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Draft country programme document for Guyana (2012-2016)

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I. Situation analysis

- 1. Guyana has attained the status of lower middle-income country under World Bank criteria. The development priorities and challenges of Guyana are presented mainly in the Low Carbon Development Strategy 2010 (LCDS), which supplements the National Development Strategy (2000-2010), the National Competitiveness Strategy, and the first and second Poverty Reduction Strategy Papers (PRSP I (2004-2008) and II (2009-2012)). This work is supported by sectoral and subject specific policies.
- 2. Guyana is very vulnerable to the impact of climate changes, as was demonstrated by extensive flooding in 2005. It was estimated that this natural disaster (flooding) cost about 59 per cent of the gross domestic product (Economic Commission for Latin American and the Caribbean). While much improvement in disaster risk management is evident, efforts continue to strengthen and enhance disaster prevention and to improve the national capacity for coordination and response.
- 3. The Government has launched the Low Carbon Development Strategy, which aims at combating poverty and responding to the impact of climate change by avoiding deforestation and creating a low carbon, climate-resilient economy as the basis for the environmental, social and economic transformation of the country. The Low Carbon Development Strategy juxtaposes environmental responsibility and accelerated economic growth as complementary rather than conflicting objectives. It does this by mobilizing financial payments for the climate services provided by Guyana's vast standing forests. In this way incentives are provided for forest preservation, and the proceeds are used to finance investment in infrastructural and social initiatives that target accelerated economic growth along a low carbon path.
- 4. Guyana has made considerable progress in achieving and securing macroeconomic resilience. In this regard, despite the potentially dislocating effects of the recent food and fuel price crisis and of the subsequent global financial and economic crisis, Guyana's key economic indicators have remained stable and the economy has continued to grow.
- 5. According to the latest Guyana Millennium Development Goals Report (2008-9), the proportion of people living in poverty has declined from 43.2 per cent in 1993 to 36.1 per cent, and in extreme poverty from 28.7 per cent to 18.6 per cent. Unemployment stands at 10 per cent and is higher among school dropouts and women. This is an improvement over the figures of the previous census taken in 2002. The Report indicates that while Guyana has either achieved or is well on course to achieve several of the Millennium Development Goals, including those relating to hunger, primary education, gender equality and environmental sustainability other goals are proving to be more elusive and costly to attain. Among the latter is the goal of maternal mortality.
- 6. Guyana's pro-poor approach is reflected in its annual budgetary allocations to health, education, housing and water, as well as in such social programmes as the universal school uniform programme, the single parent assistance programme, and the universal old-age pension. Overall, social spending accounts for more than 40 per cent of national expenditures. To improve women's access to credit, in 2010 the Government of Guyana and a locally owned commercial bank partnered to establish the Women of Worth microcredit facility. To date more than 500 women have benefited from this initiative.
- 7. Deserving special mention is the focus on the Amerindian population 9 per cent of the total population and the fastest growing ethnic group. The 2006 Amerindian Act

considered a progressive approach to land rights and governance. This has led to the granting of communal land titles "absolute and forever" to Amerindian communities. This land now represents 14 per cent of the Guyana land mass.

- 8. Guyana's constitutional and parliamentary reforms have laid the framework for a new and unique model of inclusive governance.¹
- 9. Guyana has indicated its interest in implementing the One United Nations model in its next country programme and wishes to use the 2012-2016 country programme for greater harmonization of programmes and of the use of resources.

II. Past cooperation and lessons learned

- 10. UNDP has been responding to the development challenges of Guyana since 1965. In 2010, UNDP had the first major country-level evaluation of its contribution to the development of Guyana for the period 2001-2009. That evaluation and prior ones have restated that UNDP is a highly valued development partner whose work has contributed significantly to the improvement of the economic, environmental and social conditions of the country.
- 11. The 2010 Assessment of Development Results (ADR) found that, in general, strong interlinkages between the different thematic areas during the programme period contributed to overall programme effectiveness. UNDP work on poverty and livelihoods contributed to and provided benefits to vulnerable communities and beneficiary groups over the past eight years. The thematic approach focusing on democratic governance, environment and energy and disaster recovery and risk reduction has proven to be a useful and relevant approach. It allows for a more focused and coordinated approach leading to measurable evaluations. There has been a consistent focus on community-based poverty reduction work with Amerindians, women and the rural poor.
- 12. The ADR concluded that during the 2006 electoral process UNDP took an effective diplomatic, leadership and facilitation role in the donor community in partnership with the Government. This contributed to peaceful elections and to a return to normalcy for the first time in many years.
- 13. UNDP Guyana has made many useful contributions to national results in the environment and energy area. The scope and variety of programming in the environment thematic areas increased over time, indicating both its emerging importance in Guyana and the ability of UNDP to respond and adapt accordingly.
- 14. The poverty, environment outcome evaluation and the ADR have noted that the country office needs to focus its programme components and project portfolio in order to make better use of limited resources, raise cross-project synergies and improve cumulative impact.
- 15. The Government has expressed its interest in a focus on four thematic areas: environment and sustainable development, inclusive growth, inclusive governance, and human and social development. In response, the new country programme has been designed to: further integrate poverty, environment, disaster risk reduction and democratic governance efforts to achieve improved financial efficiencies and programme effectiveness; focus on building capacity for use, analysis and generation of information for sustainable development planning and policymaking at the national level; ensure mandatory capacity assessments of implementing partners; and support implementation of capacity strengthening plans as a precursor to project implementation. UNDP will also place greater emphasis on using the result-based management approach in designing its projects. The country office ensures that annual workplans have clear baseline, results

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¹ These reforms have been documented to the UN UPR process in May and September 2010 and in Guyana's commitments thereto.

and indicators. Results-based budgeting will receive more attention at the country office level to ensure that project objectives direct planning and budgeting activities.

III. Proposed programme

- 16. UNDP over the next five years will contribute to building national, institutional and policy capacities to pursue human development priorities and sustain the achievements of national development frameworks, as well as building its own capacity to deliver national support.
- 17. Through greater integration of the environment, energy and poverty practice areas, UNDP will work with the Government and stakeholders. This work with the most economically vulnerable, including women and youth, is intended to build their capabilities to access business development and financial services that can improve their purchasing power. This will be complemented by a more upstream focus aimed at building the policy and technical capacity of both governmental and non-governmental actors to develop more inclusive growth models and improve the ease with which youth, women and Amerindians can access finance and other forms of business development assistance.
- 18. UNDP will ensure that the lessons learned in implementing poverty reduction initiatives at the community level are taken into account by focusing on a strategy that maximizes community-level involvement in poverty reduction.
- 19. Moreover, as Guyana works towards achieving the Millennium Development Goals, UNDP will build on its work with the Ministry of Finance, and continue to assist in building capacity in the various data collection agencies so as to improve data collection for Millennium Development Goals reporting and in particular to improve the capacity of the Ministry of Finance for better aid coordination for attainment of the Goals.
- 20. Much progress has been made in implementing the constitutional and parliamentary reforms, including the establishment of all four² Rights Commissions – on ethnic relations; women and gender equality, rights of the child and indigenous peoples. Nonetheless, challenges remain in the area of building capacity. UNDP will employ a human rights-based approach in this country programme with a focus on: (a) offering strategic support and other forms of capacity-development support, especially to the Gender Equality and Women Empowerment Commission and the Indigenous People Commission; (b) offering strategic support for improvements in information technology, Hansard (Official Report of Parliamentary Debates) and other forms of support to Parliament; and (c) working in partnership with Government and national stakeholders' efforts to build social cohesion and trust among and between groups and individuals.
- 21. UNDP has and will continue to work with the Ethnic Relations Commission to improve the Commission's capacity to undertake community-level dialogue, advocate non-violence and peaceful resolution of conflict, reduce ethnic insecurities and encourage social cohesion. Cognizant of the potential impact of elections on ethnic insecurities and social cohesion, UNDP will continue to work in partnership with the Government, and national stakeholders to find common ground and dialogue.
- 22. Over the next five years, the country programme will intensify its focus on the issue of HIV and gender.
- 23. The heart of the sustainable development thrust of Guyana is its natural resources. UNDP will build on earlier support in environment and natural resources management by strengthening strategic planning, data collection and information for decision- making,

² The establishment of the Human Rights Commission (the secretariat of the four mentioned above) awaits the leader of the opposition submitting six names for the President's consideration and the selection of the chairperson.

advocating for more collaborative and coordinated approaches to environment and natural resources management, and driving economic expansion by adding new growth areas. Climate change provides both risks and opportunities for development. To address risks and impacts of extreme weather events, primarily flooding, UNDP in partnership with other development partners, such as the Inter-American Development Bank (IDB), will continue to build capacity of the disaster-response agency in preparedness and response, and support national vulnerability and risk assessments. One major climate change opportunity is in development of clean/renewable energy, which can attract investments and create job opportunities, thus contributing to poverty reduction, maintaining a stable economic environment, investment and competitiveness efforts of the Government. The country office will support the strengthening of the planning and policy environment in implementing the national hinterland energy services programme targeting the indigenous population.

- 24. As a partner entity of the Guyana REDD (Reducing Emissions from Deforestation and Forest Degradation) Investment Fund GRIF UNDP Guyana will support the implementation of the Low Carbon Development Strategy, by building the capacities of key national institutions to work in partnership with civil society, and indigenous and local communities, inter alia, to complete land titling of Amerindian communities and to promote the development of rural village economies, with a special focus on hinterland communities.
- 25. Additionally, UNDP in partnership with other United Nations agencies, IDB, the World Bank and other partners, will support advocacy and South-South cooperation, such as the Guiana Shield regional project, which focuses on the conservation and sustainable management of the Guiana Shield ecosystems.
- 26. UNDP will continue to support Guyana in accessing environmental financing from the Global Environment Facility (GEF), the global adaptation fund, the soon-to-be-established Green Climate Fund and others. In 2010, Guyana was successfully approved to operate a GEF small grants programme. Over the next country programme, UNDP will provide strategic support to the GEF small grants programme so that local communities can readily access the funding facility. Through partnership with national agencies and local communities, support will be provided to building national capacities for implementation of the monitoring, reporting and verification (MRV) road map and creation of a well-functioning national MRV infrastructure.

IV. Programme management, monitoring and evaluation

- 27. This country programme will be nationally executed. UNDP will further elaborate each output and the relevant, most appropriate modality for implementation based on a full appraisal will be chosen. UNDP will continue to work in partnership with the Government and national stakeholders such as the religious community (Christian, Hindu and Muslim), the labour movement, business community, women, youth, the National Toshaos Council and Amerindian organizations.
- 28. The Government of Guyana has identified the Ministry of Finance as its primary interlocutor for Government-UNDP relations. The country office will work closely with the Ministry in preparing Guyana in this new cycle for the One United Nations approach and familiarizing the Government with the necessary requirements.
- 29. A country programme mid-term evaluation will be held in the second year. UNDP and the Ministry of Finance will jointly commission this evaluation. The monitoring and evaluation plan of the country programme will serve as the basis for guiding and effecting monitoring and evaluation activities.
- 30. UNDP Guyana has commenced a process of realigning and buttressing its Professional and support staff capacity. In anticipation of new business, UNDP is

recruiting additional staff for programme and operations sections. In the last year, a Monitoring and Evaluation Analyst, an Operations Manager, and a Clean Energy Specialist have been added to the country office staff.

Annex. Results and resources framework for Guyana (2012-2016)

National priority or goal: Develop a low carbon economy as the basis for poverty eradication and climate change mitigation

Country programme Outcome #1: Strengthen institutional and regulatory capacities of government, civil society organizations to enable access to sustainable financial and business development services for the economic poor, women and indigenous populations

Outcome indicator: Number of small and medium enterprises registered, number of procedures and systems simplified and redesigned, number of vulnerable individuals trained via programmes designed to support their economic empowerment, number of policies developed and strengthened, number of village economy development projects

Related Strategic Plan focus areas: Poverty eradication, Millennium Development Goals and Internationally Agreed Development Goals

National partner contributions	UNDP contributions	Other partner contributions	Indicator(s), baselines and target(s) for UNDP contributions	Indicative country programme outputs	Indicative resources by outcome (thousands of United States dollars)
The Government of Guyana has enacted a Small Business Development Act, and set up a Small Business Council. The Low Carbon Development Strategy has identified small and medium enterprise (SME) development as a key area for support	The country office will provide support for the development of policy to remove structural barriers that limit access to credit, training and business development opportunities for economically vulnerable groups	Under the National Competitiveness Strategy funded by IDB, Government of Guyana will receive support to strengthen human and infrastructure capacity of the Small Business Bureau and Council	Indicator: Existence of policy guidelines to support SME development in Guyana Baseline: There are no policy guidelines on issues such as access to finance and business development support for SMEs in Guyana. A Small Business Act was passed in Parliament in 2006 Target: A draft policy on issues of financing and access to credit for SMEs recognizing barriers to youth, women and indigenous populations developed by the Small Business Council	Private sector capacity strengthened to conduct business with the rural poor, capacity to develop policy and programmes to provide financing and business development services to SMEs in place at Small Business Council	Regular 1,000 Other 13,000

Country programme Outcome #2: Strengthened public trust and confidence in national institutions, communities and non-governmental organizations at the community and national levels, improved institutional capacity of human rights commissions and improved functioning of Parliament

Outcome indicator: Working with the newly established rights commissions and lending support to the implementation of their constitutional mandates and support to the modernization of the Guyana Parliament, using ICT to enhance its accessibility to the public

Related Strategic Plan focus areas: Democratic governance

By 2016, it is	The country office	It is expected that	Indicator: Number of constitutional rights	Operational and	Regular
expected that all the	will provide	USAID will continue	commissions that have developed capacity to	strategic plans,	774

five rights commissions will have developed capacity to effectively implement their constitutional mandates.	technical and financial support to the functioning of the Commissions and develop ICT and related infrastructure of Parliament website, Hansard and digitalization of records.	to provide support to the Government of Guyana in the area of democratic governance.	effectively carry out their mandate. Baseline: Only one of the five human rights commissions – the Ethnic Relations Commission – has an active work programme. Target: Three new rights commissions develop their work programme. Indicator: Existence of ICT infrastructure to facilitate public consultations Baseline: Develop an interactive website accessible to MPs for internal communication and information sharing, as well as to the public Target: Parliament has ICT infrastructure to carry out tasks outlined above	protocols, manuals, training and public relations for rights commissions. Develop capacity of the rights commissions to outreach to communities to advocate and to take reports from communities.	Other 4,077
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Country programme Outcome #3: Improved functional capacity of key natural resources and disaster risk management institutions
Outcome indicator: Early Warning System in place by 2016, comprehensive disaster risk management strategy in place and implemented; number of recommendations from Multilateral Environmental Agreement reports used for planning low carbon initiatives and strategies
Related Strategic Plan focus areas: Energy, environment and disaster risk management

The Guyana Forestry Commission (GFC) is coordinating a process to develop a national MRV system for Low Carbon Development Strategy, REDD- plus and other initiatives	The country office will assist the GFC in the building of national capacity for MRV to support the Low Carbon Development Strategy with a strong emphasis on including local communities	The European Union is financing the enhancement of the GFC capabilities in the use of radar and optical data for forest area assessment for a period of three years (2010-2013)	Indicator: Number of national institutions that are viewed as effective contributors to a national MRV system Baseline: Guyana Forestry Commission is the only national institution currently actively involved in MRV Target: GFC, Guyana Lands and Surveys Commission, Environmental Protection Agency and other relevant institutions with adequate capacity to implement a national MRV	National institutions have the systems, equipment and skills to develop and operate an MRV system	Regular 750 Other 22,182
The Government of Guyana has developed a Low Carbon Development Strategy intended to provide a low-	The country office will provide support to policy advice, training and technical assistance to strengthen technical capacity	The Governments of Norway and France and the World Bank have allocated financial resources to support national REDD+ initiatives.	Indicator: Existence of a resource mobilization plan Baseline: There is no national resource mobilization plan for cleaner energy sources Target: A national resource mobilization plan linked to Guyana clean energy access goals is developed and in the process of being	National Institutions have capacity to access eco-financing for energy services	

carbon pathway to economic transformation and poverty alleviation	of government institutions to enable access to eco-financing and other technical resources	With funding from the Government of Norway, a Trust Fund was developed to be capitalized with \$250 million	implemented Indicator: Existence of a best practice compendium on energy policies Baseline: There is no national policy or legislation on clean energy Target: Analytical review of best practices in developing clean energy policies	Improved capacity of Guyana Energy Authority to develop energy policies	
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