
TRUST FUND MTO NO. 069017

Administration Agreement

(Guyana REDD-Plus Investment Fund)

between

ROYAL NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated October 9, 2010

WHEREAS:

The Royal Norwegian Ministry of Foreign Affairs and the Government of Guyana have signed a Memorandum of Understanding dated November 9, 2009 regarding cooperation on issues related to the fight against climate change, the protection of biodiversity and the enhancement of sustainable development, as further described in the Joint Concept Note agreed between the Government and the Ministry, which contemplates the establishment of a multi-contributor trust fund for the financing of activities undertaken as part of the Government's Low Carbon Development Strategy.

NOW THEREFORE:

1. We are pleased to acknowledge on behalf of the International Development Association (the "Association"), as trustee (the "Trustee"), that the Royal Norwegian Ministry of Foreign Affairs (the "Contributor") shall make available as a grant, subject to Parliamentary appropriations, the sum of up to one and a half billion Norwegian kroner (NOK 1,500,000,000) (the "Contribution") for the Guyana REDD-Plus Investment Fund (the "GRIF"), a multi-contributor trust fund established for the financing of activities undertaken as part of the Government of Guyana's ("Guyana") Low Carbon Development Strategy (as such strategy may be amended from time to time, the "LCDS"), in accordance with the terms of this administration agreement (this "Agreement"). Other contributor may also contribute to the GRIF on the terms and conditions specified in the Annex to this Agreement. The Contribution will be based on an independent verification of the results achieved in avoiding greenhouse gas emissions from deforestation and forest degradation and other indicators conducted as set forth in the GRIF Verification Framework, as well as possible contributions from other contributors.

2. The Contribution shall be administered by the Trustee on behalf of the Contributor in accordance with the terms of this Agreement and the "Standard Provisions for the GRIF" (the "Standard Provisions") attached hereto as Annex 1. The Standard Provisions constitute an integral part of this Agreement.

3. Except as otherwise provided in this paragraph, and for so long as the Contributor is the sole contributor to the GRIF, the Contributor shall deposit the Contribution in installments in accordance with the following schedule:

- The first installment of NOK 180 million (representing the Project expenditures projected by Guyana and the Contributor for Projects to be financed by the GRIF in the coming 12-month period and the estimated costs incurred by the Association related to the establishment of the GRIF and Administrative Costs for the first year of the GRIF as further specified in Section 6.3 of the Standard Provisions) will be deposited following signing of the Agreement, the establishment of the Secretariat and a written request from the Trustee.
- Subsequent installments will be deposited in January 2011 and annually thereafter upon written request from the Trustee. The amount of each subsequent installment will be equal to: (i) the funding requirements projected by Partner Entities to the Trustee for the following 12 month period for Projects approved by the Steering Committee (taking into account any funding previously provided to the Partner Entities and any income earned on such funds by the Partner Entities as reported to the Trustee) and Administrative Fees for such 12 month period; (ii) the Administrative Costs for such 12 month period. Notwithstanding the foregoing, the amount of each subsequent installment shall not exceed the amount to which Guyana is entitled to have paid into the GRIF in accordance with the GRIF Verification Framework.

- In the event that there are other contributors to the GRIF, the amount of subsequent installments to be provided by the Contributor shall be adjusted as agreed by them and as notified by the Contributor to the Trustee.
- If the speed of implementation of the activities to be financed by the GRIF makes it necessary either to accelerate or defer installments, changes in the above installment schedule will be agreed by the Trustee and the Contributor on the basis of a decision by the Steering Committee.

4. The installments shall be deposited into such account with such bank as designated to the Contributor by the Trustee. The Contributor shall notify the Trustee of the amount of each installment at the time of deposit. When making each such deposit, the Contributor shall instruct its corresponding bank to include in its payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Contributor for MTO No. 069017 (the Guyana REDD-Plus Investment Fund), and the date of the deposit (the "Deposit Instruction"). In recognition that deposits to the GRIF are provided for forest climate services provided by Guyana, except for amounts deposited for Administrative Fees and Administrative Costs, Guyana shall be the beneficial owner of the amounts in the GRIF, which may only be withdrawn in accordance with the terms of this Agreement.

5. The Trustee shall convert the Contribution funds into the holding currency of the GRIF, namely, United States dollars, promptly upon receipt of the Contribution funds and the Deposit Instruction containing the information specified in paragraph 4 above at the exchange rate obtained by the Association on the date of the conversion. In all cases where the Contribution proves to be insufficient to complete the GRIF activities as a result of an exchange rate fluctuation, neither the Trustee nor the Contributors will bear any responsibility for additional financing.

6. Except as provided for in paragraph 4 above, any notice, request or other communication to be given or made under this Agreement shall be in writing and delivered by mail or facsimile to the respective party's address specified below or at such other address as such party notifies in writing to the other party from time to time:

For the Trustee:

Susan McAdams
Director
Multilateral Trusteeship and Innovative Financing
The World Bank
1818 H Street, NW
Washington, DC 20433
U.S.A.

Tel: +1 (202) 458-0019
Fax: +1 (202) 414-0795

For the Contributor:

Mr Henrik Harboe
Deputy Director General
Multilateral Bank and Finance Section
Royal Ministry of Foreign Affairs
P.O. Box 8114 Dep,
7 juni pl/Victoria Terrasse
NO-0032 Oslo, Norway

Tel: 47 22 24 36 80

Fax: 47 22 24 37 90

7. This Agreement may be amended only in writing between the Trustee and the Contributor; provided, however, that the Standard Provisions may be amended only with the agreement of all contributors contributing to the GRIF on terms and conditions specified in the Standard Provisions. The GRIF Governance Framework Document (as such term is defined in the Standard Provisions) is attached to this Agreement as Appendix A for informational purposes only. The GRIF Verification Framework (as such term is defined in the Standard Provisions) is attached to this Agreement as Appendix B for informational purposes only.

8. This Agreement will be effective on the date of its signature by the Contributor and the Association.

**For the International Development
Association**

By:

Name: AXEL VON TROTSENANNE

Title: VICE-PRESIDENT

Date: OCTOBER 9, 2010

**For the Royal Norwegian Ministry of
Foreign Affairs**

By:

Name: INGRID FISRAA

Title: STATE SECRETARY

Date: OCTOBER 9, 2010

ANNEX 1

Standard Provisions for the GRIF

This Annex shall be applicable to and form an integral part of all GRIF administration agreements entered into between the Trustee and entities (collectively, the "Contributors") that provide contributions (the aggregate of all contributions from the Contributors, the "Contributions" and each Contributor's respective contribution to the GRIF, the "Contribution") to be administered by the Trustee for the GRIF.

1. Definitions

1.1. Capitalized terms appearing, but not otherwise defined, in this Agreement, shall have the meanings ascribed to them below:

"Administrative Costs" means the administrative and other costs incurred by the Trustee and/or the Secretariat, in connection with the performance of their services, communication activities and the independent evaluation referred to in Section 9.1 in support of the GRIF.

"Administrative Fees" means the administrative and other costs, including but not limited to costs for Project preparation, Project supervision and preparation of reports and unaudited or audited financial reports and evaluations, incurred by the Partner Entities in connection with the management and review of the Projects.

"GRIF Governance Framework Document" means the Governance Framework for the GRIF to be endorsed by the Steering Committee, which shall, unless the Trustee shall otherwise agree, be in the form attached hereto as Appendix A.

"GRIF Verification Framework" means the Verification Framework for the GRIF to be endorsed by the Steering Committee, which shall, unless the Trustee shall otherwise agree, be in the form attached hereto as Appendix B.

"Partner Entity" means the Inter-American Development Bank ("IADB"), the Association, and any fund, program or specialized agency of the United Nations that is a member of the United Nations Development Group. Others may be added if the Steering Committee deems necessary and such entities meet fiduciary, safeguard and operational standards established by the Steering Committee and have gone through an accreditation process established by the Steering Committee. Such standards and accreditation process shall be acceptable to the Trustee.

"Program" means more than one Project.

"Project" means goods, works or services for an investment, technical assistance or capacity building activity or activities which are to be financed on a grant basis with funds from the GRIF, as approved by the Steering Committee in accordance with the GRIF Governance Framework Document.

"Secretariat" means the administrative unit established pursuant to the GRIF Governance Framework Document to support the Steering Committee and the GRIF.

"Steering Committee" means the steering committee established pursuant to the GRIF Governance Framework Document to approve Projects and/or Programs for each Partner Entity.

"Transfer Agreement" means any agreement to be entered into between the Trustee and any Partner Entity.

2. Establishment of the GRIF

2.1 The GRIF is established to: (i) manage transfers provided to the GRIF by the Contributors for future forest climate service pursuant to the administration agreements with the Trustee, the GRIF Governance Framework and the GRIF Verification Framework; and (ii) transfer such resources and any investment income earned on the GRIF, net of any Administrative Costs and Administrative Fees, to Projects and Programs that support the implementation of Guyana's LCDS.

2.2 The governance and operational framework applicable to the GRIF is set forth in the GRIF Governance Framework Document and the GRIF Verification Framework. The GRIF Governance Framework Document and the GRIF Verification Framework may be amended from time to time by the Steering Committee in accordance with their respective terms, provided that certain amendments would require the consent of the Trustee in accordance with their terms. In the event of any conflict between the provisions of the GRIF Governance Framework Document or the GRIF Verification Framework and the terms of this Agreement, the terms of this Agreement shall prevail.

2.3 The total amount of Contributions that can be made to the GRIF annually will be determined by the results achieved by Guyana in avoiding greenhouse gas emissions from deforestation and forest degradation as well as other indicators verified through an independent assessment as described in the GRIF Verification Framework.

3. Administration of the Contributions

3.1 The Trustee shall be responsible only for performing those functions specifically set forth in this Agreement and shall not be subject to any other duties or responsibilities to the Contributors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement shall be considered a waiver of any privileges or immunities of the Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

4. Commingling, Exchange and Investment of the Contributions

4.1 The Contributions shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Trustee. The Contributions may be commingled with other trust fund assets maintained by the Trustee.

4.2 The Contributions may be freely exchanged by the Trustee into other currencies as may facilitate their disbursement.

4.3 The Trustee shall invest and reinvest the Contributions pending their disbursement in accordance with the Trustee's policies and procedures for the investment of trust funds administered by the Trustee. The Trustee shall credit all income from such investment to the GRIF to be used for the same purposes as the Contributions.

5. Use of GRIF Resources

5.1 The Trustee may make provisional commitments, transfer and/or use the GRIF resources for any purpose approved and in the amount allocated by the Steering Committee in accordance with the terms of the GRIF Governance Framework Document and this Agreement.

6. Administrative Costs and Administrative Fees

6.1 Administrative Costs incurred by the Secretariat and the Trustee shall be charged to the GRIF on an actual basis. Estimated costs for the Trustee and Secretariat charged to the GRIF will be approved in advance by the Steering Committee on an annual basis and shall be subject to an end of year adjustment based on actual costs incurred.

6.2 The GRIF funds may also be used to cover the Administrative Fees incurred by the Partner Entities. The Administrative Fees of Projects and/or Programs will be allocated by the Steering Committee at the time of its approval of Projects and/or Programs, based on the submission of proposed Administrative Fees by the relevant Partner Entity to the Steering Committee.

6.3 Notwithstanding Section 6.1 above, the Association may, following deposit of the first installment of the Contribution from the initial Contributor, deduct from the GRIF and retain for its own account an amount equal to seven hundred thousand United States dollars (US\$700,000) for costs incurred by the Association related to the establishment of the GRIF and for the estimated Administrative Costs of the Trustee for the forthcoming year. Such amount shall be subject to an end of year adjustment based on actual costs incurred.

7. Transfers to Partner Entities and Secretariat

7.1 The Trustee shall, subject to Section 5.1 above, make provisional commitments and transfer the GRIF funds allocated by the Steering Committee: (a) to the Partner Entities, including the Bank in its role as a Partner Entity, in accordance with the Transfer Agreements and (b) to the entity or entities providing the Secretariat.

7.2 The Transfer Agreements shall provide that:

- (a) each Partner Entity shall be responsible for:
 - (i) the use of the GRIF funds transferred to it and activities carried out therewith in accordance with: (x) its policies and procedures (including those in respect of the procurement of goods and services, financial management, environmental and social safeguards, reporting arrangements and its framework to combat fraud and corruption); and (y) the applicable decisions of the Steering Committee, including the purpose for which the allocations of the funds have been approved;
 - (ii) maintaining books, records, documents, and other evidence in accordance with its usual accounting procedures to sufficiently substantiate the use of the GRIF funds transferred to it;
 - (iii) reporting to the Steering Committee annually on the progress of implementation of its activities, results achieved compared to planned results as well as to its contribution to the achievement of the planned results of the GRIF as such and the financial status of Projects and activities under its responsibility and will,

within 6 months of the completion date of the Project, provide the Steering Committee with a final report of such Project;

- (iv) ensuring that each Project proposal it submits to the Steering Committee is consistent with the LCDS and the overall results framework of the GRIF once such framework is approved by the Steering Committee; and
- (v) ensuring that each Project proposal it submits to the Steering Committee includes a robust results framework, as agreed between Guyana and the corresponding Partner Entity.

(b) Any grant agreement that the corresponding Partner Entity enters into with an Implementing Entity (as such term is specified in the GRIF Governance Framework Document) shall provide that if the Partner Entity determines that GRIF funds are used in a manner inconsistent with the corresponding grant agreement, the Implementing Entity shall promptly refund the GRIF funds to the Partner Entity and the Partner Entity shall promptly return such funds to the GRIF.

(c) If a Contributor notifies the Trustee that such Contributor has determined, following consultation with the Partner Entity and Guyana, that GRIF funds transferred to the Partner Entity have been used in a manner inconsistent with the terms of the corresponding Transfer Agreement or the applicable decisions of the Steering Committee, the Trustee shall withhold disbursements to such Partner Entity and/or require the Partner Entity to promptly return such funds to the Trustee as instructed by such Contributor.

(d) Any grant agreement that the Partner Entity enters into with an Implementing Entity shall provide that the Partner Entity shall only be obligated to make funds available under any grant agreement with the Implementing Entity to the extent the Partner Entity has received funding from the Trustee and that neither the Partner Entity nor the Trustee shall have any personal liability to the Implementing Entity for any shortfall in funding under such grant agreement.

7.3. Recognizing the obligations of the Contributors and Guyana under various United Nations Security Council Resolutions to take measures to prevent the financing of terrorists, the Trustee will include in each Transfer Agreement a requirement that the Partner Entity undertake to use reasonable efforts, consistent with its policies and procedures, to ensure that the GRIF funds provided to the Partner Entity by the Trustee are used for their intended purposes and are not diverted to terrorists or their agents. The Partner Entities will include provisions corresponding to the above in any grant agreements that the Partner Entity enters into with Implementing Entities.

7.4 The Transfer Agreements shall also name the Contributors as third party beneficiaries with direct rights on the part of the Contributors to seek recourse under the Transfer Agreement and include provisions entitling the Trustee to novate and assign the Transfer Agreement to the Contributors or their representative so that the Contributors may seek direct recourse against a Partner Entity.

7.5 The Trustee shall also include provisions in each Transfer Agreement that the Partner Entity shall invite the Contributors to participate in its supervision missions related to the activities funded by the Partner Entity with the GRIF funds and that, if any Contributor wishes to request to review or evaluate the activities of the Partner Entity financed by the GRIF, the Contributor and the Partner Entity shall agree on the scope and conduct of such review or evaluation, and the Partner Entity shall provide all relevant information within the limits of its policies and procedures. It is understood that any such review or evaluation will not constitute a financial, compliance or other audit of the GRIF. All associated costs will be borne by the Contributor, unless otherwise agreed.

7.6 The Trustee shall require, and accept from, the Partner Entities that have received GRIF funds from the Trustee, periodic unaudited financial reports and/or an audited financial report, as well as other relevant financial information, as required by the Steering Committee.

7.7 Upon the transfer of funds to Partner Entities, the Trustee shall have no responsibility for the use of GRIF funds transferred and activities carried out therewith. Each Partner Entity will be responsible for reporting to the Steering Committee on its activities carried out with the GRIF funds pursuant to the GRIF Governance Framework Document and the Transfer Agreement.

8. Accounting and Financial Reporting

8.1 The Trustee shall maintain separate records and ledger accounts in respect of the Contributions deposited in the GRIF account and disbursements made therefrom.

8.2 The Trustee shall furnish to the Contributors current financial information relating to receipts, disbursements and fund balance in United States dollars of the GRIF via the World Bank's Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under the GRIF have been satisfied and the GRIF has been closed, the final financial information relating to receipts, disbursements and fund balance in United States dollars of the GRIF will be made available to the Contributors via the World Bank's Trust Funds Contributor Center secure website.

8.3 The Trustee shall provide to the Contributors, within six (6) months following the end of each Trustee fiscal year, an annual single audit report, comprising: (a) a management assertion together with an attestation from the Trustee's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (b) a combined financial statement for all cash-based trust funds together with the Trustee's external auditor's opinion thereon. The cost of the single audit shall be borne by the Trustee.

8.4 If a Contributor wishes to request, on an exceptional basis, a financial statement audit by the Trustee's external auditors of the GRIF, the Contributor and the Trustee shall first consult as to whether such an external audit is necessary. The Trustee and the Contributor shall agree on the appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Trustee shall arrange for such external audit. The costs of any such audit, including the internal costs of the Trustee with respect to such audit, shall be paid by the requesting Contributor.

8.5 The Trustee shall furnish the Steering Committee and each Contributor with: (a) copies of all unaudited or audited financial reports received from the Partner Entities; and (b) any other relevant financial information received from the Partner Entities. The Trustee shall also furnish the Steering Committee the information and reports referred to in Sections 8.2. and 8.3.

9. Evaluation

9.1 The Association will arrange for an independent evaluation of its role as Trustee to be carried out after four years of operations of the GRIF by its independent evaluation department or such other entity as the Association may determine.

10. Disbursement; Cancellation; Refund

10.1 It is expected that the Contributions will be fully disbursed by the Trustee by December 31, 2016. Before such date, the Contributors shall consult with Guyana and the Trustee on a possible extension of

such date. The Trustee shall only disburse Contributions for the purposes of this Agreement after such date with the written approval of the Contributors.

10.2 In the event that the Steering Committee shall cease making allocations from the outstanding balance of the GRIF pursuant to the terms of the GRIF Governance Framework Document, the Trustee shall continue to administer the GRIF after the date of cessation of allocations by the Steering Committee in accordance with the provisions of this Agreement and the Transfer Agreements until such time as the obligations of the Trustee set forth in Section 10.5 of this Annex are fulfilled. In such event, the Trustee in consultation with the Steering Committee, agrees to return any unused amount of compensation allocated for the Administrative Costs of the Trustee calculated on an actual basis. The Transfer Agreements shall provide that if Programs and/or Projects are canceled prior to completion, the relevant Partner Entity shall return to the GRIF any unused amount of compensation allocated for Administrative Fees.

10.3 Any Contributor may, upon three (3) months' prior written notice, cancel all or part of the remaining balance of its Contribution that is not allocated by the Steering Committee prior to the receipt of such notice. In the event of such cancellation, the Trustee shall, as instructed by the Contributor in writing, promptly return directly to the Contributor or to the Contributor's Balance Account or transfer to any other trust fund or fund administered by the International Bank for Reconstruction and Development ("IBRD") or the Association its unallocated Contribution.

10.4 The Trustee may terminate its role as trustee of the GRIF at any time after giving the Steering Committee three (3) months notice in writing. Following termination, the Trustee shall carry on no business for the GRIF except for the purpose of winding up its affairs. The Trustee shall, in consultation with the Steering Committee to the extent possible, take all necessary action for winding up its affairs in an expeditious manner, and for meeting the commitments already made by the Trustee.

10.5 Following the final disbursement date specified in Section 10.1, the Trustee shall, as instructed by the Contributor in writing, return any remaining balance of its Contribution to the Contributor or to the Contributor's Balance Account or transfer such balance to another trust fund or fund administered by IBRD or the Association.

11. Disclosure

11.1 The Trustee may disclose this Agreement and information under this GRIF in accordance with the World Bank's Policy on Access to Information. By entering into this Agreement, Contributors consent to disclosure of this Agreement and related information on this GRIF.

APPENDIX A

Guyana REDD+ Investment Fund (GRIF)
Governance Framework Document

This document sets forth the governance framework for the GRIF, as endorsed by the Steering Committee at its inaugural meeting. It may be amended from time to time by the Steering Committee, provided that any amendments that would change the composition of Partner Entities, the types of projects or activities eligible for GRIF financing or that would affect the rights or obligations of the Trustee or Partner Entities shall only be effective upon the agreement of the Trustee or Partner Entities, respectively.

The Guyana REDD-plus¹ Investment Fund (GRIF) will be established to: (i) manage payments provided to the GRIF for forest climate services provided by Guyana; and (ii) transfer these payments and any investment income earned on these payments, net of any administrative costs of the Trustee and the Secretariat and any administrative fees to Partner Entities, for projects and activities that support the implementation of Guyana's Low Carbon Development Strategy (LCDS). The GRIF will provide grant financing for goods, works or services for an investment, technical assistance or capacity building activity or activities as approved by the Steering Committee in accordance with the GRIF Governance Framework Document. The GRIF will not provide financing for budget support.

The GRIF is also designed to support global efforts to devise a UNFCCC REDD-plus mechanism. The GRIF is intended to be a model for REDD-plus payments, and to learn lessons about the nature of the REDD-plus climate finance fund that will be needed to support a UNFCCC REDD-plus mechanism and as part of this effort, to ensure adherence to internationally accepted safeguards for fiduciary, social and environmental standards.

In the absence of a UNFCCC mechanism for REDD-plus, the Governments will invite the IDB, the World Bank and members of the United Nations Development Group to act as GRIF Partner Entities, and have invited the World Bank to act as Trustee of the GRIF.

This Governance Framework Document describes the roles and responsibilities of the Contributors, Trustee, Partner Entities, Steering Committee, Secretariat and Implementing Entities.

1. Contributors

Contributors will make payments to the GRIF for Guyana's forest climate services (Payments). These payments will be performance-based, calculated in accordance with the methodology set out in the GRIF Verification Framework endorsed by the Steering Committee.

2. Trustee

Payments will be deposited in the GRIF. The International Development Association will act as Trustee for the GRIF:

¹ REDD-plus is defined in the Bali Action Plan as "Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries" (paragraph 1b(iii)).

- (a) The Association's role as Trustee is limited to being a financial intermediary;
- (b) The Trustee will be responsible for the financial management of the Fund, including the investment of its liquid assets, and will credit the investment income to the GRIF;
- (c) The Trustee will make provisional commitments of GRIF resources in the amounts approved by the Steering Committee. Subject to the availability of applicable cash and liquid assets in the GRIF, the Trustee will make transfers of GRIF resources in the amounts approved by the Steering Committee. Provisional commitments and transfers of GRIF resources to Partner Entities will be made in the manner agreed in financial transfer agreements between the Trustee and Partner Entities;
- (d) The Trustee will transfer to the Association and the Secretariat funding for Administrative Costs in the amount approved by the Steering Committee;
- (e) The Trustee will have no fiduciary and safeguards responsibility in respect of the use of the funds, once transferred to the Partner Entity or for the activities described in the GRIF Verification Framework. The Trustee will have no liability for the use of the funds, once transferred to the Partner Entity. It is understood that the Association's operational policies and procedures and corresponding accountability mechanism pertaining to projects, including those relating to environmental and social safeguards, will not apply to the activities of the Association as Trustee; and
- (f) The Trustee will submit regular reports to the Steering Committee on the financial status of the fund as provided in the Administration Agreements between the Trustee and the Contributors.

3. Partner Entities

Once the Trustee transfers payments to the Partner Entities, the Partner Entities will provide operational services for the relevant projects:

- (a) The selection of a GRIF Partner Entity for a project or activity will be mutually agreed between Guyana and the Partner Entity and approved by the Steering Committee.
- (b) For all investments for which they provide operational services, each Partner Entity will be responsible for the use of funds transferred to it by the Trustee and be required to ensure:
 - (i) consistency with the LCDS and the applicable decisions of the Steering Committee, including the purpose for which the funding has been provided;
 - (ii) consistency with the Partner Entity's fiduciary, safeguards, and operational policies and procedures; and
 - (iii) that a robust results framework, as defined by Guyana and the Partner Entity, is developed and agreed upon at the project level.
- (c) Each GRIF Partner Entity will be responsible for the supervision of a given project's adherence to the criteria set out in paragraph 3(b) hereto. This supervision will be in accordance with the Partner Entity's own fiduciary, safeguards, and operational policies and procedures.
- (d) Each GRIF Partner Entity will report to the Steering Committee on implementation progress for projects under its responsibility.

4. Steering Committee

Functions:

Supporting the work of the established Multi-Stakeholder Steering Committee (MSSC) of the LCDS, the Steering Committee for the GRIF will be established separately from the MSSC with a specific mandate for the GRIF.

The Steering Committee is the GRIF's oversight and decision-making body, and will:

- (a) Serve as a forum for exchange of information and sharing experience on the LCDS;
- (b) Approve an Operational Manual;
- (c) Establish fiduciary, safeguard and operational standards and an accreditation process for Partner Entities other than the Association, the IADB and any fund, program or specialized agency of the United Nations that is a member of the United Nations Development Group and approve any such Partner Entities;
- (d) Agree with Partner Entities a schedule for Administrative Fees;
- (e) Review all GRIF investments. To do this, the Steering Committee will review investment proposals prepared jointly by the Government of Guyana and the Partner Entity, and will either:
 - (i) approve all allocations of GRIF funds for the GRIF investment being reviewed; or
 - (ii) send the proposal back, requesting the Partner Entity to incorporate necessary modifications to ensure adherence to the criteria outlined in paragraph 3(c) above;
- (f) Approve all allocations of GRIF funds for the administrative costs for the Secretariat and the Trustee and for the administrative fees for Partner Entities;
- (g) Receive and review progress and financial reports submitted by the Partner Entities;
- (h) Review periodic financial reports on the GRIF submitted by the Trustee;
- (i) Oversee independent reviews of the GRIF and the Trustee; and
- (j) Approve an overall results framework for the GRIF within one year following receipt by the Trustee of the first installment of a contribution to the GRIF.

Composition:

The Steering Committee will be chaired by the Government of Guyana, and its members will be the Government and the Contributors to the GRIF. Any decision of the Committee will be made by consensus. The Trustee, each of the GRIF Partner Entities, civil-society organizations and private sector entities will be invited to participate in the Steering Committee as observers. The number of observers representing civil-society organizations and private sector entities, and the process for their selection, will be decided by the Steering Committee. The Steering Committee will meet at such frequency as it may

decide, but at least once a year. The Steering Committee may, without meeting, review and approve allocation of GRIF funds for projects and activities and any other matters, as needed, through means and procedures agreed by the Steering Committee.

5. Secretariat support for Steering Committee

A representative from Norway and a representative from Guyana shall constitute the Secretariat to the Steering Committee to provide necessary administrative and programming support for the operation of the GRIF. The Secretariat will be responsible for:

- (a) preparing an operational manual for the GRIF;
- (b) receiving proposals for funding for projects and activities and forwarding such proposals for review by the Steering Committee;
- (c) notifying the Trustee of decisions by the Steering Committee;
- (d) organizing meetings of the Steering Committee and drafting and circulating minutes of Steering Committee discussions. The first meeting of the Steering Committee will be held within 30 days of receipt by the Trustee of the first installment of a contribution to the GRIF;
- (e) maintaining a record of all Steering Committee decisions;
- (f) ensuring that information on GRIF activities is available on a public website and providing information to the public on GRIF activities as directed by the Steering Committee;
- (g) providing information as necessary to Partner Entities on GRIF requirements, in coordination with the Trustee;
- (h) receiving periodic progress and financial reports from the Trustee and Partner Entities, as well as reports based on the Verification Framework from Partner Entities, for distribution to the Steering Committee; and
- (i) coordinating with the Trustee to ensure that the Trustee has all the information necessary to carry out its responsibilities.

6. Implementing Entities

Partner Entities will enter into grant agreements to provide GRIF resources to Implementing Entities, in accordance with the proposals for projects and activities approved by the Steering Committee. The Implementing Entities may include the Government of Guyana or any instrumentalities thereof or any other entity that is eligible to receive funding in accordance with the Partner Entity's policies, guidelines and procedures and which the Government has agreed to be a recipient of resources. The Implementing Entities shall be accountable to the relevant Partner Entity for the implementation of the relevant project or activity in accordance with the terms of the grant agreement between the Implementing Entity and the Partner Entity.

7. Monitoring and Evaluation

Each Partner Entity and the Trustee will on or about three years after commencement of operation of the GRIF: (i) submit to the Steering Committee a report, in the detail agreed with the Steering

Committee, on the progress achieved in the projects and activities for which it is Partner Entity and the activities of the Trustee, respectively, and describing any proposed measures to address any issues that have been identified; and (ii) review the report with the Steering Committee and thereafter implement any measures agreed with the Steering Committee. The fourth annual status report provided for in the GRIF Verification Framework will include an independent evaluation of the operations of the GRIF.

GRIF Verification Framework

This appendix, endorsed by the GRIF Steering Committee, constitutes the basis for the Contributors' support to the GRIF. The low carbon development partnership as well as the GRIF is open for other contributors to join. The terms of the partnership may be changed at any time through agreement between Guyana and its climate forest partner(s). This appendix may be amended from time to time by the Steering Committee to reflect such changes. Amendments that would affect the rights or obligations of the Trustee shall only be effective upon agreement by the Trustee.

Section 1: Background

The objective of the GRIF is to support activities and investments within the framework of Guyana's Low Carbon Development Strategy as well as Guyana's efforts in building capacity to improve overall REDD+ and LCDS efforts.

The level of financial support from Contributors to the GRIF will depend on Guyana's delivery of results as measured against two sets of indicators:

- *Indicators of enabling activities:* A set of policies and safeguards to ensure that REDD-plus contributes to the achievement of the goals "that Guyana's LCDS Multi-Stakeholder Steering Committee and other arrangements to ensure systematic and transparent multi-stakeholder consultations will continue and evolve, and enable the participation of all affected and interested stakeholders at all stages of the REDD-plus/LCDS process; protect the rights of indigenous peoples; ensure environmental integrity and protect biodiversity; ensure continual improvements in forest governance; and provide transparent, accountable oversight and governance of the financial support received. The enablers are described in more detail in Section 2 below.
- *REDD-plus Performance Indicators:* A set of forest-based greenhouse gas emissions-related indicators, as described in more detail in section 3 below. These indicators will gradually be substituted as a system for monitoring, reporting and verifying (MRV) emissions from deforestation and forest degradation in Guyana is established. A timeframe for when and how this will happen will be established in 2010.

The contents of this document, including both sets of indicators above, will be updated to include annual progress in developing the MRV system and in strengthening the quality of REDD-plus-related forest governance according to Guyana's REDD-plus governance development plan, as well as to reflect developments in negotiations under the UNFCCC. The Government of Guyana is responsible for providing the necessary data for assessing performance against the given indicators.

Section 2: Indicators of Enabling Activities

- *Strategic framework*

All aspects of Guyana's planned efforts to reduce deforestation and forest degradation, including forest conservation, sustainable management of forests and enhancement of forest carbon stocks ("REDD-plus"), are being developed in a consistent manner, through an internationally recognized framework for developing a REDD-plus programme, and will continue to evolve over time. Currently, the UN REDD

Programme and the Forest Carbon Partnership Facility (FCPF), managed by the World Bank, are two examples of this; the latter constitutes the framework under which Guyana is developing its REDD-plus efforts. Furthermore, all REDD-plus efforts will at all stages be fully integrated in Guyana's Low Carbon Development Strategy (LCDS). The contributions to Guyana's REDD-plus/LCDS from Contributors, including the FCPF, will be administered in a transparent manner. Information concerning all expenditures, both planned and implemented, will be publicly available.

• **Continuous multi-stakeholder consultation process**

The LCDS, including the REDD-plus strategy and prioritized LCDS funding needs, will continue to be subject to an institutionalized, systematic and transparent process of multi-stakeholder consultation, enabling the participation of all potentially affected and interested stakeholders at all stages of the REDD-plus/LCDS process. This process will continue to evolve over time. Particular attention will be given to the full and effective participation of indigenous peoples and other forest-dependent communities. Guyana's policy is to enable indigenous communities to choose whether and how to opt in to the REDD-plus/LCDS process only when communities wish to do so, in accordance with Guyana's policy of respecting the free, prior and informed consent of these communities. The consultation process will continue to be monitored by an expert team appointed jointly by Guyana and the Contributors. This team will provide advice to all stakeholders and report on the quality, implementation and adequacy of processes and institutional arrangements to suit the relevant stage of the consultation process, e.g. through regular meetings of a representative multi-stakeholder steering committee.

• **Governance**

The independent assessments of current forest governance and logging practices in Guyana, as performed by the Center for International Forestry Research (CIFOR) and the Food and Agriculture Organization of the United Nations (FAO), in addition to relevant legislation, policies and processes in Guyana, should form the basis for the continued development of a transparent, rules-based, inclusive forest governance, accountability and enforcement system. The development and implementation of this governance model will be integrated with the LCDS. Where appropriate, experiences from REDD-plus-relevant initiatives and projects nationally and internationally should be applied.

An outline of Guyana's REDD-plus governance development plan was prepared by the end of 2009. A more detailed plan will be developed by October 2010, with clear requirements and timelines for its implementation. The development plan will be subject to review by an independent institution, designated by Guyana and the Contributors, and should include the points set out in Table 1. These points will be further developed over time, and the Indicators of Enabling Activities will be adjusted annually for the subsequent year, based on the detailed REDD-plus governance development plan (RGDP).

• **MRV**

A needs assessment for a national system to monitor, report and verify (MRV) emissions or removals of carbon from Guyana's forest sector shall be developed. The MRV-system must provide the basis for reporting in accordance with the principles and procedures of estimation and reporting of carbon emissions and removals at the national level as specified by the IPCC Good Practice Guidelines and Guidance for reporting on the international level, as well as meeting the particular data needs of the national RGDP.

A road map for the national MRV-system has been developed. The plan describes the process towards establishing the system, including timelines, milestones and cost estimates. Guyana will make publicly available an annual report on the implementation of the road map.

The needs assessment and roadmap will be used as basis for dialogue and negotiations with potential providers of support and services to the national MRV system (including capacity building, methodologies for carbon estimation, technical infrastructure, etc). When relevant, open tender processes will be applied.

Establishing a status quo/baseline database on the Guyanese forest sector, including assessments of historical and current deforestation rates at the latest by October 2010.

• **The rights of indigenous peoples and other local forest communities as regards REDD-plus**

The Constitution of Guyana guarantees the rights of indigenous peoples and other Guyanese to participation, engagement and decision making in all matters affecting their well-being. These rights will be respected and protected throughout Guyana's REDD-plus and LCDS efforts, and there shall be a mechanism to enable the effective participation of indigenous peoples and other local forest communities in planning and implementation of REDD-Plus strategy and activities.

• **Annual assessment and verification**

Annual independent overall assessments will be conducted by one or more neutral expert organizations, to be appointed jointly by the Participants in consultation with the international financial institution managing the GRIF, on whether or not the REDD-plus enablers have been met, and what results Guyana has delivered according to the established indicators for REDD-plus performance. A neutral expert organization will also provide an annual status report to the Guyana and the Contributors. In this status report, the organization will outline its independent assessment of all Participants in the REDD+ process, and make recommendations for process and capability improvements.

Section 3: REDD-plus performance Indicators

In the absence of an operational MRV-system for emissions or removals of carbon from Guyana's forest sector, a set of basic interim indicators will be used to assess Guyana's performance, see table 2. As a more sophisticated forest carbon accounting-system is implemented, these basic indicators will be gradually phased out. The set of interim performance indicators is based on the following assumptions:

- They provide justification and prioritization for near-term implementation of REDD-plus efforts.
- They are based on conservative estimates while encouraging the development of a more accurate MRV system over time through building national capacities.
- They will contribute towards the development of a national MRV-system, based on internationally accepted methodologies and following the IPCC reporting principles of completeness, consistency, transparency, uncertainty, comparability, and encourage independent international review of results.

Until a UNFCCC methodology (or other agreed multilateral methodology) is established, the maximum sum of results-based financial support from Contributors to the GRIF will be determined utilizing five elements:

- Subtracting Guyana's observed deforestation rate from an agreed interim reference level of 0.45 %²;
- Calculating the carbon emission reductions achieved through reduced deforestation (as compared to the agreed reference level) by applying an interim and conservatively set estimate of carbon loss of 100tC/ha. This value will be replaced once a functional MRV system is in place. The interim carbon loss figure corresponds to 367tCO₂/ha;
- Subtracting from that number changes in emissions – on a ton-by-ton basis – from forest degradation as measured against agreed indicators, as specified in Table 2 below. In calculating the carbon effects of forest degradation, an interim and conservatively set carbon density of 400 tC/ha will be applied. Upon agreement under the UNFCCC on how to estimate and account for emissions from degradation, this approach will be adjusted accordingly;
- Applying an interim carbon price of US\$5/ton CO₂, as established in Brazil's Amazon Fund.

The maximum level of support for results achieved in 2009 will be calculated based on historical data as estimated by FAO and for indicators of enabling activities for 2009. Subsequent annual assessments will cover the period from 1 October until 30 September in the two years preceding the relevant budget year, unless otherwise agreed by the Participants.

For the sake of illustration, the maximum level of financial support based on results achieved in 2009 could be calculated as follows:

- If Guyana's deforestation rate in 2009 is assessed to be 0.3% (of a forest area of 15 million hectares, which would be the case if indigenous groups opt in to REDD-plus and the Guyana-Norway partnership – if they do not the forest area will be lower), this is 0.15% below the reference level of 0.45%, so corresponds to 22,500 hectares of avoided deforestation;
- Using the interim carbon stock value of 367 tCO₂ per hectare, this represents 8,257,500 t CO₂;
- At an interim carbon price of US\$5/t CO₂, this would translate to a maximum level of financial support of US\$41,287,500.
- Each ton of estimated increase of emissions from forest degradation– as based on the methodology described above – would lead to a decrease in level of maximum financial support of US\$5.

² The Conference of the Parties of the UNFCCC will set the reference levels – or the methodologies for calculating these – for a global REDD-plus arrangement. When that work is completed, Guyana's reference level will be adjusted accordingly. To set Guyana's interim reference level as a basis for 2010 contributions to the GRIF, a methodology has been used giving equal weight to national (estimated to 0.3%* for Guyana) and collective tropical forest countries deforestation rates (estimated to 0.6%**). Such an approach would both ensure global additionality and incentives to all significant categories of forest countries if applied overall to a global REDD-plus arrangement.

All the above described variables will be revisited by Guyana and its low carbon development partners based on improved data on deforestation rates, improved MRV capabilities, and developments under the UNFCCC and other possible international cooperation arrangements.

The Contributors' support to the GRIF will not exceed the sum calculated on the basis of the above described methodology (neither in 2010 nor in future years). Other contributors will be encouraged to join the GRIF in order to make it sustainable in the long term. This will enable contributions to vary directly with performance, i.e. a reduction in estimated emissions will lead to relatively higher contributions, increases to relatively lower contributions.

The financial support to the GRIF seeks to provide incentives to avoid future deforestation, and the interim reference level has been established accordingly. While financial support will continue to be based on this reference level, it is agreed that financial support from 2011 onwards is also dependent on no national-level increase in deforestation over an agreed level that should be as close to historical levels as is reasonable in light of expanded knowledge of these historical rates and the quality of that knowledge. Such a level can only be set when more robust data is available concerning current and historic deforestation. This level will be set through a mutually agreed process by no later than October 2010.

Table 1: Contents of REDD+ Governance Plan

The REDD-plus governance development plan should include the following points:

- Transparency and accountability are key to success in any REDD-plus effort. REDD-plus-relevant decisions and data should be publicly available. Guyana recognizes the need to demonstrate international standards, and therefore aims to implement IFM. Data generated through IFM and EITI (or an alternative mechanism agreed by the Participants to further the same aim as EITI) could also serve as input and/or verifiers to the forest carbon accounting system. Guyana has also decided to enter into a dialogue with the European Union with the purpose of entering the FLEGT program; through a Voluntary Partnership Agreement;
- The development of a system for reporting on the multiple benefits of REDD-plus, including on measures to protect biological diversity, improved livelihoods, good governance, and how the Constitutional protection of the rights of indigenous peoples and local communities are facilitated within the framework of Guyana's REDD-plus efforts.
- The development of a national³, inter-sectoral, land use planning system in order to avoid national leakage, with REDD-plus as the overarching goal and with specific emphasis on managing the impacts of infrastructure development and agricultural expansion on forests;
- The development of valuation systems for determining the costs and benefits of different alternatives and courses of action on the forest resource, related to environmental benefits and new alternative uses of forests, and also more classical uses and standing timber values;

³ Although the land use planning system will be developed on a national level, that does not imply opt-in of indigenous lands until their free, prior, and informed consent has been gathered.

- A strengthened forest monitoring and control system, focusing on all significant drivers of deforestation and degradation, including logging, mining and agriculture activities on forest lands. Monitoring and control activities must be intensified in areas identified as or assumed to be of high risk of deforestation and forest degradation, for example in border areas or adjacent to infra-structure developments;
- Establishment of criteria for identifying priority areas for biodiversity within Guyana's forests, to inform the overall land use planning system and especially the REDD-plus component of the LCDS. Policies should be put in place for concession holders in the different REDD-plus-relevant areas, such as logging, mining and agriculture, to adopt best practice, including with regards to protecting biodiversity. Indicators to monitor progress should be put in place, e.g., increases in areas with certified REDD-plus-relevant concessions; and over time company compliance with EITI or equivalent commitments if appropriate. Identified forest biodiversity priority areas should also be targeted for expanded conservation/protection efforts;
- The development of a multi-year plan to continue the process of titling, demarcation, and extension of Amerindian lands when requested to do so by Amerindian communities, with the aim of completing the process for outstanding requests. The Government of Guyana has expressed the urgency of accelerating this process, and sees REDD-plus as an opportunity to achieve this;
- The development of the mechanisms by which distribution of REDD-plus funds will occur, as set out in the LCDS. The distribution system will be publicly available and will be reported on annually. The Government of Guyana has stated that all REDD-plus funds that accrue for indigenous peoples will be allocated to indigenous communities. The RGDP will set out more detail about how this will work. The system will recognize the stewardship role of indigenous peoples protecting forest on their traditional lands.
- An overview of all funding directed to activities relevant to REDD-plus/LCDS efforts in Guyana shall be made public and be updated on the LCDS website, in order to ensure maximum effectiveness of the funds and to provide transparency concerning contributors to Guyana's REDD-plus/LCDS efforts; and
- The mandating and where appropriate establishment of operational institutions tasked with and given authority to implement and coordinate strategic activities of the LCDS as well as Guyana's REDD-plus plans as part of the LCDS, as prioritized by Guyana through its multi-stakeholder consultation process. These institutions will also coordinate national and international actors involved in efforts relevant to REDD-plus and be responsible for identifying human resources needs in the various entities involved in the REDD-plus governance process.
- The continuation of the institutionalized, transparent, multi-stakeholder processes to ensure that grievances can be addressed as an intrinsic part of Guyana's ongoing REDD-plus efforts.

Table 2: Interim Indicators for REDD+ performance in Guyana⁴

Gross deforestation	Emissions from the loss of forests are among the largest per unit emissions from terrestrial carbon loss.	Rate of conversion of forest area as compared to agreed reference level. Forest area as defined by Guyana in accordance with the Marrakech accords. Conversion of natural forests to tree plantations shall count as deforestation with full carbon loss. Forest area converted to new infrastructure, including logging roads, shall count as deforestation with full carbon loss.	Forest cover on 3 February 2009 will be used as baseline for monitoring gross deforestation. Reporting to be based on medium resolution satellite imagery and in-situ observations where necessary. Monitoring shall detect and report on expansion of human infrastructure (eg. new roads, settlements, pipelines, mining/agriculture activities etc.)	Activity data on change in forest land
Loss of intact forest landscapes ⁵	Degradation of intact forest through human activities will produce a net	The total area of intact forest landscapes within the country should remain constant.	Using similar methods as for forest area change estimation.	Changes in carbon stocks in forests remaining as

⁴ These indicators will evolve as more scientific and methodological certainty is gathered concerning the means of verification for each indicator, in particular the capability of the MRV system at different stages of development.

⁵ Intact Forest Landscape (IFL) is defined as a territory within today's global extent of forest cover which contains forest and non-forest ecosystems minimally influenced by human economic activity, with an area of at least 500 km² (50,000 ha) and a minimal width of 10 km (measured as the diameter of a circle that is entirely inscribed within the boundaries of the territory)." (See www.intactforests.org)

	<p>loss of carbon and is often the pre-cursor to further processes causing long-term decreases in carbon stocks.</p> <p>Furthermore, preserving intact forests will contribute to the protection of biodiversity.</p>	<p>Any loss of intact forest landscapes area shall be accounted as deforestation with full carbon loss.</p>		forests
<p>Forest management (i.e. selective logging) activities in natural or semi-natural forests</p>	<p>Forest management should work towards sustainable management of forest with net zero emissions or positive carbon balance in the long-term.</p>	<p>All areas under forest management should be rigorously monitored and activities documented (i.e. concession activities, harvest estimates, timber imports/exports).</p> <p>Increases in total extracted volume (as compared to mean volume 2003 - 2008) will be accounted as increased forest carbon emissions⁶ unless otherwise can be documented using the gain-loss or stock difference methods as described by the IPCC for forests</p>	<p>Data on extracted volumes is collected by the Forestry Commission. Independent forest monitoring will contribute to verify the figures.</p>	<p>Changes in carbon stocks in forests remaining as forests</p>

⁶ There is a need to create incentives for net-zero or carbon positive forest management practices in Guyana. This will require a sophisticated MRV system to assess the carbon effects of forestry activities. This will be an objective of the MRV system under development. In the interim period, focus will be on incentives for avoiding increased emissions from forest management activities.

		<p>remaining as forests. In addition to the harvested volume, a default expansion factor (to be established) shall be used to take account of carbon loss caused by collateral damage, etc, unless it is documented that this has already been reflected in the recorded extracted volume.</p>		
<p>Carbon loss as indirect effect of new infrastructure.</p>	<p>The establishment of new infrastructure in forest areas often contributes to forest carbon loss outside the areas directly affected by constructions.</p>	<p>Unless a larger or smaller area or greenhouse gas emission impact can be documented through remote sensing or field observations, the area within a distance extending 500 meters from the new infrastructure (incl. mining sites, roads, pipelines, reservoirs) shall be accounted with a 50% annual carbon loss through forest degradation.</p>	<p>Medium resolution satellite to be used for detecting human infrastructure (i.e. small scale mining) and targeted sampling of high-resolution satellite for selected sites.</p>	<p>Changes in carbon stocks in forests remaining as forests</p>
<p>Emissions resulting from subsistence forestry, land use and shifting cultivation lands (i.e. slash and burn agriculture).</p>	<p>Emissions resulting from communities to meet their local needs may increase as result of <i>inter alia</i> shorter fallow cycle or area</p>	<p>Not considered relevant in the interim period before a proper MRV-system is in place.</p>		<p>Changes in carbon stocks in forests remaining as forests</p>

Emissions resulting from illegal logging activities	expansion. Illegal logging results in unsustainable use of forest resources while undermining national and international climate change mitigation policies	Areas and processes of illegal logging should be monitored and documented as far as practicable.	In the absence of hard data on volumes of illegally harvested wood, a default factor of 15% (as compared to the legally harvested volume) will be used. This factor can be adjusted up- and downwards pending documentation on illegally harvested volumes, inter alia from Independent Forest Monitoring. Medium resolution satellite to be used for detecting human infrastructure and targeted sampling of high-resolution satellite for selected sites.	Changes in carbon stocks in forests remaining as forests
Emissions resulting from anthropogenically caused forest fires	Forest fires result in direct emissions of several greenhouse gases	Area of forest burnt each year should decrease compared to current amount	Coarse-resolution satellite active fire and burnt area data products in combination with medium resolution satellite data used for forest area changes	Emissions from biomass burning
Encouragement of increasing carbon sink capacity of non-forest and forest land	Changes from non-forest land to forest (i.e. through plantations, land use change) or within forest land (sustainable forest management, enrichment	Not considered relevant in the interim period before a proper MRV-system is in place but any dedicated activities should be documented as far as practicable.		Activity data on change to forest land and changes in carbon stocks in forests remaining as forests

	planting) can increase the sequestration of atmospheric carbon.	In accordance with Guyanese policy, an environmental impact assessment will be conducted where appropriate as basis for any decision on initiation of afforestation, reforestation and carbon stock enhancement projects.		
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