

**Statement by Ambassador Odeen Ishmael of Guyana at the Symposium of the Americas
on Energy and Climate – Lima, Peru, 16 June 2009**

Mr. Chairman, Members of the Panel, Ladies and Gentlemen.

This symposium is the product of a call by President Barack Obama at the fifth Summit of the Americas last April for the creation of an “Alliance of the Americas for Energy and Climate”. No doubt, the ideas and discussion emanating for this forum, and others of this type, will generate positive action for the development of an Energy and Climate Partnership of the Americas.

Certainly, Guyana will actively participate in the development of this partnership. We hope that our efforts to confront the numerous challenges and grasp the opportunities associated with climate change will eventually form a significant section of the strategies of this new Inter-American partnership.

As many of you are aware, Guyana has always played an active role in environmental issues, particularly in promoting strategies and actions for the protection and sustainable development of rain-forests in our region. At the beginning of the 1990s, the Guyana government established the Iwokrama rainforest project by which an area of 900,000 acres of pristine rain forest was set aside for a pilot project, managed by the Commonwealth Secretariat, for the study of the forest on a sustainable basis and the conservation of plant and animal species.

The annals of the OAS will also show that since the 1990s, at various forums of that organisation, Guyana introduced ideas, like the “one dollar a tree” concept through which countries with rainforests could be compensated by the industrialised world for protecting their forests, thus helping to alleviate global warming and reducing carbon emissions. We have also argued, ever since then, that if the developed world wants poor countries to keep their rain forest untouched, those poor countries should be given incentives to compensate for all the wealth they could accrue if they use their forest resources. In other words, they should be compensated financially for not cutting timber.

Then at the Summit on Sustainable Development in Bolivia thirteen years ago, Guyana also urged the establishment of a Forest Monitoring and Management Training Fund for Sustainable Development, which would have assisted the poorer countries of this hemisphere to manage their forest resources in a more efficient manner. Sadly, these proposals were not given much attention then, but in these days as global warming now raises serious international concerns, they are certainly worthy of renewed attention.

But I want to focus attention on the issue of climate change as it relates to forest conservation and sustainable development of our rainforest and the Low-Carbon Development Strategy Guyana intends to implement. Just a week ago, President Bharrat Jagdeo presented a draft of this plan at a public forum, and over the next three months, there will be country-wide consultations through which individuals, groups, and various organisations will provide their comments and proposals to assist in constructing the final action programme to be implemented.

Since 2006 the Government of Guyana has been calling for bold action by rainforest nations and international partners to address deforestation. The Guyana government has constantly stated that if the right economic incentives are created, Guyana would be willing to consider placing almost its entire rainforest under internationally verifiable protection, providing that national sovereignty and the rights of all Guyanese are not undermined.

Guyana's pristine forests are its most valuable asset – the majority of the 15 million hectare rainforest is suitable for timber extraction and post-harvest agriculture, and significant mineral deposits exist below its surface. The value of this forest – known as “Economic Value to the Nation” or EVN – is estimated to be the equivalent of an annual annuity payment of US\$580 million.

But to generate this economic value through deforestation will obviously have negative effects for the world since it will substantially deplete the critical environmental services such as bio-diversity, water regulation and carbon controls that our forests provide to the world.

Guyana sees the conflicting ideas of protecting rainforests and pursuing economically rational development as a crucial challenge that must be addressed to make forests worth more alive than dead.

There is increasing global recognition of the fact that protecting forests is essential to the fight against the detrimental effects of climate change. But transferring such recognition to direct action remains lethargic. However, through its Low-Carbon Development Strategy, Guyana intends to implement this action to create a low-deforestation, low-carbon climate-resilient economy. In fact, I venture to say that what Guyana intends to do has never yet been tried anywhere else.

Under this development strategy, with the right low-deforestation economic incentives, Guyana will by 2020 avoid emissions of 1.5 gigatons of carbon dioxide and other greenhouse gases that would have been produced by an otherwise economically realistic development path.

Some of these incentives are expected to be generated through interim forestry payments from Guyana's partnership with the Norwegian Government and other sources, and the United Nation's Reducing Emissions from Deforestation and Degradation (REDD) programme.

These payments can enable Guyana's economy to be placed on a low-carbon development path. By moving in this direction, Guyana can generate economic growth, while at the same time removing approximately 30 percent of non-forestry emissions through the use of clean energy.

But to achieve this economic growth, Guyana must invest in strategic low carbon economic infrastructure, such as a medium-sized hydro electric plant, construction of which should begin next year. This could deliver energy security by meeting all of the country's domestic power needs for the foreseeable future. Worthy of note is that fuel imports currently cost approximately 35 percent of GDP.

There must also be improved access to unused, non-forested land and improved fibre optic

bandwidth to facilitate the development of low-carbon business activities, as well as greater foreign and local investment in sectors such as fruits and vegetables, aquaculture, sustainable forestry and wood processing, and ecotourism.

This plan will also expand access to services and new economic opportunity for the indigenous Amerindians through improved social services, (including health and education), low-carbon energy sources, clean water and employment, which does not threaten the forest.

It will also entail mitigation programmes to protect productive land from changing weather patterns. As such, investments in priority climate adaptation infrastructure can reduce the estimated 10 percent of current GDP which is lost each year as a result of flooding.

An administrative structure will be set up to aid in the implementation process. This includes the Office of Climate Change (to coordinate all climate-related activities for the nation), a Low Carbon Strategy Project Management Office (to drive major low-carbon programme priorities) and a Guyana Low-Carbon Finance Authority (to manage forest payments and related investment flows into the country and promote investment efficiency to the benefit of Guyana's economy). In addition, safeguards and systems will be developed to ensure the continuing protection of Guyana's tropical rainforests through globally-verified forest and other land use governance standards, and transparent, accountable deployment of forest payments

At present the Low-Carbon Development strategy seeks support to protect Guyana's state forest (which does not include forest under Amerindian jurisdiction). The indigenous Amerindians make up approximately 9 percent of the population and they own roughly 14 percent of the land. In the coming years, forest-based Amerindians will have a choice to put their forests into a forest compensation programme (side by side with the state forest).

As can be understood, there is a cost factor linked to the application of this Low-Carbon development strategy. It calls for an expenditure of at least US\$1 billion to address long term climate adaptation requirements, and for a country with a population of less than 800,000, this is indeed a hefty sum.

The Guyana government has already been receiving cooperation from the Government of Norway in developing a model of how to assess the carbon impact of current forestry practices and to quickly implement policies to avoid deforestation. In February 2009, the two governments announced a partnership to support the creation of low-carbon employment and investment opportunities in Guyana's sustained efforts to avoid deforestation and forest degradation, strengthening transparent forest governance, and establishing an international monitoring, reporting, and verification system for Guyana's forests. Under this partnership, a financial mechanism run by a reputable international organisation will be established through which performance-based compensation can be channelled to support the development of Guyana's low-carbon development strategy.

As Guyana addresses this significant aspect of its economic development, it continues to be very concerned over the problems of climate change and greenhouse gases emissions worldwide. As is known, the United Nations Framework Convention on Climate Change is trying to

forge a successor agreement to the current Kyoto Protocol at Copenhagen in December. Guyana's President Bharrat Jagdeo is currently leading our lobby for forest preservation to be a central plank of that new convention, and that countries applying policies to protect their rainforests must earn rewards. The Government of Guyana believes that the replacement to the Kyoto Protocol must address the problem of the current exclusion of standing forests from the carbon markets. Guyana supports international proposals that Kyoto's replacement should include incentives to reduce tropical deforestation in half by 2020, and make the global forestry sector carbon neutral by 2020 – i.e., where greenhouse gas emissions from deforestation are balanced by new forest growth.

No doubt, countries with rainforests need adequate funds to protect this most valuable resource. While the Reducing Emissions from Deforestation and Degradation (REDD) mechanisms are the key to a long-term solution, it will not generate sufficient funding quickly enough. In April 2009, Guyana joined leaders of key G20 countries in London at a meeting to examine crucial issues affecting rainforests, where the leaders agreed to examine options to look at interim emergency measures to help save tropical forests. While there are a number of proposals for how this might be structured, some form of transitional funding is needed to immediately slow down and avoid deforestation.

All of this can surely be accomplished through a partnership in which the industrialised developed nations must actively participate. They have to realise that it is also to their benefit that the efforts of poorer nations to protect their rainforests will accrue. The industrialised nations are the ones with economic power and they can surely assist effectively in this process. For they must always keep in mind that the rainforest nations with little economic power, but with their carbon power, in the long run, will be necessary for the world's physical survival.