

# CLIMATE CHANGE LEGISLATION IN

## Guyana

*AN EXCERPT FROM*

### **The 2015 Global Climate Legislation Study** **A Review of Climate Change Legislation in 99 Countries**



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# Guyana

## Legislative Process

Guyana's 1980 constitution provides for an executive presidency and a unicameral legislature. The legislative National Assembly has 65 members directly elected under proportional representation. There are 40 members at national level and 25 members at regional level. A potential constitutional crisis was triggered in late 2014 by the proroguing of Parliament for a period of up to six months by the President in the face of a potential no-confidence motion from the combined opposition.

The leader of the majority party in the Assembly becomes the Prime Minister. The President appoints the Cabinet called the Council of Ministers, which is responsible to parliament. Each parliament lasts for five years, as does the Presidency. However the President has a two-term limit. The President retains the power to dissolve parliament, whereas the parliament can only remove the President if he/she has been found to be acting unconstitutionally. Laws are passed by a simple majority in parliament, though certain constitutional changes require a 2/3 majority. The President has to assent to any Bill that comes through parliament.

## Approach to Climate Change

Guyana is a small country on the north coast of South America, with a population of some 750,000 people. Most of the population inhabits the coastal region which is approximately 0.5 to 1 metre below mean sea level. The bulk of the country's agriculture and commerce is also found here, with about 90% of the country's 25,000 farm households working 140,000 ha on this coastal plain. This makes the country particularly vulnerable to sea-level change and extreme weather-related events, in particular to flooding, which caused severe disruption in 2005. Whilst protected by a series of natural features, sea walls and "rip rap" breakwater structures, these can be over-topped by storm surges and spring tides. A major concern is that climate change will cause increases in the frequency and severity of events such as tropical storms.

More extreme weather patterns and flooding present significant problems for the economy, with large anticipated impacts on agricultural output, and disruption to communications and transportation; all of which threaten to reduce productivity. Higher health care costs may be imposed through the spread of diseases under changing climate conditions. Malaria is now reported to be spreading in the coastal areas as wetness and temperatures increase and thereby improve habitat for the parasite-bearing mosquitoes.

The management of issues relating to climate change is conducted by the Office of Climate Change (OCC) housed within the Office of the President. The OCC has been established to work across Government to support work on climate adaptation, mitigation and REDD+. It serves to bring together and align efforts that are already under way and to co-ordinate efforts by multilateral and non-governmental organisations assisting Guyana's climate change agenda. The OCC has overall co-ordinating responsibility for ongoing national consultations on the Low-Carbon Development Strategy (LCDS) and related stakeholder engagement processes, working closely with the REDD Secretariat which was established under the Guyana Forestry Commission.

At the highest level the LCDS aspires to be a transformational strategy that allows to 'leapfrog' over a putative high carbon development phase in Guyana's development, and moving directly to clean energy production and low carbon growth. This strategy was catalysed by the finance offered by a deal with Norway on avoided deforestation, and which provides Guyana's only carbon price: this is set at USD5/tonne CO<sub>2</sub> in the Joint Concept Note to the Memorandum of Understanding (MoU).

In the first stage of the LCDS the following eight areas were identified as priorities: renewable energy; Amerindian development; Amerindian land titling; expanding the digital economy and avoiding a digital divide; support for micro and small enterprises (MSEs); development of a centre for biodiversity research; climate resilience and adaptation; and Monitoring, Reporting and Verification of deforestation. In the second stage (2013-15), climate resilience, adaptation and water management; supporting high potential low carbon sectors; hinterland and Amerindian development; a centre for biodiversity; and a clean transportation programme are highlighted in the strategy.

The strategy is highly ambitious, attempting to address issues across all sectors of the economy from energy generation through to land tenure and sustainability of agricultural production in remote rural areas. Rather than just address the immediate causes of emissions (such as enforcement to control irresponsible mining and illegal logging), the LCDS tries to fundamentally restructure the economy and tackle the underlying drivers of deforestation and degradation.

The LCDS also promotes alternative energy sources, including a USD800m hydro electricity project at Amaila Falls. This objective sits neatly with the aims of the National Development Strategy (NDS; 2001-2010), which recognises that economic development depends on a reliable and sustainable energy strategy. This component of the Strategy has faced difficulties with the withdrawal of the private partner to the Amaila Falls project in 2013. The NDS and LCDS may have been behind the drive to create the Ministry of Natural Resources and the Environment in December 2011. A Special Land Use Committee was established in 2010 to co-ordinate cross-sectoral planning on sustainable land use, and to

give guidance for harmonisation of mining and forestry, helping to promote low carbon development.

Within various components of the LCDS there are R&D projects, including research into flood-resistant crops, energy production and natural resource management and conservation.

Guyana prepared its Initial National Communication in Response to its Commitments to the UNFCCC in 2002. The Second National Communication to the UNFCCC was submitted in 2012. The National Climate Change Adaptation Policy and Implementation Plan was passed in 2001. A National Climate Unit, with the support of the National Climate Change Committee, was set-up (2007-2009) to co-ordinate climate change actions. To further enable effective co-ordination and implementation of climate change initiatives, the Office of Climate Change (OCC) was established within the Office of the President in 2009. Guyana has participated in several regional actions on climate change, including the CPACC Project, the CARICOM ACC Project and the MACC Project. These projects were designed to help Caribbean countries prepare for the adverse impacts of climate change, particularly sea level rise, adaptation planning and capacity building including institutional strengthening.

### **Energy supply**

Guyana is dependent on imported fossil fuels, in particular bunker C diesel for electricity generation. The proposed Amaila Falls hydro-electric project, Guyana's flagship project under the LCDS, should have a capacity of around 160 MW, sufficient to meet some 90% of existing electricity demand in the country and substitute for electricity production from diesel, virtually eliminating emissions from this source. However the project is in doubt with the withdrawal of the private partner, Sithe Global, in late 2013 in the face of resistance from the parliamentary opposition to legislative guarantees required for the project to proceed. The government is still committed to the project, however, with an access road almost complete and new investors being sought.

A number of initiatives are under way to promote the use of biofuels to produce electricity. A 2010 report from the UN Economic Commission for the Caribbean cites the Wauna Palm Oil project as producing biodiesel for electricity in Region One of Guyana, while the Guyana Sugar Corporation was negotiating a power purchase agreement with Guyana Power and Light Inc. for generation from the Skeldon Sugar processing facility. Further, biofuel bagasse has been used to test generators to supply power to the national grid. In 2014 the government was negotiating with at least 14 groups looking to invest in bio-energy initiatives.

### **REDD+ and LULUCF**

Forests cover some 87% of the land area, with the majority being primary forest: an area approximately the size of England under contiguous forest. Moreover, deforestation rates are low: it is thus a 'high forest cover, low deforestation' country. These huge forests represent a key natural resource, but also with great

potential for climate change mitigation if it can avoid deforestation increasing in the future. Accordingly Guyana has been targeted by the international community as an ideal partner for climate change mitigation actions through REDD+.

With its huge area of intact forest and low deforestation rates, Guyana could make a huge contribution to climate change mitigation if it chooses not to follow a development path based on extensive resource extraction. Norway signed a MoU with Guyana in 2009, in which it committed to provide Guyana up to USD250m by 2015 for avoided deforestation. This agreement is the first international commitment of financial support to the LCDS. These funds will be disbursed from the Guyana REDD+ Investment Fund (GRIF) conditional upon performance and domestic arrangements and benchmarks. The Guyana REDD+ Investment Fund (GRIF) is a multi-contributor trust fund for financing activities identified under the Low Carbon Development Strategy (LCDS). Funds are being spent on projects intended to create a low-carbon development path, the philosophy and overlaying architecture of which are set out in the LCDS.

To prepare for the World Bank's Forest Carbon Partnership Facility's (FCPF) Readiness Mechanism, Guyana has developed both a Readiness Plan Idea Note (R-PIN, in 2008) and a Readiness Preparation Proposal. Potentially enabling legislation for REDD+ includes the Protected Areas Act of 2011; the Mangrove Management Plan 2001; and the Forests Act 2009 which amends the Forest Act of 1953 upon which all regulation of forest activities is based. The motive of these documents was not climate change and so these are not included in the summary of legislation below.

The Guyana Forestry Commission is the agency responsible for implementing key technical aspects of REDD+ - including the development of the national Monitoring, Reporting and Verification System (MRVS), as well as implementation of the Readiness Preparation Proposal.

### **Transportation**

The Institute of Applied Sciences and Technology (IAST) has been researching the production of biodiesel on a commercial basis since 2006 with the aim of producing 65% of its diesel demand from agricultural feedstock by 2020. Up to USD2m has been allocated by the LCDS for planning work to look at how to upgrade transportation infrastructure, reduce transportation costs and reduce the carbon intensity of the transportation sector. LCDS work programmes will also start to look at low carbon transportation options. The Clay Roads Project aims to improve road surfaces to reduce the amount of fuel required for travel in the interior. However some plans such as the proposed paving of the road from the border city of Lethem through to the capital Georgetown have raised concerns that this will provide improved access to Guyana's forests for illegal migrants and gold miners.

The Iwokrama project site is an area of 371,000 ha of rainforest dedicated by Law to conservation and research in forest management.

### **Adaptation**

Guyana's predominantly coastal agriculture is extremely vulnerable to flooding. This is a core challenge since it is estimated that agriculture, forestry and fishing contributed 18% of GDP as of 2013. The 2005 floods caused the loss of some 67% of GDP that year. Indeed food security is a major regional concern highlighted by the – albeit extreme – example of violent disorder in Haiti after increasing food scarcity and rising prices.

Adaptation is seen within the LCDS as an important tool for reducing risks and building local capacity and resilience that should underpin sustainable development. Accordingly USD100m has been allocated for adaptation in 2013-2015. This funding is to be used across the country to develop infrastructure, technology and human capital. In the coastal regions, funds are allocated to upgrade infrastructure such as canals and embankments which protect against flooding. The Cunha Canal Rehabilitation Project is a key adaptation initiative, designed to manage water resources in the East Demerara Water Conservancy. This is a 150-year-old water storage system that provides irrigation and drinking water to the 90% of people living on the coastal plain, but which is threatened by sea level rise and storm damage.

In the rural hinterland, adaptation will focus on new agricultural techniques and plant varieties more suited to an extreme climate; and providing access to renewable energy sources such as solar power. Interventions here will also involve training and education to help deal with extreme weather impacts. Government adaptation systems nationwide will involve planning for the resilience of communications networks and public health during extreme weather-related events, such as ensuring the provision of clean drinking water. Finally, in terms of behaviour and attitudes, the LCDS aims to encourage management of, and wider insurance against, climate risk across the country.

The LCDS plans investment in research on flood resistant crops and the creation of flood resistant germ plasma banks as well as introducing new technologies to allow crop cultivation even during prolonged flood conditions. Key agencies facilitating R&D this area are IAST, the Office of Climate Change, the Project Management Office and the Ministry of Agriculture. With its engagement in the Caribbean community, Guyana has hosted some important regional research meetings, particularly the Climate Change Impact Assessment on Agriculture meeting in 2008. Researchers from Caribbean countries attended an event in Georgetown for training in assessment of climate change impacts on agriculture.

## Guyana: Executive Portfolio

<b>Name of policy</b>	<b>Low Carbon Development Strategy</b>
<b>Date</b>	2009 (updated 2013)
<b>Summary</b>	<p>This ambitious strategy seeks to transform Guyana's economy from one on a high energy intensity 'business as usual' path towards one focussed on low carbon growth and reduced exploitation of forests with concomitant benefits for climate change mitigation.</p> <p>The LCDS is being funded by international payments for ecosystem services, currently comprising a USD250m deal with the government of Norway. These funds are being invested in areas which it is thought will facilitate the transition to a low-carbon economy. This includes investments in the following areas:</p> <p>Adaptation and climate resilience, focussing on:</p> <ul style="list-style-type: none"><li>• Low carbon infrastructure</li><li>• High potential low carbon sectors</li><li>• Hinterland development</li><li>• Human capital</li><li>• Adaptation and climate resilience.</li></ul> <p>Amerindian and hinterland development. A series of programmes focussing on:</p> <ul style="list-style-type: none"><li>• Electrification</li><li>• A development fund to be disbursed in accordance with community development funds.</li><li>• ICT access, focusing on expanded network of fibre cables.</li></ul> <p>Facilitating investment in high-potential, low-carbon sectors, namely:</p> <ul style="list-style-type: none"><li>• Fruits and vegetables</li><li>• Aquaculture</li><li>• Sustainable forestry and wood processing,</li><li>• Business process outsourcing,</li><li>• Eco-tourism</li><li>• Bio-ethanol</li></ul> <p>Sustainably growing the extractive and forestry sectors</p> <p>This includes:</p> <ul style="list-style-type: none"><li>• Improving the regulatory environment for forestry,</li><li>• Transition to more value-added production of timber including the integration of primary and secondary production;</li><li>• Increased efficiency in extraction, reduction of waste and increased recovery in timber processing.</li></ul> <p>Since the mining sector is such an important contributor to Guyana's economy, (c.20% GDP), and employment, mining is not required to cease under the terms of the LCDS. A Special Land Use Committee was established in 2010 which proposed the following projects:</p> <ul style="list-style-type: none"><li>• Strengthening Land Use Planning and Co-ordination among natural resource agencies</li><li>• Sustainable Land Management in the mining and forestry sectors</li><li>• Enhanced Land Reclamation</li><li>• Improved Infrastructure in Mining Districts</li><li>• Amendments to Mining Act and Regulations</li></ul> <p>In addition the Guyana Geology and Mining Commission is furthering efforts to reduce forest degradation including hiring 19 new mining inspectors to ensure adherence to mining regulations.</p> <p>Low-carbon transportation is envisaged as an activity mainly for the period after 2015, when up to USD2m will be allocated to planning work to look at how transportation infrastructure can be upgraded and benefit the economy.</p>

<b>Name of policy</b>	<b>National Adaptation Strategy To Address Climate Change In The Agriculture Sector Of Guyana Strategy And Action Plan</b>
<b>Date</b>	2009
<b>Summary</b>	<p>The overall goal of the strategy is to reduce the risks posed by climate change and position the agricultural sector. It seeks to allow the sector to adapt through technical innovation and diversification, and further to increase its competitiveness and sustainability by 2018.</p> <p>Its aims are:</p> <ul style="list-style-type: none"><li>• To enhance the capacity within the agricultural sector to adapt to climate change and position this Strategy to foster a nationally consistent policy framework.</li><li>• To build resilience and adaptive capacity within the sector.</li><li>• To assist the government in providing primary producers with a policy framework that embraces research and development and promotes climate change adaptation techniques in agriculture.</li><li>• To build greater awareness about adaptive techniques.</li></ul>



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