



Memorandum of Understanding between the Government of the Cooperative Republic of Guyana and the Government of the Kingdom of Norway regarding Cooperation on Issues related to the Fight against Climate Change, the Protection of Biodiversity and the Enhancement of Sustainable Development

The Government of the Cooperative Republic of Guyana (Guyana) and the Government of the Kingdom of Norway (Norway), (hereinafter referred to as the "Participants"):

bearing in mind that climate change is among the greatest challenges facing the world today;

recognizing that cooperation on climate change issues can be instrumental in reducing greenhouse gas emissions globally and has a positive impact on the socio-economic development of developing countries and their communities;

recalling that Guyana and Norway are Parties to the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol, and the Convention on Biological Diversity; and are signatories to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP);

considering that the Preamble to the UNFCCC acknowledges that the global nature of climate change calls for the widest possible cooperation between all countries, and their participation in an effective and appropriate international response in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions, and that commitments in this regard are specified in Article 4 of the UNFCCC;

recognizing the relevance of Guyana's National Development Strategy (NDS) and National Competitiveness Strategy (NCS) as the overall policy framework for Guyana's development plans, and Guyana's Low Carbon Development Strategy (LCDS) as an integral part of this overall policy framework;

noting that the LCDS includes a strong commitment to reducing emissions from deforestation and forest degradation, including conservation, sustainable management of forests and

enhancement of forest carbon stocks (REDD-plus¹) and the significant contribution that this can make to the global effort to mitigate climate change;

expressing a willingness to work together to provide the world with a relevant, replicable model for how REDD-plus can align the development objectives of forest countries with the world's need to combat climate change;

declaring that financial support from Norway for results achieved by Guyana in reducing emissions from deforestation and forest degradation will be used in full to support activities and investments within the framework of Guyana's LCDS;

declaring that nothing in this Memorandum of Understanding (MoU) will be considered to prejudge the Participants' views on the mechanism through which developing countries should be paid for REDD-plus under a future UNFCCC REDD-plus arrangement. When such an arrangement is defined under the UNFCCC, it will define reference levels – or the methodology to set these – and the amount of results-based financial support for which developing forest countries will be eligible will be derived from the reference levels. Norwegian financial support and Guyana's obligations will be reassessed accordingly;

expressing the political will to develop a lasting process of cooperation on matters relating to global climate change, including REDD-plus, the protection of biodiversity and the rights and livelihoods of indigenous peoples and local forest communities;

have reached the following understanding:

OBJECTIVE

1. The objective of this MoU is to foster partnership between Guyana and Norway on issues of climate change, biodiversity and sustainable, low carbon development. Of particular importance is the establishment of a comprehensive political and policy dialogue on these issues, and close cooperation regarding Guyana's REDD-plus efforts, including the establishment of a framework for result-based Norwegian financial support to Guyana's REDD-plus efforts.

PILLARS OF COOPERATION

2. To further the objective laid out in paragraph 1 of this MoU, the Participants decide to enter into broad cooperation based on three main pillars:
 - a) *A regular, systematic policy and political dialogue to facilitate a constructive exchange of views on global climate change and relevant environmental issues such as biodiversity.* The overarching goal of this cooperation will be to contribute to the establishment of a new, global climate change regime and the further improvement of this

¹ As defined in the Bali Action Plan (2/CP.13).

regime over time. In particular, the Participants intend to contribute to the creation of a robust mechanism for the inclusion of REDD-plus in a global climate regime. The Participants agree that Norway's submission to the UNFCCC on REDD-plus and the work of the Informal Working Group on Interim Financing for REDD+ provide an appropriate starting point for such efforts.

- b) *Collaboration, knowledge building, and sharing of lessons learned within the field of sustainable, low-carbon development, with REDD-plus as the key component of this.* Sustainable, low-carbon development is essential if global warming is to not increase by more than 2⁰C above pre-industrial levels. Given the significant contribution of emissions from deforestation and forest degradation to climate change, and the real risk of increased pressure on forests in currently low-deforesting countries as rates in currently high-deforesting countries are decreased, the Participants consider it crucial that all tropical forest countries, both high- and low-deforesting countries, are given incentives to reduce and avoid emissions from deforestation and forest degradation.
- c) *Collaboration on REDD-plus, including establishing a framework for financial support from Norway into a Guyana REDD-plus Investment Fund.* Financial support will be linked to Guyana's success in limiting greenhouse gas emissions from deforestation and forest degradation and establishing institutions and practices to strengthen Guyana's ability to reduce deforestation and forest degradation through the adoption and implementation of a REDD-plus governance development plan (RGDP). As a UNFCCC compliance grade capability for monitoring, reporting and verifying (MRV) emissions is established in Guyana, these results will be measured objectively in accordance with the rules and policies of the UNFCCC. Until these rules and policies are in place, attainment of initial REDD standards will enable financial support. The level of financial support will be based on interim arrangements to estimate and verify results in limiting greenhouse gas emissions from deforestation and degradation. 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.

FINANCIAL MECHANISM

3. It is the Participants' intention to establish a Guyana REDD-plus Investment Fund (GRIF). The GRIF will be a multi-contributor financial mechanism run by a reputable international organization. It will be designed to channel results-based REDD-plus funds from Norway and other potential contributors to the implementation of Guyana's LCDS. Safeguards as well as fiduciary and operational policies of the organization selected will apply as appropriate to all activities to be financed by GRIF. The mechanism will also ensure full national and international oversight of financial flows. The Participants will encourage other developed countries to contribute to the Fund as part of their efforts to combat climate change. The GRIF could over time evolve to cover all types of climate change mitigation and adaptation funding, including if appropriate funding received under the UNFCCC.

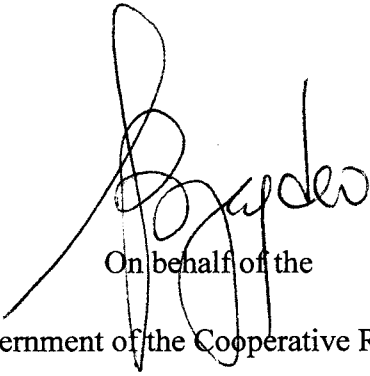
AN EVOLVING PARTNERSHIP

4. The details of this partnership are further described in a *Joint Concept Note on REDD-plus cooperation between Guyana and Norway* developed by the Participants. This note constitutes the basis for the work of the Participants. While Guyana and Norway consider that this Joint Concept Note clearly lays out their agreed positions as of November 2009, they are also aware that REDD-plus is a new concept, and that this partnership is in the forefront of developments, and are prepared to revise and further develop its content to reflect increased insights as the Partnership, and other related international efforts, move forward and lessons are learned.

FOCAL POINTS

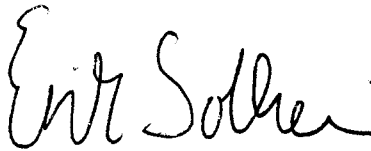
5. To contribute to efficient cooperation, each of the Participants will designate a Focal Point to facilitate the implementation of paragraph 2 of this MoU in their respective countries through means to be decided.
6. The Focal Points may prepare and facilitate the policy and political dialogue described under paragraph 2a) of this Memorandum of Understanding, whenever necessary exchanging information relevant to its implementation. In particular, they may also hold and/or facilitate meetings in preparation for sessions of the UNFCCC as well as in the margins of meetings in that body or of the sessions of its subsidiary bodies.

Done in Fairview Village, Guyana, on 9 November 2009, in duplicate and in English, both texts being equally authentic.



On behalf of the

Government of the Cooperative Republic
of Guyana



On behalf of the

Government of the Kingdom of Norway