



INDEPENDENT FOREST MONITORING GUYANA

PUBLIC SUMMARY REPORT THIRD INDEPENDENT FOREST MONITORING



THIRD INDEPENDENT FOREST MONITORING (IFM) REPORT FOR GUYANA

Phase 2
17 January to 8 February 2018

Prepared for

The Guyana Forestry Commission (GFC)

By

Soil Association Certification (SAC)

South Plaza,
Marlborough Street,
Bristol, BS1 3NX
www.soilassociation.org



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registered in England and Wales: 726903. VAT No: 701 016601

Disclaimer

This document presents an assessment of legal compliance of Guyana's forest law enforcement systems. The specific objective of the IFM audit was to provide stakeholders with a professional and independent evaluation of Guyana's forest law enforcement systems, how they are being implemented, and legal compliance by stakeholders evaluated against Guyana Forestry Commission's (GFC) Criteria for Monitoring. The IFM audit was based on a sampling strategy to evaluate objective evidence, and while the auditing strategy employed aimed at providing a representative view across the whole sector, it does not seek to provide an assessment of compliance by each individual Forest Sector Operator (FSO). The results present an overview of GFC's implementation of the compliance system, and compliance by FSOs. While the results of this audit can contribute to due diligence assessment of the legal sources of timber traded in Guyana, it cannot be relied on solely for due diligence evaluation of individual FSOs.

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Kwame Asumadu
Director
WoodPanels Australia Pty Ltd
12 Mar 2018



Hamish Crawford
Director
Cailum Pty Ltd
12 Mar 2018



Ewan Brown
Certification Manager
SA Certification
12 Mar 2018

Executive Summary

The IFM is an audit programme for assessing legal compliance at the broader country level. Its specific objective is to provide stakeholders with an independent evaluation of:

- the adequacy of Guyana's forest law enforcement systems;
- how the systems are being implemented; and
- legal compliance by stakeholders based on the specified Criteria for Monitoring, which includes:
 - Methodology validation - conformity of the law enforcement systems in place against applicable validation criteria;
 - Verification that the law enforcement systems are implemented appropriately against applicable verification criteria;
 - Verification of legal compliance by the stakeholders to forest laws and regulations against applicable verification criteria; and
 - Verification that the comments from stakeholders have been taken into account.

The ToR outlined the principles, criteria and indicators for monitoring in Guyana's forestry sector, and guided this third IFM Audit. It required the SAC to:

- undertake an audit of the adequacy of Guyana's forest law enforcement systems;
- how the systems are being implemented;
- legal compliance by stakeholders based on the specified Criteria for Monitoring; and to develop and submit a report on the audit's findings.

The Audit covered the production and sale of logs (including industrial round wood, piles, poles and posts) and lumber, involving all stages of the chain of custody as it relates to logs and lumber, namely: harvesting, transportation, processing, and export for following the four concession types issued in Guyana:

- Large concessions (SFEPs, TSAs and WCLs); and
- Small concessions (SFPs).

Six (6) categories of monitoring indicators were specified in the ToR for the Audit as follows:

- A: Indicators for Monitoring of Large Concessions (SFEPs, TSAs, and WCLs).
- B: Indicators for Monitoring of Small Concessions (SFPs).
- C: Indicators for Monitoring of Amerindian Villages and Private Lands that engage in commercial forestry activities.
- D: Indicators for Salvage Timber Products from State Forest and State Land in Conversion
- E: Indicators for Processing and Sale of Timber Products
- F: Indicators for Export of Forest Products

The Third Independent Forest Monitoring (IFM) Audit took place in Guyana from 17th January to 7th February 2018. The detailed Audit Agenda is at Appendix 1.

The reference period for audit sampling was for the calendar year 2016.

The methodology used for the Third IFM Audit was a combination of desktop review of documents and records, interviews with GFC staff, FSOs, independent stakeholders and field inspections of concession areas, sawmills, lumberyards and GFC field stations, to verify and cross-reference evidence obtained from document reviews and interviews.

Sampling was based on the Forest Stewardship Council® (FSC®) formula used for calculating the number of sites to be included in a multi-site certification. This provides a rational basis for the extrapolation of results from the sample inspected to the total as a whole.

The ToR required that the Third IFM Audit was to be “systems based”, focussing on ascertaining the following:

- whether the GFC has a system or systems in place for monitoring stakeholder compliance with the requirements of Guyana’s forestry laws covering the following:
 - allocation of concessions;
 - pre-harvesting approvals;
 - conduct of in-forestry harvesting activities;
 - post-harvest inspections;
 - the requirements of Guyana’s Wood Tracking System for forest produce including processing; and
 - domestic sale and export of forest produce.
- whether there are monitoring mechanisms, procedures and/or protocols in place for the system or each system;
- whether these procedures and/or protocols are being followed; and
- whether there are mechanisms to detect any breaches and address them satisfactorily including learning, to prevent and/or minimise future occurrence.

In this context, “Non-compliances” relate to whether or not a monitoring mechanism, procedure or protocol is in place, and whether or not it is being followed. Systemic failure to either implement a monitoring mechanism or follow procedures and or protocols are considered major non-compliances. Minor non-compliances relate to non-systemic “one off” omissions.

Determination of major and minor non-compliances was assessed at the level of the Indicator and the associated “verifiers” related to each Indicator.

Corrective Action Requests (CARs) in this context relate to “breaches and omissions” that need to be addressed to ensure integrity of the monitoring and compliance system(s).

Observations relate to recommendations for improving further, mechanisms, procedures and protocols, and were made purely for GFC’s consideration.

Determination of non-compliances was based on objective assessment of information contained in GFC’s existing records, as well as the results of field verifications and observations.

The Third IFM Audit found no major or minor non-compliances, and for 34 of the 45 indicators, the Audit Team found that the systems and procedures were operating effectively, and that satisfactory compliance with the specific indicators could be demonstrated.

For the remaining 11 of the Indicators, the absence of relevant activity in the sample period meant that the Audit Team was unable to record a finding. For example, there was no commercial salvage of forest produce during the reference period for audit sampling.

While there were no non-compliances identified, the audit team raised 14 specific Observations in relation to:

- the systems and procedures of the GFC;
- the interaction between the GFC and other agencies of government that are integral to the demonstration of legality; or
- the Indicators themselves.

The Audit Team found that:

- GFC has in place a system for monitoring FSOs’ compliance with the forestry laws of Guyana;

-
- GFC staff, both at Headquarters and field stations (currently 39 in number) follow GFC's procedures and guidelines for monitoring FSOs' compliance; and
 - FSOs (large and small concession owners, Amerindian Villages, Agricultural and Mining Lease holders, Saw millers, Lumberyard operators and Exporters) all follow the GFC procedures and guidelines for complying with the requirements of Guyana's forestry laws.

The main area of weakness the Audit Team found relates to receiving and reconciling of some compliance information and data at Head Office. Since the 2014 Audit, the GFC has made significant progress in this area, through scanning and storing information and data in pdf, which is available through a shared file, with access regulated through passwords.

However, a significant percentage of data and information is still managed through a paper-based system (for example Removal Permits, Production Registers, Private Property Declarations). This results in multiple handling at Head Office, which sometimes results in inconsistencies in data and information reported by FSOs and the records kept by the GFC. The Audit Team observed such inconsistencies in data and information reconciliation in relation to the following:

- tags issued, tags used and tags returned; and
- AAC calculated and recorded in some concession agreements, and some post-harvest reports prepared by the Forest Monitoring Division.

When these inconsistencies were identified, the GFC was able to trace back through historical records and achieved reconciliation of the data and information to the satisfaction of the Audit Team. However, given the AAC calculations are a critical component of the Wood Tracking System (permits and tags for produce issued to FSOs are based on the calculated AAC), it is important to ensure such data and information inconsistencies do not arise in the first place.

A fully functioning electronic (online) system for managing data and information would be preferable, because it would minimise human error through multiple handling. However, the Audit Team realises that currently, Guyana does not have the required ICT infrastructure throughout the country to facilitate real-time management of data and information.

Nevertheless, this is an innovation the GFC should aspire to achieving progressively, as Guyana's ICT infrastructure continues to improve throughout the country.

Acknowledgements

The Audit Team thank the GFC for giving us the opportunity to work on the Third IFM Audit. It has been a very enjoyable experience, as well as offered new learning for our respective professional developments.

We also thank the Divisional Heads: Gavin Agard and Rawle Lewis, as well as the Assistant Commissioners and all the staff we visited and interacted with. You are all very dedicated, professional and were transparent in all our dealings and interactions with you. You all demonstrated exceptional competence, skill and knowledge in your respective positions and jobs. You gave us all the assistance we needed, including providing and explaining data and information, sometimes multiple times, which was very critical to our work.

In particular, we thank Jainel Bowen for her dedication and attention to detail, which ensured that everything we needed was provided in a timely manner. Jainel and Gavin accompanied us on almost all our field visits. We thank you for your professionalism and your friendship. It has been enjoyable working with you.

We interacted with many independent stakeholders (industry associations and NGOs). They all informed us that among the government regulatory agencies in Guyana, “the GFC is a model organisation” for stakeholder engagement, as well as ensuring compliance with requirements relating to commercial forestry activities. The truism of this statement was confirmed by the dedication to their work shown by all the GFC staff we interacted with.

We also thank the many FSOs (concessionaires, sawmillers, lumberyard operators and exporters) who openly allowed us into their operations and businesses, and transparently and willingly provided access to their compliance data and information.

We thank all the support staff: drivers, security officers and the ladies who ensured our morning and afternoon snacks, lunches, coffee and water, were available copiously and also on time.

Finally, we thank everyone whose contribution, either directly or indirectly, contributed to the success of our work.

Kwame Asumadu

Hamish Crawford

Ewan Brown

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Glossary

Acronyms

AAA	Annual allowable area
AAC	Annual allowable cut
AOP	Annual operational plan
APA	Amerindian Peoples Association
CAR	Corrective action request
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CoP	Code of Practice for Timber Harvesting
DBH	Diameter at breast height
EPA	Environmental Protection Agency
EU-FLEGT	Forest Law Enforcement, Governance and Trade Action Plan of the European Union
FMD	Forest Monitoring Department
FMP	Forest Management Plan
FMO	Forest Management Organisation
FPA	Forest Producers Association
FPDMC	Forest Products Development and Marketing Council
FRMD	Forest Resources Management Division
FTCI	Forestry Training Centre Inc.
GFC	Guyana Forestry Commission
GGMC	Guyana Geology and Mines Commission
GIS	Geographic Information System
GLSC	Guyana Lands & Surveys Commission
GMSA	Guyana Manufacturing and Services Association
GoG	Government of Guyana
GOIP	Guyanese Organisation of Indigenous Peoples
IFM	Independent Forest Monitoring
IPC	Indigenous Peoples Commission
JCN	Joint Concept Note
LCDS	Low Carbon Development Strategy
LMEU	Legality, Monitoring & Extension Unit
MAC	Maximum allowable cut
MIS	Management information system
MoIPA	Ministry of Indigenous Peoples Affairs
MoL&HS	Ministry of Labour and Human Services
MoU	Memorandum of Understanding
NADF	National Amerindian Development Foundation
NTC	National Toshiho Council
IIC	Iwokrama International Centre
OBS	Observation (formal)
REDD+	Reducing Emissions from Deforestation and Forest Degradation plus the role of conservation, sustainable management of forests and enhancement of forest carbon stocks

RP	Reporting Panel for IFM (includes reps. of EPA, FPA, FPDMC, FTCL, GGMC, GLSC, IPC, NTC)
TAAMOG	The Amerindian Action Movement of Guyana
ToR	Terms of reference

Agreements, licences and authorisations

AG	Absolute Grant: issued by the Guyana Lands and Surveys Commission
AL	Agricultural Lease: issued by the Guyana Lands and Surveys Commission
ML	Mining Permit or Licence: issued by the Guyana Geological and Mines Commission
OP	Operation Permit: issued by the Environmental Protection Agency
SFEP	State Forest Exploratory Permit: issued for undertaking exploratory operations such as inventories, environmental and social impact assessments and the preparation of management plans. SFEPs are a pre-requirement for any large concession, and may include commercial cutting rights to assist the prospective investor to defray part of the cost of undertaking the exploratory operations.
SFP	State Forest Permissions: issued for concessions of less than 8,097 ha and allocated for two years. These are usually issued to community-based associations or small-scale operators.
SL	Sawmill licence: Issued by Guyana Forests Commission
TSA	Timber Sales Agreement: issued for concessions of more than 24,000 hectares and allocated for 20 years
WCL	Wood Cutting Lease (WCL): issued for concessions between 8,000 and 24,000 hectares and allocated for 3 to 10 years.

1. Introduction

In 2009, the Governments of Guyana and Norway signed a Memorandum of Understanding (MoU) on cooperation on issues related to addressing climate change, in particular, those concerning reducing emissions from deforestation and forest degradation in developing countries (REDD-plus), protection of biodiversity; enhancement of sustainable and low carbon development.

According to the Joint Concept Note (JCN) of the MoU, independent forest monitoring is required to verify Interim Indicators for REDD-plus performance in Guyana, related to emissions resulting from:

- forest management (i.e. selective logging) activities in natural or semi-natural forests; and
- illegal logging activities.

Relevant interim performance indicators agreed by the Parties are:

- All areas under forest management should be rigorously monitored and activities documented (i.e. concession activities, harvest estimates, timber imports/exports); and
- Areas and processes of illegal logging should be monitored and documented as far as practicable.

The initial scoping work for the IFM was completed in 2011, and was aimed at evaluating the adequacy of Guyana's existing national forest monitoring system, and how it was being implemented. The scoping work was done in preparation for Guyana's REDD+ Monitoring Reporting and Verification System (MRVS) Year 1 audit.

Following the initial scoping exercise, two IFM Audits have been conducted- the first in 2013 and the second in 2014.

In December 2017, the Soil Association Certification (SAC) was contracted by the Guyana Forestry Commission (GFC) to perform the Third independent assessments of Guyana's laws and regulations relevant to forests, in particular, the enforcement systems in place, and how they ensure legal compliance, against pre-specified, non-accredited criteria under the Guyana-Norway REDD-plus partnership.

The SAC undertook the Third IFM Audit in Guyana from 17th January to 7th February 2018.

2. Background, Objective and Terms of Reference

2.1 Background

The IFM is a tool for assessing and strengthening legal compliance in Guyana's forest sector. It complements GFC's forest law enforcement activities with the objectivity and public credibility of an independent third party, to ensure continual improvements in transparency and accountability, while contributing to the development of a sound legislative and regulatory framework for responsible forest management.

The GFC commenced the Programme of Independent Forest Monitoring (IFM) in 2011 as part of the Commission's strategy of:

- managing the national forest estate to ensure ongoing sustainable management of the nation's forest resources, as well as contribute to the global effort to mitigate the disastrous impacts/effects of climate change;
- understanding the drivers of forest deforestation and degradation so as to implement corrective action; and
- improving continually, forest law enforcement and legality as a whole in Guyana's forestry sector.

In general, illegal activities in Guyana's forestry sector and the rate of deforestation and degradation are low compared with other International Tropical Timber Organisation (ITTO) producer member countries.

However, the Government of Guyana (GoG) and the GFC are committed to ensuring that Guyana's already low rates of deforestation and degradation are maintained and reduced further continually; and similarly, illegal activities in the forestry sector are minimised continually.

Strategies and initiatives including the IFM Audit Programme implemented by the GFC with the support of the GoG, are aimed to:

- ensure the proceeds from forest resources utilization flow to the right beneficiaries;
- prevent unfair competition between illegal and legal produce;
- maintain Guyana's low rate of deforestation and forest degradation;
- ensure sustainable development of forest dependent communities; and
- mitigate against climate change in a REDD+ framework.

2.2 Audit objective

The IFM is an audit programme for assessing legal compliance at the broader country level. Its specific objective is to provide stakeholders with an independent evaluation of:

- the adequacy of Guyana's forest law enforcement systems;
- how the systems are being implemented; and
- legal compliance by stakeholders based on the specified Criteria for Monitoring, which includes:
 - Methodology validation - conformity of the law enforcement systems in place against applicable validation criteria;
 - Verification that the law enforcement systems are implemented appropriately against applicable verification criteria;
 - Verification of legal compliance by the stakeholders to forest laws and regulations against applicable verification criteria; and
 - Verification that the comments from stakeholders have been taken into account.

2.3 Terms of Reference for IFM audit

The Terms of Reference (ToR) for the IFM Audit Programme was agreed between the Government of Guyana and the Kingdom of Norway in 2010, as part of the REDD+ Governance programme of work under the Bilateral Cooperation Agreement on Climate and Forests.

The ToR, which outlines the principles, criteria and indicators for monitoring in Guyana's forestry sector, guided this Third IFM Audit. It required the SAC to:

- undertake an audit of the adequacy of Guyana's forest law enforcement systems;
- how the systems are being implemented;
- legal compliance by stakeholders based on the specified Criteria for Monitoring; and to develop and submit a report on the Audit's findings.

The detailed ToR are at Appendix 7.

3. Audit scope, criteria, dates and reference period

3.1 Audit scope

Based on a whole supply chain approach, the Audit scope involved a review of GFC's strategies, initiatives and systems in place to ensure the effective implementation of the nation's sustainable forest management regime, and legal compliance by Forest Sector Operators (FSOs) engaged in commercial forestry activities in:

- the national forest estate; and
- Amerindian Villages and private forest lands involved in commercial forestry activities.

It covered the production and sale of logs (including industrial round wood, piles, poles and posts) and lumber, involving all stages of the chain of custody as it relates to logs and lumber, namely: harvesting, transportation, processing, and export for the following concession types:

- State Forest Exploratory Permits (SFEPs): issued for undertaking exploratory operations such as inventories, environmental and social impact assessments and the preparation of management plans. SFEPs are a pre-requirement for any large concession, and may include commercial cutting rights to assist the prospective investor to defray part of the cost of undertaking the exploratory operations;
- Timber Sales Agreements (TSAs): issued for concessions of more than 24,000 hectares and allocated for 20 years;
- Wood Cutting Leases (WCLs): issued for concessions between 8,000 and 24,000 hectares and allocated for 3 to 10 years; and
- State Forest Permissions (SFPs): issued for concessions of less than 8,097 ha and allocated for two years, usually issued to community-based associations or small-scale operators.

It also included activities by licence holders (saw mill owners, lumberyard operators and exporters).

The Audit determined the extent to which State Forest Operators (SFOs) are complying with the legal requirements in the Forestry Laws of Guyana, in terms of pre-approval for harvesting activities such as preparing operational and management plans for approval by the GFC prior to commencing forestry activities; and

- harvesting;
- transportation of harvested forest produce;
- obtaining and/or renewing annual licenses;
- local processing of forest produce; and
- domestic sale and export of forest produce.

The Audit covered the following key activities:

- the initial allocation of the full range of timber and other permits SFOs in Guyana are required by law to possess before they are able to undertake commercial forestry activities in the country;
- the management of forestry operations and harvesting activities by SFOs, and the systems the GFC has in place to monitor compliance with national guidelines and codes of practice for these activities;
- the processing and trade (both domestic and international) in forest products; and
- the collection of taxes, fines and other statutory payments.

3.2 Audit criteria and indicators

The audit was based on principles, criteria and indicators described in the ToR (see Appendix 7). Monitoring indicators were specified for 6 categories as follows:

- A. Indicators for Monitoring of Large Concessions
- B. Indicators for Monitoring of Small Concessions
- C. Indicators for Monitoring of Amerindian Villages and Private Lands that engage in Forestry Activities
- D. Indicators for Salvage Timber Products from State Forest and State Land in Conversion
- E. Indicators for Processing and Sale of Timber Products
- F. Indicators for Export of Forest Products

In total, 45 Indicators were specified along with verifiers for each indicator.

There were differences between the criteria and indicators used for Phase I (first and second audits) and those used for this audit reflecting outcomes of the Guyana/EU VPA negotiations.

3.3 Audit dates

The Third Independent Forest Monitoring (IFM) Audit took place in Guyana from 17th January to 7th February 2018. The detailed Audit Agenda is at Appendix 1.

3.4 Reference Period for audit sampling

The reference period for audit sampling was for the calendar year 2016. This was used particularly for large and small concession agreements. During field inspections of concessions, sawmills, lumberyards and GFC field stations, document review and inspection of forest produce on site necessarily focussed on contemporary records (i.e. 2017/18), but where available, records back to 2016 were also inspected.

Samples from calendar years 2015 and 2017 were reviewed where necessary, for the purposes of ascertaining trends only. For example, if a review of an indicator for 2016 suggested an exceptional event or occurrence, the Audit Team examined the records for that particular indicator for 2015 and 2017 to ascertain whether this was a “one-off” occurrence, or it was systemic over the three years.

4. Audit Methodology

The methodology used for the Third IFM Audit was a combination of desktop review of documents and records, interviews with GFC staff, FSOs and independent stakeholders and field inspections of concession areas, sawmills, lumberyards and GFC field stations, to verify and cross-reference evidence obtained from document reviews and interviews.

Assessment of GFC’s compliance system (s) was done based on the Principles, Criteria and Indicators for IFM included in the ToR.

Sites selected for field verification were from the samples selected for the desktop reviews. Given the complexities of travelling within Guyana, the selection of field sites was influenced largely by logistical considerations such as proximity of the selected sites to one another, and the ease of travelling between sites. Even so, all the three major forestry divisions: Demerara, Essequibo and Berbice were visited for field verification purposes, except the newer and much smaller division of North West.

4.1 Sampling Methodology

The sampling methodology used was based on the Forest Stewardship Council® (FSC®) formula used for calculating the number of sites to be included in a multi-site certification. This provides a rational basis for the extrapolation of results from the sample inspected to the total as a whole.

The minimum number of concession agreements (large and small concessions) examined was calculated as the square root of the total number for each tenure type operating during the base year of 2016.

Seven out of 24 large concessions from 2016 were included within the audit sample – four TSAs, one WCL and two SFEPs. One large forest concession was visited in the field.

Twenty-two small concessions out of 469 active in 2016 were sampled – thirteen SFAs and nine CFMAs, distributed across the four divisions Demerara, Essequibo, Berbice and North West. One small forest concession was visited in the field.

For processing, sale and export of forest produce, the sampling approach taken was based on a strategy of field inspections, to focus on contemporary documentation and stocks of forest produce present at the time of the visit, supported by document inspection of a sample of export consignments from 2016.

Details of the sampling calculations, and the number of samples examined for each tenure type is at Appendix 3.

4.2 Evaluation of compliance

The ToR stated that the Third IFM Audit was to be “systems based”, focussing on ascertaining the following:

- whether the GFC has a system or systems in place for monitoring stakeholder compliance with the requirements of Guyana’s forestry laws covering the following:
 - allocation of concessions;
 - pre-harvesting approvals;
 - conduct of in-forestry harvesting activities;
 - post-harvest inspections
 - the requirements of Guyana’s Wood Tracking System for forest produce including processing; and
 - domestic sale and export of forest produce.
- whether there are monitoring mechanisms, procedures and/or protocols in place for the system or each system;
- whether these procedures and/or protocols are being followed; and
- whether there are mechanisms to detect any breaches and address them satisfactorily including learning to prevent and/or minimise future occurrence.

In this context, “Non-compliances” relate to whether or not a monitoring mechanism, procedure or protocol is in place, and whether or not it is being followed. Systemic failure to either implement a monitoring mechanism or follow procedures and or protocols are considered major non-compliances. Minor non-compliances relate to non-systemic “one-off” omissions.

Determination of major and minor non-compliances was assessed at the level of the Indicator and the associated “verifiers” related to each Indicator.

Corrective Action Requests (CARs) in this context relate to “breaches and omissions” that need to be addressed to ensure integrity of the monitoring and compliance system(s).

Observations relate to recommendations for improving further, mechanisms, procedures and protocols, and are made purely for GFC's consideration.

Determination of non-compliances was based on objective assessment of information contained in GFC's existing records, as well as the results of field verifications and observations.

4.2.1 Breaches

The Audit Team requested information on breaches to provide further evidence on the performance of the GFC's compliance system. The number of breaches identified was considered in the context of the total number of Forest Sector Operators within each category and the intensive monitoring program implemented by the GFC. The main conclusions from this summary are:

- breaches reduced substantially for large concessions between 2015 and 2016 but increased again between 2016 and 2017;
- breaches by SFEPs holders showed a consistent decline between 2015 and 2017;
- breaches for TSA holders was high in 2015, reduced significantly in 2016 but increased again in 2017;
- breaches by WCL holders were generally low, year on year between 2015 and 2017;
- breaches by small concession holders (SFPs) have been steady over the 3-year period; and
- breaches by Agricultural Lease holders have been trending downwards between 2015 and 2017.

Details of breaches by type are included in Appendix 2.

The Audit Team was presented with evidence which showed that the GFC follows up these breaches through its Compounding Section, and imposes penalties as required, indicating that GFC's monitoring is working as it is intended.

5. Audit activities, agenda and team composition

5.1 Audit agenda and activities

For the audit period (i.e. from 17th January to 7th February 2018), a detailed audit program was developed, to ensure that sufficient time was allocated to the various tasks of document review, interviews and physical inspections across the audit sample of FSOs, and to ensure broad and comprehensive engagement with external stakeholders, including independent stakeholders such as NGOs. The detailed Audit Agenda is at Appendix 1.

5.2 Audit team composition

The Audit Team comprised of three people, as shown in Table 1.

Table 1 - Audit team composition

Name	Affiliation	Country
Kwame Asumadu	WoodPanels Australia Pty Ltd	Australia
Hamish Crawford	Cailum Pty Ltd	Australia
Ewan Brown	Soil Association Certification	United Kingdom

6. Corrective Action Requests (CARs) from IFM Audit 2

The Audit Team followed up on Corrective Action Requests (CARs) raised during the IFM Audit 2, to verify that CARs are being implemented to improve the monitoring system consistent with the continual improvement objectives of the IFM Audit Program. Table 2 summarises the CARs, GFC's responses and Corrective Actions taken to address them and the Audit Team's comments.

Table 2 - Corrective Action Requests from IFM Audit 2

2014 Indicator	Division	2014 Corrective Action and related comments	GFC response to Corrective Action	2018 IFM Team comments
A. 2.1.3 The Annual Allowable Cut is appropriately calculated, approved and not surpassed on the basis of 100% inventory of commercial species, to a maximum of 20 m ³ per hectare over a 60-year cycle, or a prorated AAC based on the 20 m ³ /ha over 60-year calculation, or AAC may be higher or lower in cases where such level is adequately supported by management level inventory applying growth and yield model, and complies with the requirements of the Code of Practice for Timber	FRMD	The summary sheets do not present clear information to verify how re-entry and rollover blocks link back to the previous year or forth to the following year; nor how advanced blocks are reconciled. Corrective Action Request: - The granting of supplementary advanced blocks before outstanding advance blocks have been reconciled, shall be based on a clear plan by the TSA/WCL holder explaining how the advanced blocks will be reconciled and how the AAC will be maintained.	Advanced block agreement is signed where method for reconciliation is clear and amendment made to the AOP, FMP are required. Modification of AAC is done case by case (very rare), change in area size are communicated by FRIU, and updates are made to the AAC sheet and formal amendment of plans.	The corrective action raised by the Audit Team was based on information from summary sheets that did not include details of the recalculation of AAC and reconciliation between advance blocks and the allowable harvest over the life of the Agreement. Example calculations and communications with relevant FSOs were inspected and demonstrated appropriate rigor in the AAC calculation procedures.
A.2.1.5, There is a mechanism to monitor the tagging of logs and stumps in accordance with the National Log-tracking System A. 2.1.9 There is a mechanism to monitor the felling of trees in accordance with the regulatory or other GFC approved minimum diameter and parameters.	FMD	Inspection of the compounding database revealed occurrences of repeated breaches (untagged stumps or improper tagging) and revealed also that in some cases repeat offenders (TSA holders) had not paid the proposed compensation. The GFC has indicated that an improved procedure for implementing penalties for repeated breaches is being developed that will undertake a graduated scheme of penalties. Corrective Action Request: - The GFC shall follow up on nonpayment of compensation by repeat offenders among TSA holders or undertake other steps to deter recidivism.	Stakeholders are encouraged to nail tags on stumps, and also use paint to write tag numbers on the stumps and logs. Discrepancy letters are sent to stakeholders found with no tagging after LMEU inspections. These letters remind them that it is a breach within the wood tracking system and that the Code of Practice clearly states all stumps and produce must be tagged to allow traceability of forest produce. To reduce compensations owed, the Commission has informed stakeholders with outstanding balances that for every Permit uplifted, money must be paid towards their debt.	The Audit Team verified that GFC has a mechanism in place to recover moneys owed by SFOs. The mechanism involves agreeing a payment plan with the SFO, particularly those facing financial hardships. New Agreements are not finalized until the SFO has made payment towards reducing the amount owed.

2014 Indicator	Division	2014 Corrective Action and related comments	GFC response to Corrective Action	2018 IFM Team comments
B.2.1.1 The Annual Allowable Cut is appropriately calculated, approved and based on quota allocation informed by 20 m3/ha over 60 years, or otherwise approved quota allocation informed by inventory assessment and land use categorization	FMD	The SFP database aims to summaries overall production for Small Concessions and is not built to reflect the details of quota calculation. As a result, a few issues were observed that are specified in the CAR Corrective Action Request: - Three SFPs of the evaluated population (Berbice and Demerara division, period Jan 2012 - July 2013; i.e. about 1%) had exceeded their quota in 2010/11 without having (all of) the excess volume deducted from their quota for 2012/13. The quota system needs to be applied consistently and be up to date at the time of the audit.	All three SFPs had their quota adjusted to indicate overharvest between June 2013 and February 2014.	The Audit Team considered that the measures adopted were applied consistently and retained the integrity of the AAC.

7. Audit findings

The detailed Audit findings are described for each of the Criteria and Indicators in Appendix 6.

There were no major or minor non-compliances identified, and for 34 of the 45 indicators, the Audit Team found that the systems and procedures were operating effectively, and that satisfactory compliance with the specific indicators could be demonstrated. For the remaining 11 of the Indicators, the absence of relevant activity in the sample period meant that the Audit Team was unable to record a finding. For example, there was no commercial salvage of forest produce during the reference period for audit sampling.

While there were no non-compliances identified, the audit team raised 14 specific Observations in relation to:

- the systems and procedures of the GFC;
- the interaction between the GFC and other agencies of government that are integral to the demonstration of legality; or
- the Indicators themselves.

Specific observations raised within each of the six categories for monitoring are described below.

7.1 A. Indicators for Monitoring of Large Concessions

Indicator A.1.1.1 The FSO is the holder of one of the following:

- i) a valid Exploratory Permit
- ii) a Large Forest Concession Agreement (FCA)

Observation 2018.01

The Audit Team observed that only one FSO harvests NTFPs commercially, and was included in the sample for the Audit. This company has a TSA for demonstrating "the legal right to harvest" palm hearts (cabbages). The Audit Team questioned whether a TSA was the appropriate authorisation for the FSO to demonstrate "the legal right to harvest" NTFPs commercially. GFC explained that this was

the only mechanism provided by the Forests Act, and the Audit Team confirmed from the Forest Act that was indeed the case.

Observation 2018.02

Minor typographical errors were detected in the files for some of the Agreements. These errors were of no operational significance to the functioning of the monitoring system. However, they need to be addressed as part of general good housekeeping. This is particularly important for Agreements as they are legal documents.

Indicator A.1.2.2 The FSO does not prevent the traditional rights of Amerindian peoples

Observation 2018.03

Section 11 of the Code of Practice for Timber Harvesting describes requirements to ensure the traditional rights of Amerindian peoples are respected. However, the Forest Management Plans do not define and describe what the applicable user rights of Amerindian peoples are in relation to the concession area, and how FSOs will demonstrate compliance. While this issue is currently included in Monitoring reports, there is at present very little site-specific information available to assist GFC's monitoring staff to verify compliance by FSOs. The Audit Team recommends that GFC's guidelines for preparing Forest Management Plans should be amended to bring them in line with the Code of Practice for Timber Harvesting. This will require FSOs to address in their Forest Management Plans, how they are going to meet the requirements of this indicator.

Indicator A.2.1.1 The FSO has an Environmental Authorisation or has commenced the process to attain the authorization

Observation 2018.04

The Audit Team was made aware that the process for obtaining environmental authorisation can take many years. While this is reflected in the current Indicator (which recognises commencement of the process for obtaining authorisation), the Audit Team was informed that GFC plans to remove the qualification 'commenced the process to attain the authorization'. This will therefore mean that FSOs that have only applied but not been granted permits will not be compliant. Only a valid EPA environmental authorisation will be compliant. This will apply to all FSOs (large and small concession holders) as well as sawmillers (static, sawpits and mobile sawmills) and lumberyards.

Indicator A.2.1.3 The FSO complies with the Wood Tracking System (WTS)

Observation 2018.05

The Audit Team noted that the Wood Tracking System is currently designed to track timber products only. The Audit Team recommends that a similar system be developed to provide comparable monitoring of NTFPs.

Observation 2018.06

Reconciliation of tags issued, tags used and tags not used is made difficult because, for the category of tags not used, this can include:

- tags on logs not yet removed from the forest;
- tags still to be used;
- tags to be returned but not yet reconciled in the system (e.g. tags returned to a field station, but not yet sent on to headquarters); and
- tags returned to headquarters and recorded.

Some discrepancies were therefore observed in the tag management records for some of the tags allocated, used and recorded as being returned, for some of the concession Agreements examined. GFC procedures indicate that the cut off for the return of unused tags, as well as extraction of jungle stock is 31st December. It is important that these procedures are followed.

Indicator A.3.1.1 The FSO complies with the requirements for the payments of royalties and acreage fees or payment plan.

Observation 2018.07

There is potential to develop online payment systems for the payment of royalties, acreage fees and other GFC statutory payments, to minimise risks associated with handling large cash payments.

7.2 B. Indicators for Monitoring of Small Concessions

Indicator B.2.1.1 The FSO has an Environment Authorization or has commenced the process to attain the authorization

Observation 2018.08

The Audit Team was made aware that the process for obtaining environmental authorisation can take many years. While this is reflected in the current Indicator (which recognises commencement of the process for obtaining authorisation), the Audit Team was informed that GFC plans to remove the qualification 'commenced the process to attain the authorization'. This will therefore mean that FSOs that have applied but not been granted permits will not be compliant. Only a valid EPA environmental authorisation will be compliant. This will apply to all FSOs (large and small concession holders) as well as sawmillers (static, sawpits and mobile sawmills) and lumberyards.

Observation 2018.09

As part of the requirements under the Guyana/EU VPA, all small concessions currently not required to obtain environmental authorisation will need environmental authorisation from the EPA to be compliant. The large number of small concession holders (currently around 469) that will need environmental permits will likely present challenges to the EPA in issuing these permits in a timely manner. The Audit Team was informed that the GFC and the EPA are still discussing the practicalities of issuing environmental permits for SFPs."

Indicator B.2.1.3 The FSO complies with the WTS

Observation 2018.10

Reconciliation of tags issued, tags used and tags not used is made difficult because, for the category of tags not used, this can include:

- tags on logs not yet removed from the forest;
- tags still to be used;
- tags to be returned but not yet reconciled in the system (e.g. tags returned to a field station, but not yet sent on to headquarters); and
- tags returned to headquarters and recorded.

Some discrepancies were therefore observed in the tag management records for some of the tags allocated, used and recorded as being returned, for some of the concession agreements examined. GFC procedures indicate that the cut off for the return of unused tags, as well as extraction of jungle stock is 31st December. It is important that these procedures are followed.

Indicator B.3.1.1 The FSO complies with the requirements for the payments of royalties and acreage fees or has a payment plan

Observation 2018.11

The GFC should give consideration to the possibility of developing online payment systems to minimise risks associated with handling cash payments, particularly for GFC stations located outside headquarters in Georgetown. Implementation of online payment systems (for example via cell phones) will be consistent with the GFC's current digitisation of its control systems including real time data management, in preparation for issuing FLEGT licenses for forest produce when the Guyana/EU VPA is implemented.

7.3 C. Indicators for Monitoring of Amerindian Villages and Private Lands that engage in Forestry Activities

Indicator C.1.2.2 The FSO does not prevent Traditional rights of Amerindian peoples

Observation 2018.12

This requirement is redundant, and the GFC should consider removing it. This is because it is unlikely Amerindian FSOs will prevent the traditional rights of Amerindian peoples on either Amerindian lands or Amerindian SFPs.

7.4 D. Indicators for Salvage Timber Products from State Forest and State Land in Conversion

There were no non-compliances or observations raised for this section.

7.5 E. Indicators for Processing and Sale of Timber Products

There were no non-compliances or observations raised for this section.

7.6 F. Indicators for Export of Forest Products

Indicator F.1.1.2 The FSO has an Export Certificate

Observation 2018.13

It is recommended that the title for the form for applying for an Export Certificate should be changed to "Application for Export Certificate." rather than "Application for Export Certification."

Indicator F.1.1.4 The FSO complies with the requirements for the payments of:

I) applicable fees (export levies);

II) export taxes

Observation 2018.14

The Audit Team confirmed that FSOs pay export levies, which are levies on the export of logs paid to the GFC. However, it was not possible to verify FSOs' payment of export taxes (which the Audit Team was informed is paid annually at 2% of the total value of exports) to the Guyana Revenue Authority (GRA). The Audit Team was informed that export taxes paid to the GRA are paid annually. FSOs have until 30th April of the following year to pay export taxes. This would present challenges for the GFC when issuing FLEGT licenses as this legal requirement would not be able to be verified at the time a consignment or a batch of forest produce is exported. The Audit Team was informed that the payment of export taxes has been agreed as part of the Legality Definition for the VPA.

8. Audit conclusions

8.1 Compliance with criteria and indicators and system findings

The Audit Team found that:

- GFC has in place a system for monitoring FSOs' compliance with the forestry laws of Guyana;
- GFC staff, both at Headquarters and field stations (currently 39 in number) follow GFC's procedures and guidelines for monitoring FSOs' compliance; and
- FSOs (large and small concession owners, Amerindian Villages, Agricultural and Mining Lease holders, Saw millers, Lumberyard operators and Exporters) all follow the GFC procedures and guidelines for complying with the requirements of Guyana's forestry laws.

The main area of weakness the Audit Team found relates to receiving and reconciling of some compliance information and data at Head Office. Since the 2014 Audit, the GFC has made significant progress in this area, through scanning and storing information and data in pdf, which is available through a shared file, with access regulated through passwords.

However, a significant percentage of data and information is still managed through a paper-based system (for example Removal Permits, Production Registers, Private Property Declarations). This results in multiple handling at Head Office, which sometimes results in inconsistencies in data and information reported by FSOs and the records kept by the GFC. The Audit Team observed such inconsistencies in data and information reconciliation in relation to the following:

- tags issued, tags used and tags returned; and
- AAC calculated and recorded in some concession agreements, and some post-harvest reports prepared by the Forest Monitoring Division.

When these inconsistencies were identified, the GFC was able to trace back through historical records and achieved reconciliation of the data and information. However, given the AAC calculations are a critical component of the Wood Tracking System (permits and tags for produce issued to FSOs are based on the calculated AAC), it is important to ensure such data and information inconsistencies do not arise in the first place.

A fully functioning electronic (online) system for managing data and information would be preferable, because it would minimise human error through multiple handling. However, the Audit Team realises that currently, Guyana does not have the required ICT infrastructure throughout the country, to facilitate real-time management of data and information.

Nevertheless, this is an innovation the GFC should aspire to achieving progressively, as Guyana's ICT infrastructure continues to improve throughout the country.

8.2 Consultations with Stakeholders

The Audit Team met independently with a number of stakeholders including the following:

- Industry Associations (FPA and GSMA);
- Non-governmental Organisations (Iwokrama, WWF and CI);
- Indigenous Peoples Organisations; and
- Forest Sector Operators (SFEP, TSA, WCL, SFP holders, Sawmillers, Lumberyard Operators and Exporters).

The GFC informed the Audit Team that all Amerindian NGOs were invited to participate in focus group meetings for the Audit. However, APA and IPC but did not send representatives to any of the stakeholder focus group meetings the Audit Team held in Georgetown. Three Amerindian NGOs (GOIP, NADF and TAAMOG) sent representatives to meet with the Audit Team.

8.2.1 Stakeholder feedback

All stakeholders consulted were very complimentary of the GFC. Without exception, all the organisations who attended the focus group meetings and those visited, indicated that the GFC was a model organisation in Guyana in terms of working with their stakeholders. They appreciated GFC's understanding and flexible approach to dealing with, and addressing some of the challenges some stakeholders face occasionally.

8.2.2 Anonymous contact with the Audit Team

On 6th February (mid-morning), the day the Audit Team presented its findings to the GFC, the Audit Team received an envelope delivered anonymously under the door of the room being used as the Audit Office. This was after the Audit Team's presentation to the GFC.

The envelope contained three photocopied articles from the Kaieteur News. The first article titled "Corruption returns to the Forestry Commission" was dated 8th July 2017. The article was written under the authorship of "Concerned Forestry Investor." The second article dated 16th July 2017 under the authorship of P Wong (Forestry Expert/Consultant) was titled "There is rampant corruption in the forestry sector." The third article under the name of S Yearwood was dated 18th August 2017 and was titled "Guyana Forestry Commission is encouraging skulduggery."

All three articles alleged corruption and malpractices at the Guyana Forestry Commission. The Audit Team followed up these articles with the Commissioner for Forests. The Audit Team was shown GFC reports of detailed investigations of the allegations.

The Audit Team was also shown evidence that copies of the reports addressing the allegations were made available to the GFC Board, as well as the Permanent Secretary of the Ministry of Natural Resources. In addition, the Commissioner showed the Audit Team the response he had sent to the author who had provided his contact details (dated 25th August 2017), addressing his allegations, and also inviting him to visit him at the GFC to discuss further their allegations and concerns, including presenting any substantiating evidence.

There was no evidence that the authors of the article either took up the Commissioner's invitation, or presented further substantiating evidence. The Audit Team was satisfied with the veracity of the GFC's investigations and the conclusions that, there was no evidence to justify the allegations of corruption and malpractices at the GFC.

8.2.3 Lessons Learnt from the Third Audit

The Audit Team has learnt a number of useful lessons for the Third Audit which will inform the design and execution of the 4th Audit in 2018/2019. One of these lessons is to broaden the scope of stakeholder consultations/engagement, to provide additional opportunities for stakeholders to be involved in the audit process.

Appendix 1 – Audit agenda

Audit agenda

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
1	Wednesday, January 17th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Opening Meeting	9:00	12:00	
1	Wednesday, January 17th, 2018	GFC Head office	Agency	GFC	Shuba Soamandaugh	Document Review- FRM	2:30	5:30	
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - Tags Unit	9:00	10:00	
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - Licence Unit	10:00	11:00	
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - Berbice/Demerara	11:00	12:00	
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - Essequibo/North West	1:00	2:00	
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - LMEU	2:00	3:00	
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - Compounding Unit	3:00	4:00	

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
2	Thursday, January 18th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Document Review - Export	4:00	5:00	
3	Friday, January 19th, 2018	GFC Head office	Agency	GFC	Ambeca Paramsingh	Document Review - MIS	9:00	11:00	
3	Friday, January 19th, 2018	GFC Head office	Agency	GFC	Edward Goberdhan	Document Review - Finance	11:00	12:00	
3	Friday, January 19th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Discussions/ Clarifications	1:00	3:30	
4	Saturday, January 20th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Data Analysis and Review	9:00	4:00	
5	Sunday, January 21st, 2018	GFC Head office	Agency	GFC	Gavin Agard	Data Analysis and Review	9:00	4:00	
6	Monday, January 22nd, 2018	Brickdam	Agency	Ministry of Natural Resources	Gavin Agard	Visit Ministry of Natural Resources	9:00	10:30	Veetal Rajkumar, Joslyn Mckenzy
6	Monday, January 22nd, 2018	Brickdam	Agency	Guyana Geology and Mines Commission	Gavin Agard	Guyana Geology and Mines Commission	10:35	12:00	Melessia George, Unata Defreitas
6	Monday, January 22nd, 2018	Brickdam	Lunch			Lunch at Ministry of Natural Resources	12:15	1:00	

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
6	Monday, January 22nd, 2018	GLSC Office	Agency	Guyana Lands and Surveys Commission	Gavin Agard	Meeting with GLSC	1:00	3:00	Trevor Benn
6	Monday, January 22nd, 2018	High and Commerce Street	Agency	Lands Registry	Gavin Agard	Meeting with Lands Registry at GFC	3:15	4:15	Ms. Robertson
6	Monday, January 22nd, 2018	GFC Head office	Agency	Ministry of Public Infrastructure	Gavin Agard	Meeting with Ministry of Public Infrastructure	4:15	4:45	Gregory Rickford
7	Tuesday, January 23rd, 2018	Ganges Street, Sophia	Agency	Environmental Protection Agency	Gavin Agard	Visit Environmental Protection Agency	9:00	12:00	Karen Small
7	Tuesday, January 23rd, 2018	GFC Head office	Agency/Organization	Ministry of Indigenous Peoples' Affairs and Indigenous Peoples' Organization	Gavin Agard	Meeting with Ministry of Indigenous Peoples' Affairs and National Toshao's Council	1:10	4:00	Mervin Williams and Joel Fredricks
8	Wednesday, January 24th, 2018	Hotel				Review of Audit Results	9:00	5:00	
9	Thursday, January 25th, 2018	Georgetown	Travel		Gavin Agard	Travel from Ogle to KK	7:30	9:00	

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
9	Thursday, January 25th, 2018	Kwakwani	Amerindian Village	Hururu Amerindian Village	Gavin Agard	High Production Amerindian village	10:00	12:00	
9	Thursday, January 25th, 2018	Bamboo Landing	Lunch			Lunch at Variety Woods & Green Heart Ltd.	12:00	1:00	
9	Thursday, January 25th, 2018	Bamboo Landing	Sawmill	Variety Woods & Green Heart Ltd.	Gavin Agard	Observation of sawmill operations	1:00	3:30	
9	Thursday, January 25th, 2018	Bamboo Landing	Agency	GFC Outstation	Gavin Agard	Observation of Bamboo Landing Forestry Station Operations	3:30	5:30	
10	Friday, January 26th, 2018	Bamboo Landing	Large concession-TSA	Variety Woods & Green Heart Ltd.	Gavin Agard	Observation of TSA Operations	6:00	12:00	
10	Friday, January 26th, 2018	Kwakwani	Small Concession-SFP		Gavin Agard	Observation of SFP Operations	2:00	3:00	
11	Saturday, January 27th, 2018	Kwakwani	Agency	GFC Outstation	Gavin Agard	Observation of Kwakwani Forest Station Operations	9:00	12:00	

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
12	Saturday, January 27th, 2018	Kwakwani	Travel		Gavin Agard	Travel From cf to Ogle	12:00	1:00	
13	Sunday, January 28th, 2018	Hotel				Review of Audit Results	9:00	5:00	
14	Monday, January 29th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Update/Discussion on field visits	9:00	12:00	
14	Monday, January 29th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Focus Meeting with Exporters	1:00	2:00	
14	Monday, January 29th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Focus Meeting with Large Concessions	2:00	3:00	
14	Monday, January 29th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Focus Meeting with Lumberyards	3:00	4:00	
15	Tuesday, January 30th, 2018	Lombard Street	Lumberyard	Builder's and Jettoo Lumberyards	Gavin Agard	High sales, importer of pine lumber	9:00	11:00	
15	Tuesday, January 30th, 2018	East Bank Demerara	Sawmill	Cummings Woods Products	Kenford Frazer		12:00	1:00	
15	Tuesday, January 30th, 2018	Lunch			Lunch at Soesdyke Forest Station		1:00	2:00	
15	Tuesday, January 30th, 2018	Coverden	Sawmill	Woods Direct	Kenford Frazer		2:00	3:00	

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
15	Tuesday, January 30th, 2018	East Bank Demerara	Exporter	Kosha Ramdas	Kenford Frazer		2:30	3:30	
15	Tuesday, January 30th, 2018	Soesdyke	Agency	Outstation	Kenford Frazer	Observe Station Operations	4:00	5:00	
16	Wednesday, January 31st, 2018	GFC Head office	Organization	Non-Governmental Organization	Gavin Agard	Focus Meeting with Conservation International. Iwokrama, World Wildlife Fund	9:30	10:30	
16	Wednesday, January 31st, 2018	GFC Head office	Organization	Private Sector	Gavin Agard	Focus Meeting with FPA and GMSA	11:00	12:00	
17	Thursday, February 1st, 2018	East Bank, Berbice	Sawmill	T. Seekumar & Daughters Sawmill	Gavin Agard		9:30	10:30	
17	Thursday, February 1st, 2018	New Amsterdam, Berbice	Sawmill	Art Sawmilling Enterprise	Gavin Agard		11:00	12:00	
17	Thursday, February 1st, 2018	New Amsterdam, Berbice	Lumberyard	Big G's Lumberyard	Gavin Agard		1:30	2:30	
18	Friday, February 2nd, 2018	GFC Head office	Organization	Indigenous Non-Governmental Organization	Gavin Agard	Focus Meeting with IPC, GOIP, NADT, TAAMOG and APA	9:00	5:00	

Day #	Date	Location	Type of Stakeholder	Name of Stakeholder	GFC representative	Activity/ Criteria for Selection	Start Time	End Time	Main Contact
19	Saturday, February 3rd, 2018	Hotel				Report Compilation	9:00	5:00	
20	Sunday, February 4th, 2018	Hotel				Report Compilation	9:00	5:00	
21	Monday, February 5th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Present Draft Report	9:00	10:30	
21	Monday, February 5th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Review and Discussions	9:00	10:30	
22	Tuesday, February 6th, 2018	GFC Head office	Agency	GFC	Gavin Agard	GFC Reviews Report and provide detailed comments/input	9:00	5:00	
23	Wednesday, February 7th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Review of Report to incorporate comments/input from GFC	9:00	12:00	
23	Wednesday, February 7th, 2018	GFC Head office	Agency	GFC	Gavin Agard	Closing Meeting	2:30	4:00	

Appendix 2 – Breaches

Breaches

Table 3, Table 4 and Table 5 show a summary of breaches for the period 2015 to 2017.

Table 3 - Summary of infringements

CONCESSION TYPE	NUMBER IN 2015	NUMBER IN 2016	NUMBER IN 2017
LARGE CONCESSIONS	49	14	25
State Forest Exploratory Permits (SFEPs)	10	1	1
Timber Sales Agreements (TSAs)	37	11	23
Wood Cutting Leases (WCLs)	2	2	1
SMALL CONCESSIONS	610	603	612
State Forest Permissions (SFPs)	589	593	609
SFPs/AGRICULTURAL LEASES	21	10	3
SFPs/MINING LEASES	0	0	0

Table 4 – Type of infringements

INFRINGEMENT TYPE	NUMBER IN 2015	NUMBER IN 2016	NUMBER IN 2017
Breach of export procedures	2	0	0
Failure to prove origin	1	0	4
False declaration	65	43	16
Felling in buffer zone	0	2	0
Felling out of concession	11	22	38
Harvesting in unapproved block	1	0	0
Harvesting of 1-inch board without permission	0	0	1
Harvesting of protected species	1	4	0
Improper record keeping	26	16	12
Improper tagging	3	8	7
Incomplete removal document	1	7	1
Late submission of removal permit	491	439	489
No tagging	3	11	13
Operating without license	3	0	3
Proximity felling	0	0	1
Reuse of tags	1	0	0
Sale of seizure	9	16	21
Subletting	1	0	0
Travelling without document	17	19	16
Unauthorized use of equipment	0	1	0
Undeclared produce	1	0	0
Undersize harvesting	11	18	7
Use of expired permit	11	11	8
TOTAL	659	617	637

Table 5 - Types of infringements by Divisions

INFRINGEMENT TYPE	NUMBER IN 2015	NUMBER IN 2016	NUMBER IN 2017
LARGE CONCESSIONS	49	14	25
State Forest Exploratory Permits (SFEPs)	10	1	1
DEMERARA	0	0	0
ESSEQUIBO	10	0	0
BERBICE	0	1	1
NORTH WEST	0	0	0
Timber Sales Agreements (TSA)	37	11	23
DEMERARA	5	2	4
ESSQUIBO	4	1	1
BERBICE	23	8	17
NORTH WEST	5	0	1
Wood Cutting Leases (WCL)	2	2	1
DEMERARA	0	0	0
ESSQUIBO	0	0	0
BERBICE	2	2	1
NORTH WEST	0	0	0
SMALL CONCESSIONS	610	603	612
State Forest Permissions (SFPs)	589	593	609
DEMERARA	276	198	217
ESSQUIBO	110	116	126
BERBICE	193	272	263
NORTH WEST	10	7	3
SFPs/AGRICULTURAL LEASES	21	10	3
DEMERARA	20	9	2
ESSQUIBO	0	1	0
BERBICE	1	0	1
NORTH WEST	0	0	0
SFPs/MINING LEASES	0	0	0
DEMERARA	0	0	0
ESSQUIBO	0	0	0
BERBICE	0	0	0
NORTH WEST	0	0	0

Appendix 3 – Sampling calculations

Sampling calculations

The sampling methodology used was based on the Forest Stewardship Council® (FSC®) formula used for calculating the number of sites to be included in a multi-site certification. This provides a rational basis for the extrapolation of results from the sample inspected to the total as a whole.

The minimum number of concession agreements (large and small concessions, Amerindian Villages, Mining and Agricultural Leases and Private Lands) examined was calculated as the square root of the total number for each tenure type operating during the base year of 2016. That is:

Formula:

$Y = \sqrt{X}$ rounded to the upper whole number, where

Y is the sample size to be examined in detail, and

X is the total number of each tenure type.

Total number of concessions by type

The number of concession holders and the various types of concession are listed in Table 6 and a regional breakdown of these concessions is provided in Table 7.

Table 6 - Summary of concession types and numbers of FSOs

CONCESSION TYPE	SIZE (HECTARES)	NUMBER 2015	NUMBER IN 2016	NUMBER IN 2017
LARGE CONCESSIONS				
State Forest Exploratory Permits (SFEPs)		6	3	4
Timber Sales Agreements (TSAs)	24,000 hectares	26	19	15
Wood Cutting Leases (WCLs)	Between 8,000 and 24,000 hectares	1	1	1
SMALL CONCESSIONS				
State Forest Permissions (SFPs)	Less than 800 hectares	535	469	509
SFPs/AGRICULTURAL LEASES		29	15	15
SFPs/MINING LEASES		4	3	3
AMERINDIAN VILLAGES				
PRIVATE FORESTRY LANDS		1 IIC	1 IIC	1 IIC

Timber Sales Agreements (TSA): issued for concessions of more than 24,000 hectares and allocated for 20 years

Wood Cutting Lease (WCL): issued for concessions between 8,000 and 24,000 hectares and allocated for 3 to 10 years.

State Forest Permissions (SFP): issued for concessions of less than 8,097 ha and allocated for two years. These are usually issued to community-based associations or small-scale operators.

State Forest Exploratory Permit (SFEPs): issued for undertaking exploratory operations such as inventories, environmental and social impact assessments and the preparation of management plans. SFEPs are a pre-requirement for any large concession, and may include commercial cutting rights to assist the prospective investor to defray part of the cost of undertaking the exploratory operations.

Table 7 - Summary of concession types by regions

CONCESSION TYPE	NUMBER IN 2015	NUMBER IN 2016	NUMBER IN 2017
LARGE CONCESSIONS			
State Forest Exploratory Permits (SFEPs)			
DEMERARA	0	0	0
ESSEQUIBO	2	1	3
BERBICE	4	2	0
NORTH WEST	0	0	1
Timber Sales Agreements (TSA)			
DEMERARA	2	2	2
ESSIQUIBO	14	11	9
BERBICE	5	3	3
NORTH WEST	5	3	1
Wood Cutting Leases (WCL)			
DEMERARA	0	0	0
ESSIQUIBO	0	0	0
BERBICE	1	1	1
NORTH WEST	0	0	0
SMALL CONCESSIONS			
State Forest Permissions (SFPs)			
DEMERARA	175	150	163
ESSIQUIBO	195	171	193
BERBICE	149	135	140
NORTH WEST	16	13	13
SFPs/AGRICULTURAL LEASES			
DEMERARA	20	9	9
ESSIQUIBO	5	4	4
BERBICE	4	2	2
NORTH WEST	0	0	0
SFPs/MINING LEASES			
DEMERARA	0	0	0
ESSIQUIBO	4	3	3
BERBICE	0	0	0
NORTH WEST	0	0	0
AMERINDIAN VILLAGES			
DEMERARA			
ESSIQUIBO			
BERBICE			
NORTH WEST			
PRIVATE FORESTRY LANDS			
DEMERARA	1	1	1
ESSIQUIBO			
BERBICE			
NORTH WEST			

Large concessions

For large concessions, the audit sample was calculated as shown in Table 8. The organisations selected for this sample were chosen randomly and are shown in Table 9.

Table 8 – Calculation of sample for large concessions

Number of agreements	Category	Sample to be audited
3	State Forest Exploratory Permits (SFEPs);	2
20	Timber Sales Agreements (TSAs) and Iwokrama International Centre (IIC) ¹ ;	4
1	Wood Cutting Leases (WCLs)	1
Total to be sampled		7

Table 9 – List of large concession organisations included in audit sample

Type of agreement	Organisation
TSA	Amazon Caribbean Guyana Ltd - TSA 01/90 (NWD)
TSA	CPT Inc. - TSA 02/11 (ESS)
TSA	Toolsie Persaud Ltd, Manaka & Takatu - TSA 04/85 (ESS)
WCL	Variety Woods & Greenheart Ltd - WCL 01/2007 (BCE)
TSA	Vaitarna Holding PVT Ltd - TSA 01/10 (ESS)
SFEP	Rong An Inc - SFEP 02/11
SFEP	Variety Woods and Greenheart Limited - SFEP 01/12

Small concessions

For small concessions, the total audit sample was calculated as being the square root (22, rounded) of the total number of concession agreements (469) operating in the year 2016. From this total, allocation of the sample across concession types (SFAs and CFMAs) and Divisions was undertaken as shown in Table 10.

Table 10 - Apportion of sample across Divisions and between SFAs and CFMAs

Division	Total SFAs	√ Total	Rounded	Risk adjusted	Total CFMAs	√ Total	Rounded	Risk adjusted
Demerara	117	5.3	5	4	33	1.7	1	2
Essequibo	134	6.1	6	5	37	1.9	2	3
Berbice	95	4.3	4	3	40	2.0	2	3
North West	5	0.2	1	1	8	0.4	1	1
	351	16	16	13	118	6	6	9
Total Sample	SFA Sample (base)				CFMA Sample			
22	16	16	16	13	6	6	6	9

The organisations selected for this sample were chosen randomly and shown in Table 11.

¹ Although not strictly a large concession – Iwokrama International Centre (IIC) is identified under private lands in the summary tables above – it was included within the category of large concessions due to its decision to “opt-in” to the Code of Practice and GFCs associated system for approval of 5-year Forest Management Plans and Annual Operating Plans.

Table 11 – Small concession agreements selected for audit sample

Division	SFA			CFMA		
		Name	Folio #		Name	Folio #
Demerara	1	Deokinandan & Sons Timber Company	Dem 34/02	1	Ituni Small Loggers Association	Dem 18/08
	2	Errol Webster	Dem01/16	2	Kara Kara Forest Products Agricultural and Mineral Association	Dem 22/15
	3	Hakim Ally	Dem 49/08			
	4	Mariabo Investment Incorporated	Dem 03/10			
Essequibo	1	Bhola Sawmills	Ess 53/13	1	Buradaro Small Loggers Association	Ess 78/11
	2	Elvis A. Seeram	Ess 23/12	2	Linden Agriculture and Forests Producers Association	Ess 04/08
	3	Krishna Mangal	Ess 03/03	3	Pomona Huis't Diren Middlesex Chainsaw Association	Ess 11/08
	4	Organic Natural Resources Management Inc.	Ess 16/13			
	5	Quality Lumber Products	Ess 47/13			
Berbice	1	Mohanlall Roopnarine	Bce 31/09	1	Blue Berry Hill Forest Producers Association	Bce 24/12
	2	Rahman Razack	Bce 05/05	2	Upper Berbice Forest Producers Association	Bce 01/05
	3	Sandra Chaitranjan & Sons Sawmill	Bce 03/15	3	Upper Berbice Forest Producers Association	Bce 06/01
North West	1	Rong Jie Jing	Nwd 01/15	1	Port Kaituma Forest Producers Association	Nwd 01/05

Sawmills, lumberyards and exporters

Table 12 shows the number of Forest Sector Operators issued with licences for the years 2015, 2016 and 2017.

Table 12 - Number of licences issued (2015 to 2017)

Licence Type	Comparison of Year 2015, 2016 & 2017 Licence Issuance					Total
	Year of Issuance	Division				
		Demerara	Berbice	Essequibo	North West	
Timber Dealer Export	Year 2015	73	25	13	0	111
	Year 2016	55	22	13	1	91
	Year 2017	55	26	12	0	93
Lumber Yard	Year 2015	96	34	29	2	161
	Year 2016	87	29	27	1	144
	Year 2017	92	31	23	2	148
Timber Dealer No Storage	Year 2015	8	2	7	1	18
	Year 2016	7	6	5	1	19
	Year 2017	7	1	10	1	19
Sawpit Licence	Year 2015	114	65	88	20	287
	Year 2016	75	54	90	19	238
	Year 2017	83	53	86	18	240
Sawmill Licence	Year 2015	90	44	60	2	196
	Year 2016	92	42	64	2	200
	Year 2017	94	46	57	2	199
Firewood Licence	Year 2015	3	5	5	0	13
	Year 2016	5	6	6	0	16
	Year 2017	4	5	7	0	16
Charcoal Licence	Year 2015	32	3	4	0	39
	Year 2016	36	2	1	1	40
	Year 2017	40	5	2	2	49
Timber Depot	Year 2015	26	33	9	0	68
	Year 2016	18	26	7	0	51
	Year 2017	20	25	6	1	52
Timber Path	Year 2015	4	2	2	0	8
	Year 2016	2	3	2	0	7
	Year 2017	2	3	1	0	6
Permit to Erect	Year 2015	19	7	7	0	33
	Year 2016	20	4	11	0	35
	Year 2017	13	6	4	0	23

TOTAL	Year 2015	465	220	224	25	934
	Year 2016	397	194	226	25	842
	Year 2017	410	201	208	26	845

For processing, sale and export of forest produce, the sampling approach taken was based on a strategy of field inspections, to focus on contemporary documentation and stocks of forest produce present at the time of the visit, supported by document inspection of a sample of export consignments from 2016.

The audit sample to be visited in the field aimed to be random, but necessarily incorporated logistical considerations (distance from Georgetown and time available to audit). Organisations selected for inclusion in the audit sample are shown in Table 13.

Table 13 – Organisations sampled for processing, sale and export of forest produce

Division	Organisation	Sawmill	Lumberyard	2016 exporter
Berbice	Variety Wood and Greenheart Ltd	Y		Y
Demerara	Cummings Wood Products	Y		Y
Demerara	Woods Direct	Y		Y
Demerara	Koosha Ramdass	Y		
Berbice	T Seekumar	Y		
Berbice	ART Sawmills	Y		
Demerara	Jettoo		Y	Y
Demerara	Builders Lumberyard		Y	Y
Berbice	Big G Lumberyard		Y	

Appendix 4 – GFC staff consulted

GFC staff consulted

Table 14 - List of GFC staff consulted

DEPARTMENT	NAME
Commissioner	James Singh
PDD	Pradeepa Bholanath
Finance	Eddy Goberdhan
	Loknauth Jaggessar
Forest Monitoring Division	Gavin Agard
	Joel Adams
	Vickram Arjoon
	Keith Austin
	Jainel Bowen
	Khemraj Budhram
	Roxanne Correia
	Kenny David
	Dian Downer
	Shanti Fiedtkou
	Sunil Gopaul
	Kesheba Higgins
	Ana Kirton
	Ganram Manoo
	Padmini Ragnauth
	Chetram Ramgobind
	Nadia Shivbaran
Forest Resource Management Division	Rawle Lewis
	Ibi-Ann Phillips
	Jonelle Nedd
	Mervyn Major
	Ewart Moore
	Maria Paul
	Shuba Soamandaugh
MIS	Ambeca Jaggessar
Kwakwani GFC Field Station	Benny Layne
	Rondel Gilbert
	Yannick Graham
	Nick Murray
Hururu GFC Station	Atasha Browne
	Leron Hermon
Bamboo Landing GFC Station	Sewh Jainarine
Variety Woods TSA Station	Brandon Altin
	Joel Barnes

DEPARTMENT	NAME
Soesdyke GFC Station	Kenford Fraser
	Homa DeviNarine
	Winona Greaves
	Natasha Lord
	Troy Semple
	Joseph Smith
	Delon Webster
Canje GFC Station	Alair Carmichael
	Carletta Burnette
	Kumar Dasrat
	Rondel Hercules
	Rawle Murry
	Daniel van Keric
	Ashmore Vauhnoore

Appendix 5 – Persons who interacted with the IFM Team during the Field Visit

List of persons who interacted with the IFM Team during the Field Visit

MINISTRY OF NATURAL RESOURCES

Name	Designation
Joslyn McKenzie	Permanent Secretary
Veetal Rajkumar	Head, Policy Planning and C-ordination Unit

GUYANA GEOLOGY AND MINES COMMISSION

Unata DeFreitas	Manager, Land Administration
Melessia George	Administration Officer

GUYANA LANDS AND SURVEY COMMISSION

Trevor Benn	Commissioner
Darwin Humfrey	Secretariat Manager
Andrea Mahammad	Head, Land Use Policy, Planning and Projects

MINISTRY OF PUBLIC INFRASTRUCTURE

Jeffrey Walcott	Hinterland Engineer
Gregory Riekford	Hinterland Coordinator

ENVIRONMENTAL PROTECTION AGENCY (EPA)

Karen Smail	Senior Environmental Officer
Colis Primo	Senior Environmental Officer

MINISTRY OF INDIGENOUS PEOPLES AFFAIRS

Mervyn Williams	
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NATIONAL TOSHOA COUNCIL (NTC)

Joel Fredricks	Chairman (NTC)
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THE LANDS REGISTRY

Rosalie Robertson	Registrar of Lands
Wendella Austin-Caesar	Assistant Registrar of Lands
Michelle Richards	Assistant Registrar of Lands

HURURU AMERINDIAN COMMUNITY

Joel Fredricks	Chairman (NTC)
Sheila Robertson	Hururu Village Council Office Clerk
Lulene Williams	Hururu Village Council
Eileen Walkes	Hururu Village Council

JETOOS LUMBERYARD & SAWMILL

Devanand Madhoo	Forest Manager
Steve Sanicher	Office Supervisor

BUILDERS LUMBERYARD

Rohan Rambajan	
Auinash Salim	

CUMMINGS WOOD PRODUCTS

Manesha Latchman	
Shaunell Cummings	
Wayne La Rose	

KOOSHA RAMDASS SAWMILL

Koosha Ramdass	
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WOODS DIRECT

Joel Fredricks	Chairman (NTC)
Roselien Badar	
Raymond Badar	
Anil Ramnarian	

NON-GOVERNMENTAL ORGANISATIONS (NGOS)

Raquel Thomas	Iwokrama
Kerry Anne Kansinally	Conservation International-Guyana
Charles Hutchinson	World Wide Fund for Nature (WWF)

INDUSTRY ASSOCIATIONS

Andrew Mendes	GMSA
Deoarine Ramsaroop	FPA

INDIGENOUS PEOPLES' NGOS

Colin Klautky	GOIP
Peter Persaud	TAAMOG
Beverley Roberts	NADF
Ashton Simon	NADF

The APA and IPC were invited to attend the stakeholder consultation but they did not send representatives to the meeting with the Audit Team.

FOCUS GROUP MEETINGS

Company/Agency	Name of Representative
Durable Wood Products	Rafeek Khan
Variety Woods & Greenheart Ltd	Rommel Niamatali
Iwokrama	Anne-Marie Ford
Nazir Tropical Timbers	Nazir Mohamed
Superior Woods/Tropical Rich Resources	Denishwar Bisessar
Vaitarna Holding Pty Ltd	Keisha Prashad
Willems Timber & Trading	Cecil Persaud
Willems Timber & Trading	Rickford Innisi
Kurunduni Logging	Jaswant Tiwari
Willems Timber & Logging	Wesley Chang
Amazon Caribbean Guyana Ltd	Jean Francis Gerin.
Demerara Timbers Ltd	Robert Perry
Demerara Timbers Ltd	David Chen
Deddat Deokinandan Lumberyard	Antionette Manichand
Yogepatie Singh Sawmill & Lumberyard	Yuvraj Singh
Agape Sawmill & Lumberyard	Ganesh Lakka

Appendix 6 – Detailed audit findings

A. Indicators for Monitoring of Large Concessions

Indicator Number	Indicator	Compliance measure Summary	CAR/Observation Summary of findings	System findings
Principle 1	The Forest Sector Operator (FSO) has the legal right to harvest and respects other parties' legal user rights			
Criterion 1.1	The FSO has the legal right to harvest			
A.1.1.1	The FSO is the holder of one of the following: i) a valid Exploratory Permit ii) The FSO has a Large Forest Concession Agreement (FCA)	Satisfactory compliance	<p>Observation 2018.01: The Audit Team observed that only one FSO harvests NTFPs commercially, and was included in the sample for the Audit. This company has a TSA for demonstrating "the legal right to harvest" palm hearts (cabbages). The Audit Team questioned whether a TSA was the appropriate authorisation for the FSO to demonstrate "the legal right to harvest" NTFPs commercially. GFC explained that this was the only mechanism provided by the Forests Act, and the Audit Team confirmed from the Forest Act that was indeed the case..</p> <p>Observation 2018.02: Minor typographical errors were detected in the files for some of the agreements. These errors were of no operational significance to the functioning of the monitoring system. However, they need to be addressed as part of general good housekeeping. This is particularly important for Agreements as they are legal documents.</p>	Both desktop and field investigations indicated that FSOs were operating with the relevant Forest Concession Agreements (FCAs). Where the initial terms of agreements had expired, letters granting approval for a continuation of the agreement were sighted.
Criterion 1.2	The FSO respects other parties' legal user rights			
A.1.2.1	The FSO harvests the timber products within the boundaries of the concession.	Satisfactory compliance		Office and field investigations showed that there was no evidence of any large concession holder harvesting forest produce outside concession boundaries. There were occasional instances where harvesting of forest produce was detected outside block boundaries within concessions. GFC can demonstrate that where

				block boundary violations have occurred the systems have detected and recorded the infringement and imposed appropriate penalties.
A.1.2.2	The FSO does not prevent the traditional rights of Amerindian peoples.	Satisfactory compliance	Observation 2018.03: Section 11 of the Code of Practice for Timber Harvesting describes requirements to ensure the traditional rights of Amerindian peoples are respected. However, the Forest Management Plans do not define and describe what the applicable user rights of Amerindian peoples are in relation to the concession area, and how FSOs will demonstrate compliance. While this issue is currently included in Monitoring reports, there is at present very little site-specific information available to assist GFC's monitoring staff to verify compliance by FSOs. The Audit Team recommends that GFC's guidelines for preparing Forest Management Plans should be amended to bring them in line with the Code of Practice for Timber Harvesting. This will require FSOs to address in their Forest Management Plans, how they are going to meet the requirements of this indicator.	Interviews with an Amerindian community, as well as representatives from Amerindian organisations (both government and NGO) indicated that FSOs do not restrict the rights of Amerindian peoples to travel, harvest NTFP, hunt and fish in State forest concessions where Amerindian peoples have sought and received approval from the FSO.
A.1.2.3	The FSO does not prevent the legal user rights of other individual groups	Satisfactory compliance		The Audit Team was informed that this indicator relates to access to state forests by persons or entities other than the holder of the FCA. This includes holders of mining leases and persons accessing state forests for activities other than for commercial harvesting of forest produce. Interviews with FCA holders (both large and small) and other stakeholders (independent observers) indicated that the legal user rights of other individual groups in relation to state forests are respected.
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements			

A.2.1.1	The FSO has an Environmental Authorisation or has commenced the process to attain the authorization	Satisfactory compliance	Observation 2018.04: The Audit Team was made aware that the process for obtaining environmental authorisation can take many years. While this is reflected in the current Indicator (which recognises commencement of the process for obtaining authorisation), the Audit Team was informed that GFC plans to remove the qualification 'commenced the process to attain the authorization'. This will therefore mean that FSOs that have only applied and not been granted permits will not be compliant. Only a valid EPA environmental authorisation will be compliant. This will apply to all FSOs (large and small concession holders) as well as sawmillers (static, sawpits and mobile sawmills) and lumberyards.	<p>Audit findings were based on the 2016 Environmental Permit List provided to the GFC by the EPA (as well as documentation on concession files). As this List has not yet been updated by the EPA for 2017, no comment is made on the status of permits and applications for permits beyond 2016.</p> <p>For TSA's granted prior to 1996 when the EPA was established, FSOs are not required to hold or apply for EPA environmental and operational permits. There was evidence that FSOs applying for new permits for TSAs and WCLs have applied for EPA permits.</p>
A.2.1.2	The FSO complies with the approved Annual Allowable Cut and/or Maximum Allowable Cut	Satisfactory compliance		<p>There is a clear system in place for the calculation of AAC and MAC and communication of this information to concession holders, as well as monitoring to ensure that concession holders do not exceed the approved levels.</p> <p>Evidence was sighted that showed that no concession holders had exceeded the Maximum Allowable Cut at either the block level or across all blocks harvested in 2016.</p> <p>At present, however, reconciliation of actual harvesting against approved AAC/MAC is based on data for logs removed from the concession area and does not include jungle stock - logs that have been harvested but not yet removed from the concession area.</p> <p>It was noted that there is no AAC or MAC calculated for NTFPs such as manicole palm "cabbages". Instead, sustainability is addressed in the FMP and AOP, as well as in GFCs Performance Monitoring and Assessment Reports for such enterprises.</p>
A.2.1.3	The FSO complies with the Wood Tracking System (WTS)	Satisfactory compliance	Observation 2018.05: The Audit Team noted that the Wood Tracking System is currently designed to track timber products only. The Audit Team recommends that a similar system be developed to	Field observations and document inspections showed that FSOs comply with the various elements of the wood tracking system. This comprises the tagging of stumps and forest produce, transferring this information onto

			<p>provide comparable monitoring of NTFPs.</p> <p>Observation 2018.06: Reconciliation of tags issued, tags used and tags not used is made difficult because, for the category of tags not used, this can include:</p> <ul style="list-style-type: none"> - tags on logs not yet removed from the forest; - tags still to be used; - tags to be returned but not yet reconciled in the system (e.g. tags returned to a field station, but not yet sent on to headquarters); and - tags returned to headquarters and recorded. <p>Some discrepancies were therefore observed in the tag management records for some of the tags allocated, used and recorded as being returned, for some of the concession agreements examined. GFC procedures indicate that the cut off for the return of unused tags, as well as extraction of jungle stock is 31st December. It is important that these procedures are followed.</p>	<p>production registers and completing and submitting removal permits within the specified time period. There was evidence that this information is regularly checked by GFC staff at various points in the process. Where FSOs breach any of the requirements of the WTS, there was evidence that GFC's systems (removal permit, production register and the tag system) enable these breaches to be detected and addressed.</p> <p>A key element of the WTS is the issuance and use of tags. At present, reconciliation of tags issued, tags used and tags not used is made difficult because, for the category of tags not used, this can include:</p> <ul style="list-style-type: none"> - tags on logs not yet removed from the forest; - tags still to be used; - tags to be returned but not yet reconciled in the system (e.g. tags returned to a field station, but not yet sent on to headquarters); and - tags returned to headquarters and recorded.
A.2.1.4	The FSO has an approved forest management plan (FMP) of 3- 5 years in addition to an annual operations plan for the concession area (AOP).	Satisfactory compliance		For the eight large concessions examined all of them had Forest Management Plans and Annual Operational Plans approved by GFC, and all had submitted plans for approval prior to the commencement of the plan period.
A.2.1.5	The FSO does not harvest any restricted species without the approval of the GFC.	Satisfactory compliance		Concession agreements list restricted species. For the agreements sampled, GFC have confirmed that no letters of approval for harvesting of restricted species have been issued. The Summary of Infringements report provided by the Compounding section indicated that in 2016, across all concession holders (large and small), there were 4 infringements recorded for harvesting of protected species.
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees and royalties			

A.3.1.1	The FSO complies with the requirements for the payments of royalties and acreage fees or payment plan.	Satisfactory compliance	Observation 2018.07: There is potential to develop online payment systems for the payment of royalties, acreage fees and other GFC statutory payments, to minimise risks associated with handling large cash payments.	All records examined, both in the field and GFC headquarters, indicate good control over invoicing, payments and receipts. For companies facing short term cash flow challenges, GFC implements payment plans to clear outstanding arrears.
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B. Indicator for Monitoring of Small Concessions

Indicator Number	Indicator	Compliance measure Summary	CAR/Observation Summary of findings	System findings
Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights			
Criterion 1.1	The FSO has the legal right to harvest			
B.1.1.1	The FSO has a Small FCA.	Satisfactory compliance		All records examined for the 22 small concession holders showed that each of them had the required State Forest Concession Agreement (SFCA) in place. A visit to the Small Concessions Unit of the FRMD showed that SFCAs for small concessions due for renewal in 2018 were being processed.
Criterion 1.2	The FSO respects other parties' legal user rights			
B.1.2.1	The FSO harvests the timber products within the boundaries of the concession.	Satisfactory compliance		Office and field investigations show that there were no instances of harvesting detected outside concession boundaries for the concession 22 agreements sampled. GFC's verification of compliance for this indicator utilises two sources of data: - verification of GPS locations of stumps which is documented and submitted by FSOs in their Production Reports; and - site inspection monitoring by GFC staff. The Summary of Infringements Report produced by the Compounding Unit showed that during 2016, 22 out of 469 small concession holders were detected as having harvested forest produce outside concession boundaries. None of these infringements involved organisations within the audit sample.
B.1.2.2	The FSO does not prevent traditional rights of Amerindian peoples.	Satisfactory compliance		Evidence from interviews with an Amerindian community, as well as representatives from Amerindian organisations (both government and NGO) indicated that FSOs do not

				restrict the rights of Amerindian people to travel, harvest NTFP, hunt and fish in concessions where approval has been sought and given.
B.1.2.3	The FSO does not prevent the legal user rights of other individual groups	Satisfactory compliance		The Audit Team was informed that this indicator relates to access to state forests by persons or entities other than the holder of the FCA. This includes holders of mining leases and persons accessing state forests for activities other than for commercial harvesting of forest produce. Interviews with FCA holders (both large and small) and other stakeholders (independent observers) indicated that the legal user rights of other individual groups in relation to state forests are respected.
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements.			
B.2.1.1	The FSO has an Environment Authorization or has commence the process to attain the authorization	Satisfactory compliance	<p>Observation 2018.08: The Audit Team was made aware that the process for obtaining environmental authorisation can take many years. While this is reflected in the current Indicator (which recognises commencement of the process for obtaining authorisation), the Audit Team was informed that GFC plans to remove the qualification 'commenced the process to attain the authorization'. This will therefore mean that FSOs that have applied but not been granted permits will not be compliant. Only a valid EPA environmental authorisation will be compliant. This will apply to all FSOs (large and small concession holders) as well as sawmillers (static, sawpits and mobile sawmills) and lumberyards.</p> <p>Observation 2018.09: As part of the requirements under the Guyana/EU VPA, all small concessions currently not required to obtain environmental authorisation will need environmental authorisation from the EPA to be complaint. The large number of small concession holders (currently around 469)</p>	<p>Historically small concessions have not needed EPA approvals for forestry operations. In situations where sawmilling and lumber storage are present within the boundaries of the concession, these activities have required environmental authorisation.</p> <p>As the environmental authorisation has traditionally only applied to sawmills and lumberyards, compliance with this requirement has been evaluated at sheet E. specifically for those businesses with sawmill and lumberyard licences. No sampling is therefore applicable for the small concessions here.</p> <p>There are, however, two important considerations that do need to be described here:</p> <ul style="list-style-type: none"> - new requirements developed as part of the VPA will see the requirements for environmental authorisation currently applicable to large concessions extended to small concessions; and - the Audit Team was made aware that the process for obtaining environmental authorisation can take many years. While this is reflected in the current Indicator

			that will need environmental permits will likely present challenges to the EPA in issuing these permits in a timely manner. The Audit Team was informed that the GFC and the EPA are still discussing the practicalities of issuing environmental permits for SFPs.	(which recognises commencement of the process for obtaining authorisation), the Audit Team was informed that GFC plans to remove the qualification 'commenced the process to attain the authorization'. This will therefore mean that FSOs that have only applied and not been granted permits will not be compliant. Only a valid EPA environmental authorisation will be compliant. This will apply to all FSOs (large and small concession holders) as well as sawmillers (static, sawpits and mobile sawmills) and lumberyards.
B.2.1.2	The FSO complies with the approved quota.	Satisfactory compliance		The audit team was satisfied that the tag system provides GFC with sufficient control over AAC and MAC approved for FSOs. For all the samples examined, actual removals of forest produce were below the approved MAC and AAC.
B.2.1.3	The FSO complies with the WTS.	Satisfactory compliance	<p>Observation 2018.10: Reconciliation of tags issued, tags used and tags not used is made difficult because, for the category of tags not used, this can include:</p> <ul style="list-style-type: none"> - tags on logs not yet removed from the forest; - tags still to be used; - tags to be returned but not yet reconciled in the system (e.g. tags returned to a field station, but not yet sent on to headquarters); and - tags returned to headquarters and recorded. <p>Some discrepancies were therefore observed in the tag management records for some of the tags allocated, used and recorded as being returned, for some of the concession agreements examined. GFC procedures indicate that the cut off for the return of unused tags, as well as extraction of jungle stock is 31st December. It is important that these procedures are followed.</p>	<p>Field observations and document inspections showed that FSOs comply with the wood tracking system. Where breaches occur with the WTS, there is evidence that GFC's controls (removal permit, production register and the tag system) enable these breaches to be detected and addressed.</p> <p>A key element of the WTS is the issuance and use of tags. At present, reconciliation of tags issued, tags used and tags not used is made difficult because, for the category of tags not used, this can include:</p> <ul style="list-style-type: none"> - tags on logs not yet removed from the forest; - tags still to be used; - tags to be returned but not yet reconciled in the system (e.g. tags returned to a field station, but not yet sent on to headquarters); and - tags returned to headquarters and recorded.
B.2.1.4	The FSO does not harvest any restricted species without the approval of the GFC.	Satisfactory compliance		Concession agreements list restricted species. For the 22 Agreements sampled, production reports demonstrated that two concession holders had harvested restricted species. The Audit Team sighted letters issued by the GFC to the two concession holders for the harvest of the restricted species Bulletwood. The Summary of Infringements report provided by the

				Compounding Section indicated that in 2016, across all concession holders (large and small totalling some 493), there were 4 infringements recorded for harvesting of protected species. In the Audit Team's view, this indicates the effectiveness of the GFC's monitoring system.
Principle 3	The FSO complies with required fees and royalties			
Criterion 3.1	The FSO complies with required fees and royalties			
B.3.1.1	The FSO complies with the requirements for the payments of royalties and acreage fees or has a payment plan.	Satisfactory compliance	Observation 2018.11: The GFC should give consideration to the possibility of developing online payment systems to minimise risks associated with handling cash payments, particularly for GFC stations located outside headquarters in Georgetown. Implementation of online payment systems (for example via cell phones) would be consistent with the GFC's current digitisation of its control systems including real time data management, in preparation for issuing FLEGT licenses for forest produce when the Guyana/EU VPA is implemented.	All records examined in both the field and GFC headquarters indicate good control over invoicing, payments and receipts. For companies facing short term cash flow challenges GFC implements payment plans to help them clear payment arrears. The Audit Team verified the payment of royalties at several GFC field stations visited in Kwakwani, Soesdyke and Canje.

C. Indicators for Monitoring of Amerindian Villages and Private Lands that engage in Forestry Activities

Indicator Number	Indicator	Compliance measure Summary	CAR/Observation Summary of findings	System findings
Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights			
Criterion 1.1	The FSO has the legal right to harvest			
C.1.1.1	The VC has an absolute grant for the forest land where commercial activities are being conducted.	Satisfactory compliance		Shape Files shared between GFC and GL&SC allow GFC to verify absolute grants for Amerindian lands used for commercial timber harvesting.
	The FSO has legal title for the forest land where the commercial activities are taking place.	Satisfactory compliance		Future plans are for the VC to become the FSO. This means that the VC will be the only legal entity that is able to deal with the GFC. A list of Registered Titles from the Lands Registry is provided to GFC on request.
Criterion 1.2	The FSO respects other parties' legal user rights			
C.1.2.1	The FSO harvests the timber products within the boundaries of the area allocated by the VC or Private Land.	Satisfactory compliance.		Document examination at the GFC Headquarters in Georgetown and inspections at GFC stations during the field visits indicated that Amerindian FSOs comply with the requirement to harvest within the boundaries of the area allocated by the Village Council over which the Guyana Lands and Survey Commission has given an Absolute Grant.
C.1.2.2	The FSO does not prevent Traditional rights of Amerindian peoples.	The audit team did not see any evidence to enable it to make an assessment against this indicator.	Observation 2018.12: This requirement is redundant, and the GFC should consider removing it. This is because it is unlikely Amerindian FSOs will prevent the traditional rights of Amerindian peoples on either Amerindian lands or Amerindian SFPs.	This requirement appears redundant.
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements			

C.2.1.1	The FSO complies with the WTS requirements.	Satisfactory compliance.		Field observations and document inspections showed that Amerindian FSOs comply with the wood tracking system. Where breaches occur with the WTS there is evidence that GFC's systems (removal permit, production register and the tag system) enable these breaches to be detected and addressed.
C.2.1.2	The FSO complies with the written agreement that he/she has with the VC.	The audit team did not see any evidence to enable it to make an assessment against this indicator.		There are no such agreements in place. The monitoring team notes that this indicator has been refined for the Legal Definition going forward to note that the VC is the FSO.
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees			
C.3.1.1	The FSO complies with the requirements of the payment for Removal Permits to GFC.	Satisfactory compliance		GFC has an effective system for the collection of payments for removal permits by all FSOs, including Amerindian Villages. Implementation of this system was verified at GFC field stations.

D. Indicators for Salvage Timber Products from State Forest and State Land in Conversion

Indicator Number	Indicator	Compliance measure Summary	CAR/Observation Summary of findings	System findings
Principle 1	The FSO has the legal rights to harvest and respects other parties' legal use rights			
Criterion 1.1	The FSO has the legal right to harvest			
D.1.1.1	The FSO is the holder of: i) Lease ii) Mining permit or licence. iii) Authorisation under the Roads Act Cap 51:01 to enter upon any land and carry out works for the purposes of construction and maintenance of any roads; including the cutting and removal of timber products. iv) or authorisation under the Public Lands Act Cap 62:03 to maintain and construct on public land any roads necessary or useful for mining, woodcutting, or other purposes.	No assessment made		Currently Salvage Timber is not monitored as none enters the supply chain. However, GFC and the Ministry of Public Infrastructure are developing an MoU that would allow salvaged timber to be monitored in the future should any become available to enter the commercial supply chain. It is not possible to make an assessment against any of the indicators as salvage timber is not present in the supply chain.
D.1.1.2	The FSO has licence to construct and maintain a hydro	No assessment made		
Criterion 1.2	The FSO respects other parties' legal user rights			
D.1.2.1	The FSO harvests within the boundaries of one of the following: a. Lease b. Mining Permit and or Licence c. within an area where MPI and or Guyana Energy Agency have been duly authorised to carry out projects.	No assessment made		
D.1.2.2	The FSO does not prevent traditional use rights of Amerindian peoples.	No assessment made		
D.1.2.3	The FSO does not prevent the legal user rights of other individual groups	No assessment made		

Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements			
D.2.1.1	The FSO complies with the WTS requirements.	No assessment made		
D.2.1.2 (applicable to an FSO who complies with F.1.1.2)	The FSO has an Environmental Authorisation to construct and maintain a hydro	No assessment made		
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees, charges and levies			
D.3.1.1	The FSO complies with the requirements for the payments of fees, charges and levies	No assessment made		

E. Indicators for Processing and Sale of Timber Products

Indicator Number	Indicator	Compliance measure Summary	CAR/Observation Summary of findings	System findings
Principle 1	The FSO complies with timber processing and sales requirements			
Criterion 1.1	The FSO complies with the applicable licensing requirements			
E.1.1.1	The FSO has an Annual Operating Licence (Sawmill which includes, Saw-pit and Chain-saw)	Satisfactory compliance		The system for issuing and renewing sawmill licences is well understood by FSOs. For each of the 6 sawmills visited, FSOs were able to produce evidence of licences for 2018, or where not yet collected for 2018, the licences for 2017. GFC reports that for 2016/17, 191 applications were lodged for sawmill licences and 168 were issued. For licences applied for but not issued, GFC monitoring includes checking to ensure that FSOs are not operating without an approved licence.
E.1.1.2	The FSO has a valid Timber products dealer's licence.	Satisfactory compliance		The system for issuing and renewing timber products dealer's licences is well understood by FSOs. For each of the 3 timber dealers visited, FSOs were able to produce evidence of licences for 2018, or where not yet collected for 2018, the licences for 2017. GFC reports that for 2016/17, 18 applications were received for timber products dealer's licences and 9 were issued. For licences applied for but not issued, GFC monitoring includes checking to ensure that FSOs are not operating without an approved licence.
E.1.1.3	The FSO has a valid Lumber yard licence.	Satisfactory compliance		The system for issuing and renewing of lumberyard licences is well understood by FSOs. For each of the 3 lumberyards visited, FSOs were able to produce evidence of licences for 2018, or where not yet uplifted for 2018, the licences for 2017. GFC reports that for 2016/17, 143 applications were received for lumberyard licences and 137 were issued. For licences applied for but not issued, GFC monitoring includes checking to ensure that FSOs are not operating

				without an approved licence.
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environmental and WTS requirements			
E.2.1.1	The FSO has an Environment Authorization or has commenced the process for the authorization	Satisfactory compliance		GFC systems for checking that FSOs have or are in the process of obtaining or renewing environmental authorisation rely on information provided by the EPA on the status of EPA authorisations. The Audit Team visited 9 establishments (6 sawmills) and (3 Lumberyards) and verified that they had either received their EPA Operational Permit for the current period of operation, or had applied for the Permit and awaiting processing by the EPA. For those who had applied for permits and not yet received them, EPA receipts were sighted which provided proof of lodgement of the application.
E.2.1.2	The FSO complies with the WTS requirements.	Satisfactory compliance		WTS requirements for processing and sale of timber products include records on supplies and purchases, monthly returns of purchases and sales. The system is well understood and being followed by FSOs. For each of the sawmills and lumberyards visited, the FSOs were able to show that all applicable documentation was being kept and was up to date.
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees			
E.3.1.1	The FSO complies with the requirements for the payments of licencing fees.	Satisfactory compliance		Compliance with licencing fee requirements is demonstrated by the presence of a valid licence, which also shows the amount paid as well as the applicable receipt numbers. All licences inspected showed the amount paid and the number of the applicable receipt.

F. Indicators for Export of Forest Products

Indicator number	Indicator	Compliance measure Summary	CAR/Observation Summary of findings	System findings
Principle 1	The FSO complies with timber products export and import requirements			
Criterion 1.1	The FSO complies with export requirements and with the WTS			
F.1.1.1	The FSO has a valid licence or an FCA to export timber products.	Satisfactory compliance		In 2016 there were 149 FSOs that exported forest produce from Guyana. Document inspections included 5 FSOs that were verified as either sawmill licence holders and/or lumberyard licence holders.
F.1.1.2	The FSO has an Export Certificate.	Satisfactory compliance	Observation 2018.13: It is recommended that the title for the form for applying for an Export Certificate should be changed to "Application for Export Certificate." rather than "Application for Export Certification."	Export certificates are obtained for each and every consignment or batch of forest produce to be exported. Records relating to an export consignment from each of the 5 exporting companies sampled were inspected and confirmed that a valid export certificate was in place for every export made.
F.1.1.3	The FSO complies with the WTS requirements	Satisfactory compliance		WTS requirements for exports include various documents. The Audit Team was informed that the most important of these from a WTS perspective is the Application for Export of Forest Produce (and the attached documentation), but it also includes the Timber Marketing Certificate, the Timber Export Certificate and the Commercial Invoice. Records kept by GFC demonstrated that for the sample of exporting companies and export consignments examined, the complete suite of documents had been correctly lodged and filed.
F.1.1.4	The FSO complies with the requirements for the payments of: I) applicable fees (export levies); and II) export taxes	Satisfactory compliance	Observation 2018.14: The Audit Team confirmed that FSOs pay export levies, which are levies on the export of logs paid to the GFC. However, it was not possible to verify FSOs' payment of export taxes (which is paid annually at 2% of the total value of exports) to the Guyana Revenue Authority (GRA). The Audit Team was informed that export	The Audit Team verified that all five companies sampled had duly complied with the GFC requirements relating to the export of forest produce, including the payment of export levies (export commission). The Commercial Invoice recorded the amount of the export levy paid and the applicable receipt number. The Commercial Invoice is not embossed with the GFC seal (which is proof of the

			taxes paid to the GRA are paid annually. FSOs have until 30th April of the following year to pay export taxes. This would present challenges for the GFC when issuing FLEGT licenses as this legal requirement would not be able to be verified at the time a consignment or a batch of forest produce is exported. The Audit Team was informed that the payment of export taxes has been agreed as part of the Legality Definition for the VPA.	authenticity of the documents) until payment has been completed.
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Appendix 7 – Terms of reference

Guyana Forestry Commission

Invitation for Proposals

Invitation is open to both commercial and non commercial entities/organizations/bodies

Independent Forest Monitoring in Guyana – Phase 2

Terms of reference and background information

10th October, 2017

1.0 Background /Context

One of the main focal areas of Guyana Forestry Commission's (GFC) work has been on forest law enforcement and legality. This has been due not only to the legal requirements as set out in the Forest Act, but also to a recognition of the importance of legality in ensuring that the proceeds from forest resources utilization flow to the right beneficiaries, preventing unfair competition between illegal and legal produce, maintaining a low rate of deforestation and forest degradation, ensuring sustainable development of forest dependent communities, and mitigating against climate change in a REDD+ framework.

A Programme of work has been coordinated by the GFC, with support from its partners including, the Forest Products Development and Marketing Council, the Forestry Training Centre Inc. and private sector counterparts. Over the period 2010 to 2017, several advancements have been made on forest legality. The Programme of Independent Forest Monitoring (IFM) commenced in Guyana in 2011 with an initial scoping to evaluate the national forest monitoring system and its implementation in preparation for the MRVS Year 1 audit of forest monitoring in Guyana. Following this scoping exercise, two Independent Forest Monitoring Audits were conducted- the first in 2013 and the second in 2014. Corrective actions and follow up requests were monitored and implemented by the GFC where necessary. In each follow on audit, checks were made that the measures of improvement are institutionalized with the existing structures.

A Terms of Reference (TOR) for IFM was agreed between the Government of Guyana and the Kingdom of Norway in 2010, as part of the REDD+ Governance programme of work under the Bilateral Cooperation agreement on Climate and Forests. This TOR outlines the principles, criteria and indicators for monitoring and will be used as the base for the third and fourth assessments, with refinements. These refinements will reflect the result of lessons learnt from implementation of the Years 1 and 2 audits, as well as progress on the EU Forest Law Enforcement Governance and Trade (FLEGT) process in Guyana. It is envisaged that by end of 2017, the Voluntary Partnership Agreement under EU FLEGT will be agreed on and will pave the way for the implementation phase and eventual issuance of licenses. Once licensing commences, the EU FLEGT process will integrate its audit function referred to as Independent Audit. At this time, IFM audits would have concluded two phases (two audits under the first phase which have already been completed) and two audits planned for this second Phase. The approaches taken under IFM in terms of field audits and stakeholder engagement, the addressing of major corrective actions, minor corrective actions, and recommendations and remaining gaps, will inform the execution of Independent Audit from a process perspective as well as technical aspects. Based on the TOR, monitoring assessments will be conducted within a maximum of two year intervals¹. As such, this proposal outlines the programme of work to be executed for the 2016 and 2018 audits under IFM.

IFM forms part of the Commission's ongoing efforts to continually improve forest law enforcement and legality as a whole, in the sector. Concurrently, efforts have been undertaken in other activity areas, to also contribute to ensuring that legality is maintained at a high level. These include: the implementation of a Code of Practice for Harvesting Operations, a national log tagging and tracking system, as well as concession level and environmental monitoring through the GFC's Head office along complemented with a number of field monitoring and mobile stations.

IFM will draw on the work which would have been done in Guyana, and will allow for a mechanism for assessment of illegality in the forest sector. It will cover all significant drivers of

¹ It should be noted that because of the execution of the scoping exercise in 2011, given that this was the initiation of the process, this resulted in the first two audits being implemented in consecutive years (2012 and 2014). The intention of IFM however, is to be done in 2 year intervals.

deforestation and forest degradation in Guyana and thus, has direct links to a REDD+ monitoring programme. It will serve as a national system of legality assessment at the broader country level, that essentially address relevant drivers of forest change that are linked to forest legality/illegality, and will provide a system that can be recognized across all regions.

IFM will be implemented in the State Forest Estate, Amerindian Villages and private lands engaged in forestry activities.

2.0 Objective and Purpose of Independent Forest Monitoring (IFM)

2.1 Objective of IFM

Independent Forest Monitoring (IFM) is the use of an independent third party that, by agreement with state authorities, provides an assessment of legal compliance, and observation of and guidance on official forest law enforcement systems. IFM presents a unique approach to assessing and strengthening legal compliance in the forest sector.

The specific objective of the IFM audit is to provide stakeholders with a professional and independent evaluation of Guyana's official forest law enforcement systems, the implementation thereof and legal compliance by stakeholders as evaluated using the specified Criteria for Monitoring.

IFM is designed and implemented in such a way to be reflective of the national and local country situation and dynamics of the forest sector and natural resources management, whilst at the same time, keeping with general international standards for such monitoring systems. It also focuses on relevant drivers of deforestation and forest degradation that are related to forest legality.

This ToR is jointly agreed to between Guyana and Norway. It is an essential part of the process of preparing for IFM and is crucial in delineating exactly what will be monitored, what information is required, how quality will be assured, and what protocols will govern validation and publication of findings. The principal activity of IFM entails field investigations by which independent monitoring observe and document activity, legal and illegal, in the forest and through the trade.²

Global Witness, in their Guide to Independent Forest Monitoring, outlines the points where such monitoring might occur:

- The initial allocation of the full range of timber and other permits
- The management of forestry operations and harvesting activities
- The subsequent processing and trade in forest products
- The collection and distribution of taxes, fines and other payments

IFM is designed and implemented in such a way that it is reflective of the national and local country situation and dynamics of the forest sector and natural resources management, whilst at the same time, in keeping with general international standards for such monitoring systems. It will focus on relevant drivers of deforestation and forest degradation that are related to forest legality.

A set of minimum standards, for the inclusion in the agreement between the monitor and the host institution in the country include:

² Global Witness. A Guide to Independent Forest Monitoring

- The monitor has the right of access to relevant information held by the forest authority and other relevant ministries/authorities,
- The monitor has the right of movement and access to any part of the country to carry out Control Missions in accordance with GoG legislation.
- A multi stakeholder Reporting Panel (ref. para.4.3) should be established to peer review reports and act as intermediary between the monitor and stakeholders.
- The Monitor submits a draft report to the GFC for comments and validation by the multi stakeholder Reporting Panel. The Monitor is required to revise the draft report in accordance with comments received or reflect these comments in the final report in instances of disagreement.
- Once revised, the final reports must be published by the Monitor, and may also be published by the host organization.
- The Reporting Panel has the right to publish reports as soon as they are finalized. Final reports should be published within 45 days of submission of the report by the Monitor.
- The GFC will compile a report on IFM related corrective actions taken and make available such report to the Monitor. This report shall include an account of the discussions and associated timeline for corrective action implementation.

The IFM-process in Guyana will comply with these standards.

2.2 Purpose of IFM Phase 2

Phase 2 of IFM aims at assessing the validity, reliability and effectiveness of GFC's monitoring and enforcement systems in assuring that stated purposes are fulfilled against a framework of accepted/agreed and recognized quality standards. These standards included certain principles, criteria and indicators. The audits under this second phase of IFM should consider the findings of the first phase which consisted of a scoping audit and two assessment audits, and which concluded in various corrective actions and recommendations as well as system improvements. These should inform the audit plans for the second phase, as well as the field assessments, and the written reports.

It should be noted that IFM is an audit and evaluation of the identified GFC monitoring systems and not a certification audit or part of any accredited certification system.

IFM will be applied to logs (including Roundwood – Piles, Poles and Posts) and lumber. It covers all stages of the chain of custody as it relates to logs and lumber, namely: harvesting, transportation, processing, and export. The Scope of IFM will therefore include small and large forest concessions, as well as activity at the level of licence holders for sawmills and export. The Components of IFM shall include Principles, Criteria and Indicators (PCIs) that are reflective of the requirements of each stage of the process from harvest to export (called chain of custody) including annual and management plans, licenses for sawmills, transportation of forest produce, and export. This is intended to therefore include pre approval for harvesting, harvesting, transportation, local processing and export.

The Third and Fourth audits will be conducted for assessment year 2016 and 2018. Emphasis will be placed in circulating widely the relevant information, including audit reports from these assessments.

3.0 Stakeholders

3.1 Stakeholders Involvement

The Terms of Reference for IFM Phase 2 is based on the initial terms of reference developed for Phase 1 of the IFM process and updated following the advancements under Guyana's EU FLEGT process whereby a national consultative approach was undertaken to develop the Definition of Legality. This saw the involvement of a wide cross section of stakeholders and the execution of field assessments to inform the updated Principle, Criteria and Indicators.

3.2 The Guyana Forestry Commission

The GFC is a semi-autonomous organization formed in 1979 with a legal mandate to manage and control the utilization of the State Forest Estate. Its main role is to ensure the sustainable utilization of the State Forest Estate in keeping with sustainable forest management principles and guidelines. The GFC also has a development mandate to ensure that there is a balance among the pillars social, economic and environmental development. The Forest Act 2009, outlines these pillars and outlines key legislative requirements for the Commission work.

The GFC has, over the past decades, undergone rapid development in the implementation of sustainable forest management, legality, and environmental standards. It has also expanded its geographical scope to a number of field and mobile stations, and has a total staff complement of 420 employees. Of more recent, are the modern and dynamic forest legislation and suite of Forest Management policies, guidelines and practices that guide the operation of the Commission that have been developed, with many of these already successfully implemented. The GFC also has a strong community forest program through which it extends implementation of sustainable forest management practices and overall development support, at the community level.

The Guyana Forestry Commission has been identified as the lead agency for this initiative and will work in close collaboration with the Office of Climate Change on areas of REDD+.

4.0 Scope and Focus/Methodology of Phase 2 of IFM

The initial activity in the execution of IFM Phase 2 will be the conducting of an assessment for year 2016 based on the Principle Criteria and Indicators outlined below. The audits under this second phase of IFM should consider the findings of the first phase which consisted of a scoping audit and two assessment audits, and which concluded in various corrective actions and recommendations as well as system improvements. The follow up audit will be conducted in 2018. IFM visits will be planned by the Monitor and done in consultation with the GFC.

4.1 Criteria for Monitoring

The outline below defines the main areas that will be subject to Independent Forest Monitoring:

A. Indicators for Monitoring of Large Concessions³

Principle 1	The Forest Sector Operator (FSO) has the legal right to harvest and respects other parties' legal user rights	
Criterion 1.1	The FSO has the legal right to harvest	
Indicator Number	Indicator	Verifiers
A.1.1.1	The FSO is the holder of one of the following: i) a valid Exploratory Permit ii) The FSO has a Large Forest Concession Agreement (FCA)	The FSO has one of the following verifiers: i) Exploratory Permit GFC (FRMD) ii) FCA GFC (FRMD – Forest Resources Management Div.)
Criterion 1.2	The FSO respects other parties' legal user rights	
Indicator Number	Indicator	Verifiers
A.1.2.1	The FSO harvests the timber products within the boundaries of the concession.	FMD Inspection Report GFC (FMD – Forest Monitoring Div.)
A.1.2.2	The FSO does not prevent the traditional rights of Amerindian peoples.	FMD Inspection Report GFC (FMD)
A.1.2.3	The FSO does not prevent the legal user rights of other individual groups	FMD Inspection Report GFC (FMD)
Principle 2	The FSO complies with the forest operation obligations	
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements	
Indicator Number	Indicator	Verifiers
A.2.1.1	The FSO has an Environmental Authorisation or has commenced the process to attain the authorization	One of the following verifiers: i) Environmental Permit ii) Operational Permit III) EPA Receipt

³ Large concessions (areas larger than 8097 hectares) must have a State Forest Authorization - Timber Sales Agreement (SFA-TSAs) or State Forest Authorization - Wood Cutting Lease (SFA-WCLs) or an Exploratory Permit (EP) granted by the GFC

A.2.1.2	The FSO complies with the approved Annual Allowable Cut and/or Maximum Allowable Cut	Tag Management Report GFC (FMD)
A.2.1.3	The FSO complies with the Wood Tracking System (WTS)	FMD Inspection Report GFC (FMD)
A.2.1.4	The FSO has an approved forest management plan (FMP) of 3- 5 years in addition to an annual operations plan for the concession area (AOP).	Both of the following verifiers: i) FMP GFC (FRMD) ii) AOP GFC (FRMD)
A.2.1.5	The FSO does not harvest any restricted species without the approval of the GFC.	GFC Approval Letter GFC (FMD)
Principle 3	The FSO complies with its fiscal and social obligations	
Criterion 3.1	The FSO complies with required fees and royalties	
Indicator Number	Indicator	Verifiers
A.3.1.1	The FSO complies with the requirements for the payments of royalties and acreage fees or payment plan.	One of the following verifiers: i) Receipts on the payment schedules GFC (Finance Dep.) ii) Receipts for full payments GFC (FD)

B. Indicator for Monitoring of Small Concessions⁴

Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights	
Criterion 1.1	The FSO has the legal right to harvest	
Indicator Number	Indicator	Verifiers
B.1.1.1	The FSO has a Small FCA.	FCA GFC (FRMD)
Criterion 1.2	The FSO respects other parties' legal user rights	
B.1.2.1	The FSO harvests the timber products within the boundaries of the concession.	FMD Inspection Report GFC (FMD)
B.1.2.2	The FSO does not prevent traditional rights of Amerindian peoples.	FMD Inspection Report GFC (FMD)
B.1.2.3	The FSO does not prevent the legal user rights of other individual groups	FMD Inspection Report GFC (FMD)
Principle 2	The FSO complies with the forest operation obligations	
Criterion 2.1	<i>The FSO complies with forest management, environment and WTS requirements.</i>	
Indicator Number	Indicator	Verifiers
B.2.1.1	The FSO has an Environment Authorization or has commence the process to attain the authorization	Operational Permit (EPA), EPA Receipt
B.2.1.2	The FSO complies with the approved quota.	Tag Management Report GFC (FMD)
B.2.1.3	The FSO complies with the WTS.	FMD Inspection Report GFC (FMD)
B.2.1.4	The FSO does not harvest any restricted without the approval of the GFC.	GFC Approval Letter GFC (FMD)
Principle 3	The FSO complies with its fiscal and social obligations	
Criterion 3.1	<i>The FSO complies with required fees and royalties</i>	
Indicator Number	Indicator	Verifiers
B.3.1.1	The FSO complies with the requirements for the payments of royalties and acreage fees or has a payment plan.	One of the following two verifiers; i) Receipts on the payment Schedules GFC(FD) ii) Receipts for full payments GFC (FD)

⁴ Small concessions (areas which are 8097 hectares or less) must have a State Forest Authorization - State Forest Permit (SFA-SFP) granted by the GFC. This also includes Community Forest Management Agreements (CFMA).

C. Indicators for Monitoring of Amerindian Villages and Private Lands that engage in Forestry Activities

Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights	
Criterion 1.1	The FSO has the legal right to harvest	
Indicator Number	Indicator	Verifiers
C.1.1.1	<p>The VC has an absolute grant for the forest land where commercial activities are being conducted.</p> <p>The FSO has legal title for the forest land where the commercial activities are taking place.</p>	<p>Absolute Grant (GL&SC)</p> <p><i>One of the following verifiers for Private Lands::</i></p> <p><i>i)Registered title (Land Registry)</i> <i>ii)Transport (Deeds and Commercial Registries Authorities Deeds Registry)</i> <i>iii)Absolute grantor Provisional title (GL&SC)</i></p>
Criterion 1.2	The FSO respects other parties' legal user rights	
C.1.2.1	The FSO harvests the timber products within the boundaries of the area allocated by the VC or Private Land.	Inspection Report(at the discretion of the VC) (VC)/GFC (FMD)
C.1.2.2	The FSO does not prevent Traditional rights of Amerindian peoples.	Inspection Report(at the discretion of the VC) (VC)/GFC (FMD)
Principle 2	The FSO complies with the forest operation obligations	
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements	
Indicator Number	Indicator	Verifiers
C.2.1.1	The FSO complies with the WTS requirements.	FMD Inspection Report GFC (FMD)
C.2.1.2	The FSO complies with the written agreement that he/she has with the VC.	ii)Written report (VC)
Principle 3	The FSO complies with its fiscal and social obligations	
Criterion 3.1	The FSO complies with required fees	
Indicator Number	Indicator	Verifiers
C.3.1.1	The FSO complies with the requirements of the payment for Removal Permits to GFC.	Receipts for Removal Permit GFC (FMD)

D. Indicators for Salvage Timber Products from State Forest and State Land in Conversion⁵

Principle 1	The FSO has the legal rights to harvest and respects other parties' legal use rights	
Criterion 1.1	The FSO has the legal right to harvest	
Indicator Number	Indicator	Verifier (Responsible Agency)
D.1.1.1	<p>The FSO is the holder of:</p> <p>i) Lease</p> <p>ii) Mining permit or licence.</p> <p>iii) Authorisation under the <u>Roads Act Cap 51:01</u> to enter upon any land and carry out works for the purposes of construction and maintenance of any roads; including the cutting and removal of timber products.</p> <p>iv) or authorisation under the Public Lands Act Cap 62:03 to maintain and construct on public land any roads necessary or useful for mining, woodcutting, or other purposes.</p>	<p>One of the following verifiers;</p> <p>i) Lease GFC (FRMD) and GLSC</p> <p>ii) Mining permit/licence GFC (FRMD) and GGMC</p> <p>iii and iv) Approval letter from Ministry of Public Infrastructure (MPI)</p> <p>iv) Approval letter from Ministry of Public Infrastructure (MPI)</p>
D.1.1.2	The FSO has licence to construct and maintain a hydro	Hydro Licence (Ministry of Energy)
Criterion 1.2	The FSO respects other parties' legal user rights	
D.1.2.1	<p>The FSO harvests within the boundaries of one of the following:</p> <p>a. Lease</p> <p>b. Mining Permit and or Licence</p> <p>c. within an area where MPI and or Guyana Energy Agency have been duly authorised to carry out projects.</p>	FMD Inspection Report GFC(FMD)
D.1.2.2	The FSO does not prevent traditional use rights of Amerindian peoples.	FMD Inspection Report GFC(FMD)
D.1.2.3	The FSO does not prevent the legal user rights of other individual groups	FMD Inspection Report GFC (FMD)
Principle 2	The FSO complies with the forest operation obligations	

⁵ **Salvaged Timber products** – refers to timber products that have been legally harvested with the relevant authorizations such as a mining license or permit, lease and infrastructure approval.

Criterion 2.1	The FSO complies with forest management, environment and WTS requirements	
Indicator Number	Indicator	Verifier (Responsible Agency)
D.2.1.1	The FSO complies with the WTS requirements.	FMD Inspection Report GFC(FMD)
D.2.1.2 (applicable to an FSO who complies with F.1.1.2)	The FSO has an Environmental Authorisation to construct and maintain a hydro	Operational Permit (EPA)
Principle 3	The FSO complies with its fiscal and social obligations	
Criterion 3.1	The FSO complies with required fees, charges and levies	
Indicator number	Indicator	Verifier
D.3.1.1	The FSO complies with the requirements for the payments of fees, charges and levies	One of the following two verifiers; i) Receipts on the payment Schedules GFC(FD) ii) Receipts for full payments GFC(FD)

E. Indicators for Processing and Sale of Timber Products

Principle 1	The FSO complies with timber processing and sales requirements	
Criterion 1.1	The FSO complies with the applicable licensing requirements	
Indicator number	Indicator	Verifiers
E.1.1.1	The FSO has an Annual Operating Licence (Sawmill ⁶ which includes, Saw-pit ⁷ and Chain-saw ⁸)	Annual Operating Licence GFC(FMD)
E.1.1.2	The FSO has a valid Timber products dealer's licence.	Forest Producer Dealer's licence GFC(FMD)
E.1.1.3	The FSO has a valid Lumber yard licence.	Lumberyard licence GFC(FMD)
Principle 2	The FSO complies with the forest operation obligations	
Criterion 2.1	The FSO complies with forest management, environmental and WTS requirements	
Indicator number	Indicator	Verifiers
E.2.1.1	The FSO has an Environment Authorization or has commenced the process for the authorization	Operational Permit (EPA), EPA Receipt
E.2.1.2	The FSO complies with the WTS requirements.	FMD Inspection Report GFC (FMD)
Principle 3	The FSO complies with its fiscal and social obligations	
Criterion 3. 1	The FSO complies with required fees	
Indicator number	Indicator	Verifiers
E.3.1.1	The FSO complies with the requirements for the payments of licencing fees.	One of the following two verifiers; i) Receipts on the payment Schedules GFC(FD) ii) Receipts for full payments GFC(FD)

⁶ Sawmill: as defined by the Forest Act cap. 67:01 means a mill design and use to break down and convert logs or cants into boards, planks, scantlings or wood products suitable for further processing and includes a sawpit.

⁷ Sawpit: as defined by the Forest Act cap. 67:01 means any area or pit made to facilitate the operation of a pit saw by manual labour.

⁸ Chainsaw: the term is not defined in the Forest Act Cap. 67:01. It is a small motor consisting of a driven saw with teeth revolving chain, used mainly to fell trees and also for converting log to lumber, planks or squares.

F. Indicators for Export of Forest Products

Principle 1	The FSO complies with timber products export and import requirements	
Criterion 1.1	The FSO complies with export requirements and with the WTS	
Indicator number	Indicator	Verifiers
F.1.1.1	The FSO has a valid licence or an FCA to export timber products.	One of the following verifiers: i) Annual Operating Licence GFC (FMD) ii) Timber products Dealer's Licence GFC (FMD) iii) Lumber yard Licence GFC (FMD) iv) FCA GFC (FMD)
F.1.1.2	The FSO has an Export Certificate.	Export Certificate GFC (FMD)
F.1.1.3	The FSO complies with the WTS requirements	FMD Inspection Report GFC (FMD)
F.1.1.4	The FSO complies with the requirements for the payments of: I) applicable fees (export levies); II) export taxes; and/or	I) Receipts GFC(FD) II) Receipts (RA) III) Receipts GFC(FD)

4.2 The Monitor/Auditor

The Monitor's Report will include a summary of all field and other visits held during the mission.

The report shall not be released prior to its submission to, and feedback from the Reporting Panel. It is expected that feedback which is justified and appropriate will be integrated into a revised report prior to public release by the Monitor. The Monitor's report should document its findings and sources of information otherwise it can be excluded from the Report. The distribution and publication rights of the Monitoring Report and any Scoping Mission report is held by the GFC and its partners including CI and NICFI, which is mandated to release all such report, once validated.

The Monitor's report is expected to work strictly according to the criteria for monitoring outlined in Section 4.1 above. Any changes in the criteria must first be approved by the Reporting Panel. The report is required to be presented in a consistent layout. The structure of the report in the form of a Table of Contents is to be approved by the Reporting Panel. All background materials on the monitoring activities are to be retained.

4.3 The multi stakeholder Reporting Panel

A Reporting Panel will be established to review and validate the findings of the Monitor.

The following are the Reporting Panel procedures that will be followed:

1. The Panel will comprise of the GFC, Forest Products Association, the Forestry Training Centre Inc., the Forest Products Development and Marketing Council, the National Toshao's Council, one representative from the indigenous peoples, Guyana Lands and Surveys Commission, Guyana Geology and Mines Commission, the Guyana Manufacturing and Services Association, WWF, and the Environmental Protection Agency. The entities identified above will each hold one seat on the Panel. This Panel will be chaired by the GFC.
2. The Panel shall meet at least once quarterly, and more frequently as the need arises to conduct activities, as required.
3. Each Monitor's report is required to be submitted to the Panel first for review. The GFC will not be allowed to publish findings without the validation of the reporting panel.
4. In the deliberations within the Panel, each member will have an equal right to represent their stakeholder constituency. The Monitor will be given the opportunity to justify the contents of the report.
5. Minutes will be taken of each session, written up within one week of the meeting, and approved by the chairperson prior to circulation to members within two weeks following the Panel Meeting.
6. Within three weeks of the completion of a mission visit, a Mission report is required to be submitted to the Reporting Panel.
7. The Panel shall meet in a timely manner to review the report and provide recommendations, and comments to the Monitor.
8. The Monitor is required to revise the report taking into account the recommendations of the Panel or reflect these comments in the final report in instances of disagreement. The

Panel should not change any reported fact or recommendation directly supported by reported facts.

9. The GFC is required to make public all validated reports. Final reports should be published within 45 days of submission of Report by the Monitor.
10. The Monitor shall not, during or after the termination of the Contract, disclose to any third party any information arising from the Contract, except with the prior written permission of the Guyana Forestry Commission.
11. Only the Panel can make modifications to the criteria for monitoring outlined in 4.1.

5. Nature of Independent Forest Monitoring Services Required

The GFC requires the services of an Independent Forest Monitor to conduct monitoring activities on criteria outlined in Section 4.1. The contract that will be issued will be for two assessment audits – audit of 2016 and audit of 2018. The Guyana Forestry Commission will have the option to extend the contract period for another assessment year following the two assessment years provided for. The engagement of the Monitor thereafter, will again undergo another formal procurement process.

The objective of the initiative is to provide an assessment of legal compliance, and observation of and guidance on official forest law enforcement systems. The Monitor will therefore focus its efforts on forest activities conducted by different groups/types of stakeholders and concession holders, and various drivers of forest cover change as shown by historic and newly developing trends. An Audit Plan will be required to be produced by the Monitor and submitted to the GFC for consideration by the Reporting Panel prior to the start of each audit. Following approval of this Plan, the audit shall commence and shall be guided by the Plan.

Proponents are invited to provide indicative budget estimates for activities outlined in the Terms of Reference, categorized by cost and activity heads. The successful candidate will be required to communicate regularly with the Guyana Forestry Commission and may also need to make themselves available for further discussions and possible interview.

6. Reporting

The Consultant will be reporting to the Guyana Forestry Commission. All reports and communication are to be directed to the GFC. The GFC, as Chair of the Reporting Panel, will coordinate all communication within this Panel.

The structure of the main Report in the form of a Table of Contents is to be approved by the Reporting Panel. All background materials on the monitoring activities are to be retained.

Within three weeks of the completion of a mission visit, a Mission report is required to be submitted to the Reporting Panel.

The Monitor will revise the report in accordance with the recommendations of the Panel and submit the revised report for the Panel's approval.

6.1 Products/deliverables

The following are the main deliverables and products of the engagement:

ACTIVITY 6.1.1 Develop audit plan using the specified Criteria for Monitoring for the Third (2016) and Fourth (2018):

- Audit plan drafted and circulated to GFC
- Feedback provided and integrated in Plan.

ACTIVITY 6.1.2 Execute field activities within the specific scope in the Third and Fourth Assessments:

- Conduct Field Assessment on IFM Principles, Criteria and Indicators.
- Consolidate Findings based on Assessment

ACTIVITY 6.1.3 Develop draft audit findings report (2016 and 2018)

ACTIVITY 6.1.4 Finalize audit report (2016, 2018)

Dates of Submission to be determined by Start dates.

The reports should contain the following:⁹

- o The unique reference number of the report
- o Details on date and mission type
- o Details of IFM team members
- o Details on checks done
- o Resources used in assessment
- o Details of findings including the level and type of inspections carried out
- o Analysis of any observed activities and discussion of legal implications leading to clear and objective conclusions
- o Assessment of the level of representativeness of findings from a systemic level
- o An outline of constraints that impacted on the mission
- o Overview of measures taken by the GFC during the mission.
- o Recommendations and follow up actions agreed with between the Monitor and the GFC.
- o Annex containing copies of relevant documents.

7. The Monitor's Profile

The Monitor is expected to be a team of persons or a Firm and comprising of at least three persons (Legal Specialist, Social Specialist, and Forestry Specialist) with least an advanced degree in Forestry/Forest Management/ Forest Policy, Forest/Environmental Law, Natural Resources Management, or related field, with extensive experience in forest monitoring and assessment of legal compliance and in monitoring these across all drivers of deforestation and forest degradation. Familiarity with issues relating or relevant to forestry in Guyana would be an added advantage.

Candidate must possess excellent oral and written English communication skills. Candidate must possess a demonstrated ability to work with a range of stakeholders and in relating monitoring activities to the appropriateness of different country environments.

The procurement process is open for all institutions with relevant capacities, including not-for-profit and academic and research institutions

⁹ List developed was done with reference to the Mission Report Checklist of Global Witness: A Guide to Independent Forest Monitoring.

8. Application Process

Interested organizations or institutions should:

- Submit a 5-10 page project proposal no later than 10th November, 2017.
- Proposals should be addressed to:

Mr. James Singh
Commissioner of Forests
Guyana Forestry Commission
1 Water Street, Kingston, Georgetown, Guyana, South America.

Or can be emailed to: project.coordinator@forestry.gov.gy and copied to commissioner@forestry.gov.gy

Proposals will be evaluated by the GFC Procurement Committee, and the selected Monitor subject to no objection by Conservation International Guyana (Project Oversight) and NICFI (Financing Partner)¹⁰. Following completion of the contracting process, the Monitor will report to the GFC on technical, financial and administrative matters.

The Proposal should specifically cover:

- Proposed methodology to undertake the services as specified in this TOR
- The fees and business conditions associated with the implementation of the services as specified in this TOR
- Timeline
- The team undertaking the work (if such is the case)
- In an appendix, the experience/resources you would bring to the project. Applicants are expected to provide named references with proven implementation and business experience in the terms of reference outlined. This appendix should cover your organization's previous work experience, as well as work relating to this area.
- Proposals must be submitted in English and costs must be quoted in US dollars. Cost should be separated by Fees and Field Cost, and any other Cost such as travel, and incidentals.

Some of the Assessment Criteria for the proposals include:

- Technical strength and credibility of proposal in meeting required generally accepted international guidelines and standards.
- Experience of the Provider in independent forest monitoring and in initiatives with tropical forested countries.
- Cost Considerations and efficiency of approach
- Assessment of quality assurance proposal

DEADLINE: Proposals should be received no later than the close of business on 10th November, 2017. Project commencement is expected to start by the last week of November, 2017.

¹⁰ NICFI – Norway's International Climate and Forest Initiative.