

Guyana-European Union Joint Implementation Framework (JIF)

Guide for the implementation of the

Forest Law Enforcement Governance
and Trade Voluntary Partnership
Agreement (FLEGT-VPA)

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For the Pre-Joint Monitoring and Review Committee

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List of abbreviations

List of Acronyms

ALTP	Amerindian Land Titling Project
ASYCUDA	Automated System for Customs Data
CETO	Customs Excise and Trade Operations
CFA	Community Forest Association
CID	Central Information Database
CR	Commercial Registry
CS	Cooperative Society
DFID	Department for International Development
EC	European Commission
EFI	EU FLEGT Facility, European Forest Institute
EU	European Union
EUDEL	Delegation of the EU in Georgetown, Guyana
FAO	Food and Agriculture Organisation
FD	Finance Department
FGMC	Forest Governance Markets and Climate (DFID) programme
FLEGT	Forest Law Enforcement Governance and Trade
FPA	Forest Products Association
FPDMC	Forest Products Marketing & Development Council
FRMD	Forest Resource Management Division
FSC	Forest Stewardship Council
FSO	Forest Sector Operators
GCB	Government Coordination Body
GFC	Guyana Forestry Commission
GGMC	Guyana Geology and Mines Commission
GIF	Guyana Implementation Framework
GL&SC	Guyana Lands and Survey's Commission
GMSA	Guyana Manufacturing and Services Association Ltd.
GoG	Government of Guyana
GRA	Guyana Revenue Authority
GRM	Grievance & Redress Mechanism
GSDS	Green State Development Strategy
GTLAS	Guyana Timber Legality Assurance System
IFM	Independent Forest Monitoring (under REDD+)
JIF	Joint (Guyana-EU) Implementation Framework
JMRC	Joint Monitoring & Review Committee
IA	Independent Auditor
IAU	Internal Audit Unit
MIPA	Ministry of Indigenous Peoples Affairs
MISU	Management Information Systems Unit
MNR	Ministry of Natural Resources
MoF	Ministry of Finance
MoU	Memorandum of understanding
MSP	Ministry of Social protection
NIS	National Insurance System
NIWG	National Implementation Working Group
NPPO	National Plant Protection Organization
NPTAB	National Procurement Tender Administrative Board
NTC	National Toshi's Council
PEFC	Programme for the Endorsement of Forest Certification
PM&E	Planning Monitoring and Evaluation
REDD	Reduced Emissions from Deforestation and Forest Degradation
SLA	Small Loggers Associations
SME	Small Medium Sized Enterprises
ST	Strategic Task
TLTU	Timber Legality and Trade Unit
ToC	Theory of Change
ToR	Terms of Reference
TA	Technical Assistance
VPA	Voluntary Partnership Agreement
WCMC	Wildlife Conservation and Management Commission
WTS	Wood Tracking System

1. Introduction

1.1 Background

The Cooperative Republic of Guyana (Guyana) formally commenced negotiations with the European Union on the Forest Law Enforcement Governance and Trade Voluntary Partnership Agreement (FLEGT VPA) process in December 2012. The policy decision to commence negotiations on the FLEGT VPA was taken after a series of consultations with key internal and external stakeholders. Noteworthy is the fact that Guyana's reasons for entering a VPA exceeds the provision of a greater market share in Europe, which the issuing of FLEGT licenses would create. Improved governance, improved systems of tracking and tracing timber and timber products, improving the country's image as a producer of legal timber and improved product development and marketing are a few of the other main reasons. Guyana and the European Union (EU) initialled the FLEGT VPA in November 2018.

The contents of the Guyana-EU VPA are listed in Box 1.

Box 1: Contents of Guyana – EU VPA

Legal Text (the Agreement)

Annex I: Product Coverage: The Harmonised Commodity Codes for timber products covered under the FLEGT Licensing Scheme

Annex II: Legality Definition (LD)

Glossary

Appendix: Applicable legal references

Annex III: Conditions governing the release for free circulation in the Union of timber products exported from Guyana and covered by a FLEGT License

Annex IV: Requirements and technical specifications for FLEGT Licences

Appendix 1

Template 1: Format of the FLEGT Licence

Template 2: Additional information for complex shipments

Annex V: Guyana Timber Legality Assurance System (GTLAS)

Appendix 1: Summary of the Critical Control Points within the supply Chain and the Documents and Evidence Establishing Legality

Annex VI: Terms of Reference for the Independent Audit of the GTLAS

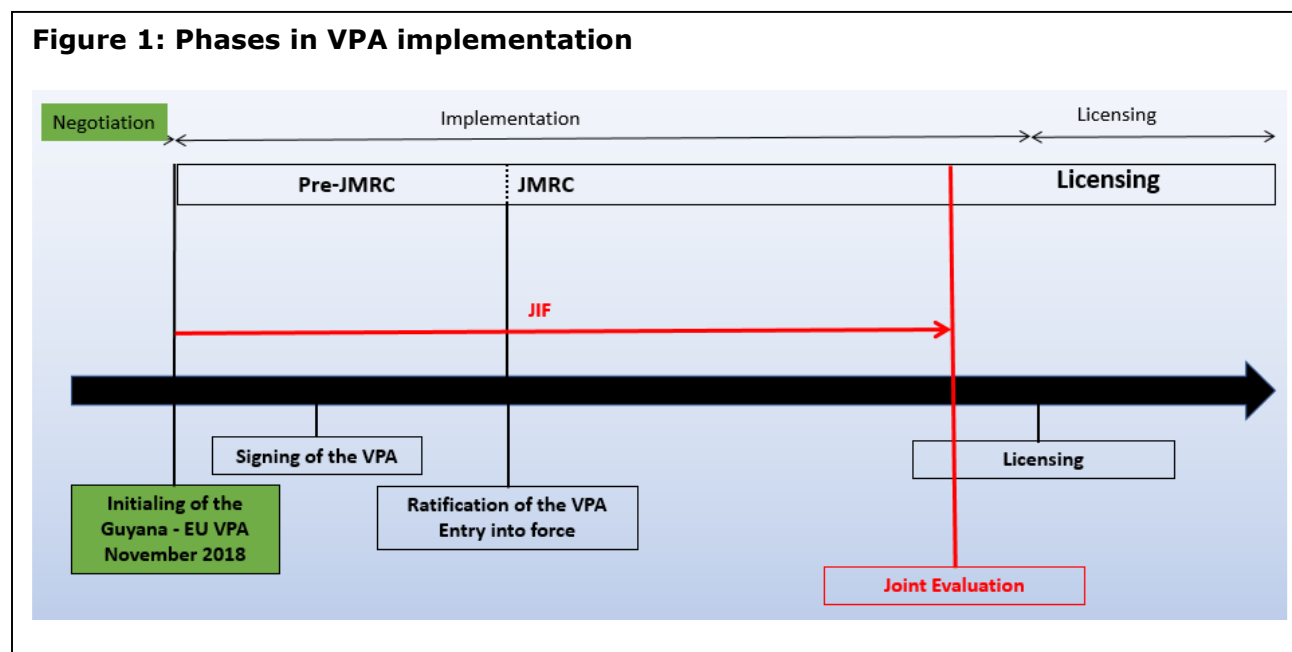
Annex VII: Supporting measures and financing mechanisms

Annex VIII: Criteria for assessing the operationality of Guyana's Timber Legality Assurance System

Annex IX: Public Access to Information on the FLEGT Licencing Scheme

Annex X: Joint Monitoring and Review Committee

With the initialling, Guyana and EU will now enter the implementation phase and the process is shown in Figure 1.



In the first phase, Guyana and the EU will follow their respective procedures for ratification of the Agreement, with the expectation that the Agreement will be formally signed and ratified by the two parties in 2021. In this phase, preparatory work begins to develop the GTLAS and the other elements of the VPA (Figure 2). A Pre-Joint Monitoring and Review Committee (JMRC) will be established to guide initial implementation. The Pre-JMRC will be co-chaired by senior officials from the Ministry of Natural Resources (MNR) on behalf of Guyana and the EU Delegation on behalf of the EU. The main tasks of the Pre-JMRC have been agreed as follows:

- To facilitate the exchange of information between the parties;
- To serve as the platform to discuss planning and preparation of the implementation of the Agreement before its entry into force;
- To monitor progress in the design and implementation of the GTLAS and the Agreement as a whole; and
- Any other tasks that the parties may jointly agree on.

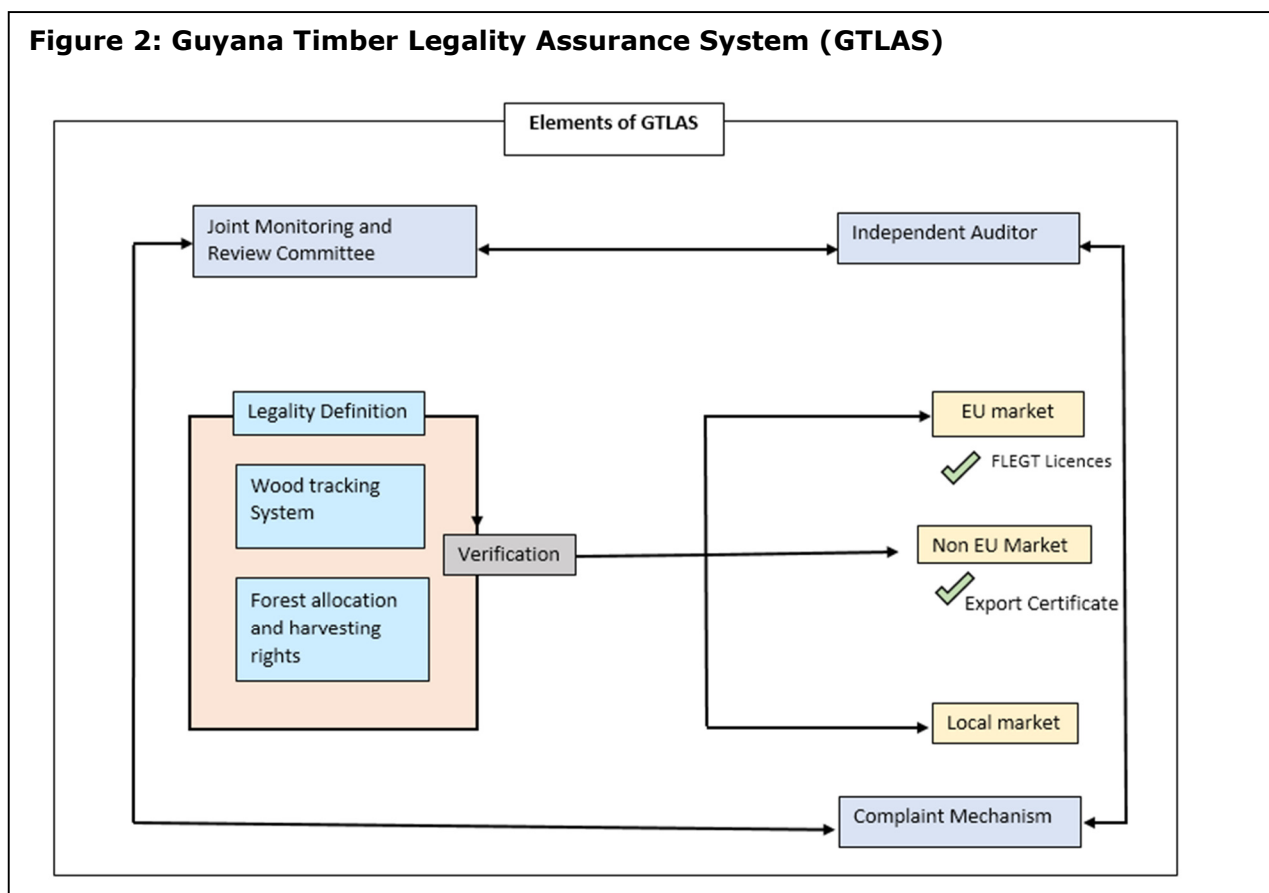
The Agreement formally enters into force after ratification, binding the Parties from this point onwards according to the provisions of the main text and annexes of the Agreement. In this second phase, the Pre-JMRC will cease to function and be replaced by a Joint Monitoring and Review Committee (JMRC), the functions of which are specified in Article 19 and Annex X of the Agreement.

Upon the successful completion of the activities within this second phase, a joint independent technical evaluation of the operational readiness of GTLAS will be conducted (as specified in Article 12 of the Agreement and in accordance with the criteria specified in Annex VIII). This joint evaluation is conducted only after the components of the GTLAS have been operationalized at the level of the various Forest Sector Operators (FSOs) under this Agreement. The independent evaluation may be conducted incrementally, to allow for

corrective measures to be implemented where necessary and to address any gaps identified over the period of implementation.

The third phase of the VPA implementation commences once the Parties (Guyana and the EU) have agreed on a date for the commencement of the FLEGT Licensing Scheme. The date for commencement of FLEGT licensing will be subject to the outcome of the independent evaluation and the agreement by the parties that all conditions have been met to move on to full implementation.

Figure 2: Guyana Timber Legality Assurance System (GTLAS)



1.2 Purpose of developing the Guyana-EU Joint Implementation Framework (JIF)

The Guyana-EU Joint Implementation Framework (JIF) is designed to provide a mechanism for the Pre-JMRC, and its successor, the JMRC, to guide and monitor the implementation of the VPA. The JIF covers the period from the initialling of the VPA up to and including the independent joint evaluation of the operational readiness of the GTLAS (Stages 1 and 2 in Figure 1), inclusive of any necessary remedial actions. The steps, actions and activities required to achieve the requirements of the independent evaluation are all contained within the JIF. It is however worth noting that the period for the JIF implementation is up to and including the joint independent evaluation and not up to the moment that FLEGT Licensing starts. Experience of Indonesia shows that the administrative process in between can take up to 30 months.

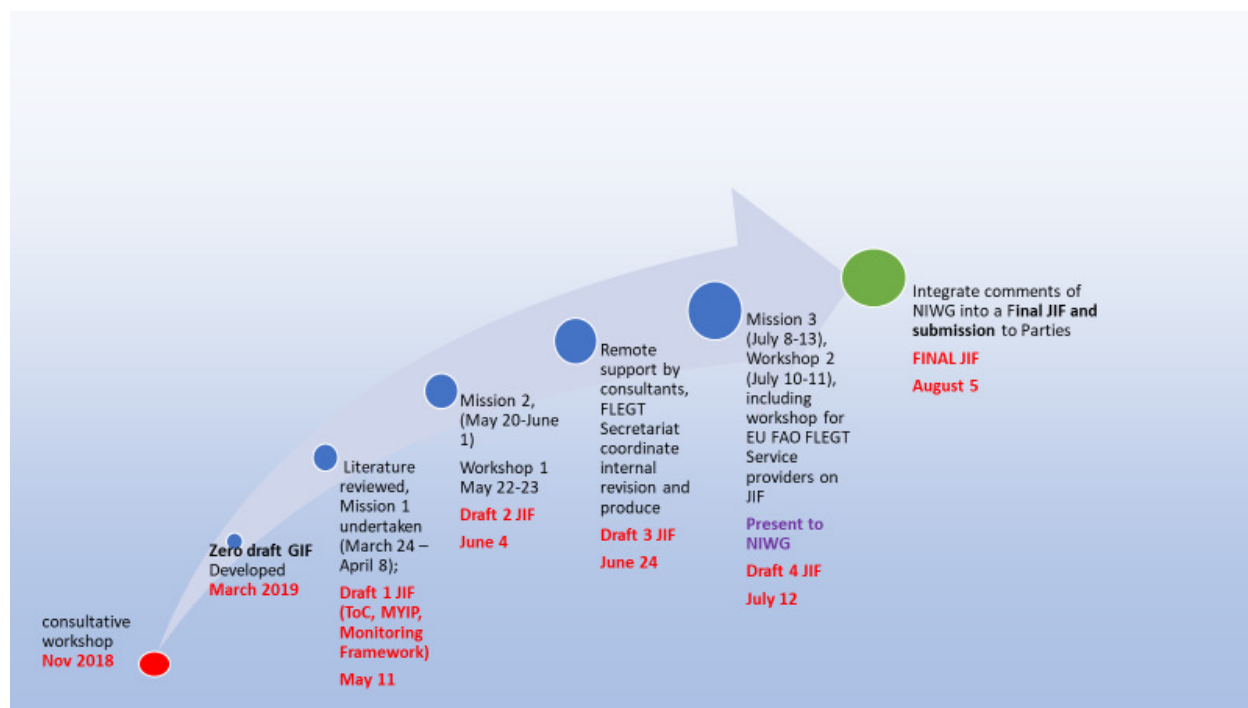
The JIF has the following specific objectives:

- To identify the strategic tasks and priority activities needed to establish the institutional mechanisms to implement the Agreement and to prepare and operationalize the GTLAS and other elements of the VPA;
- To identify responsibilities and sources of support and funding for these strategic tasks and priority activities;
- To help promote stakeholder engagement and coordination around the activities for implementation of the Agreement; and
- To provide a framework for monitoring the implementation of the Agreement.

1.3 Preparation of the JIF

The JIF has been prepared through a multi stakeholder process over a six-month period, and will be presented to the Pre-JRMC/JMRC for approval and adoption. The preparatory steps for the JIF are summarized in Figure 3.

Figure 3: Stakeholder involvement in JIF development



The JIF is regarded as a 'living document' that will be revised and adapted during implementation to cope with the dynamics of the FLEGT environment. Implementation of the VPA will be a complex process, requiring many different technical and policy changes, as well as involving a wide range of stakeholders with often differing interests and perceptions of how to achieve the VPA objectives. Therefore, some flexibility will be needed to adapt the JIF as circumstances arise. Any major revisions to the JIF will be coordinated through the Guyana Forestry Commission (GFC) and tabled for discussion at subsequent meetings of the Pre-JMRC/JMRC.

1.4 Structure and contents of Guyana – EU JIF

The Joint Implementation Framework is composed of the following elements to guide implementation of the Guyana - European Union FLEGT VPA in preparation for the issuance of FLEGT licenses:

1.4.1 Theory of Change

A Theory of Change (ToC) was jointly developed by the consultants and stakeholders during the 22-23 May 2019 workshop, informing 8 Strategic Tasks that jointly form the intended outcome of the JIF. The purpose of developing the Theory of Change was to allow the stakeholders to go through a broad analysis of the forestry sector in Guyana, and the need for changes; to put the FLEGT VPA process in the context of the emerging transformation; and to create buy-in from the stakeholders for the aspired changes. The ToC that was developed and validated by the stakeholders offered a valuable basis for the JIF planning process.

1.4.2 JIF multi-year Activity Plan

A JIF multi-year Activity Plan is compiled to indicate the planned outputs that need to be achieved in order to complete the identified eight Strategic Tasks. These tasks for the Guyana – EU JIF were agreed through a multi-stakeholder workshop in November 2018 and aligned to the range of supporting measures in Annex VII (Supporting measures and financing mechanisms).

The parties (Guyana – EU) through the development process of the JIF have endorsed these eight Strategic Tasks as areas of focus. The Strategic Tasks related outputs are further elaborated in section 3 of this report.

The Activity Plan (Annex 1 to this narrative) lists the activities that need to be implemented to realise the planned outputs; it assigns the activities to lead agencies taking note of possible partner and supporting agencies; it indicates the status of planned activity (proposed, planned, underway or completed), and estimates the required funding. The possible funding sources are indicated in the “comments” column.

1.4.3 JIF Monitoring Plan

Annex 2 of the JIF presents a Monitoring Plan that is designed to enable the Pre-JMRC/JMRC to monitor the overall progress of implementation leading up to and including the Joint Evaluation of the readiness of GTLAS. The Monitoring Plan uses a number of Milestones (or priority actions) taken from the Activity Plan (Annex 1). Not all actions listed in the Plan are selected as milestones, but only those priority actions which are considered crucial to achieve progress in the implementation of the Agreement.

The specific objectives of the Monitoring Plan are to enable the Pre-JMRC/JMRC to:

- i. track progress under each of the Strategic Tasks and Output Areas;
- ii. identify activities that may experience delays or difficulties in implementation; and
- iii. to provide an input for the Pre-JMRC/JMRC to assess the extent to which the different outputs have been effectively achieved.

The Monitoring Plan is linked to the JIF Activity Plan, and as such will be periodically updated and will form part of the technical and periodic reporting to the Pre-JMRC/JMRC.

1.4.4 2019/2020 Work plan (18 months)

In Annex 3 the first project year work plan guiding the implementation of the JIF is included. The duration of this work plan is 18 months given the uncertainty on when the pre-JMRC/JMRC will be in place to approve the JIF. Subsequent work plans follow the calendar year.

The 2019/2020 Annual work plan is extracted from the JIF Multi-Year Implementation Plan (Annex 1) and includes: activity number, activity description, lead agency and possible funding source. As explained in Section 4 of this report it has proved impossible to add detailed budgets to each planned activity and the budget has remained at the Strategic Task level.

Inclusion of activity budgets will have to take place later when there is a better understanding of the requirements after the scoping mission on the GTLAS is undertaken, and an invest plan is developed. In the meantime, the budget has taken into account the following:

1. FGMC funding is available until March 2021 but no decisions have been made yet on the detailed allocation of the funding;
2. The EU/FAO FLEGT Programme is open for VPA related proposals through which Guyana stakeholders can apply for funding. Proposals (and budgets) in line with this JIF are expected to be developed in the third quarter of 2019;
3. Gaps in funding the JIF will have to be identified later in 2019, and activities costed in proposals for consideration by GoG, EU or other donors.

1.4.5 Budget projection of the JIF

Annex 4 presents an indicative projection of costs associated with the implementation of the JIF over a 4 year's period. Because detailed activity costs could not be assessed, the cost projection is at Strategic Task level.

The budget should be viewed upon with caution. The projection is based on cost estimates of VPA implementation for Ghana and Honduras, in combination with guestimates made by the consultants. It serves as an indication only.

Please note that the projected budget **excludes** the budget of the EU/FAO FLEGT Programme for seven (7) VPA-related projects implemented between 2017 - 2019. That total budget was USD 506.762

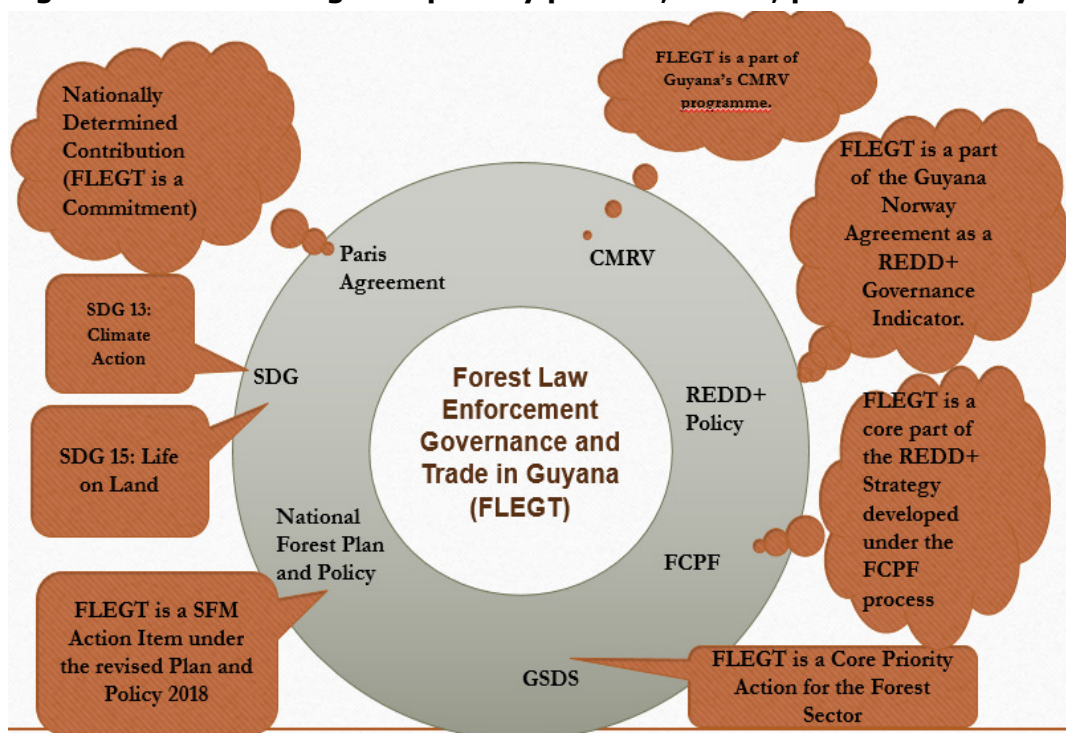
2. Theory of Change informing the Guyana – EU JIF

2.1 Rationale of using a ToC approach

A Theory of Change (ToC) “is a guiding framework for all stages of thinking, sense-making and action when intervening intentionally in social change processes” (Theory of Change thinking in practice, Hivos 2015). It is a process-oriented approach that will benefit from stakeholder-wide participation and is meant to analyse complex systems in which we work and want to influence with planned actions. The ToC approach is therefore mostly used to kick-start a planning process much like other tools that one can use such as formulating a “problem tree”, a visioning exercise, or scenario development.

The advantage of using a ToC approach is that it is more visual and therefore more accessible in a participatory setting, it allows for more systemic rather than linear thinking, and it is easier to turn into “a plan”. One can argue that the ToC is a kind of visual representation of a logical framework as it is based on a logical sequencing of the necessary changes that need to be made at different levels to ultimately arrive at the desired change that we want to see in our “system”, in this case in the forestry sector in Guyana.

Figure 4: FLEGT linkages to priority policies, action, priorities in Guyana



Source: GFC

Apart from developing a ToC with the stakeholders as a basis for the JIF, to enhance their understanding of and their buy-in into the planned activities for the coming years, another important reason was to contextualize the VPA in the broader natural resources setting and development agenda of Guyana. For that purpose, ambitions (desired changes) were drawn from the recently revised Guyana's National Forest Policy Statement, the Guyana National Forest Policy, and the Green State Development Strategy (GSDS). Especially, the latter offers a visionary context of the VPA.

Also, linkages between the VPA and other international Natural Resource Management (NRM)-related conventions and agreements emphasize that the VPA, and hence the JIF is not just a “GFC project”; it is an integral part of (inter) national ambitions of the Guyanese society (Figure 4).

The Theory of Change presented in this document underpinning the design of the Guyana-EU JIF was developed in three steps:

1. The consultants prepared the first draft based on the policy documents mentioned above;
2. The ToC was shared with stakeholders during the 22-23 May 2019 workshop in Guyana for feedback and improvement. The results of this workshop will be discussed in the sections that follow; and
3. The improved drafts will be reviewed regularly until the final draft is approved by the NIWG.

2.2 The Guyana – EU VPA Theory of Change

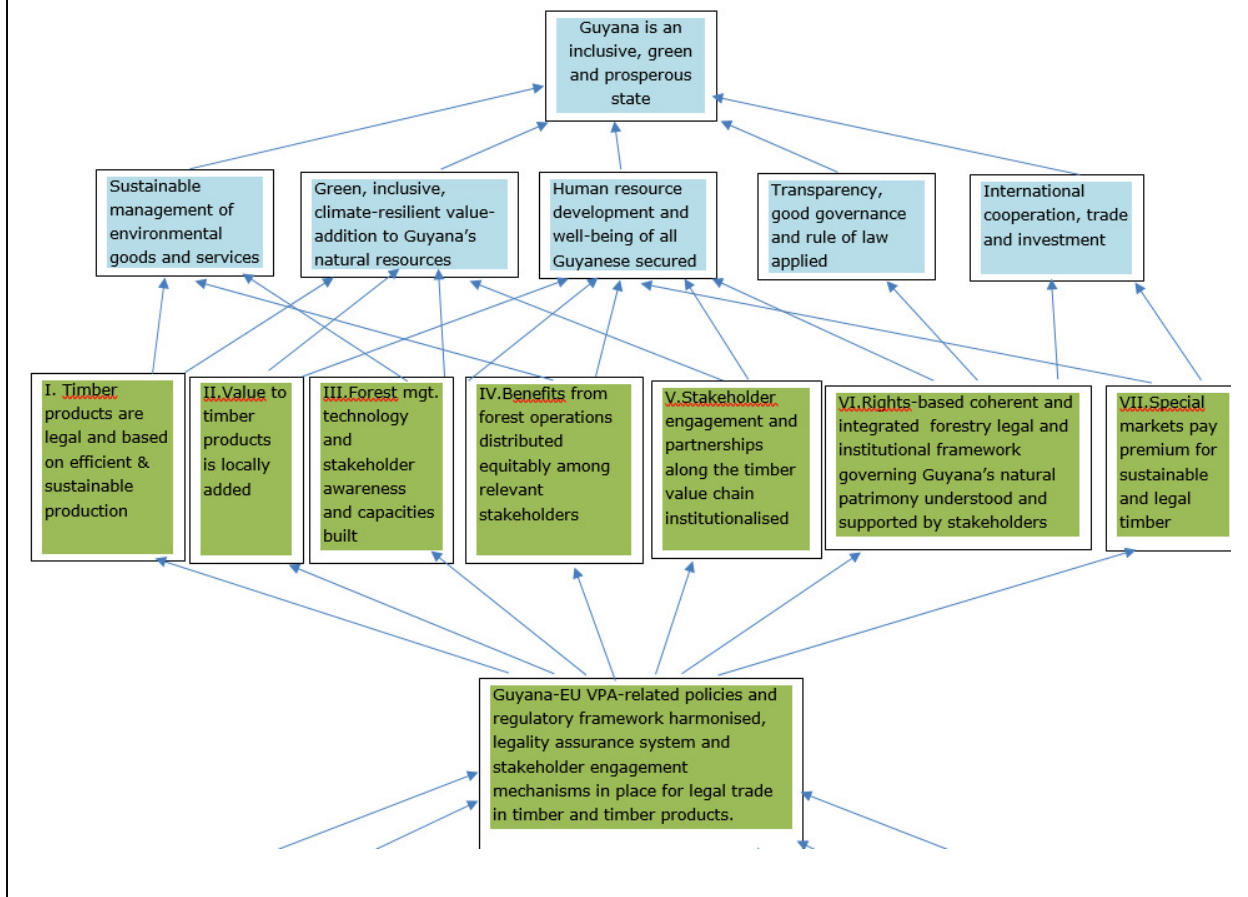
The developed ToC consists of two parts: the top part (Figure 5) represents the desired changes the stakeholders want to see at a national development level: “Guyana is an inclusive, green and prosperous State”, specified in required changes in the management of environmental goods and services, “green”, inclusive and climate-resilient value addition, human resource development, in governance, and international cooperation, trade and investment. These are necessary long-term changes way beyond the control of the stakeholders, and even beyond their sphere of influence. These aspired changes represent the long-term impacts the JIF could contribute to the national development agenda.

For these long-term changes to happen and focusing more on the development of the forestry sector as that is the sector in which we are mandated to intervene, there are 7 necessary changes identified that are within the range of the JIF to influence. They are the intended medium-term outcomes of the JIF:

1. Timber products are legal and based on efficient & sustainable production;
2. Value to timber products is locally added;
3. Forest management technology and stakeholder awareness and capacities built;
4. Benefits from forest operations distributed equitably among relevant stakeholders;
5. Stakeholder engagement and partnerships along the timber value chain institutionalised;
6. Rights-based coherent and integrated forestry legal and institutional framework governing Guyana’s natural patrimony understood and supported by stakeholders;
7. Special markets pay premium for sustainable and legal timber.

These outcomes are not under direct control of those who will implement the JIF but will be directly influenced by its implementation. For that to happen, the JIF is expected to achieve at the end of its implementation period (mid-2019 – mid-2023) the following (project) outcome: **Guyana-EU VPA-related policies and regulatory framework harmonised, legality assurance system and stakeholder engagement mechanisms in place for legal trade in timber and timber products.**

Figure 5: Top part of the TOC

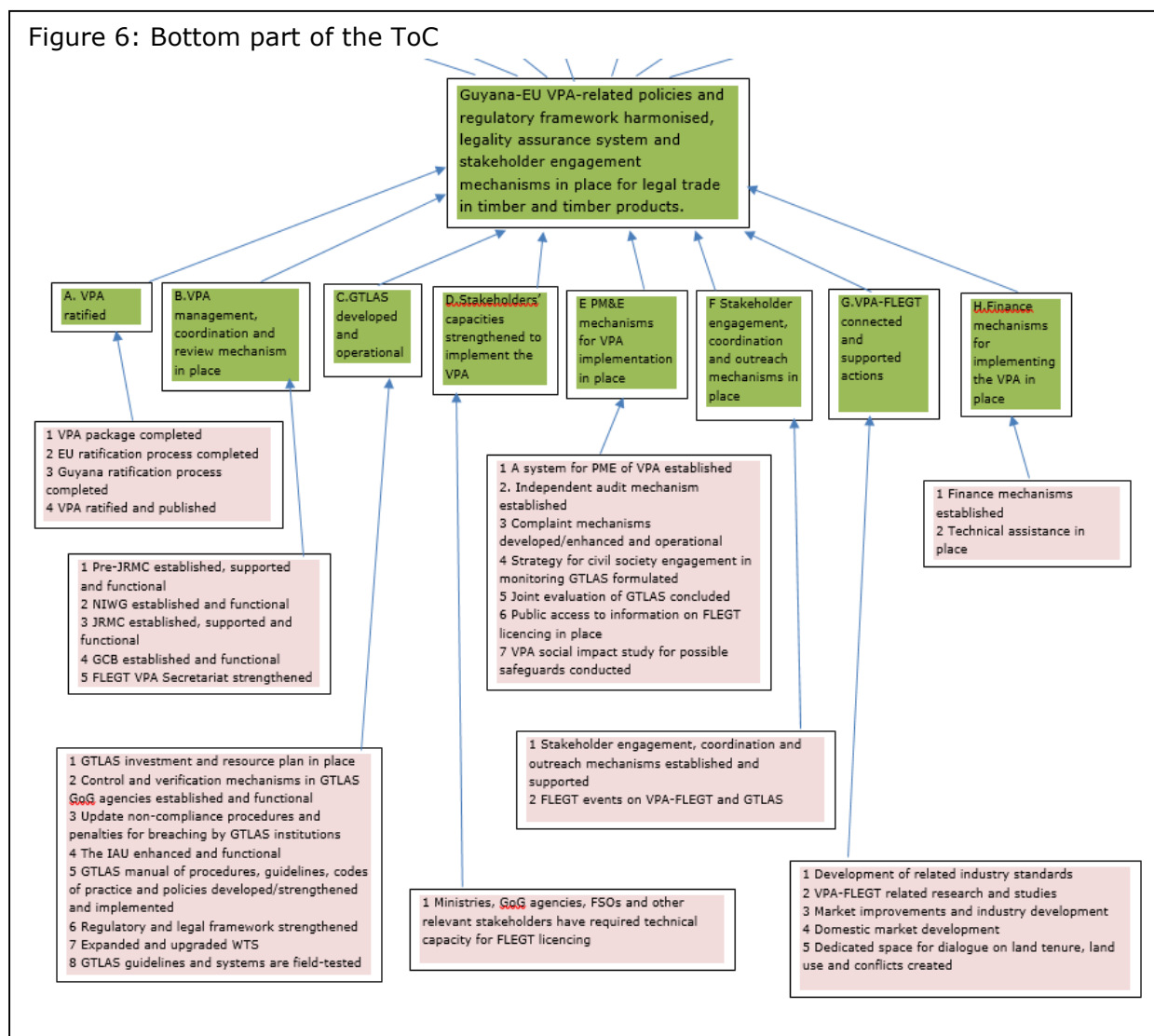


It is expected that with this outcome achieved, the second phase of the VPA implementation comes to an end, and both EU and Guyana are ready to start issuing FLEGT licences to consolidate the legal trade in timber.

The bottom part of the ToC (Figure 6) identifies eight intermediate outcome areas in which changes are required in order to achieve the stated overall project outcome. In the JIF we have called these necessary changes Strategic Tasks, similar to project objectives:

1. To complete the VPA ratification process;
2. To put the necessary management, coordination and review mechanisms in place for an effective VPA implementation;
3. To develop and operationalise the Guyana Timber Legality Assurance System (GTLAS);
4. To strengthen the capacity of stakeholders to implement the VPA;
5. To design and operationalise planning, monitoring and evaluation mechanisms to regularly assess and improve the progress of VPA implementation;
6. To design and operationalise stakeholder engagement, coordination and outreach mechanisms for effective VPA implementation;
7. To undertake VPA FLEGT connected and supportive actions; and
8. To design and operationalise financing mechanisms for VPA implementation.

Figure 6: Bottom part of the ToC



In order to reach these intermediate outcomes a total of 35 output areas have to be achieved. They are represented in the pink boxes in the ToC, and come back in the JIF Activity Plan. They are called outputs because they are considered to be under direct control of the JIF management and coordination structures and provided the resources are available they can be achieved as deliverables at the end of the project period.

In order to achieve these 35 outputs, a number of around 150 activities have been formulated as reflected in the attached Activity Plan (Annex 1). The full Theory of Change is presented in Figure 7.

2.3 Assumptions

It will be clear that the relationships between the boxes in the ToC are not absolute cause-effect relations. The social-political context in which the VPA is implemented is too complex and dynamic to speak in terms of factual relations but rather in terms of assumptions. It will go too far to make all assumptions on which the ToC is built, explicit. We have chosen to

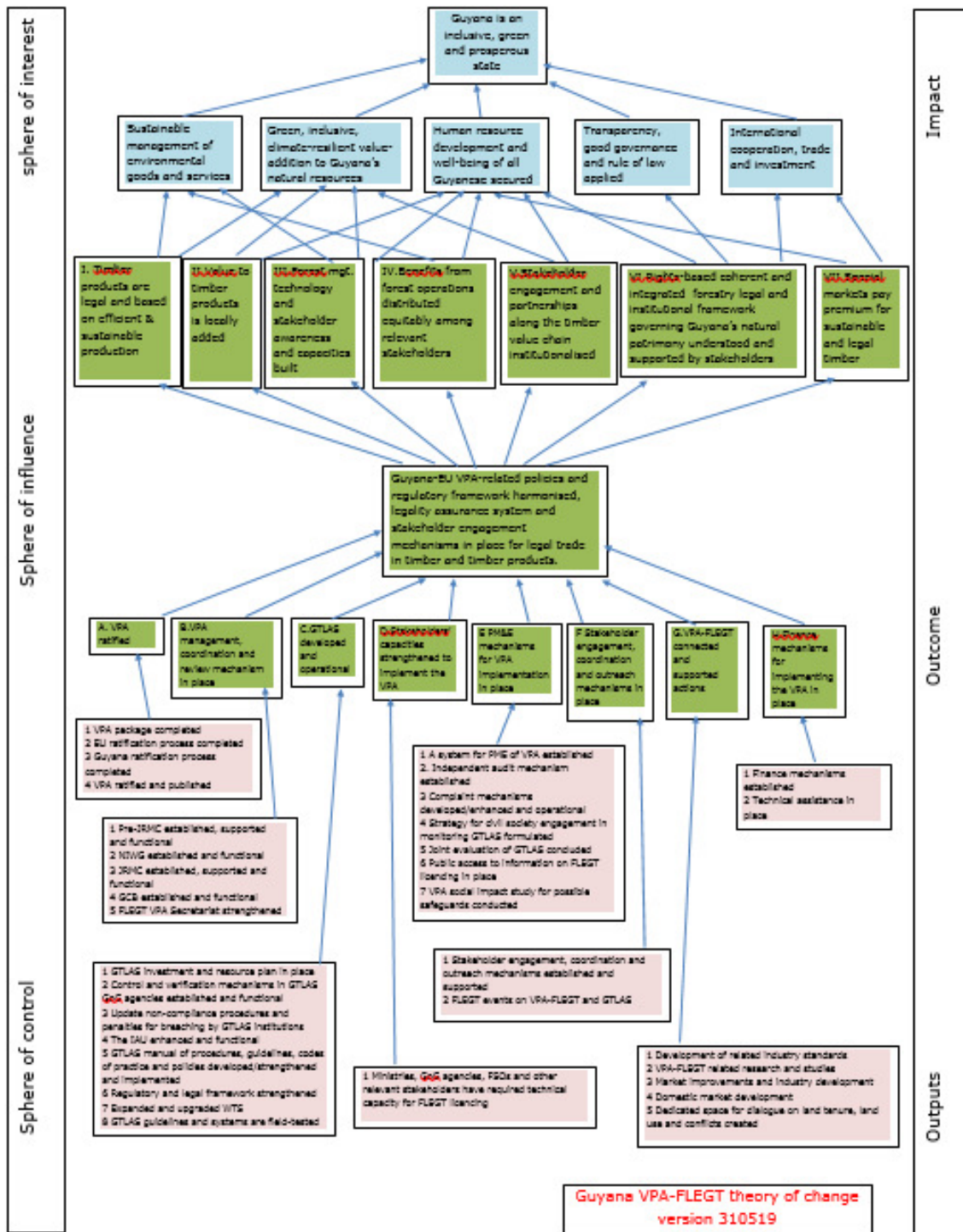
focus on the bottom part as that part is translated directly in the planning framework as reflected in both the JIF Activity Plan (Annex 1) and JIF Monitoring Plan (Annex 2).

We consider the assumptions at two levels which need to be incorporated in the PM&E system that will be developed during year 1 of JIF implementation, for regular testing on validity:

1. The assumptions underlying the anticipated achievements of the eight Strategic Tasks. These will be highlighted in next section of this document;
2. The assumptions underlying the achievement of the Project Outcome (the box in the middle of the ToC). These are dealt with hereunder in Table 1.

Table 1: Key assumptions on for achieving project outcome		
Intermediate outcome	Key assumptions	Project Outcome
VPA ratified	Political stability in Guyana and commitment of GoG to implement the VPA process without delays	Guyana-EU VPA-related policies and regulatory framework harmonised, legality assurance system and stakeholder engagement mechanisms in place for legal trade in timber and timber products.
VPA management, coordination and review mechanism in place	Commitment of stakeholders to actively participate in the management and coordination of the VPA is in line with their (economic) interests	
GTLAS developed and operational	Institutional willingness of GTLAS agencies to adapt (part of) their policy environment and practice in order to harmonise with GTLAS requirements	
Stakeholders' capacities strengthened to implement the VPA	1).Government GTLAS ministries and agencies see value of adapting and harmonising their systems related to timber trade 2).Private sector sees the VPA supporting their business models 3).Amerindian communities see the VPA as part of their livelihood strategies	
PM&E mechanisms for VPA implementation in place	PM&E mechanisms (including baseline setting) are designed and rolled out in a learning-oriented and stakeholder participatory manner to ensure sector-wide sense-making and progressive implementation	
Stakeholder engagement, coordination and outreach mechanisms in place	Trust and confidence amongst stakeholders in the transparency and inclusiveness (in terms of decision-making) of the VPA implementation process	
VPA-FLEGT connected and supported actions	Government and EU invest in growth of the forest industry to enable it make a meaningful contribution to the national economy and consistent with Guyana's green development agenda	
Finance mechanisms for implementing the VPA in place	Trust between donor community and GoG that shared responsibilities and commitments are implemented without delays	

Figure 7: Theory of Change underpinning the EU-Guyana JIF



3. JIF Multi-year implementation Plan

The Guyana-EU Joint Implementation Framework has been prepared through a broad multi-stakeholder process that involved government, private sector, indigenous groups and civil society organization, including international non-governmental organizations. The JIF will be presented and adopted at the Pre-JMRC/JMRC for endorsement and approval by the parties (Guyana and EU).

It is important to note that once the JIF is endorsed by the parties, it will be a revised in agreed periods to take into account the emerging issues that arise during the VPA implementation phase or are impacted by changes in the socio-political environment during this period. Revisions to the JIF will be undertaken after discussions by the parties at the pre-JMRC/JMRC and consistent with the rules of procedure that are adopted.

The plan period for the JIF is four years and is expected to start 1st of July 2019 – 30th of June 2023. The implementation period covers up to and including the joint independent technical evaluation of the Guyana Timber Legality Assurance Scheme (GTLAS) as set out in Annex VIII¹ of the Guyana-EU Voluntary Partnership Agreement. The first project year work plan is proposed to cover an eighteen-month (18 month) period until 31st of December 2020 after which subsequent project years follow calendar years.

3.1. Overview of Strategic tasks and expected outputs

The strategic tasks for the Guyana – EU JIF were agreed in a multi-stakeholder workshop in December 2018 that was organised to select members of the National Implementation Working Group; to agree on its terms of reference; and to decide on strategic tasks for the implementation of the FLEGT VPA. The workshop agreed on eight (8) strategic tasks. The parties (Guyana – EU) through the development process of the JIF have endorsed these 8 strategic tasks as areas of focus for the JIF. These 8 strategic tasks and their respective outcomes are as follows:

Strategic Task 1: VPA ratification process

- 1.1 VPA document package completed and signed
- 1.2 EU ratification process completed
- 1.3 Guyana ratification process completed
- 1.4 VPA ratified and published

Strategic Task 2: VPA management, coordination, and monitoring mechanisms in place

- 2.1 Pre-JRMC established, supported and functional
- 2.2 A multi-stakeholder Implementation Committee (National Implementation Working Group) established and functional
- 2.3 JRMC established, supported and functional
- 2.4 Government Coordination Body (GCB) established and functional
- 2.5 FLEGT VPA Secretariat strengthened

Strategic Task 3: GTLAS developed and operational

- 3.1 GTLAS investment and resource plan in place
- 3.2 Control and verification mechanisms within the GTLAS Ministries and GOG agencies established and functional

¹ Annex VIII: Criteria for assessing the operationality of Guyana's timber legality assurance system – the joint technical evaluation will assess the entire system to determine whether adequate mechanisms are in place to ensure the GTLAS functions and performs as intended.

- 3.3 Review and update the non-compliance procedures and penalties for breaching requirements of institutions responsible for GTLAS verification
- 3.4 Internal Audit Unit (IAU) enhanced and functional
- 3.5 GTLAS manual of procedures, guidelines, codes of practice and policies developed/strengthened and implemented
- 3.6 Regulatory and legal framework strengthened
- 3.7 Expanded and upgraded WTS
- 3.8 The Timber Legality Trade Unit (TLTU) established and functional
- 3.9 GTLAS guidelines and systems are field-tested

Strategic Task 4: Capacities of stakeholders developed to implement the VPA

- 4.1 Ministries, GoG agencies, FSOs, Indigenous groups and other relevant stakeholders have required capacity for implementing FLEGT VPA

Strategic Task 5: Planning, Monitoring and Evaluation for VPA implementation in place

- 5.1 A system for planning, monitoring and evaluation of the VPA established
- 5.2 Independent Audit Mechanism established
- 5.3 Complaints mechanisms developed/enhanced and operational
- 5.4 Strategy for civil society engagement in monitoring the implementation of the GTLAS developed and adopted
- 5.5 Joint evaluation of GTLAS Concluded
- 5.6 Public Access to information on the FLEGT Licensing Scheme in place
- 5.7 VPA impact study on livelihoods of vulnerable groups linked to forest sector and possible mitigation measures conducted

Strategic Task 6: Stakeholder engagement, coordination and outreach Mechanisms in place

- 6.1 Stakeholder engagement and coordination mechanisms established and supported
- 6.2 FLEGT events on VPA-FLEGT and GTLAS

Strategic Task 7: VPA-FLEGT connected and supported actions

- 7.1 Development of timber industry related standards
- 7.2 VPA -FLEGT related research and studies
- 7.3 Market improvement and industry development
- 7.4 Domestic market developed
- 7.5 Dedicated space for dialogue on land tenure, land use and conflicts created

Strategic Task 8: Finance Mechanisms for implementing the VPA in place

- 8.1 Finance mechanisms established
- 8.2 Technical Assistance provided

3.2. Description of the strategic tasks and output areas

This section describes the 8 strategic tasks and their corresponding output areas. For every strategic task, the current situation as at December 2018 is described highlighting the justification for the suggested interventions, and priority actions. The sub-sections further make explicit under what assumptions the anticipated outputs of project interventions will lead to achieving the respective strategic task (in other words the intended project outcome or change as formulated in the ToC in the previous chapter). Milestones – regarded as stepwise indication of successful progress in implementation - are identified for every strategic task area. An overview of milestones is presented in the Monitoring Plan (Annex 2).

Strategic Task 1: VPA ratification process

This first strategic task outlines the process to ratification of the agreement and formal start of VPA implementation. It is divided into four (4) output areas:

1.1	VPA document package completed and signed
1.2	EU ratification process completed
1.3	Guyana ratification process completed
1.4	VPA ratified and published

Current situation: The parties initialled the agreement in November 2018 and agreed to the development of the Joint Implementation Framework as its implementation schedule in accordance with Article 14 of the VPA. They also agreed to an interim arrangement in setting up a pre-JMRC to guide implementation of the agreement until ratification of the Agreement. This will ensure momentum of the VPA is not lost and priority actions to ensure successful implementation of the agreement can be undertaken.

Priority Actions: The strategic task 1 sets out the processes required for ratification of the agreement. The parties undertake legal scrubbing of the agreement in their respective countries and the agreed text will be signed in the second quarter of 2020. Ratification of the Agreement by the parties is planned for the fourth quarter of 2020.

During this period there will be regular communication and consultations between Guyana and EU as well as keep their respective stakeholders informed of progress made in the process. The ratification process is critical for the JMRC to be in place. Priority actions of the JMRC is guided by the VPA Main text and Annex X. A key requirement of the VPA is the development of the JIF.

Assumptions:

- There is clarity on timing of Guyana's elections and the parliamentary process is not disturbed therefore enabling the Guyana-EU FLEGT VPA to be discussed and approved by the fourth quarter of
- Parties hold an inaugural meeting of the Pre-JMRC and approve the JIF in third quarter of 2019

Milestones:

- Signing of VPA by the parties in the second quarter of 2020
- European and Guyanese Parliaments grant their respective consents for the ratification of Agreement
- Agreement ratified by both parties

Strategic Task 2: VPA management, coordination, monitoring mechanisms in place

As part of the second strategic task the parties establish the structures for management, coordination and monitoring the VPA implementation. It is divided into four (4) output areas as follows:

2.1	Pre-JRMC established, supported and functional
2.2	A multi-stakeholder Implementation Committee (National Implementation Working Group) established and functional
2.3	JRMC established, supported and functional

2.4	Government Coordination Body (GCB) established and functional
2.5	FLEGT VPA Secretariat strengthened

Current situation: The National Technical Working Group (NTWG), a multi-stakeholder group that comprised thirteen (13) members led the negotiation process of the VPA in Guyana. The NTWG consisted of government, private sector, Indigenous groups and civil society representatives. The NTWG also had technical sub-committees to support its work and assist in defining Guyana's negotiation positions. The NTWG was supported by the VPA FLEGT Secretariat. With the initialling of the agreement and the transitioning to the implementation phase, Guyana has established national implementation structures to support VPA implementation. These are the National Implementation Working Group (NIWG) Government Coordination Body (GCB). The FLEGT Secretariat will be strengthened to provide support services to these bodies and the Pre-JMRC/JMRC.

Priority Actions: To focus on creating structures to drive implementation of the VPA. The main actions relate to the creation of the pre-JMRC in the period before ratification of the Agreement and JMRC after ratification of the Agreement.

In accordance with Article 16 of the Agreement, Guyana has established the National Implementation Working Group (NIWG) which has held its inaugural meeting in March 2019. The NIWG will monitor the implementation of the Agreement and represent Guyana on the pre-JMRC/JMRC.

A Government Coordination Body (GCB) that will act as a coordination body for Ministries and Government Agencies involved in the development and implementation of the Agreement is to be established in the third quarter of 2019. Creation of this body will be through a cabinet decision to ensure participation and representation on the GCB is at the highest level from each of the Ministries and Government Agencies. Memoranda of Understanding (MoU) will be signed by the Ministries and Government Agencies to guide their collaboration, exchange of information and verification procedures for the GTLAS.

The FLEGT VPA Secretariat which has lost some key staff needs to be strengthened as a year-one priority, so it can provide support services to all structures created for the implementation of the VPA.

It will be a priority for the NIWG to establish the mechanism for the functioning, coordination and engagement within and between the abovementioned structures, and streamline the extent to which they interact with the different stakeholder groups. NIWG should also explore the need to create subcommittees of the respective bodies to ensure effective functioning and as means of broadening stakeholder participation in the implementation process.

Assumptions:

- Timely staff strengthening, capacity building and support to equip and improve the working environment of the FLEGT Secretariat to provide efficient services.
- Timely Cabinet approval for creation of GCB is received and representation on the GCB is at the highest level of the Ministries and Government Agencies
- The political processes in both the Guyana and the EU does not result in delays for convening the JMRC beyond the second quarter of 2021
- MoUs agreed and signed between GFC and the other Ministries and Government Agencies with verification roles in the GTLAS

- NIWG will have sufficient resources to convene its meetings, develop its rules of procedure and build the capacity of its members to effectively monitor the implementation of the VPA

Milestones:

- Pre-JMRC/JMRC established and functioning
- NIWG has its capacity built and the required resources to effectively function
- GCB established and functional
- MoUs between GFC and relevant Ministries and Government Agencies signed
- FLEGT Secretariat strengthened and equipped for its effective functioning

Strategic Task 3: GTLAS Developed and Operational

Strategic task 3 is the design and development of the GTLAS. It has the following nine (9) output areas:

3.1	GTLAS investment and resource plan in place
3.2	Control and verification mechanisms within the GTLAS Ministries and GoG agencies established and functional
3.3	Review and update the non-compliance procedures and penalties for breaching requirements of institutions responsible for GTLAS verification
3.4	Internal Audit Unit (IAU) enhanced and functional
3.5	GTLAS manual of procedures, guidelines, codes of practice, policies developed/strengthened and implemented
3.6	Regulatory and legal framework strengthened
3.7	Expanded and upgraded WTS
3.8	The Timber Legality and Trade Unit (TLTU) established and functional
3.9	GTLAS guidelines and systems are field-tested

Current situation: Guyana has an existing Wood Tracking System (WTS) and other government control systems to ensure the legality of its timber. The current WTS is a tag and paper-based system that allows for the monitoring of wood flows for both domestic and international markets. An evaluation of the existing WTS and its verification procedures has identified gaps that must be addressed during the implementation phase to ensure timber legality through robust checks, verification and validation procedures.

There are weaknesses in the capacities of some public sector agencies that have verification roles in the GTLAS. Inter-agency coordination in the public sector needs strengthening. GFC and other land management agencies such as the Guyana Lands and Survey's Commission (GL&SC), Guyana Geology and Mines Commission (GGMC) require improved coordination to enhance land allocation processes and address related issues.

Public access to information on the forest sector remains a challenge and would require upgrading based on strengthened data, information and communication management systems within the relevant ministries and agencies.

Existing manuals of procedure require updating to make them responsive to the requirements of the GTLAS and the Agreement. In particular the following will need to be developed, revised or regulations passed to strengthen them:

- Procedures for exchange of information between the ministries and government agencies and the MISU;

- Procedures for imports and undertaking due diligence for imported timber;
- Manuals of Procedure for the different GFC departments;
- Procedures for re-entry of seized timber in the supply chain; and
- FLEGT Licensing procedures.

Several agencies with key verification roles in the GTLAS have overlaps in their legislation/mandates and therefore there is the need for harmonising and strengthening the regulatory and legal framework to make them responsive to the GTLAS and VPA.

There is currently no unit to issues the FLEGT Licenses and as such a Timber Legality and Trade Unit needs to be established.

Good progress has been made by GFC in linking some of its different databases in the different units into an integrated system to allow for exchange of information and communication. This is expected to offer a good foundation for GTLAS system design to build on.

Priority Actions: The Strategic Task 3 seeks to develop and operationalise the GTLAS. The main priority action will involve a scoping mission to describe the operational business processes and supply chain controls, assess gaps and weakness in the current verification roles and systems of the relevant Ministries and Government Agencies and formulate recommendations for an effective and efficient GTLAS system design based on the current WTS, experiences from other VPA-countries and requirements under Annex V (Guyana Timber Legality Assurance System). An output of the scoping mission would be a comprehensive Terms of Reference and resource plan informing the future development of the IT platform for the GTLAS.

To ensure Guyana appreciates the challenges ahead in the development of the IT platform for the GTLAS, a study tour to at least two VPA implementation countries that have advanced in the TLAS development would be made before the first quarter 2020. Technical assistance would be provided to GFC/FLEGT Secretariat for backstopping and guidance in this development phase of the GTLAS from the fourth quarter 2019.

It is necessary that in this preparatory phase for the GTLAS development the private sector is engaged to ensure ownership and "buy in". The private sector could be the most impacted by the implementation of the FLEGT VPA process

Assumptions:

- Technical assistance for GTLAS development in place as from the 4th quarter of 2019
- System design benefits from study tour undertaken
- Private sector/ FSOs engaged in the development process of the GTLAS
- Investment cost available for system design and resources identified for contracting of service provider

Milestones:

- GTLAS investment and resource plan developed
- Internal Audit Unit enhanced and functional
- GTLAS manual of procedures, guidelines, codes of practice and policies approved and implemented
- Manual of Procedures for controlling imported timber products developed
- FRMD/FMD/FD Manuals of Procedures updated
- Central Information Database (CID) designed and functional
- TLTU established and functional by administrative decision

Strategic Task 4: Capacities of stakeholders developed to implement the VPA

The fourth Strategic Task focuses on capacity building of the different stakeholders for implementation of the VPA. The capacity building involves Ministries, Government agencies, FSOs, indigenous groups and civil society groups. Only one output area was defined, namely building the capacity of government, private sector, indigenous groups and civil society for implementing the FLEGT VPA.

4.1	Ministries, GoG agencies, FSOs, Indigenous groups and other relevant stakeholders have required capacity for implementing FLEGT VPA
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Current situation: A number of capacity building and need assessment studies have been undertaken during the negotiation phase. Also, several projects under the FLEGT Facilitation Support Office and FAO EU FLEGT Programme have supported a number of capacity building projects in recent times. These projects have sought to create awareness on the FLEGT VPA and build capacities of the different stakeholders to engage in the FLEGT VPA process. Despite these efforts a lot more needs to be done to raise the capacity of the different stakeholders to meet requirements of the VPA, particularly for the Ministries and Government agencies.

The Guyana-EU VPA recognises the capacity gaps that exist, particularly for the SMEs (CFA, SLA, Amerindian logging groups, Ministries and Government Agencies with verification roles) in meeting the requirements of the GTLAS. Hence capacity building will be required at all levels for GFC staff, ministries and government agencies and their staff, FLEGT Secretariat, NIWG, indigenous and civil society groups.

Priority Actions: Consolidate and step up strengthening capacity of the different stakeholders to implement the VPA. As a first step it would be important to undertake a capacity and information needs assessment for the different stakeholder groups to be able to develop targeted training programs that seeks to address the gaps identified from the training needs assessment for the different stakeholder groups.

Assumptions:

- Resources available to implement capacity building plan
- Stakeholders are open to training and willing to participate in the training events

Milestones:

- Capacity building needs assessment for the different stakeholder groups conducted.

Strategic Task 5: Planning, Monitoring, Evaluation for VPA implementation in place

5.1	A system for planning, monitoring and evaluation (PM&E) of the VPA established
5.2	Independent Audit Mechanism established
5.3	Complaints mechanisms developed/enhanced and operational
5.4	Strategy for civil society engagement in monitoring the implementation of the GTLAS developed and adopted
5.5	Joint evaluation of GTLAS Concluded
5.6	Public Access to information on the FLEGT Licensing Scheme in place
5.7	VPA impact study on livelihoods of vulnerable groups linked to forest sector and possible mitigation measures conducted

Current situation: The NTWG/FLEGT Secretariat did set up a feedback mechanism on receiving and responding to comments, and provide information to stakeholders on progress during the negotiation phase. This was a valuable approach to ensure that stakeholder views were incorporated into the negotiations and development of the VPA Main Text and Annexes. NTWG/FLEGT Secretariat/GFC also held dedicated sessions with different stakeholder groups at several locations in Georgetown and the interior in communities such as Amerindian villages, to inform and receive feedback on the FLEGT VPA process.

Two studies were undertaken in 2014 (Scoping of Impact of VPA) and 2017 (Baseline study of EU FLEGT preparedness) to assess the impact of the VPA for Guyana and specifically to assess the readiness of the FSOs in complying with the requirements of legality definition as contained in the VPA. These two studies focussed on the FSOs readiness and not on impact on the other stakeholders. Hence the need for developing a framework for an additional VPA impact study and establishing the baseline early in the implementation phase.

Under a 2009 Memorandum of Understanding between Guyana and Norway in respect of their cooperation on Reducing Emissions from Deforestation and Forest Degradation (REDD+), a third-party Independent Forest Monitoring (IFM) assesses on a biennial basis the legal compliance system for Guyana's forestry sector. The purpose of the IFM is to provide a third-party independent assessment of the adequacy and relevance of Guyana's forest law enforcement systems, implementation of its forest law enforcement systems and FSOs level of compliance with nationally agreed legality requirements. Guyana has recently in February/March 2019 undertaken its fourth assessment and results show that its deforestation rates have been on the decline. It is noted that the work and focus of the Independent Auditor (IA) under the VPA is very much different from that of the IFM under Guyana-Norway MoU. The JIF acknowledges the potential for drawing on lessons learned and synergies between FLEGT and REDD+ processes but has not brought forward any activities into JIF activity plan. The parties may wish to revisit this when the ToR and contracting of the IA is undertaken.

The VPA provides the opportunity for developing a PM&E system for the implementation of the VPA. The five (5) relevant sections of the Guyana-EU VPA that reflects the need for an effective PM&E system are as follows:

- **Main Text (Article 17 – Social Safeguards).** In implementing the Agreement, Guyana and the EU have agreed to take steps to minimise the potential adverse effects on stakeholders and therefore regularly monitor and assess the impact of the Agreement.
- **Annex VI: Independent Audit of the GTLAS.** The Independent Audit assesses the GTLAS with the view to improving its credibility, efficiency and operations. The independent audit is expected to be contracted and functioning by the third quarter of 2021. Reports of the Independent audits will be discussed at the JMRC.
- **Annex VIII: Criteria for assessing the operationality of the GTLAS.** A joint independent technical evaluation of the GTLAS will be carried out before FLEGT Licensing of timber to the EU. The joint evaluation will determine the adequacy of mechanisms in place to ensure the GTLAS is functioning as intended. Based on experience from other Agreements and implementation in VPA partner countries, assessment of the GTLAS will take a stepwise and iterative approach where weaknesses and non-compliances are identified during the assessment and progressively addressed through planned implementation corrective measures.
- **Annex IX: Public access to information on the FLEGT licensing scheme.** Consistent with their commitment to managing natural resources in a transparent and accountable way, Guyana and EU have agreed that the availability of information to the public is essential for the implementation of the agreement. Hence information acquired through

the GTLAS will be made public to enhance the transparency and accountability of the FLEGT VPA Licensing and VPA process in general.

- **Annex X: Joint Monitoring Review Committee.** The JMRC will manage and monitor the Agreement, including its revision. As a key task the JMRC will adopt this JIF and monitor the progress of implementation.

Priority Actions:

- PM&E system developed and functional by quarter 4 of 2019
- Establish baseline for monitoring and evaluating the implementation of the VPA
- Discussion and agreement on approach and role of civil society and private sector monitoring of GTLAS
- Develop a framework for impact monitoring of the VPA and social safeguard design (Art 17)

Assumptions:

- Stakeholders and especially civil society and private sector participate in the design and implementation of monitoring and evaluation systems to promote an active role in providing data
- The PM&E systems are learning-oriented to ensure that measured change is reflected in (adapted) planning

Milestones:

- PM&E system operational
- Independent Auditor contracted
- Agreement on civil society engagement in GTLAS monitoring
- Joint Independent evaluation of GTLAS conducted
- Conduct social impact study and create baseline of livelihood assets

Strategic Task 6: Stakeholder engagement, coordination, and outreach in place

6.1	Stakeholder engagement and coordination mechanisms established and supported
6.2	FLEGT events on VPA-FLEGT and GTLAS

Current situation: Guyana received significant support under the FLEGT Facilitation Support Programme, EFI and the FAO EU FLEGT Programme to strengthen stakeholder engagement. A communications strategy was developed in 2015 by Guyana with EFI support in engaging stakeholders during the negotiation phase. The communications strategy enabled the FLEGT Secretariat to develop communication and information packages, and engage the different stakeholders in creating awareness on the FLEGT VPA process in Guyana. To enhance awareness creation and draw on lessons learned from other VPA partner countries, two international sharing of experiences seminars were organised in 2015 and 2017.

Also during the negotiation phase stakeholder engagement was held across the country and support to the different stakeholders including indigenous groups has improved their advocacy and engagement in the FLEGT VPA process and it is expected that this would continue in the implementation phase.

The GFC/FLEGT Secretariat continues to share information on FLEGT and outcomes of consultations through the GFC website with a dedicated webpage for FLEGT VPA. It also continues to use the different media channels in sharing information.

Priority Actions:

- VPA communications strategy targeting the different stakeholder groups updated. Guyana should consider updating the existing Communications Strategy taking into account the requirements of the transition to implementation of the VPA
- Create information exchange platform/media portals for consistent dissemination of information
- Develop a web-based question and feedback (Q&A) mechanism
- Hold international FLEGT Forum meetings on sharing experiences in VPA implementation.

Assumptions:

- Improved relations between stakeholder groups and the public agencies will continue
- Stakeholders not fatigued with consultations

Milestones:

- Communications Strategy updated/developed
- Information exchange platform/media portal developed

Strategic Task 7: VPA-FLEGT connected and supported actions

The Strategic Task 7 is a category of VPA FLEGT related actions and targeted at supporting industry and trade in taking advantage of the opportunities offered by the FLEGT VPA implementation. It has five (5) output areas as follows:

7.1	Development of timber industry related standards
7.2	VPA -FLEGT related research and studies
7.3	Market improvement and industry development
7.4	Domestic market developed
7.5	Dedicated space for dialogue on land tenure, land use and conflicts created

Current Situation: Guyana's timber industry is very much focussed on production and exports of primary products, particularly products listed in Annex 1² of the Agreement. Further processing or value-added timber production is low. Quality of products is low with poor delivery times that limit their competitiveness on the international market.

The high level of waste in its timber industry and little attention to the development of satellite industries to convert the wood waste into other useable product is limiting the potential of the sector to contribute to Guyana's economic development.

Capital for investments into the sector is low thereby limiting acquisition of new plant and equipment into the sector. High energy and transport cost remain a challenge to the timber processing sector.

Guyana continues to concentrate on the production and utilisation of a limited number of species. Research into the utilisation of lesser used species is limited despite the potential to broaden the species base. Market promotion and development of these species is limited. A recent exhibition to promote the lesser used species on the domestic market, particularly in the building and construction industry is yet to yield positive results.

² Annex 1: Product coverage: The Harmonised Commodity Codes for timber products covered under FLEGT Licensing scheme.

An initial spike in demand for Guyanese timber to the far East has slowed down as demand for sustainable or legally sourced timber has grown in the markets of EU and other developed countries. This has impacted in recent times on the production and exports of Guyana timber products. Competition from substitute products, particularly Pine imports has impacted on the sales of Guyana timber on the domestic market.

Guyana, therefore needs to pursue an aggressive industry development and marketing strategy to optimise the contribution of the timber sector to the national economy.

Forest allocation is a challenge where there are competing claims. The ongoing ALTP should inform the allocation of forest areas and harvesting rights when disputes on rights arise.

The JIF takes into account the need to address these challenges and proposes interventions under Strategic Task 7.

Priority Actions:

- Update Guyana Timber Grading Rules/standards
- Conduct study on compatibility between criteria for private certification schemes and GTLAS
- Study on the feasibility of establishing a common log yard facility
- Review grievance mechanisms under REDD+, ALTP and other programmes in Guyana that concern land tenure, land use and land or natural resources conflicts

Assumptions:

- Private sector interest in FLEGT VPA process continues during implementation.

Milestones:

- Forest management standards updated
- Marketing strategy for Guyana timber developed and operational
- Legal framework for domestic market strengthened
- Reinforce the Grievance and Redress Mechanism (GRM) under ALTP and its successor as an instrument to channel land tenure, land use and other conflicts to GoG and its agencies

Strategic Task 8: Finance Mechanisms for implementing the VPA in place

8.1	Finance mechanisms established
8.2	Technical Assistance provided

Current Situation: Resource mobilisation in the forestry sector is a challenge. Although Guyana's commitment to transitioning into a green economy offers opportunities through the REDD+ process, it is yet to realise the full benefits of its work in this area. Guyana continues to benefit from donor support in implementing its forestry related programs.

With the transition to the implementation phase, Guyana's Ministry of Finance is more engaged in the process and hopefully will provide the required resources to implement the VPA and position the FLEGT VPA activities and by extension the JIF as a priority in its engagement with development partners and discussions on their programming cycles.

Technical Assistance during the negotiation phase was mainly in the provision of services by EFI.

Priority Actions:

- The parties organise a donor round table to attract and harmonise financial support for implementation of the VPA
- Fund mobilisation strategy developed
- Procure and contract regular TA to support GTLAS development and VPA implementation
- Service provider to provide Technical backstopping for priority actions as indicated in the JIF work plan and agreed through JMRC

Assumptions:

- Ministry of Finance makes budgetary provision for at least 50% of the government agencies with key verification roles in the GTLAS in year 1 of implementation.
- All other agencies have budgetary provisions made by Ministry of Finance by Quarter 4 of 2022.
- Donors will continue to have interest in Guyana

Milestones:

- Fund mobilisation Strategy developed.

4. Practical arrangements for the implementation of the JIF

4.1. Investment and resource planning

Technical assistance and funding for the implementation of activities contained in the JIF Activity Plan will come from different sources such as Government of Guyana, FAO, EFI FLEGT Facility, FGMC/DFID and the EU. With the Ministry of Finance becoming a full member of the GCB, it is anticipated that the MNR will receive State Budget resources to support activities of Ministries and Government Agencies related to VPA implementation.

To further aid in the resource planning a number of activities have been identified for implementation during early stages of the JIF:

1. A GTLAS design will be developed with financial support from the FGMC programme by means of a scoping exercise starting in the third quarter of 2019;
2. Engagement with the FGMC programme for support to JIF implementation additional to the above mentioned scoping exercise. FGMC has reserved GBP 2 million for VPA-implementation in Guyana. Deadline for disbursement is 30/03/2021;
3. Joint planning exercise between FAO and Service Providers to develop project proposals for putting in place components of the JIF. Funding is available through the worldwide FAO EU FLEGT Programme that is accessible for VPA-related proposals on a "first come, first served basis". There is a potential USD 2 million that could be accessed by Guyana if it is able to develop project proposals of interest to the FAO EU FLEGT Programme;
4. Negotiation between GoG and the EU and other potential donors such as NORAD for the funding of components of the JIF through donor coordination;
5. Organisation of a donor round table meeting towards the end of 2019 to harmonise funding strategies and fill financial gaps, if any. In case of funding gaps the round table meeting is expected to formulate a fund mobilisation strategy.

A complete picture of who will pay for what during JIF implementation is difficult to provide at the moment. In the JIF Activity Plan (Annex 1) there is an indication of "Possible funding sources" without trying to be definitive. This information will have to be updated over time in this "living document" as part of the negotiations between the GoG and EU on one hand, and GoG and Development Partners on the other hand.

The total costs of the JIF implementation is also very difficult to assess. Two reasons:

1. The GTLAS scoping exercise planned for later this year will review and reveal the gaps or weaknesses in the verification mechanisms in policies, procedures, guidelines and code of practice of the different GTLAS Ministries and Government Agencies, only after which a true assessment can be made of the costs of addressing gaps and weaknesses;
2. Capacity building requirements of stakeholders to better understand and implement the GTLAS are not yet known in detail. An assessment is planned for mid-2019 to assess capacity need only after which, again, an accurate assessment can be made of the costs of capacity building for the different stakeholders.

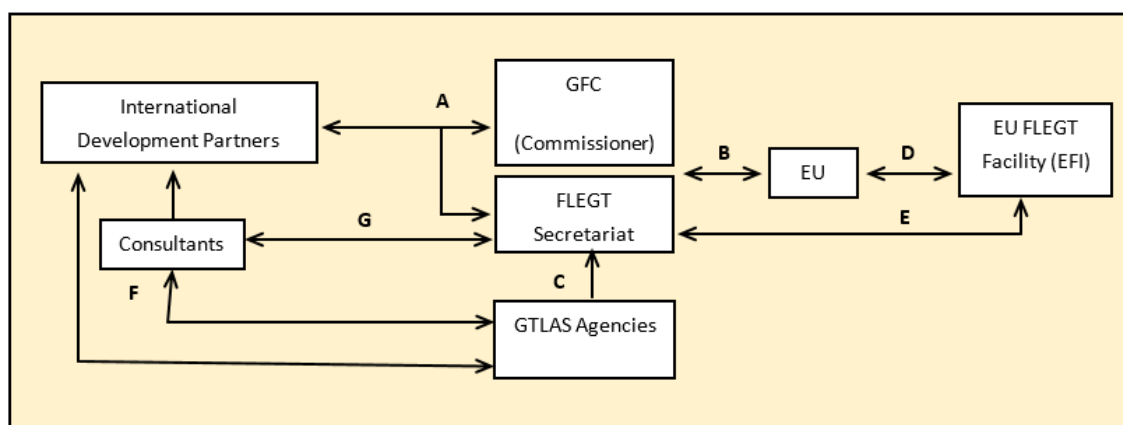
Despite these shortcomings, an attempt has been made in Annex 4 "JIF Indicative budget projection" (in USD) for the total project period (1 July 2019 - 30 June 2023) to provide a rough estimate of expected costs of implementation. The estimate is based on an average of

cost estimates prepared for the VPA implementation in Ghana and initial cost estimates provided in the Honduras JIF.

4.2 Coordination of technical assistance

Several providers of technical support for the JIF are anticipated. These providers include but are not limited to the FAO EU FLEGT Programme, the EU FLEGT Facility (EFI) and other consultants. Coordination of technical assistance will help ensure that maximum benefits are derived for their support. By clarifying lines of communication and authority, financial and time efficiencies will be maximised. The GFC together with the FLEGT Secretariat will lead the coordination of technical inputs, following the process described in Figure 8.

Figure 8. Coordination of Technical Assistance inputs



Key to figure 8

- A. All official communication on the preparation, implementation and approval of TA inputs (including Terms of Reference, draft reports and final reports etc.) will be made between the International Development Partners and the Commissioner of the GFC, together with the FLEGT Secretariat.
- B. All official communication with the EU (EU Delegation and Brussels) regarding the TA inputs will be made by GFC and the FLEGT Secretariat (e.g. sharing draft Terms of References (ToRs) and reports for EU inputs).
- C. The direction and coordination of work connected to the TA inputs within GTLAS agencies will be made by GFC leadership, in collaboration with the concerned agencies, and via the FLEGT Secretariat.
- D. The EU may seek the assistance of the EU FLEGT Facility (EFI) for official responses to GFC on the TA inputs (e.g. comments on TORs and reports).
- E. Direct inputs by the EU FLEGT Facility may be provided to the FLEGT Secretariat (e.g. arranging EFI technical missions and other support activities).
- F. To implement the assignments, the International Development Partners, such as FAO, and any consultants work together with the relevant departments of GFC and other GTLAS agencies and stakeholders.
- G. Consultants are also expected to liaise with the FLEGT Secretariat on the work plan and schedule and other matters requiring coordination.

5. Risks and proposed mitigation strategies

The Forestry sector is complex and still under development. Implementing the Guyana-EU Joint Implementation Framework affects the interests of multiple stakeholders at different levels from local to global. Implementation of the VPA is therefore not guaranteed without risks. 13 risk areas have been identified in the table below, as well as possible strategies to mitigate them.

	Risk	Proposed mitigation strategy
1	Inadequate funding	<ul style="list-style-type: none"> • Early engagement of MoF to source funding • Organisation donor conference and designing fund mobilisation strategy
2	Weak stakeholder technical capacity in Guyana to implement the JIF	<ul style="list-style-type: none"> • Major emphasis on stakeholder capacity building during early stages of the JIF implementation • Identify resources for hiring external technical assistance
3	Limited absorption capacity of key stakeholders to implement the JIF resulting in time delays	<ul style="list-style-type: none"> • Hiring of consultants and other expertise
4	Lack of trust between key stakeholders limiting active engagement, and limiting collaboration	<ul style="list-style-type: none"> • Maximise transparency and information sharing in and between institutions • Strengthen tailor-made outreach programmes targeting stakeholders
5	Weak (communication) infrastructure limiting stakeholder engagement and collaboration	<ul style="list-style-type: none"> • Update and implement communication strategy early in the process
6	Political instability resulting in delays in VPA ratification, GTLAS design, and GoG policy and legislation making	<ul style="list-style-type: none"> • Development partners strengthen engagement with all political groups to promote stability
7	Intra-government conflicts on VPA-related mandates, policy matters and other institutional interests	<ul style="list-style-type: none"> • Strengthen the political leverage of GCB to promote cohesion and dialogue between government institutions
8	Lack of political will to implement the VPA (especially if government changes)	<ul style="list-style-type: none"> • NIWG strongly engages both sides of the political divide
9	Lack of perceived projected (economic) benefits of the VPA, both at national and forestry sector especially because the EU market for timber is currently insignificant	<ul style="list-style-type: none"> • NIWG/FLEGT Secretariat create awareness and promote potential benefits of VPA (beyond economic ones)
10	Corruption undermines GTLAS design and implementation	<ul style="list-style-type: none"> • Early implementation of Annex 9 on public access to information on FLEGT licencing scheme
11	Private voluntary certification schemes such as FSC are perceived as cheaper, more effective and/or easier to develop and maintain than the VPA	<ul style="list-style-type: none"> • Undertake study to compare the different certification schemes with GTLAS requirements • Continued and coordinated EU and other development partners support for VPA development
12	UK as biggest EU market leaves the EU and offers Guyana an attractive alternative to the VPA	<ul style="list-style-type: none"> • EU continues to engage GoG if the UK leaves the EU
13	EU loses interest in Guyana (as it is currently an insignificant supplier of timber to the EU)	<ul style="list-style-type: none"> • EU to look beyond trade but also governance, development and climate gains from VPA

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