

PRESS RELEASE

OUR EXTRACTIVE SECTORS REQUIRE COLLECTIVE & INCLUSIVE GOVERNANCE

Two weeks ago Guyana formally submitted its candidacy for membership of the Extractive Industries Transparency Initiative (EITI) through a skype-linked ceremony with the EITI International Secretariat held in the Boardroom of the Ministry of Natural Resources with members of the Multi-Stakeholder Committee present. Minister Raphael Trotman outlined the stages through which the candidacy process had accomplished over the past three years. The formal ceremony concluded by inviting questions from the press. None were asked.

When the meeting ended, the press then flocked round the Minister. Ensuing press and TV coverage the next day focused exclusively on the questions asked in the post-press gathering and all were about oil and gas. Disinterest in the EITI extended to its being described by a leading daily paper as an EU agency. That distorted coverage was then extended by frequent airing on TV of the ill-informed views of an irate 'economic expert' who conveyed the impression that the EITI constitutes a personal affront to him.

As a network of civic organizations dedicated over the past two years to improve the quality of governance in the extractive sector, the Policy Forum Guyana (PFG) is troubled by the ease with which important governance achievements in the extractive sector is overlooked by the fixation with oil and gas.

In particular, two noteworthy governance achievements in the area of natural resource/climate change merit greater attention, namely, the collaborative creation of Guyana's Intended Nationally Determined Contribution (INDCs) submitted to the COP21 process in Paris and the creation of the Multi-Stakeholder Committee (MSC) to guide the EITI. The common feature of both examples is that the Ministry of Natural Resources saw the wisdom of entrusting the process to a collaborative tri-sectoral effort comprising government, civil society and the business community, eschewing the conventional approach in which the Government asserts its authority to dominate decision-making.

The drawback is that neither of these examples of successful collaboration meets the drama threshold the press and its commentators typically look for. Judging the issues to be of no great consequence, the significance of the process by which they were achieved is overlooked. In the larger political ambit Guyanese are encouraged to view consensus as weakness rather than courageous. Consequently, commentators have little appreciation that achieving consensus around something of consequence follows successfully securing prior consensus on less consequential issues. Without this mind-set, achievements such as the INDCs and the MSC are quickly dismissed in preference to the airy drama of 'governments of national unity', while the capacity, in practice, of resolving every day issues of noise nuisance, parking or reckless mini-buses remain anemic.

Willingness of the Ministry of Natural Resources to embrace experiments in collective governance contrasts sharply with mismanagement in other areas of natural resource governance, most notably the monopolizing of decision-making within the Ministry of the Presidency, particularly the REDD+ programme of the Guyana-Norway Agreement (GNA). This is not a problem peculiar to this Administration. It reflects a mind-set evident since the inauguration of the project in 2009, that the Norway funds belong to the government in power rather than the State representing the true owners, namely the Guyanese people.

The absence of the oxygen and energy provided by civic and business involvement in decision-making has allowed a coterie of officials in the Ministry of the Presidency to bring to a standstill the main source by which Guyana can currently earn substantial international funding, namely the REDD+ programme.

In our view, the REDD+ programme has been marginalized in the following manner:

- replacing technical specialists with political advisors and bureaucrats with neither expertise nor interest in forestry.
- removing the Guyana Forestry Commission from being the lead agency in negotiations with Norway to no longer participating in delegations.
- A group of senior advisers to the Presidency is implacably opposed to LCDS, REDD+ and all things Norwegian, as evidenced by many publications on the IDS/UG web-site and the Sunday Stabroek since 2009. This grouping continues to actively foster the view of the Norway Agreement as some form of quasi-corrupt invention by developed economies to exploit emissions-virtuous countries like Guyana.
- Failure by the three successive political administrations to create an independent Multi-Sectoral Committee to govern REDD+, the key feature of the Guyana Norway Agreement.

Despite severely criticizing its own exclusion from the GNA activities when in opposition, the current Administration has repeated the same exclusionary governance strategies as its predecessors. Apart from never convincingly identifying with the GNA, nor espousing the LCDS or REDD+, as required by the MOU with Norway the current administration in April 2017 resurrected the identical undemocratic MSC in order to approve USD17mn. to bankroll a national consultation on the Green State project by the Ministry of the Presidency.

Political stagnation of REDD+ funding, conjoined with monopolizing opaque governance arrangements in the Ministry of the Presidency are major obstacles to generating confidence that the current administration is committed and capable of administering substantial funding in efficient and transparent ways.

In this respect the history of the Guyana Norway Agreement is a cautionary tale for those who envisage the billions from gas & oil as the salvation for Guyana. The plain truth is that without a radical commitment to democratic and transparent governance, the self-absorption which has characterized management of the Guyana-Norway Agreement by all political administrations will inevitably dominate the management of gas and oil. Since no government in Guyana has come close to efficiently spending USD150mn in REDD+ funds, why would they be expected to do so with billions of dollars from oil and gas? The main beneficiaries to date of REDD+ have not been the Guyanese population, but rather private consultants and international institutions.

In the view of the Policy Forum Guyana, the essential requirement is to overhaul the governance machinery of the natural resources and environment sectors in which political responsibility is exercised in a collective and inclusive manner, aligned harmoniously with technical capacity.

Policy Forum Guyana (PFG)
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