

GUYANA FORESTRY COMMISSION



ANNUAL REPORT 2008

GFC BOARD OF DIRECTORS 2008

Chairman: Mr. T. Balgobin

Commissioner of Forests: Mr. James Singh

Director: Mr. K. Alladin

Director: Mr. Andrew Bishop

Director: Ms. Prema Ramanah

Director: Dr. Patrick Chesney

Director: Ms. Vanessa Benn

Director: Mr. Ovid Williams

Director: Mr. Evan Persaud

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Message from the Commissioner

The Guyana Forestry Commission's (GFC's) Annual Report for the year 2008 is presented by Division, outlining the activities completed for the year in relation to the Work Plan and Budget for the year 2008, which would have been previously approved by the GFC Board of Directors.

Overall achievement of work plan activities for all divisions was approximately 90 %; this is a significant achievement when one considers that the country experienced adverse weather conditions for a greater part of the year which had extremely negative effects on the activities of the Commission and sector for the year.

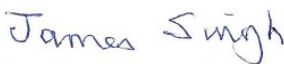
That we were able to achieve in excess of 90% of our work plan is testimony to the excellent guidance provided by the Government, Minister and Ministry with responsibility for Forestry, the GFC Board of Directors and the GFC Management team. It also reflects the commitment, dedication, and teamwork displayed by all GFC staff members, and good support of the sector.

The year saw the revised GFC legislation being assented to by His Excellency The President, and the revised Forest Bill going through its final stages at the Parliamentary Select Committee.

His Excellency President Jagdeo also formally launched Guyana's Avoided Deforestation initiative and continued to champion the important role that sustainably managed forests (such as Guyana's) play in climate mitigation and adaptation activities.

GFC will continue to support these national initiatives in 2009; a lot of focus will also be placed on Community Forestry, Industry Development and the promotion of Lesser Used species.

Additionally, for the year 2009, the GFC will continue to build on its successes, and counts on the continued collaboration and support of all its stakeholders.


James Singh
Commissioner of Forests

Executive Summary

President's Initiative

2008 was an important year for Guyana's forest sector as Guyana pioneered a study which assessed the true value that our forests provide locally and globally. This study which was one component of His Excellency The President's Climate Change Initiatives, was then presented internationally to lobby for the creation of incentives for avoided deforestation. Guyana was also one of the first fourteen (14) countries to be formally approved as a participant in the World Bank's Forest Carbon Partnership Facility (FCPF), looking at ways to Reduce Emissions from Deforestation and Forest Degradation (REDD).

Because of these innovative initiatives, Guyana is now considered a world leader in the current global debate on the crucial roles of avoided deforestation and sustainably managed forests in global climate change mitigation activities.

These initiatives have also led to an increased awareness that forest products originating from Guyana come from sustainably managed forests- this was an important factor that allowed Guyana to retain its market access, even in the face of the current financial meltdown.

It has also resulted in numerous applications from credible investors requesting access to state forest concessions, and land for the establishment of multi purpose processing and added value facilities. These are currently being considered in accordance with the well established transparent procedures of the Guyana Forestry Commission (GFC) and other relevant Government agencies.

Government also signaled its clear intention in 2008 that investors in the forest sector must comply with all relevant guidelines. State forest areas that were consistently underutilized were either repossessed or not renewed, in accordance with the Forest legislation.

In 2008, even though the National log export policy was not yet implemented, we saw an encouraging decrease in log exports, and an increase in sawn lumber and other added value products. Emphasis was also placed on promotion of the lesser used species. Studies done in 2008 demonstrated that an additional eight (8) species have properties comparable or better than the major current commercial species.

The Forest Product Development and Marketing Council (FPDMC) was established in late 2008 and this body will have a critical role to play in 2009 in terms of assisting exporters to maintain current market and gain access to newer more niche markets.

Through the Government's Community Forest Program, eight (8) new Community Forestry Organizations (CFO's) were formed in 2008. The GFC and the Forestry Training Centre Incorporated (FTCI) continued to provide these organizations with the relevant training, and

this program has had a major positive impact in further improving the livelihoods of the hinterland community residents.

Partnership with the sector was a major focus in 2008. At the local level, the Ministerial Committee comprising representatives of the FPA, GMSA and GFC; as well as a GFC/FPA Technical Committee met on numerous occasions; the results of these deliberations then fed into the policy discussions at the level of the GFC Board of Directors, and in the many meetings with the Minister of Agriculture, and His Excellency The President.

Key Production and Export Figures for 2008:

Log exports for 2008 were 92,400m³ representing 33.6% of total log production (275,320m³) as compared to 2007 where log exports (157,097m³) represented 48% of total log production (330,374m³).

Conversely, exports of lumber increased over the 2007 values. The export of sawn lumber in 2008 was 47,602m³ representing 71% of total production (66,958m³) when compared to export of sawn lumber in 2007 which was 43,824m³ or 58.9% of total production (74,363m³).

The forest product export values also declined by 7.7 % over the 2007 figures. This can be attributed to the lower production levels that were caused by a combination of poor weather and late submission of required inventory information by concessionaires which resulted in delayed approvals for harvesting.

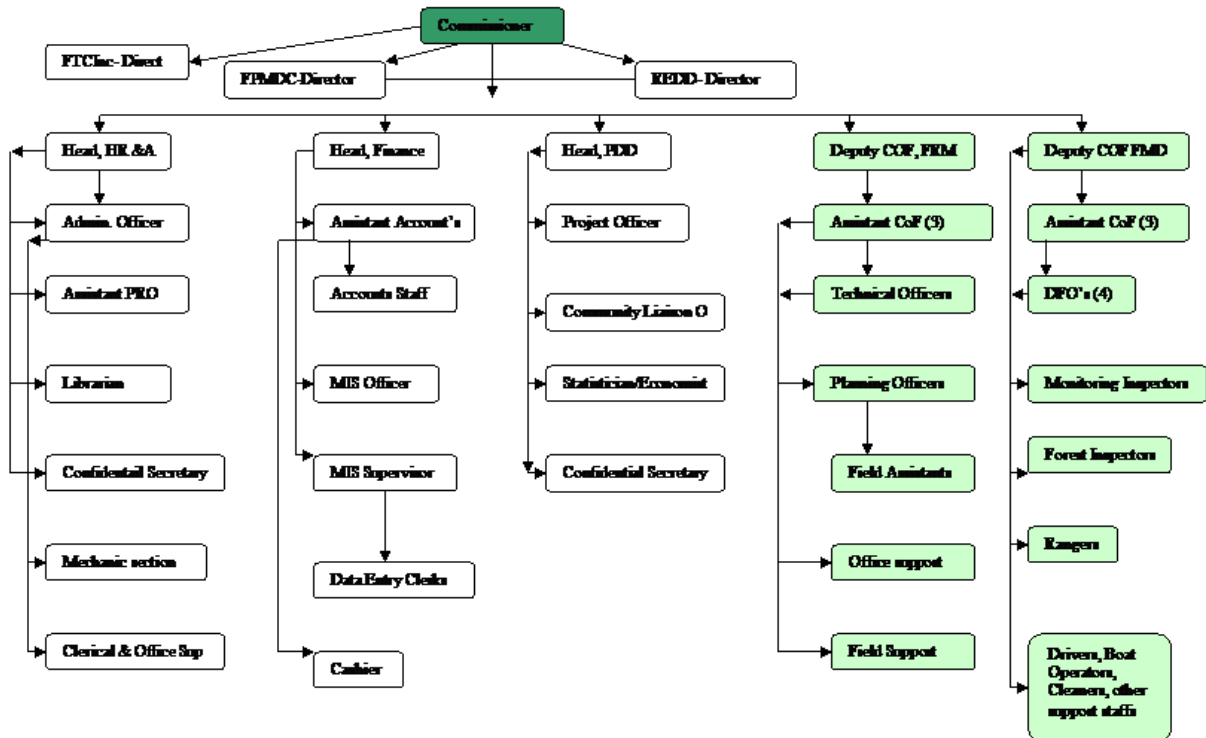
Divisional Reports

The Guyana Forestry Commission (GFC) is composed of five (5) Divisions. Whilst each Division has core activities that are specific to that Division, there is considerable sharing of

information amongst Divisions. Intra and Inter-Divisional Team-working was therefore a critical element for the successful implementation of the 2008 Annual GFC Work Plan and Budget. This report outlines the major achievements for the year 2008 by each Division.

A comprehensive overview of the Forest Sector is then given.

The structure of the GFC is illustrated below.



As seen from the diagram the GFC Divisions are namely: Finance; Human Resources and Administration; Forest Resources Management; Forest Monitoring and Planning and Development.

There is also a Corporate Secretary and Internal Audit Unit.

The Commission is governed by a Board of Directors which meets on a monthly basis to review the performance of the GFC; at these meetings, updates on the Divisional and sector activities are a fixed item on the Agenda.

Finance Division

Financial Review:

Audited Financial Statement



Audit Office of Guyana

*P.O. Box 1002, 63 High Street, Kingstown, Georgetown, Guyana
Tel: 592-225-7592, Fax: 592-226-7257, <http://www.audit.org.gy>*

AG: 3/2012

7 February 2012

REPORT OF THE AUDITOR GENERAL
TO THE MEMBERS OF THE GUYANA FORESTRY COMMISSION
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

I have audited the accompanying financial statements of Guyana Forestry Commission which comprise the balance sheet as at 31 December 2008, the income statement, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The audit was conducted in accordance with the Audit Act of 2004.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing issued by the International Federation of Accountants (IFAC), and those of the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's

judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Guyana Forestry Commission as at 31 December 2008, and of its financial performance and cash flows for the year then ended in conformity with International Financial Reporting Standards.


AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

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KINGSTON
GEORGETOWN
GUYANA

GUYANA FORESTRY COMMISSION

Balance Sheet as at 31st December 2008

	Note	2008 GS	2008 GS	2007 GS	2007 GS
Assets	5				
Fixed Assets			389,812,431		391,323,251
Current Assets					
Stocks		3,452,164		2,143,105	
Accounts Receivable		270,528,258		785,213,116	
Other Debtors & Prepayments		11,662,423		18,344,476	
Loose Tools		118,770		118,770	
Cash on Hand & Bank		<u>882,453,158</u>		<u>675,028,061</u>	
Current Assets			<u>1,168,214,773</u>		<u>1,480,847,528</u>
Less					
Current Liabilities					
Creditors & Accruals		27,926,880		535,219,344	
Taxation		1,042,672,062		931,346,529	
Suspense A/C		216,027		246,378	
Total Current Liabilities			<u>1,070,814,969</u>		<u>1,466,812,251</u>
Net Current Asset			97,399,804		14,035,277
Assets less Liabilities			<u><u>487,212,235</u></u>		<u><u>405,358,528</u></u>
Represented By:					
Capital and Reserves					
Government of Guyana			7,653,712		7,653,712
Revaluation Reserve			321,145,906		321,145,906
Capital Donation Reserve			-		1,125,000
Accumulated Earnings			158,412,617		75,433,910
			<u><u>487,212,235</u></u>		<u><u>405,358,528</u></u>

Prepared By: Edward Goberdhan - Head of Finance *Ed. P. Goberdhan*

Approved By: James Singh - Commissioner of Forests..... *James Singh*

GUYANA FORESTRY COMMISSION
Income & Expenditure Statement
For the Year Ended 31st December 2008

Income	Note	2008	2008	2007	Restated
	6	\$	\$	\$	2007
					\$
Royalty	4	222,329,897		242,840,824	
Acreage Fees		184,839,494		138,968,790	
Licence Fees & Fines		336,696,919		181,895,002	
Commission		156,873,364		151,751,801	
Miscellaneous		9,614,683		14,255,730	
Interest Income		30,716,248		17,617,021	
Loss on Disposal of Fixed Assets		(514,532)		-	
Other Income - Donation		1,125,000		1,125,000	
Other Income - Grant		4,193,536		5,678,170	
Total Income			945,874,609		754,132,338
Expenditure	7				
Employment		267,583,945		217,226,024	
Operational		131,562,267		121,198,224	
Administrative		103,247,669		51,036,201	
Repairs & Maintenance		66,101,732		37,557,752	
Financing		3,847,169		2,974,766	
Professional Fees		106,558,262		62,187,252	
Depreciation	5	52,669,322		53,955,580	
Provision for Bad Debts		-		14,084,949	
Miscellaneous		-		-	
Total Expenditure			731,570,366		560,220,748
Net Operating Income			214,304,243		193,911,590
Taxation			(111,325,533)		(90,159,017)
Net Income for the Year			102,978,710		103,752,573
Statement of					
Accumulated Earnings/(Losses)					
At 1st January 2008			75,433,907		271,681,334
Net Income for Year			102,978,710		103,752,573
Payment to EPA			(20,000,000)		(300,000,000)
At 31st December 2008			158,412,617		75,433,907

GUYANA FORESTRY COMMISSION

Statement of Cash Flows
For the Year Ended 31st December 2008

	Year 2008 G\$	Year 2008 G\$
Net Operating Profit/(Loss)from normal operating Activities		214,304,243
<i>Adjustment to Reconcile Operating Profit to Cash</i>		
Add:		
Depreciation	52,540,691	
Loss on Disposal	-	
	-	
Sub Total	<u>52,540,691</u>	
ADD/LESS:		
Transfer of Funds to EPA	(20,000,000)	
Adjustment to Revenue Reserve	-	
Increase/(Decrease) in Creditors	(507,292,464)	
(Increase)/Decrease in Stocks	(1,309,059)	
(Increase)/Decrease in Other Debtors	6,682,053	
(Increase)/Decrease in Accounts Receivable	514,684,858	
(Increase)in Loose Tools	-	
(Decrease)/Increase in Suspense	(30,373)	
Sub Total	<u>(7,264,985)</u>	
Total Adjustments		<u>45,275,706</u>
<i>Net Cash Inflow from Operating Activities</i>		259,579,949
Investing Activities		
Acquisition of Fixed Assets	(51,029,871)	
Capital Donation	-	
Proceeds/Cost from Disposal	-	
<i>Net Cash Flows Used For Investing Activities</i>		(51,029,871)
Financing Activities		
Write off from Capital Donation Reserve		(1,125,000)
Net Increase/(Decrease)in Cash/Bank		<u>207,425,097</u>
Cash on Hand 01.01.2008		675,028,061
Cash/Bank Increase for Year 2008		207,425,097
Cash on Hand & Bank 31.12.2008		<u>882,453,158</u>

Staff Training

Four staff members of the division (two finance and two MIS) were part of the batch of middle managers that attended the GFC sponsored certificate in advanced supervisory management. In addition, internal training was done in Finance Policy and Procedures for all control clerks (Parika, Linden, Soesdyke, New Amsterdam and Supenaam) and staff of the finance division. The GFC finance manual was used as the guiding document for the training; the intention of the training sessions was to ensure all divisional and sub offices prepare and present consistent information. Staff members of the department are also pursuing courses in Accounting.

General Management

The division continued to perform a number of administrative and operational functions within the Commission, some of these were the monthly payroll for both senior and junior staff, the management of stores for consumable items, payments and receipts.

Asset Management

Asset management is the joint responsibility of the finance and administration division of the GFC. During the year expenditure was incurred to purchase capital equipment such as computers, office furniture & equipment, field equipment, boats & engine. The GFC's register is continuously being updated to reflect any additions or disposals of assets. Regular maintenance of these assets in addition to buildings was undertaken during the year.

Project Management

The unit assisted in the financial management of GFC funded projects such as World Wildlife Fund and ITTO. In addition, support is ongoing for the Forestry Training Center for project and operational financial management. Also, up to the dissolution of the FPMC, support was given to that Unit as well.

Management Information Systems (MIS) Project

The MIS Unit is responsible for the following key activities:

- a. Maintenance of GFC Computer Network
- b. Hardware and software management and maintenance
- c. Acquisition of new computer hardware
- d. Website Management
- e. Security of data over the network and security of GFC data
- f. Training
- g. Data Input and Validation and Report Generation

The unit successfully completed and executed its responsibilities during the year. During the year, some important achievements were realized such as the upgrade of the GFC website and assisting in co-ordination of the installation of a Wide Area Network. The setting up of the WAN is part of an ITTO funded project. The unit is also working to develop databases for other aspects of GFC operations such as Inventory, Licensing and Processing.

Human Resources and Administration Division

Recruitment

In 2008, the GFC recruited and trained thirty four additional (34) Rangers. In addition, three (3) Government of Guyana Scholarship awardees to Cuba returned after the successful completion of their BSc. in Forestry and were employed at the GFC. Twelve (12) Management Trainees were also employed, along with an additional twenty-five (25) persons in various positions ranging from Field Assistants, Clerks and Drivers. Due to this high level of recruitment the GFC now achieved its full staff complement for the first time in several years.

The table below shows the breakdown of the **recruits** for 2008 as against two previous years.

Table 1: Recruitment for period 2006-2008

Category of Recruits	2006	2007	2008
Corporate Secretary	1	-	-
Middle Management positions	9	2	3
Management Trainees	5	4	12
Forest Rangers	13	42	34
Field Assistants	7	5	9
Clerks	12	7	3
Drivers	2	9	8
Other staff	5	2	5
Total	59	71	74

Attrition

The attrition rate was lower than the previous year as shown below:

Table 2: Attrition figures for period 2007-2008

Type of Separation	2007	2008
Resignations	19	23
Voluntary terminations	9	6
Dismissals	8	7
Termination of contracts	6	2
Deaths	3	2
Total	45	40

Staffing Distribution

In 2005 our staffs were distributed amongst the five divisions as follows:

Table 3: Staff Distribution (2007-2008)

	2007	2008
Division	Staff Numbers	Staff Numbers
Forest Monitoring Division	129	159
Forest Resources Management Division	40	46
Planning Development Division	5	4
Human Resources & Administration	26	24
Finance & MIS	18	18
FPDMC/REDD		3
Total	218	254

Staff Development

Scholarships

To date GFC has three (3) Amerindian students on scholarship at GSA, Mon Repos and one (1) student at the Essequibo campus pursuing the Certificate in Forestry. One (1) staff is pursuing the Undergraduate Degree in Forestry at the University of Guyana (UG).

In-house training in 2008 was carried out as indicated below:

Table 4: Training courses in 2008

Name of Course	Number in attendance
Ranger 3 and field assistants	54
Middle management training	28
Timber grading	33
Induction programme	70
EIA Community training	39
HIV	23

Twenty eight (28) middle managers benefited from a special Advanced Supervisory training program that is affiliated to the Loyola University, American Management Association and the Caribbean Institute of Quality.

In 2008, the GFC was one of the ten (10) Government agencies selected for the Performance Improvement Program. Due to this we were able to revise our mission statement, values and strategic objectives.

In 2008, the following positions were filled and officers confirmed: One (1) Deputy Commissioner of Forests; Four (4) Assistant Commissioners of Forests, One (1) Divisional Forest Officer; Five (5) Monitoring Inspectors; and One (1) Forest Resource Inventory Officer.

In May 2008, all categories of staff were awarded a 5% salary increase retroactive from January 1, 2007

Industrial Relations

During the year we continued to enjoy very cordial relations with the union representing the workers- Guyana Agricultural Workers Union (GAWU). All disputes were resolved internally and towards the end of the year we compiled a memorandum of agreement to increase fringe benefits

Forest Resources Management Division (FRMD)

The Forest Resources Management Division (FRMD) of the Guyana Forestry Commission (GFC) is largely responsible for data collection on National Forest resources through surveys

and inventories. In addition, the FRMD contributes to research and makes recommendations on forest dynamics, silvicultural treatments, and the allocation of forest concession areas. This research results in the preparation of operational guidelines for forest management plans, evaluation of proposed forestry operations, and ensuring concessionaires follow prescribed standards for forest management. It is also the responsibility of the division to disseminate information on Guyana's forest to stakeholders.

Activities and priorities for 2008 were determined within the framework set out by the GFC draft National Forest Plan and thirty-six (36) projects were developed for implementation in 2008.

During the year the progress of the work plan was monitored at the end of every quarter. At that time the schedule of projects was revised where necessary. The progress made on the projects was reported to the GFC's senior management team on a monthly basis.

The five specific objectives for the Forest Resources Management Division (FRMD) for 2008 were the same as for previous years. They were:

- a) To improve forest resources planning.
- b) To improve the level of baseline forest data available to the GFC.
- c) To improve administrative procedures within the FRMD.
- d) To conserve approved portions of the forest estate, and
- e) To improve the quality of skilled technicians within the FRMD.

In addition to the training that was facilitated through the Human Resources Division, staffs of the division continued to benefit from in-house training such as: usage of compass, clinometers, GPS; forest inventory, map reading and description writing, GIS software, basic function of Microsoft Excel and Word, tree and wood identification and GEMFORM, GIS and Remote Sensing for mapping degraded forest areas, use of ArcGIS 9.2.

Five (5) Forest Management Plans (FMP's) and twenty-seven (27) Annual Operational Plans (AOP's) were submitted during the period under review.

The table below shows area estimates for State Forest categories as at 2008. These estimates are based on state forest area of 13, 678, 616 hectares as calculated by GFC's GIS.

Table 5: Summary of State Forest Allocations as at December 31, 2008

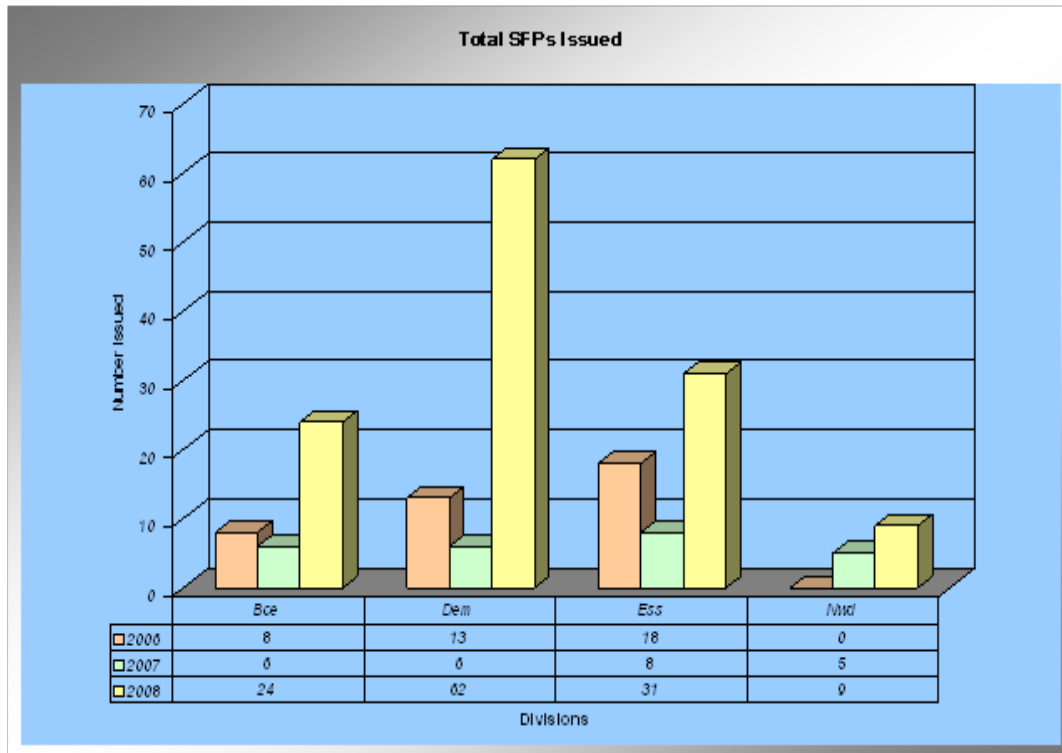
Summary of State Forest Allocations

Classification	Count	Area	%	%	%
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		(Hectares)	Area Type	Total Allocation	State Forest
Production Area Allocations					
State Forest Permissions (SFP)	358	1,148,046	18.3%	14.8%	8.4%
Wood Cutting Lease (WCL)	4	70,889	1.1%	0.9%	0.5%
Timber Sales Agreement (TSA)	25	4,237,570	67.7%	54.7%	31.0%
SFP Conversion Areas	21	497,846	8.0%	6.4%	3.6%
State Forest Exploratory Permit (SFEP)	3	303,233	4.8%	3.9%	2.2%
Total Production Area Allocations	411	6,257,584	100.0%	80.8%	45.7%
Permanent Research & Reserve Areas					
Iwokrama Research Site	1	371,592	25.0%	4.8%	2.7%
GFC Forest Reserves	11	17,796	1.2%	0.2%	0.1%
Other Research & Reserve Sites	3	1,095,955	73.8%	14.2%	8.0%
Total Research and Reserve Areas	15	1,485,343	100.0%	19.2%	10.9%
Total Forests Allocated	426	7,742,927		100.0%	56.6%
Unallocated Forests		5,935,689	43.4%		43.4%
Total State Forests		13,678,616			100.0%

As shown in Figure 1, during 2008 the number of SFPs increased within the Essequibo and North West Divisions, however there were slight reductions within the Berbice and Demerara Divisions. These reductions were due to a number of SFPs exceeding 20,000 acres undergoing the conversion process from 2005 as indicated by the graph above. At the end of 2008, there were 382 active SFPs.

FIGURE 1: TOTAL STATE FOREST PERMISSIONS (SFP'S) ISSUED BY DIVISION



One hundred and twenty-six (126) new SFPs were issued for 2008, as shown below:

Table 6: Distribution of new SFP's by Geographic location

Division	Berbice	Demerara	Essequibo	Rupununi	North West
SFPs Allocated	24	62	31	0	9

The Division satisfactorily achieved its work plan objectives for the year under review.

Forest Monitoring Division (FMD)

The Forest Monitoring Division (FMD) of the Guyana Forestry Commission (GFC) is largely responsible for enforcing the forest laws and regulations; monitoring and control of environmental and social impacts of forestry operations and collection of revenue. The work plan was presented in the form of thirty (30) projects whose key objectives were:

- To ensure compliance in all forestry related areas.
- To improve coordination of work activities.
- To improve standards of forest sector operations.
- To improve relations with stakeholders at various levels.
- To enhance the monitoring and other relevant systems framework.
- Monitor the daily operations of the forest stations in accordance with the set standards and guidelines.

The progress of the work plan was monitored at the end of every quarter. At that time the scheduling and activities of projects were revised if necessary. The progress made on the projects was reported to the GFCs' management team on a monthly basis.

Forest monitoring activities carried out in 2008

Environmental Monitoring and audit of Timber Sales Agreements (TSA) and Wood Cutting Leases (WCL)

During 2008, two environmental monitoring and audit inspections were carried out for each active TSA and WCL logging operations. Some companies paid compensation to the GFC for breaches of procedure identified during the exercise, but compliance was generally at an acceptable level.

Monitoring of State Forest Permissions

Monitoring of SFPs logging operations were carried out throughout the year. Approximately 72 % of the SFPs logging operations have been field monitored.

Table 7 shows some of the Field Monitoring Stations that were established in 2008, in addition to the 23 permanent stations located strategically country-wide.

Table 7: Establishment of Field Monitoring Stations at of December 31, 2008

Large Concession Monitoring			
No	Owner	Folio No.	Status
1	A. Mazaharally & Sons Ltd.	TSA 06/85	Active
2	Amazon Caribbean Guyana Ltd.	TSA 01/90	Active
3	Barama Co. Ltd.	TSA 04/91	Active
4	Caribbean Resources Ltd.	TSA 04/89	Active
5	Demerara Timbers Ltd.	TSA 03/91	Active
6	Guyana Sawmills Ltd.	TSA 07/85	Active
7	Interior Forest Industries (Butukari)	TSA 03/85	Active
8	Ituni Small Loggers Association	TSA 01/03	Active
9	Jaling Forest Ind	TSA 02/05	Active
10	Nagasar Sawh (ya-ya)	TSA 04/90	Active
11	Toolsie Persaud Ltd. (Manaka)	TSA 04/85	Active
12	Willems Timber & Trading Co.(Iteballi)	TSA 01/85	Active
13	Vergenoegen Sawmills	WCL 01/88	Active
14	Variety Wood and Greenheart Lumber	WCL 01/07	Active

Environmental Monitoring and audit of Sawmills and Lumber Yards Operations

During 2008, environmental monitoring and audit inspections were carried out for each Sawmill and Lumber Yards operations. Whilst some companies paid compensation for major breaches identified during the exercise, the majority showed a satisfactory level of compliance.

Planning and Development Division (PDD)

PDD, as an ongoing activity, reports on forest sector data inclusive of production volumes, export volumes and values, employment totals, domestic and export price trends, and concessions level performance on a monthly, quarterly, half yearly and annual basis.

The Division also produces forecasts on forest sector performance. Elements of these reports are sent to key bodies including the GFC's Board of Directors, the Bank of Guyana, the Ministry of Finance, the Bureau of Statistics and regional and international entities such as the Food and Agriculture Organization of the United National (FAO) and the International Tropical Timber Organization (ITTO), among other entities. Information is also supplied to other stakeholders upon request. A summary of the forest sector data and performance for 2008; and a forecast for 2009 is presented in the section of the report addressing **Forest Sector Performance**.

PDD also is the Division that is responsible for preparing and submitting project proposals to various donors. This is a collaborative effort of all GFC Divisions and other relevant Government and non-Governmental bodies. PDD is also responsible for coordinating the implementation of the operational aspects of funded projects. A summary of some of the major projects for 2008 is given below.

Projects Completed in 2008

The Forestry Training Center Incorporated (FTCI) continues to work towards SFM

The Planning and Development Division works closely with the FTCI to provide relevant training in sustainable forestry practices to concessionaires at all levels. In 2008, there were specific training activities that were done for Community Forestry Organizations and Indigenous Communities.

ITTO Project on Enhancing Legality through Remote Sensing Imagery Analyses and Bar coding in timber tracking.

The project addressed these two issues by a) developing an integrated and dynamic GIS that will incorporate satellite image analysis, illegality indicators and a legality database and b) by establishing a bar-code log-tracking system that will feed into a central database linked to a national wide-area network.

To date, a Wide Area Network had been established for 6 of GFC's forest stations to enable real time data transfer, thirty-four (34) medium resolution images have been acquired and processed for the entire Guyana for two time periods (2005 and 2007/2008 from LANDSAT – 30 m), and a dedicated GIS has been developed with an automated program designed for Image analyses (temporal change detection functionality).

Guyana holds National Consultation with Indigenous Groups to address Policy Approaches for Amerindian Community Forestry Enterprises

The GFC on 22nd September, 2008 hosted a national consultation which had representation from over sixty (60) indigenous community members from thirty-three (33) community groups across the ten Administrative regions of Guyana. One of the main objectives of the forum was to inform various workers in the forestry sector about the government's policies and to gather feedback from the different regions on how the policies can better serve the interest of communities both in terms of structure and implementation mechanisms.

Guyana Prepares to Implement an ITTO Project on Value Adding and Kiln Drying targeting Small and Medium Sized Operators

Guyana was successful in securing funding from the International Tropical Timber Council for a Project entitled: "Value adding and kiln drying of commercial timbers by small scale community saw millers in Guyana".

The objective of the project is to introduce the concept of using kiln drying techniques to increase value adding within small scale community saw millers in Guyana.

Guyana's Log Export Policy set for Implementation in January 2009 with a focus on enhancing the local added value forestry industry

The implementation of a National Log Export Policy which will be effective from January 2009 was announced in 2008. This Policy will increase the rate of export commission on key species used in value added production in the local industry in Guyana. The rate of export commission on logs is currently 2%.

The rates will continue to be charged on the free on board (fob) price of logs and squares exported. Importantly, only companies that have their own concession will be allowed to export logs.

Guyana Successfully Concludes Training Workshop on the revised Criteria and Indicators (C&I) for Sustainable Forest Management held on 23rd to 26th June, 2008.

Guyana successfully hosted a National Workshop on the Revised ITTO C & I from the 23rd to 26th June 2008 in the Capital City, Presentations were made on areas of sustainable forest management in the tropical timber producing countries, silvicultural management, forest law enforcement, governance and trade policies and practices, forest certification and reporting requirements under the revised ITTO C&I Manual.

Guyana collaborated with the Canadian Cooperation Fund to Implement Project on Saw Doctoring

Guyana has collaborated with the Canadian Cooperation Fund (CCF) in the implementation of a project aimed at addressing the level of efficiency and quality of forest products produced by the processing sub sector in Guyana. .

A total of 60 persons will receive training directly from this project from all three counties of Guyana. The CCH project is set to be completed by May, 2009 with enhanced saw doctoring skills developed by the sawmilling industry, higher recovery rates at sawmills, and a resulting higher quality of finished products being exported from Guyana.

Community Forestry

PDD continued to work with Community Forestry Associations in 2008. At the end of 2008 there were 25 Associations. Support was given to communities in the area of forest management planning, forest inventory, training in forest laws, inventory and management, as well capacity building in reduced impact logging techniques.

At the end of 2008, Community Associations held 42 State Forest Permission leases totaling 192,235ha.

Expanding the Species Utilization Base in Guyana – Increasing the Utilization of Lesser Used Timber Species

The utilization of Lesser Used Wood Species in Guyana is likely to see a major boost following favorable test results, as outputs of ITTO Project PD 344/05 were completed.

The project sought to increase the utilization of 15 lesser uses species, with robust tests being conducted on identified properties and benchmarking done against Ekki and Greenheart, which are both currently employed in the UK for marine application.

The results indicate that many of these species performed the same as the benchmarked species with some even showing better results. A summary of the results is shown in Table 9 below, taken from the Laboratory Results Report.

Table 9 : Test results for Guyana Lesser Used Species

LUS	Common Name	International Trade Name	Limnoria Testing				Abrasion Testing			
			Ekki		Greenheart		Ekki		Greenheart	
			Better	Same	Better	Same	Better	Same	Better	Same
Burada	Parinari		√	√			√		√	
Black Kakaralli	Mata Mata		√	√			√		√	
Tonka Bean	Cumaru		√		√		√		√	
Kurokai	Beru		√		√				√	
Morabukea	Morabukea		√		√		√		√	
Wadara	Wadara		√		√				√	
Muneridan	Muneridan				√					
Itikiboroballi	Itikiboroballi						√		√	
Darina	Angelim								√	
Iteballi	Quaruba								√	

The tests for natural durability were conducted by a UK consultancy firm, which assessed the results using European laboratory standards EN 113:1996 and EN 350 Part 1:1994. The results are summarized below in Table 10:

Table 10: Durability test results for Guyana's Lesser Used Species

Species	Durability Classification
Tonka Bean	Very Durable
Black Kakaralli	Very Durable
Morabukea	Very Durable
Burada	Durable
Iteballi	Durable
Muneridan	Moderately Durable
Futui	Moderately Durable
Kurokai	Moderately Durable
Wadara	Moderately Durable
Dalli	Not Durable

These results present encouraging findings for the GFC, and the forest sector.

Other Projects

Another project that PDD was involved in includes one geared at enhancing the GFC's monitoring capabilities (monitoring location, vehicles, ATVs, radio equipment) in the

Moraballi Reserve (through support by KfW. This project was approved and financed in 2008 and will be implemented in 2009.

PDD drafted a proposal which was submitted to ITTO on Industry Development. This project will hopefully be financed in 2009.

PDD also supports a newly established secretariat to address REDD activities in Guyana aimed at conducting a forest carbon stock assessment.

Forest Sector Report

Production Volumes

Production volumes for various forest products recorded an overall decline in 2008 when compared to 2007 volumes. These products included Logs, Roundwood, Sawnwood (Lumber), Splitwood and Plywood. The combined output of the above products fell by 17.93% from 465,917m³ to 382,362m³.

The decline (compared with 2007) in timber production was due to delays in the start of harvesting by many concessionaires which could be attributed to a combination of bad weather and, for many large concessions, the late submission of Annual Plans for approval.

Table 11 shows Total Production by Quarter for the Year 2008.

Table 11: Total Production by Quarter for the Year 2008.

Table 4: Total Production by Quarter for the Year 2008

PRODUCTS	Unit	1st QTR	2nd QTR	3rd QTR	4th QTR	TOTAL	Yr 2007	2008
							Volume	% Change
TIMBER PRODUCTS								
Logs	m ³							
Special Category								
Total Special Category Logs		18,848.64	24,597.37	27,473.90	28,444.54	99,364.45	139,655.42	(28.9)
Class 1		12,873.18	18,580.69	17,798.41	24,051.85	73,304.12	76,716.93	(4.4)
Class 2		11,810.55	20,049.66	17,565.34	17,777.71	67,203.25	85,506.67	(21.4)
Class 3		4,718.97	8,259.68	9,597.08	12,872.37	35,448.11	28,494.99	24.4
Total Other Class Logs		29,402.70	46,890.02	44,960.83	54,701.93	175,955.49	190,718.59	(7.7)
Total Logs		48,251.34	71,487.40	72,434.73	83,146.47	275,319.94	330,374.02	(16.7)
Roundwood	m ³							
Greenheart Piles		3,391.37	3,841.41	2,717.93	3,775.82	13,726.53	15,265.48	(10.1)
Kakaralli Piles		254.54	176.25	176.74	270.50	878.03	896.95	(2.1)
Mora Piles		-	-	-	-	-	-	
Wallaba Poles		412.25	590.59	350.64	677.87	2,031.35	2,374.51	(14.5)
Posts		438.80	584.85	444.80	564.36	2,032.82	2,293.90	(11.4)
Spars		24.61	11.00	7.54	10.56	53.72	34.11	57.5
Total Roundwood		4,521.56	5,204.10	3,697.66	5,299.11	18,722.44	20,864.94	(10.3)
Primary (Chainsaw) Lumber	m ³							
Special Category								
Total Special Category Lumber		2,832.97	2,381.84	2,480.50	3,475.26	11,170.56	16,135.26	(30.8)
Class 1		6,893.49	8,660.86	9,104.40	12,255.55	36,914.30	37,251.70	(0.9)
Class 2		1,836.20	2,772.68	2,775.09	3,628.48	11,012.45	13,037.34	(15.5)
Class 3		1,119.67	1,882.47	2,183.21	2,675.54	7,860.91	7,939.24	(1.0)
Total Other Class Lumber		9,849.36	13,316.01	14,062.71	18,559.57	55,787.65	58,228.29	(4.2)
Total Primary Lumber		12,682.33	15,697.85	16,543.20	22,034.83	66,958.21	74,363.55	(10.0)
Splitwood	m ³							
Paling Staves *		100.21	151.07	169.95	205.00	626.23	875.26	(28.5)
Vat Staves		-	-	-	-	-	-	
Shingles		21.75	8.49	61.74	12.45	104.43	239.60	(56.4)
Total Splitwood		121.96	159.56	231.69	217.45	730.66	1,114.86	(34.5)
Fuelwood								
Charcoal	kg	88,377.37	80,902.47	41,149.90	346,580.64	557,010.38	244,723.13	127.6
Firewood	m ³	2,871.99	6,287.57	4,094.40	3,631.00	16,884.95	24,386.40	(30.8)
Plywood*	m ³	450.00	6,825.23	5,801.58	7,554.37	20,631.18	39,189.32	(47.4)
NON - TIMBER FOREST PRODUCTS								
Wattles	pieces	44,333.00	52,642.00	39,215.00	64,490.00	200,680.00	176,323.00	13.8
Manicole Palm	pieces	236,015.00	876,021.00	617,287.00	969,786.00	2,699,109.00	2,478,639.00	8.9
Other NTFPs (Mangrove Bark)	pieces	-	12,619.00	-	-	12,619.00	150.00	8312.7

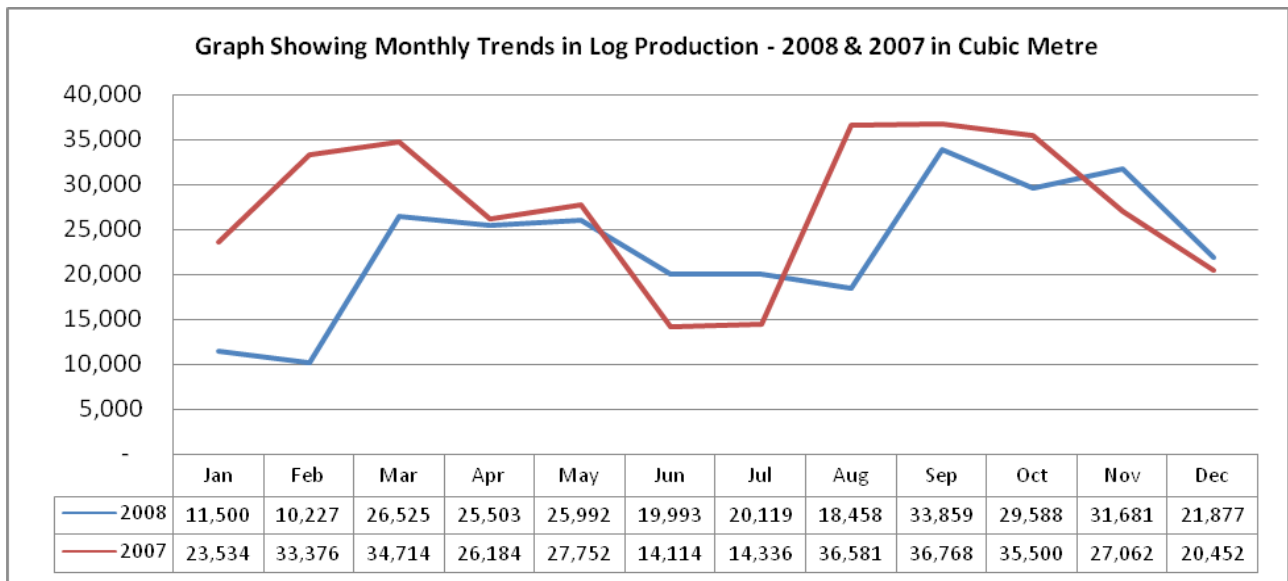
Log Production

A total of 275,320m³ of Logs was recorded for 2008, 16.66% lower compared to production in 2007 (330,374m³).

The decline in Special Category Logs was largely responsible for the drop in log production in 2008 from 139,655m³ in 2007 to 99,364m³ which represented a decline of 28.9%. This drop was also fuelled by the decline in the production of Class 2 Logs moving from 85,507m³ in 2007 to 67,203m³ in 2008 which also contributed significantly to the drop in volume. However a significant increase in the production of Class 3 logs was recorded for 2008 over 2007 figures accounting for a 24% increase.

Over the review period, the top ten (10) species for log production volumes were Greenheart, Baromalli, Purpleheart, Wallaba, Kabukalli, Mora, Wamara, Locust, Bulletwood and Muniridan. Of the top ten species harvested, Muniridan was the lead species for the fifteen (15) Lesser Utilised Species (LUS) being promoted, however, Iteballi and Burada followed closely behind. See Graph 1.

Graph 1: Monthly Log Production



The graph above compares monthly log production for years 2007 and 2008. Over the review period log production has experienced its lowest in earlier months of the year; however, there has been some improvement which was maintained in the latter parts of the year and peaking in September and holding fairly steady based on yearly trends.

Log Production by County and Forest Stations

The region of Essequibo, which holds the majority State Forest Lands and Allocated Production areas, produced 178,421m³ or 64.8% of the national log volume for 2008, followed by Berbice (58,803m³) and then Demerara (38,096m³). Of Essequibo's eleven (11) Forest Stations, the three (3) most productive stations were Buckhall (95,276m³), Anarika (19,449m³) and Manaka (12,493m³) all together accounting for 71.3% of the region's total and 46.21% national log output. The majority of production in Berbice was recorded at the Springlands station accounting for 26,649m³ or 45.32% region volume (Appendix III). In Demerara the largest volume of production was recorded at Mabura accounting for 17,726m³ or 46.53% region total.

Plywood Production

Plywood production for 2008 (20,631m³) represents a tremendous drop in volume by 47.4% compared to 2007's 39,199m³. Barama has attributed the decline in plywood production for this year to a shortage of logs due to very adverse weather conditions and the late start of harvesting.

Exports Summary

Forest product exports for 2008 have recorded an overall decline in value by 7.7% when compared to 2007 value. This decline was mainly attributable to the fall off in exports of logs stemming from low volumes of production experienced during the year. Despite the larger declines in volumes, it was observed that Guyana's forest products continues to earn higher value in our export markets as producers shift towards higher value products.

The larger declines in volumes of logs were offset by substantial improvements in the export of Sawn lumber, more specifically the dressed variety. Dressed Lumber has seen an outstanding increase in its export level when compared to 2007's volume, recording an increase of 44.8% in volume and a much larger 62.2% in value over 2007's levels. Exports of Undressed Lumber in 2008 on the other hand dipped slightly in volume by 4.4% but earned an increase in value by 0.9% when compared to the previous year. The highest earner of export revenue in terms of class for Sawnwood continues to be from the Special Category species, with increases reaching 51.3% in volume and 68% in value from the dressed variety.

Roundwood exports for 2008 recorded lower levels in both volume and value when compared to 2007. In terms of volumes, exports were less by 25% than that of the previous year; however, value earned by this product was not as low owing to higher average prices received. A decline of 13.6% in value was recorded for 2008 when compared to 2007.

In 2008 Plywood saw an overall decline in volume and to a significantly lesser extent in value, recording a decline of 30% in volume but managed a mere 5% decline in value.

Split-wood, however, earned an overall increase in both volume and a much greater increase in value with 10.4% and 51.5% respectively over 2007's level as shown in Table 12.

Table 12:

Export Products - Volume and Value Assessment					
January to December 2008					
PRODUCT		Volume (m3)	Value (US\$)	% Val ¹	% Val ²
Logs					
Special Category Total		58,091	11,240,877	72.2%	19.8%
Class 1		23,704	3,073,142	19.7%	5.4%
Class 2		2,251	239,079	1.5%	0.4%
Class 3		8,359	1,022,132	6.6%	1.8%
Total Logs		92,404	15,575,230	100.0%	27.4%
Sawnwood					
Total Special Category	Dressed	13,490	8,776,614	83.1%	15.5%
	Undressed	10,635	6,360,805	41.1%	11.2%
	Total	24,125	15,137,419	58.1%	26.7%
Class 1 Sawnwood	Dressed	2,944	1,621,597	15.3%	2.9%
	Undressed	15,811	7,266,992	46.9%	12.8%
	Total	18,755	8,888,589	34.1%	15.7%
Class 2 Sawnwood	Dressed	100	49,597	0.5%	0.1%
	Undressed	1,643	732,272	4.7%	1.3%
	Total	1,743	781,869	3.0%	1.4%
Class 3 Sawnwood	Dressed	226	117,334	1.1%	0.2%
	Undressed	2,753	1,120,771	7.2%	2.0%
	Total	2,979	1,238,105	4.8%	2.2%
Total Sawnwood	Dressed	16,760	10,565,142	100.0%	18.6%
	Undressed	30,842	15,480,840	100.0%	27.3%
	Total	47,603	26,045,982	100.0%	45.9%
Roundwood		10,323	2,504,290	100.0%	4.4%
Splitwood		3,415	2,613,663	100.0%	4.6%
Plywood		15,756	6,582,135	100.0%	11.6%
Total Timber and Plywood		169,500	53,321,300		94.0%
Other Value Added Products ³			3,173,681		5.6%
Other Products ⁴			256,358		0.5%
Total Export Value			56,751,338		100.0%

¹ percent of Product/Group Total Value

³ Other Value-Added Products include Furniture, Building Componentry, etc

Export analysis by main Products and Markets

The largest volume of Log exports, amounting to 95%, went to Asia/Pacific region accounting for 97% of Log export revenues, while the remainder were scattered around the other regions.

The main consumers of Guyana's Logs were found in China, consuming 45% of all Logs exported in 2008 and at the same time accounting for 39% of Log export revenue. This was followed, by India whose consumption of Guyana Logs accounted for 42% of all logs exports and earning value amounting to 51% of log export revenue. Other consumers of Guyana's logs in this region included Vietnam, Taiwan, Korea, Hong Kong and Singapore.

The Latin America/Caribbean (LAC) region continued to be the main destination for Guyana's Sawnwood consuming 22,105m³ at a market value of US\$12.53M which accounted for 46.44% of all Sawnwood exported. The variety of lumber exported comprised of dressed lumber (14,061m³, US\$8.6M) and undressed lumber (8,044m³, US\$5.03M). The year saw a significant shift from the export of Undressed Lumber to Dressed Lumber going to the Latin America/Caribbean market when compared to previous year.

In 2008, Asia/Pacific surpassed Europe to take the position as the second most lucrative destination for Guyana's Sawnwood by a mere 4% which was primarily the results of an increased consumption of Dressed Lumber. In this region the single most lucrative market for Guyana's Lumber was found in China, consuming 7,780m³ of Sawnwood recording an increase of 38% over 2007 figures. Other markets for Sawnwood existed in New Zealand where there was a recorded increase in the consumption by 146% over 2007 levels. However, for both of these markets the preferred choice of lumber remained for the undressed variety.

The USA market in North America consumed mainly Piles, more specifically Greenheart Piles. Roundwood amounting to 5,405m³ was exported to this region in 2008, a recorded decline of 46% when compared to 2007 exports.

In the LAC region a robust increase in the consumption in Roundwood was recorded, more specifically, a vast increase in the utilization of Greenheart Piles. Overall, Roundwood exports to this region have marked an increase of 52% over the previous year exports. Greenheart Piles utilization moved from 455m³ in 2007 to 1,377m³ in 2008. Increases were also recorded in the consumption of Transmission Poles and Fencing Post when compared to 2007's level.

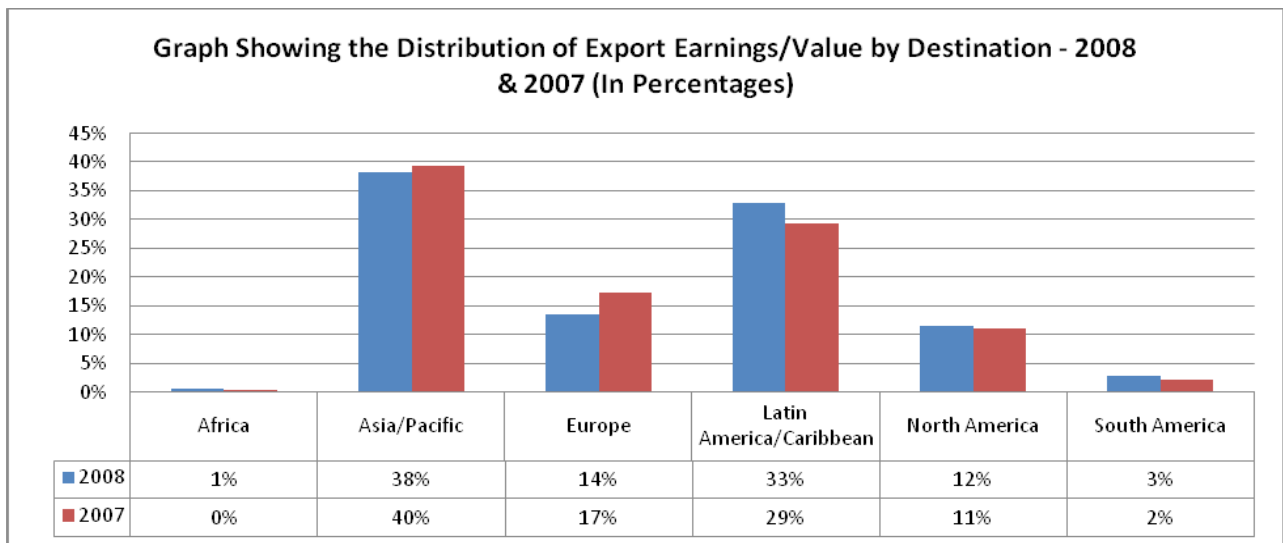
The North American market continues to be the leading region for the consumption of Guyana's Plywood. This market consumed a smaller percentage of Plywood this year as opposed to 2007 but greater percentage in terms of value; this is indicative of the higher prices earned per cubic meter Plywood from this region. In other markets the volumes dropped significantly but valued earned remained marginally above the 2007 figures.

Forestry Sector Export Earnings by Destination

The Asia/Pacific zone continues to be the most lucrative region to market Guyana’s forest product with value earned in 2008 amounting to US\$21.72M and accounting for 38% of total export earnings. This, however, is a drop in the value earned from this region when compared to 2007. For 2008 China was the single most lucrative destination for Guyana’s timber products which was followed closely by India (2007’s most lucrative market).

Latin America/Caribbean region was the second most lucrative zone for Guyana’s forest produce. With earnings from this region totalling US\$18.68M and accounting for 33% total earnings, this region increase its contribution by 3% when compared to 2007 levels. In this region Barbados continues to be the single most lucrative destination for Guyana’s forest produce even though there was a recorded decline of 9% as compared to 2007 earnings. Please refer to Graph 3 below.

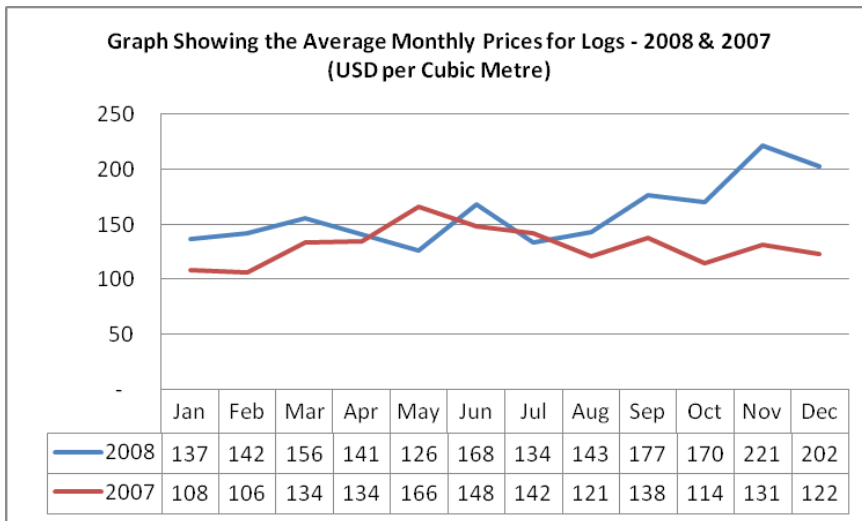
Graph 3: Distribution of Export earnings/Value by Destination (2007-2008)



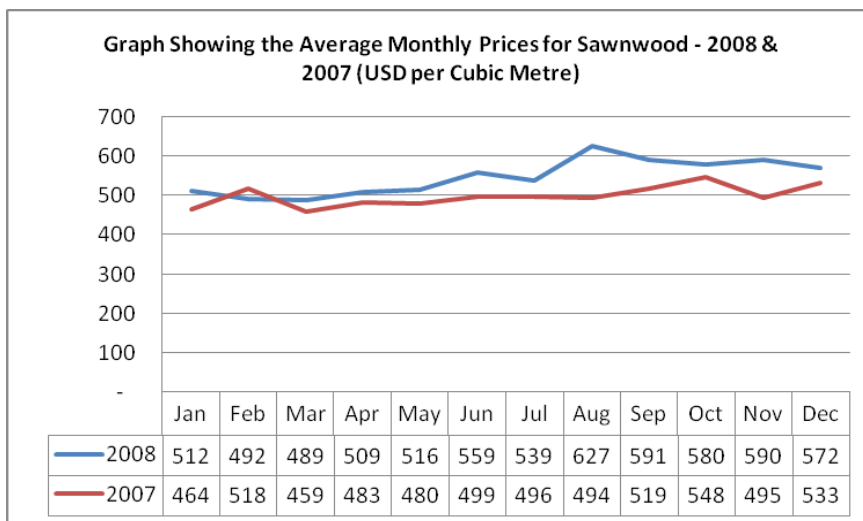
Export Prices

Average prices for Logs peaked in November but dipped slightly in the last month of the year. Average prices for Lumber increased steadily over the period which was indicative of the higher demand for Dressed Lumber which attracted a better price than the undressed variety. Plywood average prices showed mild fluctuation in the year but remained higher than the previous year's average. See Graphs 4 and 5.

Graph 4: Average monthly prices for logs (2007-2008)



Graph 5: Average monthly prices for sawn wood (2007 - 2008)



Market Outlook for Guyana's Timber Exports

In China's import of Sawnwood jumped 8% in volume and a further 14% in value as of September 2008, while log imports fell by 19% in volume and a mere 0.3% in value. China attributed these changes to the growth rate prices for imported logs being higher than that of imported Sawnwood and the domestic demand for logs being weak as a result of the global financial crisis¹.

Manufacturers in Europe utilizing tropical timber for the production of some of their wood products, plan to remove such from their product line at the start of 2009. Despite the main reasons cited for such measures being taken as suitability reasons, others included the comparatively high cost associated with tropical hardwood and the high capital commitment required to source these species².

With continued interest in Guyana's Sawnwood, particularly the dressed variety, by most buyers in the Latin American/Caribbean region Stakeholder in the Guyana's forest sector should consider a more a definite shift towards further processed products as opposed to exporting raw materials. Upon reviewing the export volumes for 2008 by destination, the trends reveal that many stakeholders are already shifting the exports in this direction.

Employment

Employment data for the Forestry Sector over the years 2006 to 2008 is shown in Table 13 below.

Table 13: Employment statistics for the Forest Sector (2006-2008)

Activity	2006	2007	2008
Logs	14,097	14,852	15,033
Sawmilling	4,241	4,330	3,819
Timber Dealership (Lumber Yards)	1,825	2,037	1,907
Plywood	699	650	500
Manicole Palm	658	658	698
Other*	4,369	4,500	4,500

¹ ITTO TTM Report 13:23

² ITTO TTM Report 13:23

In 2008 employment within the sector recorded an overall decline of 2%. The larger part of this percentage was recorded in the Sawmilling sector in terms of employment numbers which shows a reduction of 12% when compared to 2007. Added to this was the cutback of employment in the Plywood industry with a decline of 23%.

Other Forest Sector Licences

Sector activity licences are valid for one (1) calendar year only; continued production requires annual renewals. Table 14 indicates the number of licenses issued for comparative periods.

Table 3: Activity Licenses
Comparison - Years 2007 & 2008

Activity/ License Type	Period	Division				Total
		Demerara	Essequibo	Berbice	Northwest	
Sawmill	Year 2008	42	48	29	3	122
	Year 2007	40	41	30	2	113
Sawpit	Year 2008	61	53	27	16	157
	Year 2007	67	46	25	13	151
Permit to Erect Sawmill	Year 2008	16	3	8	2	29
	Year 2007	20	13	13	1	47
Timber Dealers	Year 2008	164	29	40	6	239
	Year 2007	196	42	44	9	291
Timber Depot	Year 2008	4	4	2	1	11
	Year 2007	3	4	0	0	7
Timber Path	Year 2008	1	3	0	0	4
	Year 2007	3	4	0	0	7
Charcoal	Year 2008	17	1	0	0	18
	Year 2007	17	1	1	0	19
Firewood	Year 2008	1	0	1	0	2
	Year 2007	6	4	3	0	13

Other Important Events in 2008

Forestry Bill at Parliamentary Select Committee

Guyana's Forest Bill 2007 (Bill No. 21 of 2007) which seeks to consolidate and amend the law relating to forest, was at the final stages of a select Parliamentary Sub-Committee as of December 2008. The Forest Bill 2007 provides an important and timely piece of legislation which is necessary to ensure that Guyana's forest sector continues to contribute to the sustainable development of Guyana and its people.

The Bill was the product of a lengthy period of public consultation with all stakeholder groups including Amerindian NGO's, the Forest Products Association, Guyana Manufacturing Association, Civil Society Groups, and even International Bodies.

The Bill takes into account the important contribution and the role that Guyana's forest resources can play in climate change mitigation and the provision of environmental services. It also seeks to update the existing legislation in the framework under which forests are managed with keen regard to international best practices for sustainable forest management and legality. The Forest Bill also recognizes the vital role that Guyana's forests play in poverty alleviation especially in relation to forest dependent communities.

Forestry Training Centre Incorporated (FTCI)

Aiming to meet the growing demand for improved forest management in Guyana, the Forestry Training Center Incorporated (FTCI), has expanded its scope of training to include small and medium size forest operations. Since its establishment in 2002, through a Project financed by the ITTO and a follow up project thereafter, the Centre has gained a regional as well as an extensive national coverage. More recently the FTCI has been moving towards offering on-site training as many participants, especially those in rural based forest communities, find it more convenient to conduct the training in community forest areas.

Additionally, the FTCI has been providing Reduced Impact Logging training for students from institutions such as the University of Guyana (UG) and Guyana School of Agriculture (GSA), and residents of Amerindian communities and Non-Governmental Organizations. In 2008 FTCI trained one hundred and eighty (180) persons.

Launch of the New Forest Products Development and Marketing Council

A new Forest Products Development and Marketing Council of Guyana was launched on October 14, 2008 with an extended mandate of forest industry development. This new body replaced the previous Forest Products Marketing Council and seeks to address key supply side challenges faced by the forest sector whilst still addressing important market promotion activities.

The new Council will continue to build on the work done by the previous FPMC and will add a focus on addressing supply side areas including expansion of the species utilization base to include lesser used wood species.

Expanded industry involvement has been identified as one of the essential areas that the new Council seeks to address and these stakeholder groups are included in the Board of Directors of the new Council.

International Work

Guyana is part of the Steering Committee of the World Bank, Forest Carbon Partnership Facility. Through this role, Guyana will be able to better participate in international carbon financing initiatives aimed at attracting support for Avoided Deforestations and REDD initiatives in Guyana. This will stimulate a continuous flow mechanism aimed at market based incentives for carbon stocks.

Guyana became a party to the new International Tropical Timber Agreement 2006 on December 2, 2008. This Agreement paves the way for enhanced support through the ITTO to flow to Guyana in terms of technical support in implementing sustainable forest management practices, support to forest industry development and value added capabilities and additionally, forest law enforcement, governance and trade areas.

Guyana works closely with key international bodies including the FAO and the ITTO in international report requirement on forest related matters. All obligations for the FAO's Forest Resource Assessment and the ITTO Joint Forest Sector Questionnaire have been fulfilled.