (it should be noted that the EPA only requires large scale mining activities to conduct EIA's all other activities related to mining on concession are managed by GGMC) there is a lack of capacity for monitoring and enforcement of sustainable mining practices and mining activities are often concluded within restoration/rehabilitation of the areas.

### Guyana's commitments to international conventions

Special attention should be paid to the UNCCD in order to elaborate on the status of compliance and implementation of the convention.

Several multinational environmental agreements have similar objectives. Therefore, there is potential to pool resources to meet related targets. More than that, some conventions, particularly the Rio Conventions, stipulate instruments and mechanisms for resource mobilization that may be suitable to the UNCCD context.

Name of Convention	Convention date	Accession / Ratification date	Focal point
<b>United Nations Convention to Combat Desertification</b>	1994	1997	GL&SC
<b>United Nations Convention on Biological Diversity</b>	1992	1994 <sup>20</sup>	EPA
<b>UN Framework Convention on Climate Change</b>	1992	1994 <sup>21</sup>	OP

*Table 6. Summary of the Rio Conventions*

### Analysis of the Aligned NAP elaboration process

It is important to establish the current baseline of efforts to combat desertification and assess the challenges impeding the implementation process. The analysis opens the door to a central question, “if unlimited financial resources were available, would the NAP implementation process be more successful?”

<sup>20</sup> Guyana Fifth National Report to the Convention on National Biodiversity, 2014

<sup>21</sup> [https://unfccc.int/essential\\_background/convention/status\\_of\\_ratification/items/2631.php](https://unfccc.int/essential_background/convention/status_of_ratification/items/2631.php)

To have a clear idea of the extent to which NAP has an impact on local policies, one may summarize the main activities within a table including: NAP related activities, main actors involved, thematic areas, status of activity and challenges. On the other hand, a summary of constraints hindering implementation of the NAP may be done.

Category	List of constraints
Cultural	Inability to convey message appropriately and convince landowners to change traditional practices that have proven detrimental to the land
Socio-economic	Limited outreach capacities to build capacities of small and medium enterprises in agriculture and processing
Policy	Lack of political support for endorsement of the Aligned NAP
Legal	Legal text for endorsing the Aligned NAP had not been completed
Technical	Technical know-how and human resources lacking particularly at the local level
Financial	Inadequate mobilization of financial resources

#### Analysis of the institutional framework

The range of institutions involved in land management is complex in Guyana, with GL&SC being the key institution for the administration of Public Lands (State and Government Lands), and the National Focal Point Agency for the UNCCD. In order to implement the Aligned NAP, the Commission is required to cooperate with GFC, EPA, and GGMC to integrate all the aspects related to desertification for effectively addressing SLM. There is regular communication within the institutional architecture to properly combine efforts and mobilize resources, although it may be possible to improve interactions between these institutions. Hence, the formation of the Department of Natural Resources to foster better interactions between sister agencies has somewhat improved relations. However, the mobilization of combined resources and coordination to effectively address SLM policies for SLM still remains a problem due to differences in accounting and other administrative systems.

While the roles of each actor are clearly identified, a maximum of cohesion amongst the stakeholders is targeted to ensure that their individual efforts foster synergistic results. This dynamic could still be strengthened by improving institutional capacities and raising necessary resources in order for roles to be carried out effectively.

An important aspect of institutions is the capacity of the human resource base. If human resources are not adequately trained then even the most carefully designed roles and responsibilities may not be taken on. Capacity constraints on LD and SLM needs to be intense and specific to each Agency's roles, and should be a policy endorsing the implementation of SLM responses based on



the sector. In the EPA, efforts to reduce LD and promote SLM should be institutionalized as Standard regulatory practice and the capacity development done to strengthen the human resources of the Agency.

As far as GL&SC is concerned, certainly it would be useful to increase the human resources of the land use policy and planning section and possibly create a UNCCD National Secretariat.

### The coordination framework

The structure and functionality of the current coordination mechanisms leads to consider that it is very limited. Coordination is paramount because of the cross-sectoral nature of SLM, and the coordination platform should have a stronger foundation in Guyana before the role of managing financial resources is added. One way could be to restore the Land Use Planning Coordinating Committee headed by the Commissioners of the various agencies.

The existence of a functioning mechanism for dialogue and coordination amongst the relevant stakeholders is a keystone of the success of the strategy, and is lacking. As a result of the number of stakeholders involved in the task of combating desertification, there is a need for properly coordinating the coordination framework that is able to transcend across sectors.

A National Coordination Body (NCB) is the proposed mechanism with great potential to aid in the coordination effort. The mobilization of resources should be the mandate of the NCB.

Participants involved in the body should include people of the Guyanese government, such as the Department of Natural Resources and the Environment as the chairing institution, and include other ministries such as the Ministry of Agriculture, international institutions such as UNDP, FAO, World Bank, IDB, UNDP, NGOs, and other local stakeholders.

### Integration in the planning framework and the policy development process

To strengthen the position of SLM and ensure the implementation of the IFS, it is essential to integrate SLM into the national planning process. The Development of Land Use Planning Project funded under the EU supported the planning framework. Under this project, a National Land Use Plan has been developed and approved, and three Regional Land Use plans drafted (for Regions 1, 2 and 10).

Like at the planning level, setting SLM on the national agenda in Guyana is recommended. The key policy formulation organs should be involved to integrate SLM into country policies, to make Sustainable Land Management a country priority in the national agenda.

### *iii. Setting up a framework: the Integrated Investment Framework (IIF)*

#### Development of an Integrated Investment Framework

The elaboration of an integrated investment framework is essential, to lead to an umbrella approach. The IIF is targeting resource mobilization from both domestic and external sources in



Guyana. Its success in influencing these sources depends on a variety of factors, of which four - the country ownership of development priorities, focus on results, inclusive development partnerships, and transparency and accountability in the use of resources - are assumed critical for the success of the IIF and the related theory of change is built on them.

## Component 2: Mainstreaming SLM into Guyana Planning and Frameworks

Mainstreaming is a two-pronged approach of embedding development concepts into the Guyana plans while also effecting changes in the way of doing business, e.g. policy reforms, changes in planning, institutional structures, and coordination arrangements. It leads to increased recognition of the importance of land management in development and could increase investments by the public budget and international financial contributions. This component focuses on developing and incorporating sustainable land management principles into Guyana's policy frameworks in order to create an enabling environment that supports the IFS.

The aim is to stipulate interventions that serve to improve the context of Guyana in a manner that is suitable for the functioning of the strategy. While Component 1 analyzes possible bottlenecks in the national framework that may act as a barrier in the mobilization of resources, actions are then presented to ensure a better enabling environment that is able to raise funding for combating desertification and sustainable land management in Guyana.

### 1. Instruments and entry points for SLM integration into policies, plans and programs:

The entry points for integrating SLM principles into the policy framework where the aim is to bring land degradation on the national agenda are numerous, not only within the GL&SC but also in relation to mining activities (with remediation issues) and forestry.

Improving the current coordination structure is key for Guyana, to facilitate a viable mechanism for managing the stakeholder dialogue in land management. The ability of the coordinating mechanism to develop cooperation across all sectors in government and involve communities, non-governmental organizations, and landowners in the decision making process is a vital goal of the convention. The NCB was designed as a decentralized mechanism which has the capacity to coordinate the activities of the various actors involved.

### 3. Guyana framework for improved institutional structure

The continuous process for the implementation of the UNCCD and mainstreaming of SLM requires strong institutional capacities across sectors (forestry, agriculture, mining). Since SLM requires the cooperation of several institutions, their responsibilities have a tendency to overlap across sectors. For Guyana, there lies a challenge in achieving cohesion amongst the varying institutions (GL&SC, GGMC, GFC) and engaging the participants under the convergent platform of combating desertification and sustainable land management. The coordination mechanism should be responsible for unifying the sectors but there is still a need for a strong institutional architecture for implementing the activities.

Most of the SLM-related Guyanese institutions are understaffed or have human resources who are not well trained. However, weaknesses in human capacities also exist outside the public offices and in communities and civil society groups. It is also important to involve the private sector.

## Component 3: Resource Mobilization: Internal Sources of Funding

The internal sources of funding constitute the financial sources that are raised from within Guyana itself. This component is concerned with the elaboration of these domestic funds. Traditionally, the bulk of financing for development projects has originated from international sources. However, in the new financing approach adopted by donors, Guyana will be expected to raise a significant amount of financial resources domestically, before these are supplemented by donor funds. Internal sources of funding should be the ‘first door of financing’ for any program or project in combating desertification and sustainable land management<sup>22</sup>.

The aim is to foster Guyana’s capacity to raise domestic financial resources and propose means for improving the mobilization of these internal resources. An analysis was done of the main sources of domestic funding, uncovering the decision-making process for resource allocation, and developing means for increasing their mobilization and use towards combating desertification and sustainable land management.

### ***Budget allocated to land conservation and other initiatives related to environment preservation***

In 2014, about 90,000 USD (18.6 million G\$) have been invested for Low Carbon Development Programmes, such as the Amaila Falls Hydropower Project (AFHP), support to the Amerindian land demarcation process, rural electrification, financing for small and micro-enterprise development, and support to the Amerindian Development Fund to finance indigenous community projects. The remainder of the funds were from the Government of Norway under the Memorandum of Understanding with Guyana.

240,000 USD are funded by the International Fund for Agricultural Development in order to foster actions that promote, among others, better agricultural practices. Moreover, this source of funding has also supported Rural Enterprise and Agricultural Development in Guyana through the support for small farmers. The Rural Enterprise and Agricultural Development (READ) facility can be used by farmers to purchase small farming and agro processing equipment, land clearance and preparation works, building works and purchasing of ‘breed’ animal; Agriculture Export Diversification Programme (AEDP) credit facility will support farmers diversifying their products and boost value added interventions through the provision of the requisite infrastructure and equipment.<sup>23</sup>

#### **1. Identification of internal sources of funding:**

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<sup>22</sup> The GGMC has instituted an environmental bond which miners must pay towards land restoration post mining. However, the amount is significantly lower than actual costs of restoration and as such is heavily subsidized by the GGMC.

<sup>23</sup> Estimates of the Public Sector Current and Capital Revenue and Expenditure for the Year 2014 as presented to the National Assembly, Guyana  
<http://www.finance.gov.gy/images/Docs/Budget%20Docs/Volume%201%202014.pdf>

A sizable share of Guyana budget comes from international sources. The major internal budget source for combating desertification, land degradation and deforestation is the national budget, which is allocated yearly. The national budget is a result of a process that is supervised and managed by the Ministry of Finance. All ministries and autonomous departments request their yearly budget according to a certain modality and template issued by the Ministry of Finance, consisting of two parts. The first is the operational budget, which includes salaries, rents, running cost...etc, and the second part is the development budget that covers the financing of projects, programmes and other developmental activities.

The Ministry of Agriculture, and Department of Natural Resources and the Environment are both institutions dealing directly with issues of relevance to sustainable land management in general and to desertification, land degradation and deforestation issues in particular. Local government units and private sector are not funding any activities of direct relevance to combating desertification, land degradation and deforestation, except the farmers' investments in agricultural activities and practices, as agriculture production in Guyana rests in the hands of the private sector (rice and sugar). In this regard, the following are the key policy recommendations:

- Guyana should ensure proper management and coordination of funds allocated within different national institutions
- Guyana should adopt the enabling environment that attracts and promotes investment in issues of relevance including tax incentives, subsidies and partnership with private sector
- Local government units should consider desertification and land degradation issues while they develop their plans and intervention. This will include training, awareness raising, incentives and development of regional land use plans
- Guyana should ask the donor community and international agencies to place desertification, land degradation and drought high on their agendas and strategies
- Guyana should adjust and link certain initiatives to serve and match the strategy and NAP objectives
- Companies which invest and deal with agriculture and natural resources (forestry) should support and adopt sustainable land management measures and practices, and avoid negative impacts on natural resources and environment
- Open dialogue with relevant stakeholders on benefiting from and accessing funding mechanisms

## 2. The public budget process:

The public budget represents the most important internal financial resource. The preparation, financing, and implementation of programs related to combating desertification essentially spring from the government. SLM in Guyana should thus be fully integrated in the public budget process.

## Component 4: Resource Mobilization: External Sources of Funding

External sources of funding represent out-of-country sources such as bilateral and multilateral donors, multinational corporations, charitable foundations, etc. from which financial contributions may be sought. This component is concerned with the elaboration of these international funds. External sources of funding represent the ‘second door of financing’ after internal sources. While they have traditionally contributed to the majority of project or program financing (e.g. DEU, GEF, FAO, IDB, UNDP, etc.), international funds are increasingly identified as supplementary resources. Their magnitude is now being determined by the amount of resources Guyana will be able to raise internally and the number of co-financers contributing to the same activity.

A better understanding of the international donor community is hence key, with means for increasing the mobilization of funding from external sources. Mobilizing funds from external sources requires knowledge of best possible development partners, their priorities, goals, interests, policies, and budgets.

### Recommendations for improving mobilization of resources from external sources of funding:

Donors differ from one another in terms of preferred intervention areas, financial instruments, and funding pre-requisites and conditions. However, considering the country’s priorities, the IFS should be a strong tool to mobilize resources from a large number of donors.. A number of strategic actions could be taken in Guyana to aid in the improvement of resource mobilization from donors. Similarly, some of these measures, such as specific reforms, may also be conducive to increasing mobilization of funds from other external sources.

Guyana depends heavily on foreign support to its budget, in addition to the technical assistance provided in terms of project support to different sectors, including water and land reclamation. Major funding sources active in these fields are the World Bank, UNDP, DEU, IFAD, USA, Netherlands, Germany, Japan, Italy, Canada and Denmark. UNDP, FAO, GM and UNESCO are the UN agencies involved in natural resources. In addition, several foreign NGOs are involved, together with CSOs. In addition to the bilateral coordination between the foreign institutions and Guyanese institutions, the Local Aid Coordination Secretariat (LACS) and its local development forum, four strategy groups and sector working groups, are the coordination mechanisms of technical assistance and foreign support. Of direct relevance are the water, agriculture and environment sector working groups. Each sector-working group consists of local and foreign institutions and co-chaired by national and foreign institutions.

Prioritization of budget allocation and donors support is a function of donors’ own strategies and policies, national and macro policies and sectorial strategies and policies. As Guyana is a member state of the United Nations, access can be gained to several funds provided by the UN. However, access to external financing sources is of particular importance. The key policy recommendations relevant to external financing sources are listed below:

- Land and agricultural production are of vital importance, so donors and international agencies should give protection, sustainable use and management of natural resources high priority
- As desertification, land degradation and drought are closely linked, and drought severity and frequency are increasing, a sub working group or special taskforce need to be established as part of the Agricultural Sector Working Group
- Donors should consider matching-funding and sharing with Guyanese private sector and Guyanese Funds in support of sustainable land management
- Donors should use debt swap mechanism to promote and finance sustainable land management interventions
- Non official development assistance such as Foreign Direct Investment (FDI), private foreign investment, NGOs and CSOs should be explored and accessed

### Bilateral lending agencies

The most important source of bilateral aid for Guyana is Europe, with both the European Commission and the Government of Norway providing significant revenue streams.

#### *European Commission (EC)*

EC assistance under the 10<sup>th</sup> EDF will concentrate on macro-economic support as well as continued support to the Guyana sea defenses and coastal management. A specific target of the 10th EDF programme will be capacity building within the sea defense administration to prepare for the final hand-over of responsibility for the maintenance of this crucial infrastructure from the EC to the national authorities. The EC's total allocation (2008-2013) foreseen for Guyana to address these priorities amounts to €55.4 million.

The sea defence project under the 9th EDF added a contribution of €20 million to an already ongoing programme. The sea wall is critical to safeguarding the investments in infrastructure and improved agricultural production in Guyana's coastal belt where 90% of the population live. It particularly serves to protect the poor who often live close to the sea wall and whose livelihoods depend on agriculture (mainly rice and sugar). The severe flood in January 2005 and the resulting loss of life and economic capacity stressed the continued importance of sea defences for Guyana's sustainable development.

#### *Government of Norway: Guyana REDD+ Investment Fund*

The Guyana REDD+ Investment Fund (GRIF) was established in October 2010 and is the financial mechanism for the ongoing cooperation on climate change between Guyana and Norway. The fund will receive up to US\$250 million from Norway in performance-based payments for the period up until 2015, based on an independent verification of Guyana's deforestation and forest degradation rates and progress on REDD+ enabling activities. Guyana will invest the payments it receives, and any income earned on them, in implementing its Low Carbon Development Strategy (LCDS).

The GRIF will provide grant financing for goods, works or services for an investment, technical assistance or capacity building activity or activities as approved by the Steering Committee in accordance with the GRIF Governance Framework Document. The GRIF will not provide financing for budget support. Until 2015, the GRIF has allocated a budget up to \$250 million.

Forest payments will be invested to support the creation of new low-carbon economic opportunities for small and micro enterprise (SME) sectors and vulnerable groups. This will take the form of grants, a mutual guarantee fund, skills development and capacity building in agencies responsible for SME development and vulnerable groups.

#### Multi-lateral lending agencies

The World Bank, UNDP, and the Inter-American Development Bank (IDB) are important sources of finance (including loans, grants and technical assistance) for development projects in Guyana. Some of the projects currently or recently financed by these agencies and which contribute to sustainable development of natural resources in Guyana are presented below.

##### *The Guiana Shield Facility (GSF)*

This multi-donor funding facility targets long-term financing of national and regional activities to conserve ecosystems, protect ecosystems, protect biodiversity, and to sustain human livelihoods within the Guiana Shield eco-region. It supports the position that global significance of the Guiana Shield eco-region and its ecosystem services was, is, and will be the rationale for transfers between the international community and those responsible for maintaining the ecological and cultural integrity of the Guiana Shield.

##### *Conservancy Adaptation Project (CAP)*

The objective of the Conservancy Adaptation Project (CAP) is to reduce the vulnerability of catastrophic flooding in Guyana's low-lying coastal area that is currently threatened by sea level rise resulting from global climate change. The project activities focused essentially on providing technical engineering baseline for future interventions designed to reduce flood vulnerability. A specific investment loan up to \$5 million has been allocated to this project.

##### *Amaila Falls Hydroelectric Power Project*

The Amaila Falls Hydroelectric Power Project is a proposed construction of a 165 MW (installed) hydroelectric power generation facility and associated infrastructure to be located in west central Guyana, immediately upstream from the confluence of the Kuribrong and Amaila Rivers, approximately 250 kilometers southwest of the capital, Georgetown. Access to the Project consists of approximately 85 km of new roads to be constructed, and about 122 km of existing roads to be upgraded. Key project for Guyana as has the potential for a unique transformational effect on the country by converting its base load fossil fuel electric generation capacity to clean hydro-generation.

Loan operations, private sector loan and ordinary capital up to \$200 million has been allocated to this project.

### *Strengthening of Iwokrama Phase II*

Strengthening of Iwokrama Phase II is a project designed to continue the IIC's climate change science program at Iwokrama together with the extension of IIC's core business such as ecotourism, sustainable forest management, development of forests' natural services and the advancement of local community programs.

This project has been implemented thanks to the World Bank and a budget of \$500 000 has been allocated through non-reimbursable technical cooperation and ordinary capital<sup>24</sup>.

Other projects related to agriculture, environment and sustainable land management have been facilitated in Guyana by international agencies and other external financing sources.

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<sup>24</sup> « Development of a Medium-Term Investment Plan For Sustainable Land Management », May 2012



## Component 5: Resource Mobilization: Innovative Sources of Funding

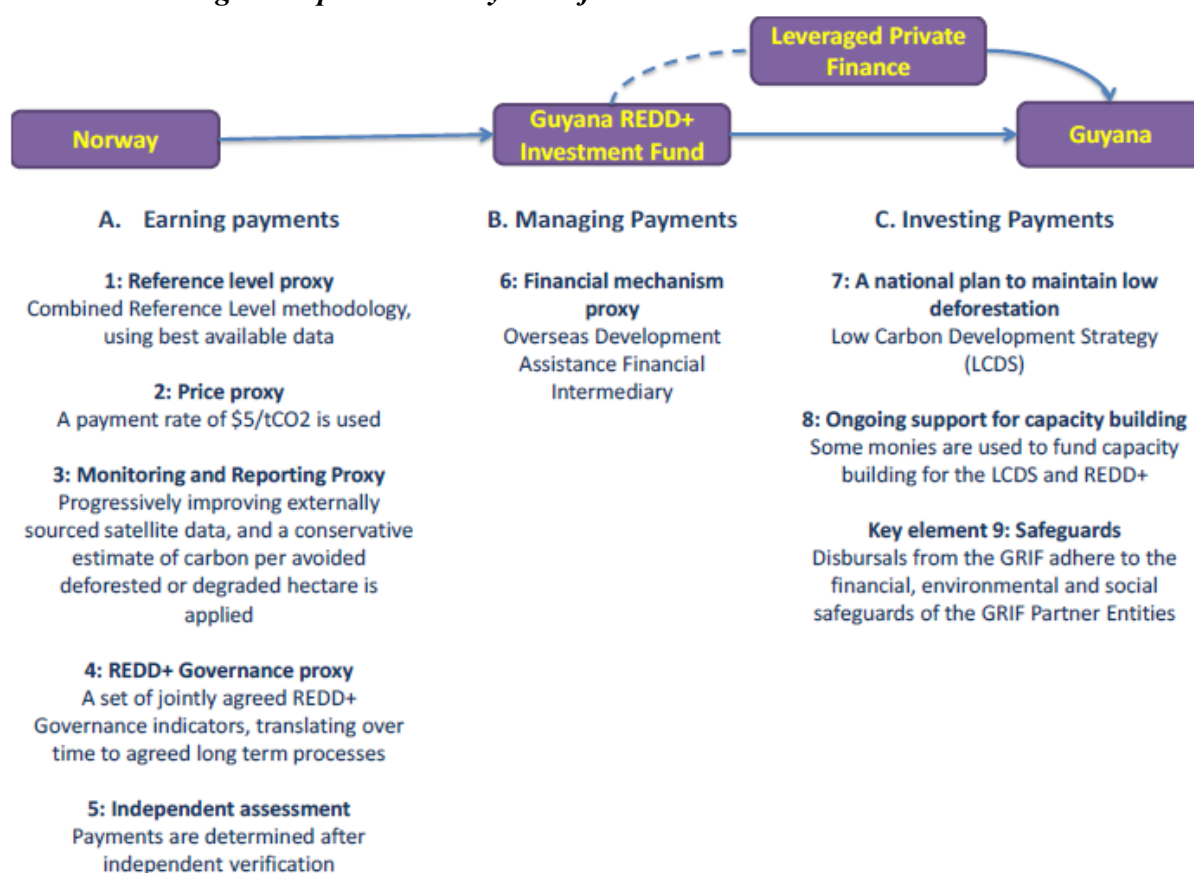
Innovative sources of funding represent potential and non-traditional modes of financing, a new supplementary approach aimed at increasing the amount of resources available and ensuring better predictability of aid flows. This has been recognized as a particularly important condition for maximizing the impact of ODA. In recent years, innovative financing mechanisms are increasingly being seen as a stable and sustainable funding source that is not interrupted by changes in political dynamics or donor modalities. Innovative resources are mobilized through financial mechanisms and instruments where the principles of combating desertification and sustainable land management are incorporated. The funds from innovative sources can be earmarked to fund SLM activities.

Innovative financing sources	Financing instruments and mechanism: GCF, Adaptation Fund, etc.
	Bilateral initiatives: International Climate Initiative of Germany, Hatoyama Initiative of Japan
	New funds: United Kingdom Environmental Transition Fund, World Bank Climate Investment Fund

Such innovative sources depend on the national context and will involve local stakeholders; for instance, for the IFS in the Occupied Palestinian Territory, potential new and innovative financing sources exist at the national level such as the Zaka fund, Palestinian Investment Fund and the Ministry of Religious Affairs. Funds can be mobilized for several projects that are listed in the IFS preparation:

- A Study on Assessment and Enhancement of the Capacities of Institutions dealing with Desertification, Land Degradation and Drought
- Raising Awareness of Stakeholders about Desertification, Land Degradation and Drought Issues
- Establishment of Desertification and Drought Data Base and Monitoring System
- Preparation of Studies and Maps for the Hotspots and Endangered Areas
- Transfer of Indigenous Knowledge and Appropriate Technologies Related to Desertification and Drought.

# *Building boxes proxies in Guyana's forest climate services mechanism*



## Component 6: Partnership Building and Technology Transfer

A partnership is the collaboration of two or more parties working towards a common goal. Partnerships are meant to foster comprehensive and widespread cross-sector collaboration to ensure that sustainable development initiatives are imaginative, coherent and integrated to face the most intractable problems. Partnerships provide an opportunity for improving activities by recognizing the qualities and competencies of each sector and finding new ways of harnessing them for the common good. Partnership building is central to resource mobilization due to the cross-sectoral nature of combating desertification and sustainable land management, and the multitude of actors involved in it. Based on a strong understanding of internal and external financing procedures, partnership optimizes the contribution of each party to an integrated process. Finally, the UNCCD advocates the establishment of partnerships.

### *Partnerships at various levels*

- Local level:
  - Establish coalitions in order to succeed in carrying out local projects
  - This partnership should encompass all the forces and competences at work in the local area, from municipal services, through decentralized government services, civil society and NGOs, economic and industrial settings, research centers or universities.
- National level:
  - These partnerships serve to build strategic alliances at the policy level.
- Regional level:
  - The establishment of partnerships is necessary for the success of regional integration.
  - The New Partnership for Africa's Development (NEPAD) is a perfect illustration. It is an initiative based on an integrated and comprehensive vision and strategic framework for development. Partnerships between different African stakeholders are the established mode of functioning for development activities on the African continent.
- International level:
  - These partners often provide project or program financing, technical assistance, political lobby, exchange of expertise, exchange and dissemination of experiences, and networking support among others.
  - Partners may co-finance an ongoing program or complement a planned program by another partner.

### Build partnerships:

Of particular interest to combating desertification and to sustainable land management are South-South partnerships. In 1999, with the medium term policy for Public Development Aid (PDA), aid for South-South cooperation was deemed an integral part of effective methods of assistance. In particular, the contribution of experts and the organization of training session are supported mainly by South-South cooperation.

As discussed earlier, partnerships can exist at many levels - from national or international strategic alliances at a policy level at one end of the partnering continuum, to locally based practical initiatives at the other. However the building and maintenance processes involved apply to virtually all types of partnership.

## Component 7: Action Plan for the IFS

The Action Plan summarizes the main interventions to reach the outcomes and outputs of the strategy. The strategy identifies several process-oriented interventions that should be launched to facilitate inter-sectorial coordination, broaden stakeholder participation, establish formal partnerships and initiate policy dialogue, to name a few. These processes translate the strategy into concrete activities that will lead to the mobilization and channeling of substantial financial and other resources to support UNCCD implementation. The Action Plan accompanies the strategy to summarize the activities recommended for effective resource mobilization. The Action Plan uses indicators in the form of a simple scorecard to identify the baseline situation as well as the intended target result. Steps to reach the target are identified, responsibilities and priorities are allocated, sources of verification, are listed, and budgets are assigned, where possible.

The aim of the Action Plan is to present a comprehensive and easy-to-read logical framework (logframe) which lists the activities recommended to overcome barriers in the enabling environment and facilitate the mobilization of the mix of financial resources. The logframe presents the necessary activities to achieve the intended outputs and outcomes. Responsibilities are assigned to relevant stakeholders with set budgets, indicators, and targets, denoting priority of implementation.



**Logical Framework for the development of an Integrated Financing Strategy and Investment Framework  
in support of Guyana's Aligned National Action Plan to Combat Land Degradation**

**Priority Areas for Aligned NAP Implementation**

CONSOLIDATION TRACK				
		Indicator	Target	Risks
1. POLICY AND GOVERNANCE	To improve the institutional capacity and the collaboration in between governmental agencies	Reinforcement of intra-governmental coordination	-To allocate new resources -To assess the identified strategies for mainstreaming NAP activities (implementation status, progress) and remedy failed ones	To jeopardize the implementation of the aligned NAP
	To undertake staff training in: - Remote sensing - Geographic Information System (GIS) - Multi Criteria Decision Analysis - Information management systems/information technology	Staff expertise in state-of-the-art geological-data management technologies	Improve staff expertise and build-up resilience	To remain at a sub-optimal level of staff training and accumulate delays
	To mainstream Desertification, Land Degradation and Drought (DLDD) into relevant national policies, strategies and plans	Efficiency of knowledge sharing systems, information flow, consistency of the body of national policies	-To set up websites, training, and the distribution of reports to relevant agencies -To enable the National Focal Point to share relevant DLDD information products with stakeholders at the national level -To launch a communication strategy addressing DLDD, including synergies with climate change and biodiversity conservation	To fail to address DLDD to the extent and in the timeframe that it requires
	To finalize the National Land Policy or Sustainable Land Management (SLM) policy		-To establish an authoritative policy advisory body for SLM -To mainstream SLM within government agencies	Unfulfilled SLM policy

CONSOLIDATION TRACK				
		Indicator	Target	Risks
	To strengthen the links between the UNCCD and the poverty and livelihoods elements of the sustainable development agenda, including Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs)	Trans-program integration	To harmonize policy efforts to the service of the development agenda	Inefficient integration of development policy initiatives
2. CAPACITY BUILDING, AWARENESS AND TRAINING	To strive for a mainstreaming of Sustainable Land Management (SLM) within educational establishments		To improve and enhance the knowledge base on SLM	
	To enhance the knowledge and capacity of miners/land users to perform ecologically appropriate land restoration	Constituency-level monitoring of land degradation	Capacity-building among direct land users	To cause damage at the micro-level damage
	To acquire the capacity to cascade regional (international) forecasts of Desertification Early Warning Systems (DEWS) to the national context	Data appropriation and interpretation	Enhanced synergy with overarching DEWS	Sub-optimal use of internationally-generated knowledge
	To conduct awareness of, and training in, specialized areas such as the process of dealing with drought in order to develop appropriate actions in case of unforeseen occurrence	Environmental readiness	Capacity-building	Apathy to risk of drought
	To enhance the capacity to establish and manage/maintain systematic central databases with quality checks	Degree of centralization and management of data	In all agencies under the Department of Natural Resources and the Environment and in all benefitting from training on UNCCD Reporting	Sub-optimal flow of scientific data
	To enhance the analytical capacity of staff working on Desertification early Warning Systems (DEWS)	Data management skills	Capacity-building	Sub-optimal generation and use of scientific data
3. R & D	To produce sound scientific evidence and to determine the relative roles of drivers of Desertification, Land Degradation and Drought (DLDD)		Analysis of biophysical and socioeconomic drivers of DLDD	Insufficient grasp of DLDD and dire consequences on mitigation policies



CONSOLIDATION TRACK				
		Indicator	Target	Risks
	To conduct a national scientific study on land degradation		To develop comprehensive economic analyses of the costs incurred though the loss of ecosystem services due to land degradation and drought	To ignore long-term environmental risks

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