

GUYANA FORESTRY COMMISSION



ANNUAL REPORT 2017



Guyana Forestry Commission
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(i) MESSAGE FROM THE CHAIRPERSON- GFC BOARD OF DIRECTORS

The GFC Board of Directors (BoD) continued its effective oversight of the GFC and forestry sector activities which resulted in a much improved performance when compared to 2016.

During the year there were continuous engagements with the private sector, especially the members of Community Forestry Associations and residents of Indigenous communities. Direct stakeholders were encouraged to improve the beneficial occupation of allocated state forests and the net result was that 2017 production increased by 7 % over the 2016 figures (377,111 m³ compared to 353,495 m³).

This was in spite of the allocated forest for 2017 being much reduced from 2016 due to the non-renewal of two (2) large concessions and the re-possession of four (4) due to consistent failure to improve on identified areas of non-compliance.

Emphasis was also placed on better promoting and marketing the use of timber as a construction material, and the utilization of the Lesser Used Species (LUS) which have comparable properties to the better known species.

Additionally, following discussion with the Board and GFC, 391,874 ha previously allocated under the 4th parallel was voluntarily relinquished.

This was an important achievement- the availability of this area of high biodiversity and ecosystem value will allow for a broader range of options re Guyana's national commitment to add an additional 2 M ha to the national Protected Areas.

The Board was also instrumental in lobbying for a series of incentives to further accelerate the development of the forestry sector; these incentives were included in the National Budget and are detailed in the Annual Report.

The Board also deliberated on the support services offered by the Forestry Training Centre Inc. (FTCI) and the Forest Products Development and Marketing Centre (FPDMC) and how these could be made more effective and responsive to the needs of the sector. Some of these agreed initiatives will be implemented in 2018.

A critical activity during the latter part of 2017 was the completion of very inclusive review process to revise the National Forest Policy and Plan. The GFC Board was integrally involved in this activity and is very satisfied with the revised documents which are visionary and identifies roles for the GFC as well as a wide range of other relevant stakeholders.

Priorities for 2018 have already been identified. It is the expectation of the 2017 BoD that these will be implemented in a very collaborative manner with the private sector and all other partners.

I thank all stakeholders for giving us your valued support in 2017, and look forward to your continued inputs in 2018.

Special thanks to the Directors who worked tirelessly to ensure that the forestry sector saw an even better performance of the sector in 2017.

I also express gratitude to the Minister and staff, Ministry of Natural Resources for their unwavering support throughout the year.

Sincerely

A handwritten signature in black ink, appearing to read 'Jocelyn Dow', is positioned above a horizontal dotted line.

Ms. Jocelyn Dow
Chairperson
GFC Board of Directors

(ii) MESSAGE FROM THE COMMISSIONER OF FORESTS

2017 saw an increased production of timber products (7 %) when compared to 2016; unfortunately there was a 6.7 % decline in the exports of forest produce.

Revenue collection was 18 % less than projected (\$ 1.1 B compared to \$ 1.34 B); this was mainly because the revenue projection was based on the expected implementation of the stumpage value method. However, the traditional method of acreage fees/royalties remained in place pending further consultation with the sector.

Expenses were \$ 1.29 B compared to the projected \$ 1.327 B representing a reduction of 3 %. The shortfall in revenue was compensated by refunds to the GFC, and savings.

Notwithstanding the challenging financial situation, the GFC under the astute policy guidance of the GFC Board of Directors and the Ministry of Natural Resources was able to complete planned activities in accordance with the approved GFC Budget and Work Plan 2017.

During the year, many staff development activities were done to ensure that staff were well equipped with the requisite skills and state of the art knowledge to effectively undertake their duties. Repairs and upgrading to some Forest Stations were also done despite the limited finances available.

GFC also continued to deliver on the international and bilateral commitments signed on to such as the Guyana-EU FLEGT VPA, the MRVS, and IFM. Guyana is expected to initial the VPA agreement in 2018 paving the way for the formal implementation phase, and eventual issuance of FLEGT licenses by 2022.

GFC was also a contributor to the development of the Green State Development Strategy, and the FCPF initiative. It remains an active collaborator to both of these initiatives.

The revision of the National Forest Policy and Plan was completed; additionally, the GFC in collaboration with the Board, Government Ministries and Agencies, and the Private Sector were able to secure significant incentives for the forest sector in 2018 and beyond.

In 2017, forest areas were re-allocated and some re-advertised. Also, two (2) SFA-SFEPs were converted into SFA-TSAs. It is expected that these will see an increase in production in 2018 leading to 400,000 m³; projections are therefore for increased export earnings and revenues.

Efforts were also made to secure new vehicles in a phased manner to strengthen GFC's monitoring and enforcement capability. It is hoped that this will materialize in 2018.

A Budget and Work Plan 2018 has already been approved and this will guide the activities for 2018.

The Management and Staff of GFC would again like to express sincere appreciation to the GFC Board of Directors for its exemplary policy guidance and support; similar sentiments are expressed to the Minister and staff of the MNR.

GFC staff must also be complimented on their efforts to ensure that the forestry sector continues to make progress in spite of global and domestic hurdles.

We thank the FPA, the GMSA and all our other forest stakeholders for continued collaboration; also, our other domestic and international partners and donors.

We look forward to working with you in 2018.

With best regards

A handwritten signature in dark ink, reading "James Singh", is written over a horizontal line.

James Singh
Commissioner of Forests

(iii) EXECUTIVE SUMMARY

The forest sector faced several challenges in 2017, among them being a lower domestic demand, reduced prices for tropical timber products, and a general contracting of international markets. Concurrently, several large forest concessions reverted to the State for reasons including expiration and non-renewal; and actions taken on others who were noncompliant with the terms and conditions of its contractual obligation to the State.

A total production level of 377,111m³ was recorded for 2017 as compared with 353,495m³ for January to December 2016; this represents a 7% increase in the 2017 total production level.

2017 total export value was US\$39.1M, whilst total export revenue for 2016 totaled US\$41.9M (a 6.7% decrease in 2017).

Total revenue for 2017 was approximately \$ 1.1B compared to the budget of \$ 1.34B. It should be noted that the 2017 revenue budget was based on the assumption that the stumpage value system of charging revenue would have been implemented. However the system of charging acreage fees and royalties continues; this contributed to the revenue shortfall

Total expenses were approximately \$ 1.287B compared to the budgeted figure of \$ 1.327B.

The deficit to meet expenses was met from GFC savings, and refunds of monies owed.

Some of the main activities advanced in 2017 included:

Review of the National Forest Policy and Plan- Updating this key Policy and associated Plan commenced in 2017 and followed an extensive participatory process. These documents are expected to be finalized in early 2018.

Opportunities for Non Timber Forest Products and Environmental Services – Guyana's forests offer a wide range of goods and services in addition to timber. Guyana further explored the potential to develop these alternatives. These included uses such as: conservation value, carbon value, non-timber forest products. The national scale MRVS continued to be implemented.

Trade and Markets Measures – There were positive developments in this area whereby local companies with FSC Forest Management and Chain of Custody Certifications were able to export Greenheart to the UK. Additionally, the Voluntary Partnership Agreement (VPA) between Guyana and the EU is almost complete and should be finalized in 2018.

Initiatives to expand local and regional trade of forest products by improving marketing, product development, and quality were prioritized.

Encouraging Added Value – Emphasis continued to be placed on encouraging added value forest activities; some of the immediate measures were linked to increasing efficiency and productivity of wood processing operations, and exploring the provision of additional incentives to the wood processing sector to enhance competitiveness.

Capacities and SFM – in 2017, the forest sector continued with the implementation of relevant country-wide training/capacity initiatives to strengthen the understanding and implementation of sustainable forest management principles.

Forest Areas Allocation: Following a public national and international process, two blocks from the former concession issued to Barama Company Limited (BCL) with area size of approximately 420,000 hectares each, were issued as State Forest Authorisations-State Forest Exploratory Permits (SFA-SFEP's).

Additionally, two SFA-SFEP's (Rong-An Inc. and Variety Woods and Greenheart Limited) were converted to SFA-Timber Sales Agreements (TSAs); repossessed concessions totaling approximately 350,000 hectares were advertised as 3 SFA-SFEPs.

This is expected to have an overall positive impact on production, export and revenue; based on these considerations, the 2018 revenue is projected at \$ 1.366B, production at 400,000 m³, and exports at 41.5 M USD.

Efforts will continue to manage expenditure; this is pegged at G \$1.365B.

GFC expresses its appreciation to the MNR, the GFC Board and GFC staff, the sector, and all local and international partners for their support, collaboration and guidance.

(iv) GFC BOARD OF DIRECTORS 2017

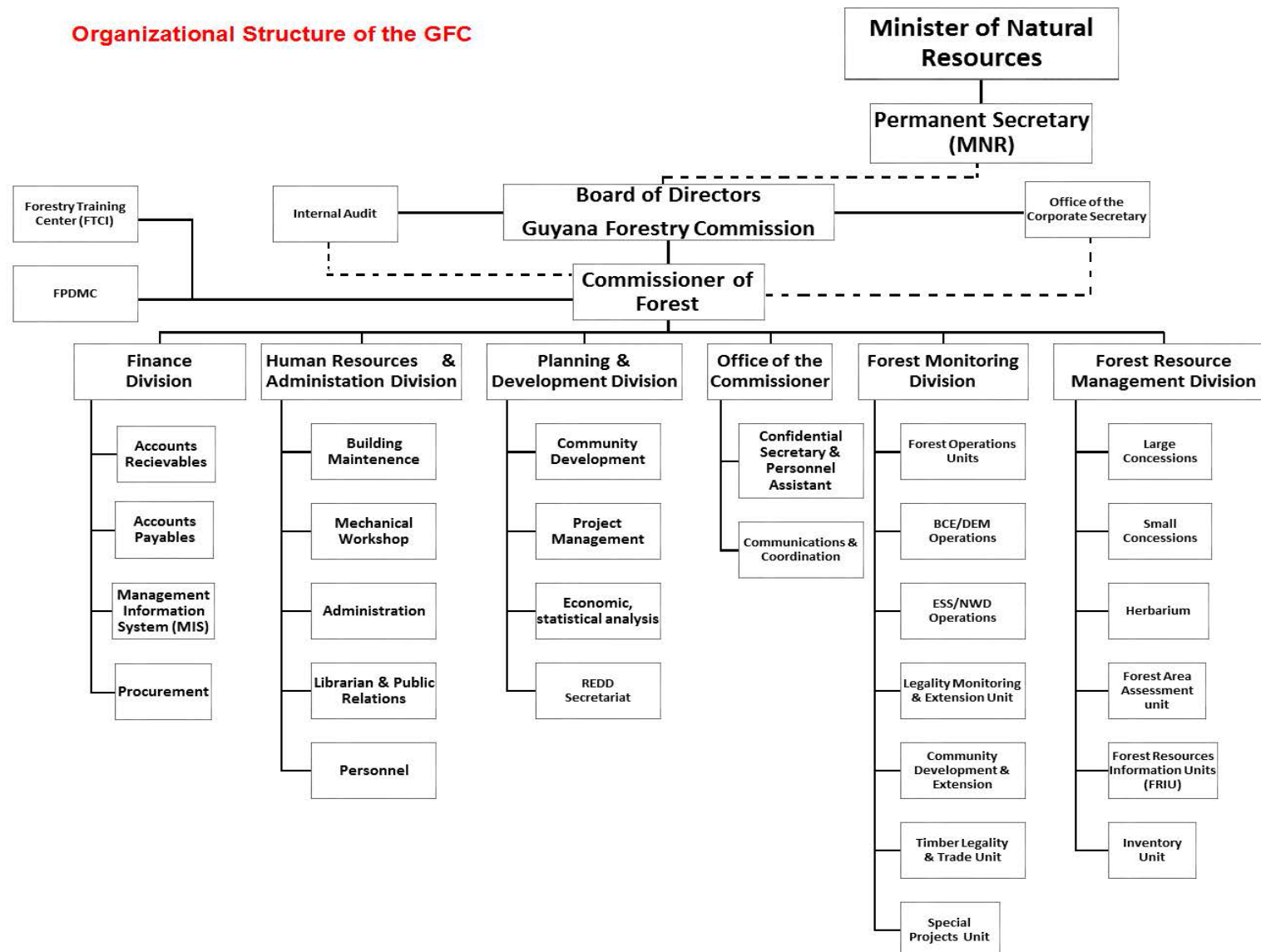
1. Ms. Jocelyn Dow	Chairperson
2. Mr. Clayton Hall	Member
3. Ms. Vanessa Kissoon	Member
4. Mr. Mervyn Williams	Member
5. Dr. David Singh	Member
6. Dr. Latchmin Punalall	Member
7. Mr. Audwin A. Rutherford	Member
8. Ms. Dawn Holder-Alert	Member-
9. Mr. Frederic Mc Wilfred	Member
10. Mr. Andrew Mendes	Member
11. Mr. Deonarine Ramsaroop	Member
12. Mr. Godfrey Scott	Member
13. Mr. Jacy Archibald	Member
14. Mr. Kevin Perreria	GFC Staff Representative
15. Mr. James Singh	Commissioner of Forests (<i>ex-officio</i>)

(v) ACRONYMS

AAC	Annual Allowable Cut
ACF	Assistant Commissioner of Forests
CDP	Community Development Programme
CFO	Community Forestry Organization
CoP	Code of Practice
CHPA	Central Housing and Planning Authority
CRG	Cooperative Republic of Guyana
EU FLEGT	European Union Forest Law Enforcement Governance and Trade
EFI	European Forestry Institute
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FPA	Forest Products Association
FRMD	Forest Resources Management Division
FRP	Forest Resources Planning
FRIU	Forest Resources Information Unit
FRIO	Forest Resources Information Officer
GDP	Gross Domestic Product
GEO	Group on Earth Observations
GTLAS	Guyana Timber Legality Assurance System (GTLAS)
GFC	Guyana Forestry Commission
GOF	Global Objectives on Forests
GRA	Guyana Revenue Authority
GSF	Guiana Shield Facility
IDB	Inter-American Development Bank
IFM	Independent Forest Monitoring
IPCC	Inter Governmental Panel on Climate Change
ITTO	International Tropical Timber Organization
JFSQ	Joint Forest Sector Questionnaire (ITTO)
KCP	Knowledge and Capacity Building Product (IDB)
KfW	German Development Bank
LCDS	Low Carbon Development Strategy
LUS	Lesser Used Species
MOIPA	Ministry of Indigenous Peoples' Affairs
MNR	Ministry of Natural Resources (Guyana)
MRVS	Monitoring Reporting and Verification System for REDD+
MRVS SC	MRVS Steering Committee

NFCMS	National Forest Carbon Monitoring System (Guyana)
NFP	National Forest Plan
NFPS	National Forest Policy Statement
NRDDB	North Rupununi District Development Board
NTC	National Toshaos' Council
NTFP	Non Timber Forest Products
NTWG	National Technical Working Group (for Guyana-EU FLEGT VPA)
OCC	Office of Climate Change
PDD	Planning and Development Division
PES	Payment for Ecosystem Services
PSP	Permanent Sample Plot
REDD+	Reducing Emissions from Deforestation and Forest Degradation Plus
RGDP	REDD+ Governance Development Plan
RIL	Reduced Impact Logging
SFA	State Forest Authorization
SFEP	State Forest Exploratory Permit
SFM	Sustainable Forest Management
SFP	State Forest Permission
ToR	Terms of Reference
TSA	Timber Sales Agreement
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
VPA	EU FLEGT Voluntary Partnership Agreement
WCL	Wood Cutting Lease
WI	Winrock International
WWF	World Wildlife Fund
YTC	Yarrowkabra Training Centre

Organizational Structure of the GFC



1. DIVISIONAL OVERVIEW OF THE GFC

1.1 Human Resource and Administration Division

The Human Resources and Administrative Division is responsible for the general administration of the GFC, staff management, development and implementation of human resources policies, procedures and training. It also manages the Library which is available for public use and is stocked with a number of publications including research findings and journals on issues of local and international status.

1.2 Finance Division

The Finance Division is responsible for managing the financial resources of the Commission. It is also responsible for the Management Information System (MIS) which assures improved data communication between both internal and external stakeholders; and maintains reliability, security and accessibility of information that is accessed throughout GFC.

1.3 Planning and Development Division

The Planning and Development Division is responsible for monitoring the implementation of the National Forest Plan, conducting economic analyses and other relevant studies on the forest sector, reporting on forest sector information and coordinating GFC's social development programme. It also formulates project proposals and seeks funding for projects developed. Project activities that are approved and financed are implemented by this Division under the oversight of the office of the Commissioner. The Division is also responsible for supporting the REDD+ and MRVS work that is being executed by the Commission.

1.4 Forest Resource Management Division

The Forest Resources Management Division (FRMD) is responsible for data collection on National Forest resources by conducting surveys and inventories. Additionally, the FRMD contributes to research and makes recommendations on forest dynamics, silviculture treatments, the allocation of forest concession areas, the preparation of operational guidelines for forest management plans, evaluation of proposed forestry operations; and disseminating information on Guyana's forests.

1.5 Forest Monitoring Division

The Forest Monitoring Division (FMD) is responsible for the enforcement of Forest Laws and Regulations, the licensing of forestry operations, the monitoring and control of forestry operations with regards to annual allowable cuts, social and environmental impacts, approving forest produce for export, and the collection of revenue.

1.6 Overview of the REDD Secretariat

The REDD Secretariat (RS) is tasked with responsibility for the coordination and implementation of key technical REDD+ activities.

2. ADMINISTRATIVE SUMMARY

2.1 Staffing

The Table below shows the 2016 Staff distribution relative to years 2013-2017.

Staff distribution for years 2013- 2017

Divisions of GFC	Number of staff in divisions				
	2013	2014	2015	2016	2017
Forest Monitoring Division	189	213	208	220	220
Forest Resources Management Division	55	64	64	57	63
Planning Development Division/REDD	6/5	13	13	14	14
Human Resources & Administration	54	58	86	83	43
Finance & MIS	35	35	37	37	40
Internal Audit				5	5
Total	344	383	408	414	385

The decrease from the 2016 figures was due mainly to staff taking up employment in the private sector, and from staff leaving to pursue additional studies.

2.2 Staff Development

Consistent with the Training Plan for 2017, the following training activities were implemented:

Scholarships

- Five (5) GFC staff members were granted scholarships by the GFC Board to study at the University of Guyana within the following programmes - Forestry- 4; Environmental Science-1.
- Three (3) students from hinterland/indigenous communities were awarded one year scholarships by GFC to attend the Guyana School of Agriculture (GSA) to study the Certificate in Forestry programme at Mon Repos Campus.

Local and Overseas Training

GFC Staff attended several overseas training courses and seminars (Brazil, China, Japan, Mexico) on a wide range of topics such as GIS/Remote sensing, MRVS, Climate Change, SFM and Monitoring.

In excess of 300 GFC staff members also participated in relevant training programmes hosted by various agencies.

These programmes focused on areas such as Management and Supervisory training, Internal Quality Auditing, GIS/GPS, First Aid, Prosecution, Grievance Redress Mechanisms, First Aid, ATV and Boats, Communication, Combating Trafficking in Persons, Occupational Safety and Health, Field research methods and Wildlife management.

2.3 Industrial Relations

During the year GFC Management continued to meet regularly with the union representing the workers- GAWU. All requests from the Union for staff meetings were facilitated.

2.4 Other Important Issues

- Ms. Sonya Reece Division was appointed as Personnel Manager as of October 31, 2017.
- One (1) Management Trainee (Ms. Reshanna Thomas) was confirmed as GIS/Remote Sensing Analyst.
- Two Officers were promoted to the positions of Divisional Forest Officers for Berbice and Demerara; namely Mr. Benny Layne and Mr. Kenford Fraser respectively.
- Five (5) PSM Scholarship awardees were employed as Management Trainees.
- In 2017, the Government wage increase ranging from 0.5 to 8% was paid.
- The Annual staff meeting and Christmas social was held at the Multiplex Building on the 22nd December 2017.
- GFC held several fire drills, HIV testing, blood donations, health clinics and other safety exercises throughout the year. These were coordinated by the Occupational Health & Safety Committees.
- School tours with lectures were done at the Yarrowkabra Facilities on the Linden Highway and GFC Head Office accounting for a total of 1,110 persons for 2017.
- 23 secondary school students were on 5 weeks attachment at the GFC Head Office and Forest Stations in Regions 1, 6, 8 and 10.
- 7 UG students involved in its Forestry, Environmental Sciences and International Relations program were attached to at the Head Office for a 2 months stint.
- 22 students from GSA who completed the Certificate in Forestry Programme were attached to various Offices of the GFC for a one month period.

3. FINANCIAL SUMMARY 2017

Financial Overview

Draft Financial Performance 2017

Description	2017	Budget
Revenue		
Royalty	148,378,080.00	455,000,000.00
Acreage Fee	170,591,387.00	150,000,000.00
Licencing & Other Fees &	132,187,776.00	130,000,000.00
Compensation	608,829,288.00	575,000,000.00
Commission on Exports	25,671,251.00	30,000,000.00
Other Income		
	1,085,657,782.00	1,340,000,000.00
Total Revenue		
Expenses		
Employment Cost	757,304,997.00	782,648,750.00
Operational Costs	395,954,825.00	399,073,000.00
Administration Cost	72,389,042.00	76,100,000.00
Finance & Professional Cost	61,518,487.00	69,440,000.00
Grand Total	1,287,167,351.00	1,327,261,750.00

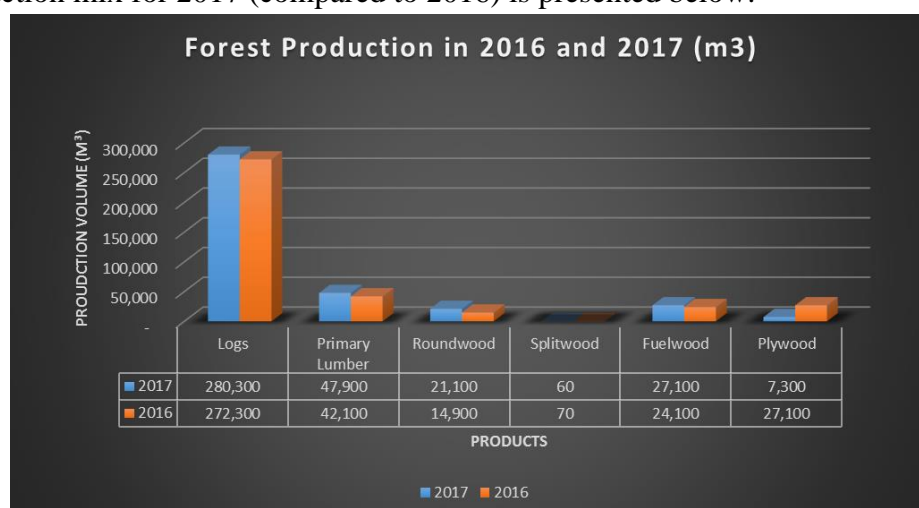
4. PERFORMANCE OF THE FOREST SECTOR

In 2017, a total production level of 377,111m³ was recorded, as compared with 353,495m³ for January to December 2016, representing a 7% increase in 2017 total production level. Total log production for the 2017 period was recorded at 280,892m³ and this is 3% higher than the 2016 level which was 272,310m³.

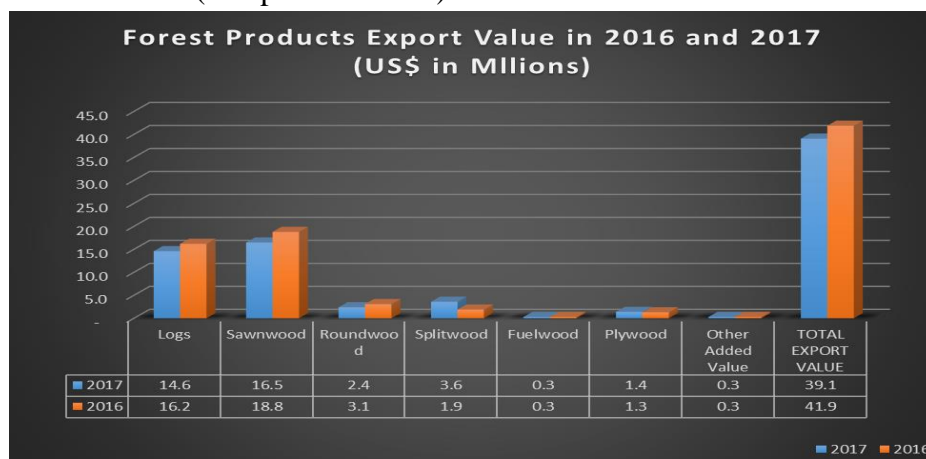
The product with the highest comparative increase in 2017 when compared to 2016 was Roundwood, which increased by 41% from 14,894m³ in 2016 to 21,070m³ in 2017.

In 2017, export value totaled US\$39.1M, whilst total export revenue for 2016 totaled US\$41.9M (a 6.7% decrease in 2017). Total log exports for 2017 was recorded at US\$14.6M and this compares to US\$16.2M in 2016. The highest revenue earner for the year for the forest sector was Sawn lumber which recorded US\$16.5M and this compares to US\$18.8M in 2016. The main products which saw increases from 2016 to 2017 are Splitwood which increased from the 2016 total revenue position of US\$1.9M and moved to US\$3.6M in 2017; also plywood increased from US\$1.3M in 2016 to US\$1.4M in 2017.

The production mix for 2017 (compared to 2016) is presented below:



The export mix for 2017 (compared to 2016) is shown below:



GUYANA FORESTRY COMMISSION							
Table 1: Total Production for January to December 2017 Compared to January to December 2016							
				Dec 2017 Total	Dec 2016 Total	Jan-Dec 2017 Total	Jan-Dec 2016 Total
PRODUCTS		Unit					
TIMBER PRODUCTS							
Logs		m ³					
Special Category							
	Greenheart			17,823.11	11,857.19	53,988.41	57,726.57
	Purpleheart			2,251.27	2,044.42	7,690.81	25,242.34
	Others			1,929.67	401.44	5,372.47	4,174.15
Total Special Category Logs				22,004.05	14,303.05	67,051.69	87,143.06
Class 1				34,795.86	13,530.61	142,346.10	110,835.79
Class 2				11,016.45	3,168.79	51,848.90	53,055.78
Class 3				4,668.19	1,666.91	19,645.28	21,275.22
Total Other Class Logs				50,480.50	18,366.31	213,840.28	185,166.79
Total Logs				72,484.55	32,669.36	280,891.97	272,309.85
Roundwood		m ³				-	-
Greenheart Piles				2,554.89	731.07	12,531.08	10,055.62
Kakaralli Piles				186.66	-	713.54	286.73
Mora Piles						-	-
Wallaba Poles				1,332.07	284.34	5,793.54	2,494.20
Posts				307.71	176.85	1,851.60	1,853.51
Spars				19.45	26.64	180.26	204.11
Total Roundwood				4,400.77	1,218.90	21,070.01	14,894.18
PriApy (Chainsaw) Lumber		m ³				-	-
Special Category						-	-
	Greenheart			531.39	446.64	3,801.89	4,319.99
	Purpleheart			293.29	161.02	2,001.70	1,567.08
	Others			487.16	284.47	2,734.13	2,104.49
Total Special Cat. Lumber				1,311.84	892.13	8,537.72	7,991.56
Class 1				3,143.85	3,035.30	23,101.40	22,061.75
Class 2				1,044.10	905.95	12,358.74	8,157.54
Class 3				617.09	369.67	3,940.95	3,871.57
Total Other Class Lumber				4,805.04	4,310.92	39,401.09	34,090.86
Total Primary Lumber				6,116.88	5,203.05	47,938.81	42,082.42
Splitwood		m ³				-	-
	Paling Staves			3.25	5.44	60.07	68.38
	Vat Staves					-	-
	Shingles					-	2.75
Total Splitwood				3.25	5.44	60.07	71.12
Fuelwood		m ³					
	Charcoal		m ³	929.65	823.24	10,226.94	8,151.73
	Firew ood		m ³	1,917.23	1,319.66	16,923.27	15,985.94
Total Fuelwood				2,846.88	2,142.90	27,150.20	24,137.67
Veneer						-	12,033.00
Plywood				511.10	822.00	7,333.62	15,131.00
NON - TIMBER FOREST PRODUCTS						-	-
Wattles		pieces		63,195.00	28,265.00	391,522.00	304,438.00
Manicole Palm		pieces		496,140.00	216,970.00	4,017,142.00	3,603,210.00
Notes:							
1 Compares December 2016 Volumes							
2. Shingles Production in 2016 reflect primary Shingles only							

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Table 2: Export Volumes and Values by Product for the period January to December 2017

	Dec 2017		Dec 2016		Jan-Dec 2017		Jan-Dec 2016	
PRODUCT	Volume	Value	Volume	Value	Volume	Value	Volume	Value
	m ³	US\$	m ³	US\$	m ³	US\$	m ³	US\$
Logs	9,468.18	1,544,703.20	10,553.09	1,861,912.77	88,624.25	14,637,006.04	86,832.85	16,184,139.24
Sawnwood	917.40	972,176.38	3,279.86	1,548,958.22	17,545.88	16,497,649.40	20,728.69	18,837,150.64
<i>Dressed</i>	423.48	593,892.87	2,134.17	765,718.83	7,203.96	8,556,714.25	10,464.35	10,742,476.86
<i>Undressed</i>	493.92	378,283.51	1,145.70	783,239.39	10,341.92	7,940,935.15	10,264.34	8,094,673.78
Roundwood	231.19	129,043.40	318.27	179,934.98	4,767.21	2,424,130.31	5,670.70	3,119,158.38
Greenheart Piles	147.44	62,543.40	253.26	114,345.00	3,796.37	1,791,123.30	5,123.08	2,702,256.40
Kakaralli Piles					-	-	-	-
Other Piles					-	-	-	-
Poles	83.75	66,500.00	58.63	52,150.00	837.09	559,447.51	361.63	327,596.50
Posts			6.38	13,439.98	119.82	70,934.50	185.99	89,305.48
Spars				-	13.93	2,625.00	-	-
Splitwood	440.28	410,942.25	149.82	144,660.00	4,027.59	3,604,325.79	2,029.87	1,923,162.73
Paling Staves					-	-	13.22	6,075.00
Shingles	440.28	410,942.25	149.82	144,660.00	4,027.59	3,604,325.79	2,016.65	1,917,087.73
Plywood	92.02	61,540.65			2,613.42	1,366,589.84	2,565.67	1,309,132.15
TOTAL TIMBER & PLYWOOD	11,149.07	3,118,405.88	14,301.04	3,735,465.97	117,578.34	38,529,701.38	117,827.78	41,372,743.14
Furniture (pcs)	-	-	100.00	7,500.00	61.00	19,145.13	265.00	27,024.03
Indoor Furniture			100.00	7,500.00	60.00	18,935.13	282.00	27,024.03
Outdoor/Garden Furniture					1.00	210.00	-	-
Building Componentry (pcs)	164.00	3,309.40	232.00	54,250.00	15,916.00	214,860.00	22,591.00	180,268.10
Doors	10.00	1,841.40	232.00	54,250.00	291.00	111,684.27	532.00	104,784.60
Door Components					79.00	2,055.88	151.00	28,366.50
Windows					377.00	76,457.10	113.00	21,834.25
Other Builder's Joinery (pcs)	46.00	368.00			15,153.00	23,562.75	19,076.00	2,176.60
(m ³)					-	-	-	-
Rails (pcs)					-	-	283.00	1,376.00
(m ³)					-	-	-	-
Spindles (pcs)	108.00	1,100.00			108.00	1,100.00	2,449.00	21,730.15
Mouldings (m)			905.87	2,398.12	12,092.03	35,805.29	8,748.68	33,730.09
Pre-Fabricated Houses (pcs)	1.00	5,680.00		-	2.00	11,130.00	-	-
OTHER (than Plywood) VALUE ADDED	165.00	8,989.40	1,237.87	64,148.12	28,071.03	280,940.42	31,604.68	241,022.22
Fuelwood (m³)	639.20	21,148.26	928.88	30,985.49	5,901.73	268,250.60	8,101.29	284,615.88
Charcoal	639.20	21,148.26	928.88	30,985.49	7,677.85	266,850.60	8,475.94	283,115.88
Firewood					31.01	1,400.00	33.35	1,500.00
Other (pcs)	-	-	40.00	4.00	6,260.00	12,394.54	2,893.00	4,192.56
Wooden Ornaments & Utensils			40.00	4.00	3,005.00	7,646.89	737.00	2,476.31
Crafts					3,803.00	4,747.65	2,346.00	1,716.25
Non - Timber Forest Products (pcs)	436.00	6,670.01	29.00	1,350.00	4,130.00	19,597.74	4,825.00	7,350.90
OTHER PRODUCTS	1,075.20	27,818.27	997.88	32,339.49		300,242.88	15,540.29	296,159.34
TOTAL EXPORT VALUE		3,155,213.55		3,831,953.58		39,110,884.68		41,909,924.70

4.1. Review of the National Forest Plan and Policy Statement

The National Forest Plan 2011 and the National Forest Policy 2011 were revised in 2017. Following the formulation of the last policy in 2011, a number of significant changes have occurred with relevance to the sector.

Guyana, in recognizing the need for a holistic approach to the sustainable management of the country's forests, released the Green State Development Strategy (GSDS) framework in 2016. The Strategy envisions *“A green, inclusive and prosperous Guyana that provides a good life for all its citizens based on a sound education and social protection, low-carbon resilient development, green and decent jobs, economic opportunities, individual equality and political empowerment. Guyana serves as a model of sustainable development and environmental security worldwide, demonstrating the transition to a decarbonised and resource efficient economy that integrates the multi-ethnicity of our country and enhances quality of life for all Guyanese”*.

The revised National Forest Plan and Policy Statement address the advancement of forest resources in a visionary way. The revisions create a platform of forest resources development across sectors and with a broader goal to maximize more than timber values from these resources.

The Policy is guided by six overarching principles of sustainable development, as outlined below:

1. **Balanced decision-making** - decision-making processes should effectively integrate both long- term and short-term economic, environmental, social and equitable considerations;
2. **The precautionary principle** - if there are threats of serious or irreversible loss of biodiversity, or similar threats to habitats or ecosystems, lack of full scientific certainty should not be used as a reason for postponing measures to prevent such loss or harm;
3. **Inter-generational equity** - the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;
4. **Protection of the natural capital base** - the conservation of biological diversity and the maintenance of ecological integrity should be a fundamental consideration in decision-making;
5. **Policy intervention to correct market failure** - the market failures that are leading to environmental degradation and the reduction in natural capital should be corrected by policy interventions including the development and application of improved valuation and pricing mechanisms for ecosystem services;
6. **Local benefit** - local people, particularly in indigenous and forest-dependent communities, should be provided with training and education relevant to job placement opportunities.

The revised National Forest Policy and Plan are expected to be formally approved in 2018.

4.2 Community Forestry in 2017

Overall, 2017 was a fruitful year for the Community Development Unit. The Unit was able to achieve its goals of establishing and supporting the work of sixty-nine (69) Community Forestry Organizations and assisting these groups with the implementation of initiatives geared at fostering sustainable forest management practices.

Emphasis was placed on communities acquiring funding for training and capacity building in areas such as forest inventory, tree identification, directional felling, survey and mapping, use of GPS, improving governance (planning and decision-making processes, compliance with relevant regulations, transparency, accountability, efficiency and effectiveness.

GFC also participated actively in the National Toshias' Council meeting and was able to clarify issues that were raised by various Toshao's.

4.3 REDD Secretariat

This Secretariat has been tasked with responsibility for the coordination and implementation of key technical REDD+ activities.

Summary of Project Achievements:

UNREDD/ FAO Technical Support

The GFC and UNREDD have agreed upon three priority areas for technical support and collaboration. These activities tie into the multiyear support programme that has been presented to Norway.

The first and highest priority activity is the exploration of applicability of the SEPAL interface for use in Guyana's MRVS. With the commencement of Phase 2 of the MRVS, conducting the Year 6 assessment is set to commence within the first quarter of 2017 and the exploration of SEPAL would coincide with this activity.

The second activity of priority is that of developing and advancing a reporting framework that is reflective of international requirements and best practices. This could also be used for the reporting on the Year 6 assessment.

Finally, in 2019, the GFC has identified the revision and resubmission of its Proposal on Reference Level for REDD+ to the UNFCCC.

Guyana Green State Development Strategy and Financing Mechanisms

The Green State Development Strategy (GSDS) lays the foundations for inclusive green economic growth, for achieving sustainable development targets, and for providing a long term vision for a prosperous and equitable future. The strategy aims to reorient and diversify Guyana's economy to reduce reliance on traditional sectors and open up new income and investment opportunities in higher value adding and higher growth sectors. The GFC contributed to the preparation of this framework document throughout the year.

Guyana's Monitoring, Reporting and Verification System (MRVS)

The Kingdom of Norway continued its support to the MRVS in response to a proposal which was submitted in 2016. This support covers the period 2016- 2020 and will entail the following outcomes:

- Guyana's Forest Carbon Monitoring System is strengthened in fulfilment of the MRVS Roadmap Phase 2; reporting on forest area change and emissions from forests is completed for Years 6 to 9 (01 January 2015 to 31 December 2019).
- The MRVS more precisely accounts for the forest carbon dynamics.
- MRVS data and results inform improvements in forest management policy and practice.

Results of the MRVS used to support national and regional initiatives

National scale MRVS data was used to inform the development of activities for the Energy Transition Roadmap at the regional scale (for Region 9); also for reporting to the United Nations Convention on Combatting Desertification (UNCCD).

Data was also provided to the Land Degradation Neutrality Target Setting Programme being implemented by the Guyana Lands and Surveys Commission. The data included data on soil organic carbon in Guyana, by percentage per location and spatial data.

Information on watershed contours/delineation for hydrological analysis of potential Hydropower sites from the MRVS' 5 metre resolution imagery was provided to the Guyana Energy Agency.

At the regional scale, data was provided to the Region 9 Administration, and Conservation International (CI)-Guyana on the total historical deforestation within Region 9 and the representation of forest and savannah land cover.

This data demonstrates the application of the MRV to regional planning as CI is assisting in formulating the Region 9 Regional Democratic Council development action plan.

Maps showing deforestation trends within an approximate fifteen (15) km radius around Mahdia, Region 8 were also developed. This area was a proposed site to test out new technologies to increase the effectiveness of gold exploration that is affordable and usable by small and medium scale gold miners. All rights will be attributed to the GFC as the main data source.

Community MRV

Having developed a Standard Operating Procedure (SOP) for the Community Monitoring Reporting and Verification System, training in biomass plots establishment was provided to 38 persons of the communities affiliated with the NRDDB.

Forest Area Change for Year 6 (2015- 2016)

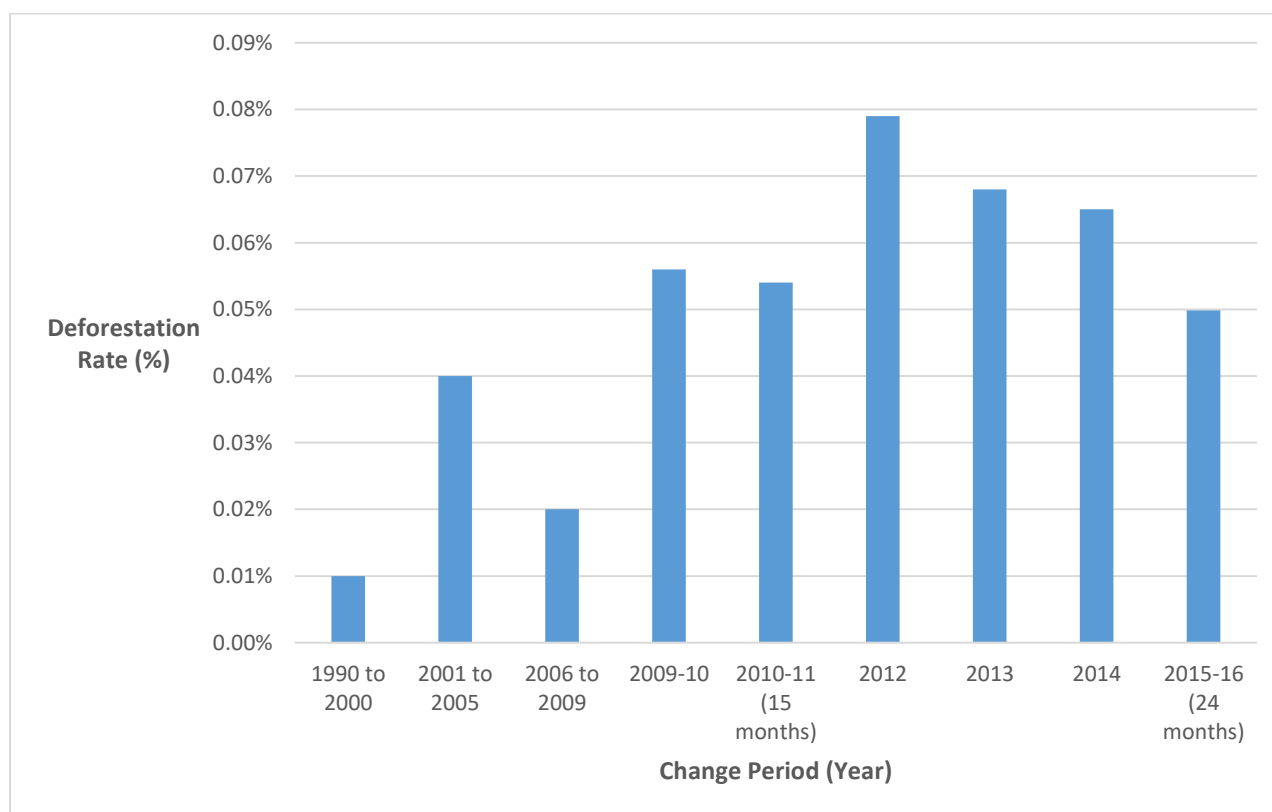
The sixth assessment (Year 6) was for 2015-16 (24-months). Forest change of forest to non-forest excluding degradation for this 2 year period is estimated at 18 416 ha. This equates to an annualised deforestation rate of 0.050%; the lowest rate of all annual periods from 2010 to present.

The main deforestation driver for the current forest year reported is mining (sites), which accounts for 74% of the deforestation in this period. The majority (94%) of the deforestation is observed in the State Forest Area. The temporal analysis of forest changes post-1990 indicates that most of the change is clustered around existing road infrastructure and navigable rivers. In Year 6 the change has continued primarily near the footprint of historical change.

Annualised Rate of Forest Change from 1990 to 2016 Area Deforested 1990 to 2016

Period	Years	Image Resolution	Forest Area ('000 ha)	Change ('000 ha)	Annualized Change Rate (%)
Initial forest area 1990		30 m	18 473.39		
Benchmark (Sept 2009)	19.75	30 m	18 398.48	74.92	0.41
Year 1 (Sept 2010)	1	30 m	18 388.19	10.28	0.056
Year 2 (Oct 2010 to Dec 2011)	1.25	30 m & 5 m	18 378.30	9.88	0.054
Year 3 (Jan 2012 to Dec 2012)	1	5 m	*18 487.88	14.65	0.079
Year 4 (Jan 2013 to Dec 2013)	1	5 m	18 475.14	12.73	0.068
Year 5 (Jan 2014 to Dec 2014)	1	5 m	**18 470.57	11.98	0.065
Year 6 (Jan 2015 to Dec 2016)	2	10 m & 30 m	18 452.16	18.41	0.050

Annual Rate of Deforestation by Period from 1990 to 2016



Forest Carbon Partnership Facility Project (FCPF)

The Forest Carbon Partnership Facility Project aims to assist Guyana to establish an enabling Framework and build capacity for Reducing Emissions from Deforestation and Forest Degradation (REDD+) through the provision of financial and technical assistance.

It specifically supports improvements in the organization of the country for REDD+ readiness, including stakeholder consultations; and the preparation of the Guyana REDD+ Strategy to facilitate Guyana's access to additional funding under performance-based incentives.

The Guyana Forestry Commission is a member of the Project Steering Committee which oversees the development and implementation of REDD+ readiness activities detailed in the Technical Cooperation Agreement between the GFC and IDB.

5. FOREST MONITORING OPERATIONS

5.1 Accommodation

Throughout the year, extensive maintenance work was done on 20 outstations.

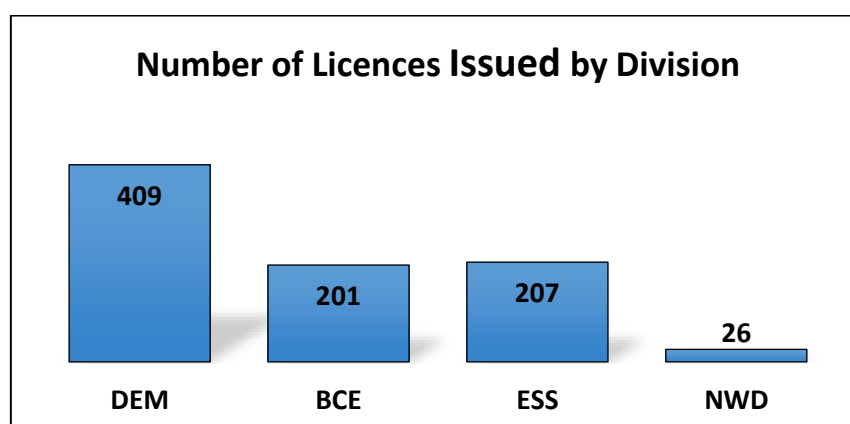
In addition, staff members at these and other stations were provided with new or refurbished furniture desks, chairs, and computers; also there was the installation of fans/air conditioners in some stations to further enhance the working environment. All of this was achieved despite the financial constraints faced by the Commission.

5.2 Licence Issuance

Except for charcoal, there was a marginal increase in the total number of licences issued for 2017 when compared to same period in 2016. A collaborative initiative with the Environmental Protection Agency (EPA) facilitated over one hundred (100) Forest Sector Operators to obtain their Environmental Permit. 48.5 % of licences were issued by the Demerara Division.

Comparison of license issuance for 2016 and 2017

License Type	Total Issued		Variance %
	2016	2017	
Timber Dealer Export	91	92	1%
Lumber Yard	144	148	3%
Timber Dealer No Storage	19	19	0%
Sawpit License	238	239	0.42%
Sawmill License	200	199	-1%
Firewood License	16	16	0%
Charcoal License	40	49	23%
Timber Depot	51	52	2%
Timber Path	7	6	-14%
Permit to Erect	35	23	-34%
Total	841	843	0.24%



5.3 Concession Monitoring

Stump inspections continue to be an integral component of the FMD operations as it serves to validate the origin of produce declared on removal documents and confirms compliance or non-compliance with the Guidelines for Timber Harvesting.

Field inspections verified a satisfactory level of compliance; in cases where there were breaches, relevant action was taken against the defaulters.

5.4 Monitoring of Sawmills/lumberyards/exports

Sawmill and lumberyard are monitored on a weekly basis by Forest Rangers within the relevant Divisions. Additionally, audit inspections were performed to validate the frequency and effectiveness of Sawmill/ Lumberyard inspections conducted.

GFC staff continued to do extension training on the proper completion and submission of the various documents required by the GFC from saw millers, lumberyard dealers and exporters; as a result there was an improvement with compliance with the Guidelines for processing.

5.5 Export of Forest Produce

Inspections for the purpose of export were only conducted at sites that were approved by the GFC. In the cases where sites need approvals/no-objections by certain agencies such as the Environmental Protection Agency (EPA), Central Housing and Planning Authority (CHPA) and Neighborhood Democratic Council (NDC), such had to be obtained before inspection were conducted. Inspections at the forest concession level (mainly for logs) had to be at approved GFC sites.

5.6 Field Testing of the Legality Definition (LD) under the Guyana-EU FLEGT VPA

One of the key VPA Annexes under the FLEGT programme is the LD. Guyana and the EU conducted a joint field testing exercise of the LD during July 2017. The aim of the exercise was to identify any gaps that needed to be addressed.

The field testing covered the different types of forest sector operators, as well as relevant Government Ministries and Agencies and the Consultant tasked with coordinating the exercise was supported by a wide range of local stakeholders, the EU and resource persons from the European Forestry Institute (EFI).

There was agreement that the field testing was implemented through a thorough and transparent process; also the Principles-Criteria-Indicators were very relevant and required minimal modifications. The NTWG has been working with the relevant entities to address identified areas in need of strengthening/clarifying.

Staff from the GFC Monitoring Division were an integral part of this field testing. They were also actively involved in the finalization of the VPA Annexes in collaboration with the NTWG, other national stakeholders, representatives of the EU, EFI and other partners. As a result, all of the Annexes have been agreed on except for the LD and the Guyana Timber Legality Assurance System (GTLAS) both of which are almost complete. It is hoped that these will be finalized in early 2018 to facilitate an initialing of the VPA in 2018.

6. FOREST MANAGEMENT OPERATIONS

6.1 Forest Concessions Management

At the end of 2017, there were a total of 509 SFA-SFPs and SFA-CFMAs, along with 15 Agriculture Leases and 3 Mining Leases. There were also 18 SFA-TSA/WCL's, 4 SFA-SFEPs and 1 Private Property (IIC).

SFA distribution ending 2017

SFA ending 2017	Total Area size (ha)	% area	Quota/AAC (m³)	% Quota/AAC
SFP and CFMA	1,975,653	41.63%	1,079,747	65.36%
TSA	1,762,453.41	37.14%	357,445.15	21.64%
WCL	21,268.35	0.45%	6,247.74	0.38%
SFEP	985,948.73	20.78%	208,562.83	12.62%
Sub Total	4,745,323.49	100.00%	1,652,002.72	100.00%
Iwokrama	371,610.44		36,144.33	
AL and ML	13,203.00		NA	
Grand Total	5,130,136.93		1,688,147.05	

6.2 Forest Management Plans (FMP)

GFC continued to review and offer recommendations for submitted Forest Management Plans in 2017. Critical management prescriptions, such as felling cycles, blocks for harvesting, annual yield and felling area were some of the focal areas. Efficient monitoring of these management prescriptions ensure that companies are adhering to the sustainable forest management guidelines prescribed by the GFC and are complying with environmental guidelines for forest operations.

6.3 Annual Operations Plan (AOP)

AOPs are essential for effecting monitoring by GFC. All plans submitted were assessed against the minimum requirements as outlined by GFC Guidelines and in keeping with the GFC's AOP Guidelines. Where GFC was not satisfied with the quality of plans or vital information was omitted the company was requested to resubmit a revised plan.

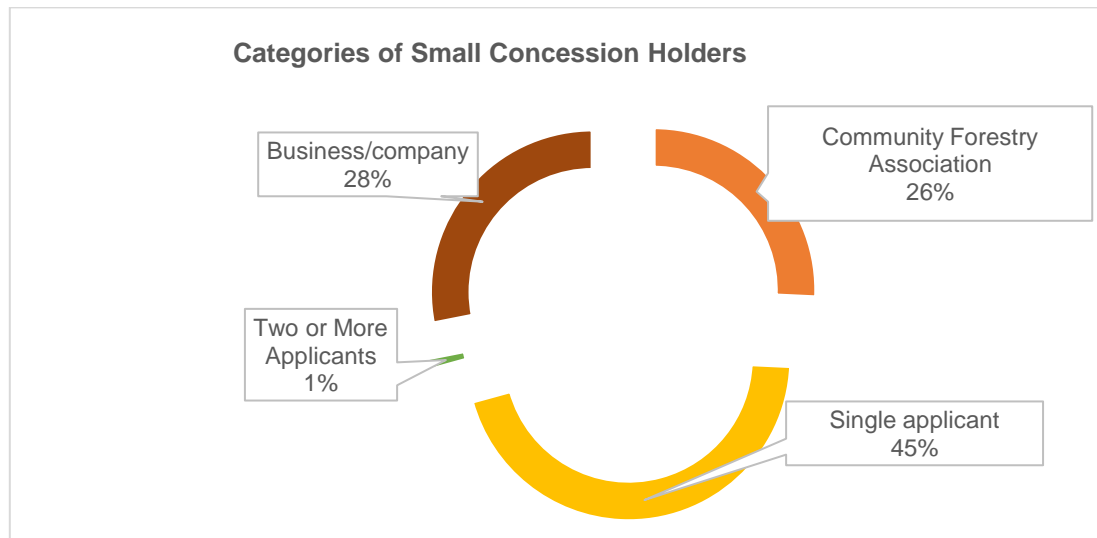
In total, nineteen (19) AOPs for 2017 were submitted. All AOPs were reviewed and approved in a timely manner; this can be attributed to the improved AOP assessment sheet and the initial review of electronic copies of AOPs. It should be noted that the rate of non-approval has drastically reduced following these reviews.

6.4 Block Approvals

At December 2017, a total of 247 blocks (124 new blocks, 87 roll over blocks, 36 re-entry blocks) were approved for harvesting for SFA-TSA/WCL's. 26 blocks (10 new blocks, 4 RoB and 12 ReB) were approved for two SFA-SFEPs. Both of these SFA-SFEPs with approved blocks for 2017 were later converted to SFA-TSAs.

6.5 Small concession allocations

Chart showing relative percentages of the 4 categories of SFA-SFPs



6.6 Forestry Reserves

The Moraballi, Chikabaru, Ebini, Bartica Reserves and Yarrowkabra Reserve were monitored throughout 2017. A reconnaissance survey of the Long Creek and Kairuni Reserves was also done.

The Yarrowkabra Training Centre (YTC) was utilized by one thousand, one hundred and eleven (1,111) visitors during 2017. This included students from UG, GSA and members of the public.

7. FORESTRY TRAINING CENTRE INC. (FTCI)

7.1 Introduction

The FTCI provides vocational training for stakeholders within the forestry sector, communities, academic institutions and staff of the GFC. It operates within the forest policy framework and in close collaboration with the GFC.

It has developed a wide range of training manuals and intensive courses for forest managers, planning teams, forest surveyors, tree spotters, forest inventory crews, chainsaw operators, and operators of heavy-duty equipment such as skidders, bulldozers.

7.2 Staff Training

Staff training remained a key priority for the FTCI during the year. Staff benefitted from Action Coaching and Leadership Workshops; Monitoring and Evaluation workshop hosted by the Ministry Of Finance. Staff were also exposed to workshops hosted by the Ministry of Health on Tuberculosis and Malaria. Internally, staff were exposed to training in the use of GPS devices, training delivery, FLEGT, Timber Grading and the use of computers. These activities contributed to the improved capacity of staff and their training delivery.

7.3 Sector Training

2017 was a good year for FTCI with 567 persons being trained as compared to the 397 participants trained in 2016, a 42.8 % increase. The courses offered included Timber Grading, Tree Identification, Decision Making, Timber Harvesting Planning, RIL, Forest Management Best Practices, GPS Usage and mapping. Training Courses were conducted at Mariwa, Yarrowkabra and within communities for the loggers Associations and Forests Officers.

Most of these opportunities were funded by the National Technical Working Group (FLEGT Facilitation Support) and the Food and Agriculture Organization (FLEGT) programme. The Board of Industrial Training also contributed to the training of youths to provide them with the requisite skills to gain employment in the forestry sector. The FTCI was also able to provide Reduce Impact Logging Training overseas to Dennebos (Suriname).

The Table below shows a breakdown of the participants who would benefitted from the training courses offered.

Target Group	Persons Trained
Community Loggers Associations	328
GFC Staff	62
Sawmillers /Timbers Dealers/ Concessionaires	60
Guyana School of Agriculture	41
Overseas (Suriname)	31
Board of Industrial Training	21
Amerindian Villages	24
Total	567

7.4 Consultancies and Projects

FTCI continues to prepare Annual Plans of Operations (APOs) and Forest Management Plans (FMPs), for concessionaires. FTICI also conducted Environmental and Social Impact Assessments (ESIA's) and inventories for companies.

The FTICI submitted proposals to the FAO, UNDP and the Ministry of Business during the year and is awaiting feedback on these.

7.5 Revenue

In 2017, FTICI recorded a revenue of \$36,143,280.00 as compared to the 2016 figure of \$18,005,350.00. This represented more than 100% increase in revenue.

Even though there was an increase in the training offered, the Centre is still not self-funding since GFC still had to offset most of the salary costs. However, this dependence on GFC was reduced by 18 % when compared to 2016.

Efforts will continue to encourage the sector to provide training for employees. Apart from increasing FTICI's revenue, it will assist in preparing the sector for implementation of the Voluntary Partnership Agreement (VPA) under the FLEGT initiative.

8. FOREST PRODUCTS DEVELOPMENT AND MARKETING COUNCIL (FPDMC)

8.1 Introduction

The mandate of the FPDMC is to work with stakeholders to improve the quality and quantity of processed forest products for the domestic/export markets through targeted industry development initiatives, and to provide appropriate technological and market intelligence information to stakeholders.

8.2 GUYANA- EU FLEGT VPA support

The FPDMC continues to serve on the Guyana- EU FLEGT VPA as a member of the National Technical Working Group (NTWGs).

FPDMC coordinated NTWG's outreach efforts across the country. This included providing support for a number of FLEGT television and radio shows aimed at providing updates to stakeholders on the VPA process, and allowed for interactive discussions on key aspects of the FLEGT VPA.

The Council also provided support in documenting the VPA process in the form of a Guyana Timber Legality Assurance System (GTLAS) booklet. Additionally, the FPDMC produced both wall and desk calendars, and other public awareness material which focused on the VPA and highlighted key aspects such the benefits the VPA will bring to the country.

8.3 Marketing and Promotion

Throughout 2017, the Council continued its advertising campaign to promote the use of the Lesser Used Species of woods. Brochures and handbooks reflecting the benefits of using LUS were distributed to persons attending various exhibitions.

To further promote the use of the LUS, the Council was able to organize a meeting with the Central Housing and Planning Authority (CHPA) to discuss the use of LUS in housing projects which the CHPA will be involved in. These discussions were very successful and paved the way for LUS to be used in a number of housing projects across the country.

8.4 Market and Product Development Research

The FPDMC continued to update its database with the contact information of potential international buyers. This list is shared and accessed by the local stakeholders in the timber industry. To further support market access, the Council has made connections between buyers and sellers. This link once made, allows to Council the option of playing the role of a facilitator.

The FPDMC has also worked with exporters to better advertise their products. It continues to monitor relevant international forestry related websites and collect/analyze/disseminate information relevant to the local Industry. Local stakeholders are also encouraged to inform the Council of the types and volumes of timber which is available for sale. The Council makes this information available on its website.

The Council also provided on a continuous basis, an advisory service to both stakeholders and other agencies on new developments in wood technology and market requirements in areas such as moisture content, wood preservation standards, drying, stacking, packing and handling among other areas to various stakeholders. This service will continue with the Council aiming to have another ten (10) species of LUS tested for strength and durability in 2018 and information on these made available to the private sector and the sector as a whole.

8.5 Website Upgrade

The council has worked on upgrading its website to meet international standards. The enhancement of the site now allows the site to be more user friendly. Also, information on timber and timber products available for export is now accessible on the website.

8.6 Market Reports

The Council continues to prepare and disseminate market intelligence reports to stakeholders in the industry. These reports are prepared to reflect monthly and year to date figures on volume and value of timber and timber products sold on the international market. Market trends were also highlighted in these reports to allow for suppliers to make more informed decisions in relation to products which they are bringing to the marketplace.

8.7 Timber Exhibition

The FPDMC has been coordinating public-private sector efforts to promote quality timber products and the use of LUS via a Guyana Timber Expo slated for 2018. This timber expo will showcase a range of products from logs to manufactured timber products.

Government agencies with linkages to the Guyana Timber Legality Assurance System (GTLAS) will also be involved in the Expo to advise stakeholders on how to more effectively ensure compliance with the requirements of these agencies. GTLAS is the system used to provide for legal timber to be sold on both the local and international market.

8.8 Documentary demonstrating best practices in Sawmilling and Lumberyard

A video documentary on best practices for Timber Processing in Sawmills and Lumberyards was produced and distributed among saw millers and lumber yard dealers. The areas of focus include pre-sawmilling practices, Sawmill Layout, Grade sawing, Maintenance of Equipment, Saw doctoring, Moisture in lumber, Sticker-Stacking and Racking and Kiln drying.

8.9 Publication of Articles

In addition to the publication of the Guyana Timber Legality and Assurance System booklet, the council commenced work on preparing its annual Timber Trade magazine with a focus on the Guyana-EU FLEGT VPA process

8.10 Funding opportunities

The FPDMC's work plan for 2017 benefitted from significant financial support from the FAO and from the NTWG through the DFID FLEGT Facilitation Support Project. FAO has indicated its willingness to continue supporting some aspects of the work of the Council; several project proposals were submitted and FPDMC is awaiting feedback.

9. BUDGET MEASURES FINALIZED IN 2017

The MNR, the GFC Board of Directors (which includes the FPA, GMSA and MOIPA), the GFC and an Inter-Ministerial Task force (including GMSA, Ministry of Business, Ministry of Public Infrastructure and the GRA) have worked with the Ministry of Finance to agree on a suite of measures to be implemented in collaboration with the private sector and indigenous communities, and which will strengthen and improve the sector's performance in 2018. Among the measures announced in Budget 2018, for the forest sector are:

- a) The restriction of the importation of Pine Wood and Pine Wood Products, with effect from January 1, 2018.***

This will streamline the importation of Pine Lumber into Guyana and also allow more effective monitoring of pine lumber. Under Guyana's commitment to the EU VPA, all forest produce including those imported must show evidence of a system of chain of custody and legality. The import licence will address this, as well as competition with local forest produce.

- b) Guyana's strong lobby to the Council for Trade and Economic Development (COTED), an organ of CARICOM for Suspension to increase the Common External Tariff (CET) on Pine Wood and Pine Wood Products, from 5 percent to 40 percent, has been approved. The new tariff will be in effect from January 1, 2018 to December 31, 2019.***

The raising of the CET is not intended to stop the importation of pine neither it is a restriction on the importation of pine. This measure will enable more competitiveness in the sector and also encourage and drive efficiency, quality and increase in production of local lumber. This will in turn lead to more job creation, income generation and rise in GDP of the forestry sector.

- c) With effect from January 1, 2018, VAT charge will be exempt for logs and rough lumber to the sawmilling industry.***

This would improve the cash flow of operators in the industry by at least \$80 million allowing for more competitiveness in the price of locally produced lumber; it will also serve as an incentive for increased local production and have a positive impact on the growth and development of the forestry sector both at the primary production level and value adding processing. It will make the input material (rough sawn timber products) more cost effective.

- d) The sum of G \$120 million has been set aside to commence a forest inventory.***

Forest Inventory is a planning tool for effective management of the nation's forest resources. The last national forest inventory was done in the 1950's. With so much importance attached to the forest both in terms of timber production and more importantly the whole issue of climate change and environmental services, the Government has recognized the need to conduct a national forest inventory. This allocation is to commence phase 1 of a three year process.

- e) An amount of G\$50 million has been allocated, in Budget 2018, as an indication of Government's preparedness to partner with the private sector in a Public Private Partnership, to establish a Dimension Stockyard.***

Obtaining quality raw materials (lumber) in sufficient quantity and dimensions is a challenge. Only a few operators are producing lumber at the desired quality level. The consolidated or dimensional stock yard is intended to bridge this gap and allow for an improved quality of lumber, in sufficient quantity and with a reliability of supply. This will be a public/private sector initiative that will be managed by an oversight body. It will consolidate and facilitate trading of wood products. It will also be a “clearing house” for legally produced timber.

The facility will assist in creating a secondary market for tropical wood products in Guyana. It will be useful for operators in the forestry sector who do not wish to take on acquiring and managing a forest concession, as well as those operators focused only on downstream processing and value adding.

10. SUMMARY OF MAJOR FOCAL AREAS FOR 2018

1. Formal approval of the revised National Forest Policy and National Forest Plan
2. Approval of the Forest regulations; concluding the process for the Code of Practice for Forest Operations being formally approved and published in the gazette
3. Additional forest areas' allocation
4. Exploring additional opportunities for non-timber forest products (NTFPs) and environmental services
5. Continued training and capacity building at all levels, especially for the members/employees of community forestry associations, residents of indigenous communities, personnel employed at small/large concessions; staff of GFC, FPDMC, FTICI stakeholders inclusive of students of GSA/UG, NGO's etc.
6. Relevant training of GFC staff/stakeholders to prepare for potential realization of programmes under the Green Climate Fund (GCF), Forest Investment Fund (FIP), Carbon Investment Fund (CIF), FCPF, EU FLEGT, MRVS etc.
7. Forest Industry Development:
 - Actively encouraging and promoting the increased production/reliable supply of quality primary timber products in keeping with SFM principles
 - Providing relevant "on the job" training opportunities to develop the requisite skills for efficient processing and manufacturing of quality timber products
 - Promoting the manufacturing of more quality added value, competitive timber products for domestic and export markets
 - Promoting the use of local timbers (including the LUS) as a preferred construction material
8. Concluding on the initialing of the Guyana-EU VPA under the FLEGT initiative
9. Enhancing trade and markets initiatives; efforts to regain UK greenheart market
10. Commence preparations for the establishment of the Consolidated (Dimensional) Stock Yard
11. Facilitating Independent Forest Monitoring (IFM) and other Audits
12. Commence preparations for the conducting of the national forest inventory
13. Implementation of MRVS Year 7
14. Continued support to the Community Forestry Programme
15. Effective/efficient completion of activities under the Divisional Work Plans of the GFC
16. Continued collaboration with Government Ministries and Agencies, Indigenous Communities, FPA, GMSA, Community Forest Associations, other Forest sector stakeholders, NGOs, other local and international stakeholders.

Guyana Forestry Commission Forest Stations

<u>FOREST STATIONS</u>	<u>ADDRESS</u>	<u>TELEPHONE #</u>
112 KM Buckhall		672- 5513
50 KM-110 KM UNAMCO		697-5698
70 KM Buckhall		625- 0612
A. Mazaharally and Sons	Buckhall, Water Front	
Anarika	Rockstone, Essequibo	
Annai	Rupununi	772-9280
Arapiarco	Pomeroon River	771-4735
Bamboo Landing	Between Ituni & Kwakwani	440-2590
Bartica	Bartica, Essequibo	455-2332 – Fax;455-2255
Bissaruni Junction	Berbice	650-4698
Buckhall	Essequibo River	
Buckhall (Water Front)	Essequibo	668-9935
Butakari	Essequibo	
Canje	East Canje, Berbice	332-0487/332-0227 (F)
CPT	Essequibo	604-3016
Georgetown	Water Street, Kingston	226-7271-4
Goat Landing	Berbice	
Haimorakabra	Berbice	613-9327
Hururu	Berbice River	686-9023
Iteballi	Mazaruni River	
KK Water Front (Rong An Landing)	Berbice	692-0664
Kurunduni	Berbice	690-6448
Kwakwani	Berbice River	440-2589 (F)/440-2590
Kwebana	Region 1 NWD	
Lethem	Lethem	
Linden	Christianburg, Linden	444-4727-8
Mabaruma	North West District	777-5131
Mabura	74 Miles Mabura	226-5385/226-5382 (DTL)
Manaka	Essequibo River	
Moraballi	Demerara	651-3972
Orealla	Corentyne River	338-9280
Parika	East Bank Essequibo	260-4084/260-4217 (F)
Port Kaituma	North West District	
Scatter Rock	Corentyne River Berbice	614-3742
Soesdyke	Soesdyke, EDB	261-5310 – Fax ;261-5044 ;261-5045
Springlands	Corentyne, Berbice	335-3414
Supenaam	Essequibo Coast	774-4944 (Office/Fax); 774-4945
VW&GL	Berbice	
WAICO	Berbice	656-4019
Wineperu	Bartica, Region 7	