

## Minutes

### Guyana REDD+ Investment Fund (GRIF) Steering Committee

#### Meeting number 2

**Date:** Thursday 12 May

**Time:** 10:00 EST

**Participants:**

**Name:**

**Organisation:**

Government of Guyana

|                            |                         |
|----------------------------|-------------------------|
| Tarachand Balgobin (Chair) | Ministry of Finance     |
| Shyam Nokta                | Office of the President |
| Steven Grin                | Office of the President |
| Louise Brown*              | Office of the President |

Government of Norway

|                |  |
|----------------|--|
| Hans Brattskar | Norwegian Climate and Forest Initiative, Ministry of Environment     |
| Tove Stub*     | Norwegian Climate and Forest Initiative, Ministry of Environment     |
| Alf Frisø      | Ministry of Foreign Affairs  |
| Ingrid Dana    | Norwegian Climate and Forest Initiative, Ministry of Foreign Affairs |

Trustee

|                    |   |
|--------------------|---|
| Jonathan Caldicott | Multilateral Trusteeship and Innovative Financing, World Bank |
| Fernando Machado   | Multilateral Trusteeship and Innovative Financing, World Bank |
| Thomas Duvall      | Legal Department, World Bank                                  |
| Farzad Firoz       | Multilateral Trusteeship and Innovative Financing, World Bank |

Observers

|                |   |
|----------------|---|
| Vemund Olsen   | Rainforest Foundation Norway  |
| Frank Sperling | World Wildlife Fund (WWF) Norway  |
| David James    | Individual Capacity, Multi-Stakeholder Steering Committee (MSSC) Guyana |
| Jocelyn Dow    | International Institute for Environment and Development, MSSC Guyana    |
| George Norton  | Guyana Organisation of Indigenous People, MSSC Guyana                   |
| Joe Singh      | Individual Capacity, MSSC Guyana  |

Partner Entities

|                      |  |
|----------------------|--|
| Marco Nicola         | Guyana Country Office, Inter-American Development Bank (IDB) |
| Jose Manuel Ruiz     | Guyana Country Office, IDB                                   |
| Sybille Nuenninghoff | Guyana Country Office, IDB                                   |
| Axelle Boulay        | Washington D.C. Office, IDB                                  |
| Ginya Truitt Nakata  | Washington D.C. Office, IDB                                  |

Chisa Mikami  
Giorgio Valentini  
Darshana Patel

Guyana Country Office, United Nations Development Program (UNDP)  
Guyana Country Office, World Bank  
Guyana Country Office, World Bank

\*Also representing the Secretariat

## **Agenda**

1. Welcome and introductions
2. Review and approve GRIF Operational Manual
3. Review and funding decision for Institutional Strengthening project concept note
4. Discussion and decision on interim funding for Guyana Forestry Commission
5. Update from the Trustee
6. Updates from Partner Entities
7. Discussion of Results Framework process
8. Other business
9. Closing

### **1. Welcome and introductions**

- 1.1. Mr. Tarachand Balgobin, as Chair, called the meeting to order.
- 1.2. The Chair noted that this meeting marks a significant step forward in bringing a project concept note (PCN) before the GRIF Steering Committee (SC) for the first time.
- 1.3. Norway accepted the agenda and noted that it would raise some additional matters under agenda item 8: "other business".
- 1.4. Norway noted the importance of ensuring progress in the operation of the GRIF and stated that it looks forward to the opportunity to meet face to face.

### **2. Review and approve GRIF Operational Manual**

- 2.1. The Chair made reference to the GRIF operational manual (OM), which was circulated to all present prior to the meeting. He noted that the OM is a substantive piece of work into which much time has been invested. He noted that the document is a work-in-progress, and is not static, but needs continued thinking as we move forward. He noted that the OM is nonetheless being presented to the SC in an effort to advance work on the GRIF. The Chair put forward the suggestion that the current version of the OM be adopted by the SC and released publicly as a working draft, which would subsequently be amended based on comments from various stakeholders.
- 2.2. Norway agreed that the current version should be considered a draft, but that it could be used as a framework to guide the GRIF process until a final version is developed.
- 2.3. The Chair suggested that the current version be called "Draft Operations Manual Version 1" and be approved as such, bearing in mind comments that have already been put forward and anticipating further comments on the document.

- 2.4. The IDB requested the SC to recognise that this version of the OM, if approved by the SC, will guide the Partner Entities until such time as a final version is approved, and should therefore be considered an agreed interim version.
- 2.5. Guyana expressed agreement with the IDB.
- 2.6. Norway noted that it is happy with the direction the OM is moving in, and has no substantive comment on the current version. It added that it would be happy to approve a final version of the OM electronically when the latest comments to the document have been discussed.
- 2.7. The UNDP noted that it submitted several comments on the previous version of the OM, some of which were not included in the revised version, and noted that it would like to know what are the criteria in deciding which comments are incorporated and which are not. UNDP stated that it can agree with the current version as a draft. It further noted that the steps in project preparation described in pages 9 to 15 of the current version of the OM are not consistent with the process that has been followed in the development of the Amerindian Land Titling project proposal and Amerindian Development Fund PCN.
- 2.8. The Chair invited Guyana to respond to the Partner Entity comments.
- 2.9. Guyana noted that there are outstanding comments that need to be addressed, and said that the Governments of Guyana and Norway will work together to include comments received from Partner Entities and any additional comments.
- 2.10. Norway expressed agreement with Guyana.
- 2.11. The Chair proposed the approval of the current version as the operating version for immediate use and public disclosure, and noted that a final version would continue to be subject to changes based on comments received.
- 2.12. The World Bank as Partner Entity noted that it will provide comments in writing during the next week. Comments had already been provided in writing by the Trustee.
- 2.13. The current version was approved as a “Draft Operations Manual Version 1”.

### **3. Review and funding decision for Institutional Strengthening project concept note**

- 3.1. The Chair introduced the PCN for the Institutional Strengthening project. He noted that we have reached a juncture where for the first time a PCN is being presented to the SC, and remarked that this represents a substantial leap forward in advancing the GRIF. He commended the IDB for its work and invited the IDB to present the PCN.
- 3.2. The IDB explained that the PCN represents a US\$7million project, comprising four components:
  - Institutional strengthening of the Office of Climate Change (OCC)
  - Institutional strengthening of the Project Management Office (PMO)
  - Institutional strengthening of the Guyana Forestry Commission (GFC), which includes financing activities to establish a monitoring, reporting and verification (MRV) system, an independent forest monitoring (IFM) system, and a REDD+ Secretariat.
  - Analysis assessment of other institutions in Guyana for future institutional strengthening, including the Environmental Protection Agency (EPA) and the Guyana Geology and Mines Commission (GGMC).

- 3.3. The IDB noted that comments have been received on the document but have not yet been addressed, and that the IDB will work with the Government of Guyana (GOG) to address the comments. IDB stated that some comments will be addressed in a full project document while others warrant discussion with the GOG on their inclusion in a complete PCN.
- 3.4. IDB further noted that there is an error in paragraph 2.14, last bullet, in which “GEA” (Guyana Energy Agency) should read “GGMC”.
- 3.5. The Chair invited any discussion on the PCN.
- 3.6. Norway noted that it welcomes this step, and that it has submitted some comments through the secretariat. It added that it is of the understanding that the approval of the PCN marks an agreement in principle since there is no request for an allocation of funding connected to the PCN.
- 3.7. WWF Norway expressed thanks for the opportunity to comment on the PCN, and commended the GOG’s efforts in embarking on a low carbon development strategy as laudable and ambitious, also noting that it is critical to strengthen institutional capacity to meet its objectives. It noted the following questions and concerns:
- It is critical that LCDS is mainstreamed and it noted the emphasis on offices created for intersectoral coordination, and wished to know how this relates to strengthening capacity of line ministries and other government agencies.
  - There is no breakdown of the US\$7 million set out in the budget and it is thus not clear how the funds will be used and distributed between the four components.
  - There could be some overlap between the roles of the OCC, which coordinates climate change issues, and the GFC, which coordinates REDD+ issues, and it questioned which agency would have the final say.
  - Capacity building to carry out environmental impact assessments should be coupled with capacity building for enforcement capability.
  - A key indicator of success is the increase in foreign investment. How will high calibre managers in the PMO increase foreign direct investment, and how does this relate to the LCDS? Beyond the PCN, how do you relate this effort with the broader capacity development in the broader community?
- WWF Norway noted that it has submitted a written submission, and that it seeks clarification on the above issues.
- 3.8. Rainforest Foundation Norway stated that it has submitted written comments on the PCN and that it has no substantive additions to these. It looks forward to seeing its comments addressed in a full project proposal. It asked what the timeline is for the development of a full project proposal and the amount of funds required for its development.
- 3.9. Mr. George Norton stressed the importance of improving outreach, communications and consultation with the indigenous forest communities in Guyana, and noted that many community leaders are illiterate, and do not speak English as a first language, hence the importance of providing information in a manner and language which is accessible to them.
- 3.10. The Trustee noted that the PCN is lacking two key things that the Trustee requires, and recommended that these be added:

- Identification of the Partner Entity;
- A clear request for a decision by the SC, e.g. a request to allocate funds for project preparation.

3.11. The Chair invited the IDB to comment.

3.12. The IDB took note of the Trustee's comment, and stated that it was under the expectation that the SC approves the PCN and designates the Partner Entity in the minutes. It noted that it will include the Trustee's recommendation when updating the PCN.

3.13. The IDB noted the important comment by WWF Norway on the strengthening of other institutions, and pointed to component 4 of the PCN which aims to identify the other institutions that need strengthening.

3.14. The IDB further noted its agreement with Mr. Norton's comment, and explained that there are a number of operations from several institutions that support outreach and communications with communities, and that the IDB has already approved a technical cooperation agreement with the GFC that has capacity building as a key component. It noted that the outcomes matrix in the PCN contains indicators strongly related to outreach and consultation activities, and that these will be further elaborated in the full project proposal.

3.15. The IDB added that with regard to the comment on the budget breakdown, further project preparation time will be needed for the development of a detailed budget, however it could indicate how much of the budget will be allocated to each component. It added that it would require a preparation budget of around five to seven percent of the project amount, and that it would send an outline of the administrative fees to the Trustee soon. It noted that it is working on a preparatory budget, and that it will make a submission to the SC which can be approved without meeting.

3.16. The IDB stated that it expects that the full project proposal will be ready to go to the SC by late August or early September, and proposed that the GOG and IDB meet as soon as possible to discuss the comments received on the PCN.

3.17. Guyana provided clarification on the question raised by WWF Norway on the roles of OCC and GFC, explaining that the OCC provides overall coordination for the LCDS and REDD+, and works with the GFC and other institutions, while the GFC is the principal operational entity on REDD+ engagements. It noted that a mechanism is already in place which is working effectively, and that the PCN could be revised to provide more clarity on this.

3.18. Guyana noted that Mr. Norton's comment on communication and outreach is an important point, and noted that the MSSC has recognised the importance of language friendly and appropriate communication from the outset. It stated that more information on this will be provided in the full project document.

3.19. WWF Norway noted that it understands that a detailed budget will be developed later, but stressed that the budget could be broken down by components to give an indication of the balance between components. It expressed appreciation for the feedback on the roles of the various agencies, and said that it is grateful for the willingness of the SC to listen to comments and incorporate them in revisions.

3.20. Ms. Jocelyn Dow expressed the view that, on the issue of foreign direct investment, it is necessary to establish a correlating mechanism to monitor local investment, in order to show

what investment is new and what is being lost at the national level, and stressed that this mechanism should be ongoing and participatory and should take into account the private sector.

- 3.21. Mr. David James expressed support for Mr. Norton's comment, and noted that indigenous communities have expressed the desire to obtain more information. He noted that initially good work was done on consultations with communities, but that there has been little follow up. He added that the GOG has expressly stated that it will respect free prior and informed consent, and that communities expect information to flow.
- 3.22. Mr. James further noted that indigenous institutions should be included in any capacity building exercise as they play an important role in ensuring forest conservation.
- 3.23. Mr. Joe Singh, speaking in his capacity as the newly instated head of the GGMC as well as his individual capacity representation on the MSSC, stated that some reports have painted a negative picture on the issue of mining, and wished to give his assurance that GGMC is doing everything possible to change this, and is working closely with the Guyana Gold and Diamond Miners Association, especially with small miners' groups, which are often responsible for the negative image of mining. He added that GGMC is adopting an inter-agency approach to their interactions with communities, and noted that last week he led a team comprising senior representatives of the GGMC, GFC, and EPA as well as representatives from the oil and gas exploration companies to the north Rupununi to discuss the oil and gas exploration with communities. He added that if there are any issues or comments regarding mining, please forward them to the OCC.
- 3.24. The Chair summarised the discussion on the PCN, saying that the document now presented to the SC will benefit from the discussions that have taken place, and suggesting that a revised version be submitted that addresses three substantive issues that have arisen:
- Identification of the Partner Entity;
  - Inclusion of the decision sought from the SC;
  - Breakdown of the budget by component
- 3.25. The Chair proposed that these three items be included by the end of the week and the revised PCN be circulated to the SC by the end of the week to be approved electronically. Thereafter, the IDB will work with the GOG to incorporate other comments, and a full project proposal will be submitted.
- 3.26. Norway stated that it agreed with the Chair's proposition to include the three items in the PCN before SC approval, and noted that once these are included, the SC will be ready to approve the PCN, and that the next stage will be the development of the full project proposal.
- 3.27. The IDB suggested that revisions could be completed by early next week, and had some discussion on when it could determine the amount of the administrative fees. It noted that the amount would depend on the discussion of agenda item 4, since the administrative fee is calculated as a percentage of the total budget, and agenda item 4 will affect the total.
- 3.28. Guyana proposed discussing agenda item 4 before concluding the discussion of agenda item 3. Norway expressed its agreement with this proposal.

#### **4. Discussion and decision on interim funding for Guyana Forestry Commission**

- 4.1. Guyana explained that a significant percentage of the budget set out in the PCN is for the GFC to fund activities relating to MRV and IFM. The GFC has existing and upcoming contracts with third party consultants for which instalments will be due before the funds for this project will flow through the IDB. An amount of US\$ 1.54 million is required as interim funding between May and October 2011. Guyana explained that the proposal is to make use of an existing framework between the Government of Norway (GON) and Conservation International (CI) to channel the money to make payments to the third party contractors. Thus, of the US\$7 million in the PCN, US\$1.54 million would be channelled through CI and the remainder through the IDB. Therefore, only US\$5.46 million of GRIF funds would be approved; the balance would be funded outside the GRIF.
- 4.2. The Chair added that the US\$1.54 million would not be channelled through the IDB and would thus be subtracted from the amount on which the IDB's administrative fees would be determined.
- 4.3. The IDB added that it is necessary to determine whether the contractors are eligible for funding under existing IDB procurement regulations. For example, it noted that contractors from New Zealand are not eligible to receive payments through the IDB under its procurement guidelines. It was agreed that GOG, IDB and CI together would see how planned procurements could be organised in accordance with the IDB's procurement regulations, enabling IDB to take over the support to the GFC.
- 4.4. The Trustee asked who will be the Partner Entity for the amount to flow through CI, noting that CI is not eligible to be a GRIF Partner Entity.
- 4.5. Guyana explained that the amount to be channelled through CI will not flow from the GRIF, but directly from Norway to CI.
- 4.6. Norway noted that it understands that GFC has a need for urgent financing and stated that it is prepared to assess the possibility of an interim solution to avoid losing momentum. Norway underlined however that the support to the GFC should be included in the programme to be channelled through the IDB as soon as possible. It questioned whether US\$1.54 million is too much, and whether it would be possible to make the interim period shorter.
- 4.7. The IDB noted that its understanding of the administrative fee is that it is not included as part of the project budget, but in a separate budget. It added that the GOG has the same understanding, and that it hopes that the GON is also of this understanding. It further noted that on the issue of GFC funding, while the IDB can try to speed up the process of getting funds flowing, the project has to go through the IDB internal processes, and given that there are no delays, it won't be approved before September. It noted that the IDB does recognise retroactive financing, but that the project still needs IDB board approval, and there is therefore no way that the IDB can provide the cash flow for existing contracts before board approval and provided that such expenses are eligible under IDB policies and procedures.
- 4.8. The Chair summarised the discussion, saying that the PCN has already been prepared for the total amount of US\$7 million, and while the IDB recognises retroactive financing, no funds can flow from the IDB until the project receives board approval, which will not happen until September 2011. However, the GFC currently has several contracts for ongoing implementation

of the MRV system, which are necessary in order for Guyana to meet its contractual obligation with Norway, and need to be paid on time. The proposed mechanism between the GON and CI has been used in the past to good effect.

- 4.9. Norway stated that it was only today that it had heard about the sum of US\$1.54 million. It requested that the GOG look into this further with CI and the IDB to ensure that the IDB can include this cooperation into their portfolio when the project has been approved, but added that it is willing to assess finance for a short interim period in principle.
- 4.10. Guyana stated that it supports the suggestion that the IDB, CI, GOG and GON discuss the issue separately, but noted that in the interest of moving the MRV forward, it must be recognised that some of the work is time bound.
- 4.11. The Chair proposed that:
  - On agenda item 4: the GOG, GON, IDB and CI shall discuss the methodological and operational process for how the interim payment can be made.
  - On agenda item 3: the IDB will take on board the three substantive comments and will, within one week, resubmit the PCN to the SC for approval electronically. Thereafter, the IDB will continue with project preparation activities, and submit a full project proposal to the SC and to its board.The Chair requested confirmation from Norway on the above propositions.
- 4.12. Norway confirmed that this is a reasonable and ambitious suggestion, and expressed its agreement.
- 4.13. The discussion of agenda items 3 and 4 concluded as proposed by the Chair in 4.11.

## **5. Update from the Trustee**

- 5.1. The Trustee made reference to the Trustee Report of 2 May 2011, which provides an update on the financial status of the GRIF. It summarised the report, stating that the total contribution received to date remains unchanged at US\$30.4 million, the investment income earned amounts to just over US\$55,000, and after the estimated administrative expenses are subtracted, the amount available to the SC for allocation amounts to US\$29.7 million. The Trustee noted that the funds are held in a cash investment category, based on the expectation that it will receive instruction from the SC to transfer funds imminently.
- 5.2. The Trustee informed the SC that the transfer agreements with the Partner Entities are in place, and that the final agreement with the IDB is with the IDB at present awaiting signature.
- 5.3. There were no comments on the Trustee update.

## **6. Updates from Partner Entities**

- 6.1. The UNDP informed the SC that it is the Partner Entity on two projects – the Amerindian Land Titling and Amerindian Development Fund projects.
- 6.2. On the Amerindian Land Titling project, the UNDP stated that the first draft of a project proposal was posted on the LCDS website on 24 December 2010, and that in excess of 115 comments were received on the document. The UNDP went through all the comments and made a decision on how to address the comments. Together with the UNDP, the PMO brought a draft incorporating the comments to the UNDP in mid February 2011. The UNDP reviewed the



draft and shared a revised draft with the PMO and Ministry of Finance at a meeting on 28 March 2011. The GOG is currently in consultation with various parties on the document and the UNDP is awaiting feedback.

- 6.3. On the Amerindian Development Fund, the UNDP stated that it decided first to submit a PCN before developing a full project proposal. It received a draft PCN from the PMO on 8 April 2011 and a meeting was held between the PMO, Ministry of Amerindian Affairs and UNDP on 14 April 2011. The UNDP promised to review and submit a PCN to the GOG by the end of April, which was done on 28 April 2011. On 3 May 2011 a brief meeting was held with the PMO. The UNDP is now pending feedback from the GOG.
- 6.4. On the communication received from Norway on 28 April 2011, the UNDP commented that it is in agreement with the IDB and World Bank and welcomes the opportunity for close collaboration with the GON and GOG to enable the GRIF to work more efficiently. It further noted that the UNDP Country Office follows the rules and regulations of the UN and UNDP. It added that it hasn't established any "red lines".
- 6.5. The IDB informed the SC that the establishment of the GRIF Trust Fund was approved by the IDB board on 4 May 2011. It added that the transfer agreement between the World Bank and the IDB will be signed over the next few days.
- 6.6. The IDB informed the SC of the projects on which is working as Partner Entity:
  - 6.6..1. Institutional Strengthening – for which the PCN has already been discussed.
  - 6.6..2. Amaila Falls Hydropower project – the IDB explained that this is an important investment being developed by the private sector division of IDB, and which is currently going through screening on environmental and social issues, after which discussions will take place on physical and financial sustainability issues.
  - 6.6..3. Hinterland Electrification Project – the IDB noted that there is no timeline as yet on this project.
  - 6.6..4. Small and Micro Enterprise Development – the IDB noted that it has received a draft project proposal several weeks ago but that it hasn't started looking at it as yet as it is currently focussing on other projects.
- 6.7. The UNDP added that it has signed the transfer agreement with the World Bank.

## **7. Discussion of Results Framework process**

- 7.1. The Chair invited Guyana to introduce the agenda item.
- 7.2. Guyana explained that following on the first SC meeting, it was agreed that the GON and GOG would work on a results framework, with Guyana leading the process. A letter was sent from the Ministry of Finance on 11 May 2011 outlining the list of programmed activities to receive GRIF funds in 2011. Guyana proposed that Norway select a small team to work with a small team from Guyana to put together a results framework for the GRIF over the next 30 to 60 days.
- 7.3. Norway responded that it has a limited number of people working on these issues, and that it would be difficult to organise something robust and helpful. It added that it hopes that the Institutional Strengthening project will meet the needs of establishing a results framework.

- 7.4. The IDB stated that for the Partner Entities, it is important that a results framework is established as soon as possible. It added that the IDB cannot fulfil its function as a Partner Entity effectively until a results framework is established. It urged Guyana and Norway to take responsibility for this process and to ensure that it is concluded as soon as possible. It added that it is willing to provide support.
- 7.5. Norway reiterated the view that the Institutional Strengthening project could be used to develop a results framework.
- 7.6. Guyana pointed out that the resources for the Institutional Strengthening project will not be available for some time, and in the interim it is necessary to come up with an approach to develop the results framework. It added that the results framework is a critical component to guide the design of projects.
- 7.7. The IDB noted that it will be happy to support the design of methodologies, baselines etc. for a results framework through the Institutional Strengthening project, but that the relevant parties [Guyana and Norway] need to decide on what the indicators are.
- 7.8. The IDB added that there are practical implications of a results framework for the GRIF, for example it may lead to additional monitoring and reporting responsibilities, which would lead to additional costs.
- 7.9. The Chair reiterated the need to establish a joint committee between Guyana and Norway to identify a results framework, adding that the IDB resources will not be available until late this year. He added that there is a need to advance work on projects, and that the need to model thinking due to Partner Entity prescriptive requirements is causing some bottlenecks in the development of projects. He added that the results framework will allow the identification of the appropriate Partner Entity for a project as well as what is required to make a project fruitful from the outset.
- 7.10. Norway stated that it will consider the Chair's proposal seriously, and will get back to Guyana on this.
- 7.11. The Chair stated that Guyana and Norway will continue to work bilaterally on this issue.

## **8. Other business**

- 8.1. The Chair invited the SC to raise any other business.
- 8.2. Norway stated that it wished to take the opportunity to discuss how best we can organise information flows regarding the GRIF as well as how to organise the secretariat, and proposed that the SC come to an agreement on a timeline for when the IDB, UNDP, World Bank, Guyana and Norway could submit their suggestions as a basis for a discussion.
- 8.3. The Chair stated that the SC welcomes the proposal for a permanent secretariat arrangement, and invited any thinking on how this could be achieved.
- 8.4. Guyana noted that it is open to the suggestion of a permanent secretariat, and it welcomes the opportunity to discuss with Norway the first steps.
- 8.5. The World Bank as Partner Entity made reference to an email sent by Norway regarding collaboration on the GRIF, and suggested that the SC discuss a time when Guyana, Norway, the Trustee and the Partner Entities could meet in person to discuss this further.

- 8.6. The Chair noted that he would be open to such a discussion. He suggested that the SC pursue the issues currently on the table, following which it could agree to a more global reaction.
- 8.7. Guyana noted that it has begun engagement with the IDB on evaluating the structure and mechanism for improved functioning of the GRIF.
- 8.8. Norway proposed that the next SC meeting be held face to face, and suggested that the meeting proposed by the World Bank as Partner Entity could be held back to back with the next SC meeting.
- 8.9. Guyana stated that it would welcome a face to face SC meeting.
- 8.10. The Chair proposed the next SC meeting be held in Guyana, since most of the people who would attend are in Guyana, and added that it could be rotational in the future. He added that other substantive issues could be discussed on the margins of the next SC meeting.
- 8.11. The IDB added that it would welcome the opportunity to meet in person, and that it wishes to see monies flow to Guyana as fast as possible and in an efficient and appropriate manner.
- 8.12. The UNDP raised a question on procedures, asking for clarification on whether the first SC meeting minutes were adopted.
- 8.13. Guyana explained that they were agreed and posted on the LCDS website.
- 8.14. There followed some discussion on whether to call the current meeting the “second SC meeting” or the “first working SC meeting”, given that the first SC meeting was largely administrative. It was agreed that it would be called the ‘second SC meeting’ to avoid confusion.
- 8.15. The UNDP wished to know whether the minutes of this meeting would be circulated. The Chair confirmed that they would.
- 8.16. The IDB raised an issue concerning how results are measured, noting that this is based on its past experience of global funds. It added that it is important to give some thought to how in-depth the results reporting process is, as this will have implication for how expensive the process is. It added that this would be an issue for the permanent secretariat to address.
- 8.17. Guyana stated that these issues come at a good time. It proposed putting together a project management matrix to reflect effectively the points raised by UNDP, the issues of transparency raised by the observers and the issue of timelines. This project management matrix would include a summary of decisions to be made by the SC, project objectives, key milestone dates and project timelines, and could be updated regularly and published on the GRIF website.
- 8.18. Norway stated that this is a good idea, and that it could be elaborated further outside of the SC meeting.
- 8.19. The Chair stated that the proposed decision matrix would be subject to further work between Guyana, Norway and the Partner Entities, and could be endorsed by the SC electronically.

## **9. Closing**

- 9.1. The Chair expressed his gratitude to all participants of the SC meeting, and noted the important contributions of the observers.

- 9.2. Norway thanked all participants for useful discussions, and thanked the Chair for leading the meeting. Norway added that it looks forward to a face to face SC meeting in the near future.
- 9.3. The meeting was adjourned.

**Summary of key decisions:**

**Item 2.13:** A Draft Operations Manual Version 1 was approved by the SC as an interim working document to guide the GRIF process. The comments of various stakeholders will be addressed in the conclusion of a final OM.

**Items 4.9 and 4.13:** Norway is willing to assess support to the GFC for an interim period through the existing mechanism between GON and CI in order to fund the third party contracts that will require payment before such time as the funds for the Institutional Strengthening project will flow through the IDB Methodological and operational details of the transfer will be determined upon further discussion between the GON, GOG, IDB and CI.

**Item 4.13:** The IDB will address the three substantive issues in the Institutional Strengthening PCN and will resubmit the PCN to the SC within one week for electronic approval. The three issues are:

- Identification of the Partner Entity;
- Identification of the funding request to the SC;
- Breakdown of the budget by component.

**Items 8.8 and 8.9:** It was agreed that the next SC meeting will be held face to face.

**Follow up items:**

**Item 2.11:** The GON and GOG will work together to incorporate comments from the Trustee, Partner Entities and other stakeholders in a final OM.

**Item 4.13:** Further discussions will be held between the GON, GOG, IDB and CI on the mechanism to channel interim funding for existing contracts to GFC.

**Item 4.13:** The IDB will resubmit the Institutional Strengthening PCN to the SC with the required changes by 19 May 2011.

**Item 4.11:** The IDB will work with the GOG to incorporate the other comments received on the Institutional Strengthening PCN and to prepare a full project proposal for submission to the SC by September 2011.

**Item 7.10:** The GON will discuss internally and get back to the GOG on establishing a small committee to work on a results framework for the GRIF.

**Item 8.2:** The GON and GOG will suggest a timetable for when the IDB, UNDP, World Bank, GOG and GON can submit proposals for how to organise the secretariat and information flows related to the GRIF to be discussed in a face to face meeting.

**Item 8.19:** The GOG will work with the GON and Partner Entities to develop a project management matrix that will identify proposed SC decisions and give an indication of objectives, key milestones and timelines for every investment to be funded by the GRIF.