GY-L1043

Description of modifications to triggers presented in Policy Matrix for PBP1 (Loan 3106 BL/GY)

| **Objectives** | **Original Trigger**  **(Policy Matrix PBP1)** | **Proposed Condition (Policy Matrix PBP2)** | **Explanation of modification** |
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| **COMPONENT 1: MACROECONOMIC STABILITY** | | | |
| Enhanced Macro-economic stability | The borrower maintains a macroeconomic framework consistent with the program objectives | The borrower maintains a macroeconomic framework consistent with the program objectives | No change |
| **COMPONENT 2: REGULATORY FRAMEWORK** | | | |
| Implementation of Low Carbon Development Strategies (LCDS) | 1. That the LCDS Update is implemented, and particularly that at least two new projects in the areas of (i) supporting land tenure for Amerindian villages; and (ii) creating low carbon livelihood opportunities for small and micro enterprises and Amerindian villages have been defined and have started preparation or been approved. | 1. That the LCDS Update is implemented, and particularly at least two new projects in the areas of institutional strengthening and support for community development plans by Amerindian Communities, have been defined and have started preparation or been approved. | Condition remains unchanged, but the areas and the two projects selected as conditions in PBP2 are greater accomplishments with the potential to generate further reaching impacts on the treatment of the land tenure issues and the support for the livelihood in Amerindian villages.  . |
| 1. That consultations with affected groups on the LCDS and REDD+ continue and that they facilitate the ongoing participation of indigenous peoples in the development of the REDD+ program, based on the MSSC approved Stakeholder Awareness Plan | 1. That consultations with affected indigenous groups concerning the following processes continue and that their participation is facilitated: | Condition was broken into two separate items at the request of GoG, to better reflect the distribution of institutional responsibility for the fulfillment of the condition (LCDS is responsibility of OCC; while REDD+ is responsibility of GFC) |
| * 1. LCDS | Unchanged |
| * 1. REDD+ Stakeholders Awareness Plan | Unchanged |
| Regulatory framework to support reform of forest-based sectors, and for disaster risk management | 1. That a review of the Environmental Protection Agency’s regulations and guidelines is completed. This review must include at least recommendations in the following areas: | 1. That a review of the Environmental Protection Agency’s regulations and guidelines is completed. This review must include at least recommendations in the following areas: | Unchanged |
| a. Strategic Environmental Assessment (SEA); and | a. Strengthen the EPA to have overarching responsibilities for environmental compliance in Guyana | Condition was changed to make it more encompassing, and avoid restricting it to a single environmental management instrument as is the SEA |
| 1. Reduction of asymmetries between regulatory compliance between large scale and small scale operations, in particular as related to environmental impact assessments preceding operations | b. Enhance EPA’s capacity to manage environmental and social impacts of development activities in all sectors of the country through institutional and policy strengthening | Condition was changed to better reflect EPA’s realm of responsibility in terms of managing environmental and social impacts, and to avoid restricting it to small and large scale operations of the extractive sectors, which are also dealt with under other conditions of the matrix |
| 1. That amendments and/or regulations that are related to the following Acts are revised in order to ensure consistency with MNRE’s mandate: | 1. That amendments and/or regulations are drafted in order to ensure consistency with MNRE’s mandate, in the context of the following Acts: | Change in wording |
| a. Mining Act; | a. Mining Act; | Unchanged |
| b. Guyana Lands & Surveys Commission Act; and | b. Guyana Lands & Surveys Commission Act; and | Unchanged |
| c. Protected Areas Act. | c. Protected Areas Act. | Unchanged |
| 1. That a review of the environmental protection regulations in the mining sector is completed, including regulations for small-scale operators based on an assessment of mining tailings management practices | 1. That draft amendments to guidelines in the forestry sector are prepared, in particular a code of practice for small and large operators | Condition was changed to cover the forestry sector only, as improvements in the “mining” sector are included in condition #10. |
| 1. That EUFLEGT Negotiation advances between Guyana and the EU in the development of: Scope of the Guyana EU VPA, Regulatory Framework for the Guyana EU VPA and Guidelines for the Guyana EU VPA Process | 1. That the second definition of the legality of the agreement within the context of the Voluntary Partnership Agreement is approved | This condition was changed to avoid presenting a non-exhaustive list of commitments, when the Legality Definition for EU – Guyana VPA comprises the various parameters to which the Forest Management Organizations (FMO) in Guyana shall adhere to for timber products to be covered under EU–Guyana VPA Licenses: (i) granting of and compliance with rights to harvest timber within legally authorized boundaries; (ii) compliance with requirements regarding forest management, including compliance with relevant environmental, labor and community welfare legislation; (iii) compliance with requirements concerning taxes, import and export duties, royalties and fees directly related to timber harvesting and timber trade; (iv) respect for tenure or land use and resource rights that may be affected by timber harvest rights, where such rights exist; (v) compliance with requirements for trade and export procedures. |
| 1. That a proposal on implementation of the Opt In Mechanism, which is the benefit sharing mechanism in accordance with the LCDS, is developed and consulted with relevant stakeholders. | 1. That a draft Opt In Mechanism Strategy is prepared for review by the relevant stakeholders | Condition was enhanced to include a more substantive step towards achieving an agreed upon Opt-In mechanism, through the generation of a strategy document open to review by relevant stakeholders. |
| 1. That the National Land Use Plan is approved and in force | 1. That the National Land Use Plan is approved and a public awareness mechanism is adopted and regional plans are developed stemming from the recommendations of the Plan | Condition was enhanced to include public awareness mechanisms, and an extension to regional plans, to acknowledge the importance of environmentally-conscious, widely socialized, national and regional land use plans, an important prerequisite for sustainability in forest based sectors. |
| **COMPONENT 3: INSTITUTIONAL STRENGTHENING** | | | |
| Institutional structuring of MNRE to comply with its Strategic Plan | 1. That the MNRE’s institutional structure is readjusted according to the MNRE Strategic Plan; particularly, that the MNRE: | 1. That the MNRE’s institutional structure is strengthened and enhanced according to the MNRE Strategic Plan; particularly, that the MNRE: | Unchanged |
| * 1. Has developed a “communications protocol” between GGMC and GFC to coordinate allocation of concession areas; | 1. Has developed a M&E Framework to complement the MNRE’s Strategic Plan while appropriately staffed to carry out its mandate | Condition was upgraded to a more structured, specific and operational commitment: a “monitoring and evaluation framework”, in place of a simple “communications protocol” |
| * 1. Has been appropriately staffed to carry out its mandate; and | 1. Has strengthened the Land Use Planning and Coordination to ensure effective planning, management and monitoring of natural resources; and | Condition was improved as the original was considered too broad. New conditions focuses on the land use planning and coordination function, which was singled-out as critical link in the period intervening between PBP1 & PBP2 |
| * 1. Has an adapted organizational chart that allows greater coordination with relevant actors to ensure effective planning, management and monitoring of natural resources; and that the Special Land Use Committee (SLUC) is strengthened through institutional and procedural mechanisms to improve coordination between GGMC and GFC. | 1. Has strengthened the Land Reclamation Committee through institutional and procedural mechanism | Condition was modified as follows: (i) the “organizational chart” aspect was left in new conditions #9a and #9b; (ii) replace the Special Land Use Committee (SLUC) for the Land Reclamation Committee, to conform to a change in the internal structure of MNRE that had occurred in the intervening period between PBP1 & PBP2 |
| 1. That MNRE has sufficient capacity to adequately apply social and environmental regulations | 1. That MNRE has sufficient capacity to adequately apply environmental regulations, in particular in the mining sector for improved gold recovery and mercury abatement | Condition was changed to exclude “social” regulations, as these are not part of MNRE’s mandate. “Environmental” regulations were specified to highlight those areas that had been identified as highest priority in the intervening period between PBP1 & PBP2 |
| 1. That the MNRE creates a communications protocol to harmonize the relations between the ministry and Indigenous groups and agencies | 1. That the MNRE creates an instrument to harmonize the relations between the Ministry and Indigenous groups and agencies | Change in wording only |
| 1. That the recommendations set out in the Strategic Plan have been adopted and implementation has commenced in the following institutions: Office of Climate Change (PRE), Guyana Forestry Commission, Guyana Mines and Geology Commission, Protected Areas Commission, and REDD+ Secretariat in the Guyana Forestry Commission (hereinafter, jointly as the “Institutions”) |  | This condition was considered too general and unnecessary in light of the more specific conditions contained in the rest of Component 3. |
| MNRE Thematic Program focusing on specific efforts to reform forest-based sectors | 1. That the training programs promoting best practices in the mining sector and courses on environmental impact assessment and management for extractive sectors, designed under the first programmatic operation, are implemented; and that the training of communities in the code of practice for harvesting and sustainable forest management practices continue to be implemented | 1. That the training programs promoting best practices in the mining sector are identified and delivered, while sustainable forest management practices continue to be implemented within the forestry sector through community training programs | This condition was altered only as it refers to training for the mining sector (forestry sector remained unchanged). For the mining sector, the training programs were chosen after PBP1 was approved and were identified in light of GOG’s signing and ratification of the Minamata Mercury Convention in 2014.  This event placed a focus on courses in “cleaner mining practices and mining management”, for example improved gold recovery and minimizing mercury use. These courses have been identified and are being delivered via the Guyana Mining School and Training Centre.  Environmental impact assessment courses were not chosen. |
| 1. Completion of the scoping study and implementation of recommendations commenced to face challenges and opportunities for the implementation of the Extractive Industry Transparence Initiative (EITI) | 1. Completion of an Inception Report of the scoping study on implementation of recommendations to face challenges and opportunities for the implementation of the Extractive Industry Transparency Initiative (EITI) | Condition improved to include actual progress in implementation |
| 1. That new technologies and recognized best practices are adopted to improve the technical and enforcement capacity of the agencies in charge of environmental governance for mining | 1. That new technologies and recognized best practices are adopted to improve the technical and enforcement capacity of the agencies in charge of environmental governance for mining | Unchanged |
| 17. That a National Log Tracking System is implemented | 1. That a National Log Tracking System is implemented | Conditions unchanged. Switched position with integrated access system, when the latter was moved to Component 4 (see explanation below). |
| **COMPONENT 4: MONITORING & EVALUATION** | | | |
| Basic MRVS instruments developed | 16.That an integrated access system for planning, mapping and management is formalized, highlighting planned concessions and reconnaissance areas for industrial agriculture, forestry and mining, titles Amerindian lands, areas under protection, and priority areas for biodiversity | 1. That an integrated access system for planning, mapping, management and monitoring of forest cover data is formalized between all agencies and coordinated by the MNRE | Moved from Component 3 (Institutional Strengthening) to Component 4 (MRVS). The design and operation of the MRVS had evolved to permit this function to operate within the system. Detail of specific outputs (planned concessions, reconnaissance areas for agriculture, etc.) was deleted, as the list was not exhaustive, while the integrated system convers those and several other outputs aimed at the same objective. |
|  | 18.That monitoring forest cover data from all agencies are integrated and coordinated by the MNRE | Condition was integrated into new #16 |
|  | 19.That the following reports from the MRVS are completed: | 1. That the following reports from the MRVS are completed | Unchanged |
|  | * 1. Report on Forest Carbon Emissions and Removals following IPCC Guidance | * 1. Report on Forest Carbon Emissions and Removals following IPCC Guidance | Unchanged |
|  | * 1. Report on Forest Degradation integrated within MRVS Interim Measures Reporting. | * 1. Report on Forest Degradation integrated within MRVS Interim Measures Reporting | Unchanged |