

**COMMONWEALTH CONSULTATIVE GROUP ON ENVIRONMENT**  
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**Provisional Agenda Item 4**

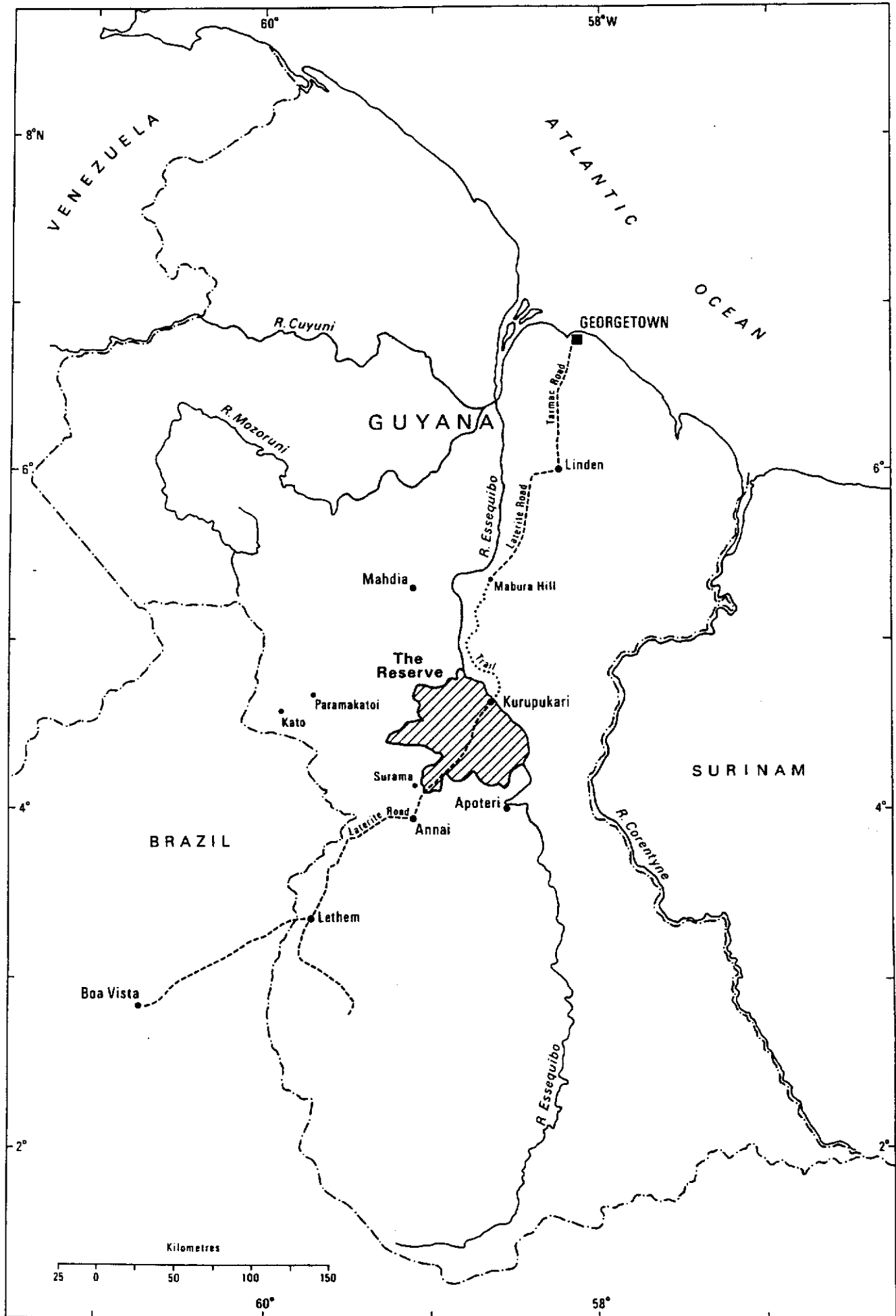
**The Iwokrama International Rain Forest Programme in Guyana**

**Paper by the Commonwealth Secretariat**

**Commonwealth Secretariat**  
**Marlborough House**  
**London SW1Y 5HX**

**May 1997**

# LOCATION OF IWOKRAMA



## The Iwokrama International Rain Forest Programme in Guyana

### Paper by the Commonwealth Secretariat<sup>1</sup>

The Iwokrama Programme, which was launched with the Commonwealth's blessing and support in 1990, is unique in attempting to show how tropical rain forest resources can be both conserved and sustainably used for human development. Half of the 360,000 hectares of rain forest generously set aside by the Government of Guyana for the Programme, will be maintained as a Wilderness Preserve for scientific observation and research. The remainder, constituting a Sustainable Utilisation Area, will be exploited in order to provide economic benefits in an environmentally sustainable manner.

2. Since the 1996 CCGE meeting, the Programme has gained momentum, making the transition to an autonomous international institution in the form of the Iwokrama International Centre for Rain Forest Conservation and Development. The Iwokrama Centre is in urgent need of funding for its institutional development and basic infrastructure. A high priority is now being given to mobilising the necessary resources - through a Donor Support Group - so that this flagship project, which has been endorsed warmly by successive meetings of Commonwealth Heads of Government, will be able to realise its worthy goals.

#### Governance, Management and Activities

3. The adoption of the Iwokrama International Rain Forest Programme Act by the Parliament of Guyana in March, paved the way for Iwokrama's transition to autonomy during the course of 1996. Following the eighth and final meeting of Iwokrama's interim Board of Trustees in Georgetown in May 1996, the President of Guyana and the Commonwealth Secretary-General constituted a new Board of Trustees to take charge of the governance of the Iwokrama Centre. At present, the members of the Board are:

Dr M S Swaminathan (Chair)

Director, Centre for Research on Sustainable Agriculture and Rural Development, India

Sir Humphrey Maud (Vice-Chair)

Deputy Secretary-General (Economic and Social Affairs), Commonwealth Secretariat, Britain

Dr Christina Amoako-Nuama

Minister of Education, Ghana

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<sup>1</sup> The following documents on the Iwokrama Programme will be distributed at the CCGE's meeting: Business Plan; Operational Plan 1998-2002; and 1996 Annual Report.

Dr Henrique Cavalcanti  
Former Minister for Environment, Brazil

Mr Navin Chandarpal  
Adviser to the President on Science, Technology and Environment, Guyana

Mr Vibert De Souza  
Minister of Amerindian Affairs, Guyana

Dr B C Y Freezailah  
Executive-Director, International Tropical Timber Organisation, Japan

Dr Wakako Hironaka  
Member, House of Councillors, Japan

Dr Roberto Lenton  
Director, Sustainable Energy and Environment Division, United Nations Development Programme, New York

Dr Bishnodat Persaud  
ALCAN Professor of Caribbean Sustainable Development, University of the West Indies, Jamaica

Father Malcolm Rodrigues  
Director, Environmental Study Unit, University of Guyana, Guyana

Mr Clement Rohee  
Senior Minister of Foreign Affairs, Guyana

4. At its inaugural meeting in Georgetown in January 1997, the Board decided to appoint Mr David Cassells, a leading specialist on forests at the World Bank's Environment Department, as the Centre's first permanent Director-General. Mr Cassells, whose secondment to the Centre was agreed by the World Bank, is expected to assume his duties in July. The Board also provisionally approved manuals to ensure that the Iwokrama Centre will have effective personnel policies and procedures, and efficient financial accounting policies and reporting practices.

5. Good progress continues to be made in advancing projects under the Iwokrama Centre's main programme areas, which are: sustainable management of the rain forest; conservation and sustainable utilisation of biodiversity; sustainable human development; research on forests and biodiversity; and information and communication. Base-line inventories to characterise the forest have been advanced with botanical collections and surveys of fauna. Research (with the participation of women from the neighbouring Amerindian communities) has been completed on Amerindian lifestyles, farming systems, ethnobotany and ethnomedicine. An Information and Communication Unit has been constituted to respond to the increasing demand for information about the subject areas covered by the Programme. Technical assistance from the Commonwealth Secretariat has strengthened the Iwokrama Centre's capacity to undertake research on non-timber forest

products and develop project proposals for funding by donors. The Centre's ability to build on a good track record and expand its activities is now dependent upon securing funding for its basic institutional development and infrastructure. Since virtually all funds available under the 1993 Global Environment Facility (GEF) grant of \$3 million will be exhausted by the end of this year, the urgency of securing this funding is palpable.

### **Donor Support Group**

6. A concerted effort to mobilise financial resources for Iwokrama is now underway. The World Bank has recently agreed to co-chair Iwokrama's Donor Support Group with the Commonwealth Secretariat. The possibility of having the European Commission (Directorate-General VIII) host a meeting of the Group in early September 1997 in Brussels, is being explored. The purpose of the meeting will be to secure firm funding commitments from donors on the basis of a Business Plan which has been developed by the Iwokrama Centre. In July and August, discussions on the Business Plan will be held with Commonwealth and non-Commonwealth donors preparatory to the Donor Support Group meeting. (The Donor Support Group was constituted formally in 1996, initially consisting of Guyana; the United Nations Development Programme/GEF; the Commonwealth Secretariat; and Canada's International Development Research Centre.)

### **Funding Requirements**

7. The Business Plan aims to ensure that the Iwokrama Centre will secure adequate resources and use them in the most efficient and effective manner. Donors will want to know, and be able to show, that investment in Iwokrama will be an appropriate and cost-effective way to use funds earmarked for, or available for, research, training, information dissemination and education in the field of sustainable management of tropical forests. The justification for investing in the Iwokrama Programme is strong, whether from a global, regional or national standpoint. The Iwokrama Forest's size, its relative isolation, the absence of significant human intervention, and its long-term dedication to the Iwokrama Centre are major assets. Iwokrama provides a rare opportunity to develop and implement integrated forest resource conservation and sustainable utilisation strategies in an adaptive management setting, informed by sound scientific research. The knowledge and experience gained from its activities will be of benefit to Guyana, the region (in the Guiana Shield countries and the Caribbean), and the world.

8. The Business Plan identifies Iwokrama's minimum funding requirements for basic institutional infrastructure, staffing and operations over a period of ten years (1998-2007) in two phases: stage 1 - 1998-2002; stage 2 - 2003-2007. In stage 1, it anticipates that only small contributions to costs will be obtained from non-donor sources. However, in stage 2, income generated from utilisation of the Iwokrama Forest is expected to increase rapidly so that by the year 2007, substantial self-sufficiency will be achieved with respect to basic operational costs.

9. The table at the Annex shows the details of projected income and expenditure during the Plan period, which are based on the most realistic, conservative assumptions. In

summary, the total net cash requirement over the period 1998-2002 (stage 1) to be financed by donors, is \$13 million (in round terms). The proposed time-frame for contributions is as follows:

<b>Year</b>	<b>\$ million</b>
1998	4.0
1999	4.0
2000	2.5
2001	2.0
2002	0.5

10. A significant feature of the Business Plan is the emphasis it gives to the formation of partnerships with the private sector (in Guyana and abroad) in several areas, including timber and non-timber products, ecotourism and biodiversity prospecting. These partnerships will be designed to ensure environmentally sustainable and equitable use of the Iwokrama Forest and could serve as models which could be replicated in other parts of the Commonwealth and hence in the wider world.

### **Conclusions**

11. The Iwokrama Programme represents a major practical contribution by the Commonwealth to the implementation of the Rio agreements on forests, biodiversity and climate change. It can become an exemplary international enterprise to give concrete meaning to the principle of environmentally sustainable development, provided the international community is willing to pay for sustainable forest management and the conservation of biodiversity. Since the Iwokrama Programme will provide global benefits, it deserves support from the international community which reciprocates Guyana's dedication of almost a million acres of its forest estate for the Programme.

12. The findings of the UN Intergovernmental Panel on Forests and the independent World Commission on Forests and Sustainable Development, have underscored the need for research and practical demonstrations of sustainable forest management on the ground, in order to improve policy development on forests and biodiversity worldwide. The Iwokrama Centre's funding requirements are modest compared to comparable international centres. With a relatively small investment in institutional development, Iwokrama can become a cost-effective and largely self-sustaining response to one of the fundamental challenges facing the world.

13. Since Iwokrama was a Commonwealth initiative, it is only natural that the Commonwealth should take the lead in resource mobilisation. If it does not, it is unlikely that non-Commonwealth donors will join Iwokrama's Donor Support Group. In recent months, there have been encouraging indications of growing interest in Iwokrama's potential among donors; some have already offered to provide initial support. However, more substantial commitments are needed in order to put the Iwokrama Centre on a sound financial

footing, which will enable it to become self-sustaining (in terms of operational costs) in the long-run. The Commonwealth should set itself the target of raising a core of seed capital amounting to \$ 4-5 million to serve as the launch-pad for Iwokrama's initial phase of operations.

**PROJECTED INCOME AND EXPENDITURE - YEARS 1 TO 10 (1998-2007)**  
**Stage 1: Years 1-5 (1998-2002)**      **Stage 2: Years 6-10 (2003-2007)**

\$'000

Year	1	2	3	4	5	6	7	8	9	10
<b>COSTS</b>										
Start Up	931.2	1209.3	39.6	35.0	35.0					
Operational	1927.6	2686.8	2736.9	2759.6	2820.9					
Contingency	142.9	194.8	138.8	139.7	142.8					
<b>TOTAL COSTS</b>	<b>3001.7</b>	<b>4090.9</b>	<b>2915.3</b>	<b>2934.3</b>	<b>2998.7</b>	<b>3110</b>	<b>3265</b>	<b>3428</b>	<b>3600</b>	<b>3780</b>
<b>INCOME</b>										
Timber & Non-Timber Forest Products			200	350	500	545	595	650	710	780
Value Added Processing						100	150	200	300	400
Biodiversity Prospecting				10	20	30	35	40	45	50
Ecotourism & other Visitors			50	100	200	300	400	500	600	700
Training, Information Products and Arts				60	120	180	240	250	250	250
Endowments etc			50	250	400	600	800	1000	1000	1000
Project Contributions To Core Costs		15	30	60	120	240	500	500	500	500
Carbon Offset Investments			54	95	135	140	145	150	150	150
<b>TOTAL INCOME</b>		<b>15</b>	<b>384</b>	<b>925</b>	<b>1495</b>	<b>2135</b>	<b>2865</b>	<b>3290</b>	<b>3555</b>	<b>3830</b>
<b>NET CASH REQUIREMENT</b>	<b>3001.7</b>	<b>4075.9</b>	<b>2531.3</b>	<b>2009.3</b>	<b>1503.7</b>	<b>975</b>	<b>400</b>	<b>138</b>	<b>45</b>	<b>(50)</b>

### Summary

**TOTAL NET CASH REQUIREMENTS FROM DONORS:**  
**YEARS 1-5 US\$ 13,121,900**  
**YEARS 6-9 US\$ 1,558,000 (PROJECTED)**

### Notes

Inflation adjustment 5 per cent per annum.  
 Cost figures are as presented in the Operational Plan (1998-2002)