

# GUYANA

## Interim Poverty Reduction Strategy Paper

Prepared by the Guyanese Authorities

October 30, 2000

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### **Currency Equivalents**

In 1988, Guyana introduced a floating exchange rate. Average exchange rates prevailing Guyana dollars (G\$) per US\$1.00, period average:

|      |       |
|------|-------|
| 1989 | 27.1  |
| 1990 | 39.5  |
| 1991 | 111.8 |
| 1992 | 125.0 |
| 1993 | 130.2 |
| 1994 | 138.2 |
| 1995 | 141.9 |
| 1996 | 140.2 |
| 1997 | 143.6 |
| 1998 | 150.2 |
| 1999 | 176.2 |

### **Fiscal Year**

January 1 – December 31

### **Tables**

Totals in tables may not always equal the sum of their components because of rounding.

## ACRONYMS

|          |   |
|----------|---|
| AIDS     | Acquired Immunodeficiency Syndrome              |
| BDU      | Business Development Unit                       |
| BNTF     | Basic Needs Trust Fund                          |
| CDB      | Caribbean Development Bank                      |
| CH&PA    | Central Housing and Planning Agency             |
| CIDA     | Canadian International Development Agency       |
| CPCE     | Cyril Porter College of Education               |
| CTB      | Central Tender Board                            |
| CXC      | Caribbean Examinations Council                  |
| D&I      | Drainage and Irrigation                         |
| DFID     | Department for International Development        |
| DPT      | Diphtheria/Polio/Tetanus                        |
| E-HIPC   | Enhanced Heavily Indebted Poor Countries        |
| EIU      | Executive Implementation Unit                   |
| ERP      | Economic Recovery Program                       |
| EU       | European Union                                  |
| GBC      | Guyana Broadcasting Corporation                 |
| GDF      | Guyana Defence Force                            |
| GDP      | Gross Domestic Product                          |
| GITC     | Guyana Industrial Training Centre               |
| GNCB     | Guyana National Cooperative Bank                |
| GNNL     | Guyana National Newspapers Limited              |
| GNP      | Gross National Product                          |
| GNS      | Guyana National Service                         |
| GNSC     | Guyana National Shipping Corporation            |
| GOG      | Government of Guyana                            |
| GOINVEST | Guyana Office of Investment                     |
| GPC      | Guyana Pharmaceutical Company                   |
| GPOC     | Guyana Post Office Corporation                  |
| GRDB     | Guyana Rice Development Board                   |
| GS&WC    | Guyana Sewerage and Water Corporation           |
| GTI      | Guyana Technical Institute                      |
| GUYOIL   | Guyana Oil Company                              |
| GUYSUCO  | Guyana Sugar Company                            |
| GUYWA    | Guyana Water Authority                          |
| HIES     | Household Income and Expenditure Survey         |
| HIPC     | Heavily Indebted Poor Countries                 |
| HIV      | Human Immuno Deficiency Virus                   |
| IDA      | International Development Agency                |
| IDB      | Inter-American Development Bank                 |
| IFAD     | International Fund for Agricultural Development |
| ILO      | International Labour Organisation               |
| IMF      | International Monetary Fund                     |
| IPED     | Institute of Private Enterprise Development     |
| I-PRSP   | Interim Poverty Reduction Strategy Paper        |
| JAP GRNT | Japanese Grant                                  |
| L&SC     | Lands and Surveys Commission                    |
| LCS      | Living Conditions Survey                        |

|       |   |
|-------|---|
| LSMS  | Living Standards Measurement Survey               |
| MIS   | Management Information Systems                    |
| MMA   | Mahaica-Mahaicony Abary                           |
| MMR   | Measles, Mumps, Rubella                           |
| MOE   | Ministry of Education                             |
| MOU   | Memorandum of Understanding                       |
| MPW   | Ministry of Public Works                          |
| NDC   | Neighbourhood Democratic Council                  |
| NDDP  | National Dairy Development Project                |
| NDS   | National Development Strategy                     |
| NEWCO | National Water Company                            |
| NGO   | Non-governmental Organization                     |
| NIS   | National Insurance Scheme                         |
| NTB   | National Tourism Board                            |
| PAHO  | Pan-American Health Organisation                  |
| PEIP  | Primary Education Improvement Project             |
| PHG   | Public Hospital Georgetown                        |
| PIU   | Poverty Implementation Unit                       |
| PRGF  | Poverty Reduction Growth Facility                 |
| PRSP  | Poverty Reduction Strategy Paper                  |
| PSC   | Private Sector Commission                         |
| PSIP  | Public Sector Investment Program                  |
| PSMP  | Public Sector Modernization Project               |
| RAD   | Roads Administration Division                     |
| SIMAP | Social Impact Amelioration Programme              |
| SPS   | State Planning Secretariat                        |
| SSRP  | Secondary School Reform Programme                 |
| STD   | Sexually Transmitted Disease                      |
| STEP  | Skills Training and Employment Program            |
| TA    | Technical Assistance                              |
| UNDP  | United Nations Development Program                |
| US    | United States (of America)                        |
| USAID | United States Agency International<br>Development |
| VAT   | Value Added Tax                                   |
| VCS   | Vector Control Service                            |
| WTO   | World Trade Organisation                          |

## INTRODUCTION

This Interim-Poverty Reduction Strategy Paper (I-PRSP) for Guyana expresses the Government's strong commitment to reduce poverty in the context of accelerated economic growth and improved social conditions. The I-PRSP is the result of two processes.

The first process was the elaboration of the National Development Strategy (NDS). This was conceived in 1993 by the then President Cheddi Jagan when he approached the Carter Center for financial and technical assistance for the formulation of homegrown policies and programmes that would advance economic development and reduce poverty.

The formulation of the strategy was truly participatory. Over 200 professionals from Government and civil society, including NGOs, the business community and the University of Guyana, working in over 23 technical groups, were involved in producing this comprehensive document. The five-volume Strategy contains 40 chapters. In addition to elaborating a detailed macroeconomic programme, the NDS makes prescriptions for the improvement of the social sector, the enhancement of production, and the extension and reconstruction of the country's infrastructure. Moreover, it not only lays down an investment programme, but also identifies the legislative changes to be made in its implementation.

In formulating the Strategy, Guyanese were given the opportunity to participate in national policy-making and contribute to the future social and economic development of their country. Donors were given the chance to understand the priorities of government to better coordinate their programmes.

During the preparation of the document, and after the completion of the first draft in 1996, the formulators of the Strategy visited several regions of Guyana to learn directly from the people their wishes, hopes and aspirations, and to obtain from them ideas for the solution of their local problems. The NDS was subsequently revised and updated in 1998 and 1999, by an independent group of members of civil society. The revised NDS was presented to the National Assembly and adopted as Guyana's National Development Strategy in July 2000.

The second process started in October 1999 when President Bharrat Jagdeo organized a Business Summit with the private sector to chart a new course of rapid investment and growth in Guyana. The objectives of this Summit were to identify the constraints that impede private sector development, and to seek a consensus on the measures to be put in place to accelerate private investment. It formulated an action plan to advance the course of private sector development and subsequently established a joint government/private sector unit to oversee its implementation.

The implementation of the recommendations contained in the Action Plan of the Business Summit and the revised NDS is expected to result in rapid growth and a substantial reduction of poverty in the long-term. However, in the short to medium term, Guyana will not have the financial or human resources to independently implement all of its programmes. Guyana will require significant amount of external assistance. Therefore, prioritizing is important. Accordingly, the I-PRSP, which relies heavily on the revised (NDS) and the Business Summit, attempts to prioritize their recommendations in the context of the recently conducted living conditions survey.

It is planned, in the preparation of the full PRSP, to consult even further, a wide range of stakeholders. These will include representatives of the private sector, the trade unions, leaders of urban, rural and interior communities, Amerindians, non-governmental organisations (NGOs) and the donor community. These consultations will be undertaken within the next six months, so that the full PRSP might be presented to the joint Boards of the World Bank and IMF by mid-2001.

The I-PRSP assumes that the fight to reduce poverty will be five-pronged. The strategy will aim at (i) maintaining a sound macroeconomic, trade and investment framework; (ii) improving the business environment; (iii) maintaining and expanding economic infrastructure; (iv) improving social services including health, education, nutrition, family planning, and access to safe water and housing; and (v) implementing special intervention programmes in areas where poverty levels still remain high.

The public sector investment programme and recurrent budgetary allocation that is proposed in the I-PRSP will therefore focus on the health, education, housing sectors and on economic infrastructure. In addition, direct technical assistance will be provided to the private sector to help it to become competitive in the global market place. Moreover, in order to attract a higher level of private investment, reforms to support private sector initiatives will be implemented. Within this context, the I-PRSP lays out a detailed programme of action with participation from the key stakeholders for reducing poverty.

It cannot be over-emphasised that the goals of this I-PRSP will not be attained unless there is improved coordination of all the actors in the development process and efficient programme implementation. These will be key to the success of the strategy. Accordingly, a Poverty Reduction Strategy Co-ordination and Implementation Unit will be established with the specific objectives of co-ordinating the activities of those participating in the I-PRSP, and of overseeing its implementation. This Unit will work closely with Civil Society and the Donor Community.

## **I: MACROECONOMIC CONTEXT, AND PROGRESS ON STRUCTURAL REFORM**

Guyana is a thinly populated, low-income country with a per capita GNP estimated at about US\$785 in 1999. The country has an area of about 215,000 square kilometers and a population of about 747,000, or a population density of less than 4 persons per square kilometer. Because of massive emigration, the country's population growth in the past two decades has been marginal.

Guyana is well endowed with natural resources, fertile agricultural land, diversified mineral deposits, and large acreage of tropical forests. The economy is basically natural resource-based, with agriculture (mainly sugar and rice), bauxite, gold, and timber accounting for most of the output in the productive sectors. Petroleum imports account for about 15% of total imports.

Most of the country's population and economic activities are concentrated along the narrow coastal strip, which lies below sea level and is protected by a series of sea defenses. The interior is largely forested and uninhabited, except for scattered communities of mostly Amerindians.

### **A. Past policies**

During the 1970s, Guyana embraced "cooperative socialism", an economic form of government characterized by heavy state intervention in economic affairs. All major economic activities were state-dominated, either directly through state ownership, or indirectly through price, credit, and foreign exchange controls. Economic performance during the period of cooperative socialism was dismal. Although real GDP rose significantly between 1966 and 1975, it declined cumulatively by 20.8 percent between 1975-1988 and caused widespread poverty.

The contraction of the economy also led to the extensive migration of talented Guyanese to jobs abroad, significantly depleting the country's pool of skilled workers and professionals. In addition, the worsening economic conditions made it increasingly difficult to rehabilitate and maintain social and economic infrastructure as the fiscal deficits could not be contained. As a result, schools, health and water services, sanitation, roads, sea defenses, and drainage and irrigation facilities fell into a state of disrepair.

As Guyana became bankrupt and was declared uncreditworthy, the Government reversed course with the implementation of the Economic Recovery Program (ERP). The key elements of the ERP were (i) liberalisation of the exchange and trade system; (ii) removal of price controls and subsidies; (iii) removal of restrictions on capital flows; and (iv) reforms in tax policy and administration. In spite of the implementation of these reforms, the economy continued to contract with GDP precipitously falling by 5 percent per year between 1989 and 1991 and inflation rising in excess of 100 percent in 1991.

Since then, the Government has embarked on far-reaching structural reforms, which have resulted in positive growth rates and single digit inflation. Measures were introduced to (i) strengthen and modernize the regulatory and supervisory framework of the Bank of Guyana; (ii) reform the financial sector; (iii) improve the legal and regulatory framework; and (iv) reform the judicial process and Deeds Registry. A new Companies Law was passed, and actions were taken to establish

regulatory frameworks for insurance and securities trading. An ambitious privatisation programme is also being implemented.

Real output grew at over 7.4 percent a year allowing per capita income to increase from US\$430 to US\$750 between 1993 and 1996. This output trend was also sustained by a buoyant international economic environment underpinned by Guyana's access to preferential markets and large inflows of private capital, attracted by profitable opportunities in gold mining and forestry. Through assistance from the donor community, Guyana also began to rehabilitate its economic and social infrastructure including its road network and bridges; drainage and irrigation and water systems; health centers; schools; and sea defenses.

The improvement in the drainage and irrigation systems brought more acres of land under cultivation and was a key factor in the rapid expansion of rice and sugar production. Improvement in the main highways, secondary and farm to market roads, the reconditioning of ferry vessels and rehabilitation of stellings also contributed to private sector activities in agriculture. Investment in social infrastructure including schools, hospitals, water and sanitation brought some improvement in the quality of, and access to, these essential services.

**Table 1.1: GUYANA – ECONOMIC INDICATORS, 1992-1999**

|  | 1991              | 1992  | 1993  | 1994  | 1995  | 1996  | 1997  | 1998 | 1999 |
|--|-------------------|-------|-------|-------|-------|-------|-------|------|------|
|  | (in percent)      |       |       |       |       |       |       |      |      |
| Annual changes in GDP                            |                   |       |       |       |       |       |       |      |      |
| GDP (in constant prices) f.c                     | 6.0               | 7.8   | 8.2   | 8.5   | 5.0   | 7.9   | 6.2   | -1.7 | 3.0  |
| Investment, consumption, savings ratio           |                   |       |       |       |       |       |       |      |      |
| Gross investment/GDP ratio                       | 41.2              | 52.5  | 41.5  | 27.2  | 31.7  | 30.1  | 30.3  | 28.8 | 24.5 |
| Private consumption/GDP ratio                    | 65.5              | 58.8  | 62.7  | 70.3  | 64.2  | 59.9  | 61.8  | 64.7 | 64.3 |
| Government consumption/GDP ratio                 | 15.4              | 17.0  | 15.6  | 15.5  | 15.0  | 16.2  | 17.5  | 18.4 | 19.4 |
| Gross national savings/GDP ratio                 | -4.0              | 9.6   | 12.1  | 8.4   | 13.9  | 22.3  | 16.2  | 15.0 | 13.4 |
|  | ( percent of GDP) |       |       |       |       |       |       |      |      |
| Public sector finances                           |                   |       |       |       |       |       |       |      |      |
| Central government revenues                      | 28.1              | 37.8  | 38.2  | 32.0  | 33.2  | 34.6  | 31.9  | 30.6 | 29.9 |
| Central government current expenditures          | 34.9              | 34.4  | 30.4  | 25.6  | 25.1  | 23.8  | 27.0  | 26.5 | 27.3 |
| Central government current balances              | -6.8              | 3.4   | 7.8   | 6.3   | 8.1   | 10.8  | 4.9   | 4.1  | 2.6  |
| Central government overall balance (-deficit)1/  | -20.5             | -10.5 | -6.3  | -3.8  | -5.8  | -5.0  | -10.7 | -8.5 | -6.7 |
| Public sector savings                            | -6.8              | -0.5  | -0.4  | 5.9   | 12.3  | 15.8  | 9.4   | 9.0  | 6.4  |
| Public sector overall balance2/                  | -5.9              | -10.0 | -7.9  | -1.1  | -2.1  | 1.2   | -3.0  | -4.8 | -1.0 |
|  | (US\$ million)    |       |       |       |       |       |       |      |      |
| Balance of payments                              |                   |       |       |       |       |       |       |      |      |
| Merchandise exports, f.o.b.                      | 254               | 364   | 404   | 447   | 496   | 575   | 592   | 547  | 525  |
| Merchandise imports, c.i.f.                      | -307              | -443  | -484  | -506  | -537  | -595  | -642  | -601 | -550 |
| Balance on current accounts                      | -144              | -152  | -127  | -93   | -111  | -54   | -106  | -99  | -75  |
| Net official borrowing                           | 35                | 5     | 51    | -18   | -10   | -475  | 38    | 13   | -112 |
| Overall balance                                  | -10               | -16   | -2    | -35   | -44   | -60   | 4     | -17  | -2   |
| International reserve position and external debt |                   |       |       |       |       |       |       |      |      |
| Gross reserves ( months of imports)              | 3.4               | 4.1   | 4.9   | 5.1   | 4.6   | 5.2   | 4.7   | 4.3  | 4.4  |
| External public debt                             | 1,925             | 1,997 | 2,030 | 2,058 | 2,001 | 1,568 | 1369  | 1383 | 1408 |

Bureau of Statistics, Bank of Guyana, World Bank, International Monetary Fund

1/ Before grants

2/ After grants

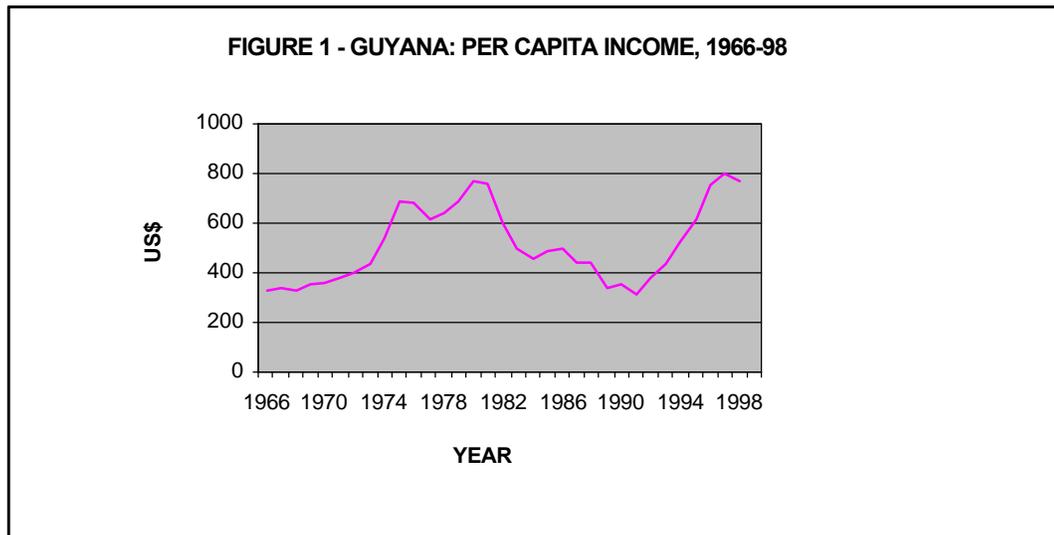
At the core of the improved economic performance was a sound macroeconomic framework, which embraced prudent fiscal and monetary policies including enhanced managerial efficiency in the public sector; greater buoyancy in the tax system; reasonable wage increases; and monetary and credit policies that reduced inflation and led to the attainment of balance of payments targets. In addition, there were significant reforms in the regulatory framework. These included (i) the passage of the Financial Institutions Act; (ii) stricter prudential regulations; and (iii) improved banking supervision. As a result, a stable exchange rate and a viable financial sector were maintained. Moreover, primary and current account fiscal balance improved and the overall deficit was fairly stable. Monetary policy was soundly managed with foreign exchange reserves tending to increase in line with the economy. The improvement in external accounts came from the narrowing in the trade balance. In addition, Guyana's external debt declined from over US\$2.1 billion in 1993 to about US\$1.4 billion in 1998.

#### **B. Recent economic performance**

In 1997 and 1998, the economy began to suffer setbacks as a result of (i) the El Nino weather phenomenon that adversely affected agriculture output; (ii) political uncertainties leading to the December 1997 elections and developments thereafter; and (iii) deteriorating commodity prices in international markets. Though GDP grew by about 6.2 percent in 1997, the external shocks, which emerged in that year, resulted in the contraction of the economy in 1998. By 1999, however, economic recovery seemed to be well underway with a GDP growth of 3 percent.

## II: ANALYSIS OF POVERTY

Poverty is multifaceted. It manifests itself in low and uneven levels of income and consumption, physical insecurity, poor health, low levels of education, disempowerment, high levels of unemployment, and social and geographical isolation. Until the 1993 household survey, different methodologies were used to measure poverty<sup>1</sup> by the Inter-American Development Bank (IDB), the Social Impact Amelioration Programme (SIMAP), and the Pan-American Health Organisation (PAHO). In the absence of any meaningful survey data, per capita income was used as a proxy to measure welfare.



As shown in Figure 1, from the period of independence from 1966 until 1976, Guyana experienced significant growth in per capita income levels. This period also coincided with macroeconomic stability and improved social conditions. Between 1980 and 1990, however, economic conditions deteriorated. The country's infrastructure virtually collapsed, there were shortages of essential commodities, and a marked emigration of skilled and professional staff. As a consequence, infant and maternal mortality, and illiteracy rates rose steeply, while enrollment ratios and life expectancy fell precipitously.

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<sup>1</sup> Attempts to quantify levels of poverty in Guyana over the last two decades were carried out by Boyd, IDB report 1989, also see Thomas, 1993, "Poverty in Guyana", mimeo; Ramprakash, SIMAP draft, 1991; Pan-American Health Organisation (PAHO), 1976. The PAHO estimate reported that at least 50 percent of the population earned less than 55 percent of the mean income in 1971. Based on this distribution of income, it was estimated that approximately 38 percent of the population in 1971 fell below the poverty line. Boyd's calculation estimated that the poverty level had risen to include 65 percent of the population in 1988 and by 1989, taking in the effects of rapidly worsening inflation, 75 percent of the population had incomes below the poverty line. The Ramprakash study further calculated that if receiving official nutritional requirements was the underlying criterion, an estimated 86 percent of the population would fall under the poverty line.

## **A. Summary of the 1993 Household Income and Expenditure Survey**

The Government, with assistance from the UNDP/World Bank, completed its first Household Income and Expenditure Survey (HIES)/Living Standards Measurement Survey (LSMS)<sup>2</sup> to determine the level of poverty in 1992. The headcount index<sup>3</sup> was used to measure poverty. The survey showed that about 43 percent of the population was below the poverty line with 29 percent in extreme poverty. The incidence of poverty was highest in the rural areas, particularly in interior locations. Among the working class, construction workers, public sector workers in lower grade levels, and agricultural farmers were found to be the poorest.

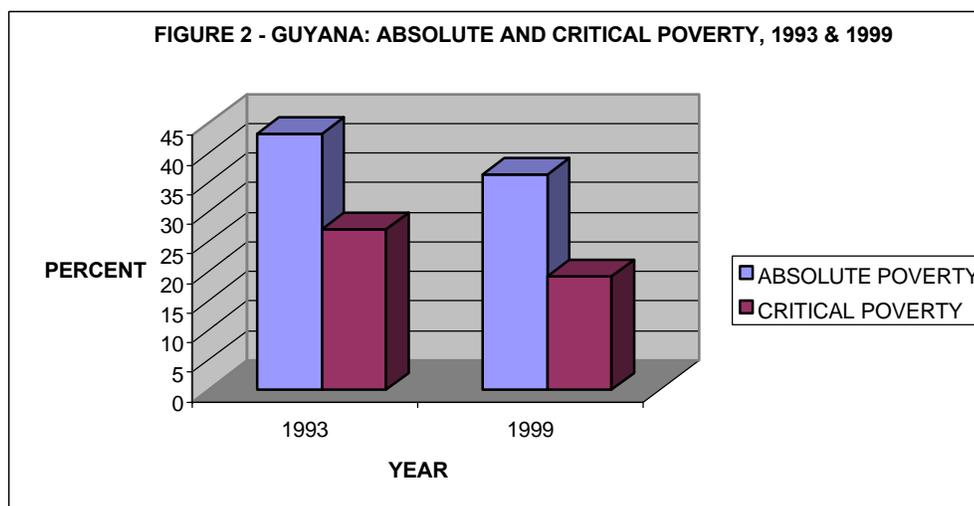
### **The 1999 Living Conditions Survey**

In 1999, Guyana completed a Living Conditions Survey (LCS) to measure the impact of economic and social programmes on poverty. The survey indicated that, first, there was a reduction in poverty levels. The proportion of the population living below the poverty line was found to be 35 percent with 21 percent living under conditions of extreme poverty. This represented a decrease of 8 percentage points in absolute poverty levels and a 7 percentage points decline in extreme poverty levels over the seven-year period. Second, poverty levels among all ethnic groups were reduced. Third, poverty fell in urban and coastal areas, with Georgetown showing the highest reduction in the incidence of poverty, while conditions in the rural interior changed marginally.

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<sup>2</sup> There are at least four different ways of measuring poverty. There is the headcount approach used generally by the World Bank where standards of living are measured by household expenditures per capita. The second methodology, Human Development Indicator, calculated by the United National Development Programme, is a composite measure of human development containing indicators representing three equally weighted dimensions of human development: longevity, knowledge, and income. The third methodology, the Integrated Poverty Index, the Basic Needs Index, and the Global Indicator of Access to Cumulative Social Development Index, calculated by the Pan American Health Organisation, is derived from twofold classification of countries: five income class groups based on gross national product (GNP) adjusted for purchasing power parity and degree of access by the population to five aspects social development: health education, nutrients, sanitation, and economic resources. Of the data available, only the consumption-based measures currently provide sufficient information for analysis in Guyana. Annex II contains technical treatment of different methodologies

<sup>3</sup> To account for the inherent weakness in using either consumption or income data as the sole measure of welfare, the PRSP will also discuss other indicators of well being, such as nutrition, life expectancy, and mortality, to the extent possible.



It should be noted, however, that both the 1993 and 1999 household and income expenditure and living condition surveys were adequate to measure the extent and depth of poverty at the national and broad regional level. Guyana, however, is divided into ten regions, some of which are sparsely populated and remote. Neither survey sampled enough households in a number of these regions to draw statistically valid conclusions for at least four of the ten regions. The results therefore contain relatively large margins of error at this level of detail. Caution is therefore required in using the data to draw conclusions about poverty profiles at the level of each of the ten regions. A comparison of both surveys appears in Table 2.1

**Table 2.1: GUYANA HOUSEHOLD SURVEYS, 1993, 1999**

| Region         | Sample size |       |         |       | Poverty Headcount |      |                   |      | Changes      |                         |                   |                         |
|----------------|-------------|-------|---------|-------|-------------------|------|-------------------|------|--------------|-------------------------|-------------------|-------------------------|
|                | Households  |       | Persons |       | Extreme Poor      |      | Poor <sup>a</sup> |      | Extreme Poor |                         | Poor <sup>a</sup> |                         |
|                | 1992        | 1999  | 1992    | 1999  | 1992              | 1999 | 1992              | 1999 | % points     | Sig. Level <sup>b</sup> | % points          | Sig. Level <sup>b</sup> |
| Georgetown     | 455         | 496   | 1,662   | 1,921 | 15.8              | 9    | 28.9              | 16.3 | -6.8         | *                       | -12.6             | *                       |
| Other Urban    | 214         | 249   | 889     | 1,029 | 12.3              | 3.7  | 23.1              | 15.4 | -8.6         | *                       | -7.7              | NS                      |
| Rural Coastal  | 988         | 1,225 | 4,434   | 5,108 | 27.9              | 19.6 | 45.2              | 36.7 | -8.3         | *                       | -8.5              | *                       |
| Rural Interior | 159         | 210   | 939     | 1,188 | 70.8              | 88   | 78.6              | 92.5 | 17.2         | *                       | 13.9              | *                       |
| Guyana         | 1,816       | 2,180 | 7,294   | 9,246 | 28.7              | 21.3 | 43.2              | 35   | -7.4         | *                       | -8.2              | *                       |

<sup>a</sup>Includes extreme poor.

<sup>b</sup>Chi-squared test using reported expansion factor and assuming a random sample. Ns = not significant at 1% level or less. \* = Significant at 1% level or less.

Regardless of the sample size, there is an inherent weakness in using either consumption or income data as the sole measure of welfare. In part, this is because neither measure captures the significant progress that was made in improving health status, life expectancy, literacy, and access to public services, which are critical to one's standard of living. For example, many Amerindians who in the past did not have access to housing, water, health and education facilities now benefit from these basic services. Third, in comparing the welfare levels of households in the interior to those in other

areas, adjustments were not made for the alternate consumption patterns and variations in the imputed value of certain items.

## **1. Characteristics of the poor**

### (i) Demographic characteristics of the poor

Most of the poor in Guyana live in rural areas. They are largely self-employed in agriculture or work as manual labourers. In urban areas, the incidence of the poor is highest among the unemployed and those working as maids and in the construction sector. The proportion of poor households headed by women is similar to that in non-poor households suggesting that female-headship is not necessarily a cause of poverty. Similarly, the age of the head of the household does not seem to have any bearing on poverty, the average age of the household head, at 43.6 years being fairly even across all welfare groups. One of the main differences among poor and non-poor households, however, is in the number of people living in the household. Households in the poorest quintile are likely to have two more people, both of them children, than in the other quintiles. This means that poor households are not only larger, but that each wage earner in a poor household supports a larger number of dependent children.

### (ii) Geographic and ethnic distribution of the poor

Poverty is very unevenly distributed throughout the country. The lowest incidence of poverty is in the urban areas, where fewer than one in six are poor, although there are urban pockets of poverty where the incidence is higher than the norm. The highest incidence is in the rural interior. The high incidence of poverty in the hinterland areas is largely the result of their isolation. These areas are far removed from the hubs of economic activity and are thinly populated, with less than 10 percent of the total population. Communications between the coastal areas, where most of the economic activities take place and the interior are poor. Roads and telephones are practically non-existent and often the only means of communication are airplanes and riverboats. This isolation results in high transport costs their small populations result in tiny markets.

Consequently, prices are higher, choices more reduced, and public services more difficult and costly to render. Moreover, well-remunerated job opportunities are few and far between. Although in recent years, the mining and timber industries provided job opportunities in the interior, this has also meant these heads of households have had to spend extended periods of time away from home.

Finally, poverty follows along ethnic lines. Amerindians are, by far, the ethnic group with the highest incidence of poverty followed by Indo-Guyanese and Afro-Guyanese. This is explained, in part, by the geographical locations of these groups. Amerindians live mainly in the interior, Indo-Guyanese in rural coastal areas and Afro-Guyanese in urban areas. The household size of Amerindians under the poverty line is 5.9. In the case of Afro-Guyanese and Indo-Guyanese, the average household size is 4.7 and 5 respectively.

### (iii) Education and labour force participation

Levels of education among poor households are lower than that for the population as a whole. Less than 15 percent of the heads of poor households have completed a secondary or higher level of education. Educational attainment in rural areas, where many of the poor are located, is low. In the rural coastal region, less than 14 percent of household heads have achieved a secondary or higher level of education as compared with 23 percent in Georgetown. The situation is worse in interior regions where less than 13 percent of poor households have received secondary education. About 41 percent of households under the poverty line are employed in agriculture. Although the linkage between the type of employment and poverty in the other sectors is not that clear, in construction there is a substantial number of unskilled labourers who work for very low wages and fall below the poverty line, as do house maids and other types of domestic help.

## 2 THE CAUSES OF POVERTY

Although no one factor, or group of factors, may be singled out as the cause of poverty, the evidence in Guyana suggests that low and/or negative economic growth, particularly between 1982 and 1991 accounted for the pervasive and persistent level of poverty in the country. This, in turn, stems from (i) poor economic policies; (ii) the absence of regulatory and institutional support; (iii) inadequate infrastructure; and (iv) deteriorating social conditions.

### A. Poor economic policies

The key elements of the “statist” policies adopted by the Government from the mid 1970s to 1989 included the nationalisation of private companies in mining, agriculture, banking and the distributive services; and the indirect control of economic activities through the introduction of price, credit, and foreign exchange controls. As a result, between 1982 and 1990, GDP fell by 3.3 percent per year and per capita income plummeted from US\$600 to US\$350 in the same period. In addition, real interest rates, for the most part, were negative, gross international reserves were depleted, and Guyana increasingly relied on suppliers’ credit to finance its external trade. As economic difficulties mounted and external and internal balances deteriorated, the country was unable to meet debt service obligations thereby leading to the cessation of support from the IFIs. This, in turn, further deepened the economic crisis, depressing investments, employment and growth.

By 1988, the government controlled over 80 percent of the total value of recorded imports and exports and 85 percent of total investment. Import cover was less than 2 weeks, and there was virtually no new domestic and foreign investment. However, the most dramatic reaction to the deterioration in living standards and the increase in poverty that were occasioned by the implementation of poor policies was the massive emigration of many highly trained Guyanese to North America, the United Kingdom and the Caribbean countries.

### B. Weak regulatory and institutional support

The regulatory and institutional framework was not conducive to private sector initiative and development. Systemic deficiencies such as poor land administration, weak public sector and inefficient tender and procurement systems acted as major constraints to economic growth and development thereby exacerbating the persistence of poverty. In addition, the “critical mass” of necessary conditions, defined as the appropriate mix of land, credit, equipment and machinery essential for production, was largely absent.

In the *public sector*, the administration of state lands was poor. Office records for the most part were in disarray, rents were at variance with market values, there were no clear criteria for the approval or denial of leasing applications for land, and procedures were extremely inefficient. Moreover, there was no land inventory data base, and several institutions, often with weak management, acted as authorities, planners, or advisors in the utilization of land for forestry, mining, housing, and agriculture with overlapping legal mandates. There was little or no coordination.

These, notwithstanding, the quality of services deteriorated; the quality and composition of public employment particularly at the management and technical levels became severely skewed and weakened; and financial management and control became over centralized and ineffective. Perhaps not unexpectedly, there were overlapping jurisdictions and functional responsibilities. Furthermore, the legal procurement framework for goods, works, and services was deficient and outdated. The organisational structure for procurement at the central tender board was also weak and inefficient, lacked transparency, and was governed by procedures that were oftentimes cumbersome.

In addition to these systemic problems, in the absence of an investment guide and code, there was nothing to inform potential investors of the existing incentive framework or of any guarantees for the protection of their investment, or of the procedures for the resolution of conflicts. On the contrary, restrictions on foreign currency transfers of dividends and profits, and the inability of the government to meet the foreign currency needs of the deposits of foreign investors at the central bank, created a perverse business environment. At the same time, dwindling public sector resources led to a marked deterioration in the educational system. So much so that managers frequently cited the low educational levels in specialized skills as one of the constraints to their companies' development. Vocational training facilities, also, began to experience shortages of the teachers and equipment that were necessary to provide adequate training in technical skills.

### **C. Inadequate infrastructure**

The deterioration in internal and external financial balances significantly reduced the resources available to maintain economic infrastructure, generate economic growth, and create employment. As over 70 percent of Guyana's population live in rural areas and are involved in agriculture, mining, fishing, and forestry, road and river transportation, and maintenance of both sea defenses and drainage and irrigation are critical to increased output. Yet, Guyana did not have the resources to maintain and/or rehabilitate its critical infrastructure. As a result, the transportation network fell into serious disrepair, greatly increasing the cost of goods in Georgetown and making it extremely costly for both private entrepreneurs and the poor to operate in the interior. Indeed, the lack of maintenance made some interior roads impassable, and the deterioration of ferry services made river transportation and river crossing, in particular, a severe bottleneck to trade and economic production.

Frequent power outages forced businesses to operate high cost generators. Companies that used water in industrial processes had to dig their own wells or truck water from central locations. The collapse of telephone services meant that it was very difficult to communicate within Guyana and overseas, forcing some businesses to operate entirely without telephones. Inadequate port facilities required expensive transshipment of goods to larger ports. The deterioration of the network of sea defenses led to flooding of agricultural and residential land by seawater, which continues to threaten the coastal strip where most of Guyana's farmland lies.

### **D. Deteriorating social services**

The deterioration of basic social services also accounted for high levels of poverty. In the health sector, several clinics and health centers lacked basic facilities, personnel, drugs and medical supplies thereby denying many, especially the poor, access to health services, and forcing them to

spend substantial portions of their income on private medical treatment. In education, inequities in spending across and within regions and sectors; an exodus of trained teachers to the Caribbean, North America and Africa; and difficulties in stationing teachers at interior and rural locations affected quality, access, and enrollment and contributed to poverty in disadvantaged areas. In the water sector, poor quality often resulted in the contamination and spread of water-borne diseases. This affected the poor and was one of the major causes of infant mortality. In addition, poor quality housing often characterised by large-scale squatting, unfit dwellings, and deteriorating urban neighborhoods deepened the persistence of poverty, especially among children.

### **Conclusions and agenda for the future**

The poverty profile and its causes point to a number of important points for poverty reduction. First, the analyses suggest that economic growth is essential for poverty reduction. With per capita income of less than US\$3 per day there is very little scope for income redistribution as a mechanism for poverty reduction. Second, it is critical that Government undertakes investment to redress the uneven spatial distribution. This is crucial in efforts to integrate rural and interior economies into the overall development framework and also in reducing extreme poverty among Amerindians. Third, the analyses also make it clear the importance of increasing investments in the social sector particularly in education, health, water and housing to be able to properly assist the poor and increase their income levels. Finally, infrastructure development and maintenance is key in reducing input costs including high transportation costs and directly assisting the poor to become competitive. Clearly, closer attention to the resolution of these issues will be key in the Government's efforts to reduce poverty in the medium to long term.

### III: NATIONAL POVERTY STRATEGY

Despite the growth in per capita income in recent years, income levels are still low in Guyana. Low incomes are also correlated with poor health and limited education. However, there are clear signs of improvement. Average household consumption, in real terms, increased by 12 percent per year between 1993 and 1999 for the whole population. Of great significance is the fact that the expenditure of the bottom 20 percent of the population rose even faster. Access to education, health and water also showed marked improvement throughout the country and, in particular, in Amerindian settlements where several health centers were constructed and water boreholes established.

Even so, reducing poverty to very low and tolerable levels will take time. Because of the long years of neglect, improving the business environment, rebuilding the infrastructure and improving social conditions to support growth will require a well-thought out strategy. In addition, systemic issues such as weak land administration and a non-responsive public sector persist and continue to adversely affect the business environment.

Over the last 7 years, GDP increased cumulatively by 36.9 percent while extreme poverty over the same period declined by 10 percent implying that a 3.7 percent rise in income was responsible for a 1 percent decline in poverty. Although this measure may be crude it, nevertheless, suggests a correlation between GDP growth and poverty reduction. Government will continue to implement policies to engender higher growth rates and, thus, reduce poverty further in the medium-term.

Guyana's poverty reduction goals including (i) creating opportunities for income generation; (ii) job creation; (iii) reducing mortality rates, (iv) achieving primary universal education, and (v) eliminating gender disparity in education are broadly consistent with international development goals<sup>4</sup>. Attainment of these targets, among other things, is predicated on (i) high and sustainable growth rates; (ii) improvement in social conditions; and (iii) addressing uneven spatial distribution of population.

To achieve its targets and objectives, government will pursue the following strategy:

- maintain sound macroeconomic, trade and investment framework;
- improve the business environment;
- improve social services including health, education, nutrition, family planning, and access to safe water and housing;
- maintain and expand economic infrastructure; and
- implement special intervention programmes in areas where poverty levels still remain high.

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<sup>4</sup> The International Development Goals to the year 2015 include reducing the incidence of extreme poverty by half; reducing by two-thirds the mortality rates for infants and children under five; achieving primary universal education; eliminating gender disparity in education (2005); and implementing in all countries, by the year 2005, national strategies to reverse trends in loss of environmental resource by 2015.

## **A. Policies to stimulate growth, trade and investment**

### **(i) Improving the macroeconomic environment**

In order to stimulate growth and create opportunities for the poor, Government will maintain a viable macroeconomic framework by implementing prudent fiscal and monetary policies to maintain price and exchange rates stability. Fiscal policy will focus on increasing public sector savings and reducing domestic indebtedness. In the area of revenue generation, measures will be put in place to improve tax administration, collection, and broaden the tax base. In line with this, efforts will be made to staff the Revenue Authority to its full complement and a workshop will be organized in 2000 to determine the applicability of the value-added tax in Guyana.

On the expenditure side, emphasis will be placed on controls and efficiency through the computerization of the public sector payroll, the rationalization and streamlining of the public sector, and programme budgeting. Monetary policy will aim at the further reduction of inflation and safeguarding the Bank of Guyana's external reserve position. In concluding monetary policy operations (notably open market operations), the Bank of Guyana will issue bonds with varying maturities (including long-term). The Bank of Guyana will aim at maintaining monetary stability and will provide adequate regulatory and supervisory frameworks in order to stimulate the development of capital markets in Guyana.

### **(ii) Expanding and diversifying the Sources of Growth**

World markets have always been particularly important for Guyana. Exports have been the principal engine of growth as well as the main source of foreign exchange. Unfortunately, Guyana's preferential access to certain markets is likely to be eroded in the future and exports are likely to encounter more intense competition. Sustained economic growth and poverty reduction, therefore, will depend on the ability of exporters to reduce production costs and diversify their export market.

Policies to increase productivity and diversify the export base will rest on three pillars: (i) productivity increases in the sugar, rice, forestry and mining sectors; (ii) the enhancement of the country's competitiveness; and (iii) the maintenance of quality standards.

The sugar industry has been and is expected to continue to be an important contributor to economic growth in Guyana, at least, over the short and medium term. In addition to the sector's key role in generating exports, it is also a major source of rural employment. Following many years of declining performance and production of sugar from the sector's peak years of highest profitability in the 1970s, this negative trend began to be reversed in 1991 when a private sector firm was brought in under a management contract to turn around the operations of the state-owned company, GUYSUICO. In 1999, GUYSUICO's production reached 321,000 tons, the highest level in over two decades. Gains have been achieved in both factory and field performance.

The Government's strategy for the sector is to modernize the industry and thereby reposition GUYSUICO to take advantage both of its comparative advantage as a competitive, low-cost, regional sugar producer, and of its access to preferential markets; while, at the same time, recognizing that growing global trade liberalization is expected to reduce such access over time, and

to require Guyana to compete increasingly at world market prices. This is to be achieved through: (i) the continued reliance on the private sector for GUYSUOCO management; (ii) investment in new plant and equipment in the country's most productive areas, to lower overall field and factory production costs; and (iii) a greater reliance on private cane producers and private sector capital for related industries (e.g., electricity co-generation, and alcohol distilling).

In the rice sector, emphasis will be placed on research into high yielding and disease resistant seed varieties and downstream processing. In the forestry and mining sectors, policies will be implemented to increase productivity, and to conserve the environment.

After several years of state intervention, Guyana's private sector remains embryonic. To ensure its rapid development and success in the rapidly changing external trade environment, Government's support is essential. Towards this end, the Government will encourage export promotion by (i) providing information and company matching services (ii) supporting local companies to participate in overseas trade fairs and domestic exhibitions; and (iii) coordinating industrial cooperation. In addition, the Government will (i) strengthen the National Bureau of National Standards to enforce and maintain high environmental, hygienic, and production standards; (ii) provide technical assistance to firms to improve quality at the factory level; and (iii) organise workshops and seminars to inform the local private sector of WTO requirements regarding technical standards. To promote increased private sector participation in the economy, a new Securities Law will be implemented to permit swifter and more transparent transactions for transfer of ownership/shares in local industries so as to facilitate the sale and transfer of shares from privatised public entities.

### (iii) Investment Promotion

With a high debt burden, a nascent domestic private sector, and low technological development, foreign private capital will be critical in the economic and social transformation of Guyana. To stimulate foreign investment, the Government will (i) work with stakeholders to improve political stability; (ii) improve infrastructure; (iii) accelerate judicial reforms; (iv) sign bilateral trade treaties with its major bilateral trading partners; (v) expand trade and investment promotion abroad; and (vi) grant autonomy to the Guyana Office of Investment, (Goinvest) to act as a one-stop investment agency. Contacts with external investors already established by the Privatisation Unit under the on-going Government Public Enterprises Privatisation Programme, will also be exploited to attract external capital and technological innovation to promote both industrial as well as financial services development in Guyana (see privatisation programme below).

At present, many private sector companies, with the potential of generating significant levels of employment, are undergoing financial difficulties. These are exacerbated because no development bank or consultancies exist in Guyana to provide restructuring services to attract refinancing, or to establish joint venture partnerships. In the absence of such private sector organisations, Goinvest and the Privatisation Unit will, in the short-term and on a cost recovery basis, offer restructuring services to viable private sector companies so as to help these companies to attract capital from abroad. This will assist the manufacturing sector in retooling existing plants, allow for the introduction of new technologies, and open opportunities in the processing and marketing of local raw materials. These measures, if successfully implemented, will attract investments and create jobs and opportunities for everyone including the poor.

## **B. Good governance and the business environment**

Good governance and an improved business environment are essential for accountability, transparency and the restoration of business confidence. This will not only benefit the poor but will also create the environment to attract foreign investment for national development. To this end, Government will (i) accelerate land reforms; (ii) reform the tender and procurement system; (iii) modernise the public sector; (iv) improve the rule of law and financial services regulation; and (iv) implement sector specific enhancement measures that will directly benefit the poor.

(a) In land administration, the newly enacted Lands and Surveys Commission (L&SC) Act will be implemented. Land authorising institutions, such as in mining, forestry, eco-tourism and agriculture, are incorporated under the L&SC, and all applications will be processed in the same office. In addition, a standard agricultural lease will be implemented with provisions for the granting of 50-year lease. Moreover, the conversion of land titles for up to 15 acres in area from leasehold to freehold will be accelerated. Moreover, a computerized national land information database will be established to keep up to date land records and identify unregularised occupants and squatters.

(b) Amended tender and procurement legislation and corresponding detailed regulations will be laid in the National Assembly in June 2001. The elements of the proposed amendment will include (i) autonomy of the Central Tender Board (CTB); (ii) the development of standard bidding documents; (iii) the revision of thresholds; and (iv) reforms of regional tender boards. Simultaneous with these efforts, the public audit function will be strengthened to include more comprehensive operational performance audits of public sector programmes.

(c) In the public sector, the goal will be the efficient delivery of services to the private sector by all government ministries and agencies. To this end, far-reaching reforms will be undertaken to restructure and modernise the public sector. The key elements of the modernization programme will include developing clear input and output matrices for ministries and agencies; rationalising roles, responsibilities and outputs; utilising existing personnel by divisions, departments and ministries; and establishing clear reporting lines and relationships, skill requirements, and job descriptions for positions, physical placement and resource needs. In the short-term, Government will eliminate redundant positions and reduce vacant positions in the establishment from over 25,000 to 12,000. In addition, voluntary separation packages will be extended to temporary and unqualified staff within the core civil service.

In addition, Government will strengthen the Auditor-General Department to assist it to effectively carry out its functions. Towards this end, training in key areas of auditing will be provided on a continuous basis and resources, both human and equipment will be increased. Further, Government will continue its drive to complete its privatisation programme. Specifically, Linmine, Bermine, GNCB, GPC, remaining shares in Guyana Stores and GNCB Trust will be brought to the point of sale or sold off between 2000 and 2001. The three remaining public enterprises, Guyana National Shipping Corporation (GNSL), Guyana Oil Company (Guyoil) and Guyana Sugar Company (Guysuco) will be restructured and modernised.

(d) In improving the rule of law, the Government will (i) refurbish court facilities; (ii) improve facilities at the law library; (iii) introduce administrative systems and procedures to improve court records and transcripts; (iv) review emoluments of the magistracy and judiciary; and (v) strengthen the independence of the judiciary.

(e) In the financial services sector, the Government will implement and upgrade several financial sector laws including (i) the banking law to permit more flexibility in supervisory oversight and assessment of banking system health; (ii) a new Securities Law to allow sale and transfer of entities offered on the market (including development of a local stock exchange mechanism) and protection of individual investors); and (iii) a new Insurance Law to assure prudent management of the insurance industry to support private enterprise property and risk management.

(i) Sector specific enhancements

The opportunities for growth in the agriculture, mining, and forestry sectors are immense given Guyana's rich natural resource endowment. Strategies including increasing access to land, credit, and infrastructure services will be pursued to benefit the poor. The overall aim of this strategy will be to integrate the rural and interior economies into national, regional and global markets.

(a) Improving agriculture output in rural and interior economies

As many of the poor live in rural areas and are involved in agriculture, transformation of this sector will provide quick income generating opportunities for the poor. Removal of constraints that impede progress will also reduce poverty. The strategy to transform the agriculture sector to benefit the poor will center on the following elements:

- conversion of leaseholds to freeholds will be accelerated for up to 15 acres;
- land size for agricultural activities, depending on type of activity, will be increased;
- support will be given to the private sector to set up machinery and equipment rental depots, storage bonds, and cold storage facilities;
- greater emphasis will be placed on extension services, and improved drainage and irrigation services;
- price and marketing information and technical support will be given to small businesses including agro business and seminars and workshops will be organized to train entrepreneurs about business and cash flow management.

(b) Improving the environment for manufacturing

The manufacturing sector provides a key link between domestic raw materials and international markets. Thus, it can greatly assist the attainment of higher income levels among the poor. Moreover, recent experience in other developing economies indicate that this sector can generate very rapid economic growth while employing substantial numbers of youth and women, who

comprise a large portion of the poor. In Guyana, the availability of raw materials such as agricultural produce, wood, and precious metals provide a strong basis for the rapid expansion of this sector. To this end, Government's strategy to directly support the rapid expansion of the sector, will focus on the following:

- development of agro-processing zones;
- development of deep water port harbours. The inadequacies of Guyana's current port facilities and harbours have been estimated to increase the country's cost of production of exportables by 30 percent<sup>5</sup>;
- establishment of an increased number of secondary and technical vocational schools, and the revamping of their curricula to reflect developmental goals and skills training;

(c) Supporting the fishing sector

Although fishing provides occupation to about 15 percent of the population, many of whom are poor, no forward and backward linkages have been established between the artisanal and industrial sub-sectors. In enhancing the environment for the sector, government's strategy will center on:

- supporting investments in ice making and the construction of cold storage facilities for artisanal fishing;
- supporting the formation and strengthening of artisanal and industrial fishing associations; and
- developing a favourable economic policy environment for aquaculture.

In addition, Guyana will seek membership of the Commission for Inland Fisheries of Latin America and The Caribbean.

(d) Eco tourism and economic opportunities for Amerindians

Guyana's bio-diversity provides it with a unique tourism product. However, its pristine tropical rain forests, fauna and magnificent waterfalls are not well known. The marketing of this product will provide economic opportunities for Amerindians to expand their interior 'resorts' and market their art and crafts. The Ministry of Trade, Tourism, and Industry in collaboration with the Tourism and Hospitality industry has developed an eco-tourism strategy to promote Guyana as a tourist destination point. Within the context of this strategy the Government will implement a number of measures to develop the sector.

First, an autonomous National Tourism Board will be established to regulate, research, and develop tourism products. The Board will also grant renewable licenses to tourism operators. Second, guidelines will be put in place for the construction of lodges, and the establishment of buffer zones around interior lodges, in order to blend them into the environment. Third, the safety of tourists

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<sup>5</sup> See "Analysis of the effects on Guyana's export sector of changes in international markets, February 1996" by Amy Angel

will be improved through better coordination among the Guyana Defense Force, the police force and tourist operators.

(e) Facilitating credit to small business and micro enterprise

There is strong evidence in Guyana that access to savings, services, and micro-loans have raised and stabilised the incomes of the poor. The Institute of Private Sector Development (IPED), in particular, has been successful in facilitating credit, training, and support to micro enterprises and low-income women have benefited from such facilities, as many of them are involved in self-employment activities. Entry requirements at IPED are low and technical and managerial support systems are well developed.

While IPED has operated outside of the public sector, there is also the recognition that Government can play a key role in stimulating the growth of microenterprise through more supportive policy and regulatory frameworks to simplify the process of business creation through revisions of the Companies Act, improvements in licensing procedures and registration and more market-oriented educational curricula as a means to tap the job creation potential of women and youth. Government will work with the Small Business Association, IPED, and other stakeholders to lay before the National Assembly, the Small Business Bill. This Bill and its regulations will codify procedures to accelerate the rapid expansion of micro enterprise and small businesses in Guyana.

(f) Growth, the environment and poverty reduction

Guyana is especially vulnerable to environmental pressures. Over three-quarters of the land area is forested and the ecosystem is generally fragile; in addition, 10 percent of the total land area which lies below sea level are inhabited by over 90 percent of the population. Also, as the economy is heavily dependent on coastal agriculture and the exploitation of minerals and forest products, over exploitation carries with it the risk of environmental degradation. To minimise the impact of environmental degradation, the Government's principal environmental policy objectives will be to (i) enhance the quality of life without degrading or contaminating the environment; (ii) ensure sustainable use of natural resources for economic growth; and (iii) protect and conserve unique habitats, natural treasures and biodiversity.

To achieve these objectives, Government's strategy will be to (i) rigorously enforce the provisions of the Environmental Protection Act; (ii) promote public awareness of the benefits sound environmental policy; and (iii) involve local communities in developing programmes to manage vulnerable ecosystems and conserve the resources of protected areas.

In addition, the Environmental Protection Agency (EPA) will monitor and enforce standards for air emissions, effluent discharge, and noise levels of industries; ensure strict compliance with environmental management plans, conduct regular environmental audits; and promote the training of adequate numbers of technicians to monitor adherence to legal environmental standards.

### C. Refocusing Public Expenditures

In addition to maintaining prudent fiscal and monetary policies and improving the business environment for the private sector, the government's strategy for poverty reduction will include redirecting public expenditure to the maintenance of existing infrastructure and to the rehabilitation and expansion of the health, education, and water services. Although the poor already have access to health and education services, there are still key policy issues, including quality and coverage, that need to be addressed.

Emphasis will be on operational and maintenance outlays, because one of the main causes of the deterioration in the quality of public services has been the sharp decline in expenditure for operations and maintenance between 1982 and 1991. Despite some increases in these types of expenditure since 1991, further improvements are still needed. Given the constraints imposed by the need to maintain fiscal discipline, increased funding for the social sectors and for operations and maintenance will have to come necessarily from reallocations within the budget and from donor-financed projects.

#### (i) Health

Although spending has increased in recent years and the sector has seen significant improvements, it is quite clear that important reforms will have to be implemented to reduce the common causes of mortality and morbidity and to sustain and improve the access, coverage and quality of care, especially to the poor. Therefore, the objectives in the medium term will be to (i) contain and/or lower the spread of malaria, sexually transmitted diseases, (STDS) HIV/AIDS, acute respiratory infections, immunisable diseases, diabetes, hypertension and prenatal problems; (ii) improve access to health facilities; (iii) increase resources for the procurement and delivery of drugs and medical supplies; (iv) recruit and maintain qualified health personnel; and (v) improve efficiency in the management of health resources.

To contain and lower the incidence of *malaria*, additional resources in manpower, equipment and supplies will be provided to the Vector Control Service (VCS). This will allow the VCS to reach key regions where the prevalence of malaria is high and also provide an effective programme to control filaria, leishmaniases and dengue fever. In containing the spread of STDs, Government will develop a programme that focuses on the development of STD database, and the prevention, treatment and management of STD cases. In the case of *HIV/AIDS*, (i) the AIDS ward at the Public Hospital Georgetown (PHG) will be rehabilitated to accommodate more patients; (ii) the financial allocations to drugs will be increased; and (iii) comprehensive awareness programmes will be undertaken to influence behavioural patterns. In order to contain *other preventable diseases*, regular programmes will be mounted to immunise children against DPT, MMR and other infectious diseases.

To improve *access to health facilities and care*, health centers and clinics, particularly in interior and coastal areas, will be upgraded with basic equipment including x-ray, laboratory facilities and other screening equipment to provide basic health services including immunization, vaccination, blood and urine tests, and chest x-rays. Currently, many patients, at a very high cost, travel to the Public Hospital Georgetown to seek these simple and routine services. With upgraded facilities,

trained medical personnel including doctors, nurses and technicians will visit health centers in interior and difficult to reach regions on a regular basis to provide primary care services and perform simple operating procedures.

Increased resources will also be allocated to the *procurement of drugs and medical supplies*. A National Materials Management Agency is being established to rationalise and upgrade the procurement and distribution of drugs and health supplies throughout the sector. In particular, the main drug bonds and stores of the major hospitals will be computerized with modern inventory software; and the delivery of drugs and medical supplies outside of Georgetown will be undertaken in collaboration with the private sector.

Government is also committed to improving the *efficient use of resources* in the health sector. Therefore, medical facilities that are currently underutilised will be closed. The savings generated will be mainly utilised in establishing more health posts in remote areas, and in providing a fleet of ambulances and other transport facilities, improving radio, telephone, and communication networks, and in financing and expanding a programme of rotating visits by medical practitioners, nurses and technicians.

In the area of *cost recovery*, measures will be taken to free up more resources to improve the health system. Guyana operates a reimbursable co-payment health insurance programme under its National Insurance Scheme. However, the programme is structured in a way in which rules of reimbursement are not clear and patients pay full medical costs up front, except in cases of eye-care where reimbursements are made through a voucher system. In addition, reimbursement takes an extraordinarily long time. The combination of these factors deprives citizens from obtaining quality treatment, especially from the private sector. In many cases, because of the high up front costs, many contributors to the NIS, although eligible for NIS payments to consult the private sector, attend public hospitals paying little or nothing and, thus, putting additional pressure on government resources. To reverse these constraints, reforms will be introduced at the NIS to allow the institution to (i) extend its area of coverage to include the self-employed; (ii) directly reimburse public hospitals and clinics for medical services; and (iii) publicly issue ratios of co-payment.

*Training of medical personnel* is key in improving the quality of care. To this end, Government will expand its training programmes for nursing, nursing aids, first aid personnel, doctors and medical technicians. In addition, emphasis will be placed on workshops and seminars so as to inform the medical community about recent developments in the medical field, in particular in prevention care. Further, training will be provided to community health workers and other extension personnel, such as Medex and Dentex.

*Special ailments and disorders*: The inability of the current health system to treat *special ailments* such as hydrocephalus, spinal injury, cancer, and cardiac and kidney diseases affect the poor more than any other income group in Guyana. The present arrangements where patients are sent abroad for treatment are not only expensive and time consuming but often result in the death of patients on the waiting list. To improve the current situation, Government will expand the scope of coverage of treatment to other regional medical facilities and encourage the private sector to define a role in supporting families with special ailments and disorders. In collaboration with the private sector and NGOs, cancer, orthopedic, kidney, and other facilities will be established and equipped to deal with

many of these ailments and disorders. In particular, specialists in these fields will be encouraged to visit Guyana to provide treatment. Such an arrangement will provide many benefits including (i) eliminating waiting time and reducing mortality; (ii) building local capacity within the health system to undertake similar procedures; and (iii) providing better post-operative care to patients.

(ii) Education

The government's education strategy is to provide relevant and quality education for all Guyanese and especially children. To accomplish this, emphasis will be placed on (i) curricula reform; (ii) universal primary education; (iii) improving access to and enrollments in secondary schools; (iv) teacher training; (v) higher emoluments; (vi) reducing overcrowding; (vii) strengthening the Ministry of Education; and (viii) targeting functional illiteracy among out-of-school youth.

*Curricula reforms:* Advancements in technology, changes in the global market place, trends towards the free movement of labour, the need for tolerance and understanding among different ethnic groups, and Guyana's developmental thrust require a re-orientation of school curricula. Consistent with these dynamics, reforms will be introduced to the curricula of the school system to reflect these developments. Curricula reforms will include (i) use of computer and the internet in early childhood learning for pre-school and kindergarten students, and in instructions and research for primary and secondary schools; (ii) greater emphasis on science and technology in primary and secondary schools; (iii) introduction of national aptitude tests in mathematics and language arts; (iv) maintaining balance between academics and development of technical/vocational skills in secondary schools; and (v) enlarging skills training in partnership with the private sector.

*Improving access and secondary school enrollments:* As the target of universal primary education has been achieved, emphasis will be placed on reducing repetition rates in primary schools and increasing the second cycle enrollment ratio from about 53 percent in 1999 to 75 percent in 2004. Within this target, and given the fact that approximately 70 percent of the population lives in rural areas, the increase in enrollments especially at the secondary level will favour rural and interior locations. Allocation of resources to the regions will be streamlined to improve balance.

*Teacher training and emoluments:* There will also be a conscious effort to reverse the growth in percentage of untrained teachers. For this reason, the Government will implement measures to reduce student/trained teacher ratios from about 40:1 to 27:1 at primary and secondary schools. These measures will include (i) the construction of two dormitories at the Cyril Porter College of Education (CPCE) to accommodate a 25 percent per year growth in student enrollment between 2002-2004; (ii) a review of the University of Guyana Teachers Diploma Programme to facilitate expansion of graduate trained teachers; and (iii) the expansion of distant training centers throughout the 10 administrative regions of Guyana. In addition, Government will work with the Guyana Teachers Union to seek ways of improving the conditions of service of teachers. This is essential to recruit and retain teachers.

*Reducing overcrowding and increasing allocations for maintenance:* To reduce overcrowding in schools, Government will accelerate the implementation of the (i) Primary Education Improvement Project (PEIP); (ii) Secondary School Reform Project (SSRP); and (iii) the school rehabilitation programme under the SIMAP. Under the IDB funded PEIP, 70 primary schools were rehabilitated

between 1993 and 1999. Between 2000 and 2001, an additional number of 35 primary schools, with a total capacity of over 65,000 students and representing about 65 percent of the primary school enrolment, will be reconstructed.

In addition, during its two phases, SIMAP rehabilitated and/or constructed in poor communities 55 nursery schools with a total capacity of 8,500 students, 71 primary schools with a capacity of 19,750 and 22 secondary schools with a capacity of 13,800 students. Under the SSRP, several secondary schools will be built between 2000-2002. Moreover, a large number of nurseries, primary schools, and secondary schools will be rehabilitated/constructed between 2000 and 2004 under SIMAP. Improvement in these educational facilities will help to reduce overcrowding in schools. To sustain this large number of facilities over the longer term, Government will allocate increased resources to maintenance. Towards this end, a school maintenance policy and strategy will be developed to establish guidelines for resource allocation, and preserve an improved learning environment for students over the longer-term.

*Institutional strengthening of The Ministry of Education:* To improve the overall performance of the education sector, the Ministry of Education will adopt a more interactive management role. The recently completed Organisational Capacity Assessment for MOE would define the way in which such a management role is assumed. The MOE will conduct pilot projects, and share information on successful community experiences such as in reducing absenteeism. The MOE will also help solve those problems that cannot be handled by communities themselves, such as supplementing budgets to accommodate hardship allowances in difficult posts in poorer areas.

*Targeting functional literacy among out-of-school youth:* Government will build on the progress made in this area by supporting special education programmes in mathematics, language arts, skills training, and communication and leadership skills. This programme will be pursued in partnership with the private sector and NGOs.

### (iii) Water and Sanitation

The Government's medium term strategy in the water sector will be dedicated to improving the quality and delivery of services, ensuring good and effective regulation of the sector, and implementing a subsidy programme to help poor households connect to the system and/or pay a portion of their monthly bill. Specifically, the objectives of the water sector will include (i) access to quality water by the population within five years; (ii) establishment of a National Water Council for the strategic planning of the use of water resources; (iii) regulation of the sector; and (iv) streamlining of the activities in the coastal zone with emphasis on reduction of water wells and treatment of raw water.

To improve the quality and delivery of water and sustain recent efforts at rehabilitation and/or construction, Government will create a National Water Company (Newco) to take over the existing water companies, GS&WC and GUYWA. A single large company will be able to take advantage of economies of scale and make best use of the country's scarce technical skills. The Government will also move to modernise the water and sanitation sector and will involve private sector management in this initiative. A major objective is to ensure the financial sustainability of the water sector.

As part of the Government's expansion and improvement programme, about 100 wells will be drilled, and 50 windmills and over 400 pumps installed in hinterland areas in the medium-term. Pumping stations will be rehabilitated and/or constructed in several hinterland areas. In addition, Government will rehabilitate over 150 minor water systems involving the replacement of pumps and engines and refurbishment of electro-mechanical systems in rural areas. These improvements will bring immediate benefits to over 100,000 residents. In municipal areas, the focus of the water programme will be the construction of additional ground storage tanks, and the drilling of new wells. A hinterland water strategy has been formulated to support these initiatives.

The Government's goal in the sanitation sector is to improve the sanitary conditions of the population of Georgetown and reduce the current levels of environmental degradation through improvement in the quality of the water supply and sewerage services. Consistent with this goal, two major activities will be undertaken: (i) rehabilitation of the sewer system including cleaning, repair and replacement of yard and street sewers, refurbishment and reconditioning of pump stations, and rehabilitation and extension of the existing outfall; (ii) construction of a sludge pre-treatment facility including a dumping station, a bar screen, a grit removal chamber, a two-day storage facility and a pumping station. In the medium-term, Government will design another project to deal with sanitary conditions in the coastal belt.

(iv) Housing

Government's strategy in the housing sector will be to (i) strengthen shelter and land markets; (ii) expedite the divestiture of public land for sound residential settlement; (iii) accelerate squatter area regularisation where appropriate, and relocate squatters from land that is unsuitable for occupation; and (iv) advance the institutional strengthening of CH&PA. Consistent with this strategy, Government will develop and prepare over 50,000 housing lots. In addition, the reorganisation of CH&PA and reforms at the Deeds Registry will be accelerated to streamline the processing of titles and other land related documentation. This will eliminate the long waiting time, the backlogs, and the duplication of effort that are now integral parts in land processing.

In addition, a policy framework paper for real estate development will be published in 2001. The paper will (i) lay out the modalities of the roles of the private and public sectors in housing; (ii) examine financing instruments in the housing sector; (iii) consider reforms that will broaden and enforce compliance with payment of property taxes; and (iv) address the standardisation of buildings and materials, the accreditation of contractors and builders, and alternative building models, with the emphasis on cost reduction.

(v) Safety Nets

The effective implementation of the growth strategy and equity enhancing measures described above should lead to increased income and reduced poverty. However, many of the poor are far below the poverty line that improved prospects for employment or sizeable increases in their incomes will still leave them severely disadvantaged. Others, for reasons of age, disability, or illness, are unable to participate in the economy. Targeted poverty alleviation programmes and social security measures would therefore have to be formulated and implemented to improve their

welfare. Towards this end, Social Impact Amelioration Programme (SIMAP) and Ministry of Human Services will be strengthened to target and meet the needs of this group.

#### **D. Community participation in poverty programmes**

##### **(i) The role of public sector agencies**

The involvement of communities in planning, monitoring and coordinating development programmes is crucial to the successful implementation of the PRSP. In the past, the two main agencies involved in poverty programmes in Guyana, the Social Impact Amelioration Programme (SIMAP) and the Basic Needs Trust Fund (BNTF) adopted bottom up approaches with broad based participation in the design and implementation of poverty programmes. Specifically, these agencies, at the request of communities, provided grant funds for projects in a wide range of sectors in all regions. Communities contributed 25 percent of the cost of the project, usually in the form of labor, and many of the grants were oriented to the construction and rehabilitation of infrastructure. Requests sometimes came from communities or from NGOs acting on behalf of communities.

Through this strategy, SIMAP and BNTF were able to reach several regions and localities where the poor lived. Despite these achievements, targeting continues to be a real problem particularly in interior regions. This reflects the higher transportation and transactions costs of the under-served regions and the difficulties of implementing and maintaining projects in Amerindian communities in the hinterland.

The Government will build on the strengths of SIMAP and BNTF to reach the poor. To this end, (i) SIMAP III will be implemented; (ii) SIMAP will revise its poverty map to take account of the recent poverty survey; (iii) NDCs will be strengthened and Village Development Councils comprising persons selected by village communities will be established to interface with SIMAP in the design, planning and implementation of projects; and (iv) close collaboration will be forged between project participants, technical advisors and funding agencies to improve the development of community responsibility and to discourage external donor dependence.

##### **(ii) Strengthening Amerindian skills in community development**

Since 1993, several initiatives have been undertaken to integrate Amerindians into national development. Among these are the establishment of the Ministry of Amerindian Affairs and the creation of the Amerindian Development Fund. In addition, the Amerindian Skills in Community Development project was launched in 1994 to promote sustainable development in selected Amerindian communities by cultivating the capacity to identify, formulate, manage, monitor, and evaluate sustainable community development activities and projects. The project was undertaken after careful research and used the participatory research approach where Amerindians themselves were enabled not only to conduct the actual surveys but also to contribute to their design and the analysis of the data collected. Government will build on this progress and involve the participation of Amerindians, even more fully, in the development of their communities.

(iii) Skills Training and Employment Program (STEP)

The Government will promote STEP to deepen its partnership with the private sector in job creation. Emphasis in skills training and upgrading will focus on three major groups: (i) youth with primary and/or secondary education; (ii) civil servants in the lower grades; and (iii) self trained artisans and technicians. The private sector will identify areas of need and quantify the average number of persons required per year. A number of training options will be pursued including (i) employer-based training programmes; (ii) training programmes by the Private Sector Commission (PSC) and (iii) public sector based training programmes.

**E. Infrastructure to support growth**

The medium-term infrastructure strategy is to improve the maintenance, quality and coverage of sea defense, roads, and drainage and irrigation schemes. This is vital in reducing poverty and ensuring access to economic opportunities. Well-functioning infrastructure services can improve competitiveness and market access, which are key elements for generating incomes and employment. The overall strategy for infrastructure development will evolve around the following principles. First, Government will consider the use of management contracts for the implementation of complicated infrastructure projects. Second, packages of sufficient sizes to make projects more attractive to international contractors and thereby foster more competition, improve quality and reduce unit costs will be pursued. Third, policy will be geared towards the creation of joint ventures for public works as a means to encourage the transfer of technology and know-how to the local construction industry.

(i) Sea Defenses

About 90 percent of the population lives on the coastal strip, which accounts for less than 2 percent of Guyana's land area. The soil in this strip is fertile although most of it is below mean high tide level and exposed to flooding. Sea defenses are therefore critical in protecting investments in agriculture, roads, communications, industry, schools, water systems, and health clinics.

The objective of the sea defense programme in the medium term will be to reduce breaches, build local capacity to do maintenance and rehabilitation works, and increase community participation in the inspection and protection of the sea defense system. Increased budgetary allocations will complement donor support in maintenance and rehabilitation works. The capacity of the construction industry will be improved through the training of local contractors and consultants in sea defense practices. In addition, greater reliance will be placed on local communities to monitor potential breaches and protect against the removal of materials of sea defense infrastructure.

(ii) Roads and River Transport

Road and river transport are by far the principal forms of transport in Guyana. Improving overall road maintenance, and rehabilitating farm to market roads, bridges, wharves, stollings and ferries would lower transportation costs and integrate rural economies with the Georgetown metropolis. It

would also lengthen vehicle life, save foreign exchange in fuel and spare parts imports, and generate savings in travel time.

To this end, the Government will continue to rehabilitate farm to market roads, bridges, and ferries and allocate resources to preventive maintenance. The capacity of the Roads Administration Division (RAD) of the Ministry of Public Works, Communications, and Regional Development (MPW), which is responsible for the maintenance of main roads, will also be strengthened. To sustain the maintenance and reconstruction programmes, several options including user fees and the contracting-out of ferries to the private sector will be considered.

(iii) Drainage and Irrigation

The success of increased agricultural production in the rural economies would require the rehabilitation and improvement of drainage and irrigation (D&I) systems. Despite increased budgetary support to the D&I sector, the system is in a state of serious disrepair and neglect. This is attributable to (i) weak capacity to operate and maintain the system; and (ii) the overly complex and inefficient multi-layered legal and institutional structure regulating drainage, irrigation, and flood control.

To bring more land under cultivation, generate quick supply responses and benefit the poor in rural and interior locations, Government will implement its D&I rehabilitation master plan that was completed in 1998. The core elements of the plan include rehabilitation and maintenance of irrigation and drainage canals, conservancy dams, kokers, sluices, and water pumps. To maintain D&I schemes, Government will establish Water Users Associations and charge them with the responsibility of operation and maintenance of D&I work.

To improve the efficiency of the D&I system, Government will lay before Parliament a new D&I bill in 2000. Under the draft law, a new Authority with wide powers over drainage, irrigation, and flood control activities will be entrusted with the task of promoting the involvement of water users, local governments, and the private sector in D&I activities. Furthermore, responsibility will be delegated to water user associations to provide services for the management, operation, and maintenance of the drainage and irrigation system, as well as flood control. In addition, Government will ensure an adequate and fair representation of water users and regional governments on the Board of the new D&I Authority.

In the medium-term, Government will implement the phase III of the MMA drainage and irrigation systems between the Abary and Mahaica Rivers, develop the Mahaicony Conservancy, and rehabilitate the Black Bush Polder and other regional drainage and irrigation schemes. Additionally, the Canje River will be dammed to facilitate gravitational and improved flood control. The completion of these projects would bring over 600,000 acres of arable land under cultivation.

## **F. Special intervention strategies**

Although the small sample size of the LCS makes it difficult to provide regional and other comparisons of poverty profiles, secondary sources of information indicate that poverty levels remained the same or showed marginal increases in Regions 1, 3 and 8. In Region 10, the dependency on bauxite and the prospect of privatisation are likely to increase and/or compound the current high levels of unemployment. In addition to the general measures that have been proposed for the reduction of poverty, Government will adopt strategies specifically tailored to the unique characteristics of these regions.

### **(i) Linden Diversification Project**

Linden, in Region 10, a town with a population of over 35,000 people, was developed as a result of bauxite mining that prospered until the 1970s. However, adverse conditions in external markets and mismanagement of the bauxite operations contributed to a decline in production and the loss of market share. As a result, downsizing exercises were undertaken, reducing the labour force at Linmine from over 3,300 in 1992 to about 1,300 in 1999. Although the OMAI gold mine, which came into operation in 1994, absorbed over 900 of Linmine's retrenched workers, it is most unlikely that this high rate of labour absorption will continue. Indeed OMAI has already begun the rationalisation and contraction of its work force. Meanwhile, Linmine has been offered for sale as part of the government's privatisation programme. To mitigate the impact of these developments on the population, particularly in Linden and its environs, the Government will implement the Linden Diversification Project in 2001.

The Linden Diversification project when completed will revitalise the economy of Region 10. The core activities of the project include the establishment of a business development unit (BDU) for "hand holding" assistance; the development of a business incubator for start-up operations; the establishment of the Linden Economic Advancement Fund for revolving micro credits; an inward investment facility to attract local and foreign investment; the delivery of technical and management training; the development of local capacity for economic planning, project design and implementation; and development of economic infrastructure to support growth. The successful implementation of these components of the project will assist the local private sector in creating and expanding businesses; and through infrastructure development and technical training, encourage new investments and the opening up of economic opportunities. The project is expected to create over 1,000 permanent jobs, train over 1,500 laid-off miners and unemployed in marketable skills, and help in the establishment of between 5 to 10 medium sized enterprises in agro-processing, wood work, and services.

### **(ii) Rupununi Development Project**

The Rupununi covers about 13,000 square miles of grassland savannas in Region 9 and boasts of a population of about 17,500, many of whom are Amerindians. This area falls outside of the declared Forest Lands of Guyana. Its administrative center is Lethem, a town close to the border with Brazil. Principal activities include livestock farming, fishing, hunting, and cassava and peanut cultivation. The potential of commercial cashew nut production is now being studied.

The Rupunini Development project has three components. First, it will focus on poverty reduction by connecting economic activities in this region to the market economy. In this context, Government will consider the feasibility of developing an export-processing zone in the region. Other key aspects of this objective will be increasing access to health, education, and micro financing, and developing small infrastructure. The second component will focus on strengthening institutions to better control, plan, and develop the use of natural resources. Human resource development will be the key element. The third component will be the development of the Lethem-Linden road. This is aimed at developing a corridor from which interior communities will find access to the rest of Guyana.

Implementation of the Rupunini project will create over 4,000 jobs in construction, plantation farming, livestock development, mining and manufacturing. In addition, it will make it easier to post health and educational and social sector workers to the region to facilitate training and improve the delivery of services.

(iii) The Mahdia Development Project

About 80 percent of the population in Region 8 fall under the poverty line. Amerindians mainly populate this region. Farming and mining are the major occupations. Because of the difficult terrain, Region 8 is far removed from major economic activities. School enrollment ratios, compared to the rest of the country, are low; and access to health care is poor. The strategy to reduce poverty will be to create opportunities for income generating activities while at the same time improving access to education and health services.

The Mahdia Development project will consist of 4 components including (i) infrastructure; (ii) education; (iii) health; and (iv) water improvements. In infrastructure, emphasis will be placed on the upgrading of major trails and the rehabilitation of bridges throughout the region so as to link the main Amerindian villages. To improve access to, and the quality of water, 70 water boreholes will be sunk and 85 water pumps installed in major villages and settlements. Nursery and primary schools will be rehabilitated and upgraded throughout the region.

In the health sector, emphasis will be placed on prevention, education, the upgrading of clinics in major settlements. In the area of prevention, school facilities will be used to immunize students against measles, DPT and other infectious diseases. In addition, education will be provided on teenage pregnancy, sexually transmitted diseases and HIV. The Mahdia Health Center will be upgraded to facilitate simple medical procedures, laboratory tests, and x-rays.

(iv) The Barima-Waini Project

Region 1 contains about 6,813 or 0.9 percent of Guyana's population, of which almost all fall under the poverty line. Over 95 percent of the population are Amerindians. With a small population but a diverse and scattered settlement pattern, development intervention strategies in Region 1 may be costly.

Nevertheless, Government will focus on improvements in infrastructure, education and health as its key strategies in reducing poverty in this region. In infrastructure, trails and bridges will be upgraded, and water boreholes will be constructed and pumps installed in the main villages. In improving access to health care, emphasis will be placed on the procurement of mobile health vehicles that will visit villages and settlements to provide care. Specifically, consideration will be given to the use of NGOs in providing these services on a commission basis.

In education, existing facilities will be upgraded to cater for the increased enrollment of nursery and primary students. Given the small population in the region, it will be more cost effective to grant scholarships to Amerindian students to attend high schools in Georgetown. To this end, boarding facilities will be constructed and/or upgraded to house Amerindian students during school periods in Georgetown.

(v) Industrial Estates: Sustaining the Rural Economy and Competing in Global Markets

The development of agro-industrial estates is premised on the following factors. First, estates provide the ideal catalyst for accelerating the development of value-added products; and second, sustained improvements in income levels in rural areas is dependent on the speed with which outputs in key productive sectors are processed and packaged for international markets. Therefore, to establish a linkage between rural economies and the export market, and to stimulate increased value-added production, Government will establish industrial estates in the Corentyne, Port Mourant, Anna Regina, New Amsterdam and the West Coast Demerara to advance the processing of local raw materials for exports.

The development of these estates will yield several benefits. It will (i) provide markets for local raw materials and sustained income for rural farmers; (ii) minimise the mismatch between supply and demand of inputs; (iii) generate over 15,000 jobs in rural and interior areas; and (iv) reduce rural urban migration. In addition, it will advance the government's programme of expanding secondary school enrollment, and accelerate the development of technical vocational institutes and skills and leadership training.

## IV Poverty priorities, costing, monitoring and coordination

### A. Priorities and costing

The I-PRSP encompasses those areas that are considered to be of the highest priority in reducing poverty in Guyana. Moreover, it is consistent with the International Development Goals that have been established for the year 2015. Its programmes are justified by the high economic and/or social returns that are expected to accrue, particularly to the poor. They embrace a wide range of activities in several areas including land reform; the construction of farm to market roads; agricultural production; rehabilitation and maintenance of drainage and irrigation schemes, sea defense rehabilitation and maintenance; and the improvement of the primary health, education, water supply

**Table 4.1: GUYANA -- RECURRENT BUDGETARY ALLOCATION FROM ENHANCED DEBT RELIEF, 2001-2005**

|  | 2001       | 2002       | 2003           | 2004        | 2005        |
|--|------------|------------|----------------|-------------|-------------|
|  |            |            | (US\$ million) |             |             |
| <b>BUSINESS SUPPORT SERVICES</b>         | <b>0.5</b> | <b>0.7</b> | <b>0.8</b>     | <b>1.7</b>  | <b>1.7</b>  |
| Go-Invest                                | 0.1        | 0.2        | 0.2            | 0.3         | 0.3         |
| Private Sector Commission                | 0.1        | 0.1        | 0.1            | 0.1         | 0.1         |
| Land Reform (L&SC)                       | 0.1        | 0.2        | 0.2            | 0.6         | 0.6         |
| Bureau of Standards                      | 0.2        | 0.2        | 0.3            | 0.7         | 0.7         |
| <b>HEALTH</b>                            | <b>2.5</b> | <b>4.2</b> | <b>3.6</b>     | <b>5.1</b>  | <b>5.2</b>  |
| Drugs, materials and supplies            | 1.1        | 2.1        | 2.2            | 3.1         | 3.1         |
| Maintenance                              | 0.3        | 0.5        | 0.6            | 1.0         | 1.0         |
| Training                                 | 0.3        | 0.5        | 0.5            | 0.7         | 0.8         |
| External medical treatment               | 0.8        | 1.1        | 0.3            | 0.3         | 0.3         |
| <b>EDUCATION</b>                         | <b>2.2</b> | <b>3.4</b> | <b>3.0</b>     | <b>5.7</b>  | <b>6.2</b>  |
| Teaching supplies                        | 1.1        | 1.5        | 1.5            | 3.1         | 3.2         |
| Maintenance                              | 0.6        | 1.1        | 0.7            | 1.6         | 1.8         |
| Training                                 | 0.5        | 0.8        | 0.8            | 1.0         | 1.2         |
| <b>WATER</b>                             | <b>0.0</b> | <b>0.8</b> | <b>0.8</b>     | <b>1.2</b>  | <b>1.2</b>  |
| Materials and supplies                   | 0.0        | 0.8        | 0.8            | 1.2         | 1.2         |
| <b>SPECIAL INTERVENTION PROJECTS a_/</b> | <b>0.4</b> | <b>0.4</b> | <b>0.4</b>     | <b>0.4</b>  | <b>0.4</b>  |
| Mahdia Development Project               | 0.2        | 0.2        | 0.2            | 0.2         | 0.2         |
| Barima-Waini Project                     | 0.2        | 0.2        | 0.2            | 0.2         | 0.2         |
| <b>TOTAL RECURRENT PROGRAM</b>           | <b>5.6</b> | <b>9.5</b> | <b>8.6</b>     | <b>14.1</b> | <b>14.7</b> |

Source: Ministry of Finance

and housing sectors. Costing of these programmes is shown in Tables 4.1 and 4.2<sup>6</sup> and also in the policy matrix.

**Table 4.2: GUYANA -- CAPITAL BUDGETARY ALLOCATION FROM ENHANCED DEBT RELIEF, 2001-2005**

|  | 2001        | 2002        | 2003           | 2004        | 2005        |
|--|-------------|-------------|----------------|-------------|-------------|
|  |             |             | (US\$ million) |             |             |
| <b>AGRICULTURE</b>                       | <b>3.9</b>  | <b>4.1</b>  | <b>4.0</b>     | <b>4.1</b>  | <b>4.3</b>  |
| Extension services                       | 0.6         | 0.7         | 0.7            | 0.8         | 0.8         |
| Drainage and Irrigation                  | 1.7         | 2.1         | 2.2            | 2.2         | 2.5         |
| Industrial Estates                       | 1.2         | 0.9         | 0.7            | 0.7         | 0.6         |
| Acquaculture                             | 0.4         | 0.4         | 0.4            | 0.4         | 0.4         |
| <b>TRANSPORTATION &amp; SEA DEFENSE</b>  | <b>2.6</b>  | <b>5.3</b>  | <b>6.7</b>     | <b>6.8</b>  | <b>7.7</b>  |
| Roads (Regions)                          | 0.8         | 1.3         | 1.6            | 1.7         | 2.3         |
| Dredging                                 | 1.2         | 1.6         | 1.6            | 1.6         | 1.7         |
| Rehabilitation of Sea Defense            | 0.0         | 1.5         | 2.3            | 2.4         | 2.6         |
| Hinterland Airstrips                     | 0.0         | 0.5         | 0.8            | 0.8         | 0.8         |
| Water Transport                          | 0.5         | 0.4         | 0.4            | 0.3         | 0.3         |
| <b>HEALTH</b>                            | <b>1.1</b>  | <b>2.4</b>  | <b>2.3</b>     | <b>1.6</b>  | <b>0.5</b>  |
| Rehab Mahaica Hospital for Aids Patients | 0.6         | 0.3         | 0.0            | 0.0         | 0.0         |
| Rehab of Health centres                  | 0.0         | 0.9         | 1.1            | 1.3         | 0.2         |
| PHG – Expansion Prog                     | 0.5         | 1.2         | 1.2            | 0.3         | 0.3         |
| <b>EDUCATION</b>                         | <b>1.8</b>  | <b>1.4</b>  | <b>1.6</b>     | <b>1.6</b>  | <b>1.6</b>  |
| Development of Text Books                | 0.0         | 0.7         | 0.7            | 0.7         | 0.7         |
| Cyril Potter College of Education        | 1.1         | 0.0         | 0.0            | 0.0         | 0.0         |
| Rehab of Tech/Vocational Schools         | 0.7         | 0.7         | 0.9            | 0.9         | 0.9         |
| <b>WATER &amp; HOUSING</b>               | <b>1.5</b>  | <b>2.1</b>  | <b>2.1</b>     | <b>1.9</b>  | <b>2.1</b>  |
| Rehab of Water Systems                   | 0.5         | 0.8         | 0.7            | 0.7         | 0.7         |
| Sanitation Improvements                  | 0.4         | 0.4         | 0.4            | 0.4         | 0.4         |
| Housing--Land sites development          | 0.5         | 0.9         | 1.0            | 0.8         | 1.0         |
| <b>SPECIAL INTERVENTION PROJECTS a_/</b> | <b>0.9</b>  | <b>0.9</b>  | <b>1.1</b>     | <b>1.1</b>  | <b>1.2</b>  |
| Mahdia Development Project               | 0.5         | 0.5         | 0.6            | 0.6         | 0.7         |
| Barima-Waini Project                     | 0.4         | 0.4         | 0.5            | 0.5         | 0.5         |
| <b>INSTITUTIONAL STRENGTHENING</b>       | <b>1.4</b>  | <b>1.7</b>  | <b>1.9</b>     | <b>2.5</b>  | <b>2.3</b>  |
| <b>TOTAL CAPITAL PROGRAM</b>             | <b>13.2</b> | <b>17.9</b> | <b>19.7</b>    | <b>19.6</b> | <b>19.7</b> |
| <b>TOTAL ENHANCED DEBT RELIEF</b>        | <b>18.8</b> | <b>27.4</b> | <b>28.3</b>    | <b>33.7</b> | <b>34.4</b> |

a\_/ The Linden Diversification and Rupunini Development Project will be funded by the European Union

Source: Ministry of Finance

<sup>6</sup> Tables 4.1 and 4.2 are based on resources solely from Enhanced HIPC

Based on the debt sustainability analysis, Guyana will receive debt relief of about US\$329 million (in net present value) or an average of about US\$30 million (in nominal terms) per annum over the next 20 years. However, delivery of relief will differ from year to year depending on agreement with individual creditors. Between 2001 and 2005, enhanced debt relief to Guyana will amount to US\$142.4 million. Of this amount, about US\$77 million or 54.1 percent will be used to support rehabilitation of (i) drainage and irrigation schemes, (ii) maintenance of sea defenses infrastructure, (iii) rehabilitation of farm to market roads and bridges, (iv) industrial estates, (v) health and education infrastructure, and (vi) improvements in water services and housing. Another US\$52.5 million or 37 percent is allocated to meet expenditures in drugs, materials and supplies, teaching supplies, maintenance, training and also ancillary support services to the private sector. About

**Table 4.3: GUYANA -- DISTRIBUTION OF ENHANCED DEBT RELIEF BY SECTORS, 2001-2005**

|                                       | 2001                           | 2002  | 2003  | 2004  | 2005  |
|---------------------------------------|--------------------------------|-------|-------|-------|-------|
|                                       | (US\$ million)                 |       |       |       |       |
| Social sector                         | 8.8                            | 14.7  | 12.7  | 16.6  | 16.1  |
| Infrastructure                        | 6.5                            | 8.8   | 11.2  | 11.2  | 11.4  |
| Institutional strengthening           | 1.2                            | 1.4   | 1.6   | 2.1   | 1.9   |
| Special Intervention Projects         | 1.3                            | 1.3   | 1.5   | 1.5   | 1.6   |
| Business support services             | 2.4                            | 2.7   | 3.0   | 4.0   | 4.1   |
| Total                                 | 18.9                           | 27.6  | 28.5  | 33.9  | 33.5  |
|                                       | (percent)                      |       |       |       |       |
| Social sector                         | 46.6                           | 53.3  | 44.6  | 49.0  | 48.1  |
| Infrastructure                        | 34.4                           | 31.9  | 39.3  | 33.0  | 34.0  |
| Institutional strengthening           | 6.3                            | 5.1   | 5.6   | 6.2   | 5.7   |
| Special Intervention Projects         | 6.9                            | 4.7   | 5.3   | 4.4   | 4.8   |
| Business support services             | 12.7                           | 9.8   | 10.5  | 11.8  | 12.2  |
| Total                                 | 100.0                          | 100.0 | 100.0 | 100.0 | 100.0 |
|                                       | (percent of total debt relief) |       |       |       |       |
| Recurrent allocation to social sector | 67.7                           | 63.5  | 60.6  | 62.8  | 64.3  |
| Total allocation to social sector     | 77.0                           | 75.5  | 70.5  | 70.6  | 70.3  |

Source: Ministry of Finance

US\$8.2 million or 5.8 percent is budgeted for institutional strengthening in key line ministries to support program implementation. Finally about US\$7 million is budgeted to implement special intervention projects in Mahdia and Barima-Waini. This is in addition to the general budgetary allocations in the I-PRSP. Finally, the Linden Diversification, and the Rupunini Development Projects are estimated to cost about US\$11.2 million each. Financing of these projects will come from the European Union. However, these projects are not included in Tables in 4.1 and 4.2 although they appear in the policy matrix and the public sector investment program.

Table 4.3 provides a summary of the allocation of HIPC resources by sectors. About 48 percent of enhanced HIPC resources are allocated to the social sector while 35 percent of these resources will go into infrastructure projects to support economic growth and income generation activities. Direct support to the private sector, investment and export promotion and programs to promote good governance will absorb 11.4 percent of enhanced HIPC resources. Finally, about 6 percent of the debt relief will support institutional strengthening at the implementation agencies and line ministries and the remaining 5 percent will be used to implement special projects in the most poverty affected areas.

To accelerate its programme of poverty reduction, both HIPC and E-HIPC resources are deemed additive or complementary. For this reason, line item and program budget allocations, both recurrent and capital, are larger than programmed in Tables 4.1 and 4.2. The difference between the programmed amounts in these tables and overall budgetary allocations represents government's own efforts in poverty reduction. For the same reason, Annex C contains two versions of the public sector investment program. The first version excludes resources from enhanced debt relief and accords with the projections in the statistical appendix. Version 2 of the PSIP includes resources from enhanced debt relief. Projects in the PSIP that will benefit from enhanced debt relief are accordingly labeled E-HIPC.

Further, the costing of the poverty reduction program contained in the policy matrix is larger than the projected E-HIPC debt relief. This is due largely to two reasons. First, the policy matrix includes ongoing and pipeline projects which, directly impact on poverty reduction and for which financing have been secured. Second, it includes projects crucial for poverty reduction for which financing is yet to be identified. More importantly, inclusion of such projects in the I-PRSP provides a framework of government priorities to the donor community and a basis for the programming of donor programmes in the medium-term.

## **B. MONITORING INDICATORS, INTERMEDIATE OUTPUTS AND TARGETS**

Monitoring indicators provide a basis for the analysis of the impact of proposed programmes on poverty reduction. Even so, efficient monitoring and evaluation will depend on establishing on appropriate balance between input, access, output and outcome indicators. This is so because poor performance of output and outcome indicators may reflect various problems in programme design and implementation or external shocks.

Inputs may not have been delivered, indicating poor implementation or inputs may have been delivered but without yielding the intended output, indicating inadequate programme design. It is also possible that output may not lead to the desired development outcomes. In addition, cognisance

**Table 4.4: GUYANA -- PRSP INTERMEDIATE MONITORING INDICATORS**

|   | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|------|------|------|------|------|------|------|
| <b>OUTCOMES</b>                                       |      |      |      |      |      |      |      |
| Population below the national poverty line (%)        | ..   | ..   | 35.1 | 34.3 | 33.5 | 32.5 | 31.5 |
| <b>Capabilities: enrollment and literacy</b>          |      |      |      |      |      |      |      |
| % of primary school entrants reaching Grade 6         | 82.1 | 83.2 | 83.4 | 83.4 | 83.5 | 84.6 | 85.7 |
| Repetition rate (secondary school)                    | 14.2 | 13.3 | 13.0 | 12.9 | 12.6 | 12.3 | 11.2 |
| Student/trained teacher ratio (primary)               | 55:1 | 55:1 | 54:1 | 54:1 | 53:1 | 53:1 | 52:1 |
| Student/trained teacher ratio (secondary)             | 35:1 | 36:1 | 36:1 | 37:1 | 36:1 | 35:1 | 34:1 |
| <b>Capabilities: health and nutrition, sanitation</b> |      |      |      |      |      |      |      |
| Infant mortality rate (per 1,000)                     | 59   | 58   | 58   | 57   | 56   | 50   | 47   |
| Maternal mortality rate (per 1,000)                   | 190  | 190  | 190  | 188  | 187  | 170  | 150  |
| 1 Year olds immunised against measles                 | 82.0 | 93.3 | 85.0 | 88.9 | 90.2 | 93.3 | 95.5 |
| 1 Year olds immunised against DPT                     | 88.0 | 90.0 | 83.0 | 85.6 | 88.2 | 90.2 | 90.8 |
| % of population with access to health service         | 88.5 | 89.2 | 89.8 | 90.4 | 90.5 | 92.5 | 93.7 |
| % of population with access to safe water             | 90.0 | 90.0 | 92.0 | 92.0 | 93.2 | 94.1 | 95.0 |
| % of population with access to adequate sanitation    | 88.5 | 88.3 | 88.3 | 88.4 | 89.2 | 89.4 | 90.1 |

Source: Ministries of Education, Health and Housing, Finance; Bureau of Statistics,

will be taken of time lags in reaching outcomes. Generally, it takes several years after the implementation of social programmes before the impact on output indicators (immediate goals) becomes measurable<sup>7</sup>. For these reasons a combination of indicators including input, access and output<sup>8</sup>, found in Table 4.4 and in the programme matrix, will be utilised in measuring the progress of implementation of the I-PRSP.

Clearly, while the monitoring of inputs will be possible from the start of the programme, progress on access is more likely in the medium term and outcomes in the long-term. In this context, the following targets have been identified as performance indicators. These targets are achievable both within the resource ceilings and capacity constraints. The selected sectors also reflect the priority attached to improving social conditions.

### C. Monitoring and coordinating strategies

#### (i) Monitoring strategy

PRSP programme estimates will be included in the national budget and will be shown either in the current estimates or in the capital programme. This will make it easier to identify programmes, determine the agency responsible for their implementation, and measure progress. The monitoring strategy of the PRSP is designed for two main purposes. First, to monitor progress in order

<sup>7</sup> Psacharopoulos (1994) gives an example of a World Bank-supported education project which took one year to be designed, justified and get appropriate funding, three years to supply facilities and to develop and supply improved teaching materials and six years for the first students to graduate. The objectives of the programme were to contribute to economic growth, alleviate poverty, improve school quality and provide the labour market with appropriate skills.

<sup>8</sup> For projects with short gestation periods, intermediate and output indicators are incorporated in the matrix.

continually to inform key agents involved in the process; and second, to build accountability. Programme monitoring will involve a large number of institutions including the State Planning Secretariat, Executive Implementation Unit, and the Bureau of Statistics, SIMAP, BNTF and line ministries. A Programme Co-ordinating Unit will be established.

Monitoring will be structured on two main levels. First, monitoring of intermediate outputs will focus on progress in reducing income poverty, improving health, raising educational achievement and enhancing the voice of the participation of the poor. Most of the information for such outcome monitoring will be drawn from (i) household surveys and repeated exercises under the Statistics Bureau, the Ministries of Health and Education, and the SPS; (ii) public sector investment programmes; and (iii) input and output indicator statistics from the line ministries.

Secondly, there will be regular monitoring of the inputs required for action against poverty. This will involve the tracking of public expenditures on poverty reducing activities. Such tracking will include periodic analysis of the benefit of public spending, and of the effectiveness of sectors in utilising funds. In some instances, monitoring will also involve information on key inputs needed in sectors to deliver services effectively – teachers and books in education, or drugs supplies in health care facilities. It will also include continued monitoring, and public debate, about the composition of expenditures.

The NGOs will play a key role in the implementation of the poverty programme as public sector resources and implementation capacity is limited. In this context, Government will support the creation of an NGO umbrella organization to coordinate NGO activities; the establishment of NGOs by village communities; and the involvement of Neighbourhood Democratic Councils in the planning and execution of programmes.

(ii) Coordinating strategy

As the poverty programme involves multisectoral activities and diverse functions, coordinating these roles among the various monitoring agencies will be assigned to the Executive Implementation Unit (EIU) in the Office of the President. The EIU will be supported by the Poverty Implementation Unit (PIU) which will consist of representatives from line ministries, donor agencies, and NGOs. Specifically, the Executive Implementation Unit will provide the organisational framework that will allow different implementation agencies to participate actively in the poverty reduction programme. There are two reasons for this. First, government entities are faced with inherent difficulties in coordinating activities across line ministries, and among government, donor agencies and NGOs. Second, the multisectoral nature of activities in the poverty programme requires horizontal communication to accommodate and adjust, rather than the vertical lines of communication associated with line ministries. In this context, the Executive Implementation Unit will provide guidelines on programme design, and set programme policies and strategies.

## MACROECONOMIC PROJECTIONS AND FINANCING

Growth prospects in Guyana are dependent on the prospects of its major exports, stable political conditions, speed of structural and regulatory reforms, and improved social conditions. Specifically, Government will:

- contain expenditures and raise revenues in order to bring the public sector deficit (after grants) down to about 1.3 percent of GDP in 2003 and eliminate it in 2005;
- restrain the growth of the wage bill in line with projected inflation over the medium-term so as to maintain the recent substantial real gains in public sector wages;
- implement far-reaching trade policy reforms that will improve the competitiveness of the business sector;
- implement appropriate macroeconomic policies and prudent external borrowing through grants and concessional loans;
- move quickly to codify existing rules and regulations governing international business and investment; and
- re-orient public expenditures towards improving social conditions and reducing poverty.

Implementation of these measures will go far in adjusting the economy. More so, the shift in relative prices favoring tradeable will lead to increased utilization of manufacturing and agriculture resources in the context of efficient export oriented growth. On balance the economy is projected to grow at an average annual rate of 4.5 percent between 2000-2005, led mainly by the agriculture sector, particularly sugar, rice, and non-traditional agricultural produce. The restructuring of the sugar industry will improve productivity and increase sugar output. Improved regional market prospects are responsible for increased rice output in the medium term.

The manufacturing sector output is projected to increase slowly in the projection period even as the sector undergoes restructuring to take advantage of prospective international markets. Thus, manufacturing output is projected to grow by 4.5 percent per year in the medium-term. Services, in particular financial services, are also expected to respond positively to the projected increases in agriculture and manufacturing. Beyond 2004, diversification, public sector works, and retooling of industry will lead to higher output growth.

The expenditure policies assumed above are projected to reduce real growth of public sector consumption below that of GDP and jointly with financial sector reforms lead to increased domestic savings rates. Savings are projected to increase from about 10 percent of GDP in 2000 to 17.5 percent of GDP in 2005. Apart from generating the resources for the domestic component of investment, the restrained growth of public consumption will also be necessary to establish and maintain viable macroeconomic balances.

Over the medium term, it is anticipated that the implementation of the policies proposed will stimulate private sector investment in the core productive sectors as well as investment to improve the physical environment. Thus, gross investment as a share of GDP is projected to increase from 28.7 percent in 2000 to 33.4 percent in 2004 and taper off to 30 percent of GDP in 2005.

Another important element of the medium term economic outlook is the viability of the balance of payments. The terms of trade are projected to improve only marginally over the medium term. Nevertheless, the proposed policies will help offset the negative effects of deteriorating terms of trade on economic growth. Real exports of goods and non-factor services are projected to grow by 2.1 percent and real imports by 3 percent because of the lumpiness of Guysuco's investment. The current account balance of payments deficit is projected to deteriorate increase from 11 percent of GDP in 1999 to 22.6 percent in 2004.

### **Financing requirements**

To maintain the sustainability of external debt, the strategy for medium term external financing will be through concessional borrowing and grants. At the same time, given the crucial importance of sugar to medium term growth and external viability, the Government will continue to work with external donors, particularly the World Bank and the IMF in securing financing to fully implement the restructuring and modernisation programme of Guysuco.

Given the given the need to lower unit costs of sugar production, Guysuco will implement an ambitious program to restructure and modernise its operations. The medium term projections assume financing of US\$187 for Guysuco's restructuring exercise of which US\$67 or 35.8 percent will come from external borrowing. The Government, with the assistance of the World Bank and DFID, are reviewing the financing options of the restructuring and modernisation program.

At the time of preparing the I-PRSP, the availability of resources from the Enhanced HIPC was tentative. As such, the financing requirements will be finalised as part of the second annual arrangement under the PRGF and in the PRSP. The projected medium and long-term disbursements therefore consist of a mix of concessional loans and debt relief.

## **VI. CONSULTATION, DATA SOURCES AND DATA COLLECTION PRIORITIES**

### **(A) Consultation**

Although the I-PRSP benefited tremendously from the National Development Strategy and the Business Summit, the Government has yet to engage stakeholders and the civil society in discussing the recommendations and action plans of reducing poverty. This exercise will be carried out between October 2000 and April 2001.

The objectives of the consultation process will be to (i) broaden public awareness and understanding of the PRSP, its contents and its implications on overall policy thrust; (ii) improve the I-PRSP through consultation with as wide and representative an audience as possible; and (iii) generate support for its implementation through a participatory and constructive consultation process.

The consultation process will utilise a number of forms. First, consultation will directly seek the opinions of target groups. Identified groups will include the public sector, academia, non-governmental organisations, the religious community, trade unions, political parties, representatives of the Amerindian community, women's organizations, youth, and trade, farming, forestry and agriculture associations and donors. This large number of target groups will ensure that the consultative process reaches all the main actors of civil society. For each target group, a facilitator will be identified. The work of the facilitators will be to circulate copies of the I-PRSP to their constituent members and ensure that comments from these groups are transmitted to the task force responsible for revising the final PRSP.

Second, public seminars and workshops will be held in the three counties of Guyana. The communities, their representatives and leaders will be invited to the seminars. At these fora there will be an elaboration of the keys aspects of the poverty strategy and the sharing and exchange of ideas will be encouraged.

Third, extensive use will be made of the electronic and print media to inform the public of the contents of the PRSP and to solicit their participation and comments. Panel discussions on television and radio will also be a feature of the consultative process. The public will be allowed to participate by calling in their comments and questions. Also, the I-PRSP will be serialized in the newspapers using reader friendly methods and language understood by the ordinary citizen. A special interaction programme involving the poor themselves will be organized. This will aim at capturing the opinions of the poor on the recommendations contained within the I-PRSP. In this way the consultation aims to make the poor an integral part of finding solutions to their own dilemma. In addition, Government has received constructive comments from the donor community. Many of these comments have been incorporated into the I-PRSP. Nevertheless, it was not possible to incorporate all the comments at this point in time. This will be done in the preparation of the full PRSP.

Even so, to be effective consultations will require a commitment to institutionalising pro-poor policy making processes. This commitment will require strengthening mechanisms of accountability to civil society and regular consultations with key stakeholders over time. During the consultation process, Government will work with stakeholders to strengthen such mechanisms.

To complete the preparation of the full PRSP by mid-2001, a core group comprising of representatives of government, the donor community and civil society will be established in September 2000 to review comments that will be collected during the period of consultation and revise the I-PRSP accordingly.

### **TIME LINE OF THE CONSULTATION PROCESS OF THE POVERTY REDUCTION STRATEGY PAPER**

| Date                      | Task   |
|---------------------------|--|
| October 10-October 13     | Identification, organization, and inauguration of the target groups and facilitators.  |
| October 16- October 27    | Dissemination of paper to target groups' representatives.<br>Target groups' responses submitted to the core group.                                 |
| October 16 – November 8   | Publication of paper in major newspapers;<br>Panel discussion on television and radio;<br>“Special outreach to the poor”<br>planned and conducted. |
| October 16 – February/ 01 | Select facilitators; conduct workshops.  |
| March-May 2001            | Consolidation of information gathered, write up of final document.   |

#### **Data sources and data collection priorities**

To be able to monitor the analytical system of indicators in the PRSP, social sector statistics in particular will be improved. Although a number of key ministries and agencies such as Education, Health, Housing and Bureau of Statistics provide data, oftentimes the coverage is not broad, data delivery is not timely, and quality control is poor. The paucity data is amply demonstrated in Table 1.1 (statistical annex) where key indicators essential for program monitoring are either unavailable or are supplied with long lags.

To overcome these problems, Government, in the short-term, will define data needs critical for program monitoring. Thereafter, Government will strengthen the management information systems in line ministries and improve their capacity to collect data on (i) input indicators such as unit costs and physical inputs; (ii) access indicators such as ability to pay and distance to facilities; and (iii) output indicators such as enrollment ratios, and immunisation rates.

To this end, key ministries and agencies pivotal for program monitoring will be strengthened. Emphasis will be placed on capacity building, institutional strengthening, improved coordination. In addition, Government will initiate a comprehensive household and expenditure survey biannually beginning in 2001. These surveys, which will become part of the work programme of the Bureau of Statistics, will generate statistical information essential in monitoring progress on PRSP implementation and complement other data sources. Finally, Government will undertake household surveys on biannually basis to improve its regional, gender and general poverty profiles.

In the medium-term, the Government will develop and implement broad-based Information Technology Strategy (ITS). The ITS will be designed to achieve the following goals:

- Create and sustain an electronic communications environment;
- Ensure that country-wide access to information is constantly available;
- Establish a methodology for determining and updating applications within government
- Ensure that the computerisation of computer applications proceeds according to pre-determined prioritisation;
- Ensure that all government owned or leased IT are properly licensed and maintained;
- Select a preferred set of enabling software tools; and
- Ensure that all enabling software acquired by government meets a minimum set of standard and these standards are continuously updated.

The accomplishment of these goals will eliminate or minimize duplication of facilities and assist government to utilize emerging information technologies not only to monitor the poverty programme but also to improve the analytical content of policy. Towards this end, the Government will reconstitute the National Data Management Authority (NDMA) Board and empower the agency to be responsible for the development of IT in the public sector; and streamline management information systems within the public service and bring them under the authority of NDMA.

Guyana: Selected Economic and Financial Indicators

|  | 1997  | 1998  | Actual | Projections |       |       |       |       |       |
|--|-------|-------|--------|-------------|-------|-------|-------|-------|-------|
|  |       |       | 1999   | 2000        | 2001  | 2002  | 2003  | 2004  | 2005  |
| (Percentage change)  |       |       |        |             |       |       |       |       |       |
| <b>Production and prices</b>   |       |       |        |             |       |       |       |       |       |
| Real GDP (factor cost)   | 6.2   | -1.7  | 3.0    | 2.5         | 4.2   | 3.3   | 5.3   | 4.0   | 4.4   |
| Nominal GDP (market prices)  | 7.7   | 1.2   | 11.7   | 8.8         | 8.9   | 5.9   | 7.3   | 6.2   | 6.5   |
| GDP deflator (factor cost)   | 2.7   | 2.6   | 9.6    | 6.8         | 5.1   | 3.1   | 2.2   | 2.4   | 2.3   |
| Consumer prices (average)  | 3.6   | 4.6   | 7.5    | 6.6         | 7.3   | 5.0   | 3.0   | 3.0   | 3.0   |
| Consumer prices (end of period)  | 4.2   | 4.7   | 8.7    | 8.0         | 6.0   | 4.0   | 3.0   | 3.0   | 3.0   |
| Real GDP per capita  | 5.5   | -1.5  | 1.9    | 1.4         | 3.1   | 2.2   | 4.2   | 3.0   | 3.3   |
| (In percent of GDP)  |       |       |        |             |       |       |       |       |       |
| <b>National accounts</b>   |       |       |        |             |       |       |       |       |       |
| Investment   | 30.3  | 28.8  | 24.5   | 28.7        | 33.6  | 34.8  | 29.3  | 33.4  | 29.9  |
| Private sector   | 12.3  | 13.4  | 12.6   | 12.5        | 13.9  | 14.8  | 15.1  | 15.4  | 16.7  |
| Public sector  | 18.1  | 15.4  | 11.8   | 16.2        | 19.7  | 20.0  | 14.2  | 18.0  | 13.2  |
| National saving  | 16.2  | 15.0  | 13.4   | 10.0        | 11.0  | 12.7  | 15.2  | 16.6  | 17.5  |
| Private sector   | 6.8   | 6.0   | 7.0    | 7.6         | 7.7   | 8.0   | 8.2   | 8.4   | 8.4   |
| Public sector  | 9.4   | 9.0   | 6.4    | 2.4         | 3.4   | 4.7   | 7.0   | 8.1   | 9.1   |
| External current account balance<br>(excluding transfers)                | -14.2 | -13.7 | -11.0  | -18.6       | -22.6 | -22.1 | -14.0 | -16.9 | -12.5 |
| <b>Public sector</b>   |       |       |        |             |       |       |       |       |       |
| Revenue  | 36.4  | 35.5  | 33.7   | 34.9        | 34.8  | 34.6  | 35.8  | 36.0  | 36.1  |
| Expenditure  | 45.1  | 41.9  | 39.1   | 48.7        | 51.1  | 49.9  | 42.9  | 46.0  | 40.3  |
| Current  | 27.0  | 26.5  | 27.3   | 32.5        | 31.4  | 30.0  | 28.8  | 27.9  | 27.0  |
| Capital  | 18.1  | 15.4  | 11.8   | 16.2        | 19.7  | 20.0  | 14.2  | 18.0  | 13.2  |
| Saving   | 9.4   | 9.0   | 6.4    | 2.4         | 3.4   | 4.7   | 7.0   | 8.1   | 9.1   |
| Overall balance (before grants)  | -8.7  | -6.4  | -5.4   | -13.8       | -16.3 | -15.3 | -7.2  | -10.0 | -4.2  |
| Grants (including original HIPC relief)                                  | 5.7   | 1.6   | 4.4    | 7.5         | 6.8   | 6.7   | 5.9   | 5.3   | 5.1   |
| Overall balance (after grants) 2/  | -3.0  | -4.8  | -1.0   | -6.3        | -9.5  | -8.6  | -1.3  | -4.6  | 0.9   |
| Net external financing   | 0.4   | 2.2   | 5.1    | 7.7         | 10.3  | 9.7   | 3.9   | 5.6   | 2.4   |
| Net domestic financing   | 2.6   | 2.6   | -4.0   | -1.4        | -0.8  | -1.1  | -2.6  | -1.0  | -3.3  |
| Total public sector debt (end of period)                                 | 285.0 | 290.9 | 270.2  | 259.3       | 255.3 | 252.3 | 237.2 | 225.6 | 209.9 |
| External   | 182.8 | 187.3 | 181.5  | 179.2       | 182.6 | 184.7 | 176.8 | 169.7 | 160.7 |
| Domestic   | 102.2 | 103.6 | 88.7   | 80.1        | 72.7  | 67.6  | 60.4  | 55.9  | 49.2  |
| (Percentage change relative to broad money at the beginning of the year) |       |       |        |             |       |       |       |       |       |
| <b>Money and credit (end of period)</b>                                  |       |       |        |             |       |       |       |       |       |
| Domestic credit of the banking system                                    | 18.3  | 15.6  | -3.7   | 3.1         | 5.2   | 4.2   | 3.5   | 4.1   | 2.8   |
| Public sector (net)  | 3.4   | 4.8   | -9.5   | -1.7        | -0.6  | -1.4  | -3.6  | -1.2  | -4.5  |
| Private sector   | 14.9  | 10.8  | 5.8    | 4.9         | 5.8   | 5.6   | 7.1   | 5.3   | 7.3   |
| Broad money  | 11.7  | 6.8   | 12.1   | 8.2         | 10.9  | 8.1   | 9.3   | 8.2   | 8.5   |

Guyana: Selected Economic and Financial Indicators

|  | 1997  | 1998  | Actual<br>1999 | Projections |       |       |       |       |       |
|--|-------|-------|----------------|-------------|-------|-------|-------|-------|-------|
|  |       |       |                | 2000        | 2001  | 2002  | 2003  | 2004  | 2005  |
| Interest rates (end of period)   |       |       |                |             |       |       |       |       |       |
| Treasury bills (91 days)   | 8.2   | 8.8   | 11.1           | ...         | ...   | ...   | ...   | ...   | ...   |
| Commercial lending rate  | 18.3  | 18.3  | 18.1           | ...         | ...   | ...   | ...   | ...   | ...   |
| Small savings rate   | 7.4   | 7.1   | 8.1            | ...         | ...   | ...   | ...   | ...   | ...   |
| (In millions of U.S. dollars, unless otherwise indicated; end of period) |       |       |                |             |       |       |       |       |       |
| <b>External sector</b>   |       |       |                |             |       |       |       |       |       |
| Overall balance of payments  | 4.3   | -17.4 | -2.2           | 7.1         | -16.8 | -10.3 | 11.4  | 8.7   | 14.1  |
| Gross official reserves  | 315   | 276   | 267            | 275         | 283   | 289   | 299   | 304   | 317   |
| Months of imports 1/   | 4.7   | 4.3   | 4.4            | 3.9         | 3.7   | 3.7   | 3.9   | 3.7   | 3.9   |
| (In percent; unless otherwise indicated)                                 |       |       |                |             |       |       |       |       |       |
| Debt-service ratios  |       |       |                |             |       |       |       |       |       |
| Exports of goods and nonfactor services                                  |       |       |                |             |       |       |       |       |       |
| Before original HIPC assistance  | 16.3  | 14.6  | 16.1           | 15.0        | 13.2  | 13.0  | 12.9  | 13.1  | 12.6  |
| After original HIPC assistance   | 16.3  | 14.6  | 11.0           | 10.5        | 9.0   | 9.0   | 9.2   | 9.9   | 9.6   |
| Central government revenue 2/  |       |       |                |             |       |       |       |       |       |
| Before original HIPC assistance  | 58.5  | 50.3  | 49.7           | 45.5        | 39.0  | 37.0  | 36.0  | 35.4  | 32.6  |
| After original HIPC assistance   | 58.5  | 50.3  | 34.0           | 31.8        | 26.6  | 25.6  | 25.6  | 26.7  | 25.0  |
| Real effective exchange rate 3/  | 8.7   | -12.5 | 2.0            | ...         | ...   | ...   | ...   | ...   | ...   |
| <b>Memorandum items:</b>   |       |       |                |             |       |       |       |       |       |
| Nominal GDP (G\$ billions)   | 106.7 | 108.0 | 120.7          | 131.3       | 142.9 | 151.4 | 162.4 | 172.6 | 183.8 |
| Guyana dollar/U.S. dollar 4/   | 142.4 | 150.5 | 177.6          | ...         | ...   | ...   | ...   | ...   | ...   |

Sources: Data provided by the Guyanese authorities; and Fund staff estimates and projections.

1/ Imports of goods and nonfactor services.

2/ Revenue is valued at end-1998 exchange rate.

3/ Twelve-month rate of change, depreciation (-).

4/ Period average.

## Guyana: Public Sector Operations

|  | Actual        |               |               | Projections 2/ |                |                |                |                |               |
|--|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|---------------|
|  | 1997          | 1998          | 1999 1/       | 2000           | 2001           | 2002           | 2003           | 2004           | 2005          |
| (In millions of Guyana dollars)                        |               |               |               |                |                |                |                |                |               |
| <b>Revenue</b>   | <b>38,787</b> | <b>38,329</b> | <b>40,635</b> | <b>45,805</b>  | <b>49,747</b>  | <b>52,409</b>  | <b>58,085</b>  | <b>62,144</b>  | <b>66,366</b> |
| Central government                                     | 33,999        | 33,028        | 36,033        | 39,803         | 42,208         | 44,749         | 48,033         | 51,145         | 54,592        |
| Public enterprises 3/                                  | 4,390         | 4,843         | 3,829         | 5,005          | 6,700          | 6,810          | 9,152          | 10,074         | 10,794        |
| Central bank 3/  | 398           | 458           | 773           | 997            | 840            | 850            | 900            | 925            | 980           |
| <b>Expenditure</b>                                     | <b>48,080</b> | <b>45,256</b> | <b>47,206</b> | <b>63,908</b>  | <b>73,070</b>  | <b>75,576</b>  | <b>69,758</b>  | <b>79,370</b>  | <b>74,024</b> |
| Current expenditure 4/                                 | 28,809        | 28,590        | 32,922        | 42,700         | 44,915         | 45,364         | 46,728         | 48,225         | 49,688        |
| Severance payments                                     | 0             | 0             | 0             | 376            | 484            | 0              | 0              | 0              | 0             |
| Wages and salaries                                     | 8,298         | 9,166         | 11,821        | 14,072         | 15,112         | 16,104         | 16,824         | 17,566         | 18,330        |
| Other goods and services                               | 6,140         | 6,311         | 6,215         | 8,266          | 8,302          | 8,431          | 8,784          | 9,147          | 9,521         |
| Transfers 5/   | 4,271         | 4,437         | 5,430         | 7,845          | 8,454          | 8,877          | 9,243          | 9,720          | 10,012        |
| Interest   | 10,100        | 8,677         | 9,455         | 12,141         | 12,563         | 11,952         | 11,877         | 11,792         | 11,825        |
| External   | 6,485         | 5,649         | 5,900         | 6,910          | 7,187          | 6,599          | 6,563          | 6,477          | 6,528         |
| Domestic   | 3,615         | 3,028         | 3,556         | 5,231          | 5,376          | 5,353          | 5,315          | 5,315          | 5,297         |
| Capital expenditure                                    | 19,271        | 16,666        | 14,285        | 21,208         | 28,156         | 30,212         | 23,030         | 31,145         | 24,337        |
| Current balance  | 9,978         | 9,739         | 7,713         | 3,105          | 4,832          | 7,046          | 11,357         | 13,919         | 16,678        |
| <b>Overall balance before grants</b>                   | <b>-9,293</b> | <b>-6,927</b> | <b>-6,572</b> | <b>-18,103</b> | <b>-23,323</b> | <b>-23,167</b> | <b>-11,673</b> | <b>-17,226</b> | <b>-7,659</b> |
| Grants   | 6,097         | 1,758         | 5,320         | 9,809          | 9,772          | 10,106         | 9,529          | 9,219          | 9,379         |
| <b>Overall balance after grants</b>                    | <b>-3,196</b> | <b>-5,168</b> | <b>-1,252</b> | <b>-8,294</b>  | <b>-13,552</b> | <b>-13,061</b> | <b>-2,144</b>  | <b>-8,008</b>  | <b>1,720</b>  |
| Net foreign financing                                  | 386           | 2,337         | 6,099         | 10,172         | 14,740         | 14,709         | 6,366          | 9,684          | 4,336         |
| Disbursements  | 8,503         | 9,521         | 9,285         | 12,869         | 21,326         | 19,714         | 14,679         | 14,066         | 10,961        |
| Amortization   | -8,117        | -7,522        | -3,837        | -4,369         | -5,076         | -5,202         | -6,093         | -6,365         | -6,415        |
| Other  | 0             | 337           | 651           | 1,672          | -1,510         | 197            | -2,220         | 1,983          | -209          |
| Net domestic financing                                 | 2,810         | 2,832         | -4,847        | -1,877         | -1,188         | -1,648         | -4,222         | -1,677         | -6,057        |
| Banking system   | 1,970         | 4,561         | -8,083        | -968           | 1              | -799           | -3,055         | -752           | -4,753        |
| Divestment   | 2,128         | 360           | 464           | 70             | 0              | 0              | 0              | 0              | 0             |
| Other  | -1,288        | -2,089        | 2,772         | -979           | -1,189         | -849           | -1,167         | -925           | -1,304        |
| (In percent of GDP)                                    |               |               |               |                |                |                |                |                |               |
| Revenue  | 36.4          | 35.5          | 33.7          | 34.9           | 34.8           | 34.6           | 35.8           | 36.0           | 36.1          |
| Expenditure  | 45.1          | 41.9          | 39.1          | 48.7           | 51.1           | 49.9           | 42.9           | 46.0           | 40.3          |
| Current expenditure                                    | 27.0          | 26.5          | 27.3          | 32.5           | 31.4           | 30.0           | 28.8           | 27.9           | 27.0          |
| <i>Of which</i>  |               |               |               |                |                |                |                |                |               |
| Severance payments                                     | 0.0           | 0.0           | 0.0           | 0.3            | 0.3            | 0.0            | 0.0            | 0.0            | 0.0           |
| Wages  | 7.8           | 8.5           | 9.8           | 10.7           | 10.6           | 10.6           | 10.4           | 10.2           | 10.0          |
| Interest   | 9.5           | 8.0           | 7.8           | 9.2            | 8.8            | 7.9            | 7.3            | 6.8            | 6.4           |
| Current balance  | 9.4           | 9.0           | 6.4           | 2.4            | 3.4            | 4.7            | 7.0            | 8.1            | 9.1           |
| Capital expenditure                                    | 18.1          | 15.4          | 11.8          | 16.2           | 19.7           | 20.0           | 14.2           | 18.0           | 13.2          |
| Overall balance  | -8.7          | -6.4          | -5.4          | -13.8          | -16.3          | -15.3          | -7.2           | -10.0          | -4.2          |
| Grants   | 5.7           | 1.6           | 4.4           | 7.5            | 6.8            | 6.7            | 5.9            | 5.3            | 5.1           |
| Overall balance after grants                           | -3.0          | -4.8          | -1.0          | -6.3           | -9.5           | -8.6           | -1.3           | -4.6           | 0.9           |
| Net foreign financing                                  | 0.4           | 2.2           | 5.1           | 7.7            | 10.3           | 9.7            | 3.9            | 5.6            | 2.4           |
| Net domestic financing                                 | 2.6           | 2.6           | -4.0          | -1.4           | -0.8           | -1.1           | -2.6           | -1.0           | -3.3          |
| Bank   | 1.8           | 4.2           | -6.7          | -0.7           | 0.0            | -0.5           | -1.9           | -0.4           | -2.6          |
| Nonbank  | 2.0           | 0.3           | 0.4           | 0.1            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0           |
| Other  | -1.2          | -1.9          | 2.3           | -0.7           | -0.8           | -0.6           | -0.7           | -0.5           | -0.7          |
| <b>Memorandum items:</b>                               |               |               |               |                |                |                |                |                |               |
| Adjusted overall public sector balance after grants 6/ | -3.0          | -4.8          | -1.8          | -5.4           | -4.6           | -3.3           | -0.6           | 1.2            | 2.3           |
| Nominal GDP at market prices (G\$ million)             | 106,678       | 108,002       | 120,668       | 131,316        | 142,940        | 151,419        | 162,443        | 172,568        | 183,757       |

Sources: Ministry of Finance; and Fund staff estimates and projections.

1/ Excludes one-off dividend (G\$663 million) and transfer (G\$144 million) payments by GUYOIL to the central government to clear the accounts prior to GEC privatization.

2/ Includes the Guysuco modernization investment plan and privatization of the GNCB.

3/ Current operational balance. The program includes operations of the bauxite companies in 1999-2002, whereas they were expected to be privatized during 1999 in the original program.

4/ Current expenditure of the central government.

5/ The increase beginning in 2000 is partly due to the effect of the new wage settlement on pensions and the establishment of the new Revenue Authority, as an autonomous agency (related expenditure is captured under transfers rather than personal emoluments, goods and services).

6/ Excludes interest costs associated with GNCB privatization and GUYSUOCO investment for modernization.

Guyana: Central Government Operations

|                                     | 1997           | 1998          | Actual        |                | Projections 2/ |                |                |                |                |
|-------------------------------------|----------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                     |                |               | 1999 1/       | 2000           | 2001           | 2002           | 2003           | 2004           | 2005           |
| (In millions of Guyana dollars)     |                |               |               |                |                |                |                |                |                |
| <b>Total revenue</b>                | <b>33,999</b>  | <b>33,028</b> | <b>36,033</b> | <b>39,803</b>  | <b>42,208</b>  | <b>44,749</b>  | <b>48,033</b>  | <b>51,145</b>  | <b>54,592</b>  |
| Tax                                 | 31,538         | 31,075        | 33,645        | 36,869         | 39,348         | 41,837         | 44,871         | 47,885         | 51,533         |
| Income taxes                        | 12,193         | 11,854        | 13,617        | 15,027         | 16,297         | 17,580         | 19,162         | 20,843         | 23,293         |
| Consumption taxes                   | 11,667         | 11,445        | 12,297        | 14,724         | 15,441         | 16,201         | 17,254         | 18,236         | 19,055         |
| Trade taxes                         | 4,383          | 4,481         | 4,590         | 4,696          | 5,054          | 5,399          | 5,672          | 5,908          | 6,157          |
| Other                               | 3,295          | 3,295         | 3,141         | 2,422          | 2,556          | 2,656          | 2,783          | 2,899          | 3,028          |
| Nontax                              | 2,461          | 1,954         | 2,387         | 2,934          | 2,860          | 2,913          | 3,162          | 3,260          | 3,059          |
| <b>Total expenditure</b>            | <b>45,443</b>  | <b>42,246</b> | <b>44,144</b> | <b>58,731</b>  | <b>62,968</b>  | <b>65,396</b>  | <b>66,732</b>  | <b>67,517</b>  | <b>69,779</b>  |
| Current                             | 28,809         | 28,590        | 32,922        | 42,700         | 44,915         | 45,364         | 46,728         | 48,225         | 49,688         |
| Noninterest expenditure             | 18,709         | 19,913        | 23,467        | 30,559         | 32,352         | 33,411         | 34,851         | 36,433         | 37,863         |
| Severance payments                  | 0              | 0             | 0             | 376            | 484            | 0              | 0              | 0              | 0              |
| Personal emoluments                 | 8,298          | 9,166         | 11,821        | 14,072         | 15,112         | 16,104         | 16,824         | 17,566         | 18,330         |
| Other goods and services            | 6,140          | 6,311         | 6,215         | 8,266          | 8,302          | 8,431          | 8,784          | 9,147          | 9,521          |
| Transfer payments 3/                | 4,271          | 4,437         | 5,430         | 7,845          | 8,454          | 8,877          | 9,243          | 9,720          | 10,012         |
| Primary balance                     | 15,291         | 13,115        | 12,566        | 9,244          | 9,856          | 11,338         | 13,183         | 14,712         | 16,729         |
| Interest payments                   | 10,100         | 8,677         | 9,455         | 12,141         | 12,563         | 11,952         | 11,877         | 11,792         | 11,825         |
| External interest                   | 6,485          | 5,649         | 5,900         | 6,910          | 7,187          | 6,599          | 6,563          | 6,477          | 6,528          |
| Domestic interest                   | 3,615          | 3,028         | 3,556         | 5,231          | 5,376          | 5,353          | 5,315          | 5,315          | 5,297          |
| Capital expenditure and net lending | 16,635         | 13,656        | 11,222        | 16,031         | 18,053         | 20,032         | 20,004         | 19,291         | 20,091         |
| Current balance                     | 5,191          | 4,438         | 3,111         | -2,897         | -2,707         | -614           | 1,305          | 2,920          | 4,904          |
| <b>Overall balance</b>              | <b>-11,444</b> | <b>-9,218</b> | <b>-8,111</b> | <b>-18,928</b> | <b>-20,760</b> | <b>-20,647</b> | <b>-18,699</b> | <b>-16,371</b> | <b>-15,187</b> |
| Grants                              | 6,097          | 1,758         | 5,320         | 9,809          | 9,772          | 10,106         | 9,529          | 9,219          | 9,379          |
| HIPC Relief                         | 0              | 0             | 3,075         | 4,698          | 5,848          | 6,331          | 5,878          | 5,601          | 5,645          |
| Other                               | 6,097          | 1,758         | 2,245         | 5,111          | 3,923          | 3,775          | 3,651          | 3,618          | 3,734          |
| <b>Overall balance after grants</b> | <b>-5,347</b>  | <b>-7,460</b> | <b>-2,791</b> | <b>-9,119</b>  | <b>-10,988</b> | <b>-10,541</b> | <b>-9,170</b>  | <b>-7,152</b>  | <b>-5,808</b>  |
| Net foreign financing               | 386            | 1,999         | 6,437         | 7,503          | 11,208         | 9,557          | 8,586          | 4,403          | 4,545          |
| Disbursements                       | 8,503          | 9,521         | 9,285         | 12,869         | 16,284         | 14,759         | 14,679         | 10,768         | 10,961         |
| Amortization                        | -8,117         | -7,522        | -3,837        | -4,369         | -5,076         | -5,202         | -6,093         | -6,365         | -6,415         |
| Rescheduling                        | 0              | 0             | 989           | -997           | 0              | 0              | 0              | 0              | 0              |
| Net domestic financing              | 4,961          | 5,461         | -3,646        | 1,617          | -220           | 984            | 584            | 2,750          | 1,263          |
| Bank                                | 3,021          | 4,602         | -10,862       | 798            | -220           | 984            | 584            | 2,750          | 1,263          |
| Divestment                          | 2,128          | 360           | 464           | 70             | 0              | 0              | 0              | 0              | 0              |
| Other                               | -188           | 499           | 6,752         | 749            | 0              | 0              | 0              | 0              | 0              |

Guyana: Central Government Operations

|   | 1997    | 1998    | Actual  |         | Projections 2/ |         |         |         |         |
|---|---------|---------|---------|---------|----------------|---------|---------|---------|---------|
|   |         |         | 1999 1/ | 2000    | 2001           | 2002    | 2003    | 2004    | 2005    |
| (In percent of GDP)                     |         |         |         |         |                |         |         |         |         |
| Revenue                                 | 31.9    | 30.6    | 29.9    | 30.3    | 29.5           | 29.6    | 29.6    | 29.6    | 29.7    |
| Expenditure                             | 42.6    | 39.1    | 36.6    | 44.7    | 44.1           | 43.2    | 41.1    | 39.1    | 38.0    |
| Current                                 | 27.0    | 26.5    | 27.3    | 32.5    | 31.4           | 30.0    | 28.8    | 27.9    | 27.0    |
| Interest payments                       | 9.5     | 8.0     | 7.8     | 9.2     | 8.8            | 7.9     | 7.3     | 6.8     | 6.4     |
| Noninterest payment:                    | 17.5    | 18.4    | 19.4    | 23.3    | 22.6           | 22.1    | 21.5    | 21.1    | 20.6    |
| <i>Of which</i>                         |         |         |         |         |                |         |         |         |         |
| Severance paym <sup>t</sup>             | 0.0     | 0.0     | 0.0     | 0.3     | 0.3            | 0.0     | 0.0     | 0.0     | 0.0     |
| Wages                                   | 7.8     | 8.5     | 9.8     | 10.7    | 10.6           | 10.6    | 10.4    | 10.2    | 10.0    |
| Capital                                 | 15.6    | 12.6    | 9.3     | 12.2    | 12.6           | 13.2    | 12.3    | 11.2    | 10.9    |
| Primary balance                         | 14.3    | 12.1    | 10.4    | 7.0     | 6.9            | 7.5     | 8.1     | 8.5     | 9.1     |
| Current balance                         | 4.9     | 4.1     | 2.6     | -2.2    | -1.9           | -0.4    | 0.8     | 1.7     | 2.7     |
| Overall balance                         | -10.7   | -8.5    | -6.7    | -14.4   | -14.5          | -13.6   | -11.5   | -9.5    | -8.3    |
| Grants                                  | 5.7     | 1.6     | 4.4     | 7.5     | 6.8            | 6.7     | 5.9     | 5.3     | 5.1     |
| <i>Of which</i>                         |         |         |         |         |                |         |         |         |         |
| HIPC relief                             | 0.0     | 0.0     | 2.5     | 3.6     | 4.1            | 4.2     | 3.6     | 3.2     | 3.1     |
| Overall balance after gran <sup>t</sup> | -5.0    | -6.9    | -2.3    | -6.9    | -7.7           | -7.0    | -5.6    | -4.1    | -3.2    |
| Net foreign financing                   | 0.4     | 1.9     | 5.3     | 5.7     | 7.8            | 6.3     | 5.3     | 2.6     | 2.5     |
| Disbursements                           | 8.0     | 8.8     | 7.7     | 9.8     | 11.4           | 9.7     | 9.0     | 6.2     | 6.0     |
| Amortization                            | -7.6    | -7.0    | -3.2    | -3.3    | -3.6           | -3.4    | -3.8    | -3.7    | -3.5    |
| Rescheduling                            | 0.0     | 0.0     | 0.8     | -0.8    | 0.0            | 0.0     | 0.0     | 0.0     | 0.0     |
| Net domestic financing                  | 4.7     | 5.1     | -3.0    | 1.2     | -0.2           | 0.6     | 0.4     | 1.6     | 0.7     |
| Bank                                    | 2.8     | 4.3     | -9.0    | 0.6     | -0.2           | 0.6     | 0.4     | 1.6     | 0.7     |
| Divestment                              | 2.0     | 0.3     | 0.4     | 0.1     | 0.0            | 0.0     | 0.0     | 0.0     | 0.0     |
| Other                                   | -0.2    | 0.5     | 5.6     | 0.6     | 0.0            | 0.0     | 0.0     | 0.0     | 0.0     |
| <b>Memorandum item:</b>                 |         |         |         |         |                |         |         |         |         |
| Nominal GDP at market prices            |         |         |         |         |                |         |         |         |         |
| (in millions of                         |         |         |         |         |                |         |         |         |         |
| Guyana dollars)                         |         |         |         |         |                |         |         |         |         |
|   | 106,677 | 108,002 | 120,668 | 131,316 | 142,940        | 151,419 | 162,443 | 172,568 | 183,757 |

Sources: Ministry of Finance; and Fund staff estimates and projections.

1/ Excludes one-off dividend (G\$663 million) and transfer (G\$144 million) payments by GUYOIL to the central government to clear the accounts prior to GEC privatization.

2/ The increase beginning in 2000 is partly due to the effect of the new wage settlement on pensions and the establishment of the new Revenue Authority, as an autonomous agency (related expenditure is captured under transfers rather than personal emoluments, goods and services).

**GUYANA**  
**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| Policy Area                     | Objectives and Targets                   | Strategies and Measures   | Required Actions   | Monitoring Indicators   | Costing  | Source of Financing  |
|---------------------------------|--|---|--|---|--|--|
| Enhance macroeconomic framework | Reduce budget deficit in the medium-term | <p>Improve tax administration</p> <p>Enforce compliance of local consumption tax</p> <p>Broaden the tax base</p> <p>Computerize universe of public sector payroll including pensions</p> <p>Implement program budgeting in the public sector</p> <p>Privatise remaining public enterprise except Guysuco, GNSC and Guyoil</p> | <ul style="list-style-type: none"> <li>• Complete staffing of Revenue Authority and strengthen regional revenue offices</li> <li>• Provide resources to Revenue Authority to collect taxes</li> <li>• Widen tax net</li> <li>• Increase frequency of Company audits</li> <li>• Complete workshop on applicability of VAT in 2000</li> <li>• Complete the computerization of public service payroll including pension, daily, weekly, monthly payees and issue administrative directive to end wage payments outside the computerized system</li> <li>• Government ministries to conform to program budgeting by 2002, and public agencies and institutions by 2003</li> <li>• Resolve remaining issues on Guyana Stores privatisations</li> <li>• Identify and initiate meetings with potential investors of Linmine and Bermine</li> <li>• Formulate transactional structures to ensure the viability of bauxite industry</li> <li>• Finalise valuation and full audit report of the net equity value of GNCB</li> <li>• Finalise drafts of bidding documents and investment contract of GNCB</li> <li>• Review legal structure and prepare MOU for the sale of GNCB Trust</li> <li>• Finalise drafts of bidding documents and investment contract of GNCB Trust</li> </ul> | <p>Complete recruitment by end-December 2000</p> <p>Allocate resources in 2001 budget</p> <p>Increase in tax collections by 2003</p> <p>Computerise pension payroll by August 2000<br/>Network regional payrolls by September 2001</p> <p>Implement program budgeting for public sector by 2003</p> <p>Complete sale by end-June 2001</p> <p>Bring Linmine and Bermine to point of sale by June, 2001</p> <p>Complete ex ante legal confirmation to cover gap of net equity by March 2001<br/>Advertise sale of bank by May 2001<br/>Advertise sale of GNCB Trust by May 2001</p> | <p>Costing will be done after completion or recruitment exercise</p> <p>Costing for equipment, communication, vehicles given in 1999 update US\$1.5 million</p> <p>Costing to be identified after development of an action plan</p> <p>Costing for equipment and consultancy services estimated at US\$800,000</p> <p>Costing to be determined after consultations with donor agency</p> <p>Costing for consultancy services of privatisation estimated at US\$450,000</p> | <p>GOG</p> <p>Donor Support unidentified</p> <p>Donor Support unidentified</p> <p>IDA</p> <p>CIDA</p> <p>IDA</p> |
|                                 | Maintain sound macro economic framework  | Implement prudent fiscal and monetary policies  | <ul style="list-style-type: none"> <li>• Review and strengthen monetary programming</li> <li>• Maintain prudent fiscal balances</li> </ul>   | Stay within programmed target with IFIs   | Balance & payment support  | IMF<br>EU  |

**GUYANA**  
**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| <b>Policy Area</b>                                 | <b>Objectives and Targets</b>                 | <b>Strategies and Measures</b>   | <b>Required Actions</b>  | <b>Monitoring Indicators</b>   | <b>Costing</b>   | <b>Source of Financing</b>  |
|--|---|--|--|--|--|---|
| Export and investment promotion                    | Open and expand markets for exports           | Develop national export promotion strategy   | <ul style="list-style-type: none"> <li>Implement bilateral trade and technical agreements between Guyana and targeted countries</li> </ul>   | Complete negotiations and set modalities for expanded trade by 2003  | Costing for export and investment promotion estimated at US\$0.4 million | IDA<br>USAID  |
|  |   | Conduct aggressive export promotion exercise   | <ul style="list-style-type: none"> <li>Establish overseas offices to promote Guyana's exports</li> <li>Begin providing information and company matching services to importers/exporters by end-August 2001</li> <li>Support local companies to participate in overseas trade fairs and domestic trade exhibitions;</li> </ul>  | Appropriate resources in 2001-2003 to implement program  |  |   |
|  | Improve quality standards of exports products | <ul style="list-style-type: none"> <li>Strengthen Bureau of Standards and broaden its scope of work to enforce compliance of quality standards of all exports goods;</li> <li>Conduct regular seminars and workshops to sensitise the private sector operators of WTO requirements on standards, packaging and labelling;</li> <li>Provide industry and firm specific technical assistance to improve quality, packaging, and labelling</li> </ul> | Appropriate resources in 2001 to procure personnel and equipment   | Costing of laboratory and other equipment and consultancy services updated from 1999 is estimated at US\$2.8 million |  | IDA<br>CIDA<br>E-HIPC   |
|  | Attract foreign investment                    | Conduct aggressive investment promotion programme  | <ul style="list-style-type: none"> <li>Pass National Investment Law</li> <li>Sign tax treaties with major bilateral trading partners</li> <li>Conduct workshop/seminars to change attitudes on foreign investment, joint partnerships, and venture capital; and</li> <li>Assist firms in the private sector to restructure operations to make them more attractive for foreign investment participation or financing</li> <li>Strengthen Go-Invest to carry out its mandate</li> </ul> | Appropriate resources in 2001-2003   |  | Costing for consultancy services and institutional strengthening of Go-Invest is estimated at US\$1.4 million |
| Improve business environment to support investment | Establish a development bank                  | Complete a concept paper on modalities of establishing a private development bank  | <ul style="list-style-type: none"> <li>Review paper with private sector and determine next steps by end-May 2000.</li> </ul>   | Memorandum of understanding with private sector on bank by October 2000  | To be determined by the private sector                                   | Private Sector  |
|  |   | Implement Securities Legislation passed in 1998  | <ul style="list-style-type: none"> <li>Establish an office for stock exchange and recruit staff and provide equipment by end-July 2000;</li> <li>Open stock/exchange market for trading</li> </ul>   | Begin implementation of Securities Legislation Act by October 2000   |  | Costing of experts and equipment estimated at US\$1 million   |

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| Policy Area  | Objectives and Targets  | Strategies and Measures  | Required Actions   | Monitoring Indicators  | Costing  | Source of Financing  |
|--|-------------------------|--|--|--|--|--|
| Improve business environment to support investment | Enhance good governance | <p>Establish an autonomous Central Tender Board</p> <p>Improve land administration</p> <p>Enhance the efficiency of delivery of Public Sector services</p> | <ul style="list-style-type: none"> <li>• Lay the amended tender and procurement bill before Parliament</li> <li>• Appoint a Board of Directors</li> <br/> <li>• Restructure the CTB Secretariat and equip it</li> <li>• Prepare standard bidding documents for the procurement of goods, works and consulting services</li> <br/> <li>• Implement provisions of L &amp; SC Act</li> <li>• Computerise national land information</li> <li>• Restructure and strengthen Central Housing and Planning Agency</li> <br/> <li>• Restructure and strengthen the Deeds Registry</li> <br/> <li>• Develop clear matrix of outputs and inputs for government ministries and agencies</li> <li>• Develop job descriptions of positions and work programs of departments</li> <li>• Recruit and or relocate staff for positions based on skills match</li> <li>• Develop performance appraisal for public sector personnel</li> </ul> | <p>Pass amended Tender and Procurement Bill by June 2001.</p> <p>Put in place autonomous agency by August 2001</p><br><p>Increase number of land titles issued by 2002</p> <p>Increase in investments, output and housing construction</p><br><p>Implement voluntary separation package</p><br><p>Begin TA component of PSMP by September 2000</p> | <p>Costing estimated at US\$0.5 million</p><br><br><p>Cost for institutional strengthening and equipment estimated at US\$3.6 million</p><br><p>Costing estimated at US\$4.2 million</p> <p>Costing estimated at US\$1.2 million</p> | <p>IDA<br/>IDB</p><br><br><p>IDB<br/>DFID/<br/>E-HIPC</p><br><p>IDA</p> <p>IDB</p> |

**GUYANA**  
**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| <b>Policy Area</b>                                 | <b>Objectives and Targets</b>  | <b>Strategies and Measures</b>                            | <b>Required Actions</b>  | <b>Monitoring Indicators</b>   | <b>Costing</b>  | <b>Source of Financing</b> |
|--|--|---|--|--|---|----------------------------|
| Improve business environment to support investment | Expand output in fishing   | Encourage sector investments in supporting infrastructure | Provide non-fiscal incentives to support development of fishing infrastructure   | Increase in investments and output and exports in the medium-term                                      | Not applicable  | Not applicable             |
|  |  | Improve quality standards of fish exports                 | Strengthen and expand the coverage of Bureau of Standards to monitor fish exports  | Issue Administrative Order by June 2001  | Not applicable  | Not applicable             |
|  |  | Improve fish processing and marketing                     | Support the establishment of self-regulating fishing cooperatives  | Formation of Fishing Cooperatives by December 2001   | Not applicable  | Not applicable             |
|  |  |   | Support fishing sector to develop recommendations and guidelines on best approaches of developing vertical integration of the fishing industry with artisanal fishing as the base of the pyramid<br>Seek external markets for Guyana's fish                              | Begin workshop/seminars leading to vertical integration of sector                                      | Not applicable  | Not applicable             |
|  |  | Support aquaculture development                           | Develop a policy framework paper on aquaculture with clear guidelines on rights to land and offshore resources, regulations on quality control and environmental protection<br>Seek membership of the Commission for Inland Fisheries of Latin America and the Caribbean | Publish paper in December 2001<br>Higher investments in the aquaculture sector                         | Costing on research and equipment estimated at US\$2.0 million  | GOG                        |
|  | Enhance the business environment for development of the manufacturing sector | Develop industrial estates and parks                      | Determine areas of economic activities with higher returns to value-added/processed goods<br>Develop infrastructure  | Allocate resources – 2001 to begin construction  | Costing estimated at US\$3.7 million  | E-HIPC                     |
|  |  | Develop selective infrastructure                          | Begin construction of the Berbice River bridge<br>Complete feasibility studies of deep port harbour<br>Develop the Rupununi Project including the construction of the Guyana/Brazil Road   | Increase in exports and growth and employment<br>Increase in international trade, job creation, growth | Costing of Berbice River crossing estimated at US\$11 million; costing exercise ongoing for the deep port harbour and the Guyana/Brazilian Road | BOT<br>GOG<br>EU           |

**GUYANA**  
**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| Policy Area  | Objectives and Targets   | Strategies and Measures  | Required Actions   | Monitoring Indicators  | Costing   | Source of Financing                       |
|--|--|--|--|--|---|---|
| Improve business environment to support investment | <p>Enhance the business environment for development of the manufacturing sector</p> <p>Promote Eco-tourism</p> | <p>Provide and sustain skills training</p> <p>Create infrastructure and environment for Eco-tourism development</p>              | <ul style="list-style-type: none"> <li>• Determine from private sector skill needs/types</li> <li>• Review training modules and impact with private sector and conduct training to meet skill needs/types</li> <li>• Forecast skills in key sectors over a 7 year period</li> <li>• Grant autonomy of government technical schools and establish private/public sector board to manage such institutions</li> <li>• Convert general/multilateral secondary schools into vocational/ technical schools and revise curriculum to reflect development needs</li> <li>• Establish an autonomous National Tourism Board</li> <li>• Establish guidelines for construction of lodges in interior locations and safety of tourists</li> <li>• Develop a diversified Eco-tourism product of which Kaiteur Falls is only one of several areas to visit</li> <li>• Determine the costs/benefits of membership of Caribbean Tourism Association</li> <li>• Rehabilitate selected hinterland airstrips for Eco-tourism development</li> <li>• Design and cost-effective promotional plan of Eco-tourism in North American and European markets</li> </ul> | <p>Allocate resources for skills training</p> <p>Higher level of employment</p> <p>Issue administrative order by December 2000</p> <p>Allocate resources in 2001 budget</p> <p>Allocate resources in 2001 budget</p> <p>Begin advertising in December 2001</p> <p>Increase in tourist arrival; employment creation</p> | <p>Costing of equipment, consultancy services and training estimated at US\$0.5 million</p> <p>Costing estimated at US\$4.1 million</p> <p>Costing of institutional strengthening at NTB estimated at US\$1 million</p> | <p>E-HIPC</p> <p>E-HIPC</p> <p>E-HIPC</p> |
| Improve infrastructure to support growth           | Reduce sea breaches and incursions in the most productive land area  | <p>Rehabilitate and maintain sea defense infrastructure</p> <p>Improve private sector capacity to undertake sea defense work</p> | <ul style="list-style-type: none"> <li>• Develop sea defense maintenance strategy</li> <li>• Seek technical assistance to provide industry specific support for sea defense work</li> </ul>  | <p>Allocate increased resources in 2001 budget</p> <p>Increase expenditure in sea defense works beginning 2001</p>   | Estimated at US\$9.2 million in the medium-term   | E-HIPC                                    |

**GUYANA**  
**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| Policy Area  | Objectives and Targets   | Strategies and Measures   | Required Actions  | Monitoring Indicators  | Costing   | Source of Financing   |
|--|--|---|---|--|---|---|
| Improve infrastructure to support growth                       | <p>Maintain stability of sea defense infrastructure and incursions in the most productive land area</p> <p>Expand air, road and river transportation network</p> <p>Expand and improve drainage and irrigation schemes</p> | <p>Elicit community involvement in sea defense protection</p> <p>Improve road and river transportation to facilitate haulage of goods</p> <p>Improve hinterland airstrips to support haulage to interior locations</p> <p>Improve administration and maintenance of D&amp;I systems</p> | <ul style="list-style-type: none"> <li>• Seek consensus with communities and local government bodies about effective ways of sea defense protection and establish penalties for sea defense destruction</li> <li>• Assign responsibility of sea defense protection to communities</li> <li>• Seek judicious prosecution of sea defense offenders</li> <li>• Rehabilitate and maintain farm to market roads</li> <li>• Rehabilitate and improve stollings, wharves, vessels</li> <li>• Rehabilitate airstrips particularly in Amerindian Regions</li> <li>• Pass the D&amp;I bill and get Presidential ascent by end-September 2000</li> <li>• Set-up a new Board of Directors with private sector participation to manage D&amp;I Schemes</li> <li>• Seek community participation in managing water resources</li> <li>• Rehabilitate and maintain D&amp;I schemes including dredging of our falls</li> </ul> | <p>Minimum disruption in sea defense system</p> <p>Increase budgetary allocation in 2001 budget</p> <p>Increase budgetary allocations in 2001 budget</p> <p>Increase access of Amerindian communities to the rest of the country</p> <p>Increase allocation in 2001 budget</p> <p>Increase in agricultural output</p> <p>Increase budgetary allocations – 2001</p> | <p>Not applicable</p> <p>Costing for farm to market roads and river transport estimated at US\$9.2 million</p> <p>Estimated cost at US\$2.9million</p> <p>Estimated at US\$12.2 million</p> | <p>Not applicable</p> <p>E-HIPC</p> <p>E-HIPC</p> <p>E-HIPC</p> |
| Improve social conditions by creating access to basic services | <p>Improve access, coverage and quality of healthcare especially to the poor</p>   | <p>Expand preventative care and reduce the incidence of other frequently occurring diseases</p> <p>Provide medical care to HIV/AIDs related patients</p>  | <ul style="list-style-type: none"> <li>• Mount regular immunisation and other programs to contain, malaria, MMR and other infectious diseases</li> <li>• Defog malaria infected areas especially in hinterland locations on regular basis expand awareness programme in sexually transmitted diseases, HIV and other communicable diseases</li> <li>• Rehabilitate the Mahaica Hospital and convert into National Aids Centre</li> </ul>  | <p>Begin appropriation in 2001 budget to purchase equipment, drugs, materials to implement program</p> <p>Lower incidence of malaria, and other STDS infectious diseases, HIV; and other lower mortality rates</p> <p>Contain the incidence and prevalence of HIV/AIDs</p>   | <p>Estimated at US\$2.1 million in medium-term</p> <p>Estimated at US\$2.3 million</p> <p>Rehabilitation cost estimated at US\$1.3 million</p>  | <p>E-HIPC</p> <p>E-HIPC</p> <p>E-HIPC</p>                       |

**GUYANA**  
**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| Policy Area   | Objectives and Targets   | Strategies and Measures   | Required Actions  | Monitoring Indicators  | Costing  | Source of Financing |
|---|--|---|---|--|--|---------------------|
| <p>Improve social conditions by creating access to basic services</p> | <p>Improve access, coverage and quality of healthcare especially to the poor</p> | <p>Improve access and care especially to the poor</p>                 | <ul style="list-style-type: none"> <li>• Broaden functions of doctors, nurses and dieticians in health centres to include basic training and education of personal hygiene</li> <li>• Upgrade health centres and clinics in rural and interior locations with x-rays machines, laboratory facilities and screening equipment; radio and telephone communications, and generators</li> <li>• Develop a rotating scheme of visitation for specialised doctors and nurses to provide expert services to people in rural and interior locations on regular basis;</li> <li>• Review allowances and fringe benefits of health personnel stationed in interior and rural locations</li> </ul> | <p>Lower patient/doctor ratios</p> <p>Lower infant/maternal mortality rates</p> <p>Lesser number of patients attending Georgetown Hospital</p> <p>Lower patient/doctor and patient/nurses ratios</p> <p>Appropriation in 2001 budget</p> | <p>Costing of equipment/drugs medical supplies upgrading and maintaining health centres and training estimated at US\$15.4 million</p> | <p>E-HIPC</p>       |
|   |  | <p>Improve procurement and delivery of drugs and medical supplies</p> | <ul style="list-style-type: none"> <li>• Introduce market principles in the procurement and delivery</li> <li>• Computerise the national drug bond and stores at Georgetown Hospital and other regional hospitals</li> </ul>  | <p>Establish National Materials, Management Agency</p>   | <p>Costing of equipment Estimated at US\$200,000</p>   | <p>E-HIPC</p>       |
|   |  | <p>Improve efficiency in the use of health services</p>               | <ul style="list-style-type: none"> <li>• Review medical facilities throughout the country</li> <li>• Close/sell facilities that may no longer be necessary</li> <li>• Reduce number of patients on waiting list</li> <li>• Seek and sign contracts with at least 3 regional hospitals</li> <li>• Agree on number of patients per hospital per month and enforce compliance of agreement</li> </ul>  | <p>Lower numbers of patients on waiting lists</p>  | <p>Cost of overseas treatment estimated at US\$2.8 million</p>   | <p>E-HIPC</p>       |

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**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| Policy Area   | Objectives and Targets  | Strategies and Measures   | Required Actions  | Monitoring Indicators  | Costing  | Source of Financing  |
|---|---|---|---|--|--|--|
| <p>Improve social conditions by creating access to basic services</p> | <p>Provide comprehensive solution to the special ailments that could not presently be treated in Guyana</p> <p>Improve coverage, enrolment and performance of students in first and second cycles</p> | <p>Upgrade facilities at Georgetown Hospital to handle treatment of these special ailments</p> <p>Recruit on contracts, on a regular basis, international experts to visit Guyana to perform the specialised service</p> <p>Ensure equity in distribution of services</p> <p>Reduce overcrowding in schools and increase enrolment</p> <p>Recruit and retain trained teachers</p> <p>Improve aptitude in mathematics and English Language</p> <p>Maintain physical infrastructure</p> <p>Improve quality of bearing</p> | <ul style="list-style-type: none"> <li>• Determine core areas of highest frequency of specialised ailments</li> <li>• Create new departments and upgrade equipment and facilities</li> <li>• Recruit and train and assign nurses and doctors to these departments to work with experts and to provide post-operative care</li> <li>• Seek assistance from donor agencies, World Health Organisations, NGOs and national medical associations of renowned experts in special areas of need</li> <li>• Redistribute education resources with bias to rural and interior locations in 2001 budget</li> <li>• Build nursery schools</li> <li>• Rehabilitate/reconstruct primary schools</li> <li>• Rehabilitate/reconstruct secondary schools</li> <li>• Increase growth in teacher training by 25 percent per year over three years</li> <li>• Accelerate in service training for untrained teachers and reduce number of untrained teachers by 50 percent over three years</li> <li>• Institute National Standards Aptitude test in mathematics and language arts</li> <li>• Develop clear guidelines of student promotion</li> <li>• Implement education maintenance program</li> <li>• Procure text books, teaching materials and other inputs for instruction</li> </ul> | <p>Complete needs assessment by end-July 2001</p> <p>Complete needs assessment by end July 2001</p> <p>Complete policy paper on implementation methodology by June 2001</p> <p>Increase budgetary allocation to the regional educational programme in interior and rural locations beginning 2001</p> <p>Reduce teacher/pupil ratio<br/>Reduce class size by 10% by end 2003</p> <p>Trained teacher to pupil ratio at 25:1<br/>Improve CXC/A' level passes<br/>Improved student test scores</p> <p>Reduced functional illiteracy 2005</p> <p>Allocate budgetary resources for maintenance</p> <p>Increase budgetary allocation in 2001</p> | <p>Preliminary cost estimated at US\$3.5 million</p> <p>Costing exercise would have to await completion of needs assessment</p> <p>Included in training, books and materials and supplies</p> <p>Rehabilitation of 75 nurseries, 85 primary schools and 56 secondary schools is estimated at US\$15 million</p> <p>Cost of training including construction of dormitory for CPCE estimated at US\$5.4 million</p> <p>Costing estimated at US\$2.1 million</p> <p>Cost of maintenance estimated at US\$6.6 million<br/>Costing estimated at US\$9.3 million</p> | <p>E-HIPC</p> <p>E-HIPC</p> <p>E-HIPC</p> <p>E-HIPC</p> <p>IDB<br/>IDA</p> <p>E-HIPC</p> <p>Unidentified</p> <p>E-HIPC</p> <p>E-HIPC</p> |

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**POLICY AND PERFORMANCE MATRIX FOR PRSP, 2000-2005**

| Policy Area  | Objectives and Targets  | Strategies and Measures   | Required Actions  | Monitoring Indicators  | Costing                              | Source of Financing |
|--|---|---|---|--|--------------------------------------|---------------------|
| Improve social conditions by creating access to basic services | Improve quality and delivery of water supply                                | Create National Water Company to replace GUYWA and GSWC   | <ul style="list-style-type: none"> <li>• Operationalise National Water Company</li> </ul>   | Pass legislation to establish the National Water Company by 2001<br>Set-up a board of directors to manage the autonomous agency by December 2001 | Not applicable                       | Not applicable      |
|  | Accelerate housing development  | Expand water services to rural and especially interior locations  | <ul style="list-style-type: none"> <li>• Rehabilitate water systems in rural and interior locations</li> <li>• Procure materials and supplies for water treatment</li> </ul>  | Drill 100 wells, install 50 windmills and 400 water pumps and fix 150 minor system between 2000-2004   | Costing estimated at US\$8.5 million | E-HIPC              |
|  |   | Strengthen shelter and land markets   | <ul style="list-style-type: none"> <li>• Develop and prepare housing schemes with infrastructure development for distribution</li> <li>• Implement the National Building Society Amended Act</li> <li>• Streamline the operations of the Deeds Registry</li> <li>• Issue policy framework paper on real estate development with clear guidelines by mid-2001</li> </ul> | Allocate resources in 2001 budget<br><br>Increase access of population to 80% by 2003  | Estimated at US\$30 million          | IDB                 |
|  | Rationalise the divestiture of public land for sound residential settlement | <ul style="list-style-type: none"> <li>• Complete cost/benefit analysis of public land proposed for divestiture</li> <li>• Set clear guidelines of building standards of public land given for residential purposes</li> <li>• Develop master plan of housing schemes including schools, banks, post office and other social services and enforce compliance by developers</li> </ul>   | Distribute 6,000 lots per year in the medium term   | Estimated cost at US\$3.8 million  | E-HIPC                               |                     |
|  | Accelerate squatter area regularisation                                     | <ul style="list-style-type: none"> <li>• Determine optimum number of residential building in squatting areas</li> <li>• Identify areas for relocation</li> <li>• Organise workshop with squatters and agreed on selection criteria</li> <li>• Relocate squatters</li> <li>• Issue land titles before relocation</li> <li>• Develop basic infrastructure in regularised squatting areas</li> <li>• Review penal code on squatting and enforce compliance of law</li> </ul> | Reduce squatting  | Estimated cost at US\$1.0 million  | E-HIPC                               |                     |
| Improve basic sanitation                                       | Reduce the current level of sanitary degradation                            | <ul style="list-style-type: none"> <li>• Rehabilitate sewer systems</li> <li>• Construct sludge pre-treatment plant</li> <li>• Construct garbage disposal plants</li> </ul>   | Allocate resources in 2001 budget   | Estimated at US\$2.0 Million   | IDB<br>E-HIPC                        |                     |

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|---|---------------------------------------|--|---|--|--|----------------------------|
| Targeting of poverty programs                 | Reduce gaps in supporting the poor    | Strengthen SIMAP and BNTF  | <ul style="list-style-type: none"> <li>• Fill technical and managerial vacancies</li> <li>• Computerise records</li> <li>• Network records with Deeds Registry</li> <li>• Complete performance appraisal report of SIMAP and BNTF by end- August 2001</li> <li>• Conduct public consultation on the report to determine structural, institutional and organisational weakness of these two institutions in reaching the poor</li> <li>• Implement recommendations</li> <li>• Implement Simap III</li> </ul> | <p>Reduce waiting period for processing of titles</p> <p>Complete by March 2001</p>  | Estimated at US\$150,000   | IDB                        |
|   | Reform social security contributions  | Review actuarial studies of ILO<br>Determine the options of increasing social security benefits and provide recommendation for reforming the NIS | <ul style="list-style-type: none"> <li>• Complete study by August 2000</li> <li>• Reconcile two studies by end December 2000</li> <li>• Implement recommendation by June 2001</li> </ul>  | Sign contract with IDB December 200  | Estimated at US\$15 million  | IDB                        |
| Institutional strengthening                   | Strengthen sector agencies/ministries | Improve capacity of NIS/Planning units to monitor/evaluate program   | <ul style="list-style-type: none"> <li>• Determine data gaps essential to improve monitoring of PRSP indicators in line Ministries</li> <li>• Establish /strengthen planing skills in line Ministries</li> <li>• Establish MIS in Planning Units and set out clear functions</li> </ul>   | <p>Generate quarterly/annual monitorable indicators data</p> <p>Generate quarterly/annual reports on progress of PRSP implementation</p> | Costs including equipment/consultancies estimated at US\$8.2 million | E-HIPC                     |
| Improve competitiveness of the sugar industry | Restructure and modernise Guysuco     | Review Guysuco strategic plan  | <ul style="list-style-type: none"> <li>• Complete workshop on options of increasing competitiveness</li> <li>• Estimate financing requirements</li> <li>• Begin implementation of strategic plan</li> </ul>   | Agree on financing package with IFIs by October 2000   | Final costing will depend on the completion of the review process    | Unidentified               |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                    | BUDGET 2000    |               |                | BUDGET 2001    |                |                | BUDGET 2002    |                |                |               |
|--|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
|  | TOTAL          | SPECIFIC      | LOCAL          | TOTAL          | SPECIFIC       | LOCAL          | TOTAL          | SPECIFIC       | LOCAL          |               |
| <b>NET PSIP</b>                            | <b>20984.4</b> | <b>8206.0</b> | <b>12778.3</b> | <b>30630.5</b> | <b>14850.0</b> | <b>15780.6</b> | <b>33585.0</b> | <b>16745.4</b> | <b>16839.5</b> |               |
| <b>TRANSFER</b>                            | <b>74.5</b>    | <b>0.0</b>    | <b>74.5</b>    | <b>540.0</b>   | <b>0.0</b>     | <b>540.0</b>   | <b>487.6</b>   | <b>0.0</b>     | <b>487.6</b>   |               |
| <b>TOTAL PSIP</b>                          | <b>21058.9</b> | <b>8206.0</b> | <b>12852.8</b> | <b>31170.5</b> | <b>14850.0</b> | <b>16320.6</b> | <b>34072.6</b> | <b>16745.4</b> | <b>17327.2</b> |               |
| <b>CENTRAL GOVERNMENT</b>                  | <b>16147.3</b> | <b>8206.0</b> | <b>7941.3</b>  | <b>21191.3</b> | <b>10179.8</b> | <b>11011.5</b> | <b>24534.8</b> | <b>12269.7</b> | <b>12265.1</b> |               |
| <b>PUBLIC CORPORATIONS</b>                 | <b>4911.5</b>  | <b>0.0</b>    | <b>4911.5</b>  | <b>9979.3</b>  | <b>4670.2</b>  | <b>5309.1</b>  | <b>9537.7</b>  | <b>4475.7</b>  | <b>5062.0</b>  |               |
| <b>ECONOMIC SERVICES</b>                   | <b>6198.1</b>  | <b>325.0</b>  | <b>5873.1</b>  | <b>12838.8</b> | <b>5466.1</b>  | <b>7372.7</b>  | <b>12733.6</b> | <b>5398.3</b>  | <b>7335.2</b>  |               |
| <u>AGRICULTURE, FORESTRY &amp; FISHING</u> | <u>Source</u>  | <u>5568.5</u> | <u>325.0</u>   | <u>5243.5</u>  | <u>12223.2</u> | <u>5466.1</u>  | <u>6757.1</u>  | <u>12087.1</u> | <u>5398.3</u>  | <u>6688.8</u> |
| Agri. Sector Loan                          | IDB            | 106.0         | 100.0          | 6.0            | 134.0          | 128.0          | 6.0            | 139.0          | 132.9          | 6.1           |
| Agricultural Support Services Program      | IDB            | 0.0           | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 101.7          | 97.7           | 4.1           |
| Agri. Development (Regions)                | LOCAL          | 5.0           | 0.0            | 5.0            | 4.8            | 0.0            | 4.8            | 4.8            | 0.0            | 4.8           |
| Agri Development (GDF)                     | LOCAL          | 5.0           | 0.0            | 5.0            | 6.8            | 0.0            | 6.8            | 7.9            | 0.0            | 7.9           |
| Agri Equipment (Regions)                   | LOCAL          | 4.0           | 0.0            | 4.0            | 4.2            | 0.0            | 4.2            | 4.7            | 0.0            | 4.7           |
| Agri. Sector Hybrid Loan                   | IDB            | 240.0         | 130.0          | 110.0          | 338.8          | 234.7          | 104.2          | 345.3          | 241.5          | 103.8         |
| Aquaculture Development                    | LOCAL/EHIPC    | 12.0          | 0.0            | 12.0           | 118.7          | 0.0            | 118.7          | 124.9          | 0.0            | 124.9         |
| Artificial Insemination / NDDP             | LOCAL          | 5.0           | 0.0            | 5.0            | 7.0            | 0.0            | 7.0            | 7.4            | 0.0            | 7.4           |
| Drainage & Irrigation (Regions)            | LOCAL          | 248.0         | 0.0            | 248.0          | 297.6          | 0.0            | 297.6          | 298.0          | 0.0            | 298.0         |
| Geodetic Surveys                           | LOCAL          | 8.0           | 0.0            | 8.0            | 7.6            | 0.0            | 7.6            | 7.8            | 0.0            | 7.8           |
| GRDB - Capital Works                       | LOCAL          | 15.6          | 0.0            | 15.6           | 14.0           | 0.0            | 14.0           | 14.0           | 0.0            | 14.0          |
| Mards Rice Milling Complex                 | JAP GRNT       | 1.4           | 0.0            | 1.4            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0           |
| Guyana School of Agriculture               | LOCAL          | 7.0           | 0.0            | 7.0            | 6.7            | 0.0            | 6.7            | 6.7            | 0.0            | 6.7           |
| GUYSUICO - Capital Works                   | LOCAL          | 4154.2        | 0.0            | 4154.2         | 9636.6         | 4670.2         | 4966.4         | 9232.6         | 4475.7         | 4756.9        |
| Mahaica-Mahaicony-Abary Project            | ITALY          | 23.0          | 0.0            | 23.0           | 218.3          | 201.1          | 17.2           | 225.3          | 208.9          | 16.4          |
| Intermediate Savannahs                     | OAS            | 30.0          | 20.0           | 10.0           | 37.4           | 34.1           | 3.3            | 38.8           | 35.3           | 3.5           |
| Marine Development                         | LOCAL          | 20.0          | 0.0            | 20.0           | 111.6          | 0.0            | 111.6          | 135.5          | 0.0            | 135.5         |
| National Agri. Research Institute (NARI)   | LOCAL          | 10.0          | 0.0            | 10.0           | 40.2           | 37.9           | 2.3            | 42.7           | 40.7           | 2.0           |
| National Land Registration                 | LOCAL          | 18.0          | 0.0            | 18.0           | 20.5           | 0.0            | 20.5           | 21.9           | 0.0            | 21.9          |
| New Guyana Marketing Corporation           | LOCAL          | 0.5           | 0.0            | 0.5            | 5.1            | 0.0            | 5.1            | 11.3           | 0.0            | 11.3          |
| Rehab. of Drainage & Irrigation Areas      | LOCAL/EHIPC    | 575.0         | 0.0            | 575.0          | 872.4          | 0.0            | 872.4          | 946.8          | 0.0            | 946.8         |
| Extension Services                         | LOCAL/EHIPC    | 0.8           | 0.0            | 0.8            | 177.3          | 0.0            | 177.3          | 200.9          | 0.0            | 200.9         |
| Rural Support Project                      | IFAD           | 80.0          | 75.0           | 5.0            | 163.6          | 160.2          | 3.4            | 169.2          | 165.7          | 3.5           |
| <u>MANUFACTURING</u>                       |                | <u>40.0</u>   | <u>0.0</u>     | <u>40.0</u>    | <u>295.0</u>   | <u>0.0</u>     | <u>295.0</u>   | <u>249.8</u>   | <u>0.0</u>     | <u>249.8</u>  |
| Industrial Development                     | LOCAL/EHIPC    | 40.0          | 0.0            | 40.0           | 295.0          | 0.0            | 295.0          | 249.8          | 0.0            | 249.8         |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                    | BUDGET 2003    |                |                | BUDGET 2004    |                |                | BUDGET 2005    |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | TOTAL          | SPECIFIC       | LOCAL          | TOTAL          | SPECIFIC       | LOCAL          | TOTAL          | SPECIFIC       | LOCAL          |
| <b>NET PSIP</b>                            | <b>26746.3</b> | <b>12427.1</b> | <b>14319.2</b> | <b>34642.6</b> | <b>15385.9</b> | <b>19256.8</b> | <b>31188.7</b> | <b>10913.1</b> | <b>20275.6</b> |
| <b>TRANSFER</b>                            | <b>469.8</b>   | <b>0.0</b>     | <b>469.8</b>   | <b>459.0</b>   | <b>0.0</b>     | <b>459.0</b>   | <b>467.6</b>   | <b>0.0</b>     | <b>467.6</b>   |
| <b>TOTAL PSIP</b>                          | <b>27216.1</b> | <b>12427.1</b> | <b>14789.0</b> | <b>35101.6</b> | <b>15385.9</b> | <b>19715.8</b> | <b>31656.3</b> | <b>10913.1</b> | <b>20743.2</b> |
| <b>CENTRAL GOVERNMENT</b>                  | <b>24661.5</b> | <b>12427.1</b> | <b>12234.4</b> | <b>24188.3</b> | <b>12087.5</b> | <b>12100.8</b> | <b>23893.9</b> | <b>10913.1</b> | <b>12980.9</b> |
| <b>PUBLIC CORPORATIONS</b>                 | <b>2554.7</b>  | <b>0.0</b>     | <b>2554.7</b>  | <b>10913.3</b> | <b>3298.4</b>  | <b>7615.0</b>  | <b>7762.4</b>  | <b>0.0</b>     | <b>7762.4</b>  |
| <b>ECONOMIC SERVICES</b>                   | <b>5852.5</b>  | <b>956.2</b>   | <b>4896.3</b>  | <b>14254.1</b> | <b>4276.1</b>  | <b>9978.0</b>  | <b>10893.8</b> | <b>643.4</b>   | <b>10250.4</b> |
| <u>AGRICULTURE, FORESTRY &amp; FISHING</u> | <u>5243.7</u>  | <u>956.2</u>   | <u>4287.5</u>  | <u>13643.3</u> | <u>4276.1</u>  | <u>9367.1</u>  | <u>10271.7</u> | <u>643.4</u>   | <u>9628.3</u>  |
| Agri. Sector Loan                          | 147.9          | 141.9          | 5.9            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Agricultural Support Services Program      | 410.0          | 381.7          | 28.3           | 544.6          | 515.3          | 29.3           | 431.4          | 396.6          | 34.8           |
| Agri. Development (Regions)                | 4.6            | 0.0            | 4.6            | 4.6            | 0.0            | 4.6            | 4.8            | 0.0            | 4.8            |
| Agri Development (GDF)                     | 8.9            | 0.0            | 8.9            | 8.9            | 0.0            | 8.9            | 9.7            | 0.0            | 9.7            |
| Agri Equipment (Regions)                   | 4.8            | 0.0            | 4.8            | 4.8            | 0.0            | 4.8            | 5.0            | 0.0            | 5.0            |
| Agri. Sector Hybrid Loan                   | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Aquaculture Development                    | 126.2          | 0.0            | 126.2          | 126.3          | 0.0            | 126.3          | 128.2          | 0.0            | 128.2          |
| Artificial Insemination / NDDP             | 7.3            | 0.0            | 7.3            | 7.4            | 0.0            | 7.4            | 7.7            | 0.0            | 7.7            |
| Drainage & Irrigation (Regions)            | 289.0          | 0.0            | 289.0          | 284.3          | 0.0            | 284.3          | 291.1          | 0.0            | 291.1          |
| Geodetic Surveys                           | 7.7            | 0.0            | 7.7            | 7.7            | 0.0            | 7.7            | 8.5            | 0.0            | 8.5            |
| GRDB - Capital Works                       | 13.7           | 0.0            | 13.7           | 13.5           | 0.0            | 13.5           | 14.0           | 0.0            | 14.0           |
| Mards Rice Milling Complex                 | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Guyana School of Agriculture               | 6.6            | 0.0            | 6.6            | 6.5            | 0.0            | 6.5            | 6.8            | 0.0            | 6.8            |
| GUYSUICO - Capital Works                   | 2372.6         | 0.0            | 2372.6         | 10747.3        | 3298.4         | 7449.0         | 7589.2         | 0.0            | 7589.2         |
| Mahaica-Mahaicony-Abary Project            | 215.5          | 167.6          | 47.9           | 273.4          | 226.0          | 47.4           | 49.2           | 0.0            | 49.2           |
| Intermediate Savannahs                     | 40.8           | 37.3           | 3.6            | 6.4            | 0.0            | 6.4            | 6.8            | 0.0            | 6.8            |
| Marine Development                         | 135.5          | 0.0            | 135.5          | 135.3          | 0.0            | 135.3          | 139.6          | 0.0            | 139.6          |
| National Agri. Research Institute (NARI)   | 44.6           | 42.6           | 2.0            | 46.4           | 44.2           | 2.2            | 47.9           | 45.6           | 2.3            |
| National Land Registration                 | 21.6           | 0.0            | 21.6           | 21.3           | 0.0            | 21.3           | 21.7           | 0.0            | 21.7           |
| New Guyana Marketing Corporation           | 13.5           | 0.0            | 13.5           | 13.5           | 0.0            | 13.5           | 15.8           | 0.0            | 15.8           |
| Rehab. of Drainage & Irrigation Areas      | 980.4          | 0.0            | 980.4          | 985.1          | 0.0            | 985.1          | 1061.1         | 0.0            | 1061.1         |
| Extension Services                         | 204.0          | 0.0            | 204.0          | 210.8          | 0.0            | 210.8          | 229.1          | 0.0            | 229.1          |
| Rural Support Project                      | 188.6          | 185.0          | 3.6            | 195.0          | 192.3          | 2.7            | 204.2          | 201.3          | 2.9            |
| <u>MANUFACTURING</u>                       | <u>210.0</u>   | <u>0.0</u>     | <u>210.0</u>   | <u>210.4</u>   | <u>0.0</u>     | <u>210.4</u>   | <u>196.6</u>   | <u>0.0</u>     | <u>196.6</u>   |
| Industrial Development                     | 210.0          | 0.0            | 210.0          | 210.4          | 0.0            | 210.4          | 196.6          | 0.0            | 196.6          |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                 |             | BUDGET 2000   |               |               | BUDGET 2001   |               |               | BUDGET 2002   |               |               |
|---|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   |             | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         |
| <b>MINING</b>                           |             | <b>589.6</b>  | <b>0.0</b>    | <b>589.6</b>  | <b>320.6</b>  | <b>0.0</b>    | <b>320.6</b>  | <b>396.7</b>  | <b>0.0</b>    | <b>396.7</b>  |
| Dredging                                | LOCAL/EHIPC | 160.0         | 0.0           | 160.0         | 320.6         | 0.0           | 320.6         | 396.7         | 0.0           | 396.7         |
| Linden Mining Enterprise                | LOCAL       | 31.5          | 0.0           | 31.5          | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Berbice Mining Enterprise               | LOCAL       | 398.1         | 0.0           | 398.1         | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| <b>ECONOMIC INFRASTRUCTURE</b>          |             | <b>5699.7</b> | <b>3362.8</b> | <b>2336.9</b> | <b>7436.3</b> | <b>4107.8</b> | <b>3328.5</b> | <b>8165.5</b> | <b>4628.1</b> | <b>3537.4</b> |
| <b>POWER</b>                            |             | <b>27.5</b>   | <b>0.0</b>    | <b>27.5</b>   | <b>27.3</b>   | <b>0.0</b>    | <b>27.3</b>   | <b>27.0</b>   | <b>0.0</b>    | <b>27.0</b>   |
| Power Extension (Regions)               | LOCAL       | 11.5          | 0.0           | 11.5          | 11.6          | 0.0           | 11.6          | 11.9          | 0.0           | 11.9          |
| Power Generation                        | LOCAL       | 16.0          | 0.0           | 16.0          | 5.0           | 0.0           | 5.0           | 4.4           | 0.0           | 4.4           |
| Hydropower Division                     | CHINA       | 0.0           | 0.0           | 0.0           | 10.7          | 0.0           | 10.7          | 10.7          | 0.0           | 10.7          |
| <b>TRANSPORT &amp; COMMUNICATION</b>    |             | <b>3787.1</b> | <b>1847.1</b> | <b>1940.0</b> | <b>4488.8</b> | <b>1883.5</b> | <b>2605.3</b> | <b>4622.3</b> | <b>1993.1</b> | <b>2629.2</b> |
| Administration & Supervision            | LOCAL       | 4.0           | 0.0           | 4.0           | 26.0          | 24.0          | 2.0           | 23.9          | 22.2          | 1.6           |
| Air Traffic Service                     | LOCAL       | 0.0           | 0.0           | 0.0           | 9.8           | 0.0           | 9.8           | 10.1          | 0.0           | 10.1          |
| Black Bush Polder Road                  | LOCAL       | 15.0          | 0.0           | 15.0          | 69.8          | 0.0           | 69.8          | 67.7          | 0.0           | 67.7          |
| Bartica/Issano/Mahdia Road              | LOCAL       | 15.0          | 0.0           | 15.0          | 37.7          | 0.0           | 37.7          | 29.0          | 0.0           | 29.0          |
| Bridge Rehabilitation                   | IDB         | 179.2         | 128.8         | 50.4          | 914.0         | 806.9         | 107.1         | 1340.4        | 1231.8        | 108.5         |
| Demerara Harbour Bridge                 | EU          | 30.0          | 0.0           | 30.0          | 42.5          | 0.0           | 42.5          | 61.7          | 0.0           | 61.7          |
| Dredging/Pilot Launching                | LOCAL       | 80.0          | 0.0           | 80.0          | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Essequibo Coast Road                    | IDA/LOC     | 667.0         | 548.0         | 119.0         | 256.6         | 0.0           | 256.6         | 138.0         | 0.0           | 138.0         |
| Ferry Services                          | LOCAL       | 90.0          | 0.0           | 90.0          | 88.5          | 0.0           | 88.5          | 86.3          | 0.0           | 86.3          |
| Guyana Oil Company                      | LOCAL       | 107.2         | 0.0           | 107.2         | 110.9         | 0.0           | 110.9         | 99.5          | 0.0           | 99.5          |
| Rehabilitation of Mahaica-Rosignol Road | IDB         | 0.0           | 0.0           | 0.0           | 302.8         | 192.0         | 110.9         | 279.4         | 238.7         | 40.6          |
| Georgetown/Soesdyke/Rosignol Road       | IDB         | 740.0         | 540.0         | 200.0         | 14.4          | 0.0           | 14.4          | 34.8          | 0.0           | 34.8          |
| GNNL - Capital Works                    | LOCAL       | 5.9           | 0.0           | 5.9           | 2.0           | 0.0           | 2.0           | 1.6           | 0.0           | 1.6           |
| GNSC - Capital Works                    | LOCAL       | 53.2          | 0.0           | 53.2          | 36.5          | 0.0           | 36.5          | 36.3          | 0.0           | 36.3          |
| GPOC - Capital Works                    | LOCAL       | 8.2           | 0.0           | 8.2           | 2.0           | 0.0           | 2.0           | 1.5           | 0.0           | 1.5           |
| GBC                                     | LOCAL       | 30.4          | 0.0           | 30.4          | 30.2          | 0.0           | 30.2          | 30.3          | 0.0           | 30.3          |
| Guyana/Suriname Ferry Project           | EU          | 0.0           | 0.0           | 0.0           | 43.9          | 0.0           | 43.9          | 40.9          | 0.0           | 40.9          |

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(G\$ million)

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| PROJECT                                 |             | BUDGET 2003   |               |               | BUDGET 2004   |               |               | BUDGET 2005   |               |               |
|---|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   |             | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         |
| <b>MINING</b>                           |             | <b>398.8</b>  | <b>0.0</b>    | <b>398.8</b>  | <b>400.4</b>  | <b>0.0</b>    | <b>400.4</b>  | <b>425.5</b>  | <b>0.0</b>    | <b>425.5</b>  |
| Dredging                                | LOCAL/EHIPC | 398.8         | 0.0           | 398.8         | 400.4         | 0.0           | 400.4         | 425.5         | 0.0           | 425.5         |
| Linden Mining Enterprise                | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Berbice Mining Enterprise               | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| <b>ECONOMIC INFRASTRUCTURE</b>          |             | <b>8858.4</b> | <b>5432.8</b> | <b>3425.7</b> | <b>8781.4</b> | <b>5451.0</b> | <b>3330.5</b> | <b>8091.3</b> | <b>4461.6</b> | <b>3629.7</b> |
| <b>POWER</b>                            |             | <b>24.5</b>   | <b>0.0</b>    | <b>24.5</b>   | <b>24.7</b>   | <b>0.0</b>    | <b>24.7</b>   | <b>26.3</b>   | <b>0.0</b>    | <b>26.3</b>   |
| Power Extension (Regions)               | LOCAL       | 12.6          | 0.0           | 12.6          | 12.9          | 0.0           | 12.9          | 13.7          | 0.0           | 13.7          |
| Power Generation                        | LOCAL       | 1.3           | 0.0           | 1.3           | 1.1           | 0.0           | 1.1           | 1.2           | 0.0           | 1.2           |
| Hydropower Division                     | CHINA       | 10.6          | 0.0           | 10.6          | 10.6          | 0.0           | 10.6          | 11.4          | 0.0           | 11.4          |
| <b>TRANSPORT &amp; COMMUNICATION</b>    |             | <b>4952.4</b> | <b>2404.8</b> | <b>2547.7</b> | <b>4933.0</b> | <b>2430.6</b> | <b>2502.4</b> | <b>5218.0</b> | <b>2516.2</b> | <b>2701.8</b> |
| Administration & Supervision            | LOCAL       | 2.2           | 0.0           | 2.2           | 2.2           | 0.0           | 2.2           | 2.3           | 0.0           | 2.3           |
| Air Traffic Service                     | LOCAL       | 10.0          | 0.0           | 10.0          | 10.4          | 0.0           | 10.4          | 11.1          | 0.0           | 11.1          |
| Black Bush Polder Road                  | LOCAL       | 43.5          | 0.0           | 43.5          | 42.5          | 0.0           | 42.5          | 48.1          | 0.0           | 48.1          |
| Bartica/Issano/Mahdia Road              | LOCAL       | 21.1          | 0.0           | 21.1          | 15.7          | 0.0           | 15.7          | 16.2          | 0.0           | 16.2          |
| Bridge Rehabilitation                   | IDB         | 1492.9        | 1383.7        | 109.2         | 1432.5        | 1332.3        | 100.2         | 1431.7        | 1330.3        | 101.4         |
| Demerara Harbour Bridge                 | EU          | 65.4          | 0.0           | 65.4          | 67.6          | 0.0           | 67.6          | 69.5          | 0.0           | 69.5          |
| Dredging/Pilot Launching                | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Essequibo Coast Road                    | IDA/LOC     | 26.3          | 0.0           | 26.3          | 28.2          | 0.0           | 28.2          | 30.5          | 0.0           | 30.5          |
| Ferry Services                          | LOCAL       | 97.6          | 0.0           | 97.6          | 98.2          | 0.0           | 98.2          | 104.0         | 0.0           | 104.0         |
| Guyana Oil Company                      | LOCAL       | 48.5          | 0.0           | 48.5          | 46.2          | 0.0           | 46.2          | 48.1          | 0.0           | 48.1          |
| Rehabilitation of Mahaica-Rosignol Road | IDB         | 542.6         | 502.2         | 40.5          | 612.4         | 569.5         | 42.8          | 704.7         | 654.3         | 50.4          |
| Georgetown/Soesdyke/Rosignol Road       | IDB         | 35.0          | 0.0           | 35.0          | 35.9          | 0.0           | 35.9          | 37.4          | 0.0           | 37.4          |
| GNNL - Capital Works                    | LOCAL       | 1.4           | 0.0           | 1.4           | 1.3           | 0.0           | 1.3           | 1.4           | 0.0           | 1.4           |
| GNSC - Capital Works                    | LOCAL       | 33.5          | 0.0           | 33.5          | 32.1          | 0.0           | 32.1          | 33.3          | 0.0           | 33.3          |
| GPOC - Capital Works                    | LOCAL       | 1.0           | 0.0           | 1.0           | 0.9           | 0.0           | 0.9           | 1.0           | 0.0           | 1.0           |
| GBC                                     | LOCAL       | 29.8          | 0.0           | 29.8          | 30.4          | 0.0           | 30.4          | 31.9          | 0.0           | 31.9          |
| Guyana/Suriname Ferry Project           | EU          | 33.8          | 0.0           | 33.8          | 32.2          | 0.0           | 32.2          | 33.7          | 0.0           | 33.7          |

PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                 |             | BUDGET 2000   |               |              | BUDGET 2001   |               |              | BUDGET 2002   |               |              |
|---|-------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
|   |             | TOTAL         | SPECIFIC      | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        |
| Hinterland Airstrip                     | LOCAL/EHIPC | 15.0          | 0.0           | 15.0         | 21.2          | 0.0           | 21.2         | 140.3         | 0.0           | 140.3        |
| Land Transport                          | LOCAL       | 25.4          | 0.0           | 25.4         | 30.2          | 0.0           | 30.2         | 30.0          | 0.0           | 30.0         |
| Internal Audit                          | IDB         | 8.8           | 8.8           | 0.0          | 6.1           | 6.1           | 0.0          | 6.0           | 6.0           | 0.0          |
| Land Development (Regions)              | LOCAL       | 25.0          | 0.0           | 25.0         | 36.4          | 6.1           | 30.2         | 36.2          | 6.0           | 30.3         |
| Land & Water Transport                  | LOCAL       | 21.6          | 0.0           | 21.6         | 39.2          | 0.0           | 39.2         | 38.4          | 0.0           | 38.4         |
| Land & Water Transport (Regions)        | LOCAL/EHIPC | 6.7           | 0.0           | 6.7          | 123.7         | 0.0           | 123.7        | 108.2         | 0.0           | 108.2        |
| Mabura/Lethem Road                      | LOCAL       | 40.0          | 0.0           | 40.0         | 51.6          | 0.0           | 51.6         | 65.2          | 0.0           | 65.2         |
| Miscellaneous Roads                     | LOCAL       | 440.0         | 0.0           | 440.0        | 381.5         | 0.0           | 381.5        | 384.0         | 0.0           | 384.0        |
| Navigational Aids                       | LOCAL       | 20.0          | 0.0           | 20.0         | 24.1          | 0.0           | 24.1         | 21.5          | 0.0           | 21.5         |
| Reconditioning of Ferry Vessels         | LOCAL       | 50.0          | 0.0           | 50.0         | 50.5          | 0.0           | 50.5         | 49.8          | 0.0           | 49.8         |
| Reconditioning of Ships                 | LOCAL       | 50.0          | 0.0           | 50.0         | 52.7          | 0.0           | 52.7         | 47.0          | 0.0           | 47.0         |
| Regional Airport Project                | EU          | 19.0          | 17.0          | 2.0          | 44.7          | 37.8          | 7.0          | 5.6           | 0.0           | 5.6          |
| Air Transport Project                   | IDB         | 23.5          | 20.0          | 3.5          | 568.8         | 522.6         | 46.1         | 531.9         | 488.3         | 43.5         |
| Road Maintenance Fund                   | LOCAL       | 40.0          | 0.0           | 40.0         | 46.9          | 0.0           | 46.9         | 47.1          | 0.0           | 47.1         |
| Roads (Regions)                         | LOCAL/EHIPC | 237.5         | 0.0           | 237.5        | 437.5         | 0.0           | 437.5        | 531.9         | 0.0           | 531.9        |
| Soesdyke/Linden Highway                 | CDB         | 639.5         | 584.5         | 55.0         | 297.2         | 288.0         | 9.2          | 7.9           | 0.0           | 7.9          |
| Stellings                               | LOCAL       | 0.0           | 0.0           | 0.0          | 121.0         | 0.0           | 121.0        | 122.1         | 0.0           | 122.1        |
| Stellings & Wharves                     | LOCAL       | 60.0          | 0.0           | 60.0         | 132.2         | 0.0           | 132.2        | 129.9         | 0.0           | 129.9        |
| Urban Roads & Drainage                  | LOCAL       | 40.0          | 0.0           | 40.0         | 35.8          | 0.0           | 35.8         | 38.2          | 0.0           | 38.2         |
| <b>WATER</b>                            |             | <b>1885.1</b> | <b>1515.7</b> | <b>369.4</b> | <b>2920.2</b> | <b>2224.3</b> | <b>695.9</b> | <b>3516.2</b> | <b>2635.1</b> | <b>881.1</b> |
| East Demerara Water Conservancy         |             | 300.0         | 250.0         | 50.0         | 0.0           | 0.0           | 0.0          | 67.7          | 0.0           | 67.7         |
| Georgetown Remedial & Sewerage Proj.    | IDB         | 173.6         | 159.0         | 14.6         | 520.9         | 448.5         | 72.4         | 679.9         | 606.3         | 73.6         |
| Solid Waste Project                     | IDB         | 19.8          | 18.0          | 1.8          | 104.6         | 96.0          | 8.6          | 84.5          | 78.1          | 6.4          |
| GS&WC Maintenance Program II            | IDB         | 0.0           | 0.0           | 0.0          | 230.1         | 211.3         | 18.8         | 444.9         | 410.4         | 34.5         |
| Pure Water Supply - GDF                 | LOCAL       | 5.0           | 0.0           | 5.0          | 6.7           | 0.0           | 6.7          | 7.4           | 0.0           | 7.4          |
| Urban Rehabilitation Program            | IDB         | 72.0          | 60.0          | 12.0         | 207.0         | 190.1         | 16.9         | 294.0         | 270.7         | 23.3         |
| Sanitation Improvement Project          | LOCAL/EHIPC | 0.0           | 0.0           | 0.0          | 111.2         | 0.0           | 111.2        | 114.0         | 0.0           | 114.0        |
| Pure Water Supply - New Amsterdam       | EU          | 143.0         | 125.0         | 18.0         | 155.3         | 134.4         | 20.9         | 156.9         | 138.7         | 18.2         |
| Rural Water (Hinterland)                | LOCAL/EHIPC | 20.0          | 0.0           | 20.0         | 178.9         | 0.0           | 178.9        | 232.1         | 0.0           | 232.1        |
| Water Supply Technical Assistance/Rehab | CDB/EU/IDA  | 1098.7        | 903.7         | 195.0        | 1330.0        | 1144.0        | 186.0        | 1356.5        | 1130.8        | 225.8        |
| Water Supply - Regions                  | LOCAL       | 53.0          | 0.0           | 53.0         | 75.5          | 0.0           | 75.5         | 78.1          | 0.0           | 78.1         |

PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                 |             | BUDGET 2003   |               |              | BUDGET 2004   |               |              | BUDGET 2005   |               |              |
|---|-------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
|   |             | TOTAL         | SPECIFIC      | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        |
| Hinterland Airstrip                     | LOCAL/EHIPC | 226.7         | 0.0           | 226.7        | 226.5         | 0.0           | 226.5        | 231.5         | 0.0           | 231.5        |
| Land Transport                          | LOCAL       | 29.8          | 0.0           | 29.8         | 30.4          | 0.0           | 30.4         | 31.5          | 0.0           | 31.5         |
| Internal Audit                          | IDB         | 2.0           | 0.0           | 2.0          | 2.1           | 0.0           | 2.1          | 2.3           | 0.0           | 2.3          |
| Land Development (Regions)              | LOCAL       | 30.8          | 0.0           | 30.8         | 31.3          | 0.0           | 31.3         | 32.5          | 0.0           | 32.5         |
| Land & Water Transport                  | LOCAL       | 40.1          | 0.0           | 40.1         | 39.9          | 0.0           | 39.9         | 40.9          | 0.0           | 40.9         |
| Land & Water Transport (Regions)        | LOCAL/EHIPC | 109.2         | 0.0           | 109.2        | 89.5          | 0.0           | 89.5         | 94.5          | 0.0           | 94.5         |
| Mabura/Lethem Road                      | LOCAL       | 43.7          | 0.0           | 43.7         | 38.9          | 0.0           | 38.9         | 37.9          | 0.0           | 37.9         |
| Miscellaneous Roads                     | LOCAL       | 371.6         | 0.0           | 371.6        | 364.2         | 0.0           | 364.2        | 372.8         | 0.0           | 372.8        |
| Navigational Aids                       | LOCAL       | 19.7          | 0.0           | 19.7         | 17.7          | 0.0           | 17.7         | 18.4          | 0.0           | 18.4         |
| Reconditioning of Ferry Vessels         | LOCAL       | 48.0          | 0.0           | 48.0         | 47.0          | 0.0           | 47.0         | 48.8          | 0.0           | 48.8         |
| Reconditioning of Ships                 | LOCAL       | 43.3          | 0.0           | 43.3         | 41.5          | 0.0           | 41.5         | 42.6          | 0.0           | 42.6         |
| Regional Airport Project                | EU          | 5.3           | 0.0           | 5.3          | 5.1           | 0.0           | 5.1          | 5.4           | 0.0           | 5.4          |
| Air Transport Project                   | IDB         | 559.2         | 518.9         | 40.3         | 567.5         | 528.8         | 38.7         | 572.3         | 531.6         | 40.6         |
| Road Maintenance Fund                   | LOCAL       | 48.0          | 0.0           | 48.0         | 47.9          | 0.0           | 47.9         | 49.6          | 0.0           | 49.6         |
| Roads (Regions)                         | LOCAL/EHIPC | 599.9         | 0.0           | 599.9        | 609.3         | 0.0           | 609.3        | 735.6         | 0.0           | 735.6        |
| Soesdyke/Linden Highway                 | CDB         | 7.1           | 0.0           | 7.1          | 6.6           | 0.0           | 6.6          | 7.0           | 0.0           | 7.0          |
| Stellings                               | LOCAL       | 119.0         | 0.0           | 119.0        | 116.5         | 0.0           | 116.5        | 122.3         | 0.0           | 122.3        |
| Stellings & Wharves                     | LOCAL       | 125.4         | 0.0           | 125.4        | 123.4         | 0.0           | 123.4        | 127.5         | 0.0           | 127.5        |
| Urban Roads & Drainage                  | LOCAL       | 39.0          | 0.0           | 39.0         | 39.0          | 0.0           | 39.0         | 40.0          | 0.0           | 40.0         |
| <b>WATER</b>                            |             | <b>3881.4</b> | <b>3028.0</b> | <b>853.5</b> | <b>3823.7</b> | <b>3020.4</b> | <b>803.4</b> | <b>2846.9</b> | <b>1945.4</b> | <b>901.6</b> |
| East Demerara Water Conservancy         |             | 26.4          | 0.0           | 26.4         | 0.0           | 0.0           | 0.0          | 69.4          | 0.0           | 69.4         |
| Georgetown Remedial & Sewerage Proj.    | IDB         | 309.5         | 252.8         | 56.7         | 54.8          | 0.0           | 54.8         | 56.5          | 0.0           | 56.5         |
| Solid Waste Project                     | IDB         | 239.0         | 220.9         | 18.1         | 279.1         | 260.4         | 18.8         | 320.0         | 297.6         | 22.3         |
| GS&WC Maintenance Program II            | IDB         | 810.3         | 751.0         | 59.3         | 938.5         | 874.6         | 63.9         | 989.6         | 920.2         | 69.5         |
| Pure Water Supply - GDF                 | LOCAL       | 7.7           | 0.0           | 7.7          | 7.6           | 0.0           | 7.6          | 8.5           | 0.0           | 8.5          |
| Urban Rehabilitation Program            | IDB         | 685.3         | 636.6         | 48.6         | 728.6         | 678.5         | 50.1         | 769.6         | 715.7         | 54.0         |
| Sanitation Improvement Project          | LOCAL/EHIPC | 113.8         | 0.0           | 113.8        | 114.6         | 0.0           | 114.6        | 115.2         | 0.0           | 115.2        |
| Pure Water Supply - New Amsterdam       | EU          | 13.2          | 0.0           | 13.2         | 10.4          | 0.0           | 10.4         | 10.8          | 0.0           | 10.8         |
| Rural Water (Hinterland)                | LOCAL/EHIPC | 214.8         | 0.0           | 214.8        | 215.4         | 0.0           | 215.4        | 219.9         | 0.0           | 219.9        |
| Water Supply Technical Assistance/Rehab | CDB/EU/IDA  | 1384.2        | 1166.7        | 217.5        | 1398.1        | 1206.8        | 191.3        | 207.6         | 11.9          | 195.7        |
| Water Supply - Regions                  | LOCAL       | 77.3          | 0.0           | 77.3         | 76.7          | 0.0           | 76.7         | 79.8          | 0.0           | 79.8         |

PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                               | BUDGET 2000   |               |               | BUDGET 2001   |               |               | BUDGET 2002   |               |               |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                       | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         |
| <b>GENERAL PUBLIC SERVICES</b>        | <b>3977.8</b> | <b>1379.0</b> | <b>2598.8</b> | <b>4064.6</b> | <b>1379.8</b> | <b>2684.8</b> | <b>4307.9</b> | <b>1310.7</b> | <b>2997.2</b> |
| <u>ADMINISTRATION &amp; PLANNING</u>  | <u>1408.7</u> | <u>38.0</u>   | <u>1370.7</u> | <u>1172.0</u> | <u>288.0</u>  | <u>884.0</u>  | <u>1072.0</u> | <u>354.4</u>  | <u>717.6</u>  |
| Administration & Management           | 32.0          | 0.0           | 32.0          | 23.6          | 0.0           | 23.6          | 20.3          | 0.0           | 20.3          |
| Buildings                             | 5.6           | 0.0           | 5.6           | 6.0           | 0.0           | 6.0           | 6.5           | 0.0           | 6.5           |
| Buildings - Administration            | 4.5           | 0.0           | 4.5           | 20.6          | 0.0           | 20.6          | 17.6          | 0.0           | 17.6          |
| Bureau of Standards                   | 15.0          | 0.0           | 15.0          | 2.3           | 0.0           | 2.3           | 2.5           | 0.0           | 2.5           |
| Director of Public Prosecution        | 2.0           | 0.0           | 2.0           | 1.1           | 0.0           | 1.1           | 1.0           | 0.0           | 1.0           |
| Equipment                             | 17.0          | 0.0           | 17.0          | 2.1           | 0.0           | 2.1           | 2.2           | 0.0           | 2.2           |
| Equipment - GDF                       | 40.0          | 0.0           | 40.0          | 42.6          | 0.0           | 42.6          | 68.4          | 0.0           | 68.4          |
| Furniture & Equipment                 | 31.1          | 0.0           | 31.1          | 29.9          | 0.0           | 29.9          | 27.3          | 0.0           | 27.3          |
| Government Buildings                  | 102.7         | 0.0           | 102.7         | 47.6          | 0.0           | 47.6          | 45.9          | 0.0           | 45.9          |
| Guyana National Service (GNS)         | 10.0          | 0.0           | 10.0          | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Hydrometeorological Services          | 2.2           | 0.0           | 2.2           | 3.0           | 0.0           | 3.0           | 3.4           | 0.0           | 3.4           |
| Expanded Economic Opportunities Proj. | 0.0           | 0.0           | 0.0           | 291.0         | 288.0         | 3.0           | 297.7         | 294.3         | 3.4           |
| Caricom Resource & Management Program | 24.0          | 18.0          | 6.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Loan to Public Corporation            | 370.2         | 0.0           | 370.2         | 161.4         | 0.0           | 161.4         | 0.0           | 0.0           | 0.0           |
| Minor Works                           | 25.0          | 0.0           | 25.0          | 25.9          | 0.0           | 25.9          | 26.0          | 0.0           | 26.0          |
| Office & Residence of the President   | 3.0           | 0.0           | 3.0           | 4.8           | 0.0           | 4.8           | 5.2           | 0.0           | 5.2           |
| Office Equipment                      | 0.0           | 0.0           | 0.0           | 0.5           | 0.0           | 0.5           | 0.6           | 0.0           | 0.6           |
| Office Equipment and Furniture        | 0.0           | 0.0           | 0.0           | 0.2           | 0.0           | 0.2           | 0.2           | 0.0           | 0.2           |
| Office Furniture and Equipment        | 0.0           | 0.0           | 0.0           | 6.4           | 0.0           | 6.4           | 6.1           | 0.0           | 6.1           |
| Office of Ombusman                    | 0.0           | 0.0           | 0.0           | 1.2           | 0.0           | 1.2           | 1.3           | 0.0           | 1.3           |
| Parliament Office                     | 5.0           | 0.0           | 5.0           | 5.3           | 0.0           | 5.3           | 5.2           | 0.0           | 5.2           |
| Project Development & Assistance      | 252.0         | 0.0           | 252.0         | 144.2         | 0.0           | 144.2         | 142.9         | 0.0           | 142.9         |
| Public Administration Project         | 2.0           | 0.0           | 2.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Public Service Commission             | 2.0           | 0.0           | 2.0           | 2.0           | 0.0           | 2.0           | 2.1           | 0.0           | 2.1           |
| Public Utilities Commission           | 0.0           | 0.0           | 0.0           | 1.1           | 0.0           | 1.1           | 1.2           | 0.0           | 1.2           |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                               | BUDGET 2003   |              |               | BUDGET 2004   |              |               | BUDGET 2005   |              |               |
|---------------------------------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|
|                                       | TOTAL         | SPECIFIC     | LOCAL         | TOTAL         | SPECIFIC     | LOCAL         | TOTAL         | SPECIFIC     | LOCAL         |
| <b>GENERAL PUBLIC SERVICES</b>        | <b>3875.9</b> | <b>907.9</b> | <b>2968.0</b> | <b>3607.9</b> | <b>596.1</b> | <b>3011.8</b> | <b>4339.7</b> | <b>715.5</b> | <b>3624.2</b> |
| <u>ADMINISTRATION &amp; PLANNING</u>  | <u>1151.3</u> | <u>444.2</u> | <u>707.1</u>  | <u>846.7</u>  | <u>160.8</u> | <u>685.9</u>  | <u>881.1</u>  | <u>169.0</u> | <u>712.1</u>  |
| Administration & Management           | 19.7          | 0.0          | 19.7          | 19.4          | 0.0          | 19.4          | 19.8          | 0.0          | 19.8          |
| Buildings                             | 6.9           | 0.0          | 6.9           | 7.0           | 0.0          | 7.0           | 7.2           | 0.0          | 7.2           |
| Buildings - Administration            | 16.4          | 0.0          | 16.4          | 15.8          | 0.0          | 15.8          | 16.3          | 0.0          | 16.3          |
| Bureau of Standards                   | 2.4           | 0.0          | 2.4           | 2.4           | 0.0          | 2.4           | 2.5           | 0.0          | 2.5           |
| Director of Public Prosecution        | 1.0           | 0.0          | 1.0           | 0.9           | 0.0          | 0.9           | 1.0           | 0.0          | 1.0           |
| Equipment                             | 2.2           | 0.0          | 2.2           | 2.1           | 0.0          | 2.1           | 2.3           | 0.0          | 2.3           |
| Equipment - GDF                       | 77.3          | 0.0          | 77.3          | 81.4          | 0.0          | 81.4          | 83.0          | 0.0          | 83.0          |
| Furniture & Equipment                 | 25.9          | 0.0          | 25.9          | 25.0          | 0.0          | 25.0          | 25.8          | 0.0          | 25.8          |
| Government Buildings                  | 42.3          | 0.0          | 42.3          | 40.7          | 0.0          | 40.7          | 42.3          | 0.0          | 42.3          |
| Guyana National Service (GNS)         | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           |
| Hydrometeorological Services          | 3.7           | 0.0          | 3.7           | 4.1           | 0.0          | 4.1           | 4.2           | 0.0          | 4.2           |
| Expanded Economic Opportunities Proj. | 307.7         | 304.2        | 3.5           | 4.1           | 0.0          | 4.1           | 4.2           | 0.0          | 4.2           |
| Caricom Resource & Management Program | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           |
| Loan to Public Corporation            | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           |
| Minor Works                           | 26.3          | 0.0          | 26.3          | 26.5          | 0.0          | 26.5          | 28.4          | 0.0          | 28.4          |
| Office & Residence of the President   | 5.4           | 0.0          | 5.4           | 5.6           | 0.0          | 5.6           | 5.9           | 0.0          | 5.9           |
| Office Equipment                      | 0.5           | 0.0          | 0.5           | 0.5           | 0.0          | 0.5           | 0.6           | 0.0          | 0.6           |
| Office Equipment and Furniture        | 0.2           | 0.0          | 0.2           | 0.2           | 0.0          | 0.2           | 0.3           | 0.0          | 0.3           |
| Office Furniture and Equipment        | 5.8           | 0.0          | 5.8           | 5.6           | 0.0          | 5.6           | 5.8           | 0.0          | 5.8           |
| Office of Ombusman                    | 1.1           | 0.0          | 1.1           | 1.1           | 0.0          | 1.1           | 1.2           | 0.0          | 1.2           |
| Parliament Office                     | 5.4           | 0.0          | 5.4           | 5.5           | 0.0          | 5.5           | 5.7           | 0.0          | 5.7           |
| Project Development & Assistance      | 139.4         | 0.0          | 139.4         | 137.8         | 0.0          | 137.8         | 143.1         | 0.0          | 143.1         |
| Public Administration Project         | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           |
| Public Service Commission             | 2.0           | 0.0          | 2.0           | 2.0           | 0.0          | 2.0           | 2.2           | 0.0          | 2.2           |
| Public Utilities Commission           | 1.1           | 0.0          | 1.1           | 1.2           | 0.0          | 1.2           | 1.3           | 0.0          | 1.3           |

PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                       |           | BUDGET 2000  |            |              | BUDGET 2001  |            |              | BUDGET 2002  |            |              |
|---|-----------|--------------|------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
|   |           | TOTAL        | SPECIFIC   | LOCAL        | TOTAL        | SPECIFIC   | LOCAL        | TOTAL        | SPECIFIC   | LOCAL        |
| Secondary Infrastructure                      | IDA/LOCAL | 0.0          | 0.0        | 0.0          | 4.8          | 0.0        | 4.8          | 62.2         | 60.1       | 2.1          |
| National Insurance Scheme                     | LOCAL     | 42.6         | 0.0        | 42.6         | 0.0          | 0.0        | 0.0          | 0.0          | 0.0        | 0.0          |
| Student Loan Fund                             | LOCAL     | 350.0        | 0.0        | 350.0        | 280.1        | 0.0        | 280.1        | 254.8        | 0.0        | 254.8        |
| Supreme/Magistrate Court                      | LOCAL     | 35.0         | 0.0        | 35.0         | 39.2         | 0.0        | 39.2         | 44.1         | 0.0        | 44.1         |
| Stengthening the Registry                     | LOCAL     | 32.0         | 20.0       | 12.0         | 14.0         | 0.0        | 14.0         | 14.1         | 0.0        | 14.1         |
| Teaching Service Commission                   | LOCAL     | 3.8          | 0.0        | 3.8          | 3.9          | 0.0        | 3.9          | 4.1          | 0.0        | 4.1          |
| Vehicular Weight Control Programme            | LOCAL     | 0.0          | 0.0        | 0.0          | 7.3          | 0.0        | 7.3          | 9.0          | 0.0        | 9.0          |
| <u>CONTRIBUTION TO INTERNATIONAL AGENCIES</u> |           | <u>75.0</u>  | <u>0.0</u> | <u>75.0</u>  | <u>540.0</u> | <u>0.0</u> | <u>540.0</u> | <u>487.6</u> | <u>0.0</u> | <u>487.6</u> |
| Caribbean Development Bank                    | LOCAL     | 45.0         | 0.0        | 45.0         | 180.0        | 0.0        | 180.0        | 162.5        | 0.0        | 162.5        |
| Inter-American Investment Corporation         | LOCAL     | 0.0          | 0.0        | 0.0          | 180.0        | 0.0        | 180.0        | 162.5        | 0.0        | 162.5        |
| Inter-American Development Bank               | LOCAL     | 30.0         | 0.0        | 30.0         | 180.0        | 0.0        | 180.0        | 162.5        | 0.0        | 162.5        |
| <u>PUBLIC SAFETY</u>                          |           | <u>190.1</u> | <u>0.0</u> | <u>190.1</u> | <u>232.4</u> | <u>0.0</u> | <u>232.4</u> | <u>267.5</u> | <u>0.0</u> | <u>267.5</u> |
| Agri. Equipment - Prisons                     | LOCAL     | 7.2          | 0.0        | 7.2          | 8.3          | 0.0        | 8.3          | 10.4         | 0.0        | 10.4         |
| Buildings - Prisons                           | LOCAL     | 25.0         | 0.0        | 25.0         | 33.3         | 0.0        | 33.3         | 38.7         | 0.0        | 38.7         |
| Comm. Equipment - Fire                        | LOCAL     | 1.9          | 0.0        | 1.9          | 2.0          | 0.0        | 2.0          | 2.0          | 0.0        | 2.0          |
| Equipment & Furniture - Police                | LOCAL     | 9.0          | 0.0        | 9.0          | 10.5         | 0.0        | 10.5         | 11.0         | 0.0        | 11.0         |
| Equipment & Furniture - Fire                  | LOCAL     | 1.0          | 0.0        | 1.0          | 0.4          | 0.0        | 0.4          | 0.6          | 0.0        | 0.6          |
| Equipment (Home Affairs)                      | LOCAL     | 1.0          | 0.0        | 1.0          | 1.1          | 0.0        | 1.1          | 1.1          | 0.0        | 1.1          |
| Equipment - Police                            | LOCAL     | 28.0         | 0.0        | 28.0         | 46.3         | 0.0        | 46.3         | 62.2         | 0.0        | 62.2         |
| Fire Ambulances & Stations                    | LOCAL     | 18.0         | 0.0        | 18.0         | 20.9         | 0.0        | 20.9         | 24.2         | 0.0        | 24.2         |
| General Registrar Office                      | LOCAL     | 4.1          | 0.0        | 4.1          | 6.9          | 0.0        | 6.9          | 7.1          | 0.0        | 7.1          |
| Land & Water Transport - Fire                 | LOCAL     | 17.0         | 0.0        | 17.0         | 17.2         | 0.0        | 17.2         | 17.1         | 0.0        | 17.1         |
| Land & Water Transport - Prisons              | LOCAL     | 12.2         | 0.0        | 12.2         | 11.6         | 0.0        | 11.6         | 11.6         | 0.0        | 11.6         |
| Land & Transport Equipment - Police           | LOCAL     | 20.0         | 0.0        | 20.0         | 20.6         | 0.0        | 20.6         | 25.6         | 0.0        | 25.6         |
| Other Equipment - Prisons                     | LOCAL     | 5.7          | 0.0        | 5.7          | 4.8          | 0.0        | 4.8          | 5.2          | 0.0        | 5.2          |
| Police Stations & Buildings                   | LOCAL     | 35.0         | 0.0        | 35.0         | 42.0         | 0.0        | 42.0         | 43.6         | 0.0        | 43.6         |
| Tools & Equipment - Fire                      | LOCAL     | 5.0          | 0.0        | 5.0          | 6.3          | 0.0        | 6.3          | 7.0          | 0.0        | 7.0          |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                       |           | BUDGET 2003  |            |              | BUDGET 2004  |            |              | BUDGET 2005  |            |              |
|---|-----------|--------------|------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
|   |           | TOTAL        | SPECIFIC   | LOCAL        | TOTAL        | SPECIFIC   | LOCAL        | TOTAL        | SPECIFIC   | LOCAL        |
| Secondary Infrastructure                      | IDA/LOCAL | 144.6        | 140.0      | 4.5          | 165.4        | 160.8      | 4.6          | 173.9        | 169.0      | 4.8          |
| National Insurance Scheme                     | LOCAL     | 0.0          | 0.0        | 0.0          | 0.0          | 0.0        | 0.0          | 0.0          | 0.0        | 0.0          |
| Student Loan Fund                             | LOCAL     | 236.7        | 0.0        | 236.7        | 208.4        | 0.0        | 208.4        | 216.7        | 0.0        | 216.7        |
| Supreme/Magistrate Court                      | LOCAL     | 48.6         | 0.0        | 48.6         | 55.4         | 0.0        | 55.4         | 57.8         | 0.0        | 57.8         |
| Stengthening the Registry                     | LOCAL     | 13.7         | 0.0        | 13.7         | 13.5         | 0.0        | 13.5         | 13.9         | 0.0        | 13.9         |
| Teaching Service Commission                   | LOCAL     | 4.0          | 0.0        | 4.0          | 4.1          | 0.0        | 4.1          | 4.4          | 0.0        | 4.4          |
| Veicular Weight Control Programme             | LOCAL     | 10.9         | 0.0        | 10.9         | 10.9         | 0.0        | 10.9         | 11.2         | 0.0        | 11.2         |
| <b>CONTRIBUTION TO INTERNATIONAL AGENCIES</b> |           | <b>469.8</b> | <b>0.0</b> | <b>469.8</b> | <b>459.0</b> | <b>0.0</b> | <b>459.0</b> | <b>467.6</b> | <b>0.0</b> | <b>467.6</b> |
| Caribbean Development Bank                    | LOCAL     | 156.6        | 0.0        | 156.6        | 153.0        | 0.0        | 153.0        | 155.9        | 0.0        | 155.9        |
| Inter-American Investment Corporation         | LOCAL     | 156.6        | 0.0        | 156.6        | 153.0        | 0.0        | 153.0        | 155.9        | 0.0        | 155.9        |
| Inter-American Development Bank               | LOCAL     | 156.6        | 0.0        | 156.6        | 153.0        | 0.0        | 153.0        | 155.9        | 0.0        | 155.9        |
| <b>PUBLIC SAFETY</b>                          |           | <b>275.1</b> | <b>0.0</b> | <b>275.1</b> | <b>296.6</b> | <b>0.0</b> | <b>296.6</b> | <b>342.5</b> | <b>0.0</b> | <b>342.5</b> |
| Agri. Equipment - Prisons                     | LOCAL     | 11.2         | 0.0        | 11.2         | 13.4         | 0.0        | 13.4         | 13.8         | 0.0        | 13.8         |
| Buildings - Prisons                           | LOCAL     | 39.9         | 0.0        | 39.9         | 41.6         | 0.0        | 41.6         | 42.6         | 0.0        | 42.6         |
| Comm. Equipment - Fire                        | LOCAL     | 1.9          | 0.0        | 1.9          | 2.0          | 0.0        | 2.0          | 2.0          | 0.0        | 2.0          |
| Equipment & Furniture - Police                | LOCAL     | 11.1         | 0.0        | 11.1         | 11.2         | 0.0        | 11.2         | 11.7         | 0.0        | 11.7         |
| Equipment & Furniture - Fire                  | LOCAL     | 0.7          | 0.0        | 0.7          | 0.9          | 0.0        | 0.9          | 1.0          | 0.0        | 1.0          |
| Equipment (Home Affairs)                      | LOCAL     | 1.1          | 0.0        | 1.1          | 1.1          | 0.0        | 1.1          | 1.2          | 0.0        | 1.2          |
| Equipment - Police                            | LOCAL     | 68.3         | 0.0        | 68.3         | 81.3         | 0.0        | 81.3         | 95.4         | 0.0        | 95.4         |
| Fire Ambulances & Stations                    | LOCAL     | 23.8         | 0.0        | 23.8         | 25.7         | 0.0        | 25.7         | 39.7         | 0.0        | 39.7         |
| General Registrar Office                      | LOCAL     | 7.0          | 0.0        | 7.0          | 6.8          | 0.0        | 6.8          | 10.8         | 0.0        | 10.8         |
| Land & Water Transport - Fire                 | LOCAL     | 16.6         | 0.0        | 16.6         | 16.3         | 0.0        | 16.3         | 16.7         | 0.0        | 16.7         |
| Land & Water Transport - Prisons              | LOCAL     | 11.5         | 0.0        | 11.5         | 11.5         | 0.0        | 11.5         | 12.0         | 0.0        | 12.0         |
| Land & Transport Equipment - Police           | LOCAL     | 26.3         | 0.0        | 26.3         | 26.2         | 0.0        | 26.2         | 31.1         | 0.0        | 31.1         |
| Other Equipment - Prisons                     | LOCAL     | 4.9          | 0.0        | 4.9          | 4.6          | 0.0        | 4.6          | 4.8          | 0.0        | 4.8          |
| Police Stations & Buildings                   | LOCAL     | 43.7         | 0.0        | 43.7         | 46.8         | 0.0        | 46.8         | 51.9         | 0.0        | 51.9         |
| Tools & Equipment - Fire                      | LOCAL     | 7.1          | 0.0        | 7.1          | 7.2          | 0.0        | 7.2          | 7.6          | 0.0        | 7.6          |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                             |             | BUDGET 2000   |               |               | BUDGET 2001   |               |               | BUDGET 2002   |               |               |
|-------------------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                     |             | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         |
| <b>OTHER FIXED INVESTMENT</b>       |             | <b>2303.9</b> | <b>1341.0</b> | <b>963.0</b>  | <b>2120.2</b> | <b>1091.8</b> | <b>1028.3</b> | <b>2480.8</b> | <b>956.3</b>  | <b>1524.5</b> |
| Basic Needs Trust Fund              | CDB         | 117.4         | 100.0         | 17.4          | 211.7         | 153.6         | 58.1          | 57.0          | 0.0           | 57.0          |
| Corentyne & Essequibo (Sea Defense) | IDB         | 915.0         | 776.0         | 139.0         | 267.9         | 234.9         | 33.0          | 281.0         | 248.3         | 32.7          |
| East Coast Demerara (Sea Defense)   | LOCAL       | 0.0           | 0.0           | 0.0           | 157.8         | 0.0           | 157.8         | 261.7         | 0.0           | 261.7         |
| Emergency Works (Sea Defense)       | LOCAL/EHIPC | 325.0         | 0.0           | 325.0         | 325.5         | 0.0           | 325.5         | 740.7         | 0.0           | 740.7         |
| Essequibo & West Demerara           | EU          | 60.0          | 60.0          | 0.0           | 193.6         | 186.9         | 6.7           | 193.3         | 179.3         | 14.0          |
| EL Nino Project                     | IDA         | 446.3         | 400.0         | 46.3          | 342.2         | 336.5         | 5.8           | 354.0         | 347.8         | 6.2           |
| GO-Invest                           | LOCAL       | 30.0          | 0.0           | 30.0          | 0.3           | 0.0           | 0.3           | 0.5           | 0.0           | 0.5           |
| Guyana Revenue Authority            | LOCAL       | 5.7           | 0.0           | 5.7           | 0.3           | 0.0           | 0.3           | 0.5           | 0.0           | 0.5           |
| GUYOIL - Capital Works              | LOCAL       | 107.2         | 0.0           | 107.2         | 147.2         | 0.0           | 147.2         | 121.9         | 0.0           | 121.9         |
| NGO Support Programme PL480         | USAID       | 7.0           | 0.0           | 7.0           | 54.5          | 0.0           | 54.5          | 47.3          | 0.0           | 47.3          |
| Poverty Programme                   | LOCAL/EHIPC | 235.3         | 0.0           | 235.3         | 223.7         | 0.0           | 223.7         | 227.8         | 0.0           | 227.8         |
| Shorezone Management                | LOCAL       | 0.0           | 0.0           | 0.0           | 14.8          | 0.0           | 14.8          | 13.7          | 0.0           | 13.7          |
| West Coast Berbice (Sea Defense)    | CDB         | 55.0          | 5.0           | 50.0          | 180.5         | 180.0         | 0.5           | 181.5         | 180.9         | 0.6           |
| <b>SOCIAL SERVICES</b>              |             | <b>5151.8</b> | <b>3124.3</b> | <b>2027.5</b> | <b>5623.3</b> | <b>3198.7</b> | <b>2424.6</b> | <b>5691.7</b> | <b>2894.3</b> | <b>2797.4</b> |
| <b>EDUCATION</b>                    |             | <b>2846.2</b> | <b>2042.3</b> | <b>804.0</b>  | <b>3210.9</b> | <b>2083.3</b> | <b>1127.6</b> | <b>1820.7</b> | <b>790.6</b>  | <b>1030.1</b> |
| Adult Education Association         | LOCAL       | 0.1           | 0.0           | 0.1           | 0.6           | 0.0           | 0.6           | 0.7           | 0.0           | 0.7           |
| Building - National Library         | LOCAL       | 25.0          | 0.0           | 25.0          | 33.3          | 0.0           | 33.3          | 38.2          | 0.0           | 38.2          |
| Burrows School of Arts              | LOCAL       | 3.0           | 0.0           | 3.0           | 2.6           | 0.0           | 2.6           | 2.6           | 0.0           | 2.6           |
| Carnegie School of Home Economics   | LOCAL       | 2.0           | 0.0           | 2.0           | 2.7           | 0.0           | 2.7           | 11.3          | 0.0           | 11.3          |
| Critchlow Labour College            | LOCAL/EHIPC | 1.2           | 0.0           | 1.2           | 2.0           | 0.0           | 2.0           | 2.3           | 0.0           | 2.3           |
| Department of Culture               | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Development of Text Books           | LOCAL/EHIPC | 11.1          | 0.0           | 11.1          | 19.1          | 0.0           | 19.1          | 158.8         | 0.0           | 158.8         |
| Energy Conservation & Awareness     | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Furniture & Equipment               | LOCAL       | 35.0          | 0.0           | 35.0          | 35.8          | 0.0           | 35.8          | 35.7          | 0.0           | 35.7          |
| Furniture & Equipment - Education   | LOCAL       | 0.0           | 0.0           | 0.0           | 14.0          | 0.0           | 14.0          | 14.0          | 0.0           | 14.0          |
| Cyril Potter College of Education   | LOCAL/EHIPC | 4.7           | 0.0           | 4.7           | 224.0         | 0.0           | 224.0         | 9.5           | 0.0           | 9.5           |
| G.I.T.C                             | LOCAL/EHIPC | 3.0           | 0.0           | 3.0           | 45.8          | 0.0           | 45.8          | 47.0          | 0.0           | 47.0          |
| G.T.I                               | LOCAL/EHIPC | 10.0          | 0.0           | 10.0          | 50.7          | 0.0           | 50.7          | 51.8          | 0.0           | 51.8          |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                             |             | BUDGET 2003   |               |               | BUDGET 2004   |               |               | BUDGET 2005   |               |               |
|-------------------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                     |             | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         | TOTAL         | SPECIFIC      | LOCAL         |
| <b>OTHER FIXED INVESTMENT</b>       |             | <b>1979.7</b> | <b>463.7</b>  | <b>1516.0</b> | <b>2005.7</b> | <b>435.3</b>  | <b>1570.4</b> | <b>2648.4</b> | <b>546.4</b>  | <b>2102.0</b> |
| Basic Needs Trust Fund              | CDB         | 54.0          | 0.0           | 54.0          | 51.2          | 0.0           | 51.2          | 52.7          | 0.0           | 52.7          |
| Corentyne & Essequibo (Sea Defense) | IDB         | 316.0         | 284.8         | 31.2          | 285.9         | 256.3         | 29.6          | 350.3         | 318.6         | 31.6          |
| East Coast Demerara (Sea Defense)   | LOCAL       | 261.4         | 0.0           | 261.4         | 298.2         | 0.0           | 298.2         | 502.3         | 0.0           | 502.3         |
| Emergency Works (Sea Defense)       | LOCAL/EHIPC | 765.3         | 0.0           | 765.3         | 800.0         | 0.0           | 800.0         | 878.7         | 0.0           | 878.7         |
| Essequibo & West Demerara           | EU          | 194.7         | 178.9         | 15.8          | 196.4         | 179.0         | 17.4          | 390.7         | 227.8         | 163.0         |
| EL Nino Project                     | IDA         | 9.1           | 0.0           | 9.1           | 10.4          | 0.0           | 10.4          | 10.6          | 0.0           | 10.6          |
| GO-Invest                           | LOCAL       | 0.3           | 0.0           | 0.3           | 0.5           | 0.0           | 0.5           | 0.5           | 0.0           | 0.5           |
| Guyana Revenue Authority            | LOCAL       | 0.3           | 0.0           | 0.3           | 0.5           | 0.0           | 0.5           | 0.5           | 0.0           | 0.5           |
| GUYOIL - Capital Works              | LOCAL       | 54.1          | 0.0           | 54.1          | 41.6          | 0.0           | 41.6          | 43.5          | 0.0           | 43.5          |
| NGO Support Programme PL480         | USAID       | 45.1          | 0.0           | 45.1          | 43.0          | 0.0           | 43.0          | 45.2          | 0.0           | 45.2          |
| Poverty Programme                   | LOCAL/EHIPC | 222.0         | 0.0           | 222.0         | 217.7         | 0.0           | 217.7         | 225.3         | 0.0           | 225.3         |
| Shorezone Management                | LOCAL       | 13.2          | 0.0           | 13.2          | 12.9          | 0.0           | 12.9          | 13.2          | 0.0           | 13.2          |
| West Coast Berbice (Sea Defense)    | CDB         | 43.9          | 0.0           | 43.9          | 47.4          | 0.0           | 47.4          | 135.0         | 0.0           | 135.0         |
| <b>SOCIAL SERVICES</b>              |             | <b>5749.0</b> | <b>2964.1</b> | <b>2784.9</b> | <b>5607.5</b> | <b>3047.5</b> | <b>2559.9</b> | <b>5332.5</b> | <b>2916.0</b> | <b>2416.5</b> |
| <b>EDUCATION</b>                    |             | <b>1085.1</b> | <b>31.9</b>   | <b>1053.2</b> | <b>1071.2</b> | <b>32.2</b>   | <b>1039.0</b> | <b>1070.9</b> | <b>32.4</b>   | <b>1038.5</b> |
| Adult Education Association         | LOCAL       | 0.7           | 0.0           | 0.7           | 0.7           | 0.0           | 0.7           | 1.0           | 0.0           | 1.0           |
| Building - National Library         | LOCAL       | 39.8          | 0.0           | 39.8          | 42.9          | 0.0           | 42.9          | 47.8          | 0.0           | 47.8          |
| Burrows School of Arts              | LOCAL       | 2.6           | 0.0           | 2.6           | 2.6           | 0.0           | 2.6           | 3.0           | 0.0           | 3.0           |
| Carnegie School of Home Economics   | LOCAL       | 13.5          | 0.0           | 13.5          | 21.7          | 0.0           | 21.7          | 30.5          | 0.0           | 30.5          |
| Critchlow Labour College            | LOCAL/EHIPC | 2.4           | 0.0           | 2.4           | 2.5           | 0.0           | 2.5           | 3.0           | 0.0           | 3.0           |
| Department of Culture               | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Development of Text Books           | LOCAL/EHIPC | 161.5         | 0.0           | 161.5         | 162.6         | 0.0           | 162.6         | 164.5         | 0.0           | 164.5         |
| Energy Conservation & Awareness     | LOCAL       | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Furniture & Equipment               | LOCAL       | 35.0          | 0.0           | 35.0          | 35.8          | 0.0           | 35.8          | 36.8          | 0.0           | 36.8          |
| Furniture & Equipment - Education   | LOCAL       | 13.8          | 0.0           | 13.8          | 13.8          | 0.0           | 13.8          | 14.5          | 0.0           | 14.5          |
| Cyril Potter College of Education   | LOCAL/EHIPC | 13.1          | 0.0           | 13.1          | 16.3          | 0.0           | 16.3          | 17.3          | 0.0           | 17.3          |
| G.I.T.C                             | LOCAL/EHIPC | 55.6          | 0.0           | 55.6          | 55.6          | 0.0           | 55.6          | 57.9          | 0.0           | 57.9          |
| G.T.I                               | LOCAL/EHIPC | 61.4          | 0.0           | 61.4          | 61.9          | 0.0           | 61.9          | 63.1          | 0.0           | 63.1          |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                              |             | BUDGET 2000  |             |              | BUDGET 2001  |             |              | BUDGET 2002  |             |              |
|--------------------------------------|-------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|
|                                      |             | TOTAL        | SPECIFIC    | LOCAL        | TOTAL        | SPECIFIC    | LOCAL        | TOTAL        | SPECIFIC    | LOCAL        |
| Linden Technical Institute           | LOCAL/EHIPC | 10.0         | 0.0         | 10.0         | 50.7         | 0.0         | 50.7         | 53.4         | 0.0         | 53.4         |
| Museum Development                   | LOCAL       | 8.0          | 0.0         | 8.0          | 2.4          | 0.0         | 2.4          | 2.3          | 0.0         | 2.3          |
| National Archives                    | LOCAL       | 1.0          | 0.0         | 1.0          | 11.3         | 0.0         | 11.3         | 14.0         | 0.0         | 14.0         |
| National School of Dance             | LOCAL/EHIPC | 1.0          | 0.0         | 1.0          | 28.1         | 0.0         | 28.1         | 29.3         | 0.0         | 29.3         |
| New Amsterdam Technical Institute    | LOCAL/EHIPC | 3.5          | 0.0         | 3.5          | 41.1         | 0.0         | 41.1         | 73.5         | 0.0         | 73.5         |
| Nursery, Primary & Secondary Schools | LOCAL       | 75.0         | 0.0         | 75.0         | 79.5         | 0.0         | 79.5         | 79.9         | 0.0         | 79.9         |
| Other Equipment                      | LOCAL       | 2.4          | 0.0         | 2.4          | 1.2          | 0.0         | 1.2          | 1.4          | 0.0         | 1.4          |
| Primary Education Project            | IDB         | 1558.0       | 1430.0      | 128.0        | 1934.1       | 1813.2      | 120.9        | 818.3        | 759.6       | 58.7         |
| President's College                  | LOCAL       | 5.7          | 0.0         | 5.7          | 5.4          | 0.0         | 5.4          | 5.6          | 0.0         | 5.6          |
| Resource Development Centre          | LOCAL       | 11.0         | 0.0         | 11.0         | 7.1          | 0.0         | 7.1          | 7.1          | 0.0         | 7.1          |
| Guyana Basic Education Training      | CIDA        | 150.0        | 150.0       | 0.0          | 29.4         | 29.3        | 0.1          | 31.0         | 30.9        | 0.1          |
| School Buildings (Regions)           | LOCAL       | 226.1        | 0.0         | 226.1        | 153.8        | 0.0         | 153.8        | 140.1        | 0.0         | 140.1        |
| School Furniture & Equipment         | LOCAL       | 20.0         | 0.0         | 20.0         | 7.5          | 0.0         | 7.5          | 7.1          | 0.0         | 7.1          |
| School Furniture ( Regions)          | LOCAL       | 35.0         | 0.0         | 35.0         | 7.9          | 0.0         | 7.9          | 7.8          | 0.0         | 7.8          |
| Secondary Reform Project             | IDA         | 539.4        | 462.3       | 77.1         | 261.6        | 240.7       | 20.8         | 20.3         | 0.0         | 20.3         |
| Sector Programme - Education         | LOCAL       | 0.0          | 0.0         | 0.0          | 3.0          | 0.0         | 3.0          | 3.2          | 0.0         | 3.2          |
| University of Guyana -- Berbice      | LOCAL       | 90.0         | 0.0         | 90.0         | 111.6        | 0.0         | 111.6        | 110.6        | 0.0         | 110.6        |
| University of Guyana - Turkeyen      | LOCAL       | 15.0         | 0.0         | 15.0         | 44.5         | 0.0         | 44.5         | 43.8         | 0.0         | 43.8         |
| <b>HEALTH</b>                        |             | <b>316.4</b> | <b>80.0</b> | <b>236.4</b> | <b>477.4</b> | <b>15.1</b> | <b>462.3</b> | <b>863.8</b> | <b>15.7</b> | <b>848.1</b> |
| Buildings - Health                   | LOCAL       | 32.0         | 0.0         | 32.0         | 51.4         | 0.0         | 51.4         | 52.8         | 0.0         | 52.8         |
| Buildings- Health (Regions)          | LOCAL/EHIPC | 110.4        | 0.0         | 110.4        | 107.1        | 0.0         | 107.1        | 208.2        | 0.0         | 208.2        |
| Equipment (Regions)                  | LOCAL/EHIPC | 38.9         | 0.0         | 38.9         | 60.6         | 0.0         | 60.6         | 231.9        | 0.0         | 231.9        |
| Equipment - Health                   | LOCAL       | 17.7         | 0.0         | 17.7         | 7.0          | 0.0         | 7.0          | 7.0          | 0.0         | 7.0          |
| Public Hospital Georgetown           | LOCAL/EHIPC | 0.0          | 0.0         | 0.0          | 97.1         | 0.0         | 97.1         | 239.2        | 0.0         | 239.2        |
| Furniture & Equipment                | LOCAL       | 1.5          | 0.0         | 1.5          | 4.8          | 0.0         | 4.8          | 6.8          | 0.0         | 6.8          |
| Mahaica Hospital for Aids            | LOCAL/EHIPC | 0.0          | 0.0         | 0.0          | 122.7        | 0.0         | 122.7        | 62.7         | 0.0         | 62.7         |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                              |             | BUDGET 2003  |             |              | BUDGET 2004  |            |              | BUDGET 2005  |            |              |
|--------------------------------------|-------------|--------------|-------------|--------------|--------------|------------|--------------|--------------|------------|--------------|
|                                      |             | TOTAL        | SPECIFIC    | LOCAL        | TOTAL        | SPECIFIC   | LOCAL        | TOTAL        | SPECIFIC   | LOCAL        |
| Linden Technical Institute           | LOCAL/EHIPC | 58.2         | 0.0         | 58.2         | 55.7         | 0.0        | 55.7         | 54.3         | 0.0        | 54.3         |
| Museum Development                   | LOCAL       | 2.3          | 0.0         | 2.3          | 2.3          | 0.0        | 2.3          | 2.4          | 0.0        | 2.4          |
| National Archives                    | LOCAL       | 13.8         | 0.0         | 13.8         | 13.5         | 0.0        | 13.5         | 14.0         | 0.0        | 14.0         |
| National School of Dance             | LOCAL/EHIPC | 37.6         | 0.0         | 37.6         | 38.0         | 0.0        | 38.0         | 38.4         | 0.0        | 38.4         |
| New Amsterdam Technical Institute    | LOCAL/EHIPC | 88.7         | 0.0         | 88.7         | 75.0         | 0.0        | 75.0         | 76.9         | 0.0        | 76.9         |
| Nursery, Primary & Secondary Schools | LOCAL       | 77.9         | 0.0         | 77.9         | 76.7         | 0.0        | 76.7         | 79.8         | 0.0        | 79.8         |
| Other Equipment                      | LOCAL       | 1.3          | 0.0         | 1.3          | 1.3          | 0.0        | 1.3          | 1.4          | 0.0        | 1.4          |
| Primary Education Project            | IDB         | 39.2         | 0.0         | 39.2         | 34.0         | 0.0        | 34.0         | 0.0          | 0.0        | 0.0          |
| President's College                  | LOCAL       | 5.7          | 0.0         | 5.7          | 5.5          | 0.0        | 5.5          | 5.9          | 0.0        | 5.9          |
| Resource Development Centre          | LOCAL       | 6.9          | 0.0         | 6.9          | 6.7          | 0.0        | 6.7          | 7.1          | 0.0        | 7.1          |
| Guyana Basic Education Training      | CIDA        | 32.1         | 31.9        | 0.2          | 32.4         | 32.2       | 0.2          | 32.6         | 32.4       | 0.3          |
| School Buildings (Regions)           | LOCAL       | 130.1        | 0.0         | 130.1        | 123.8        | 0.0        | 123.8        | 128.6        | 0.0        | 128.6        |
| School Furniture & Equipment         | LOCAL       | 6.7          | 0.0         | 6.7          | 6.4          | 0.0        | 6.4          | 6.7          | 0.0        | 6.7          |
| School Furniture ( Regions)          | LOCAL       | 7.7          | 0.0         | 7.7          | 7.6          | 0.0        | 7.6          | 7.7          | 0.0        | 7.7          |
| Secondary Reform Project             | IDA         | 19.5         | 0.0         | 19.5         | 17.7         | 0.0        | 17.7         | 20.6         | 0.0        | 20.6         |
| Sector Programme - Education         | LOCAL       | 3.0          | 0.0         | 3.0          | 2.9          | 0.0        | 2.9          | 2.9          | 0.0        | 2.9          |
| University of Guyana -- Berbice      | LOCAL       | 106.7        | 0.0         | 106.7        | 104.5        | 0.0        | 104.5        | 86.8         | 0.0        | 86.8         |
| University of Guyana - Turkeyen      | LOCAL       | 48.3         | 0.0         | 48.3         | 51.2         | 0.0        | 51.2         | 65.1         | 0.0        | 65.1         |
| <b>HEALTH</b>                        |             | <b>826.8</b> | <b>13.6</b> | <b>813.2</b> | <b>648.1</b> | <b>0.0</b> | <b>648.1</b> | <b>434.4</b> | <b>0.0</b> | <b>434.4</b> |
| Buildings - Health                   | LOCAL       | 51.1         | 0.0         | 51.1         | 50.0         | 0.0        | 50.0         | 53.9         | 0.0        | 53.9         |
| Buildings- Health (Regions)          | LOCAL/EHIPC | 226.5        | 0.0         | 226.5        | 226.1        | 0.0        | 226.1        | 124.4        | 0.0        | 124.4        |
| Equipment (Regions)                  | LOCAL/EHIPC | 237.8        | 0.0         | 237.8        | 254.9        | 0.0        | 254.9        | 136.1        | 0.0        | 136.1        |
| Equipment - Health                   | LOCAL       | 6.6          | 0.0         | 6.6          | 6.4          | 0.0        | 6.4          | 6.5          | 0.0        | 6.5          |
| Public Hospital Georgetown           | LOCAL/EHIPC | 242.2        | 0.0         | 242.2        | 61.0         | 0.0        | 61.0         | 61.5         | 0.0        | 61.5         |
| Furniture & Equipment                | LOCAL       | 6.8          | 0.0         | 6.8          | 7.0          | 0.0        | 7.0          | 7.2          | 0.0        | 7.2          |
| Mahaica Hospital for Aids            | LOCAL/EHIPC | 2.9          | 0.0         | 2.9          | 3.0          | 0.0        | 3.0          | 3.1          | 0.0        | 3.1          |

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                 |             | BUDGET 2000   |              |              | BUDGET 2001   |              |              | BUDGET 2002   |               |              |
|---|-------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|---------------|--------------|
|   |             | TOTAL         | SPECIFIC     | LOCAL        | TOTAL         | SPECIFIC     | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        |
| Furniture & Equipment - Health          | LOCAL       | 25.9          | 0.0          | 25.9         | 3.8           | 0.0          | 3.8          | 32.1          | 0.0           | 32.1         |
| Sector Programme -- Health              | LOCAL       | 0.0           | 0.0          | 0.0          | 7.6           | 0.0          | 7.6          | 7.6           | 0.0           | 7.6          |
| Technical Assistance                    | IDB         | 90.0          | 80.0         | 10.0         | 15.1          | 15.1         | 0.0          | 15.7          | 15.7          | 0.0          |
| <b>SIMAP</b>                            |             | <b>1107.1</b> | <b>950.0</b> | <b>157.1</b> | <b>670.4</b>  | <b>587.2</b> | <b>83.2</b>  | <b>1470.6</b> | <b>1357.0</b> | <b>113.6</b> |
| Simap - Phase I                         | IDB         | 0.0           | 0.0          | 0.0          | 0.0           | 0.0          | 0.0          | 0.0           | 0.0           | 0.0          |
| Simap - Phase II                        | IDB         | 1107.1        | 950.0        | 157.1        | 670.4         | 587.2        | 83.2         | 664.0         | 592.0         | 72.1         |
| Simap - Phase III                       | IDB         | 0.0           | 0.0          | 0.0          | 0.0           | 0.0          | 0.0          | 806.6         | 765.1         | 41.5         |
| <b>HOUSING &amp; COMMUNITY SERVICES</b> |             | <b>882.0</b>  | <b>52.0</b>  | <b>830.0</b> | <b>1264.6</b> | <b>513.1</b> | <b>751.5</b> | <b>1536.6</b> | <b>730.9</b>  | <b>805.6</b> |
| Amerindian Development                  | LOCAL       | 65.0          | 0.0          | 65.0         | 67.4          | 0.0          | 67.4         | 77.2          | 0.0           | 77.2         |
| Low Income Settlement                   | IDB         | 64.0          | 52.0         | 12.0         | 535.6         | 513.1        | 22.4         | 761.4         | 730.9         | 30.4         |
| Building -- Cultural Centre             | LOCAL       | 7.5           | 0.0          | 7.5          | 7.6           | 0.0          | 7.6          | 7.6           | 0.0           | 7.6          |
| Infrastructure Development & Building   | LOCAL       | 650.0         | 0.0          | 650.0        | 252.5         | 0.0          | 252.5        | 239.7         | 0.0           | 239.7        |
| Infrastructure Development              | LOCAL       | 4.0           | 0.0          | 4.0          | 35.5          | 0.0          | 35.5         | 36.0          | 0.0           | 36.0         |
| Infrastructure Development (Regions)    | LOCAL       | 6.0           | 0.0          | 6.0          | 5.8           | 0.0          | 5.8          | 5.9           | 0.0           | 5.9          |
| Land Development (Regions)              | LOCAL/EHIPC | 48.0          | 0.0          | 48.0         | 186.0         | 0.0          | 186.0        | 253.9         | 0.0           | 253.9        |
| National Trust                          | LOCAL       | 2.0           | 0.0          | 2.0          | 3.6           | 0.0          | 3.6          | 3.4           | 0.0           | 3.4          |
| Youth and Sports                        | LOCAL       | 13.5          | 0.0          | 13.5         | 134.9         | 0.0          | 134.9        | 113.5         | 0.0           | 113.5        |
| Tourism Development                     | LOCAL       | 22.0          | 0.0          | 22.0         | 35.8          | 0.0          | 35.8         | 38.0          | 0.0           | 38.0         |
| <b>SPECIAL INTERVENTION PROJECTS</b>    |             | <b>0.0</b>    | <b>0.0</b>   | <b>0.0</b>   | <b>544.9</b>  | <b>350.0</b> | <b>194.9</b> | <b>952.7</b>  | <b>731.5</b>  | <b>221.2</b> |
| Linden Diversification Project          | EU/EHIPC    | 0.0           | 0.0          | 0.0          | 370.0         | 350.0        | 20.0         | 397.0         | 375.5         | 21.5         |
| Rupunini Improvement Project            | EU/EHIPC    | 0.0           | 0.0          | 0.0          | 0.0           | 0.0          | 0.0          | 376.1         | 356.0         | 20.1         |
| Mahdia Project                          | EHIPC       | 0.0           | 0.0          | 0.0          | 97.2          | 0.0          | 97.2         | 99.7          | 0.0           | 99.7         |
| Barima-Waini Project                    | EHIPC       | 0.0           | 0.0          | 0.0          | 77.7          | 0.0          | 77.7         | 79.9          | 0.0           | 79.9         |
| <b>INSTITUTIONAL STRENGTHNING</b>       |             | <b>31.5</b>   | <b>15.0</b>  | <b>16.5</b>  | <b>662.6</b>  | <b>347.5</b> | <b>315.1</b> | <b>2221.2</b> | <b>1782.4</b> | <b>438.8</b> |
| Lands and Survey Commission             | DFID/EHIPC  | 16.5          | 15.0         | 1.5          | 169.5         | 155.5        | 14.0         | 73.4          | 24.4          | 48.9         |
| Ministry of Finance                     | LOCAL/EHIPC | 0.0           | 0.0          | 0.0          | 46.6          | 0.0          | 46.6         | 55.9          | 0.0           | 55.9         |
| Ministry of Housing                     | LOCAL/EHIPC | 0.0           | 0.0          | 0.0          | 46.6          | 0.0          | 46.6         | 55.9          | 0.0           | 55.9         |
| Ministry of Health                      | LOCAL/EHIPC | 0.0           | 0.0          | 0.0          | 46.6          | 0.0          | 46.6         | 55.9          | 0.0           | 55.9         |
| Ministry of Education                   | LOCAL/EHIPC | 0.0           | 0.0          | 0.0          | 46.6          | 0.0          | 46.6         | 55.9          | 0.0           | 55.9         |
| Lands and Survey Commission             | LOCAL/EHIPC | 0.0           | 0.0          | 0.0          | 46.6          | 0.0          | 46.6         | 55.9          | 0.0           | 55.9         |
| Bureau of Standards                     | LOCAL/EHIPC | 0.0           | 0.0          | 0.0          | 46.6          | 0.0          | 46.6         | 55.9          | 0.0           | 55.9         |
| Bureau of Statistics                    | LOCAL/EHIPC | 15.0          | 0.0          | 15.0         | 17.2          | 0.0          | 17.2         | 17.6          | 0.0           | 17.6         |
| Public Sector Modernisation Project     | IDB         | 0.0           | 0.0          | 0.0          | 196.2         | 192.0        | 4.2          | 1794.6        | 1758.0        | 36.6         |

Source: State Planning Secretariat

## PUBLIC SECTOR INVESTMENT PROGRAM, 2000-2005

[WITH ENHANCED HIPC]

(G\$ million)

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| PROJECT                                 |             | BUDGET 2003   |               |              | BUDGET 2004   |               |              | BUDGET 2005   |               |              |
|---|-------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
|   |             | TOTAL         | SPECIFIC      | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        | TOTAL         | SPECIFIC      | LOCAL        |
| Furniture & Equipment - Health          | LOCAL       | 32.4          | 0.0           | 32.4         | 33.0          | 0.0           | 33.0         | 34.6          | 0.0           | 34.6         |
| Sector Programme -- Health              | LOCAL       | 7.0           | 0.0           | 7.0          | 6.8           | 0.0           | 6.8          | 7.1           | 0.0           | 7.1          |
| Technical Assistance                    | IDB         | 13.6          | 13.6          | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          |
| <b>SIMAP</b>                            |             | <b>2171.9</b> | <b>2059.4</b> | <b>112.5</b> | <b>2202.4</b> | <b>2091.1</b> | <b>111.4</b> | <b>2069.4</b> | <b>1954.5</b> | <b>114.9</b> |
| Simap - Phase I                         | IDB         | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          | 0.0           | 0.0           | 0.0          |
| Simap - Phase II                        | IDB         | 678.1         | 608.7         | 69.4         | 684.2         | 616.4         | 67.8         | 689.1         | 619.7         | 69.5         |
| Simap - Phase III                       | IDB         | 1493.7        | 1450.7        | 43.1         | 1518.2        | 1474.7        | 43.5         | 1380.3        | 1334.8        | 45.5         |
| <b>HOUSING &amp; COMMUNITY SERVICES</b> |             | <b>1665.2</b> | <b>859.1</b>  | <b>806.1</b> | <b>1685.7</b> | <b>924.2</b>  | <b>761.5</b> | <b>1757.8</b> | <b>929.2</b>  | <b>828.7</b> |
| Amerindian Development                  | LOCAL       | 77.0          | 0.0           | 77.0         | 76.6          | 0.0           | 76.6         | 80.1          | 0.0           | 80.1         |
| Low Income Settlement                   | IDB         | 892.6         | 859.1         | 33.5         | 959.0         | 924.2         | 34.8         | 965.7         | 929.2         | 36.5         |
| Building -- Cultural Centre             | LOCAL       | 7.3           | 0.0           | 7.3          | 7.1           | 0.0           | 7.1          | 7.4           | 0.0           | 7.4          |
| Infrastructure Development & Building   | LOCAL       | 230.9         | 0.0           | 230.9        | 225.6         | 0.0           | 225.6        | 229.8         | 0.0           | 229.8        |
| Infrastructure Development              | LOCAL       | 32.6          | 0.0           | 32.6         | 30.2          | 0.0           | 30.2         | 31.6          | 0.0           | 31.6         |
| Infrastructure Development (Regions)    | LOCAL       | 5.9           | 0.0           | 5.9          | 5.9           | 0.0           | 5.9          | 6.1           | 0.0           | 6.1          |
| Land Development (Regions)              | LOCAL/EHIPC | 265.1         | 0.0           | 265.1        | 229.1         | 0.0           | 229.1        | 277.8         | 0.0           | 277.8        |
| National Trust                          | LOCAL       | 3.1           | 0.0           | 3.1          | 3.0           | 0.0           | 3.0          | 3.1           | 0.0           | 3.1          |
| Youth and Sports                        | LOCAL       | 112.1         | 0.0           | 112.1        | 110.9         | 0.0           | 110.9        | 115.6         | 0.0           | 115.6        |
| Tourism Development                     | LOCAL       | 38.5          | 0.0           | 38.5         | 38.3          | 0.0           | 38.3         | 40.5          | 0.0           | 40.5         |
| <b>SPECIAL INTERVENTION PROJECTS</b>    |             | <b>998.8</b>  | <b>734.6</b>  | <b>264.2</b> | <b>1004.3</b> | <b>738.0</b>  | <b>266.3</b> | <b>1031.7</b> | <b>742.7</b>  | <b>289.0</b> |
| Linden Diversification Project          | EU/EHIPC    | 398.1         | 376.4         | 21.7         | 399.6         | 377.8         | 21.8         | 402.1         | 380.2         | 21.9         |
| Rupunini Improvement Project            | EU/EHIPC    | 378.7         | 358.2         | 20.5         | 381.0         | 360.2         | 20.8         | 383.6         | 362.5         | 21.1         |
| Mahdia Project                          | EHIPC       | 121.1         | 0.0           | 121.1        | 122.0         | 0.0           | 122.0        | 143.5         | 0.0           | 143.5        |
| Barima-Waini Project                    | EHIPC       | 100.9         | 0.0           | 100.9        | 101.7         | 0.0           | 101.7        | 102.5         | 0.0           | 102.5        |
| <b>INSTITUTIONAL STRENGTHNING</b>       |             | <b>1881.6</b> | <b>1431.6</b> | <b>450.0</b> | <b>1846.4</b> | <b>1277.1</b> | <b>569.3</b> | <b>1967.3</b> | <b>1433.9</b> | <b>533.5</b> |
| Lands and Survey Commission             | DFID/EHIPC  | 43.1          | 25.6          | 17.6         | 72.5          | 56.7          | 15.7         | 73.4          | 57.0          | 16.4         |
| Ministry of Finance                     | LOCAL/EHIPC | 64.6          | 0.0           | 64.6         | 85.4          | 0.0           | 85.4         | 77.9          | 0.0           | 77.9         |
| Ministry of Housing                     | LOCAL/EHIPC | 64.6          | 0.0           | 64.6         | 85.4          | 0.0           | 85.4         | 77.9          | 0.0           | 77.9         |
| Ministry of Health                      | LOCAL/EHIPC | 64.6          | 0.0           | 64.6         | 85.4          | 0.0           | 85.4         | 77.9          | 0.0           | 77.9         |
| Ministry of Education                   | LOCAL/EHIPC | 64.6          | 0.0           | 64.6         | 85.4          | 0.0           | 85.4         | 77.9          | 0.0           | 77.9         |
| Lands and Survey Commission             | LOCAL/EHIPC | 64.6          | 0.0           | 64.6         | 85.4          | 0.0           | 85.4         | 77.9          | 0.0           | 77.9         |
| Bureau of Standards                     | LOCAL/EHIPC | 64.6          | 0.0           | 64.6         | 85.4          | 0.0           | 85.4         | 77.9          | 0.0           | 77.9         |
| Bureau of Statistics                    | LOCAL/EHIPC | 17.6          | 0.0           | 17.6         | 18.0          | 0.0           | 18.0         | 19.2          | 0.0           | 19.2         |
| Public Sector Modernisation Project     | IDB         | 1433.4        | 1406.0        | 27.4         | 1243.4        | 1220.4        | 23.0         | 1407.3        | 1376.8        | 30.5         |

Source: State Planning Secretariat