

GUYANA



**POVERTY REDUCTION
STRATEGY PAPER
2011-2015**



JULY 2011

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ACRONYMS

ACP	African, Caribbean and Pacific
ADR	Alternate Dispute Resolution
ADP	Agricultural Diversification Programme
AFHEP	Amalia Falls Hydroelectric Project
AIDS	Acquired Immune Deficiency Syndrome
AML/CFT	Anti Money Laundering/Combating the Financing of Terrorism
API	Annual Production Incentive
ARV	Anti-retroviral
ART	Anti-retroviral Therapy
BCCP	Basic Competency Certificate Programme
BEAMS	Basic Education Access & Management Support
BCGI	Bauxite Company of Guyana Incorporated
BNA	Basic Needs Approach
BNP	Basic Nutrition Program
BNTF	Basic Needs Trust Fund
BoG	Bank of Guyana
BOOT	Build-Owned-Operate-Transfer
BOS	Bureau of Statistics
BPRS	Budget Preparation and Reporting Systems
BWIs	Bretton Woods Institution
BSCP	Building Social Cohesion Programme
BSD	Bank Supervision Department
CAC	Convention Against Corruption
CARICOM	Caribbean Community
CAT	Convention Against Torture
CBO	Community Based Organization
CDB	Caribbean Development Bank
CDC	Community Development Council
CEDAW	Convention on the Elimination of all Forms of Discrimination against Women
CERD	Committee on the Elimination of Racial Discrimination
CH&PA	Central Housing & Planning Authority
CIDA	Canadian International Development Assistance
CJIA	Cheddi Jagan International Airport
CMRs	Community Monitoring Reports
CNCDs	Chronic Non-Communicable Diseases
COTED	Council of Trade and Economic Development
CPCE	Cyril Potter College of Education
CRC	Convention on the Rights of the Child
CRFM	Caribbean Regional Fisheries Management
CSEC	Caribbean Secondary Education Certificate
CSO	Civil Society Organization
CXC	Caribbean Examinations Council
D&I	Drainage and Irrigation
DAC	Development Assistance Committee
DIA	Diversification Institutional Arrangement

DFID	UK - Department for International Development
DOTS	Direct Observed Treatment Short-course
DPP	Director for Public Prosecutions
IDA	International Development Association
ECE	Early Childhood Education
EFA – FTI	Education for All – Fast Track Initiative
E-HIPC	Enhanced Heavily Indebted Poor Country Initiative
EPA	Environmental Protection Agency
EPMU	Expenditure Programming Management Unit
ERC	Ethnic Relations Commission
EU	European Union
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FIA	Financial Institutions Act
FMAA	Fiscal Management and Accountability Act
GBET	Guyana Basic Education Teacher Training Programme
GDP	Gross Domestic Product
GEAP	Guyana Education Access Project
GECOM	Guyana Elections Commission
GEMP	Guyana Economic Management Programme
GGMC	Guyana Geology and Mines Commission
GIS	Geographic Information System
GIS/SME	Geographical Information System/School Mapping Exercise
GLSC	Guyana Lands and Survey Commission
GMA	Guyana Manufacturing Association
GNBS	Guyana National Bureau of Standards
GNCB	Guyana National Cooperative Bank
GNI	Gross National Income
GOG	Government of Guyana
GOINVEST	Guyana Office for Investment
GPAS	Guyana Protected Area System
GPF	Guyana Police Force
GPHC	Georgetown Public Hospital Corporation
GPL	Guyana Power and Light
GRA	Guyana Revenue Authority
GT&T	Guyana Telephone and Telegraph Company
GUYSUCO	Guyana Sugar Corporation
GWI	Guyana Water Incorporated
HIES	Household Income and Expenditure Survey
HIPC	Heavily Indebted Poor Country Initiative
HIV	Human Immunodeficiency Virus
IACAC	Inter-American Convention Against Corruption
IAST	Institute of Applied Science & Technology
ICCPR	International Convention on Civil and Political Rights
ICT	Information and Communications Technology
IDA	International Development Association
IDB	Inter-American Development Bank
IDCE	Institute of Distance and Continuing Education

IFAD	International Fund for Agricultural Development
IFMAS	Integrated Financial Management Accounting System
IMCI	Integrated Management of Childhood Illnesses
IMF	International Monetary Fund
IPED	Institute of Private Enterprise Development
IRA	Interactive Radio Instruction
ISO	International Standards Organization
IT	Information Technology
LCDS	Low Carbon Development Strategy
LCS	Living Conditions Survey
LEAF	Linden Economic Advancement Fund
LEAP	Linden Economic Advancement Project
LINMINE	Linden Mining Company
LIS	Low Income Settlement
LSMS	Living Standards Measurement Survey
LTR	Land Tenure Regularization
M&E	Monitoring and Evaluation
MCH	Maternal and Child Health
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MICS	Multiple Indicators Cluster Survey
MIS	Management Information System
MLHSS	Ministry of Labour, Human Services and Social Security
MoE	Ministry of Education
MoF	Ministry of Finance
MoH	Ministry of Health
MoHW	Ministry of Housing and Water
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NARI	National Agricultural Research Institute
NBS	New Building Society
NCERD	National Centre for Educational Resources and Development
NDC	Neighborhood Development Council
NDDP	National Dairy Development Programme
NDIB	National Drainage and Irrigation Board
NDS	National Development Strategy
NGMC	New Guyana Marketing Corporation
NGO	Non Governmental Organization
NHP	National Health Plan
NIS	National Insurance Scheme
NPTA	National Procurement and Tender Administration
NPTB	National Procurement and Tender Board
NPV	Net Present Value
NRW	Non Revenue Water
OAP	GoG Old Age Pension programme
OAS	Organization of American States
OBMI	Omai Bauxite Mines Inc.
OB/ SPS	Office of the Budget / State Planning Secretariat

ODA	Official Development Assistance
OECD	Organization of Economic Cooperation and Development
PAHO	Pan American Health Organization
PCMS	Project Cycle Management System
PCPMU	Policy Coordination and Programme Management Unit
PCU	Project Cycle Unit
PEMs	Public Expenditure Management
PEPFAR	President Emergency Plan for AIDS relief
PETR	Poverty Expenditure Tracking Report
PEU	Project Execution Unit
PLWHA	Persons Living with HIV/AIDS
PMTCT	Prevention of Mother to Child Transmission
PPC	Public Procurement Commission
PPP	Priority Poverty Programme / Project
PPPs	Public Private Partnerships
PPGHS	Package of Publicly Guaranteed Health Services
PRGF	Poverty Reduction Growth Facility
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
PSCES	Parliamentary Sectoral Committee on Economic Services
PSM	Public Service Ministry
REDD	Reducing Emissions from Deforestation and Forest Degradation
RDC	Regional Democratic Councils
RHA	Regional Health Authority
RUSAL	Russian Aluminum Company
SIMAP	Social Impact Amelioration Program
SIP	School Improvement Plans
SMIS	School Management Information System
SPAP	Single Parent Assistance Programme
SPS	Sanitary and Phytosanitary Systems
SSRP	Secondary Schools Reform Programme
STI	Sexually Transmitted Infections
SWAPs	Sector wide Approaches
SWTT	Single Windows for trade transactions
TB	Tuberculosis
TIN	Tax Identification Number
TRAP	Tax Reform Action Plan
TRIPS	Total Revenue Integrated Processing System
TTPDB	Trade Transactions Public Private Dialogue Body
TVET	Technical and Vocational Education and Training
UAEP	Unserved Areas Electrification Programme
UDP	Urban Development Programme
UG	University of Guyana
UN	United Nations
UNDP	United Nations Development Programme
VAT	Value Added Tax
VCT	Voluntary Counseling and Testing
WB	World Bank

WHO World Health Organization
WOW Women of Worth microcredit facility
WWF World Wildlife Fund

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EXECUTIVE SUMMARY

The last decade may well be summed up as the decade of economic and social transformation of Guyana. The country recorded significant progress in the economic and social fronts, overcame grave adversities and created opportunities for its people. Within this period, Guyana moved from a least developed country to a low middle income country implying a rise in standards of living.

The pursuit of economic development and poverty reduction took place against a backdrop of internal and external shocks. Internally, a challenging political environment and natural disasters created conditions of uncertainties for investment and growth. Yet, with the peaceful elections of 2006, pessimism gave way to optimism and the seeds of economic expansion and social development within acceptable civil norms were planted.

Externally, oil price shocks and continued higher prices for food presented challenges to macroeconomic stability. The monumental changes in Guyana's trade preferences, particularly as they related to Guyana's two prime commodities, rice and sugar, put increased pressure on external balances and this was a major challenge to Guyana's goal of accelerating infrastructure growth to support economic expansion

While economic growth averaged about 1.3 percent in the first half of the decade, it significantly jumped to an average of 4.4 percent over the period 2006-2010. In the critical areas of education, health and social services, substantial progress was made. Governance and institutional structures were also improved to augment economic and social transformation by improving efficiency, accountability and transparency and improving the rule of law.

It was therefore no coincidence that out of 28 core poverty reduction indicators, Guyana met or exceeded 16. Indeed, in the MDG Status Report of 2010, Guyana made progress in 8 of the 11 domestic targets covering Goals 1 through 7.

Meanwhile, Guyana in 2008 launched a visionary Low Carbon Development Strategy (LCDS) where it committed to protecting its standing forest in exchange for compensation for low carbon led growth. The extensive consultations that accompanied the elaboration of the LCDS have by extension informed this PRSP.

The poverty reduction agenda for 2011 - 2015 is rooted in the Government's vision of the medium-term that centers on (i) high value employment creation; (ii) improved standards of living; (iii) dramatic reduction in poverty; (iv) the rule of law and public safety; (v) protection of individual constitutional rights; and (v) investments in human resource development. The path to attaining this vision is encapsulated in several interlocking and coherent strategies that include National Competitiveness Strategy; Education Sector Strategy; Health Sector Strategy; Housing Sector Strategy; Low Carbon Development Strategy; and) National Development Strategy.

This PRSP rest on the following pillars (i) broad-based, low-carbon led job creation economic growth; (ii) stronger governance institutional, and regulatory structures; (iii) accelerated investment in human capital, and primary health; (iv) accelerated investment in physical infrastructure in support of growth strategy; and (v) special intervention programmes to address regional and demographic pockets of poverty

Each pillar by itself will not guarantee the success of the medium term development strategy. Importantly, the outcome of the actions in each pillar also requires inputs from other pillars. Therefore, for the successful implementation of the medium-term development agenda, cross cutting issues such as disaster risk management, security, crime and violence, environmental sustainability, literacy, health care and improved business environment will be tackled.

The implementation of this PRSP faces a number of challenges. First, in spite of the significant progress made in securing external financing through Guyana REDD Investment Fund GRIF and Petro Caribe, Guyana will continue to require additional financing in meeting its social and economic infrastructure deficits. Specifically, much of Guyana's non-forested land available for high-value agricultural development requires costly drainage and irrigation and significant road and utility investments. To transform Guyana into the breadbasket of the Caribbean would mean, among other things, dealing with this infrastructure deficit. The challenge is **the infrastructure gap** given that the coast is below sea level and sea defenses and D&I need to be significant and continuous investments. In addition, the transport network (including roads and bridges) for accessing the rest of the country will require significant resource outlay.

Second, Guyana's oil dependent electricity supply is more expensive to end users. Both cost and reliability concerns have led to major users operating off the grid. This makes Guyana less attractive to industrial investors. Investment in manufacturing, agricultural processing, business process outsourcing, mining, would all require reliable and cheaper sources of energy. Economic transformation will require resolving the **energy issue**.

Third, **telecommunications services** are expensive. This, in part, is attributed to limited fiber optic capacity and sub-standard telecommunication infrastructure and other telecommunication services. The result is that it impairs Guyana's ability to develop its business process outsourcing enterprises, a key sector for generating higher value job opportunities.

Fourth, uncertainties in global fuel and commodity prices present instability in planning. Guyana is a fuel importing country and more than 20 percent of its import bill is on imported food. While substitution of local produce is helping with agriculture expansion, the higher priced imported core food items in the food basket can simply not be ignored.

Finally, factors such as **climate change and particularly, natural disasters** present a recurring challenge to growth and the protection of livelihoods. About 90 percent of the population lives on 10 percent of the land along the coastal belt which is about 4-6 feet below sea level. With climate change, the seasonal rain patterns and their intensity have changed. Although early warning systems are being put in place and the drainage system is under continuous maintenance and rehabilitation, the possibility of further massive natural disasters based on climate change is a key challenge to economic development

Even so, opportunities abound. Guyana is on the threshold of accelerated economic take-off. The foundations for economic advancement have been laid. Institutional, legislative and policy reforms have been implemented and barriers to investment and growth are continually being eroded. Improved education and health services have enhanced a critical requirement in the production function, labour. Not surprisingly, combined with Guyana's vast natural resources, and its position as gateway of the Caribbean to South America and the only English speaking country in the South American continent, investors are taking advantage of these unique factors and in the process providing opportunities for job creation in the near term.

In addition, the intensity in the exploration for fossil fuel by major oil companies and estimates of international geological surveys on the probability of oil in Guyana offer tremendous opportunities in diversifying the economy and meeting the resource requirements for accelerated growth and social transformation.

Further, national cohesion, stability and rule of law which have been the hallmark of the political system over the last several years have created an environment which is attracting investors.

A key element of measuring the results and success of the programmes and policy actions of this PRSP is sound monitoring and evaluation (M&E) system. A critical goal for M&E over the medium term is to establish stronger institutional linkages with key policy making and planning functions across the

government, and to establish the nucleus of the system at the Ministry of Finance. These institutional linkages can then be used as channels for policy feedback as well as avenues for spreading the culture of M&E across the government.

In this context, the coverage, quality and analysis of data will be expanded in order to monitor the results, impact and outcomes of programmes. Specifically, strengthening of M&E systems will not only provide data on programmes at the national level but also support evidence-based policy making at the sector and programme levels. This means the drilling down of indicators essential to support managers and sector heads in (i) determining value for money; (ii) determining continuation and/or discontinuation of programmes; and (iii) upholding accountability.

In the medium term Guyana faces both external and internal risks to the attainment of the objectives outlined in its PRSP. On the external side, (i) adverse terms of trade; slowdown in the global economy particularly in North America; and shortfall in external financing may undermine macroeconomic stability and poverty reduction. Internally, absence of national consensus, limited implementation capacity, and rigidities in the business environment may well thwart Guyana's efforts to attract private sector investment to expand and sustain growth.

Even so, Guyana stands on the threshold of continued and sustained economic and social transformation. Steadfast commitment to policy measures elaborated in this PRSP is likely to set free the country's vast potential in human and natural resources. The lessons learned to date, properly assimilated, would help guide policy and programme implementation.



1

INTRODUCTION

In 2001, Guyana set an ambitious agenda in its Poverty Reduction Strategy Paper aimed at generating economic growth, improving its provision of social services, enhancing governance structures and progressing in a timely manner towards the achievement of the Millennium Development Goals (MDG) by 2015.

The realization of those goals hinged on a seven-pillared strategy that centered on sound economic policies; sustainable environmental protection, good governance; improved physical infrastructure, human resource development; improved social services including better provision of safety nets; and special intervention strategies for vulnerable populations. Since the 2001 PRSP, Guyana has prepared two PRSP Progress reports, one in 2004 and the other in 2005; and in 2008 prepared a second Poverty Reduction Strategy. This present document takes a broad brush review of the key developments since the elaboration of the Guyana's first PRSP.

The pursuit of poverty reduction over the period took place against a backdrop of internal and external shocks. Internally, in spite of the many regulatory, institutional and legislative reforms that were undertaken, Guyana continued to experience uneven growth. That, in part, was attributable to a challenging political environment especially during the period 2001-2005, massive flooding in 2005 and 2006, human resource constraints and the negative impact on businesses of increased criminal activity.

Externally, oil price shocks and continued higher prices of food continued to exact a high price on growth and presented challenges to macroeconomic stability. The rapid and adverse changes in Guyana's trade preferences, particularly as they related to Guyana's two prime commodities, rice and sugar, put pressure on external balances and contributed to higher deficits in the merchandise trade account in the first half of the decade but showed a steady and uneven decline during the period 2006-2010. Finally, lower actual external inflows also mired Guyana's goal of sustained high economic growth as projected in 2001.

In spite of these challenges, Guyana made considerable strides in meeting its seven pillared goals. Those results broadly indicate why growth averaged about 1.3 percent during 2001-2006 but recorded an average annual rate of 4.4 percent in the second half of the decade. Substantial progress was achieved especially in the social sector, demonstrated in the qualitative data on poverty reduction. Of the 29 core poverty reduction indicators, Guyana met and or exceeded 16. An MDG Status Report produced in 2010 indicated that Guyana progressed

satisfactorily in 8 of the 11 domestic target areas covering Goals 1 through 7. In the three remaining target areas, addressing health targets, progress has been made, but many challenges need to be overcome.

For Goal 8 addressing the Global Partnership for Development, adequate local indicators for monitoring were not developed.

In 2006, the Government commenced the preparation of a new PRSP spurred on by economic and political developments that called for a shift in strategy. Guyana's third Poverty Reduction and Growth Facility (PRGF) with the IMF also came to an end in September 2006 opening up the way for a new relationship not only with the Fund, but also with Guyana's development partners. Guyana became a recipient of the Multilateral Debt Relief Initiative (MDRI) in 2007. About US\$800 million of Guyana debt has since been written off by the IMF, World Bank and the Inter-American Development Bank. Guyana also obtained debt forgiveness from several bilateral donors. Accompanying this debt relief, however, was significant reduction in expected net multilateral inflows. The radically transformed resource envelope necessitated a deeper re-assessment of the government's priorities with a view of making appropriate adjustments to existing and future programmes.

Meanwhile, Guyana in 2008 made significant advances with its Low Carbon Development Strategy (LCDS) where it committed to protecting its standing forest in exchange for compensation for low carbon led growth. The LCDS falls within the framework of the global initiative of climate change but with specific reference to reducing emissions from deforestation and degradation (REDD). Importantly, in 2009, the Governments of Guyana and Norway signed an agreement in which Norway committed to providing substantial resources in support of the Guyana's efforts to create low-carbon employment and investment opportunities, sustain efforts to avoid deforestation and forest degradation, strengthen transparent forest governance, and establish an international monitoring, reporting and verification system for Guyana's forest.

Also in 2008, the financial crisis that hit the United States with its contagion effects on the global economy slowed down economic activity in Guyana in early 2009. Commodity prices, principally bauxite, sugar and rice fell substantially although a decline in imports ameliorated Guyana's balance of trade. Further, remittances as a percent of GDP dropped from 17.1 percent of GDP in 2008 to 14.2 percent of GDP in 2010. The lessons learned from these shocks provide a strong basis for diversification of the economy, employment creation and poverty reduction.

This new PRSP is therefore produced against the backdrop of the above developments. The relevant review period on the performance of the 2001 PRSP is now extended to cover 2001 to 2010. The new poverty strategy benefits from the lessons learnt over the past ten years and the recent global economic developments. In addition, the medium term agenda is underscored by Guyana's commitment to a low carbon economy.

This PRSP is organized as follows:

Chapter 2 provides an assessment of poverty in Guyana using two methodologies, the Consumption Approach and the Basic Needs Approach (BNA). The Consumption Approach utilizes a comparative

analysis of past household and living conditions surveys against the more recently concluded HIES. This assessment covers (i) trends; (ii) characteristics; and (iii) coping mechanisms of the poor in Guyana. The BNA uses administrative data with special emphasis on access to basic quality of life services such as water, health, education, electricity and housing. These data are complemented by two MICS surveys conducted in 2000 and 2005. Finally, the chapter estimates the level of poverty since the 2006 survey and attempts to answer the crucial question of whether Guyana will be able to meet its MDG goals in 2015.

Chapters 3, 4 and 5 qualitatively assesses the implementation of the seven-pillared 2001 poverty strategy against the results of the poverty assessment covered in Chapter 2. Chapter 3 provides a summary review of economic policies, governance and regulatory reforms since 2001. The starting point of this analysis is the review of macroeconomic fundamentals and policy stance articulated in 2001. Issues of governance including public sector reform are the focus of the next section. Attention is then turned to the review of efforts at improving public accountability, building confidence in the political system, strengthening the rule of law and improving public safety, and reforming local government. Chapter 4 reviews the infrastructure developments that have taken place since 2001. Chapter 5 then reviews in depth the social sector policies over the period and the public sector investment programme undergirding these reforms since 2001.

Chapter 6 describes the methodology, process and outcomes of the public consultations on the poverty reduction strategy. The PRSP process in Guyana is rooted in the principles of participatory development which serves to ensure that the final strategy is country-owned and supported by stakeholders. In addition, the Chapter highlights other participatory processes that have contributed to the contents of the new PRSP, including the consultations on the Low Carbon Development Strategy and other consultations on sector strategies and policies undertaken over the past five years.

The medium-term national agenda for development and poverty reduction is presented in **Chapter 7**. The vision of the Government for economic growth and poverty reduction and the strategies required to achieve this vision is spelt out in this section. In particular, this Chapter brings coherence to the various strategies and policies currently under implementation within the context of this vision. Specifically, the strategic framework of the medium term is built on creating a low carbon led growth, deepening of institutional and regulatory reforms to support growth, diversification of the economy.

Chapters 8 to 12 describe the government's poverty reduction strategies, policies and programmes for the medium term. Chapter 8 addresses the medium term economic policy agenda in support of the poverty reduction programme. The chapter focuses on maintaining sound macroeconomic fundamentals, growth prospects, the external sector, and the resource envelope and resource allocation for implementing the poverty reduction action plan. In addition, the chapter provides comprehensive projections of the economic prospects and discusses issues of debt sustainability.

In Chapter 9, the institutional, regulatory and administrative reforms necessary to support growth and poverty reduction are addressed. The chapter identifies the major areas of the Government's institutional support programme which include deepening the competitiveness environment of the private sector, improving citizens' security, justice administration and modernizing the public sector. This policy agenda is driven by the progress and challenges that were encountered in the implementation of the first PRSP.

Chapter 10 discusses the medium-term infrastructure strategy and programmes. Specifically, emphasis is placed on monitoring and surveillance, maintenance with some amount of reconstruction in road, drainage and irrigation and sea defenses networks. In the area of power, the medium term strategy examines several options of bringing down the cost of production in generation and reduction of end-user charges by increasing investments in renewable power, hydro-electric, solar and wind power, generation and distribution systems maintenance and reduction of pilferage of power.

Investing in human capital is the subject of **Chapter 11**. With a view of making substantial progress towards the attainment of the MDGs, this chapter consolidates the existing strategic plans in the social sectors and lays out strategic policy priorities for the medium-term. Taking account of the results of the current poverty assessment, the discussion of policies and programmes in investing in human capital is oriented towards closing regional and gender disparities and improving equity in the allocation of resources.

Chapter 12 presents the overall medium term macroeconomic framework.

Chapter 13 focuses on the monitoring and evaluation plan for the PRSP. The Chapter opens with a brief review of the system that was put in place after the 2001 PRSP. The proposed action plan for strengthening monitoring and evaluation mechanisms nationally is then discussed, including with particular attention to the goal of institutionalizing this critical function within the work programmes of key government agencies and department. In particular, this section lays out an action plan and performance targets of a national M&E system building on the progress made over the last 10 years. In this context, the chapter also looks at the demand for M&E in the policy making process and examines the increased role of civil society participation in influencing policy.

Chapter 14 concludes with a discussion of the risks to achieving the objectives of Guyana's second PRSP.

2

**POVERTY
ANALYSIS**

This chapter provides an assessment of poverty in Guyana using two methodologies, the Consumption Approach, utilizing the Household Income and Expenditure Survey (HIES), and the Basic Needs Approach (BNA). The Consumption approach utilizes a comparative analysis of past surveys against the more recently concluded HIES. This assessment covers (i) trends; (ii) characteristics; and (iii) coping mechanisms of the poor in Guyana. The BNA uses administrative data with special emphasis on access to basic services such as water, health, education, electricity and housing. These data are complemented by two MICS surveys conducted in 2000 and 2005 and the national census data of 2002.

Since 2001 Guyana has been implementing a comprehensive development strategy aimed at reducing poverty. This has included maintaining a sound macroeconomic framework, establishing good governance systems and creating an enabling environment for private investment and growth. Simultaneously, policy initiatives were taken at the sector level to expand the quality of and access to basic social service.

The Government, through its Monitoring and Evaluation Unit and two progress reports on the PRSP, has tracked the implementation of the strategy and trends in social indicators since 2004. However, a major shortcoming has been the inability to measure changes in absolute and relative poverty since the 1999 Living Conditions Survey. That was due to the absence of poverty surveys over the period. The progress reports of the PRSP in 2004 and 2005 relied on the Basic Needs Approach of measuring poverty to determine the share of the population with access to basic social services.

In 2005, the Bureau of Statistics began the Household Income and Expenditure Survey (HIES) to determine the poverty levels in Guyana and assess the degree of progress made since the previous poverty surveys of 1992 and 1999.

Echoing the design of the 1992 HIES, the 2006 survey covered 7,183 households. The completion of the HIES survey in 2006 and the rich data that it provided made it possible to measure poverty using the consumption approach. Even so, to provide balance and determine consistency of previous social sector indicators on access to social services, the HIES analysis will be complemented by the Basic Needs Approach of poverty measurement and analyses.

The chapter is organized as follows: Section I discusses the

methodological issues in the consumption approach to measuring poverty including definitions, key assumptions, parameters and innovations of the 2006 Household Income and Expenditure Survey. Section II provides results of the 2006 HIES at the national and regional levels and compares these results to poverty profiles derived from studies done in 1992 and 1999. Section III discusses some of the coping and risk management strategies employed by the poor while Section IV looks at the basic needs approach in measuring poverty. In particular, this section draws on various documents and surveys including the MDG Report (2006) and the 2002 census data. Section V concludes the chapter by drawing on the policy implications of the 2006 HIES and the BNA for Guyana's new PRSP for the medium term to 2015.

I. THE CONSUMPTION APPROACH TO MEASURING POVERTY USING THE HOUSEHOLD INCOME AND EXPENDITURE SURVEYS

A. THE METHODOLOGICAL CONTEXT

The recent Household Income and Expenditure Survey, concluded in March 2006, is used as the basis for measuring welfare. This survey mirrored the design of a similar one conducted in 1992. In both cases, the sample size was close to 7,200 households and the survey was conducted in four rounds covering twelve months so as to allow for seasonal variations in consumption. The 2006 sample size, after eliminating outliers, inconsistent observations, and coding errors is 7,183 households representing a large sample of 28,477 individuals or about 4 percent of the population. Both the 1992 and 2006 surveys used a sampling framework that allowed for over sampling of remote interior regions, which are scantily populated but traditionally have high poverty levels.

The survey of Living Conditions conducted in 1999 provided an intermediate data point but differed from the previous HIES with respect to the sample size, the survey period, and the number of rounds covered. The sample size was smaller and not comprehensive enough to allow for regional, ethnic and other comparisons of poverty. As a result, the 1999 Living Conditions Survey (LCS) results were not incorporated in the trend analysis of regional poverty.

B. DEFINITION OF POVERTY

The 2006 HIES allows a consumption approach to be applied to the definition of income. This approach was utilized for the first HIES in 1992 and the methodology repeated in order to have updated and comparable poverty indicators. Household welfare is measured on a consumption rather than income basis on account of:

- The difficulty in measuring the income of those working in the informal sector, self-employed workers and those who receive in-kind payments such as food or housing;
- Survey respondents regard queries about consumption as less intrusive than questions about income; and
- Consumption is a relatively more accurate measure of long-term welfare since it is more stable as opposed to income, which is more likely to fluctuate over short periods.

Within the HIES, total consumption consists of direct household expenditures, value of home-produced food items, value of payments in kind, housing expenditures including the value of owner-occupied

housing and expenditures on non-consumption items such as gifts, contributions and interest. Households declaring total consumption and food consumption equal to zero were eliminated from poverty estimations. However, zero values for all other categories of consumption were included.

In order to adjust for sample size, the poverty measure used was household consumption per capita. Future estimates will include adjustments using an adult equivalent scale.

Extreme and Moderate Poverty Lines

Following standard practice, the poor are defined as those who lack command over basic consumption needs, including food and non-food items. The poverty line is obtained by specifying a consumption bundle considered adequate for basic consumption needs and then by estimating the costs of these basic needs. In other words, the poverty line defines the level of consumption (on income) needed for a household to escape poverty. Absolute poverty lines were defined from the consumption data in order to be able to distinguish the poor from the non-poor and to quantify the level of poverty.

For those who are considered poor, two poverty lines were used to measure the extent of their poverty as extreme or moderate poverty.

The extreme poverty line is based on the normative food basket (2400 calories per male adult) provided by the Caribbean Food and Nutrition Institute. Total calorie intake is identical to the food basket used in 1992 and 1999, allowing for the comparability of the poverty rates derived. The average cost of the food basket across the ten regions for 2006 was G\$7,550 per month per male adult (approximately US\$1.25 per day). This average cost of the normative food basket quantifies the extreme poverty line. Adjustments were made to take into account the average price of the basket for the time span in each round of the survey. Regional prices were also taken into account in order to construct regional poverty lines for the 16 regional strata of the survey (10 regions plus rural and urban subdivisions).

Moderate poverty lines were constructed to include an allowance for non food items. This allowance was estimated by observing the share of total consumption devoted to food and non-food items of the 40 percent poorest households. The average moderate poverty line across regions for 2006 was G\$10,494 per month per male (or US\$1.75 per day).

II. RESULTS OF THE 2006 POVERTY SURVEY AND POVERTY TRENDS IN GUYANA

A. HEADCOUNT INDEX

Table 2.1 presents the average values of Guyana’s daily per capita consumption and poverty headcount estimates for 1992, 1999 and 2006. The head count index or the incidence of poverty is the

	EXTREME POVERTY			MODERATE POVERTY		
	1992	1999	2006	1992	1999	2006
Poverty Line*	2,929	5,463	8,395	3,960	7,639	11,395
Poverty Rate	28.7	19.1	18.6	43.2	36.3	36.1
* National average for the period September-December 2006						
<i>Source: World Bank and Guyana Bureau of Statistics using Household Income and Expenditure Survey data 2006 and Guyana Poverty Assessment 1994.</i>						
<i>Poverty line is the national average poverty line at local prices in Guyanese dollars</i>						

share of the population whose income or consumption is below the poverty line. In other words, this is the share of the population that cannot afford to buy a basic basket of goods. As in previous surveys, average levels of consumption were adjusted in the 2006 HIES for spatial differences in the cost of living for poorer households across poverty line areas, especially in hinterland areas.

The estimates show that 36 percent of the population lived in moderate poverty while 19 percent lived in extreme poverty in 2006. The 2006 survey also suggests that Guyana has made steady progress in reducing poverty since 1992. Specifically, moderate poverty fell from 43.2 percent in 1992 to 36.1 percent in 2006 while extreme poverty declined from 28.7 percent in 1992 to 18.6 percent in 2006. The reduction in poverty was more pronounced during periods of higher growth, 1992 – 1999 compared with the slower growth period of 2000 – 2005.

B. URBAN-RURAL POVERTY

About 28% of the Guyanese people live in urban areas. The population living in urban areas has a poverty rate of

18.7% (see Table 2.2), which is about half the national average and significantly lower than the

TABLE 2.2: GUYANA POVERTY PROFILE - AREA AND REGION 2006

	Percentage of Poor	Share of the group in the population (%)
<i>Urban-rural</i>		
Urban	18.71	28.20
Rural Coastal	37.04	60.08
Rural Interior	7.47	11.72
Total		100.00
<i>Regions</i>		
Barima-Waini	80.06	3.18
Pomeroon- Supenaam	51.94	6.25
Essequibo Island- West Demerara	40.09	14.08
Demerara- Mahaica	24.56	42.43
Mahaica- Berbice	42.58	6.11
East Berbice- Corentyne	28.45	15.76
Cuyuni -Mazaruni	61.42	2.48
Potaro- Siparuni	94.28	1.48
Upper Takatu - Upper Essequibo	74.38	2.96
Upper Demerara- Berbice	39.36	5.26
Total		100.00

Source: World Bank and Guyana Bureau of Statistics using Household Budget Survey data 2006.

TABLE 2.3: POVERTY INDICES BY GEOGRAPHIC REGION BASED ON G\$47,500 POVERTY LINE

REGION	PERCENT OF POPULATION	HEAD COUNT	POVERTY GAP	FGT ₂	MEAN* PER CAPITA CONSUMPTION (IN G\$)
ALL GUYANA	100.0	43.2	16.2	8.2	91,602
Urban Georgetown	21.0	28.9	8.7	3.6	136,687
Urban Other	11.2	23.1	6.3	2.5	106,965
Rural Coastal	56.0	45.1	14.7	6.3	75,923
Rural Interior	11.8	78.6	46.1	31.0	39,331
(1) Barima Waini	3.5	78.9	45.7	29.7	45,144
(2) Pomeroon-Supernaam	6.7	55.0	23.8	12.6	78,737
(3) Essequibo Island W. Demerara	10.9	45.8	14.9	6.4	75,456
(4) Demerara-Mahaica	39.8	32.0	9.6	4.0	112,386
(5) Mahaica-Berbice	7.5	56.4	18.8	7.9	80,242
(6) E. Berbice-Corentyne	17.0	37.2	9.7	3.3	74,123
(7) Cuyuni-Mazaruni	2.6	44.7	13.4	6.6	66,047
(8) Potaro-Siparuni	1.9	94.8	66.1	49.2	19,864
(9) Upper Takatu-Upper Essequibo	3.8	93.3	58.7	39.6	21,545
(10) Upper Demerara-Berbice	6.4	30.9	10.9	4.8	120,479

¹ The distribution from the full HIES survey (including all four subrounds). Total population is estimated at 730,000.

Source: 1993 HIES/LSMS Data N=7925 individuals

*Annual consumption figures adjusted by regional index only

Millennium Development target of 21.6%. Six out of ten people live in rural coastal areas. Rural coastal areas register a poverty rate slightly above the national average, at 37%. In the rural interior region where Amerindians are concentrated, three out of four people are poor. Considering the respective population shares, more than 62% of the Guyanese poor live in the rural coastal regions, 22.6% live in the rural interior regions, and only 14.7% of them live in urban areas. In all three areas, except the rural interior, there have been significant improvements in poverty rates since 1992 where the headcount was 28.9% in Georgetown, 23.1% in other urban areas, 45.1% in rural coastal areas, and 78.6% in the rural interior. Urban areas have poverty rates similar to Chile (the country with the lowest poverty rate in the region).

The poverty rates by urban and rural areas, as shown in Table 2.2, are also reflected in the disaggregation of poverty by region.

C. POVERTY GAP AND POVERTY SEVERITY

The poverty gap and poverty severity measures are based on the distance between the poverty line and the consumption level of an individual. The poverty gap and the poverty severity indices in Table 2.4 suggested that poverty was deepest in the rural interior regions and most shallow in the urban coastal regions of the country.

TABLE 2.4: GUYANA -- POVERTY MEASURES BY AREA 2006

	Extreme poverty				Moderate poverty			
	National	Urban Coastal	Rural Coastal	Rural Interior	National	Urban Coastal	Rural Coastal	Rural Interior
Poverty Rate	18.6	7.3	17.1	54.0	36.1	18.7	37.0	73.5
Poverty Gap Index	5.2	1.5	4.3	18.7	11.5	4.6	10.8	31.8
Squared Poverty Gap Index	2.1	0.5	1.6	8.7	5.2	1.7	4.5	17.0

Source: World Bank and Guyana Bureau of Statistics estimates using Household Budget Survey data 2006

Nationally, the poverty gap and the poverty severity index as shown in Table 2.5 below declined by 29.0 percent and 36.6 percent respectively for the moderately poor and 41.6 percent and 52.3 percent for the extreme poor between 1992 and 2006. This implies that targeted policies and possible economic opportunities in the agriculture sector may have contributed to reducing the depth of poverty for the very poor.

D. DEMOGRAPHIC POVERTY PROFILE

Poverty rates according to demographic characteristics are summarized in Table 2.6. Similar to findings in previous years, younger age cohorts have a

TABLE 2.5: GUYANA --- POVERTY MEASUREMENT, 1992-2006

	EXTREME POVERTY			MODERATE POVERTY		
	1992	1999	2006	1992	1999	2006

Poverty Gap	8.9	N.A	5.2	16.2	12.4	11.5
Poverty Severity	4.4	N.A	2.1	8.2	6.1	5.2

Source: World Bank and Guyana Bureau of Statistics estimates using Household Budget Survey data 2006.

Poverty line is the average poverty line at local prices in Guyanese dollars

significantly higher poverty headcount than older ones. While 33.7% of young people aged 16-25 lived in poverty in 2006, only around 24% of people aged 41 and above were poor. Almost half of all children aged 16 and below are poor (47.5%). This group also represents more than a third of the population. More analysis is needed on this issue since poverty often persists over generations. This fact suggests the need for a strategy to rapidly tackle child poverty in Guyana. Overall, the figures suggest that gender differences do not play a big role in the distribution of poverty in Guyana. Yet, it should be noted that the approach of measuring consumption at the household level imposes the assumption of equality in consumption within the household. Qualitative data would be needed to have a detailed analysis if this is indeed the case, or if there are possible intra-household inequalities that are unobserved so far.

E. ETHNIC POVERTY PROFILE

The four ethnic groups in Guyana which make up almost all of the population are Africans, Amerindians, East Indians and Mixed groups. Poverty rates are similarly below the national average among Afro-Guyanese (31.6%), Indo-Guyanese (30.0%) and the mixed population (33.7%). Comparable headcount ratios from the previous World Bank poverty assessment of 1992 were 43%, 33.7% and 44.7% respectively. This result represents a convergence in poverty reduction for these groups. Amerindians continue to exhibit the highest poverty level notwithstanding the steady progress made in reducing poverty among this group since 1992.

Nevertheless, it should be noted that, given the lifestyle characteristics of Amerindians, this group is particularly prone to measurement error when using the same consumption basket to calculate poverty lines. Expenditure patterns for this group may be quite different from those of other ethnicities. Also, since Amerindians are concentrated in Regions 1, 8 and 9 (Barima-

FIGURE 2.1: GINI COEFFICIENT BY GEOGRAPHIC AREA

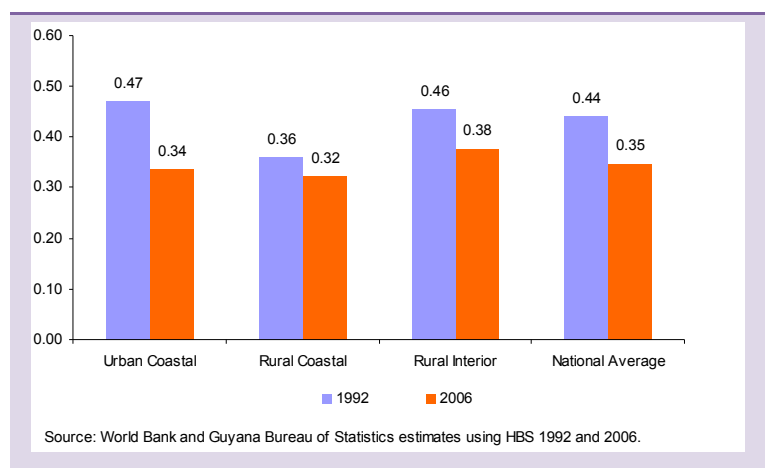
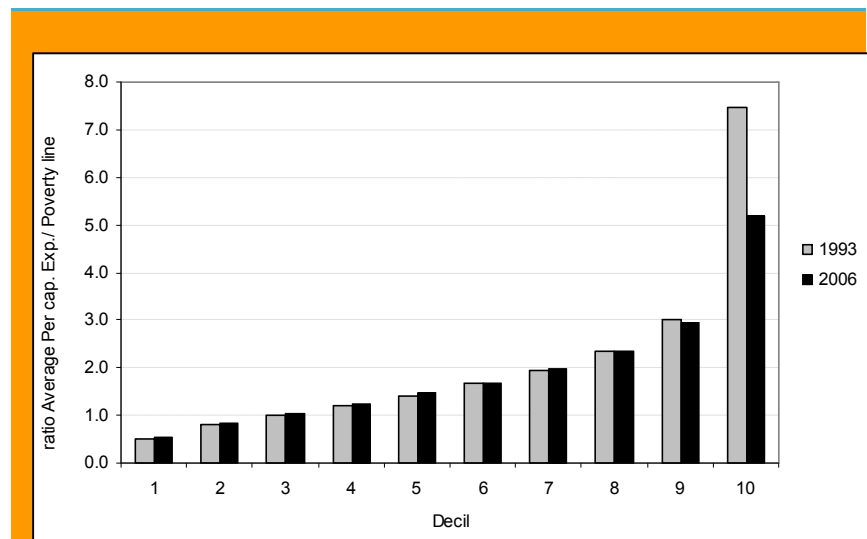


FIGURE 2.2: RATIO AVERAGE PER CAPITA EXP/POVERTY LINE



Source: World Bank and Guyana Bureau of Statistics estimates using HBS data 2006 and World Bank Poverty Assessment 1994

Waini, Potaro-Siparuni and Upper Takatu-Upper Essequibo), the regional availability and prices of consumption items play a big role in determining their specific consumption patterns. As mentioned before, the national consumption basket for all groups and regions guarantees comparability over time. In the case of Amerindians, further detailed work and sensitivity analysis of alternative poverty lines may be necessary to provide better comparisons to complement the baseline analysis.

F. POVERTY PROPENSITIES

At the national level, being male, older, educated (starting with primary completion) and employed, reduce the probability of being poor (controlling for other available factors). Individuals living in smaller households and households receiving remittances (from abroad or other areas of Guyana) have a lower probability of being poor.

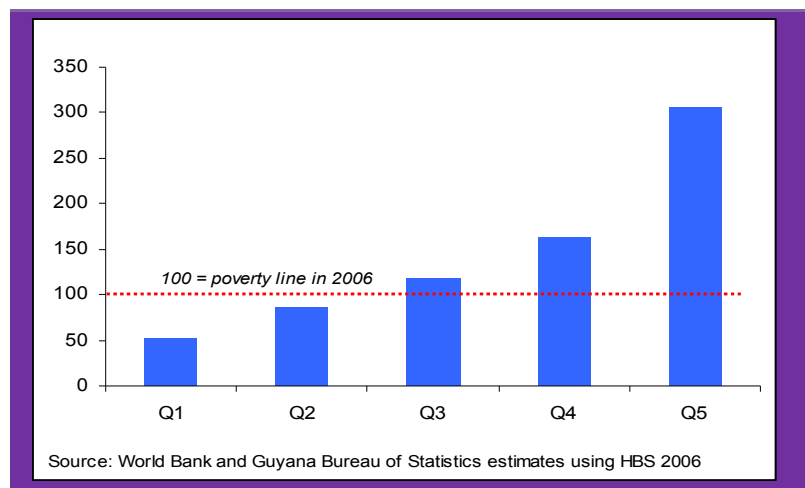
G. INEQUALITY IN CONSUMPTION

The Gini coefficient—using household consumption per capita as a welfare measure—suggests a decreasing pattern of inequality between 1992 and 2006 (See Figure 2.1). In the urban coastal area, the Gini coefficient shows a significant decrease of consumption inequality than in the rural area.

Overall, inequality is relatively low in Guyana compared with other Latin American Countries like Brazil (0.545), Chile (0.556) or Panama (0.548). The richest 20 percent of the population in Guyana accounts for 42 percent of national consumption, while the poorest 20 percent accounts for 7 percent. In other Latin American countries, the richest quintile account for about 60 percent of national income. The average consumption per capita has registered important increases since 1992, but the ratio of average consumption per capita to poverty line has remained fairly constant, except for the richest deciles (where it decreased a bit). This is an indicator of slight improvements on overall consumption distribution. However, as shown in Figure 2.2, these changes did not affect the poor or those below the poverty line.

Graphically, Figure 2.3 shows the consumption ratio of the population by consumption quintiles relative to the value of the poverty line in 2006. The figure indicates that the Guyanese in the poorest quintiles Q1 and Q2 might need on average an additional income of about 42 percent and 14 percent of the value of the poverty line to escape poverty (about GY\$5,400 and GY\$1,500 respectively per month).

Figure 2.3: Ratio Average per capita Expenditure/ Poverty Line by Consumption Quintiles in 2006



III. COPING STRATEGIES

The HIES included a group of questions which sought to derive some understanding of the support systems available to households who encounter a crisis. Households were asked to identify their source for financial support out of five options:

1. Borrowing from the bank
2. Borrowing from family or friend
3. Borrowing from other sources
4. Asking for a gift/donation from family or friend
5. Asking for credit at shops

Table 2.6 summaries the survey results.

COPING STRATEGIES	REG 1	REG 2	REG 3	REG 4	REG 5	REG 6	REG 7	REG 8	REG 9	REG 10	TOTAL
Borrow Money from the Bank (%)	2.55	17.71	8.34	12.87	5.21	15.3	4.44	0	5.76	17.97	11.77
Help from friends (%)	41.09	54.17	40.66	41.52	34.79	52.16	31.11	30.53	36.13	43.23	43.13
Assistance from other source (%)	8.36	11.04	6.54	15.84	3.96	14.82	2.22	14.74	6.28	17.97	12.48
Gift from friend (%)	22.91	35	23.03	33.85	9.17	41.35	9.44	21.05	21.99	41.15	30.93
Credit from shop (%)	61.09	58.96	36.11	28.28	51.88	42.39	35	68.42	43.46	34.64	37.98

Source: Bureau of Statistics

The above table shows that, as expected, the most formal source of financial support, the banking system, was more likely to be accessed by residents in Regions 4, 6 and 10 which had urban centers and established banks. Nonetheless, overall this was the least used option, with just 12 percent of persons responding positively.

Forty-three percent of the sample chose Option 2, reporting that they turned to friends and family for support in a money crunch. This response was generally even across the Regions although affirmative responses in Regions 2 and 6 were higher than the national average, with Region 4 following closely. The pattern of responses was also similar for Option 4 which also stresses the household's support system of family and friends. Thirty one percent of respondents selected this option with Regions 2 and 6 again being among the Regions with the percent of responses higher than the average.

	1992		2006	
	NON-POOR	POOR	NON-POOR	POOR
Home ownership	56.3	68.6	69.3	77.4
Number of rooms	4.3	3.4	3.3	2.8
Persons per room	1.2	2.5	1.1	2.4
Water	70	30	86.9	61.2
Sewerage	2.2	2.4	7.1	2.1
Electricity	79.6	53.2	78.1	46.5

Source: Bureau of Statistics using Household Budget Survey data 2006.

Asking for credit at shops was the second most popular strategy chosen, with 38 percent of persons noting that they utilized this option. Interestingly, this option was most utilized in the hinterland regions, 1,7,8,9 and Region 2. Because of the uneven flow of mining and forestry-based incomes, communities in these Regions utilized a credit system more systematically. Borrowing from other sources was the second least used option after banks. These other sources may refer to informal credit arrangements, including ‘pawn shops’.

In summary, the results show that for the hinterland Regions, where the prevalence of poverty is higher, households tend to turn to family and friends for assistance in order to cope with their consumption shortfalls or crises. In the more urbanized and populous coastal Regions there was a stronger reliance on family and friends for financial and other forms of support as coping strategies.

IV. BASIC NEEDS APPROACH IN MEASURING POVERTY

The consumption based-HIES measurement of poverty has its limitations. The measure does not capture the substantial progress made in improving access to basic services which are critical to supporting improved standards of living. For example, several of the poor who did not have access to housing, water, health and other social services in 1992 now benefit from improved public provision of these basic services. These services are included in the basket of goods used to define the poverty line. To the extent that HIES surveys do not fully capture household consumption of these goods, they would tend to exaggerate the prevalence and depth of poverty.

To account for this inherent weakness as the sole measure of welfare, other indicators of well-being such as access to basic services, nutrition, life expectancy and mortality are used to better understand the nature and prevalence of poverty. In this context, home ownership, access to water, electricity, education and health are used to measure well-being in Guyana.

A. HOME OWNERSHIP

Guyana continues to make substantial progress in increasing owner-occupied houses especially within the category of the poor or low-income households.

As shown in Table 2.9, more than three-quarters of the poor had their own dwellings in 2006 with adequate rooms for occupants and bathrooms comparable to the non-poor. The development of accelerated housing schemes with infrastructure subsidized by government and lower and affordable interest rates from New Building Society and other financial institutions has contributed to this outcome. Table 2.9 also speaks to the quality of housing. It is clear that

TABLE 2.8: POVERTY PROFILE-HOUSING CHARACTERISTICS 2006

	Poor	Non Poor	National
Home ownership (%)	78.38	70.64	73.44
Number of rooms	2.94	3.54	3.33
Persons per room	2.66	1.31	1.80
Bathroom in the dwelling (%)	17.05	48.74	37.29
Poor materials in the roof (%)	11.91	1.17	5.05
Poor materials in the walls (%)	8.31	1.23	3.79
Water (%)	62.52	88.85	79.33
Sewerage (%)	2.12	6.26	4.76
Electricity (%)	46.14	79.65	67.54

Source: World Bank and Guyana Bureau of Statistics estimates using Household Budget Survey data 2006

although home ownership is generally higher for the poor, the quality of dwellings is significantly lower with respect to the building materials used, lack of bathroom facilities in the home and more persons per room contributing to overcrowding.

B. ACCESS TO WATER

The large investments in the water sector over the last 5 years have contributed to the provision of safe water throughout the 10 regions of Guyana. Although about 89 percent of non-poor boasts of access to safe water, the significant progress made especially in hinterland and rural coastal communities has resulted in about 63 percent of the poor having access to potable water. The distribution of access is also found to be equitable. According to the 2002 census report, with the exception of Regions 1, 8 and 9, about 88 percent of the population in the seven remaining regions had access to safe water.

TABLE 2.9 - SAFE WATER, 2002 AND 2006		
REGION	HOUSEHOLDS WITH ACCESS TO SAFE DRINKING WATER	
	2002 (%)	2006(%)
1	47.5	52.8
2	96.7	97.0
3	96.1	97.3
4	89.8	90.1
5	91.4	92.6
6	95.6	96.5
7	64.7	68.1
8	26.6	28.7
9	42.9	43.7
10	80.2	82.9
National	74.2	74.97

Source-Guyana Water Incorporated

C. ACCESS TO ELECTRICITY

According to the 2002 census data about 69 percent of the households nationwide had access to electricity. Data from the Guyana Power and Light (GPL) confirms this figure. Underlying the high active accounts of GPL is the expansion of the generating and distribution capacities arising out of two major capital projects targeting rural and unserved areas of the country. This programme provided access to electricity for an additional 17,000 rural and poor households.

D. ACCESS TO EDUCATION

At the national and regional levels, gross enrolment rates at the primary level exceed 100 percent with net enrolment ratios topping 96 percent. Access to secondary education is also on the rise with more than 65 percent of that cohort being enrolled. Table 2.11 provides a summary of national and regional access to primary and secondary education as measured by enrollment ratios. Reduction in overcrowding, introduction of nutrition programmes, and implementation of other support programmes extended to students in difficult situations may have contributed to the increased access in secondary education particularly in rural coastal and hinterland areas.

Table 2.10: Guyana --- Enrollment Ratios for Primary and Secondary Education, 1980-2006

ENROLMENT RATIO: PRIMARY EDUCATION (GROSS)				ENROLMENT RATIO: SECONDARY EDUCATION (GROSS)			
	1980	2002	2006		1980	2002	2006
National	102.3	103.4	100	National	52.1	65.0	84
Region 1	99.2	102.4	114	Region 1	27.1	32.5	85
Region 2	101.2	103.5	95	Region 2	43.5	52.1	82
Region 3	102	103.4	95	Region 3	49.6	69.5	76
Region 4	102.2	104.1	100	Region 4	58.7	75.8	84
Region 5	105.2	105.2	97	Region 5	44.6	58.9	92
Region 6	103.5	105.2	78	Region 6	45.2	57.5	85
Region 7	104.2	103.5	111	Region 7	35.4	46.2	86
Region 8	102.2	107.3	89	Region 8	18.2	33.5	82
Region 9	117.2	120.1	117	Region 9	23.2	35.4	93
Region 10	103.2	102.4	126	Region 10	55.8	79.6	133

Source: Ministry of Education

E. ACCESS TO HEALTH CARE

The policy of the Guyana Government is to provide equitable access to health care services. There are presently almost 400 public health care facilities in the ten Regions of Guyana. Since 2000, the population with access to health care has increased substantially with more than 95% of the population now within 10 miles of health facility. The construction and rehabilitation of hospitals, health centers and health posts, particularly in the hinterland areas of Regions 1, 7, 8 and 9, and the extension and rehabilitation of the main public referral hospital, Georgetown Public Hospital (Region 4), have improved access to health. Importantly, these facilities have reduced turn-around time for health services and benefited the poor, as shown by the increasing number of clients that the health sector has served since 2000.

In addition, rehabilitation of the National Psychiatric Hospital and expansion of the Psychiatric Wards and Out-Patient Clinic of the Georgetown Public Hospital and psychiatric clinics in Regions 2,3,6 and 10 have improved access to mental health services. The posting of infectious disease specialists in Regions 2,3,4,5,6 and a visiting specialist for Regions 1,7,8 and 9 has contributed to improved access and services for infectious diseases, such as HIV and various other STIs, TB, Malaria, Dengue.

With improved training programmes in obstetrics, better maternal and child health care is available within the primary health care system. New guidelines for diabetes and hypertension have improved both access and quality of service for chronic diseases. For the first time, Guyanese living with cancers have access to chemotherapy and radiotherapy within Guyana. Cardiac diagnosis and surgery (open heart surgery) for persons with heart diseases and dialysis for people with kidney diseases are now available. While heart

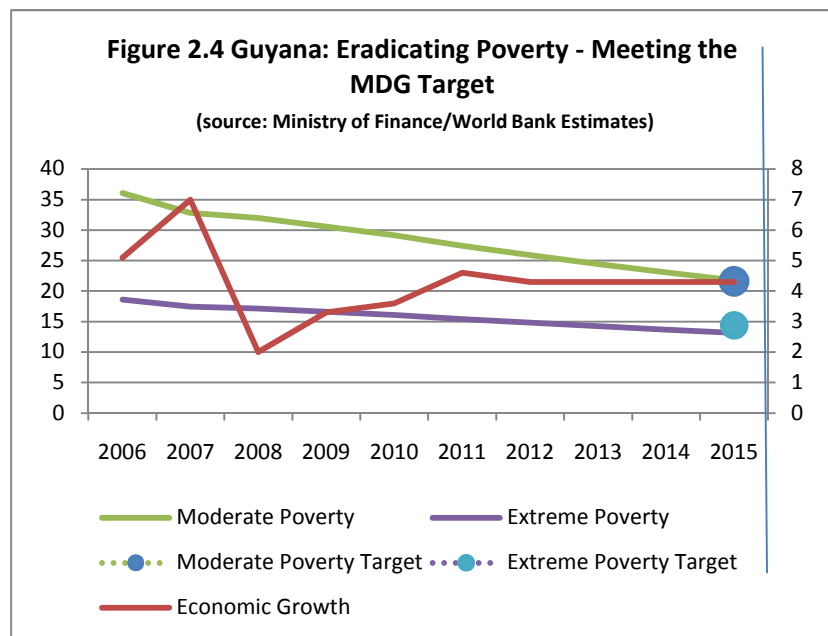
surgery, radiotherapy and dialysis are only available as cost-recovery programmes (part of the public private financing programme), Government provides substantial financial assistance for persons to access these services. Direct financial support has amounted to about \$100 million annually since 2005. In addition, costs for radiotherapy and heart surgery are much lower because these services are provided by the private sector at public facilities and it is estimated that the government indirect support accounts for another \$50 million annually. The Government is also in talks with the Government of India to establish a specialty hospital in Guyana for improved access to tertiary care services.

V. MEETING THE MDG GOAL TO ERADICATE POVERTY IN GUYANA

The first Millennium Development Goal calls for the eradication of extreme poverty by halving the proportion of persons living in poverty by 2015. For Guyana, the target is to reduce extreme poverty to approximately 14 percent by 2015 from the level of 28.7 percent in 1993. The requirement is therefore a further percentage reduction in extreme poverty of 4.5 points. For the moderate poverty rate, applying the same MDG target means that moderate poverty should decline to 21.6 percent by 2015 from the level of 43.2 percent in 1992. This will require a further reduction of 14.5 percentage points in the moderate poverty rate by 2015.

In Guyana, positive growth rates during the latter 1990s contributed to the substantial reduction in poverty during 1992 to 1999. In contrast, the average growth rates of 0.2 percent during 2000 – 2005 correlated with the subdued reduction in poverty for the same period. Using the most recent poverty measures from the HIES survey discussed above, an extrapolation of an assumed growth-poverty relation through 2015 in Figure 2.4 below shows that Guyana may be on target of meeting this goal of eradicating poverty, providing that growth rates average 4.3 percent during 2011 – 2015¹. Importantly, the sources of growth and income generation in and equitable distribution of income will matter in achieving the MDG target.

Figure 2.4 shows that, with the assumed growth rate, the target for extreme poverty, 14.5 percent, can be surpassed by 2015, while moderate poverty is projected to reach 21.8 percent, not significantly different from the target of 21.6 percent.



¹ Source of co-efficient is World Bank

Guyana's historical pattern of growth provides a caveat that achieving and sustaining growth rates at or above 4.3 percent of GDP will not be straightforward, and will require a focused, evidence-based strategy that emphasizes investment facilitation and job creation. Further, the multi-faceted nature of poverty implies that interventions should address not only economic but also social investments and the political and civic institutions that allow the voice of the poor to be heard and that contribute to maintaining the peace and stability necessary for all investments to bring in maximum returns.

VI. SUMMARY

Poverty, particularly extreme poverty, in Guyana declined substantively during 1992 to 1999, during a period when growth rates averaged 5.6 percent per annum. During the first half of the new decade however, growth slowed and with it, the rate of poverty reduction also declined. The 2006 HIES measures moderate poverty at 36.1 percent of the population while 18.6 percent of the population continues to live in extreme poverty, that is, on less US\$1.25 per day. Despite the initial slowdown in the reduction in poverty early in the decade, Guyana is still on track to meet the Millennium Development Goal of halving poverty by 2015. In order for this goal to be met, Guyana must achieve an average growth rate of at least 4.3 percent of GDP during 2011 – 2015. The next chapters review the social and economic policies and strategies undertaken to achieve growth and poverty reduction in the past decade. The lessons learnt through the successes and failures experienced in the past are then used to inform the PRSP for 2011 – 2015.

3

REVIEW OF GOVERNANCE, REGULATORY REFORMS AND ECONOMIC POLICIES 2001-2010

INTRODUCTION

In the 2001 PRSP, the Government recognized that in generating sustained growth, priority must be placed on removing bureaucratic inertia through governance, regulatory and economic reforms. These reforms were deemed necessary for creating business friendly environment for private sector-led growth. A review of the governance, regulatory and economic reforms is undertaken in this chapter to assess if Government met its commitments.

I. REVIEW OF GOVERNANCE REFORMS

The five key areas in which governance review is undertaken are (A) Inclusive governance; (b) public accountability and transparency; (c) rule of law including the administration of justice; (d) local government; (e) compliance with international agreements and treaty obligations.

A. INCLUSIVE GOVERNANCE

Guyana is a secular state, with a multi-ethnic, multi-religious society, and boasts “a unique, inclusive, governance model”. This Inclusive Governance Model has been enshrined Guyana revised 2003 constitution and supported by parliamentary and legislative reforms.

These reforms focused on, but are not limited to, the following:

- Power sharing between the party in government and the parliamentary opposition as the President must have “meaningful consultations” with the Leader of the Opposition on the appointment of key specified constitutional posts. The Leader of the Opposition in fact therefore has a veto on identified appointments.
- The Office of the Leader of the Opposition was enshrined in the Constitution and changed from the earlier term of Minority Leader.
- The appointment and establishment of 4 of the 5 Rights Commissions through an agreed on parliamentary consensual mechanism after consultation with and receiving the nominations of various agreed on list of civil society bodies.
- The Women and Gender Equality Commission, the Rights of the Child Commission and the Indigenous Peoples Commission have been appointed and functioning in this period. The Ethnic Relations Commission functions but the Commissioners are the

subject of an ex parte injunction brought by the Opposition Leader.

- The Chairperson of the Rights Commission, the umbrella secretariat for all 5 rights commissions is appointed by the President from a list of six persons nominated by the Leader of the Opposition.²
- The mechanism to appoint and establish the three Service Commissions, namely the Judicial, the Public Service, and the Police, was reformed to provide for a more consensual approach. This was done through the establishment of a Parliamentary Standing Committee on Appointments to Commissions
- The Guyana Elections Commission (GECOM³) was established in accordance with amended Article 161 of the Constitution and by statute. It is the entity that is responsible for the administration and conduct of elections in Guyana, registration and demarcation of electoral boundaries.

The constitutional reform period (1999-2003) was followed in 2005-6 with a robust period of parliamentary reforms that has implemented an expanded committee system parallel to those of more advanced democracies:-

- The establishment of a Parliamentary Standing Committee on Constitutional Reform charged with the mandate of continually reviewing the effectiveness of the working of the constitution and making periodic reports thereon to the National Assembly with proposals for reform as necessary;
- The establishment of four parliamentary sectoral committees – Economic Services, Social Services, Natural Resources and Foreign Relations - to monitor and oversee all areas of government policy, performance and administration.
- A new Standing Committee to oversight the Disciplined Forces was created through a constitutional amendment in 2009, the committee has been appointed and is functioning
- The establishment of a Parliamentary Management Committee with equal numbers of Government and Opposition chaired by the Speaker. This committee has to consider and decide on matters relating to the business of the National Assembly and such other matters as it may wish to consider or that may be referred to it by Committees or the National Assembly.
- The Office of the Auditor General reports directly to the Parliament and not the Minister of Finance.
- Expansion of the fiduciary oversight mandate and authority of the Public Accounts Committee to include responsibility for ‘general supervision over the Audit Office of Guyana’ in accordance with the Auditor General’s Rules, Policies and Procedures Manual. Significantly, this committee is chaired by an Opposition Member of Parliament (MP).
- For the 9th Parliament (2006 September- 2011) 140 bills were enacted covering reforms in the administration of justice, citizen security, financial sector, protection of children, women and the disabled, thereby creating a more modern legislative architecture for a modern democratic society.
- For the same period under the 2006 Standing Orders, the Opposition has asked over 500 questions with and without notice, for written and oral replies, and all have been answered.
- These Standing Orders were revised and updated in the 9th Parliament

² The President has requested and is awaiting the submission of the LOP’s list of nominees.

³ GECOM is constituted thus: 3 nominees of the President acting in his own deliberate judgment, 3 nominees from the Opposition Leader who has to consult with other opposition political parties and civil society, and a Chairman who is selected by the President from a list of 6 persons submitted by the Leader of the Opposition. Once appointed, the members serve for life, unless otherwise removed in accordance with the Constitution.

- 15 bills were sent to parliamentary special select committees for review and amendment in the 9th Parliament and returned to the House and adopted.
- The period from 2005 to the present has witnessed the most robust investment in the capacity and capabilities of a strengthened and deliberative Parliament through an injection of increased financial and technical resources including an increase in the government's annual budgetary allocations and donor support.

The involvement of national stakeholders in policymaking, representation and programmatic implementation has evolved and can be found at the national, regional and community levels.

- The creation of the National Stakeholders Forum in 2008 which brings together the 16 umbrella religious organizations for the three major religions, the Inter-Religious Organization, the two umbrella labour movements, the 4 umbrella business sector organizations, women's organizations, the National Touseos Council represents a coming together of bodies that can speak for over 50 percent of the Guyanese population with the President. This forum has met on 10 occasions in the last 2 years.
- The involvement of civil society bodies in partnership with the government on the Low Carbon Development Strategy Steering Committee and the National Competitiveness Council are but 2 examples of many.
- The regional poverty reduction committees and the consultations on the Poverty Reduction Strategy provide an interesting model.
- The annual meeting between the government led by the President with the National Touseos Council (representing all the Touseos and Councils of all the Amerindian communities) is a special and unique model to Guyana.

The availability of modern age technology through the installation of 2 fibre optic cables and the One Lap Top Per Family will be an equalizing factor across the country especially those in rural and interior area and this will allow for the development of e-governance allowing for people especially the poor and vulnerable to access services and be better informed.

B. PUBLIC ACCOUNTABILITY

Over the last decade, public accountability and transparency was embedded in the constitutional inclusive governance model with Parliamentary sectoral and standing committees playing key oversight roles as stated in the section A above. The Public Accounts Committee chaired by the Opposition was given additional general supervisory responsibilities over Audit Office of Guyana. The PAC meets weekly and has submitted their review of the Auditor General's Annual reports on government expenditure up to Y2008. The Minister of Finance in keeping with the new Audit and parliamentary standing orders statutes responds to the PAC report within 90 days. The Natural Resources, Foreign Relations, Economic Services and Social Services Parliamentary Sectoral Committees function and contributed in constructive ways to greater oversight of the executive.

In addition, the Government provided training in technical analysis to staff of the Secretariat Division in Parliament, which also serves the oversight committees. The Parliament Library was upgraded and

stocked with relevant materials to allow staff to support various committees. Finally, ICT infrastructure was upgraded and services expanded in an effort to augment the work of both parliamentarians and staff.

A new Audit Act was enacted in 2004 to clarify the responsibilities of the Auditor General and establish an independent Audit Office as well as strengthen Parliamentary oversight over the work of the Auditor General. The Audit Act gives the Auditor General the mandate to conduct financial and compliance audits as well as value-for-money audits and stipulates the timing for submitting the annual audit report to the Speaker of the National Assembly. Reforms in the Office of the Auditor General through greater autonomy, expanded mandate, improvement in remuneration, and recruitment and training of staff have resulted in the improved timeliness of the annual audited financial statements of the affairs of the public sector.

Similarly, substantial reforms were undertaken in the area of public procurement. The National Procurement Act was enacted in 2003 and accompanying regulations were completed. Over the years, additional reforms to improve public procurement and enhance accountability and transparency have been implemented.

These include:

- Revision of the procurement regulations;
- Revision of the standard bidding documents to create simpler, more user-friendly documents;
- Training of over 300 procurement staff in procurement law, regulations and evaluation;
- Development of procurement manuals and handbooks and an Evaluation manual;
- Upgrading of Management Information System and development of a website for the NPTA where the minutes of the NPTA , awards of contracts by sector are posted;
- Strengthening of e-tendering with the publication of contract awards, standard bidding documents, evaluation criteria manual, and procurement manuals and handbooks; and
- Expansion of the role of ICT in the delivery of public services with emphasis on increased access to information.
- The opening of a new website eprocure.gov.gy in 2010 where tenders, vacancies etc are posted

Further, expenditure management systems and controls were introduced and strengthened to ensure judicious use of public resources. Specifically, the Government enacted the Fiscal Management and Accountability Act (FMAA) in 2003 to regulate the preparation and execution of the annual budget; the receipt, control, accounting and disbursement of public monies; and to support the efficient management of public finances.

The Government also introduced an Integrated Financial Management and Accountability System (IFMAS) which improved Treasury functions and streamlined transactions within government. This system has since been decentralized to line ministries, government agencies and regional administrations.

The focus has been on implementing these new legislative instruments and administrative reforms and to make them efficient and effective.

C. RULE OF LAW INCLUDING THE ADMINISTRATION OF JUSTICE

Over 30 pieces of legislation were passed to enhance citizen's security and the administration of justice in the 9th Parliament. Law enforcement agencies were strengthened with recruitment of additional staff and capacity to deal with crime. ICT systems were introduced to improve the operational capacity of the Guyana Police Force and investments were made in improving the capabilities of intelligence gathering.

Importantly, 600 faith-based organizations received training in early warning signs to detect cases of domestic violence, and residential neighborhood community police were trained. The results of these investments and policy initiatives were the reduction of crime over the period. As shown in Table 3.1, reported serious crimes dropped by 35 percent during 2001 to 2009. This decline is evident in most of the crime sub-categories. Additional justice indicators for example on access to justice, convictions, average time in remand, are being refined to better monitor the impact of the delivery of justice, particularly as it relates to the poor. Further, crime statistics are being disaggregated to better provide insights into the nature of various crimes.

NGOs such as Help and Shelter and the Guyana Legal Aid Clinic receive financial support from the government in order to assist in expanding their services to persons in the rural and interior areas of Guyana.

The focus of the reforms in the justice administration system was underpinned by the revision of the laws of Guyana and the publication of its law reports. Additionally, the reforms have also focused on legislative interventions including Time Limit for Judicial Decisions; the Legal Practitioners Act, High Court Rules, Judicial Service Rules, Judicial Review Act to name a few. Further, legal procedures have been reformed including enhanced monitoring of the professional conduct and information technology has been introduced to complement the efficiency of the delivery of justice.

Among the accomplishments of the Government were the (i) recruitment of more magistrates; (ii) training in case management; (iii) the adoption of Alternate Dispute Resolution (ADR) and (iv) construction of Family Court. As a result of these initiatives, there has been significant improvement in the delivery of justice. For example, the extensive backlog of court cases declined by more than 50 percent over the period. The establishment of a commercial court in July 2005 has reduced the time for the resolution of business cases by more than 45 percent. Additionally, computerization of court records with the introduction of new technologies has improved the operations of the court system. The Family Court is awaiting the Rules Committee of the High Court to approving the Family Court rules.

In the final analysis, these reforms have benefitted the poor as it has increased their access to the justice system.

D. LOCAL GOVERNMENT

Local Government was one of the primary areas that have received continuous attention throughout the last decade. The elements of the reform programme centered on (i) review of current status of legislation and identification of the Parliamentary actions required to give effect to constitutional provisions that called for a new local government electoral system ; (ii) assessment of the revenue base and a proposal of

checks and balances for fixing rates and revenues collection; (iii) examination of the human resource requirements for enhanced and effective local government administration; and (iv) strengthening of information systems for planning, monitoring, evaluation and reporting of programmes.

Five pieces of legislation were sent to a parliamentary special select committee and one was adopted by the National Assembly which created a new hybrid proportional representation/first past the post electoral system. The other bills were put on hold in 2009 after dialogue between the Government and the Opposition.

In addition, valuation rolls were completed for the municipalities in Anna Regina, Coriverton, Rose Hall and New Amsterdam Georgetown and Linden. To speed up the process of conducting local government elections, the Valuation of Property for Rating Purposes, the Local Authorities, and Local Authorities (Elections) Amendments were passed. Local government election is scheduled to take place in 2012.

E. INTERNATIONAL AGREEMENTS AND TREATY OBLIGATIONS

Guyana has acceded to the ICCPR, the CERD, the CEDAW, the CAT, the CRC, and the ISCED, the UNCAC, and more recently the Convention on the Rights of Migrant Workers and their families and the 2 Optional Protocols on the Rights of the Child; it is a signatory to the UN Conventions on the Rights of Persons with Disabilities and the UN Declaration on the Rights of Indigenous Peoples. It has acceded to the Inter-American Convention on the Belem do Para on Elimination of Violence against women and the Inter-American Convention against Corruption.

In keeping with its treaty obligations it has submitted reports to the CERD, CEDAW, CRC, CAT and will complete outstanding reports to ICCPR and ISCED in 2011. It has submitted its report on the Belem do Para and has gone through all 3 Rounds of Review of the IACAC. It will be subjected to its first review before the UNCAC in 2012.

Guyana was also reviewed before the UNHRC at the Universal Period Review in May and September 2010.

BOX 3.1 - GUYANA: THE REBASING OF THE GROSS DOMESTIC PRODUCT

Guyana's GDP data was rebased from 1988 to 2008. As a result, GDP at market prices rose by 64 percent leading to a rise in GDP per capita from US\$1,504 to US\$2,630 as of end 2008. The rebasing exercise was in line with harmonizing the base of GDP series across CARICOM member countries to inform policy decisions and advance regional integration. The establishment of the new base year sought to capture (i) changes in relative industrial costs and price structures; (ii) informal activities to the formal sector; and (iii) emergence of new economic activities. Similarly, the distribution sector has an expanded coverage of commodity flows and improved estimation of trade margins. In mining and quarrying, on account of production volumes, gold and diamonds have higher shares than bauxite while the new weight for manufacturing is a reflection of an expanded index of 47 products. The other services sector reflects new economic activities including hotels and restaurants, and professional services. The transportation and communications was expanded resulting in higher weight for the sector. In particular, cell phone activities, internet services and Television broadcasting as well as operations of mini buses, taxis, lorries, domestic air services were included in the sector. At the same time, the importance of sugar's contribution to GDP declined. In part, the old series used an arbitrary split in the value-added between agriculture and manufacturing while the new series draw on actual employment costs. Further, sugar manufacturing was reclassified into manufacturing. There were no major changes in the coverage of financial services, as commercial banks' activities are generally well measured. Nevertheless, the new series introduce enhanced estimation techniques.

III. REVIEW OF ECONOMIC POLICIES

The key economic policy objectives that were set in the 2001 PRSP included (i) maintaining macroeconomic stability; (ii) policies to support private sector growth; and (iii) restructuring and modernizing the traditional sector. The realization of these

policy objectives was expected to lead to GDP growth rates averaging 4.3 percent and a concomitant reduction in poverty levels.

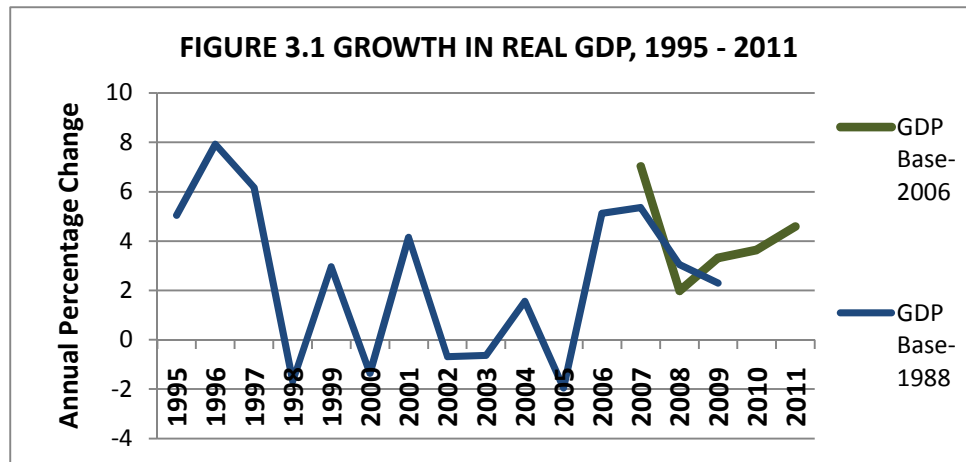


Figure 3.1 illustrates the pattern of growth over the past decade with marginal growth during the period 2001-2006 and more robust growth in the latter five years. Importantly, in 2009, the Government completed the rebasing of the GDP which brought into the measurement sectors and activities (including those previously operating in the informal sector) that were hitherto not previously captured. This resulted to nominal increase of GDP at market value of 64 percent and adjustments in the weights of some key sectors in the national accounts. Box 3.1 provides a summary of the rebasing of the Guyana's GDP.

A. MAINTAINING MACROECONOMIC STABILITY

Macroeconomic policy over the past decade was centered on fiscal discipline, and price and exchange stability. This reflects the fact that in the small open Guyanese economy where imports and exports amount to more than twice GDP, the exchange rate is the most effective tool in controlling inflation. Consistent with this policy stance, the Bank of Guyana through open market operations influenced the prime lending rate of the major banks and, through the managed float of the exchange rate, succeeded in stemming the depreciation of the nominal exchange rate. Over the period 2006-2010, the real growth rate averaged 4 percent while inflation hovered around 6.4 percent.

TABLE 3.1. GUYANA: KEY ECONOMIC AND FINANCIAL INDICATORS, 2001-2009

	2001	2002	2003	2004	2005	2006	2007	2008	2009
	(Percentage change)								
Production and prices									
Real GDP (factor cost)	2.3	1.1	-0.7	1.6	-1.9	5.1	5.4	3.0	2.3
Nominal GDP (market prices)	0.3	5.6	4.4	8.6	5.5	11.0	18.8	8.5	8.4
GDP deflator (factor cost)	1.5	3.7	5.4	4.3	7.5	6.8	5.8	8.4	3.7
CPI Inflation Rate	2.7	5.3	6.0	4.7	8.3	4.2	14.0	6.4	3.6
	(In percent of GDP)								
National accounts									
Investment	22.1	21.0	21.0	23.5	25.0	29.7	26.3	17.7	20.7
Private sector	8.1	8.3	6.5	7.3	1.6	4.8	6.8	0.0	0.0
Public sector	14.0	12.6	14.5	16.3	23.4	24.9	19.5	17.7	20.7
External current account balance (excl. transfers)	-19.2	-15.2	-11.9	-8.9	-19.1	-24.8	-19.0	-26.3	-17.1
Nonfinancial public sector									
Public Saving	-1.1	-1.1	2.2	5.4	2.5	3.3	3.1	2.6	8.3
Overall fiscal balance (after grants)	-6.7	-5.6	-9.0	-4.6	-13.3	-10.6	-8.4	-7.8	-5.3
	(In millions of U.S. dollars, unless otherwise indicated; end of period)								
External sector									
External Current Account Balance	-	-	-	-	-	-	-	-	-
	133.7	110.1	-88.4	-70.0	157.7	190.8	193.0	253.6	172.5
Gross official reserves	284.8	280.0	271.2	224.7	251.4	277.3	312.6	355.9	623.0
Months of imports	4.4	4.4	4.4	3.2	3.1	3.1	2.9	2.7	5.1
	(Percentage Change, 12 month basis)								
Money and Credit									
Broad Money	8.9	5.5	8.3	7.8	8.3	15.9	13.6	12.7	9.7
Domestic Credit	-10.7	2.0	-6.7	38.6	3.6	4.3	5.6	30.4	-13.2
Private Sector	-11.7	3.0	10.5	39.1	-4.8	-13.6	-13.1	8.6	-18.9
Public Sector	1.0	-1.1	-17.2	-0.4	8.4	17.9	18.7	21.8	5.7
Memorandum items:									
Nominal GDP mp (G\$ billion)	130.4	137.7	143.8	156.2	164.9	183.1	217.6	236.9	255.8
Guyana dollar/U.S. dollar (period average)	187.1	190.6	193.0	198.3	199.9	200.5	202.5	204.3	204.1

Source: Ministry of Finance; IMF Staff Reports

a) Fiscal Policy

The fiscal policy objective was to bring down the budget deficit to sustainable level to support exchange rate and price stability. The thrust of fiscal policy centered on (i) tax reforms and (ii) expenditure management and controls.

TABLE 3.2. GUYANA SUMMARY OF FISCAL OPERATIONS, 2001 -2009
(IN PERCENT OF GDP)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Domestic Revenues	33.7	33.5	32.3	35.0	37.4	36.9	37.4	39.0	36.1	39.7
Current Expenditure	32.2	34.6	33.7	33.8	32.1	34.4	34.0	29.8	33.3	31.4
Capital Expenditures	13.8	14.0	12.6	15.9	16.3	23.4	24.3	22.4	17.4	20.3
Grants	7.7	8.4	8.2	4.6	6.5	7.3	9.6	5.1	7.0	6.8
Current Balance	1.5	-1.1	-1.4	1.1	5.3	2.5	3.4	9.3	2.8	8.3
Interest Expenditure	9.2	9.0	7.9	5.8	4.9	4.4	3.9	2.8	2.8	2.6
Primary Balance ^{1/}	10.7	7.9	6.5	6.9	10.2	6.9	7.3	12.1	5.6	10.8
Primary Balance after Grants	18.4	16.2	14.6	11.5	16.7	14.2	16.9	17.2	12.6	17.6
Overall Balance after Grants	-4.6	-6.7	-5.9	-10.1	-4.5	-13.6	-11.3	-8.0	-7.6	-5.3
Net External Financing	5.6	6.9	2.6	6.2	-0.1	9.7	10.0	7.1	6.8	6.5
Net Domestic Financing	-0.9	-0.2	3.3	4.0	4.6	4.0	1.3	0.9	0.7	-1.3
Old GDP base (GYD Millions)	130.01	130.42	137.74	143.84	156.2	164.87	183.08	217.55	236.05	255.82
	2	8	8	4	3	3	4	2	9	2

Source: Ministry of Finance

(i) Tax Reforms

The tax reform programme was guided by a Tax Reform Action Plan (TRAP) which commenced in 2003 and sought to improve revenue performance through the broadening of the tax base, reduction of marginal tax rates, enhanced equity and transparency, and strengthened administration. Parliament approved a Value-Added Tax (VAT) and new Excise Tax regulations in January 2006. A Taxpayer Identification Number (TIN) was also introduced, which provided a unique number for all taxpayers and is used for all taxes and tax registrations. The incentives regime for investment was further enhanced with the provision of tax holidays which carry maximum limits of 10 years. The corporate tax rates were also reduced for all companies except telecommunications from 45 percent to 40 percent and 35 percent to 30 percent.

Other critical reform actions taken were:

- Amendment of legislation in 2003 that granted greater autonomy to the Guyana Revenue Authority (GRA);
- Passage of the Fiscal Enactments Amendment Act 2003 that substantially reduced discretionary tax measures;
- Installation of the Total Revenue Integrated Processing System (TRIPS) in 2006 that enhanced the GRA's capacity to monitor and manage its revenues and administrate the tax laws;
- Implementation of the Value-Added Tax (VAT) and excise systems in 2007 and repeal of six other taxes;
- Restructuring and reorganization of GRA from a tax-type into a functionally organized administration;

- Introduction of new systems and equipment into Customs and Trade Administration including mobile scanners; surveillance boats and systems; expanded warehouses; and streamlining of customs processing and records;
- Training of the technical staff of GRA key areas of operations; and
- Procurement and installation of expanded suite of IT infrastructure and software to support the operations of GRA.

The reform actions at the GRA have met with tremendous success. Tax revenue has grown by an annual average of 13 percent since 2003. Administrative efficiencies gained translated to shorter processing times for the issuance of TINS, reduced customs clearance times and improved audit, intelligence and enforcement capabilities.

(ii) *Expenditure Policy Reforms*

The Government made strides in expenditure management and controls over the review period. In particular, it developed medium term sector strategies implemented programme budgeting across all sectors. This paved the way for the introduction and implementation of medium term expenditure framework (MTEF) and the development of a 3-year indicative budget framework.

In addition, all modules of IFMAS were implemented and the system was decentralized across ministries and sectors. The impressive outcome of IFMAS implementation is the provision of real time data on government fiscal position. Further, the nexus between the current and capital expenditure has seen tremendous improvement with increased coordination over recent years. .

b) Monetary, Exchange Rates and Price Performance

As mentioned earlier, accompanying the Government's commitment to fiscal sustainability was the policy intent to: (i) maintain price and exchange rate stability; (ii) maintain the external reserve position; and (iii) undertake deep-seated reforms within the financial sector.

Despite high fuel prices at various points over the decade, and the impact of an imported food price shock in 2008, inflation was contained within single digits at an average rate of 5.9 percent over the decade. Lower inflation, in addition to remittances from abroad helped to maintain the stability of the exchange rate.

The balance of payments weakened in response to higher volume of imports and adverse terms of trade. Although value-added products was envisaged to play an important role in reducing the volatility in commodity prices, close to 100 percent of Guyana's exports continued to be made up of extractive and agricultural commodities.

Nevertheless, the financial crisis that hit the United States with its consequences on growth and employment adversely contributed to lower receipts of remittances in 2009 and 2010 as a share of GDP.

BOX 3.2: IMPACT OF THE RECENT FINANCIAL CRISIS ON GUYANA

Guyana's economy continue to show resilience in spite of the global financial crises and downturn in the global economy. The economy in 2008 and 2009 generated an average growth rate of 4.6 percent. Nevertheless, being a commodity producing economy, the global crisis mainly affected the Guyana through the real sector where it generates its sources of foreign income.

Further, the slump in commodity prices due to weakness in global demand and uncertainty in the financial and job markets created conditions where there was a slowdown in foreign direct investment and remittances.

Using gold as safe haven for weaknesses in the US\$ and the Euro, price of gold rose substantially triggering an increase in the output of gold by about 21 percent.

Lower remittances weakened foreign exchange inflows contributed to the nominal depreciation of the exchange rate. Remittances which grew at an average annual rate of 55 percent and represented about 17 percent of GDP declined by 9 percent in 2009.

The combination of lower remittances and exports contributed to the decline in related services in the private sector. Based on information collected through focus groups and surveys, the data suggests that decline of production ranged from 5-30 percent across different sectors. For example, manufacturing production and sales declined by about 15 percent in the first half of 2009 over the corresponding period in 2008 while the services sector declined with distribution activity falling by 15 percent and tourism by about 20 percent.

B. EVALUATION OF POLICIES TO SUPPORT PRIVATE SECTOR GROWTH

The three policy initiatives adopted by the Government in 2001 to support private sector growth included: (i) export promotion; (ii) investment promotion and (c) development and expansion of small businesses and cottage industries.

a) Export and Investment Promotion and Development of Small Businesses

The results from these policy initiatives were modest. Both exports and investment in particular, showed modest growth. Accompanying these were new companies that were established to compete in the global market. In particular, the Guyana National Bureau of Standards complemented these efforts through educating exporters, codifying standards for product certification scheme and providing technical assistance to companies seeking to meet internationally acceptable standards such as the ISO Guide.

To provide legal and institutional framework to support the private sector as the engine of growth, the Government passed the Investment Law and the Small Business Act to provide fiscal and other incentives to investors.

In addition, an Investor Roadmap and sector studies providing comprehensive overview of opportunities, challenges and incentives for investors were drafted. Business registration also received a substantial boost. Through business re-engineering, all paper documents of business and company registration were converted into electronic format and a one-stop-shop was established at the Deeds registry to handle business registration and renewals. Pending the passage of legislation, the number of days of incorporating a business is expected to be reduced from 46 days to 12 days.

Further, legislation was drafted in 2010 to change the renewal of existing businesses which takes place in the first half of January every year with its attendant delays, long queues and inconveniences. The passage of the legislation will allow companies to register on their anniversary dates. In addition, a website allowing potential investors to register on line and to link up to other government websites is in operation. Legislation allowing for these reforms including an Electronic Transactions Bill is being drafted and will be tabled in Parliament shortly.

Table 3.3 provides a summary of FDI by sector. Domestic investment measured by domestic credit also increased over the period although the major pick-up began in 2005.

TABLE 3.3 SECTORAL DISTRIBUTION OF FDI, 2001-2010 (PERCENT)						
	2001	2002	2003	2004	2005	2006
Agro, Forestry, Fishing	18.2	12.3	42.1	11.0	13.0	6.2
Mining and Quarrying	28.4	10.3	34.9	22.3	47.8	54.6
Manufacturing	5.9	16.5	0.0	0.0	0.0	0.7
Transport and Telecoms	17.9	36.7	23.0	66.7	39.2	38.5
Others	29.6	24.1	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Bureau of Statistics

b) Restructuring and Modernizing the Traditional Sector

An ambitious programme for the restructuring and modernization of the traditional sector proceeded with the goal of generating efficiencies; value added products and expanded outputs.

In particular, the Government completed the construction Skeldon Sugar and Cogeneration Factory and invested in developing new cane fields. The factory became operational in August 2008. Bauxite mining did see an appreciable investment and independent gold mines took advantage of government incentives and external gold prices to substantially increase production. The higher cost of production of Guyana's bauxite in contrast with cheaper prices at the global market adversely affected production. Nevertheless, with the privatization of Linmine and injection of investments by BOSAI, the sector is beginning to see improvements in production.

The rice sector continues to show resilience both on the production and export fronts, despite the effects of climate change and uncertainties of market conditions,. Continued investment in research and development, procurement of drying facilities, substantial support in drainage and irrigation facilities, new and improved farming practices have all contributed expand production and reduce paddy spoilage. The continuous evaluation of pesticides for weed, pest and disease control and the sourcing and testing of over 300 additional rice germ plasm lines for possible release as varieties hold great potentials for increased production.

4

INFRASTRUCTURE TO SUPPORT GROWTH

Chapter 4 reviews the fifth PRSP pillar, i.e. investment in public infrastructure. This pillar places emphasis on the development of critical infrastructure needed to support poverty reduction and accelerate economic growth. Focus on roads and bridges, air and marine transport, drainage and irrigation, sea defenses, power generation, transmission and distribution continued to be priorities over the period.

I. ROADS AND BRIDGES

Guyana's network of roads and bridges enables communities to be connected as well as access agricultural lands, markets, social and other public services. Beyond the intra-country connectivity, the Government has also engaged its Brazilian and Surinamese counterparts as well as interested private sector investors, in developing and expanding the transportation networks linking the countries

Ongoing construction, rehabilitation and maintenance of roads and bridges span urban, rural and hinterland areas across the country with a view of improving access and connectivity across communities. Among the significant investments made in this subsector of infrastructure were 87 kilometers of roadway from New Amsterdam to Moleson Creek, the widening of bridges and structures along the East Coast and East Bank corridors and development of all weather roads in the Black Bush Polder area (a major farming community). Further, there was extensive work undertaken to construct, rehabilitate and upgrade urban, rural and community roads across the country.

In addition, investments in the installation of road safety mechanisms including road markings and signs, sidewalks and street lighting have improved public safety for both pedestrians and vehicular traffic.

The commissioning of the Takatu Bridge linking the border town of Lethem with neighboring Brazil further solidifies Guyana's strategic position as a doorway to the rest of South America. The completion of the much anticipated Berbice River Bridge significantly reduced the traveling time for persons moving to and from Region 6 enabled greater access to markets for farmers of cash crops who previously had to wait several hours when traveling by ferry service.

Collectively these have served to improve our people's access to markets, services and public facilities such as health centers, hospitals and schools. Importantly, improvements in farm-to-market roads contributed markedly to the availability of food items in Georgetown and containment of food price fluctuations over the period

The feasibility studies for the Linden-Lethem Road which is connected to a Deep Port Harbour, was completed. Further, the construction of the access roads to Amalia Falls has commenced. This road will literally pave the way for the initial phase of the development of hydro-electric power supply in the medium-term. More remains to be done in the medium term to further expand road infrastructure especially to the interior regions of Guyana so as to open opportunities for increased economic activities and income growth.

II. AIR TRANSPORT

With regards to air transport, the results have been substantial. The Cheddi Jagan International Airport has undergone major improvements including the upgrading of its security monitoring and runway lighting systems, matching these with the standards developed by the International Civil Aviation Organization (ICAO) and TSA security regulations to improve safety and sustain the fight against narco-trafficking and terrorism. In addition, extensive renovations have been carried out to upgrade the airport's facilities.

A major boost to the local air transport system resulted from the upgrading and international certification of the Ogle Aerodrome from a domestic to an international airport. In addition, various airstrips in the hinterland regions were rehabilitated and maintained. This has resulted in improved transportation options for the communities in the hinterland areas,, stakeholders in the mining and forestry industries, speedier access to Guyana's vast ecotourism resources and increased access to specialist health services.

III. MARINE TRANSPORT

The marine transport system continued to be maintained by the Government through the renovation and upgrading of stelling and wharves across the country. These have not only been critical to large businesses and shipping companies using the facilities in the Demerara River but also to small and medium scale farmers as well as residents in Regions connected by the Berbice and Essequibo Rivers, thus, facilitating the transportation of agricultural produce and other commodities from the interior, islands, and other parts of Guyana to markets in towns and the city. The completion of the design and construction of two roll on/roll off ferry vessels and their imminent entrance into the marine transport system will facilitate greater ease of travel for persons who need to cross the rivers especially those with substantial cargo.

IV. DRAINAGE AND IRRIGATION

Guyana's drainage and irrigation system performs a number of important functions including protecting the coastal areas from flooding and providing fresh water resources for cash crops as well as the traditional sugar and rice crops. In the post 2005/2006 flood period, the Government has strategically augmented its routine maintenance programme to expand its equipment-base, improve operational works of the system, and construct new capital structures and access roads.

In addition, about 1500 miles of canals/drains and 300 structures and 120 miles of earthen embankment were rehabilitated and dredges, mobile drainage pumps and excavators were procured. Further, the social and institutional organization of the country's D&I system was reformed through the creation of the National Drainage and Irrigation Authority and the establishment of Water Users Associations. These developments have positively impacted on agricultural production in the last decade. Notwithstanding, to fully contain the effects of climate change on Guyana's infrastructural assets and production, more investments will be required in the medium-term.

V. SEA DEFENSES

A systemic programme has been executed to strengthen and maintain sea defense structures and the safety of communities and properties along Guyana's coastal belt. Sea defense structures were strengthened and emergency works were carried out to repair breaches and rehabilitate key canals and drains. A Shore Zone Management System for monitoring, planning and management of the coastal zone of Guyana is being implemented. At the same time, a number of hydrographic surveys have been carried out around the islands in the Essequibo River and other Administrative Regions. Training was undertaken for staff in surveys, data management, mangrove management, among other key areas. These programmes have reduced sea breaches and also provided Guyana with mechanisms of predicting rainfall and tidal levels and improved the framework for disaster preparedness and management. In addition, a new Sea and River Defense Policy was developed to streamline government actions in this area.

VI. POWER GENERATION AND SUPPLIES

There remains significant room for improvement in the reliability of electricity generation, transmission and distribution systems. Despite huge investments in the sector and changes in the ownership and management of the power company, results particularly in the areas of (i) maintenance, networks and metering; (ii) generating capacity; (iii) system losses; and (iv) capital expansion programme have not lived up to expectations. Rehabilitation of existing plants has ensured about 80 percent of plant utilization while replacement of defective meters and installation of new ones and a campaign to combat commercial losses have helped to improve the operational efficiency of the Guyana Power and Light (GPL). In addition about 36,500 households, representing close to 20 percent of the population and consisting mainly of the poor, for the first time had access to electricity.

5

REVIEW OF SOCIAL SECTOR POLICIES AND PROGRAMMES

In this Chapter 5, a review of the social policies and programmes supporting the PRSP's fourth pillar, investments in human capital, is undertaken. Specifically, the chapter reviews progress in education, health, water and housing in the context of Guyana fulfilling its commitments towards the attainment of the MDGs. The analyses in this chapter also benefited from the MICS that were conducted in 1999 and 2006. The chapter also examined progress made towards strengthening social safety nets taking account of programmes that were put in place to deal with retrenched persons, assistance to single parents, elderly and pensioners, support to challenged children and those in difficult circumstances.

TABLE 5.1 GUYANA SOCIAL SECTOR SPENDING

PERCENT OF GDP (OLD BASE)	1997	1999	2001	2003	2005	2007	2009
Current (Non-Interest) Expenditure	6.1	10.1	12.3	13.3	12.0	10.7	12.3
Personnel emoluments	4.2	5.6	5.7	6.0	5.7	5.0	5.2
Education	2.6	3.6	4.0	4.4	3.8	3.4	3.5
Health	1.6	2.0	1.7	1.6	1.6	1.3	1.4
Other Sectors	n.a	n.a	n.a	n.a	0.3	0.3	0.3
Other Charges	1.2	3.9	6.2	5.5	5.8	5.7	7.0
Education	0.2	1.5	2.0	2.4	2.4	2.1	2.4
Health	0.8	1.8	1.7	2.2	2.0	2.0	2.5
Poverty Alleviation	0.2	0.6	2.5	0.9	1.5	1.7	2.1
Housing and Water	0.7	0.6	0.4	0.7	0.5	0.2	0.2
Public Service Reform	0	0	0	1.1	0.0	0.0	0.0
Capital Expenditure	9.2	7.0	8.5	8.1	6.6	7.7	8.2
Education	1.2	1.1	2.7	1.3	1.5	1.5	1.2
Health	0.4	0.3	0.1	0.8	0.6	1.3	1.1
Poverty Alleviation	6.8	4.7	4.1	3.3	1.7	1.7	0.9
Housing	0.8	0.9	1.2	2.5	1.3	2.4	4.6
Water	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Community Services	0.0	0.0	0.0	0.0	1.1	0.3	0.2
Social Protection	0.0	0.0	0.4	0.2	0.4	0.6	0.2
Total Social Expenditure	15.3	17.1	20.8	21.4	18.6	18.4	20.4
GDP mp (old base in billions)	106.7	120.7	133.4	143.8	165.0	217.6	255.8

Source: Ministry of Education, Ministry of Health, Ministry of Housing & Ministry of Finance

In 2001, the Government committed to allocate an average of 54 percent of its budgetary resources (24 percent of GDP) to reducing poverty through investment in the provision of social services, particularly at the basic levels. The areas of emphasis included (i) education; (ii) health; (iii) water and housing; (iv) social safety nets; and (v) the empowerment of indigenous and vulnerable groups in the population through special intervention programmes.

Total social expenditure increased sharply from 15.3 percent of GDP (old base) in 1997 to a high of 21 percent in 2003, and now averages 19 percent since 2004. As a share of the new GDP base, social expenditures in Guyana averaged 11 percent during 2006 – 2009, more aligned with Latin America and the Caribbean neighbors which averaged 10 percent in 2004⁴. Guyana’s social sector budget over the past five years is predominantly targeted to education (38 percent); followed by health (25 percent); housing and water (14 percent); social protection (10 percent); community services (6 percent); and poverty alleviation programmes (7 percent).

TABLE 5.2. KEY EDUCATION INDICATORS				
IN PERCENT UNLESS OTHERWISE STATED	PRSP BASE ^{1/}	ACTUAL ^{2/}		
		NATIONAL	HINTERLAND	LOWEST REGION(S) ^{3/}
Gross Primary Enrolment	107.0	101.0	111.6	[6-78]
Net primary enrolment	94.0	92.0	93.0	
Gross Secondary Enrolment	81.0	87.0	87.7	[3-76]
Pupils who start Grade 1 and reach grade 5	83.5	87.0		
Primary Completion		95.0	91.7	[5-66]
Student: Trained Teacher (Primary)	47:1	50:1	94:1	[8-181:1]
Student: Trained Teacher (Secondary)	36:1	39:1	58:1	[1-71] [8-119]
Percent of CSEC Passes	74.5	79.0	75.0	[3-51]
MICS RESULTS				
	2000	2006		
Pre-School Education	35.0	49.2		
School Readiness	NA	65.0		
Net Intake rate in primary Education	NA	78.7		
Net primary school attendance rate	98.0	96.2		
Net secondary school attendance rate	n.a	69.4		
Children reaching Grade 5	97.0	96.8		
Transition Rate to Secondary School	NA	67.0		
Primary Completion Rate	NA	71.4		
Gender Parity Index				
primary school ratio	NA	1.0		
secondary school ratio	NA	1.1		
<i>Source: Ministry of Education; MICS3 2007 Report</i>				
<i>1/ Data available for year closest to 2001</i>				
<i>2/ Latest available year</i>				
<i>3/ Below Average Regions [Region-Score]</i>				

⁴ Grosh and Weigand World Bank 2008. LAC countries total for social protection, health and education. The composition of aggregate social spending between LAC countries and Guyana differs with Guyana’s measure including poverty programmes. The comparison at the aggregate level is therefore only broadly illustrative.

I. EDUCATION

In Education, the results over the last years compared with the PRS targets were impressive as shown in Table 5.2. Guyana achieved 100 percent gross primary school enrolment in 2004 and made steady progress year after year towards achieving full attainment of secondary school enrolment. More than 8 out of 10 students in that age cohort were enrolled in secondary schools across all Administrative Regions, except Regions 3 and 5 where enrollment was slightly lower. This may be attributable to the proximity of these Regions to Region 4, particularly, Georgetown, when during the same period, there was significant increase in the number of private schools and an increase in enrollments.

Guyana also achieved impressive results in the number of children reaching Grade 6. With a national average of about 87 percent, only administrative Regions 5 and 8 showed any significant deviation. In part, the lower levels of students reaching Grade 6 in these Regions are the result of difficult economic circumstances and terrain.

Better results of test scores were recorded at all level of the education system. In particular, at the secondary school level, about 79 percent of students passed the Caribbean Secondary Education Certificate (CSEC) examinations in 2006 compared to about 75 percent in 2001. Region 3 registered the lowest test score with just over 50 percent of students passing the CSEC examinations.

The sector faces serious challenges, however. Despite training more teachers annually over the past years, student teacher ratio at all levels of education continues to remain high. In particular, for primary education, student trained teacher ratio averaging about 50 students to 1 far exceeds the level for the Caribbean where student teacher ratios are much lower. Administrative Regions 1, 8 and 9 have student teacher ratios that accounted for about twice the national average. The Remote Area Incentive (RAI) through providing improved remuneration and other incentives for hinterland teachers is helping to bridge the national divide of student teacher ratio between the coastal and hinterland regions.

II. HEALTH SECTOR

In the Health Sector, the implementation of the Governments 5-year National Health Plan (2003 – 2007) resulted in sharper focus on the target indicators as outlined in the PRSP. This led to changes in the collection, compilation and analysis of data by the Ministry of Health. The revision and implementation of a new surveillance, monitoring and evaluation system along with an improved mechanism for verification of the mortality and vital statistics data bases led to the more accurate recording and reporting on the various elements of each indicator. Since 2002, significant improvement in data collection and management have led to reductions in under-reporting.

As shown in Table 5.3, the key health indicators showed a steady progress over the decade. Infant mortality rate over the last 10 years decreased progressively from 34.9 in 1995 to 14 per 1000 live births in 2008. Similar trends were also noted with under-5 mortality and Maternal Mortality rates. Immunisation coverage for MMR and DPT/Pentavalent indicated progressive increases to above 95.4 and 92.8 percent respectively from 85% in 1995 with a coverage for especially hinterland Regions (1, 7, 8 and 9) increasing from less than 60% to ranges between 85 to 95 percent, more closely in line with the national average.

Similarly, reported HIV cases which had increased from 400 cases in 2001 to peak at 1356 in 2006 began declining and by 2008 only 959 cases were reported. Remarkably, reported AIDS cases decreased from 435 in 2001 to less than 24 in 2008, indicating clearly the benefits of the investment by the Government and its partners in providing care and treatment with Anti-Retroviral (ARV) medicines in the fight against HIV/AIDS. Prevalence for HIV as measured by ante natal testing done in 1995 and three serial ANC surveys in 2000, 2004 and 2006 indicates steady decline from 5.6% (2000) to 1.5% (2006). HIV remains concentrated in the more populated urbanized Regions (4 and 10) and less prevalent in the hinterland Regions of 1, 7, 8 and 9. Other diseases such as tuberculosis and malaria also showed marked decline.

Significant efforts have made to increase access to health services, particularly for the poor, by developing the sector's infrastructure. The government constructed and rehabilitated 8 hospitals and numerous, health posts and health centers were rehabilitated and put into service.

TABLE 5.3: HEALTH INDICATORS: 1995-2008										
Indicator	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008
Infant Mortality Rate /1000 live births	34.8	21.9	17.7	20.3	17	20.7	22	19.2	19.5	14.0
(MICS)			48.0					37.0		
Maternal Mortality ratio/100,000 births	190.3	133.3	91.7	117.2	123.6	115.9	161.2	114.7	112.5	86.2
Birth Attended by Skilled personnel		NA	94.0	92.1	95.5	95.9	96.7	96.6	93.3	96
Under 5 mortality/1000 live births		26.6	22.0	24.9	21.2	26.0	26.5	23.8	22.4	17.3
(MICS)			72.0					47.0		
Under 5 severely malnourished	1.1	0.5	0.5	0.6	0.6	1.0	0.6	0.4	0.5	0.3
1 year old immunized against MMR		85.0	91.0	93.0	89.2	88.4	92.0	90.0	96.0	95.4
1 Year old immunized against DPT (Pentavalent)	84.8	86.0	85.0	91.0	90.0	91.0	93.0	93.0	94.0	92.8
Reported Cases of HIV	NA	648	409	608	780	841	737	1,366	1033	959
Reported cases of AIDS	327	248	435	415	417	349	159	191	136	24
% of Women 15 – 44	NA	36.3	28.3	27.2	27.3	22.3	31.4	28.3	30.9	25.0
Reported cases of Malaria (New)	59,311	24,018	27,122	21,872	27,627	28,866	38,984	21,064	11,656	11,817
Prevalence of TB/100,000 population	110		190	184.6	184.6	186	181.4	185.5	178	148
Population with Access to Health Service		NA	90.5	90.7	91.3	92.8	93.2	94*		
Doctors per 10,000 Pop						4.2		4.9	3.8	5.1
Nurses Per 10000 Pop						12.7		10.8	14.2	12.6
Hospital Beds per 10000 Pop						24.9		24.1	18.8	21

Source: Ministry of Health

More specialty services were also introduced, improving access to life-saving clinical interventions and lessening the need to access such services overseas. These include heart disease diagnosis and surgery,

dialysis, chemotherapy and radiation for cancer and hip and joint replacement surgeries. More cataract surgeries are performed annually at the GPHC and the Ophthalmology Center in Berbice, eliminating the huge backlog for cataract surgery and restoring sight for many poor people.

Efforts to increase the retention of skilled personnel have seen the doctor to patient ratio, defined as doctor per 10,000 patients, increase from 3 in 2001 to more than 6 in 2010, and further improvement is expected in the medium-term. A new dental school has started to operate and new post-graduate health programmes have been initiated. The nursing programme has expanded entry. All of these efforts should lead to significant increase in health personnel.

III. SOCIAL SAFETY NETS

Although the growth strategy adopted in 2001 was expected to generate jobs and reduce poverty, the Government also recognized that many of the poor especially the aged, children, people with disability and or illness needed special assistance. In line with this, the Government provided (i) cash payments; (ii) support to pregnant and lactating women; and (iii) subsidies to the poor, including the elderly, pensioners, and people with disabilities.

Specifically, retraining packages were provided to over 3,000 workers and training programmes were delivered to provide alternate skills. The Linden Economic Advancement Project (LEAP) was instrumental in further providing economic, social and financial support to revive the economy of the bauxite belt. The completion and implementation of two PSIA's were helpful in designing safety net programmes.

TABLE 5.4. SELECTED SOCIAL SAFETY NET INDICATORS, 2001-2006						
	2001	2002	2003	2004	2005	2006
National						
Coverage of old age pension	34128	34254	34485	33107	33492	33438
Beneficiaries of public assistance	10796	NA	NA	13091	15000	16787
Children	7197			8727	10000	11190
Adults	3599			4364	5000	5597
Difficult Assistance Programme						
Small business grant recipients		328	211	411	291	419
School uniform assistance recipients		5541	13748	13028	24777	30000
Eye Care Support						
Children		70	12	40	29	28
Old age pensioners		177	27	100	15	97
Child Protection Programme						
Beneficiaries of Night Shelter for the homeless		28874	25539	26478	29089	30017
Beneficiaries using drop-in centers for homeless			1108	3815	3978	4104
<i>Source: Ministry of Labour, Human Services and Social Security</i>						

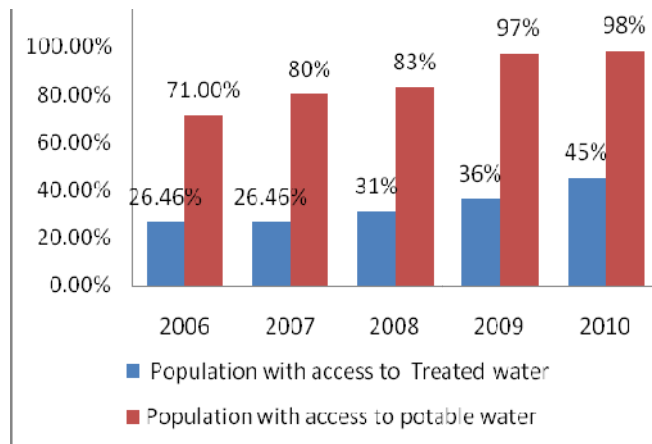
In addition, the Difficult Circumstances Programme provided grants to over 1000 small businesses and micro-enterprises of which many were organized by women and single parents. Under the Poverty Programme, more than 10,000 students received assistance with provision of school uniforms each year, of which many were beneficiaries coming from the hinterland Administrative Regions where poverty is more pervasive. The school assistance and nutritional programmes have also contributed to improved enrollment ratios in hinterland Administrative Regions. More than 8,000 elderly people benefitted from subsidies and many pensioners benefitted from public assistance in water and electricity and also enjoyed free eye care treatment including the provision of spectacles.

Finally, the Government completed several interventions that included safety net legislation, needs assessment, labour market assessment; social safety net risk and vulnerability assessment; and programme targeting studies. Arising out of these studies, the Government prepared a Prioritized Social Safety Net Action Plan which will form the basis of its medium-term social safety net strategy. A Project Implementation Unit has already been established to carry out this medium-term agenda.

IV. WATER

The Government’s water sector objectives in 2001 was to (1) improve access to safe water for 95 percent of the population; (ii) establish a new company that would integrate Guyana Water (GUYWA) which served mainly communities outside of Georgetown with the Georgetown Sewerage and Water Commission (GS&WC) in order to provide for economies of scale; (iii) streamline activities in the coastal zone with emphasis on treatment of raw water; and (IV) impliment a comprehensive rehabilitation and maintenance plan.

The water sector has exceeded all of the targets where (i) the percentage of persons with access to potable water has increased from 71% to 98% across the country; (ii) the new company has been established in 2002 from the merger of GUYWA and GS&WC and has seen significant growth over the years across the country; (iii) the percentage of persons of persons with access to treated water has increased from 20% in 2001 to 45% in 2011; (iv) the company has placed more emphasis on asset management and preventative maintenance which form part of the overall strategic plan.



The levels of service has continuously increased across the country over the years with significant capital and operating interventions, which have resulted in the color code maps moving from red (poor) and yellow(moderately acceptable) to blue (good) . In addition, nearly 30,000 households were issued with water supply service for the first time since the number of customers has increased from around 150,000 to near 172,663. More than 55,000 persons have benefitted from interventions in the Hinterland communities which have resulted in the access to potable water increasing from 25% to 67%.

Over the years there has been significant growth in the number of pensioners being subsidized from 12,000 in 2006 to nearly 20,000 in 2010. A new billing system was successfully implemented and as a result there are significant improvements in the quality of bills that are issued to the customers. There has also been significant reduction in the estimated billings and correction of errors in the database, which has resulted in the improvement in collections efficiency.

The non revenue water, which is significantly high at 49%, continues to be a challenge for the company. Reduction of these losses through capital intervention, improved maintenance and rehabilitation works and the enforcement of the payments of water tariffs will be crucial in the medium-term.

V. HOUSING

In 2001, the Government committed to (i) strengthening shelter and land markets; (ii) expediting the divestiture of public land for sound residential settlement; (iii) accelerating squatter area regularization, where appropriate, and relocating squatters from lands unsuitable for occupation; (iv) advancing the institutional strengthening of CH&PA; (v) developing basic infrastructure in new housing areas; and (vi) developing long term planning towards housing development.

The results of the Government Housing Programme have been impressive. In the area of house lots distribution, the government's allocation rose from 975 lots in 2001 to 6,331 in 2010. About 3,120 house lots were distributed to low income households in 2008. In addition, 5 new housing schemes with accompanying infrastructure were developed in 3 Administrative Regions of Guyana.

In addition, the institutional arrangements governing the housing sector were strengthened. In particular, the MIS land allocation and accounting systems were made fully operational and proposals for a new organizational structure were approved by the CH&PA Board. These reforms

resulted in the computerization of 80 percent of the records of total lots allocated and allowed for easy tracking of applications for house lots and minimization of the perception of discrimination in house lot allocation. Reforms were also implemented in the Deeds/Land Registries which, among other things, reduced the time in processing titling.

The Government has increasingly expanded the range and methods of consultations in an effort to ensure frequent interactions with and feedback from the public. These include consultations on sector strategies, cabinet outreaches, and consultations on the Low Carbon Development Strategy. This PRSP has benefitted from these consultations. In addition, a nation-wide consultation took place in the later part 2007. Given the level and depth of public consultations that has already taken place in the last 3 years,

	2001	2002	2003	2004	2005	2006
House lots distributed	975	4,195	4,739	5,003	5,040	3,120
Lots allocated to L.I Households	553	3,538	3,633	4,111	4,086	2,595
Transports Processed	2,416	7,477	6,020	5,003	4,287	3,842
Lots Serviced (L.I Scheme)	1,500	2,300	4,674	23,000	2,821	5,881
Lots Serviced (Squatter Settlements)	1,000	1,100	1,120	7,524	2,279	5,798

Source: Ministry of Housing

this PRSP is further enriched with thematic consultations, the results of which will be mainstreamed in the medium-term framework.

The PRSP process in Guyana is rooted in the principles of participatory development which serves to ensure that the final strategy is country-owned and supported by stakeholders. As the policy document for the medium-term, a thematic consultations involving stakeholders at all levels of the society, including the civil society and non-government organizations were undertaken to discuss Guyana's development agenda.

6

PRSP CONSULTATIONS

THEMATIC GROUP CONSULTATIONS

Eight thematic areas were identified made up of Education; Health; Institutional, Governance and Regulatory Environment; Business Development and Job Creation; Climate Change and Natural Environment; Infrastructure; ICT; and Housing and Water. Participants of the thematic group consultations included resource persons from the sector ministries, the private sector, religious organizations, labour, agricultural associations, computer experts, non-governmental organizations.

ISSUES AND RECOMMENDATIONS ARISING FROM CONSULTATIONS

Over the past several years, through the on-going consultative process used to generate feedback for the compilation of the PRSP, a wide range of issues were discussed across the country and recommendations advanced for their resolution. In most communities, especially during the 2007 community level pre-consultations, cognizance was taken of the identification of positive improvements resulting from implementation of PRSP related programmes and projects.

The process continued to be taken seriously by participants at the consultations, as is demonstrated by the quality and content of information emerging in the reports. The recommendations from the thematic group consultations are presented in the Tables below.

To the extent possible, many of recommendations arising out of the public and thematic consultations have been incorporated into the Government medium-term poverty reduction strategy.

The criteria for inclusion included recommendations that have (i) systemic impact; (ii) demonstrable effect in improving the welfare of majority of the populations; (iii) strong basis in improving equity and access.

HEALTH	<ul style="list-style-type: none"> Quality of care and access to health services although fairly good, needs further improvement; Life expectancy should be considered a sector goal with the target being 75 by 2012; Maternal and infant and child mortality rates to be further improved; Monitoring and evaluation of this sector needs strengthening; Continue to increase the number and distribution of skilled and qualified staff ; Further expand opportunities for growth and the provision of continuous educational and technical development training for care givers; More programmes to specifically target the most vulnerable; Sector goals should be consistent with the national goals; Continue the development of educational and disease prevention campaigns to promote healthy lifestyles; Public care givers should be provided with training in interpersonal skills; Sector goals should be represented even at the grassroot levels; Expand services for neuro-psychiatric illnesses The public should consistently be given the opportunity to provide feedback on the service received so that the Ministry can provide a better quality of service; The private sector should partner more with the public health sector especially in promoting programmes aimed at improving healthy lifestyles.
HOUSING & WATER	<ul style="list-style-type: none"> The allocation of house lots is not an appropriate indicator of poverty reduction. The occupancy level would serve as a more useful indicator; Given the low occupancy rate, there is need for policies/ programmes aimed at increasing occupancy levels, for which financing is seen as the paramount hurdle; Home ownership for Amerindians should be addressed, specifically, in obtaining a loan when the land is owned by the community; Access to land is excellent, but access to homes is a major issue. Financing the construction of the homes once land is allotted is a challenge especially to the vulnerable; System needs to be improved to eradicate the instances where persons are in possession of multiple house lots; Expand the core home project. Commercial banks should provide loans for Core/ Starter homes at very low interest rates; Setting up a housing consultation/ counseling center to advise persons on the option available and the complete process involved not only to land acquisition but to home ownership; Provision of a special window for the most vulnerable; Access to micro- financing should be made available; Safe water should be redefined as water available to be drunk from the tap; Notwithstanding, greater capital investment needed to improve water quality to the 'safe' level; Timely response to leakages by the relevant authorities needed; Improving public awareness with respect to water wastage and promote communal guardians.

INFRASTRUCTURE	<ul style="list-style-type: none"> Rehabilitate and Improve the Drainage and Irrigation system; Rehabilitate and Improve the Sea Defenses; Rehabilitate and Improve the Road network; Rehabilitate and Improve River transportation; Rehabilitate and Improve Power supply; Rehabilitate and Improve Water systems; Improve collection, transportation and disposal of solid waste; Promote efficient use of energy and water; Improve and regularize the urban and rural transport system. Improve rural hinterland road network; Improve domestic air transportation infrastructure; Rehabilitate New bridge/ river crossing; Codes and standards not being maintained (inability to understand and lack of adherence to enforcement of standards); Delays in accessing basic services; Government officers should have more empathy and awareness towards the poor. Understanding the impact of service and also the poverty which the population is faced with; There is a need for an in-depth evaluation of institutional systems; Public officers should be responsive to needs and concerns; Educate and Empower the poor and vulnerable and train them to identify specific actions needed to maintain the infrastructure; Inter-agency coordination needed when undertaking infrastructure works.
BUSINESS DEVELOPMENT & JOB CREATION	<ul style="list-style-type: none"> Aggressive interaction needed between GRA and the Private sector to ensure that the implementation of an efficient system of tax collection does not result in a burden to the consumer; Private Sector has an obligation to ensure compliance in tax administration; New innovative ways should be implemented to stop smuggling; GRA/Customs processes should become more efficient; Warehouse space along the Demerara river is inadequate GRA needs to have a “recognized operator system” where priority is given to certain operators based on a pre-determined criteria; New VAT entrants who are selling more than \$10M worth should be brought into the VAT tax net; Emphasis on agriculture alone would not create more jobs. Focus should be on other sectors such as mining which have a high demand for skilled workers but a low supply. An employment strategy and career guidance framework is needed to compliment the skill set needed in each sector; Small farmers do not have adequate social or economic capital to lift themselves out of poverty. Tax incentives and relief should therefore be given to this group. Examples include lower interest rates for loans; Agro-processing and small scale manufacturing should be promoted and supported; Village economies can be a huge contributor to job creation and increase economic growth but water and other infrastructures are very important and should be considered carefully;

<p>BUSINESS DEVELOPMENT & JOB CREATION Continued</p>	<ul style="list-style-type: none"> Labour productivity is insufficient and should be addressed; Small Businesses should be supported; Import substitution should be encouraged; Support to both foreign and local investors is critical. Facilitation institutions should be investment friendly. Facilitators should be sensitized on how to be investment friendly rather than being impediments to investments.
<p>INFORMATION TECHNOLOGY</p>	<ul style="list-style-type: none"> Teachers should be exposed to IT and IT related training; Design and develop Multimedia and Online groups/classes/courses, facilitate training and entrepreneurship; Promote ICT in schools through the effective utilization of various learning techniques including the use of visual presentations and programmes for the development of solutions and quick processing of data; Subscribe to facilitate access to learning materials from online; Implement E-Library repository for licensed learning material in schools and other public learning institutions; Encourage investment especially call centers and business processing outsourcing which will create employment; The laying of the fibre back bone throughout the country would make it possible for businesses to expand their services; Focus on developing e-commerce thereby creating a whole new niche market all in the favour of economic growth and stability. Use the post offices and health centers as a mobile unit for ICT since it is the most frequented by citizens. Sensitize people so that the world can be brought to the people; Focus should be placed on IT intelligence; Developing the ICT Sector will see the emergence of new industries in the form of Software Development, Call Centers Outsourcing, Management System outsourcing, Data Systems outsourcing, etc and will provide access to new markets; ICT infrastructure development will allow employment in a myriad of sectors from civil engineering to security to ICT engineers and solutions developers to data entry clerks.
<p>EDUCATION</p>	<ul style="list-style-type: none"> Improve access to quality and equitable education at the nursery and primary level needed; Improve functional literacy and numeracy, Improve school/classroom environment to make it more conducive to learning; Expansion of innovative technology, Emphasize school health, nutrition and HIV/AIDS into the curriculum, There should be a national focus Parental education; Special Needs Education needed to include gifted children and those in need of remedial assistance; Improved M&E for systems and programmes needed; More active recruitment of trained teachers needed especially in hinterland areas, and specifically skilled in under-served subject areas such as science and mathematics; Improved quality of education delivery (including methodology issues) with emphasis on gender (re: under-achievement of males), and hinterland access;

<p>EDUCATION Continued</p>	<ul style="list-style-type: none"> █ Expansion of inclusive education to emphasise moral education, physical education, special needs education and foreign; █ Improved management and leadership in schools; █ Regulation of private schools towards greater compliance to the national rules, regulations and standards as relating to education; █ Better incentive packages are required to ensure equitable availability of teachers in hinterland regions. For example, the provision of relocation support to the teacher’s family; █ Given the fact that results and performance in schools are based on motivation, a motivational programme should be introduced into the system; █ Adequate support and resources needed to address Irregular attendance, Drop-out, Poor performance, Delinquent behavior and associated social problems; █ There should be more integration of social workers trained specifically to assist in the education sector; █ Accessibility of schools may be other inhibiting factors (such as necessity of the child to work) that makes t difficult to attend school ; █ Ratio of time spent by the educator with the student versus time spent on administrative matters should be looked into. Current methodology of education delivery is in question, and a review of pedagogy is needed; █ Teachers should be exposed to various forms of management training so that they are better equipped to handle different areas, for example, resource management or personnel management; █ Maintain bilateral engagement with international community so that scholarships, grants and technical support can be accessed; █ Maintain strong budget support for education; █ Ensure a more effective and efficient utilisation of resources.
<p>CLIMATE CHANGE</p>	<ul style="list-style-type: none"> █ Risk reduction should be considered as one of the key elements of climate change; █ Climate change should not be considered sectorally alongside health, education, water etc, as it cross cuts many sectors – drought or flooding brings on issues of potable water availability, water bourne diseases, affects housing, food production and food security, etc; █ Climate change adaptation should not focus only on rising sea levels and inundation. It should also address the way citizens manage their environment, dispose their garbage (clogged canals) and maintain drainage, irrigation and conservancy facilities; █ In mainstreaming climate change, it should be noted that climate change is part of the larger environmental consideration, and that the elements of biodiversity, land degradation and land management, with which climate change has strong linkages, should also be mainstreamed in parallel; █ Climate change affects the vulnerable groups in the society who are least equipped to respond or cope more than other groups. Strategies should therefore seek to identify and target specifically those that are vulnerable to the effects to climate change; █ In addressing vulnerability, attention should be paid to ‘topographical’ vulnerability, as some areas are naturally low lying, or in a basin configuration, and are more susceptible to flooding than others, as was seen in the 2005 floods, or the 2011 hinterland floods;

CLIMATE CHANGE
Continued

- Climate change not only forces people to re-locate but also cause domestic migration. The special needs of people who have to re-locate and re-settle need to be taken into account;
- The gender aspect of climate change needs to be more fully articulated and reflected in actions. In many cases, the effects of climate change hit women first, as they are in many cases in the front line of the immediate impact. The rise of single family homes and dependence of women for household income adds to this consideration;
- There is a need for an empirical database on the impacts of climate change, which should inform policy and investment decisions in adaptation actions.



OVERVIEW OF THE NATIONAL DEVELOPMENT AGENDA: 2011-2015

INTRODUCTION

The poverty reduction agenda for 2011 - 2015 is rooted in the Government's vision of the medium-term that centers on (i) high value employment creation; (ii) improved standards of living; (iii) reduction in poverty; (iv) improving the application of the rule of law and ensuring public safety; (v) protecting constitutional and individual human rights; and (vi) investments in children and youth. The path to attaining this vision is encapsulated in several interlocking and coherent strategies that include (i) Education Sector Strategy; (ii) Health Sector Strategy; (iii) Housing Sector Strategy; (iv) National Competitiveness Strategy; (v) Low Carbon Development Strategy; and (vi) National Development Strategy.

Specifically, the strategic framework for the medium-term vision is built on the (i) progress made and lessons learnt since 2001; (ii) emerging issues and strategic opportunities that Guyana may be benefitting from the global economy; (iii) re-engineering of business processes within the public sector to complement private sector growth; (iv) sound macroeconomic fundamentals; (v) rapid and selective core infrastructure projects with strong correlation to growth; and (v) sustainable environmental protection.

I. THE CONTEXT OF THE PRSP

As mentioned earlier, this PRSP builds on the achievements and lessons learned of Guyana's previous PRSPs. Specifically, the PRSP builds on the following key elements:

- Continuation of reforms that were not completed;
- Incorporation of many of the recommendations that arose out of the public and thematic consultations;
- Policy impacts of the external and domestic environment in the elaboration of the medium-term strategy.

The pillars for economic growth and social transformation that was articulated in Guyana's first PRSP have served the country well. Although the economy experienced modest growth rates over the last 10 years, the soundness of the seven interlocking strategies elaborated in 2001 was never in question. Consistent with this, and in line with emerging domestic and international developments, the Government has committed to continue the implementation of its medium-term development agenda with adjustments to its 2001 seven pillars of development. The PRS for the period 2011-2015 will therefore rest on the following pillars:

- Broad-based, low-carbon led jobs creation economic growth;
- Stronger governance institutional, and regulatory structures;
- Accelerated investment in human capital, with emphasis on basic education and primary health;
- Accelerated investment in physical infrastructure in support of growth strategy; and
- Special intervention programs to address regional and demographic pockets of poverty

The identified pillars for growth and social transformation do not appear in any particular order. To be precise, for development to take place, each pillar must complement the other. Indeed, the results attained over the last several years reinforce the interlocking consistency of the broad policy agenda proposed for poverty reduction in the medium-term. The lessons learned from the 2001 PRS and diversification of financing sources will further strengthen the specific policy initiatives that will carry the poverty programme towards meeting the MDGs. Nevertheless, the attainment of the MDGs by 2015 is tamed by the key challenges that were elaborated in previous chapters.

To this end, Guyana will continue to reprioritize its investment and other programmes to ensure that public resources complement private sector activities and also pursue policies that will create substantial space for the private sector to invest. Whether it is infrastructure development, development of the human resource base, or the modernization, restructuring and diversification of the economy, the Government is committed to work with the private sector in order to forge a productive and meaningful public-private partnership.

II. CHALLENGES

Considerable progress has been made in building domestic capability in several sectors of the economy. Yet to fully realize the potential of each,

BOX 7.1 ECONOMIC DEVELOPMENTS, 2007-2010

Despite sustained external shocks, the Guyanese economy continued to perform well over the period 2007-2010 as it registered an average annual growth rate of 4 percent. This contrasts with average annual growth of 0.4 percent recorded over the period 2001-2006. The recovery in the second half of the decade driven by public investments, investment in mining and services and consumption supported by remittances and a rise in credit. The introduction of VAT combined with higher fuel prices and increased cost of imported food in 2007 led to substantial increase in inflation. However, prudent fiscal and monetary policies have been the main drivers in rapidly declining inflation over the period. By end 2010, inflation had declined to 3.6 percent while the fiscal deficit fell from 13.6 percent in 2007 to 3.2 percent in 2010. Three month treasury bill also declined from xx percent in 2007 to xx in 2010 triggering decline prime interest which has been a factor higher consumer credit especially in home construction.

While the financial crisis of 2008 did not directly transmit shock waves to Guyana's banking system, the accompanying global downturn contributed to lower demand for exports and substantial decline in remittances especially from the United States. As a result, growth in 2009 weakened. The indirect effects of this crisis continued to be felt in 2010.

In the meanwhile, Guyana made significant strides in diversifying its external financing sources. Through the Low Carbon Development Strategy, the country signed financial agreement with Norway for US\$250 million over a five year period in which Guyana will preserve its forest resources to help stem carbon emissions in exchange for financial resources for alternative development strategies. This agreement paves the way for long-term financial assistance for Guyana development agenda.

Box 7.2: GUYANA'S LOW CARBON DEVELOPMENT STRATEGY

Guyana's pristine forests are its most valuable natural asset – the majority of the 16 million hectare rainforest is suitable for timber extraction and post-harvest agriculture, and significant mineral deposits exist below its surface. The value of the State Forest Estate - known as Economic Value to the Nation or EVN - is estimated to be the equivalent of an annual annuity payment of US\$580 million. Conservative valuations of the Economic Value to the World (EVW) provided by Guyana's forests suggest that, left standing, they can contribute US\$40 billion to the global economy each year.

McKinsey & Company estimates that the value of Guyana's rainforest, if harvested and the land put to the highest value subsequent use, to be between US\$4.3 billion and \$23.4 billion. The wide range of estimates is driven by fluctuating prices for commodities such as logs, rice and palm oil – but the most likely estimate is US\$5.8 billion. However, generating this EVN, while economically rational for Guyana, would have significant negative consequences for the world.

Consequently, because forested land can generate greater economic value when put to other uses, individuals and companies in rainforest countries face powerful incentives to exploit these opportunities. In turn, national and local governments face understandable political pressure to permit and even encourage economic activity which leads to deforestation.

Many of today's richest countries actively pursued deforestation and land conversion to agriculture in early phases of development for precisely these reasons. Reconciling the tension between a national desire to protect Guyana's rainforest and pursuing economically rational development is the core challenge that Guyana is seeking to address through its Low-Carbon Development Strategy (LCDS).

Guyana also needs to invest in a second generation set of reforms and infrastructural development to attract this higher-value investment. These reforms and investments need to address a set of challenges that include:

A. FINANCING

Guyana will continue to borrow to support its medium-term development agenda. Although, funding from Norway is secured over the medium-term, and resources from Petro Caribe provides a cushion for foreign reserves and investment, the prospect for the medium term financing is cautious. Therefore, Guyana may have to prioritize its development needs in order to advance its development programmes.

B. HUMAN RESOURCES

Human resources constraints in certain specialized skill areas may present a challenge in the implementation of the medium term development strategy. Skills in engineering, ICT, agro-processing will be requirements for success. Managing the existing skill mix will therefore be essential.

C. INFORMATION TECHNOLOGY COMMUNICATION (ICT)

Guyana's limited fiber optic capacity and sub-standard telecommunication infrastructure and other telecommunication services make it one of the most expensive in the world. This impairs the country's ability to develop its business process outsourcing potential. In addition, business re-engineering in the private and public sector that would markedly improve productivity and competitiveness would require reliable and dependable ICT platform.

D. GLOBAL UNCERTAINTIES

Uncertainties in energy and food prices present instability in planning. Guyana is a fuel importing country and more than 20 percent of its import bill is on imported food. While substitution of local produce is

helping with agriculture expansion, the higher priced core food items in the food basket can simply not be ignored. This could have significant implications on the Government objective of reducing poverty.

E. CLIMATE CHANGE

Finally, factors such as climate change and particularly, natural disaster presents a recurring challenge to growth and the protection of livelihoods. About 90 percent of the population lives on 10 percent of the land along the coastal belt which is about 4-6 feet below sea level. With climate change, the seasonal rain patterns and its intensity have changed. Though the country possesses an intricate system of drainage facilities, recent flooding in 2005 and 2006 severely affected agricultural production, decimated livestock, damaged and destroyed houses and caused loss of lives. Although early warning systems are being put in place and the drainage system is under continuous maintenance and rehabilitation, the possibility of further massive natural disasters based on climate change is not lost on the Government.

III. OPPORTUNITIES

Guyana's vast land and other resources provide opportunities for agriculture expansion. Increases in global food prices bode well for export of agricultural produce particularly to the Caribbean Region. Indeed, the creation of the CSME with the key elements of free movement of goods and services, right of establishment, a common external tariff, free circulation, free movement of capital, a common trade policy, and free movement of people provides special opportunities for Guyana, with its comparative advantage in the cultivation and production of food, to truly become the breadbasket of the Caribbean.

Geography and Language

Located in South American continent but a member of Caribbean Community, Guyana is truly the gateway of the Caribbean to industrialized and emerging economies in the Southern Hemisphere. Further, being the only English speaking country in South America tremendous opportunities exist for trade. Indeed, with the proper infrastructure in place, Guyana could easily become a transshipment point for some countries in the continent. Further, the ongoing development of a comprehensive ICT infrastructure and combined with Guyana's unique time zone with North America hold opportunities for business processing outsourcing and other computer related job creation possibilities.

IV. CROSS CUTTING ISSUES

Each pillar by itself will not guarantee the success of the medium term development strategy. Importantly, the outcome of the actions in each pillar also requires inputs from other pillars. Therefore, for the successful implementation of the medium-term development agenda, cross cutting issues such as disaster risk management, security, crime and violence, environmental sustainability, literacy, health care and improved business environment will have to be tackled. These issues cut across many of the pillars elaborated earlier. These cross cutting issues among others will be streamlined in the subsequent chapters that focus on sectoral interventions.

A. DISASTER RISK MANAGEMENT

Guyana is highly vulnerable to natural disasters and therefore no development strategy would be successful without integrating fully that dimension. In addition to the sea defences rehabilitation, which is spelled out from an infrastructure approach, cross-cutting strategy for mainstreaming disaster risks into development, along with outlining measures to improve risk management capacities (response capacities, risk and vulnerability mapping) will be articulated. In particular, the impact of flooding on the economy and proposed mitigating measures will be mainstreamed in the relevant sections of the strategy.

B. MAINSTREAMING OF ENVIRONMENTAL SUSTAINABILITY

Mainstreaming environmental sustainability into national development planning involves establishing links between poverty and environment (including climate change). The PRSP would be strengthened by addressing this approach given that environment is high on the development agenda. In line with this, sector strategies will reflect pro-poor environmental management as a cross-cutting issue. This would include strategic and sector-specific targets and further integration of poverty-environment indicators in national M&E systems. Ensure this is mentioned in each chapter if possible

C. ROLE OF OTHER STAKEHOLDERS

The expected role of non-state actors, including private sector and civil society will be underscored in various sector interventions. Importantly, the frameworks within which these interactions take place would be outlined.

8

MEDIUM TERM POLICIES TO SUPPORT GROWTH

This chapter is the focus of the elaboration of the Government's comprehensive menu of policies and measures critical to sustaining broad based low carbon led-growth and job creation over the medium-term. It addresses the macroeconomic policies that the Government will pursue and thereafter delves into the sectoral strategies and policy actions that will drive growth. The nexus between economic growth and poverty reduction is already established in Guyana. The challenge for the Government is to specify the policies and the initiatives that will ensure rapid and sustainable growth over the medium term. The menu of policy measures that Guyana is committed to pursuing include (I) maintaining sound macroeconomic framework; (II) establishing a business friendly environment conducive to accelerated investment; (III) continued modernization of the traditional sectors; (IV) supporting the emergence and growth of new sectors; and (V) cross cutting policies to support growth and development

I. MAINTAINING A SOUND MACROECONOMIC FRAMEWORK

Guyana's macroeconomic policies will be geared towards (i) maintaining fiscal sustainability; (ii) price and exchange stability; and (iii) debt sustainability.

A. MAINTAINING FISCAL SUSTAINABILITY

The key element of the Government's medium fiscal strategy is to maintain a modest and sustainable fiscal deficit. The objective of this policy stance is to advance the development agenda without necessarily inflating the economy and increasing the cost of capital. To achieve this objective, Government over the medium-term will implement reforms in:

- a) Tax administration; and
- b) Expenditure Management and controls;

a) Tax Administration

Greater efficiency and effectiveness in tax administration holds large scope for revenue collection. There are large one-time gains to be achieved from accelerating collections, improving audit, and adopting an aggressive but fair and business friendly posture towards tax payers. Improved field audits are more difficult to achieve but will have a lasting impact on enhanced annual revenue collections. Thus, to preserve the gains of reforms in tax administration over the last few years, the Government will implement the following measures over

the medium-term:

i) *Post Clearance Audit Unit*

A Post Clearance Audit Unit will allow Guyana Revenue Authority to conduct audits (subsequent to the clearance of the goods) on selected importers to verify accuracy of transaction values declared on imports by analytically reviewing / evaluating accounting / commercial records to ensure that this record reflects the cost declared and formed the basis for the assessment of Income Tax and VAT obligations. It is envisaged, therefore, that apart from having the potential to generate significant revenue, this type of control will act as a deterrent in the declaration of unrealistic transaction values and hence foster compliance with Customs / Import procedures and Regulations and ultimately increase Customs revenue collection. In addition a Post Clearance system will reduce processing time as declarations will be released in a more expeditious manner but may be subject to control *ex post facto*, that is, a post clearance audit.

ii) *Improving VAT Refunds Audit*

In spite of the success of VAT implementation in Guyana, there are still some challenges that may require greater attention and improvement. One of these is VAT refunds.

Over the last three years, GRA has rejected around 35 percent of the refunds claimed. Rejections peaked in 2008 as taxpayers were still learning to administrate their VAT systems. Nonetheless, as taxpayers have improved their systems, the GRA must also strengthen its audit function to eliminate false claims. Therefore, over the next three years, (i) capacity will be strengthened to audit VAT refunds, (ii) stakeholders such as businesses and accountants will be engaged to specifically address core areas of mutual concerns between GRA and businesses; and (iii) legislation will be introduced to make false VAT refund claims a criminal offence. To this end, more aggressive and punitive penalties will be instituted for false declaration of VAT refund claims.

b) Expenditure Management and Controls

Over the medium term, the Government will continue to deepen accountability for public resources with the view of deepening expenditure management and controls and fiduciary oversight. The Accountant General's Department, the Audit Office and the National Procurement and Tender Administration will be targeted for increased reforms.

In the Accountant General's Department, emphasis of continued reforms will be placed on (i) deploying the remaining modules of the IFMAS; (ii) instituting internal audits across all agencies of the government; and (iii) improving debt management.

B. MONETARY POLICIES, EXCHANGE RATE AND PRICE STABILITY

Guyana in the medium-term will continue to implement prudent monetary policies with the view of maintaining price and exchange rate stability. Inflationary pressures from internal and external factors have been contained. In the medium term, monetary policies will be pursued to maintain inflation at low levels.

Liquidity management is complicated by excess reserves in the banking system and the lack of more diversified central bank securities. The Government will address these issues in the medium-term. Specifically, the Bank of Guyana will (i) be tasked to propose policy recommendations to diversify its securities base; (ii) continue to mop up excess liquidity from the system using intermediate instruments such as the purchase and sale of treasury bills; and (iii) improve information exchange between supervisors and financial institutions and tighten the large exposure limits and the definition of related-party lending in order to preserve the improved financial sector indicators.

Importantly, the Bank of Guyana will strengthen the overall financial architecture of the banking system by:

- Facilitating the establishment of a Credit Bureau;
- Bringing non-bank financial institutions under the supervision of the control bank;
- Reviewing legislation/regulations pertaining to the Insurance Industry;
- Strengthening all aspects of its financial sector supervision capability; and
- Continuing with financial literacy programme for the general public.

C. DEBT SUSTAINABILITY

Guyana will continue to pursue prudent external financing policies in order to maintain or lower its debt distress risk which is currently estimated as moderate. Although the debt relief from MDRI dropped the NPV of debt-to-revenue ratio, the longer term benefits are smaller given the decline in available resources from the World Bank and IDB. While the Petro Caribe initiative and the GRIF have filled the gap of external financing requirements, Guyana's quest to become a middle income country implies additional resources to grow the economy and improve the standards of living. This implies a number of policy options for future borrowing. Firstly, Government will continue to borrow at concessional terms and link future borrowing to development of its most productive assets. Secondly, Government will aggressively pursue additional grant resources to finance part of its development programme; and thirdly, public-private sector partnerships (PPPs) will be aggressively pursued in the medium-term. At the same time, the institutional reforms required to ensure Aid Effectiveness and international best practices of PPP will be undertaken. Finally, capacity will be developed in the Ministry of Finance to conduct debt sustainability analysis on periodic basis so as to provide the guidelines in external borrowing and management of Guyana total debt.

II. PROVIDING A BUSINESS FRIENDLY ENVIRONMENT FOR PRIVATE SECTOR GROWTH

While sound macroeconomic policies and well articulated sector policies are necessary, a sufficient condition for attracting and sustaining private sector investment, among other things, is investor confidence in doing business. Delays in business registration, delays in the clearance of goods and equipment, and uncertainty or red-tape in the bureaucracy of obtaining relevant business licenses and permits could all contribute in creating a perverse environment for investment, in particular, foreign direct investment. Noteworthy to point out that there is competition among countries for such resources.

It is for these reasons that Guyana over the next five years will deepen its reforms to make the country an attractive location for investors. The key measures that will be taken include:

- A. Legislative changes to make business incorporation and transactions easier;
- B. Establishing a one-stop shop for the delivery of business of permits and licenses;
- C. Implementation of a Single Windows for trade transactions;
- D. Increasing the capacity of the Commercial Court to adjudicate of business matters;
- E. Institutional strengthening of key agencies and ministries involved in doing business in Guyana.

A. LEGISLATIVE CHANGES TO MAKE BUSINESS INCORPORATION AND TRANSACTIONS EASIER

The Government has already undertaken comprehensive reforms to streamline business processes with the view of reducing the number of days of business incorporation. Among remaining reforms outstanding are the passage of the Business Names (Amendment) Bill and the Electronics Transaction Bill. The Business Names (Amendment) Bill will provide for businesses to register on their anniversary dates instead of the present system where all businesses are mandatorily required to re-register in the first 15 days of every year. The Electronic Transaction Bill which would allow investors and government agencies to transact business on line is scheduled to be tabled in Parliament by early 2012. The passage of these bills would fundamentally reduce red tape and contribute immensely to improving the business environment.

B. ESTABLISHING A ONE-STOP SHOP FOR THE DELIVERY OF BUSINESS PERMITS AND LICENSES

Depending on the type of business entity registered, several permits and licenses may be required before actual operations begin. While modest efforts have been made in the past to expedite the processes of issuing business permits and licenses, the Government over the next 3 years will undertake comprehensive reforms to establish a one-stop-shop where all business licenses and permits could be uplifted. The Guyana Office of Investment will take the lead role in rationalizing and streamlining the licensing and permit processing with a view of (i) eliminating duplications; (ii) improving coordination with relevant agencies; (iii) developing standard forms of application; (iv) sharing information with relevant agencies; and (v) processing applications on line. If necessary, legislation and/or amendments will be passed to ensure the establishment of the one-stop-shop. In addition, the regulatory framework will be reviewed and recommendations implemented in order to successfully operationalize the one-stop-shop.

C. IMPLEMENTATION OF A SINGLE WINDOWS FOR TRADE TRANSACTIONS

Despite substantial improvements to the trading environment, consultations with stakeholders in the trading process (shippers, importers, exporters, brokers, licensing bodies and regulatory agencies and customs officials) indicated that some challenges remain in expediting the import/export processes. In order to address these challenges, the Government established in 2010 the Trade Transactions Public Private Dialogue Body (TTPDB) representing the above stakeholders that was charged among other things in finding ways of improving the competitiveness of Guyana's economy and its businesses by reducing the time and cost involved in importing and exporting goods. One of the key recommendations is the development of Single Windows for trade transactions (SWTT).

SWTT will strengthen Guyana's trade efficiency and export competitiveness. It would also allow all parties or stakeholders involved in international trade transactions to submit standardized information and documents to a single entry point, to meet export, import and transit regulatory requirements. Although the implementation of a national Single Windows requires substantial investment and efforts in terms of buy-in, institutional support, legislation, infrastructure, system development and maintenance, the benefits far outweigh the cost. To this end, the Government in consultation with the TTPDB will begin the implementation of single windows for trade transactions in 2011.

D. INCREASING THE CAPACITY OF THE COMMERCIAL COURT

In 2007, the Government established a commercial court to expedite the judicial process involving the business sector. Over the medium term, emphasis will be placed in assigning additional judges to the court and recruiting staff to expedite the adjudication of business matters. In addition, continuous training will be provided to improve the operational efficiency of the court.

E. INSTITUTIONAL STRENGTHENING OF KEY AGENCIES AND MINISTRIES INVOLVED IN DOING BUSINESS IN GUYANA

Continued support will be provided to government institutions involved in regulating key areas of business activity so as to help improve and streamline their services. In particular, the following activities will be undertaken: technical assistance to the Customs Authority to reduce the average time to clear customs; technical assistance, training, hardware and software to continue digitizing and computerizing the Deeds Registry; technical assistance, training, hardware and software to help establish and enable the functioning of the Competition and Fair Trading Commission and Consumer Affairs Commission.

In addition, technical assistance, training, hardware and software will be provided to Go-Invest so that it can continue to effectively fulfill its expanded charter of Investment promotion, facilitation, image building and Export promotion. The Government will also support staff upgrade at Go-Invest. Specifically, resources will be provided, among other areas to (i) restructure and strengthen the organisation in line with its new mandate including setting annual targets and developing new operational procedures; (ii) develop indicative investment attraction and export targets and a system for developing and updating Annual Exports Plans; (iii) establish performance management system including the investor tracking system and development of a regular client survey; and (iii) develop in-country image-building and product promotion programmes in CARICOM countries.

III. CONTINUED MODERNIZATION OF THE TRADITIONAL SECTORS

The main sources of growth in Guyana are the agriculture sector, led by sugar, rice and forestry; the mining sector led by gold and bauxite; and services sector led by distribution and retailing. Manufacturing and construction are still small relative to the weights of the others. In recent years, bauxite production has been declining while gold production especially from independent miners has seen substantial increase. Importantly, as shown in the rebased GDP, new sectors have emerged and are contributing to GDP. Within these broad sectors, Guyana has identified six priority low-carbon economic sectors: fruits and vegetables; aquaculture; sustainable forestry and wood processing; business process outsourcing; and

eco-tourism. In carry out its objectives in the continued modernization of the traditional sectors, the Government will work with key stakeholders in incorporating disaster risk and environmental management in their production activities.

A. REFORMING THE AGRICULTURE SECTOR

Agriculture contributes substantially to GDP and accounts for over a third of total employment. Importantly, the main occupation of rural and interior communities where poverty is more pervasive is agriculture. Therefore, reforms in the agriculture sector may have the biggest impact on poverty reduction in the short-term. To this end, the government agenda for further strengthening the agriculture sector will center on the following:

- Expanding productivity in the sugar industry;
- Accelerating rice production and exports;
- Sustainable forestry and wood processing;
- Agriculture diversification and CSME; and
- Expanding production and exports of fruits and vegetables

a) Expanding Productivity in the Sugar Industry

The Government will consolidate sugar sector reforms in the medium term in order to improve the competitiveness and profits of the industry. To this end, the Government will implement the following reforms in the sugar industry in the medium term by:

- Resolving the kinks in equipment and management of the Skeldon Factory;
- Aggressively expanding sugar cultivation through (a) increased investment in specific cane sugar activities such as D&I; (b) complementing current cane sugar production with increased mechanization; (iii) creating incentives for private growers to increase production;
- Expanding the packaging plant at Enmore to increase production of packaged sugar;
- Exploring opportunities for increased value-added production

Still, the industry faces a number of risks. Climatic conditions are, in part, affecting production as evidenced by lower production over the last several years; labour costs continue to consume more than 55

Box 8.1: GUYANA LOW CARBON DEVELOPMENT STRATEGY

Building the Foundation for the New Economy

Guyana’s economy is fundamentally changed to reflect low carbon led growth. In 2011-2015, Guyana will receive increased payments from partners (starting with Norway, but the scale of funding to re-orient the economy onto a low carbon path will require the participation of other global partners) to:

- Participate in an Interim REDD+ arrangement from 2010 to 2015, utilizing Norway funds, further bilateral agreements, and funds secured under the Fast Start Funding and 2013-2020 Funding agreements as set out in the Copenhagen Accord;
- Execute and deliver on five to ten priority infrastructure projects needed to re-orient the economy toward low-carbon growth;
- Attract major international investors in at least three key new economic sectors such as hydropower, high-end fruits and vegetables, and aquaculture;
- Implement the most critical climate adaptation measures and signature programmes to improve health care and education;
- Integrate forest land-use policies with the LCDS – through integrated land use planning for forestry and mining and other forest-based land uses;
- Deepen the quality and comprehensiveness of the MRV system and other capacities necessary to protect the forests;
- Work with indigenous communities who want their land included in overall transitional arrangements to incorporate them in the payment regime en route to a full-scale REDD programme;
- Accelerate the demarcation, titling and extension of Amerindian lands;
- Seek Expressions of Interest from potential investors in Guyana’s possible REDD+ Credits from REDD+ post-2013; and
- If other markets for environmental services emerge – (for example Payments for Environmental Services (PES) for bio-diversity) - their potential will also be examined during this period, and Expressions of Interest will be considered.

percent of recurrent cost; and GUYSUOCO's expansion into the CARICOM market will rely heavily on the retention and applicability of the 40 percent Common External Tariff (CET). Delays in the delivery of the EU support and other financing could undermine the potential benefits of key projects to be carried out during 2011-2015. Even so, the prospects are good for the industry. With rising world market prices for sugar, success in implementing these reforms will help to sustain the industry and provide a boost to income levels of key stakeholders.

b) Accelerating Rice Production and Exports

Although the weight of rice in GDP is small, it accounts for about 25 percent of merchandise exports and provides employment to more than 200,000 people in coastal rural communities many of which fall below the poverty line. Higher food prices globally provide opportunities for increased growth and poverty reduction to operators in the rice industry. To this end, in the medium term, the Ministry of Agriculture, National Agriculture Research and Extension Institute, and Guyana Rice Development Board will:

- ☛ Expand drainage and irrigation of arable land suited for rice cultivation;
- ☛ Continue research for more rice resistant seeds and three season crop per year;
- ☛ Provide extension services and training to farmers;
- ☛ Improve the competitiveness by exploring approaches to reduce costs of production;
- ☛ Identify, evaluate and secure export market on a continuous basis; and
- ☛ Strengthen standards for rice production and exports

c) Sustainable Forestry and Wood Processing

The forestry sector provides direct employment to about 20,000 people particularly in hinterland communities and contributes modestly to exports. Guyana's Forest Act of 2009 sets out the legal framework for sustainable forestry management and gives effect to the national policy that allows for limited sustainable forest harvesting in accordance with international standards. Guyana's REDD+ sets out further detail on how the forest's low carbon stocks will continue to be managed in a way which is close as is reasonable to carbon neutrality over time.

To ensure that its forestry practices are in accordance with global sustainable forest management practices, the Government has established a framework for national-level environmental certification with long-term goal of achieving Forest Stewardship Council certification. In addition, Guyana has developed and field tested a Legal Verification System which ensures that certified timber is produced from a legally compliant forest area and is traceable through the supply chain. To make this system operational, Guyana has appointed a Board of Trustees to oversee the system and has retained an international auditing firm to conduct periodic quality control checks.

Beginning in 2011, the Government will enhance the enforcement of the law and regulations to ensure that logging and all forestry concessions comply with global standards for sustainable forest management. With the right investments in technology and market linkages, companies operating in the forestry sector may generate substantially more value from the portion of the forest where sustainable harvesting is appropriate.

In addition, Government will support local and international firms in increasing end-user demand for products from Guyanese species. To this end, the restructuring of the sector in the medium term will be an added boost in job creation, increased export earnings, and its sustainability.

In the context of the foregoing, the following measures will also be implemented in the medium term to increase sector growth:

- ⊕ Reduction and eventual restriction of log exports;
- ⊕ Promotion of “lesser used” species;
- ⊕ Pilot “forest plantations” establishment;
- ⊕ Promotion of value-added activities;
- ⊕ Conducting a detailed National Forestry Inventory;
- ⊕ Establishment of additional Community Forestry Organizations and providing them with accessible forested lands;
- ⊕ Provision of appropriate training to all stakeholders; and
- ⊕ Implementation of a Code of Practice for processing operations to enhance recovery, efficiency, and product quality.

Further, beginning 2011, land titles will be granted to Amerindian which activities in combination with the re-structuring of the sector would contribute to the sustainable use of forestry resources. And the development of local economies in Amerindian communities should provide a variety of economic activities which would contribute to reducing poverty among indigenous people. The issues of governance and use of forestry resources, implementation of economic diversification plan for Amerindian communities and management of expectations will be handled by the Ministry of Amerindian Affairs in consultation with recognized representatives of Amerindians.

d) Agricultural Diversification and CSME

Diversification of the agricultural sector is a major strategic priority for the Government. Implementation of this strategic priority will be done through measures identified in the Sugar Action Plan (SAP) and the implementation of the Agricultural Diversification Programme (ADP). Both the SAP and ADP will continue to be implemented in the medium-term. The ADP is explicitly designed to contribute to sustained economic growth through the implementation of an action plan for agricultural diversification that will result in sustainable increase of non-traditional agricultural exports in fruits and vegetables and meat products. Specifically, the ADP will promote private sector entrepreneurship into agribusiness; improve capabilities of agribusiness export services; and enhance business facilitation within agriculture.

Elements of the agriculture diversification will include:

i) Private Sector Entrepreneurship into Agribusiness

The Government in the medium-term will set up the Diversification Institutional Arrangement (DIA) for two agribusiness chains; (i) the vegetable and fruit, and the (ii) livestock chain. Private enterprises with agribusiness potential and current exporters will join the DIA. The eligibility criteria for participation will

include (i) legally established firms; (ii) interest in exporting as shown by criteria such as investments carried out in the productive chain, actual production chain, actual experience in related exports, business plan revised by administrative authorities, or partially financed by the private sector, input suppliers and logistic service providers; and (iii) willingness to participate and co-finance activities. In the case of farmers, preference will be given to those (i) having experience in growing other crops; (ii) members of a Water Users Association; and (iii) willing to engage in contract farming. In addition, a number of incremental public goods covering training and knowledge sharing, technical assistance and research and development partnerships will be implemented.

ii) Agribusiness Export Services

These services will focus on the institutional strengthening of public services needed to support the livestock and fruit and vegetable chains, specifically (i) support to technology development and transfer; (ii) animal and plant health, and food safety access; (iii) facilitation of foreign markets access, and (iv) identifying additional potential export chains. Technology development and transfer activities under consideration include strengthening NAREI and performing a livestock census to form the basis for improving the generic pool of cattle. There will also be support for implementation of a Plant Health System taking into account requirements such as phytosanitary regulations and standards, the monitoring of pesticide usage and the continuous training of farmers in good agricultural practices.

iii) Business Facilitation Services

The Government will also streamline processes related to (i) Sanitary and Phytosanitary Systems (SPS) and quality certification systems, and (ii) land applications and related incentives for agribusiness investors. In addition, technical assistance will be provided to upgrade the SPS inspection service process for outgoing products, designing and implementing an information system for land lease request, setting up a non-discretionary land lease and water rights allocation system, and conducting a pilot programme for allocating relative large land plots in order to attract larger investments.

iv) Fresh Produce and Aquaculture

One of the key emerging sectors with great potential for poverty reduction is the production and exports of fresh produce and fish. However, Guyana faces serious challenges in its non-traditional agriculture sector. Among them are limited understanding of market opportunities, local market/regional market orientation, limited understanding of market requirements and industry best practices; limited awareness of global buyers of Guyana's agricultural products, limited availability of extension services; small scale production of non-traditional exports with limited capacity to respond to large orders.

With reforms undertaken over the last three years, Guyana's visibility, credibility and exposure to global markets have been enhanced. In particular, international buyers see Guyana as a viable location to source products year round and/or fill seasonal supply gaps while Guyanese farmers have access to information of potential buyers and opportunities to introduce new export products. In addition, farmers have better understanding of market conditions and requirements. As a result of these interventions, Guyana is negotiating several deals to export fresh produce overseas.

In the medium-term, the Government will further take advantage of these opportunities by working with relevant stakeholders to (i) expand land cultivation for exports; (ii) increase price stability through export contracts; (iii) introduce new agricultural products; (iv) improve product quality or standards monitored by buyer representatives. If successful, this intervention will lead to employment and income generation at the village and community level through (i) allowing farmers to utilize otherwise fallow land and produce to supply both local and export markets; (ii) increased demand for farm workers; and (iii) increased employment for transport, consolidation and packaging activities.

Another key area for employment creation and income generation is Aquaculture. A watershed moment for the industry was reached in 2007 when the first exports of tilapia were shipped to markets in the United States. To aid small farms and supplement larger ones, a Mon Repos Research Facility for hatchery was constructed in 2008. Another research facility is planned for Anna Regina to facilitate the industry in Essequibo is planned for 2012.

v) *Production of Soya Beans and Cashew Nuts*

Another important sub-sector that holds potential for income generation and poverty reduction is the production of soya beans and cashew nuts for export and stock feed. Testing of seeds is being conducted now at the national laboratory at Mon Repos to determine seed varieties that best fit the climatic and vegetation conditions of Guyana. Pilot production was completed in 2010 and Guyana will go full scale in the production of these products by 2012. One of the key areas that would likely benefit from this intervention is Region 9 where the population consists of a larger proportion of Amerindians. The vegetation and climate fit that of the neighboring Roraima State in Brazil where production of these products is huge. If successful, the impact of this intervention will substantially help to reduce poverty in this Region.

IV. EMERGENCE AND GROWTH OF NEW SECTORS

A. EXPANDING AND SUSTAINING THE TOURISM INDUSTRY

Eco-tourism holds a lot of promise for employment and growth. With this in mind, the Government's medium-term strategy to advance this sector centers on: (i) improving air access transport; (ii) diversifying and expanding the tourism product; (iii) increasing market demand; (iv) upgrading skills and standards; (v) investing in infrastructure and services; and (vi) making tourism investment attractive.

In improving access to air transport, Government over the medium term will continue to expand air access infrastructure and support services. Further, Government will support the private sector to (i) designate and develop product destinations; (ii) develop a main-stream tourism product portfolio; (iii) establish Protected Area Management System; and (iv) establish accommodation classification system.

In mainstreaming the tourism product, emphasis will be placed on developing business meetings; city breaks; heritage visits; sports; yachting; and cruise ship destinations. To support the nature based tourism products and at the same time ensure sustainable use and conservation of the environment, a Protected Area Management system (PAMS) will be put in place. To this end, detailed planning will be developed

to (i) distinguishing between zones suitable for different types of eco-tourism; (ii) determining general carrying capacities; (iii) identifying sensitivities and limits of acceptable change; (iv) outlining guidelines for development within the different zones; and (v) specifying indicators to monitor activities and change.

Further, the Government will take action to increase market demand for Guyana's tourism products. Such measures will include identifying the three main customer groups who are Diaspora, vacation leisure/pleasure, business- with the formulation of a dedicated promotional campaign for each segment; producing a range of collaterals, upgrading the tourism web-site, and undertaking promotional and market research.

In addition, skills and service standards of the hospitality sector will be upgraded to facilitate the potential of increasing tourist arrivals over the medium-term. In view of this, the Ministry of Tourism in collaboration with the hospitality industry will provide training and certification for persons wishing to enter the hospitality sector; and for those already in the sector, ongoing on-the job training will be provided to those who lack adequate skills to perform their jobs in a satisfactory manner. The following actions will also be taken to better promote the sector: (i) employment and training needs survey; (ii) development of an accredited national curriculum; and (iii) determination of the optimum delivery mechanisms.

B. BUSINESS PROCESSING OUTSOURCING

To be successful, BPO requires reliable and dependable internet access, uninterrupted power supplies, and human resource skills. The cross-cutting issue of internet access and power supplies will be taken up in the infrastructure chapter. In any event, with high literacy rates, increasing number of graduates from tertiary education, large numbers of legal and accounting professionals, English as the national language, and competitive wages, Guyana possesses the human resources to successfully launch into the BPO industry. The prospects for increased volume of employment and higher wages are good. To this end, Government will provide the necessary infrastructure and incentives to attract foreign direct investment and private investors to take advantage of the opportunities in this industry.

V. ICT - CROSS CUTTING POLICY TO SUPPORT GROWTH AND DEVELOPMENT

An important cross cutting policy that will be mainstreamed in the medium term PRSP is Information Communication Strategy. Whether it is business competitiveness, education, health, infrastructure, governance, institutional or regulatory reforms, housing, ICT plays a critical role in supporting and sustaining the medium-term development agenda.

Global evidence suggests that Information Communication Technology is an integral cross-cutting initiative that historically has supported productivity and economic growth. The Government in the medium term will advance implementation of its ICT strategy of which the critical elements are:

- Capacity building;
- Development of content and applications;
- Infrastructure, Access and Connectivity;

- Legislative and regulatory reforms; and
- IT enterprise development.

A. CAPACITY BUILDING

In developing capacity within the ICT sector, the Government will:

- Continue to integrate ICT into the education and training system;
- Support partnership to facilitate effective knowledge management; and
- Implement programmes to strengthen human capacity within the broader society.

B. DEVELOPMENT OF CONTENT AND APPLICATIONS

In making ICT relevant to Guyana's development, the Government in collaboration with the private sector and external partners will:

- Improve the public's access to content; and
- Develop and implement an e-government action plan; and

C. INFRASTRUCTURE, ACCESS AND CONNECTIVITY

The success of ICT in augmenting productivity, creating IT related jobs and introducing and implementing ICT in the educational curriculum lie in the development of Infrastructure and Connectivity. In addition, the Government in 2011 commenced roll-out of the One Laptop Per Family (OLPF) Programme. The objective of this programme is to provide access of ICT to targeted families over a two-year period. In all, 90,000 families and several communities will benefit from this initiative. In addition, infrastructure work in the laying of a fibre optic cable from Lethem to Georgetown will provide the necessary backbone to facilitate e-government applications.

D. LEGISLATIVE AND REGULATORY REFORMS

The key to opening the ICT sector to competition and increased investment is to provide a level playing field to all investors. To this end, the Government liberalize the market based on revised legislation.

9

INSTITUTIONAL, REGULATORY & ADMINISTRATIVE REFORMS TO SUPPORT GROWTH & POVERTY REDUCTION

In Chapter 9, the institutional, regulatory and administrative reforms necessary to support growth and poverty reduction are addressed. The chapter identifies the major areas of the Government's institutional support programme which include improving citizens' security, justice administration and modernizing the public sector. This policy agenda is driven by the progress and challenges that were encountered. The policies to generate sustained investment, growth and employment creation are predicated on a sound institutional, regulatory and administrative framework that will provide a level playing field for investors, reduce bureaucratic inertia, strengthen justice administration, provide increased citizens security and improve the functioning of governance structures and systems.

The major areas of the Government's institutional support programme will center on:

- I. Modernizing the public sector;
- II. Improving citizen's security;
- III. Improving the justice administration system; and
- IV. Deepening Inclusivity in political Governance

I. MODERNIZING THE PUBLIC SECTOR

The Government will continue its reforms in modernizing Guyana public service. The medium-term objectives of the public service reforms are to improve efficiency, transparency and accountability with the view of strengthening public service management and the PSM institutional capacity; improving accountability mechanisms for statutory bodies; and identifying the long-term challenges for the state reform process.

In strengthening public service management, emphasis will be placed in (i) capacity building of the PSM; (ii) carrying out a review of public service policies and rules to support modern management; (iii) strengthening the Ministry of Finance databases for human resource management; (iv) training Permanent Secretaries and Heads of Departments in management techniques; internet link-up with ministries and agencies of the government and (v) designing and implementing a performance appraisal system for senior personnel.

Policies will also be implemented to ensure that agencies and statutory bodies are responsible and accountable by (i) developing

and implementing a set of guidelines and institutional and organizational models aimed at reinforcing and streamlining the broad institutional framework of agencies; (ii) strengthening management capacity in a small number of pilots statutory bodies; and (iii) designing and implementing monitoring and evaluation systems for agencies. In line with these, the Government will implement new organizational structures for the SAA and redefine their relationships with their sector ministries; strengthen policy formulation capacity of SAAs, and outsource support services where appropriate.

In addition, work force planning that will include a critical review of the number of authorized persons, the matching of job descriptions, and capacity building through training will be implemented. Further, performance monitoring and evaluation with special emphasis on building of structures and capacities essential to monitor programme performance will be implemented in the near-term.

The Government will also put in place mechanisms to support the coordination of the state reform process. In particular, it will focus on the promotion of a comprehensive strategic vision for state reform and design specific guidelines to improve transparency in the public sector. The comprehensive strategic vision will entail consensus building among stakeholders with a view of managing expectations and developing an agreed approach to the phasing of an inclusive process of State reform. To this end, the Government will undertake studies and open a dialogue of debate and workshops with stakeholders with a view of reaching broad agreements on reforms and its sequencing.

A. CONSOLIDATING REFORMS IN PUBLIC PROCUREMENT

The key focus of public procurement in the medium-term is to, first, consolidate ongoing reforms, and second expand the reform menu with a view of ensuring greater transparency, expedite the procurement process and increase value for money. To this end, the institutional structures will be strengthened so that monitoring and evaluation of public procurement system can be enhanced; and the first steps to E-procurement design and implementation will be piloted.

Consistent with these objectives, the Government will implement the following measures:

- Work to appoint members of the Public Procurement Commission;
- Computerize all procurement records (existing and new data) and establish a Disaster Recovery System to safeguard procurement data;
- Provide continuous training in procurement management to staff of NPTA and Regional Tender Boards;
- Establish MIS units and provide linkages to the NPTA for real time data flow;
- Complete a feasibility study based on recommendations outlined in procurement strategy; and
- Design and establish a pilot “Quick Gains” programme as a means of improving procurement efficiency and decreasing revenue expenditure

B. PUBLIC ACCOUNTABILITY AND REFORM OF THE INTEGRITY COMMISSION

Following the recommendations of the Bradford Fiduciary Oversight Study, the Government committed itself to strengthening the regime requiring disclosure of the assets of public officials. The new Integrity Commission will be modeled similar to the Trinidad and Tobago Commission and will take on four (4) roles: prevention, investigation, enforcement, and enlistment of public support.

In addition, the IC will:

- ⊕ Develop operational protocols and procedures governing the execution of the Commission's roles;
- ⊕ Carry out a Needs Assessment and propose appropriate internal organization, staffing complements, systems, and training;
- ⊕ Develop budgets for investment and recurrent costs to ensure it can independently carry out its responsibilities; and
- ⊕ Design a monitoring and evaluation plan for Integrity Commission activities

II. IMPROVING CITIZENS' SECURITY

Following the 9th Parliament's legislative agenda, in the medium term, the Government is committed to implementing these statutes and deepening reforms in agencies involved in citizen's security with a view to creating safer neighbourhoods, building trust and confidence and social cohesion in law enforcement agencies and the justice system. Among the key medium-term priorities will be (A) capacity building at MoHA; (B) capacity building and continued expansion of introduction of new technologies at the MOHA and the Guyana Police Force; and (C) community and CSO participation action.

A. CAPACITY BUILDING OF THE MOHA

The Government in the medium-term will strengthen MOHA capacity to (a) formulate, execute and evaluate evidence-based policies; and (b) develop human resource and improve the overall institutional performance of the Ministry. To this end, the Government will continue to implement the following initiatives:

- ⊕ An integrated crime and violence information system to monitor trends in crime and violence, facilitate information exchange, plan strategically and support the development and evaluation of public policy responses;
- ⊕ The development of evidence based policies and interventions that address risk factors with reference to capacity building;
- ⊕ Undertake to utilize the results of 2 national surveys to inform future policies and provide data against which programme effects can be measured. The survey information will, among other things, capture prevalence of aggressive and other violence related behavior, public perceptions of social attitudes toward aggression, violence victimization in the family and in the community, and types of crime;
- ⊕ Institutional strengthening of the MoHA through the development and implementation of the Strategic Action Plan, Annual Plans of Operations and an integrated human resource management system.

B. CAPACITY BUILDING AND INTRODUCTION OF NEW TECHNOLOGIES AT THE GUYANA POLICE FORCE

Consistent with its commitment to provide increased security for its citizens, the Government will continue to transform the Guyana Police Force from an incident-driven, reacting institution to one that relies on the analysis of patterns to understand the characteristics and causes of crime and to, thus, plan appropriate responses. To this end, the Government will continue to procure equipment for the Force in an effort to achieve (i) an integrated crime information system. In addition, the Government will continue to implement comprehensive training schemes and strengthening internal and external accountability systems.

Additionally, the medium term agenda for improving citizen security will center on strengthening of forensic laboratory capabilities for crime scene management case investigation. Further, the medium term agenda will enhance public confidence through improved rapid response mechanisms and by strengthening the Emergency 911 system. In particular, the Guyana Police Force will accelerate its training programme in forensic skills organized around specialist teams. The forensic capabilities would be augmented by the construction of new facilities, training in the use of modern forensic technologies and recruitment of competent staff.

Further, with the aims of improving traffic management and road safety, traffic wardens will be recruited to augment the presence of traffic officers on patrol. The use of breathalyzers and speed radar guns would be promoted on the highways. Importantly, the agenda to improve traffic safety will be implemented with improved coordination between the security and public infrastructure sectors. Specifically, new highways and heavily utilized junctions are being designed with safety considerations in mind. Implementation of legislation providing for the use of breathalyzers, speed guns and the demerit ticketing system will be advanced. The installation of close circuit televisions (CCTV) in urban areas will be used as an opportunity to examine traffic behavior among other things. Importantly the quality and effectiveness of police operations will be enhanced through intelligence driven operations and improved use of information technology.

C. CONFLICT RESOLUTION AT THE COMMUNITY LEVEL

Drawing on the results of the studies done and assessments made on community security, the Government will also implement social developmental interventions addressing crime and violence prevention in disadvantaged and low income neighborhoods. The main focus of the Administration would be on job training, entrepreneurial development and certification of training provided to disadvantaged youths. In addition, community-based volunteers will continued to be trained in violence and crime prevention, community organizing and basic crises intervention among others.

In undertaking these interventions, communities will be further empowered to participate more fully by developing capacities for non-violent conflict resolutions. In addition, peace mechanisms and safety plans at community levels will be developed and national risk reduction strategies through strengthening of public discourse will continued to be implemented.

III. IMPROVING THE JUSTICE ADMINISTRATION SYSTEM

Rule of law in Guyana pertains to two main branches of the state -, the executive branch which investigates, enforces and prosecutes the law which includes the Disciplined Forces, the Police Service Commission, the Police Complaints Authority, the Director of Public Prosecutions and the Judicial branch which upholds the law.

In Guyana the primacy of the rule of law is to ensure a stable and safe society for its citizens, maintain public order and safety, secure the nation's borders and national security interests, protect citizens human rights including the right to access the courts for redress.

The focus of the reforms in the justice administration system was underpinned by the revision of the laws of Guyana and the publication of its law reports. Additionally, the reforms have also focused on legislative interventions including time limit for judicial decision making; the Legal Practitioners Act, Revisions of High Court Rules, Judicial Service Rules, Judicial reviews and the development of Family Courts. Further, legal procedures have been reformed including enhanced monitoring of the professional conduct and information technology has been introduced to complement the efficiency of the delivery of justice.

The Government is committed in the medium-term to improve the quality and efficacy of service delivery in justice institutions by strengthening governance and accountability, building institutional capacity, streamlining legal procedures and modernizing administrative systems. In addition, Government will collaborate with the Judiciary to provide continuous training to staff and continue to expand the use of ICT to improve efficiency in the delivery of justice.

Efforts will continue to reduce the backlog of civil and criminal cases in the High Court, Magistrates Courts and Appeals Courts, and reduce delays in the management and adjudication of cases. Specifically, the court administration will (i) implement new case flow management procedures and related training; (ii) build on the existing High Court civil cases backlog clearance programme; and (iii) expand the High Court-connected mediation Alternate Dispute Resolution with new Legislative models.

Initiatives will also be implemented to further strengthen the administration of the Supreme Court of Judicature in the ICT management of cases and case-related information, human resources and budgeting and financial services. Skills and productivity of Judges and Magistrates will also be enhanced by (i) supplying specialised training and continuing education for judges and magistrates; and (ii) purchasing legal materials, resources and tools and subscribing to online legal materials. In addition, the Government will continue to rehabilitate courtrooms and courthouses.

The Government will continue to enhance the functional and operational capacity of the Office of the DPP and strengthen the effectiveness of public prosecutors, strengthen the functional and operational capacity of the MLA in carrying out its legal mandates and improving its administrative efficiency; and improved capacity in drafting civil and criminal procedural laws.

In the medium-term, the Government will improve access to justice by enhancing citizens' awareness of their rights and responsibilities and providing services to court users to facilitate legal advice and representation, as well as access to information and alternative dispute resolution mechanisms. To achieve these objectives, the Government will continue to (i) expand legal aid services; (ii) develop public legal awareness; (iii) provide alternatives to the formal justice system, especially in rural and hinterland communities and for the poor and disadvantaged. Define access: construction and convening of court; timely and expeditious delivery of justice; personalizing access (legal representation of litigants); rationalizing of the magisterial district system

IV. DEEPENING INCLUSIVITY IN POLITICAL GOVERNANCE

The Government is committed to implementing parliamentary reforms in order to continue to deepen the democratic process and strengthen the inclusive governance model. The medium term goal is to implement the new legislative reforms of the 9th parliament.

In line with the medium term objectives, the Government will:

- Provide additional resources to sector ministries and relevant bodies to implement the newly enacted laws;
- Initiate a public awareness drive to educate the citizenry of their rights under new laws;
- Continue to enhance and build the capacity of the Parliament Office and enhance the expanded committee system in terms of human resources, introduction of new technologies, and enhance accessibility to and by the public through an interactive website etc
- Continue its efforts to conclude legislative reforms and implement new local government electoral system.
- Conduct local elections in 2012 and implement local government reforms.
- Enhance capacity building for the 5 Rights Commissions in order to implement their constitutional mandates.

10

BUILDING INFRASTRUCTURE TO SUPPORT GROWTH

INTRODUCTION

Guyana's geographical expanse and diverse terrain of coastal zone (below sea level), pristine rainforest, savannah land and remote riverain areas present a unique landscape that requires ongoing investments to ensure the infrastructure network required to accelerate the pace of development. More than 90 percent of the population lives on 10 percent of the land along the coastal belt of Guyana that lies 6 feet below sea level.

The key to broad-based economic growth and poverty reduction rests, in part, on a functioning network of infrastructure that brings economic activities and peoples together, foster cluster of production activities, and reduce the cost of domestic and external transportation.

In Guyana, the areas of infrastructural renewal, reconstruction and development to achieve the above objectives are well known and include construction, rehabilitation and ongoing maintenance of (i) drainage and irrigation systems; (ii) roads and bridges; (iii) sea defenses; (iv) air and marine transport infrastructure; and (v) power generation, transmission and distribution.

Government's medium-term strategy is two-fold: first to continue the rehabilitation of its existing infrastructure; and, second, lay the foundation for the implementation of its strategic and catalytic infrastructure programme.

Obviously, costing is an issue. The total cost of completing the medium term infrastructure programme is estimated at over US\$.5 billion with over half of that amount required for the completion of the strategic and catalytic infrastructure investment programmes. Clearly, with rapidly diminishing external resources, the financing strategy will be predicated on (i) use of internally generated resources; (ii) public/private partnership; and (iii) build-own-transfer mechanisms.

I. DRAINAGE AND IRRIGATION

With the growing impact of climate change and building on lessons learned over the past five years the Government will continue to invest heavily in this crucial area of infrastructure. The impact of investments to date have resulted in improved flood control with one major example being the recent

improvements in rice production which saw farmers being able to plant and reap despite the record highs in rainfall levels.

In order to maintain the system, expand agricultural land, minimize destruction of property, and ensure the integrity of the coastal water conservancies the Government will implement the following measures over the medium-term:

- Desilt on a routine basis the mouths of rivers that provide outlets for the D&I system;
- Construct new outlet for the East Demerara Water Conservancy and permanent structures for the main conservancies;
- Install more pumps along the coastal regions to speed up drainage during periods of high tides;
- Rehabilitate sluices and kokers and make them functional all-year round; and
- Undertake regular routine maintenance of the D&I system.

II. SEA DEFENSES

Prevention of sea intrusion is done by an intricate system of irrigation and drainage canals and structures. Occasional breaches of the sea defenses have disrupted economic and social lives and destruction of property. The integrity of the sea defense system is therefore critical to Guyana's overall growth and the well being of its people. As a result, the Government will continue to be committed to the rehabilitation of sea defenses. Ultimately, the maintenance of sea defense is critical to economic growth, protection of capital stock, and poverty reduction. Most agricultural activities, especially cane sugar, rice, livestock, fruits and vegetables are cultivated along the coastal strip.

Understandably, the road network, communication systems and other key infrastructure are concentrated on this less than 10 percent of Guyana surface area. As in previous years, the emphasis in the medium-term will focus on the building of local capacity to rehabilitate sea defenses; maintenance and rehabilitation works; and increased community participation in the inspection and protection of the sea defense system. To this end, the Government with

Box 10.1: Public Private Partnerships

Public Private Partnerships can be defined as cooperation between public authorities and the private sector in order to ensure the financing, construction, renovation or management of infrastructure or provision of services. The basic services essential for a certain quality of life are roughly the same across the world. These 'essential services' usually include power generation and distribution, telecommunications, ground and sea transportation, water distribution and waste management.

Infrastructure services involve far more than purely essential services, encompassing the building of all infrastructure including roads, bridges, hospitals, schools, port facilities and rail roads. These infrastructure services have some characteristics in common: they are expensive to set-up and consumed on a massive scale. Governments especially in developing countries are not able to cope with the growing demand for infrastructure because they tremendous financing.

PPPs introduce private sector capital, bring in expertise and deliver public services more efficiently. They share investments risks, responsibilities and rewards between public and the private sector. While PPPs can facilitate private participation, they can also pose sustainability risks, particularly in the presence of sovereign guarantees. Therefore, a PPP contract should ensure a balance of risks between the private and public sectors, limit fiscal contingencies, and prevent renegotiations risks.

the support of its development partners will increase its allocation to improving the sea defense system.

In addition, the medium term strategy will focus on:

- Maintenance, monitoring and surveillance with some amount of reconstruction.
- Protecting and enhancing the mangrove forests which provide protection to large length of sea defenses;
- Institutional Capacity Building Activities (ICBA)

III. SUSTAINING AND EXPANDING THE ROAD AND BRIDGE NETWORK

Consolidating the progress made in road maintenance, the rehabilitation of farm-to-market roads, bridges, stellingings and ferries would not only lower transportation costs but will support the Government strategy of integrating rural economies into the macro economy.

To this end, the Government will continue to rehabilitate farm-to-market roads, bridges. The capacity of the Ministry of Works and the Works Services Department will be further strengthened to sustain the maintenance and reconstruction programmes. Some of the key road projects that will be undertaken in the medium-term include a four way land from Providence to Diamond, four lane expansion from Sherriff Street to Houston and access road from Turkeyen to Diamond and then to Timehri. In addition, measures will be taken in the medium-term to regularize the urban transport system.

IV. AIR AND MARINE TRANSPORTATION

The three counties of Guyana, Demerara, Berbice and Essequibo, are separated by three major rivers. Because of the expanse of these rivers, the Government has developed a network of river transport infrastructure consisting of wharves, stellingings, and ferries. The Berbice River Bridge was completed in 2008 freeing the Government to concentrate on upgrading river transport infrastructure within the Essequibo River. The addition of two roll on/ roll off ferries to the fleet in 2012 will enable greater ease of movement and faster turnaround time for thousands of people who need to traverse the rivers as well as movement of cargo. With respect to the Demerara River, the emphasis will be maintaining the Demerara Harbor Bridge to extend its operational life time. The wharves and stellingings along the Essequibo River will be rehabilitated. In the area of air transport the expansion of CJA including the extension of the runway are planned for the medium term,

V. DEVELOPING CORE SYSTEM OF INFRASTRUCTURE FOR GROWTH AND COMPETITIVENESS

For Guyana to achieve its full potential, improve competitiveness of its products and experience rapid and sustainable growth, the country would have to be opened up and barriers to higher cost of production removed.

The investments programmes mentioned above may help to sustain the existing structure of growth, but will not by any account provide the transformational impact or the paradigm shift critical to change the dynamics of the economy, utilize the country's vast natural resources and take advantage of Guyana's

strategic geographical location to Brazil and the rest of the Caribbean. To this end, the Government working with the private sector will aim to develop the core infrastructure system consisting of:

- ⊕ Development of deep-port harbour;
- ⊕ Construction of a highway from Linden to Lethem

The Government will consider several options including a build-owned-operate-transfer (BOOT) arrangement with interested investors. A PPP is another option. The Government does not have the resources to undertake this important and strategic project on its own. There are several advantages in implementing this project including opening up of the interior of Guyana and further integrating people and economic activities; opening up the Caribbean to South America; (integrating Guyana's economy with that of Brazil; providing secure and reliable access to Brazilian imports and exports from its north eastern region improving competitiveness of Guyanese exports through lower freight costs; and generating employment which is critical for poverty reduction.

Feasibility studies have been undertaken to analyze the construction of an all weather road and improvements to the 428 km roadway from Linden to Lethem.

Feasibility studies for the development of a deep harbour have also been completed. The Government in the medium term will seek private funding including public private partnership arrangements for the construction of the deep port harbour.

VI. EXPANDING AND DIVERSIFYING POWER SUPPLIES

In the short-term, perhaps, no project is more important than the generation of reliable and cheap power. The impact of an efficient power system is far reaching. It provides forward and backward linkages to production, improves competitiveness, and sustains social well-being. The continued steep increases in fuel prices have influenced the Government decision to support the acceleration of private sector development of renewable energy such as hydropower for provision of grid power and on a smaller scale wind power, solar power and bagasse fired cogeneration power.

To that end catalytic investments are being pursued in the areas of power generation with a focus on hydro-energy with the aim of achieving reduced costs of power generation which is essential to reducing overall production costs for the private sector. Some 100 MW of power from the Amalia Falls Hydroelectric Project (AFHEP) is projected to achieve commercial operation by 2014. Indeed,, the Amalia Falls project which would be undertaken through public-private partnership is already underway. These projects, with adequate compensation from the GPL network, would replace fossil fuel fired units now operating in Demerara and Berbice.

Renewable energy will be pursued with 10 MW bagasse-fired cogenerated power from Guysuco's Skeldon estate and wind power from the 13.5 MW wind farm to be constructed at Hope Beach. Solar energy will continue to be pursued for remote hinterland communities. Pending the construction and completion of these projects, the Government will in the medium-term pursue other options in improving power generation, transmission and distribution, and the reduction of technical and commercial losses.

Losses at the distribution level account for about 40 percent of power generated which directly affects GPL's financial situation. This will require plans in the medium term to reduce losses. In addition, the billing and collection targets will be set and Government may examine contracting out of some of these tasks to the private sector.

In particular, IPP short-term generation solutions will be pursued to augment existing supplies taking into account GPL's commitments and obligations under the hydropower PPA. In addition, GPL will complete its transmission/substation development through financing arrangements which consists of a combination of internally generated funds, IPP resources or investments through a private sector financing vehicle.

Systems upgrades and frequency conversion are also slated for implementation during the medium-term and will cover (i) frequency conversion of the 50 Hz system in Georgetown; (ii) conversion of the Wartsila built Kingston Plant; (iii) re-design of the distribution network in areas with sub-feeds; (iii) installation of new 60 Hz feeders and the reassignment of loads in Georgetown; (iv) improved design standards and use of concrete poles in critical locations; (v) replacement of 69 kV bulk-oil breakers at GOE, Sophia and Canefield; and (vi) construction of a new distribution network at Timehri.

The current D&E programme is premised on outsourcing 60 percent of the T&D maintenance activities in the first year and incrementally increasing this to about 90 percent over the next four years. GPL will continue to maintain an emergency capability but expects to fully outsource planned maintenance and capital works. Outsourcing of new services installation for non-project areas and meter replacements will commence in 2007 and peak to 80 percent in 2011.

The early completion of the networks extension scope for Phase I of the UAEP has not served the intended purpose as only 25 percent of the consumers have accessed legal service while the majority is illegally extracting power. This development has obviously increased the loss reduction challenge for GPL. Firm action to constantly remove the illegal connections and prosecute the perpetrators will have to be supplemented by efforts to assist in cases where documentation difficulties need to be overcome. In addition to reforming the legislative framework of the power sector, GPL will continue to replace defective meters. With these policies and improved transmission and distribution, the loss reduction target is projected to decline from 40.4 percent to 23.8 percent over the next 5 years.

1
1INVESTING
IN HUMAN
CAPITAL

INTRODUCTION

Investing in human capital is the subject of Chapter 11. With a view of making substantial progress towards the attainment of the MDGs, this chapter lays out the policies in health and education that will be implemented over the medium-term. Taking account of the results of the 2006 poverty profiles and MICS, the discussion of policies and programmes in investing in human capital is also oriented towards addressing regional and other disparities, thus, improving equity in the allocation of resources.

TABLE 11.1 MEDIUM TERM SOCIAL SECTOR SPENDING

PERCENT OF GDP(REBASED)	2007	2008	2009	2010	2011	2012	2013	2014	2015
Current (Non-Interest)	6.6	6.9	7.6	7.4	7.7	7.2	8.5	9.2	9.4
Expenditure									
Personnel emoluments	3.1	3.0	3.2	3.2	3.3	3.3	3.3	3.3	3.3
Education	2.1	2.0	2.2	2.0	2.1	2.1	2.1	2.1	2.1
Health	0.8	0.8	0.9	1.0	1.0	1.0	1.0	1.0	1.0
Other Sectors	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Other Charges	3.5	3.9	4.4	4.2	4.4	4.4	4.4	4.4	4.4
Education	1.3	1.2	1.5	1.4	1.5	1.5	1.5	1.5	1.5
Health	1.2	1.3	1.5	1.4	1.5	1.5	1.5	1.5	1.5
Poverty Alleviation	1.0	1.4	1.3	1.3	1.4	1.4	1.4	1.4	1.4
Housing and Water	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Capital Expenditure	4.8	2.9	5.0	4.7	2.7	3.3	2.2	1.6	1.6
Education	0.9	0.6	0.7	0.6	0.7	0.7	0.7	0.5	0.5
Health	0.8	0.7	0.7	0.4	0.3	0.6	0.1	0.1	0.1
Poverty Alleviation	1.0	0.5	0.5	0.5	0.3	0.5	0.3	0.4	0.4
Housing	1.5	0.9	2.9	2.9	1.2	1.3	0.9	0.4	0.4
Water	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Community Services	0.2	0.1	0.1	0.3	0.2	0.2	0.1	0.1	0.1
Social Protection	0.4	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0
Total Social Expenditure	11.4	9.8	12.6	12.0	10.4	10.5	10.7	10.8	11.0
Memo: GDP pp in billions	352	391	413	453	490	544	605	667	722

Source: Ministry of Finance

In the context of the modest results achieved in the PRSP and MDG indicators in the last five years, the Government will redouble its efforts in pursuing policies and programmes that will accelerate meeting MDGs by 2015. To this end, the Government in the medium term will put sustained emphasis on education, health and poverty targeted programmes in order to build on the progress achieved over the last 10 years. In particular, sector resources will be targeted to Administrative Regions where there exist large disparities in key indicators and to strengthening of social safety nets including targeted programmes that will assist the poor, particularly children.

I. EDUCATION

The Education Strategy as well as PRSP II benefitted from extensive public consultations that elaborated the policy priorities of the population. In accordance with the objectives of the Strategy, emphasis will be placed on, among others in (i) improving access to quality and equitable education at the pre-primary, primary level; (ii) improving literacy and numeracy; (iii) improving School/Classroom Environment; (iv) improving Innovative Technology; (v) strengthening school health, nutrition, HIV& AIDS in the curriculum; (vi) attaining universal secondary education.

A. IMPROVING ACCESS TO QUALITY AND EQUITABLE EDUCATION AT THE PRE-PRIMARY AND PRIMARY LEVEL

The Government anticipates expanding coverage of children at the Pre-School level. To accommodate the increased numbers, new pre-primary schools have been built and about 20 primary schools have been expanded for nursery classes.

The distribution of the “Resource Guides for Nursery Teachers” will continue and persons would be trained at the regional level to give support to the nursery teachers. Parent Education programmes to strengthen School-Home links will also continue.

B. IMPROVING LITERACY AND NUMERACY

One of the two main priorities of the strategic plan for the period just completed was the improvement of learning Mathematics. The key efforts made were the introduction of the Interactive Radio Instruction (IRI) methodology in Grades 1 and 2 and the development of the radio sessions for Grade 3 at the primary level.

This initiative has proven to be successful, not only by the results of the national tests made by NCERD and BEAMS, but also through several pilot studies and the direct supervision made by the monitoring team involved in the project. Most experts and teachers agree that this methodology can have great impact in the children’s level of learning in Mathematics in primary schools.

The Ministry will continue its efforts to improve national literacy standards. The National Literacy Unit was established to further implement, monitor and evaluate the national literacy strategy. The Ministry will continue its efforts to offer a unified literacy programme. The Ministry will continue with the Grades Two, Four and Six Assessments. The Grade Four Literacy Certificate, a diagnostic assessment, has been introduced to measure the attainment of literacy standards at that level. A sustained and systematic programme of remediation to correct deficiencies identified will continue. To this end, a mass literacy

and remedial programme in Mathematics and English for Grade 6 pupils who have completed the Grade 6 assessments and students of Grades 2, 3, 4, 7 and 8 who has failed to reach acceptable standards of literacy and numeracy has been developed and will be continuously implemented.

C. IMPROVING SCHOOL/CLASSROOM ENVIRONMENT

Children are likely to learn better when in safe, comfortable buildings with sufficient space and adequate facilities. Good physical facilities also affect parents' attitude to the school and teachers' morale in a positive manner. Improving physical facilities is therefore a key factor in improving results of education delivery.

Over the planned period, the Ministry will continue to invest in rehabilitating and renovating the existing building stock and simultaneously implement better routine and planned maintenance procedures. Schools will be supported to become more involved and to take more responsibility for simple maintenance issues. The MOE will implement the strategy for management of physical facilities which will ensure that funds are targeted effectively to provide good value for money.

The Ministry will continue to promote the development of the child- friendly school environment including better health practices in schools. Over the planned period, 60 percent of primary schools will attain Child-Friendly Certification. Financial support to schools which have School Improvement Plans (SIP) will continue.

The Ministry will intensify its collaboration with stakeholders, and in particular, with parents, alumni associations, the private sector and members of the immediate school community. The appointment of School Boards will continue and the formation of Parent Teachers Associations (PTA) and the training of members of these groups to meaningfully support the school will continue under the aegis of the recently created PTA Coordination Unit.

D. INNOVATIVE TECHNOLOGY (ICT)

The Ministry will intensify its efforts to widen access to educational activities and reduce educational inequity through distance and open learning. As previously indicated the Ministry will continue to deliver Mathematics to Grades 1 to 3 through IRI. The Success Maker Programme will be introduced in all primary schools to enhance the learning process. The training of teachers via distance education will continue and delivery of the programme will expand beyond the print mode to include the use of audio visual materials and on-line programmes. Videotapes and computer programmes will also be used at the secondary level to support classroom teaching and also to provide self learning opportunities. The University of Guyana has also outlined in its strategic plan its intention to develop distance education programmes in a wide range of subject areas.

The use of ICT has been highlighted as a major supportive tool in the teaching learning process at all levels. The Ministry will ensure that 100 percent of secondary, 50 percent of primary schools and 100% of Technical Institutes have functioning IT laboratories and all teachers trained in Basic IT Competence by 2013. In addition, the Government in 2011 established E-Learning, a dedicated television education

channel that provides a 24-hour dedicated service in education. The medium term strategy of the Government is to extend and expand E-Learning to all the Administrative Regions of Guyana.

E. SCHOOL HEALTH AND NUTRITION, HIV& AIDS

The community based school feeding programme in the hinterland Administrative Regions currently serve 92 schools. The programme will be expanded to include an additional 20 schools to ensure all hinterland schools benefit. The Juice and Biscuit and peanut butter and cassava bread snack programmes will continue in pre-primary and early primary grades. MOE in collaboration with the Ministry of Health will undertake two nation-wide health and nutrition surveys during the plan period and it will also set up a system for regular nutritional screening in a number of areas. The School Feeding Programme in all the educational districts of Guyana will continue to be implemented.

Finally, based on some recent experiences, the Ministry will progressively establish a mechanism for psycho-social counseling in schools. Teachers will be trained in this area and participation of NGOs and Community Based Organizations (CBO) will be encouraged.

F. UNIVERSAL SECONDARY EDUCATION (USE)

This objective has been one of the priorities of GOG and MOE during the last period. The country has been able to achieve what amounts to substantial coverage at the Nursery and Primary levels but Secondary Education only covers 78% of the relevant age cohort. The report on USE has recommended several actions considered strategic, which will be adopted in this plan.

- ☛ MOE will establish a system that provides access to all the population of the relevant age cohort according to specific regional characteristics and needs. Regional differences in quality (between hinterland, rural/coastal and urban/coastal regions) will be addressed. Each Administrative Region has particular characteristics that demand flexibility if USE is going to be achieved. Wherever possible, however, larger schools will be established as the report found a strong correlation between the size of secondary schools and the quality of secondary education offered. Secondary Departments of Primary schools with small enrolments will continue to be amalgamated. The Ministry will collaborate with other sectors to expand existing dormitory facilities, build new dormitories or provide transportation services where possible. Secondary Departments of Primary Schools with large enrolments will continue to be converted to General Secondary Schools.
- ☛ MOE will aggressively promote higher attendance of teachers and students (especially males) to school. The drop-out rate is too high and is hindering the chances of a productive life for many young people unable to complete secondary schooling.
- ☛ The scope of the curriculum will be broadened to include areas such as the Arts, Sports and Physical Education and culture-specific skills (e.g. weaving, basketry) in Amerindian communities. These inclusions would make continued attendance at schools more attractive to young persons and as such contribute to lowering the drop-out rate.

- The country has a number of post secondary technical and vocational institutions that provide the population with an alternative to a purely academic curriculum. They form an important link between the educational system and the job market. MOE will strengthen the links between these technical schools and secondary schools within their cluster so that access to their facilities and staff could support the development of more interesting and effective curricula for young persons. Access would also be extended to unemployed young adults.

G. TEACHER TRAINING

The Government will continue to train more teachers in order to reduce student teacher ratio in all Administrative Regions. Through the Guyana Implementation Teacher Training Project at the Cyril Potter College of Education (CPCE), the Government in the medium term will (i) improve the quality of lecturers through providing them with additional training; (ii) improve education delivery in specific content area and developing pedagogical skills; (iii) upgrade the library and science laboratory; and (iv) improve competence in Distance/online courses.

II. HEALTH

The National Health Sector Strategy (NHSS) outlines the medium term strategy for the Health sector. The Strategy places greater emphasis on strengthening quality and equity in the health sector. It promotes innovative public-private partnerships and takes account of the PRSP public consultations that took place in 2011. The Ministry of Health is in the process of developing a new health sector strategy which will cover the period 2012-2020.

The core priority programmes that will be implemented in the medium term include:

- A. Improving quality of care;
- B. Ensuring access to health services for every citizen
- C. Expanding Family Health and Home-based care services, with special focus on Maternal and Child Health, Early Childhood Development and the care of the Elderly;
- D. Reducing chronic non-communicable disease;
- E. Reducing communicable diseases: HIV, STIs, tuberculosis and malaria;
- F. Mental Health
- G. People with Disabilities
- H. Health Systems Strengthening

A. IMPROVING THE QUALITY OF CARE

Various measures will be taken to improve the quality of care:

- Capacity to respond to emergencies, disasters, climate change and environmental health risks;
- Organized monitoring of health sector deliverables through surveys of patient satisfaction in terms of shorter waiting times, courtesy and responsiveness of staff to patients' concerns and complaints, and availability of essential medicines and commodities, as measured by routine consumer surveys of consumers;

- Training, recruitment and retention of trained medical personnel including doctors, dentists, pharmacists, medical technologist, nurses; and ancillary/support staff.
- Greater adherence to Standard treatment Guidelines

Coordination with other sectors such as education, housing, water and sanitation, transportation and food safety in securing a healthy environment

The Health Facilities Licensing Act (2006) gives the MOH the authority to inspect all public and private facilities. It created guidelines and standards for health facilities to ensure that they are adequately regulated and have a standardized quality of care.

The work of the MOH Standards and Technical Services Unit is guided by physical, technological, and human resource standards in the Health Facilities Licensing Act. An inspection team comprising experts from various fields in both the public and private sectors is convened to assess health facility physical structures, governance structures, medical records, and human resources once per year to ensure compliance with established standards.

An aspect of improving quality is development of standard treatment guidelines. To date, such guidelines exist for HIV, TB, malaria, diabetes, and hypertension.

In 2010, the first edition of the Standard Treatment Guideline for Primary Health Care was released by the MOH which offers guidelines for the management of 80 common medical conditions. The document, used alongside the Essential Drug List, will assist medical professionals in providing quality care to patients and promote effective use of scarce resources. The intention is to publish periodic supplements to support and expand this edition; a supplement is currently being prepared and the second edition is due in 2012. Training and implementation of these guidelines have begun in the primary care setting. This guideline is expected to form the basis for an effective monitoring system for quality of care.

Monitoring of the use of guidelines has begun with clinical audits conducted at health faculties. Vertical programmes such as HIV and TB have designated staff that do quality assurance checks and validations.

At the regional level, RHOs and senior health visitors are tasked with conducting supervisory visits, but again, the process is not standardized and need more attention to documentation. Efforts are now being made by the Regional Health Services department to standardize a supervisory checklist and reporting format that covers an essential number of areas. These checklists are currently being piloted at a few sites and will be rolled out soon, after feedback from the pilot sites is incorporated into the checklists.

Reporting against Service Agreements is another mechanism to measure and assess quality of services. The agreements require status reports on a quarterly, semiannual, and annual basis. Sensitization has been done in the Regions and targeted health facilities. Another important mechanism for ensuring coordinated delivery of health services is the referral system.

The referral mechanism exists so that any patient examined by a primary or secondary care provider, or at an emergency care unit, in a public or private institution, who is deemed to be in need of specialized consultation, treatment, or care that cannot be provided at that level is referred to the specialist or

institution capable of continuing or providing what the patient needs. Though Guyana has a referral system in place (geographic and transportation barriers continue to be a challenge).

The MOH revised its referral system in 2008, to standardize the referral process as it relates to data collection at all levels, establish communication processes between the MOH and health facilities, and standardize the procedure for handling emergencies and evacuations. The revised referral system is currently being piloted in the four hinterland regions (1, 7, 8, and 9) and Region 2. As the referral system is rolled out, it will have to improve access to services and the flow of information across the sector.

The MOH Regional Health Services Department has established a Medical Evacuation Procedure to aid these vulnerable regions. The procedure requires authorized health personnel from within the region to request a medivac from the department. The medivac form documents critical information about the patient's condition and treatment needs. The Regional Health Services Department makes the necessary logistics arrangements for air and/or ground transport to the GPHC, informs the GPHC of the transfer, and informs the Amerindian Hostel, which will arrange the patient's accommodations in Georgetown and his/her return home. The MOH is making positive steps to improve transportation between referral levels.

The MOH, in its continued effort to achieve the goal of providing equitable access to high-quality primary and secondary consumer-oriented health care services, entered into contractual service agreements with the RHOs and RHAs of the various regions in 2009. All regions (including East Bank and East Coast for Region 4, and Linden Hospital for Region 10) and GPHC have signed service agreements that make the RHOs/CEOs accountable for service provision in their respective regions.

Each agreement contains specific performance targets that not only act as a guide to the process of achieving the overall aforementioned goal but also allows the contractor (MOH) to utilize the agreement as a tool to measure results against the indicators, monitor progress, and address any problems that may arise. Evaluations will take place annually to ensure improvement or maintain development in the delivery of services. Client satisfaction surveys would be regularly conducted. The same agreements will be executed between MoH and specific health facilities management.

B. IMPROVING ACCESS TO HEALTH SERVICES

Guyana's NHSS 2008-2012 is guided by the principles of equitable distribution of health knowledge, opportunities, and services; consumer-friendly and high-quality services; and accountability. To achieve this, the health sector is committed to pursuing the decentralization of health services providers and is strengthening the skilled workforce and HRH systems, the government's capacity for sector leadership and regulation, the sector's financing, and its performance management systems and strategic information.

Major service delivery activities outlined in the NHSS 2008-2012 are the implementation of the Package of Publicly Guaranteed Health Services (PPGHS), and the improvement of the National Referral System, which is linked directly to the principle of equitable distribution of health services. The first PPGHS was formulated and approved in 2003 as an instrument to clearly define and guide the health care services provided at various levels of care. The Second Edition of the PPGHS covers the period 2008-2012. The

Third Edition will be a complete revision and will be published in 2012 to cover the period 2013-2020. Through the PPGHS and the NRS, every citizen will be able to access appropriate health care services.

In addition, the Government in the medium term will improve access to care by the provision of specialist health care services. Towards this end, it will construct a super specialty hospital that will provide specialized services and minimize overseas travel in search of specialized care. Importantly, the specialist health care services may encourage health tourism.

C. IMPROVING FAMILY HEALTH

Maternal, child, and family health is a major priority in improving overall health status and in achieving the Millennium Development Goals. In the past, maternal and child health services entailed mainly traditional antenatal and child immunization programmes. However, the programme began transformation into a comprehensive Family Health Programme in 2001 with the introduction of two new public health initiatives, the Integrated Management of Childhood Illnesses (IMCI) strategy and PMTCT, and is now one of the strongest examples of well-integrated programme in the health sector but geographic barriers still continue.

In the medium-term, family health will be centered on:

- ☛ Reducing morbidity and mortality by ensuring universal access to effective and timely interventions for the newborn, children, adolescents, and young adults.
- ☛ Integrating new initiatives into the MCH programme while maintaining performance in traditional outcome indicators such as immunization rates and attendance at delivery by skilled attendants.
- ☛ Expanding the campaign for family planning, safe sex, voluntary counseling and testing (VCT);
- ☛ Expanding and sustaining immunization across all administrative Regions of Guyana

In addition, family planning will be further strengthened through community orientation and sensitization, and improving information system that will allow for better forecasting, stock control, and distribution of contraceptives. High vaccination coverage will be maintained, and improved in areas of reduced coverage with outreach and ‘mop up’ activities. Surveillance of vaccine-preventable diseases will be intensified, and monitoring and evaluation of vaccination coverage undertaken tri-annually.

Maternal health will be enhanced with a full Women’s Health Programme, introducing services for pre-conception, safer motherhood, and early detection of breast and cervical cancer. Obstetric care is to be improved with an enhanced package of services standardized at all hospitals, and C-section capacity developed for all Regional Hospitals.

Safer motherhood will be strengthened through inter-sectoral and inter-agency collaboration, and through promotion of community support groups in, for example, breastfeeding and HIV counseling. Maternity services will be stratified further to improve quality at the various levels from basic care to comprehensive obstetric services, to simplify provision of the right equipment and supplies, to ensure equity in the distribution of trained skilled staff, to reinforce management of high risk cases, and to

develop a functional referral system. Training in emergency obstetric care will be done at all levels of the health care system. Provision of mosquito nets for mothers and children will greatly reduce malaria morbidity.

D. REDUCING CHRONIC NON-COMMUNICABLE DISEASES

Guyana has made significant progress in increasing life expectancy, by improving the delivery of health services and by sustaining high levels of immunization coverage. As of 2008, life expectancy at birth was estimated to be 70.4 years and the infant mortality rate had declined from 64 in 1990 to 17.5 per 1,000 live births. But even as the threat of communicable and vaccine-preventable diseases recedes, chronic non-communicable diseases (CNCDs) are on the rise. The country's disease burden has shifted, with some sixty per cent of deaths annually caused by the CNCDs listed in Table 1 overleaf.

Within this context, the objectives of the Guyana Prevention and Control of NCDs Strategy are to:

- Promote the development and implementation of effective, integrated, sustainable and evidence-based public policies on chronic diseases and their risk factors and determinants;
- Encourage and support the development and strengthening of national capacity for better surveillance of NCDs, their consequences, their risk factors, and the impact of public health interventions;
- Strengthen the capacity and competencies of the health system for prevention, treatment, care and support (integrated management) of chronic diseases and their risk factors;
- Foster, support and promote the conditions that enable people to increase control over their health as well as adopt healthy behaviors, especially healthy eating, active living, tobacco and alcohol control;

TABLE 11.2 LEADING CAUSES OF DEATH in GUYANA, 2006 - 2008

CAUSE OF DEATH	2008			2007			2006		
	RANK	TOTAL	RATE	RANK	TOTAL	RATE	RANK	TOTAL	RATE
Ischemic Heart Disease	1	631	0.8	1	616	0.8	1	610	0.8
Cerebrovascular Diseases	2	567	0.7	2	548	0.7	2	506	0.7
Neoplasms	3	469	0.6	3	453	0.6	4	406	0.5
Diabetes Mellitus	4	426	0.6	4	398	0.5	3	441	0.6
HIV Disease (AIDS)	6	239	0.3	5	289	0.4	5	298	0.4
Hypertensive Diseases	5	309	0.4	6	242	0.3	6	234	0.3
Intentional Self-harm (Suicide)	7	169	0.2	9	186	0.2	7	202	0.3
Heart Failure	8	165	0.2	7	209	0.3	8	171	0.2
Acute Respiratory Infections	9	161	0.2	10	172	0.2	10	166	0.2
Cirrhosis & Other Chronic Diseases of the Liver	10	132	0.2	11	106	0.1	11	159	0.2

CAUSE OF DEATH	2008			2007			2006		
	RANK	TOTAL	RATE	RANK	TOTAL	RATE	RANK	TOTAL	RATE
Land Transport Accidents	11	125	0.2	8	199	0.3	8	171	0.2
Assault (Homicide)	12	118	0.2	12	105	0.1	11	159	0.2

Source: Ministry of Health – Statistics Unit. Rates per 1,000 population

E. HEALTH PROMOTION

Many of the Guyanese disease burdens cannot be addressed only by treatment services but also require promotion of lifestyle changes. Growing support is being given to health promotion for chronic diseases. A wide array of health promotion activities has been planned and implementation is now visible across the sector, from health fairs to observance of special days and active community interactions and interventions.

A BCC/IEC Strategy has been designed to support the goals and objectives of the National Strategy for the Prevention and Control of NCDs by:

- Creating awareness of the NCDs, their risk factors, the importance of screening and early diagnosis, and the availability of diagnostic, treatment, care and support services;
- Creating demand for information and services through increased knowledge about the NCDs and how one can prevent them and avoid or reduce complications linked to the NCDs, and how persons can protect their wellbeing and quality of life when living with the NCDs through self-management;
- Building effective partnerships and community support and community involvement to promote advocacy and dialogue and discussion for programmes to support positive lifestyles;
- Influencing attitudinal and behavior change among people such that they adopt lifestyles that support the prevention of NCDs;

Recognizing that good nutrition and healthy eating must be part of the strategy for reducing the country's chronic disease burden, the National Nutrition Strategy aims to:

1. To reduce the prevalence of malnutrition in all its forms;
2. To reduce morbidity and mortality associated with malnutrition; and
3. To reduce maternal and infant mortality rates through the promotion of feeding practices and micronutrient supplementation.

It seeks to maximize the impact of initiatives to improve the nutritional status of Guyanese by building on and harmonizing the work of agencies across multiple sectors. The strategy provides a framework that will allow nutrition actions to be prioritized and partnerships to be more effective by reducing duplication and achieving better value-for-money. Interventions will contribute to a comprehensive and coordinated approach that addresses not only the availability of healthy food but also the underlying determinants of nutritional status, including poverty, cultural practices, education and other social and economic factors. To this end, the strategy includes both long-term approaches aimed at improving food security, and short-term measures to provide nutrition education, micronutrient supplementation and improved care for pregnant women and children.

A number of initiatives targeting women and children have been implemented to support the adoption of healthy dietary practices. These include the Food and Nutrition Security Policy of the Ministry of Agriculture as well as initiatives to diversify and increase local production of food and to develop agro-processing capacity.

The CNCD Strategy of the Ministry of Health includes interventions to:

- Promote breastfeeding
- Target obesity
- Promote a healthy diet and active lifestyle

A nursery school sentinel site surveillance system has also been established to monitor trends in the nutritional status of children aged 3-5 years in communities at high risk and at low risk for under-nutrition.

The Basic Nutrition Programme (BNP) is a major health sector initiative focused on improving childhood nutrition. The programme has three main areas of intervention:

- 1) Improving child feeding practices by providing food coupons to children aged 6–24 months in depressed communities.
- 2) Reducing anemia by providing a micronutrient supplement to pregnant women and children aged 6–24 months, and
- 3) Institutional strengthening.

Evaluation results after a year of implementation indicated levels of anemia and wasting that were 40% and 27% lower in the intervention group than in the control group. Survey data shows that the anemia levels have improved in those pregnant women who use the micronutrient supplement. The prevalence of severe wasting fell from 12.3% to 6.8%, and among younger children (12 – 18m), the prevalence of severe stunting fell from 18.3% to 12.8%. This programme will continue in the medium-term.

F. ACCIDENTS, INJURIES AND DISABILITIES

Injuries related to road traffic accidents, other forms of accidents and violence increasingly contribute to disabilities and premature deaths in the Guyanese population. Domestic violence and violence related to criminal activities have increased, and homicide has become a major cause of death among the 15-44 age group. Road accidents have emerged as one of the major causes of physical disabilities and death among young people. In addition, disabilities due to various pre-birth and acquired factors also have become important.

The NHSS seeks to reduce disabilities and premature deaths from violence and injuries, and to reduce physical disabilities and visual and hearing impairment. Strengthened health promotion will raise awareness and prevention at primary health care level, and development of a network within the health care system will scale up rehabilitation.

Key actions for this priority area will include:

- Implementing comprehensive policies and legislation and a scaled up health promotion programme to allow for safer road use through speed limits, alcohol consumption, seat belt and helmet use, standards for road engineering, and driver education and testing
- Developing a harmonized multi-programme approach to address violence and unintentional injuries
- Developing a programme to address visual and hearing impairment
- Ensuring a nation-wide network of rehabilitative services from levels 2 to 5

G. REDUCING COMMUNICABLE DISEASES: HIV, STIS, TUBERCULOSIS AND MALARIA

Despite progress made in combating communicable diseases, renewed efforts will be made to reduce the spread. Specifically, the objective in the medium term will be to focus on reducing morbidity, mortality and the social and economic consequences of HIV, TB and malaria by strengthening prevention, early diagnosis, treatment and control. Particular attention will be paid to the needs of vulnerable and most-at-risk populations.

In HIV, efforts will be made to:

- Increase the percentage of persons on ART who are still on ART 12 months after initiating treatment³
- Reduce mortality rates associated with AIDS
- Reduce incidence of HIV for all age groups
- Improve the percentage of the adult population knowing their status by testing within the last 12 months.
- Cover a higher percentage of pregnancies/deliveries with PMTCT services, and reducing the number of children born HIV+ to less than 2 infections by the end of 2015
- Ensure substantial detection rate and treatment for STIs.

With increased funding from development partners including PEPFAR, the World Bank, and the Global Fund, the last few years have seen a dramatic increase and improvement in HIV/AIDS services.

Public sector voluntary counseling and treatment (VCT) services are now available in all 10 regions. VCT is offered through fixed sites at health centers, NGOs, and a mobile team. There are 62 fixed sites in eight of the 10 regions and two mobile teams serving the hinterland regions. The number of persons receiving VCT has increased over the years, with 16,064 tests performed in 2005, 25,063 in 2006, 86,938 in 2008 and 93,532 in 2010 (HIV mid-term review 2009). The sexually transmitted disease and TB clinics and the malaria clinics in the public sector also serve as entry points for VCT.

The Guyana National AIDS Programme Secretariat and the MOH Maternal Child Health Department launched the PMTCT Programme in Guyana with eight sites in Regions 4 and 6 in November 2001. As of 2010, there are more than 165 public sector PMTCT sites in eight regions. According to a mid-term review of the Secretariat, these sites provide access to PMTCT for almost 90 percent of pregnant women in Guyana.

Treatment is also essential to reducing the risk of transmission, prolonging life, and improving quality of life. Guyana's programme has moved from one treatment site in 2001 to 19 care and treatment sites in September 2009, and one roving medical team that serves the hinterland regions of 1, 7, 8 and 9.

The next iteration of Guyana's HIV strategy, 'Guyana HIVision 2020,' will serve in developing activities and strategies to ensure more focused, aligned and country-owned responses and to guide investments to deliver innovation and maximum returns for our people; whoever they are and wherever they are living in Guyana.

The nation-wide vision for HIV in 2020 will focus on: the elimination of all forms of HIV transmission; including the elimination of parents-to-child transmission, by 2015, and keeping mothers and their children alive; all persons living with HIV receiving highly active anti-retroviral treatment; systems strengthening; involvement of all relevant public and non government sectors, and research and development, to remain up-to-date and ahead of the epidemic. This vision includes strategic intelligence to adequately prioritise and plan evidence-informed, efficient and effective actions that will move us from vision to implementation.

With respect to Tuberculosis, the medium-term action will include:

- Reducing mortality rates associated with Tuberculosis to 7% by 2013
 - Reducing prevalence rate of TB to 75 by 2015
 - Increasing case detection rates of TB to 95% by 2013
 - Achieving DOTS coverage of 95% by 2013
 - Reducing the treatment default rate to 7 % by 2013.
 - Testing substantial population of tuberculosis patients for HIV on their first visit to a health facility.
- TB is a leading cause of infectious disease mortality in Guyana. The country has one of the highest incidence rates in the region and increasing numbers of TB/HIV co-infections.

According to the 2009 TB programme annual report, 20 laboratory/microscopy sites are currently equipped to perform sputum microscopy²⁹ (16 are also treatment sites) and there are 33 Direct Observation Therapy, Short Course (DOTS) workers. Some sites offer services on a daily basis, while most of the regional sites offer specialized clinic days for TB services (MOH 2009b).

The programme also focuses on fostering collaboration with the National HIV and AIDS Control Programme to reduce illness and death associated with HIV/TB co-infection. In 2006, a committee was started for TB/HIV collaboration and the country has begun implementing all 12 of the WHO recommended collaborative activities, such as screening for HIV in TB patients. Other activities include training prison service staff on TB control, provision of VCT, and the development of a strategic plan for TB/HIV control in Guyana. Some of the major challenges that slow programme efforts include the decentralization and integration of its services, availability of human resources, and a lack of incentives for outreach workers.

With Malaria, actions will be centered on:

- Reducing prevalence and mortality rates associated with this disease, and reducing the number of

malaria cases by 2015

- Households in Regions 1,7,8 and 9 having at least one insecticide treated bed net.

Malaria is endemic in Guyana, with the majority of infections and malaria cases reported occurring in the remote interior hinterland regions, home to a large percentage of the Amerindian Guyanese population with limited or no access to public health services. The Vector Control Programme is the national programme of which malaria is a component, and it receives funding under a Global Fund grant.

The Malaria Programme seeks to reduce malaria morbidity and mortality in those priority geopolitical regions of the country with the highest incidence rates. Strategies used in the programme include decentralization of activities and strengthening of local health services to improve access to early diagnosis and appropriate treatment for communities at risk. Prevention efforts include the distribution of long-lasting insecticidal nets, indoor residual spraying programmes, distribution of malaria awareness brochures, and the creation of malaria councils in at-risk communities to improve community prevention efforts. Funds have also been used for prompt and effective treatment of *P. vivax*, and to treat *P. falciparum* malaria with artemisinin-based combination therapies.

H. IMPROVING MENTAL HEALTH

Globally, mental disorders affect more than 25% of people at some time during their lives. The common conditions of depression, anxiety and substance abuse are associated with academic and vocational underachievement, family and relationship disruption, financial loss, social failure, poor physical health, and premature death by suicide. Although there are no epidemiological surveys upon which to quantify the problem in Guyana. Much clinical depression and anxiety can be treated effectively with inexpensive medicines and simple psychosocial interventions, and the majority of patients respond well. Early detection and appropriate treatment will promote better outcomes, reduce health care costs, and minimize personal disability.

The recently completed Mental Health Strategic Plan sets the directions for addressing population mental health needs: integrating mental health services within general health care, and improving the balance between custodial and institution-based care with therapeutic and community based care with a focus on rehabilitation and recovery. In the medium term, the Government will:

- Create an appropriately resourced mental health system responsible for planning, standards setting, budgeting, and monitoring and evaluation of mental health services
- Enact mental health legislation
- Build mental health care capacity within the five levels of the health care system with a focus on prevention, early detection and treatment at the primary care level.

I. HEALTH SYSTEMS STRENGTHENING COMPONENTS

The Ministry of Health has completed its first Health Systems Assessment which looks at the state of the sector within the WHO building block areas of governance, health financing, service delivery, pharmaceutical management, human resources and health information systems. Based on this assessment,

the emphasis in the medium term will be in strengthening (i) governance; human resources; and pharmaceutical management.

III. HOUSING

The provision of housing to all is a component of the Government's Poverty Reduction Strategy.

The 2006 Household and Income and Expenditures Surveys (HIES) showed that among the 41 percent of households earning less than G\$60,000 (US\$300) per month (about 74,000 households), 12 percent do not own a house (about 21,000 households).⁵ The cost of owning a low-income house is around US\$9,000. With interest rates ranging from 5.5% to 8%, it makes it difficult for households earning less than US\$300 per month to afford their own homes.⁶ The challenge is how, with current earning patterns can a menu of policies and programmes advance the Government goals of provision of owner-occupied houses in Guyana?

The urgency of developing a medium-term housing strategy is in the main informed by the concerns, aspiration and choices expressed during the earlier PRSP consultations. The key elements of the policy decisions in addition to the lessons learned in developing and expanding the housing sector over the last decade are contributing immensely in developing the housing sector strategy.

Preliminary recommendations that are being considered by the Government for medium-term implementation include the following:

A. IMPROVING THE LEGAL AND REGULATORY FRAMEWORK

Some of the key actions that are being considered include:

- Abolition of the Land Selection Committee;
- Passage of an omnibus law on land use;
- Revision of the Town and Country Planning Act to empower CHPA and enforce land use and zoning regulations;
- Strengthening enforcement mechanisms and penalties; and
- Establishing rule-based coordination and consultations mechanisms among agencies involved in delivering a housing product.

B. IMPROVING LAND ALLOCATION SYSTEM

Key actions under consideration are

- Transparent, non-discretionary land allocation system that allows for tracking of house lots;
- Need for faster public divestment of public lands for housing;
- Creating an open land market with greater role for commercial developers;

⁵ CH&PA and commercial banks consider the following income level groups: low-income (less than US\$300 per month), middle income (US\$300-US\$500), and over US\$500.

⁶ Average of household equity share payments for land allocation (US\$400) and low-income house by private developer (US\$8,500).

- Lots allocated must be properly surveyed, demarcated and infrastructure services put in place (including drainage and environmental services); and
- Development of Housing Market.

C. IMPROVING TITLING

Among some of the policy matters under consideration include:

- Timeline for granting of title should be limited to 3 months;
- Linkage between MIS at CH&PA and Deeds Registry; and
- Lands allocated must have been previously surveyed in order to support the use of the title

D. ENHANCING THE ROLE OF LOCAL GOVERNMENT

Some of the policy consideration in this area includes:

- Enhancing the role of the NDCs to provide services;
- Regular valuations needed to apply rates by current market values.

E. IMPROVING COMMUNICATION TO ADDRESS LACK OF KNOWLEDGE AND ENFORCEMENT OF REGULATIONS

Among some of the policy considerations in this area include:

- Regular dissemination of information by CH&PA to the public;
- Interaction between consumers and builders;
- Revise and update building codes to reflect safety, health, environmental standards and include strong enforcement measures – Approval of plans would require adherence to codes. Follow up inspection required.

F. EXPEDITING COURT PROCEDURES

Policy considerations include

- Foreclosure processes for quick redress;

G. STANDARDIZING CONSTRUCTION

Policy consideration being considered includes:

- Enforcing building codes;
- Educating consumers through utilizing various media including website;
- Contract template and contract review services to be provided by CH&PA;
- Streamlining of licensing processes.

H. STREAMLINING SITE SERVICES

- Services should be triggered by size of scheme/ population;
- Set aside land in site plans for commercial developments;

- Consultations should be held with potential allottees to manage expectations of the housing development;
- Housing schemes should address improved accessibility, transportation and utilities.

IV. WATER

Guyana continues to make impressive progress in the water sector. Significant progress have been made in the reduction of Non Revenue Water (NRW) to 49 percent against a target of 50 percent while the percentage of customers metered has been increased to 42 percent against a target of 81 percent. The targeted collections of \$2.8B have been achieved. The treated water coverage has increased to 45 percent while the efficiency in sewage disposal has increased significantly. These improvements are result of capital investment made over the period 2007 to 2010.

In medium-term, the Government will continue to further improve the delivery, quality and access of treated water to majority of the population. To this end, contracts are in place for the drilling of four additional wells (Lima, Mon Repos, Manchester and Tabatinga) and another eight (8) new wells are programmed to be drilled in 2011 (Onderneeming, Wakenaam, Cotton Tree, Goed Fortuin, No 47 Village, Eccles/Providence, Hope and Rose Hall). Importantly, a Water Sector Strategy which is in consideration by staff of the Ministry of Housing and Water has been developed for the medium-term.

SEWER SYSTEM – GEORGETOWN

In excess of G\$400M has been invested to rehabilitate the Sewer System in Georgetown. Fifteen of the 24 stations have been fully rehabilitated and a new pump has been installed in each of the station. The new sewer project to be executed over the next 5 years will result in the complete rehabilitation of all 24 sewer stations, replacement of the force and riser mains and installation of new pumps at all the stations at a cost of some G\$ 2.0 billion. This will result in the improvement of the sewer system capacity to in excess of 85% efficiency.

V. SPECIAL INTERVENTION PROGRAMS TO ADDRESS REGIONAL AND DEMOGRAPHIC POCKETS OF POVERTY

In the medium-term, the Government will implement special programs to support poverty reduction especially in Administrative Regions where the 2006 HIES found high poverty levels. The key areas of poverty reduction interventions will center on (i) business development; (ii) infrastructure; (iii) decentralization of social services (iv) power supply; and (v) cross cutting interventions.

A. BUSINESS DEVELOPMENT

In 2008, the Ministry of Amerindian Affairs launched its National Hinterland Secure Livelihoods Programme in an effort to alleviate poverty through securing the livelihoods of 15 Villages. This pilot programme is a model for establishing similar business enterprises in keeping with the Low Carbon Development Strategy. In the medium-term, the Government will continue to implement this program.

In particular, improving the economy of the Indigenous Peoples will help reduce poverty among this segment of the population. Efforts to strengthen the village economy and community development through the Presidential Grant Program have improved capacity in the implementation management of small economic and social projects. The Government has committed increased resources in the medium term to continue with this program.

Importantly, the Government will continue to strengthen Village Economies and support enterprise development in the hinterland regions in an effort to transform village economies from subsistence to a market economy. So far, 165 Villages have submitted business plans for implementation in the medium term.

B. INFRASTRUCTURE

In the medium-term, the Government will continue the rehabilitation/construct roads in the hinterlands in order to further improve access to social services and markets. Committed resources in the medium-term will see the upgrading of the main road network which will provide for connection to Linden, Lethem, Lethem and Ashailton and Region 8 in the north and South Pakarimas.

Whilst the entrepreneurial initiatives in the Villages are taking place, the current focus on development of economic infrastructure such as water, electricity and transportation will facilitate improved competitiveness of produce in the hinterland regions.

C. DECENTRALIZATION OF SOCIAL SERVICES

In the medium-term, the Government will decentralize the registration of birth in central locations in Regions 1,7,8, and 9. This will make it simplify and make it easier for the population in hinterland areas to register and access social services.

D. POWER SUPPLY

Over the period 2011-2013, the Government is committed in providing access to power supply to hinterland communities through Photovoltaic Household Systems. This will expand the system from 2,729 to 11,000 photovoltaic solar household units. The Solar Energy Programme/ Photovoltaic Household Systems are in line with the Low Carbon Development Strategy.

E. CROSS CUTTING INTERVENTIONS

a) ICT

The commitment under the One Laptop Per Family (OLPF) programme for establishing central places in hinterland communities as internet hubs or computer banks is intended to facilitate communication and information sharing between the rural and urban communities, and bridge the developmental gap between the two. The initiative of the Guyana Learning Channel is expected to become available within the year to hinterland communities and will advance a wider scope for information and learning.

b) Disaster Risk Reduction and Climate Change

Many hinterland communities are heavily dependent on agriculture, a sector which is affected by climate changes. Early warning systems would complement the traditional knowledge of Amerindians in guiding their farming practices.

c) Mainstreaming of Environmental Sustainability

Mainstreaming environmental sustainability into national development planning involves establishing links between poverty and environment (including climate change). The thrust of LCDS on environmental sustainability recognizes the Amerindian contribution to conservation of natural resources and provides opportunities for Amerindian Villages to choose to commit their forests in line with LCDS.

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THE MEDIUM TERM MACROECONOMIC FRAMEWORK

This chapter illustrates the macroeconomic and the external accounts scenario that may emerge over the medium term, taking into account; (i) the domestic policy agenda which was put in place over the last 5 years; (ii) the policy proposals put forth in the preceding chapters in the context of the medium economic programme; and (iii) prospects for external financing.

GROWTH PROSPECTS

The baseline macroeconomic outlook remains positive for 2011 and the medium-term. A key factor will be the ability of the Government to continue the reform programme, continue to maintain a system of undistorted factor and commodity markets and a stable macro-economic environment.

Projections made in this report are designed to achieve a balance between Guyana's potential, and the likely reoccurrence of unforeseen external and internal shocks which may impact on growth. The projections assume that the reforms and the policies elaborated in the medium term strategy will be implemented with vigor. Further, the projection assumes increases in FDI, particularly, in the mining sector and in oil exploration. On this basis, the economy is projected to grow by 4 percent in 2011 and average growth is projected at 4.3 percent in the medium-term.

Growth would require maintaining investment at around 18.5 percent of GDP of which public investment will account for more than 71 percent during 2011-2015. This level of investment reflects the amount needed for the public private partnership of the power generation, remainder of investment needed to complete the national fiber optic network; continued rebuilding of public infrastructure; and improvement of social sector infrastructure. The sources of growth during 2011-2015, seen in Table 12.1 below, are assumed to be driven by increased volume in agriculture (rice, sugar, fresh fruit, livestock and vegetables), mining (gold and bauxite), manufacturing, lumber, ecotourism and ICT services. Sugar production is expected to stabilize at about 400,000 metric tons over the medium-term. Ongoing research in the rice sector is expected to yield positive results for rice production and exports.

Foreign investment, particularly in gold, oil, manganese and bauxite mining should stimulate greater output in the mining sector. Growth in manufacturing, in part, reflects improved

prospects of cane-sugar and paddy output while increased allocation of house lots and planned public infrastructure accounts growth in the construction sub-sector. The service sector is projected to grow at a modest pace over the medium-term.

TABLE 12.1. MEDIUM TERM MACROECONOMIC FRAMEWORK: SELECTED ECONOMIC AND FINANCIAL INDICATORS									
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Production and prices	(Percentage change)								
Real GDP (factor cost)	7.0	2.0	3.3	3.6	4.6	6.0	6.1	5.0	2.7
Consumer Prices (average)	12.2	8.1	3.0	3.7	4.7	4.9	5.4	5.4	5.4
Consumer Prices (end of period)	14.0	6.4	3.7	4.4	4.4	5.4	5.4	5.4	5.4
Terms of Trade	3.1	-1.1	18.4	1.3	-0.1	0.4	0.4	1.1	1.8
	(In percent of GDP)								
National accounts									
Investment	20.7	19.1	16.5	17.0	20.6	30.1	30.4	26.5	21.7
Private sector	6.6	8.4	4.0	5.8	6.1	17.5	17.7	13.6	8.8
Public sector	14.1	10.7	12.5	11.2	14.5	12.6	12.7	12.9	12.9
National saving	9.6	5.8	7.7	5.6	11.9	11.5	11.9	10.0	12.5
Private sector	2.4	1.3	0.5	-0.5	1.9	4.1	4.2	2.1	4.2
Public sector	7.2	4.5	7.2	6.1	10.0	7.4	7.7	7.9	8.3
External Savings 1/	11.1	13.2	8.8	11.4	8.8	18.6	18.5	16.5	9.2
Nonfinancial public sector									
Revenue and Grants	27.5	25.9	28.6	26.2	30.4	29.1	27.9	27.4	27.5
Expenditure	32.4	30.6	32.0	30.3	33.9	32.3	31.0	30.4	30.5
Current	18.4	19.9	19.5	19.1	19.4	19.7	19.2	18.9	18.9
Capital	14.1	10.7	12.5	11.2	14.5	12.6	11.9	11.5	11.6
Overall balance (after grants)	-4.9	-4.7	-3.4	-4.1	-3.5	-3.2	-3.1	-3.0	-3.0
Total Public sector debt (e.o.p) 2/	60.0	61.6	60.5	61.2	62.1	61.4	61.4	61.6	60.8
External	41.6	43.7	45.4	47.3	50.2	51.9	53.4	52.3	50.9
Domestic	18.4	17.9	15.1	13.9	11.9	9.5	8.0	9.3	9.9
	(In millions of U.S. dollars, unless otherwise indicated; end of period)								
External sector									
External Current Account Balance 1/	-193.0	-253.6	-178.9	-253.1	-210.5	-491.4	-530.9	-511.6	-298.4
Gross official reserves 3/	312.6	355.9	627.5	664.3	776.7	869.5	889.3	855.5	901.4
Months of imports	2.9	2.7	5.1	4.8	5.1	4.9	4.8	4.4	4.9
Memorandum items:									
Nominal GDP (G\$ billion)	352.2	391.5	413.1	452.5	489.6	543.8	605.0	666.7	721.7
Per Capita GDP, US\$	2277	2497	2637	2875	3095	3394	3691	3956	4125
PetroCaribe loans savings (stock, in % of GDP)	1.1	3.6	4.6	6.0	8.2	9.3	10.8	12.0	10.7

Source: Ministry of Finance; IMF Staff Reports

FISCAL PROJECTIONS

As outlined earlier, the Government will maintain prudent fiscal policies in the medium-term. Following fiscal consolidation over the last 2 years, the medium term plan envisages slower fiscal tightening. Thus, the NFPS deficit is projected at 3.5 percent in 2011 and thereafter, will gradually converge to 3.0 percent in 2015. The projected fiscal path will provide some space to support growth through public investment. Nevertheless, the Government will implement expenditure measures, if needed, to meet fiscal targets and protect debt sustainability. Monetary policy in the medium-term is designed to ensure compliance with inflation target of 4 percent.

TABLE 12.2 THE MEDIUM TERM FISCAL FRAMEWORK

Percent of GDP	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenue and Grants	27.5	25.9	28.6	26.2	30.4	29.1	27.9	27.4	27.5
Tax revenue	22.0	20.2	21.6	22.3	21.2	21.4	21.8	21.8	21.8
GRIF	0.0	0.0	0.0	0.0	2.9	1.5	1.4	1.6	1.5
Public Enterprises Balance	1.5	0.5	1.4	-0.2	1.5	1.2	0.9	1.2	1.7
Expenditure	32.5	30.6	32.0	30.2	33.9	32.3	31.1	30.4	30.5
Current expenditure	18.4	19.9	19.5	19.1	19.4	19.7	19.2	18.9	18.9
Interest	1.8	1.7	1.6	1.7	1.6	1.6	1.6	1.6	1.6
Capital expenditure	14.1	10.7	12.5	11.2	14.5	12.6	11.9	11.5	11.6
Overall balance before grants	-8.1	-9.0	-7.6	-6.6	-6.7	-7.2	-5.9	-4.8	-4.3
Grants	3.2	4.2	4.2	2.6	3.2	3.9	2.8	1.8	1.3
Overall balance after grants	-4.9	-4.7	-3.4	-4.0	-3.5	-3.3	-3.1	-3.0	-3.0
Financing	4.9	4.7	3.4	4.0	3.5	3.3	3.1	3.0	3.0
Net foreign financing 2/	5.5	6.8	4.9	5.9	7.0	6.4	5.9	2.9	1.0
Net domestic financing	0.5	0.5	-0.6	0.0	-0.9	-1.2	-0.5	2.1	1.2
PetroCaribe Account	-1.1	-2.6	-0.9	-1.9	-2.6	-1.9	-2.3	-2	0.8
Nominal GDP at producer prices (G\$b)	352.2	391.5	413.1	452.5	489.6	543.8	605	666.7	721.7
Source: Ministry of Finance									

BALANCE OF PAYMENTS

Total merchandise exports are projected to increase by 35 percent over its 2010 level by 2014 on account of expansion in sugar, gold, and bauxite exports. The processing of packaged sugar and refined sugar will contribute to the value of exports in 2012 through 2015. In addition, exploration of gold by over six firms is projected to increase gold exports from 2011 and beyond. Non-traditional exports are projected to expand by 12 percent over the period. Exports of vegetables and fruits will be the key drivers.

Imports are projected to grow by 5 percent on average over the next five years. Intermediate products led by fuel and its derivatives are projected to grow. Capital goods on account of expansion of private sector activities is projected to also grow over the medium-term. Food and durable goods are projected to rise in

line with GDP growth. Overall, the elasticity of imports to GDP is projected at 1.2. Despite the increasing volume of exports, the high import content of the medium-term economic expansion coupled with higher projected import prices explains the Guyana's adverse terms of trade. Lower factor payments, higher levels of remittances and decline in import volumes over the medium term will contribute to the improvement in the current account balance.

Foreign direct investment (FDI) is projected to increase over the medium-term. Investments in gold, bauxite and manganese, sugar and its derivatives, power generation and infrastructure development will account for the growth in foreign direct investment. However, this positive development will be offset by low disbursements from the IFIs on occasion of reduction from IDA and IDB emanating from policies surrounding access to debt relief.

The projected capital disbursements have been assumed to consist of grants and concessional borrowing. Provided this is adhered to, the projected debt service payments relative to GDP, export receipts and public revenues would remain manageable. Import cover is projected to average about 4.8 months.

Percent of GDP	2007	2008	2009	2010	2011	2012	2013	2014	2015
Current account (incl. official transfers)	-11.1	-13.2	-8.8	-11.4	-8.8	-18.6	-18.5	-16.5	-9.2
Current account (excl. official transfers)	-11.8	-15.9	-11.4	-10.8	-16.1	-20.4	-20.1	-17.7	-10.3
Merchandise trade (net)	-21.9	-26.5	-20.3	-23.7	-25.7	-29.4	-28.5	-25.5	-18.3
Net Services	-6.4	-6.6	-5.9	-3.8	-6.1	-4.8	-4.8	-4.9	-5.1
Net FDI	8.8	9.3	8.1	6.9	6.9	14.8	14.1	13.6	8.7
<i>Annual Percent Change</i>									
Value of Export of goods	16.5	17.1	-3.8	16.1	3.4	4.1	4.4	7.5	8.3
Value of Imports of goods	20.1	22.9	-9.7	20.2	8.6	18.8	4.9	2.6	-5.7
Memorandum items:									
Gross international reserves	312.6	355.9	627.5	664.3	776.7	869.5	889.3	855.5	901.4
(in mths of imports of goods and services)	2.9	2.7	5.1	4.8	5.1	4.9	4.8	4.4	4.9
Oil price assumption (US\$/b)	72.5	97	61.8	76.2	78.8	82.3	84.8	86	87.5
HIPC/MDRI debt service relief (US\$ million)	72.5	56.5	58.3	56.5	55.9	54.7	53.3	51.1	48.5
GDP (US\$ million)	1739	1916	2030	2221	2398	2637	2876	3092	3234
<i>Source: Bank of Guyana; Bureau of Statistics; Ministry of Finance</i>									

FINANCING AND SECTOR ALLOCATION, 2011-2015

Total external resources identified for programme intervention over the medium-term amounts to US\$985.4 million or an average of US\$197.1 per year. This figure excludes resources from GRIF which is classified as domestic financing.

Based on the sector priorities, ongoing and proposed investment as elaborated earlier, these resources are then broken down by sectors. Table 12.3 provides a summary of financing and sector allocation over the medium-term.

Given the limited resources over the medium-term, the goal of the Government is to prioritize the allocation of resources with the view of targeting key areas that could provide quick supply and employment responses and improve access and quality of social services.

The prioritization of the allocation of resources takes into consideration the following factors:

- Key areas of existing gaps in the implementation of the 2001 PRSP in order to reduce regional inequities and improve key economic and social indicators;
- Public/private partnerships particularly in the infrastructure sector; and
- Sectors with potential for growth, employment generation and poverty reduction.

Domestic financing in the main are derived from tax collection from Guyana Revenue Authority and the GRIF. The projections on increased mobilization of revenues are premised on (i) tax buoyancy and (ii) efficiency gains from continuous reforms at the Guyana Revenue Authority. At the same time, Government will continue to review its expenditure management systems with a view of improving efficiency, fiduciary oversight and accountability of the use of public resources.

As in previous years, the Government will refrain from using the banking system to finance its deficits and as the revenues situation improves, policies will be implemented to reduce the domestic bonded debts.

TABLE 12.4- SECTOR ALLOCATION OF EXTERNAL FINANCING TO THE CAPITAL BUDGET					
US\$ MILLIONS	2010	2011	2012	2013	2014
Total External Financing	172.8	260.5	267.7	259.5	197.7
Loans	120.2	187.0	186.3	195.3	147.1
Grants	52.6	73.5	81.3	64.2	50.7
Sector Allocation of Financing					
Agriculture	44.9	56.2	58.9	59.5	66.0
Economic Infrastructure	35.6	48.3	68.1	76.9	37.6
Economic Services	6.1	24.3	17.1	10.0	10.0
Social Sector					
<i>Education</i>	5.4	8.5	12.4	23.8	19.3
<i>Health</i>	6.0	2.8	12.2	0.0	0.0
<i>Housing</i>	9.3	10.2	10.9	8.5	0.0
<i>Water and Sanitation</i>	12.3	5.2	19.4	4.8	0.0
<i>Community and Poverty</i>					
<i>Programmes</i>	4.9	3.6	3.9	0.0	0.0
Administration	0.5	0.6	0.0	0.0	0.0
Justice and Public Safety	4.8	20.2	4.9	0.0	0.0
Other/Unspecified/Budget Support	43.0	80.4	60.0	76.1	64.9

Source: Ministry of Finance; IMF Estimates

The resource envelope presented above is based on the macroeconomic framework as described above. It also incorporates the key assumptions in the budget policy and other important sectors of the economy, information on the likely timing of large and strategic projects, and the most recent forecast of the global economic situation.

DEBT SUSTAINABILITY

The NPV of debt-to-revenue at end-2009 was 169 percent. With the stronger starting position and the improved economic prospects, the NPV of debt-to-revenue ratio will continuously decline to 184 percent by 2014 as Guyana is expected to continue to benefit from foreign financing on concessional terms as well as grants, including support from the EU for sugar sector reform.

TABLE 12.5 GUYANA EXTERNAL FINANCING REQUIREMENTS AND SOURCES

US\$ MILLIONS	2007	2008	2009	2010	2011	2012	2013	2014	2015
Financing Requirement	621	372	391	330	398	667	637	556	428
External Current account deficit (net official transfers)	205	305	220	276	258	539	578	546	334
Debt Amortization	379	24	-101	17	28	35	39	44	48
NFPS Amortization 1/ Bank of Guyana amortisation of which	379	22	8	15	20	23	28	32	38
IMF Credit	0	0	0	1	7	12	12	12	10
Gross International reserves (+increase)	37	43	272	37	112	93	20	-34	46
Available Financing	620	372	391	331	398	667	638	556	428
Capital Transfers (MDRI)	363	13	0	0	0	0	0	0	0
Official Transfers	38	74	73	48	63	91	69	46	35
NFPS loans	99	142	100	135	180	202	205	127	74
Other public sector net 2/	-4	-57	-17	-41	-56	-50	-65	-60	24
Private Sector (net) 3/	117	200	235	189	211	424	429	444	295
Exceptional Financing	7	0	0	0	0	0	0	0	0
Financing Gap	0	0	0	0	0	0	0	0	0

1/ Scheduled amortization of NFPS before HIPC Relief through 2003

2/ Includes the SDR allocation of US\$108.6 million

3/ Includes the unspent portion of Petro Caribe financing

4/ Including change of commercial banks NFA, short-term flows and trade credits, net foreign direct investment, and errors and omissions of balance of payments

Source: IMF Staff Report, 2011

1 3

MONITORING & EVALUATION

INTRODUCTION

This chapter provides a progress review of monitoring and evaluation activities undertaken, as well as an overview of the Government of Guyana's five-year plan for strengthening monitoring and evaluation (February 2011- February 2016). Monitoring and evaluation of the Poverty Reduction Strategy Paper 2011-2015 is a sub-set of the more comprehensive approach taken by Government in measuring, analyzing and reporting on its programmes and policies across the entire central government .

The section contains macro-level indicators in key sectors which will be used to measure implementation, performance and results achievement over the PRSP plan period. Regular monitoring and evaluation of these are critically important to the success of the initiatives outlined in the PRSP. The results will provide requisite reflexivity in the system and will strengthen and guide more effective and efficient policy making and programme implementation towards achieving the goals and targets set in PRSP 3.

I. REVIEW OF PROGRESS IN MONITORING AND EVALUATION

'Managing for results' in public sector management means clearly defining expected results to be achieved by programmes, delivering the programme or service, measuring and evaluating performance, and making adjustments to improve both efficiency and effectiveness. It also means reporting to key audiences.

The Government of Guyana has long recognized the need for and utility of results-based management in its operations. There are a number of current practices and initiatives which promote results-based monitoring and evaluation (M&E) development in Guyana. These include:

A. POLICY AND LEGAL FRAMEWORK

Value for money, public accountability, and their corresponding tools of monitoring and evaluation are articulated and supported at the highest political levels in Guyana. There is a strong accompanying policy framework which supports a system of monitoring and evaluation. An important component of the policy framework is the Fiscal Management and Accountability Act (FMAA) of 2003 which provides regulations on accountability and transparency of financial management. A key provision of the FMAA 2003 relates to the requirement for Budget Agencies to prepare Programme Performance Statements (PPS) which articulate and track expenditure in relation to programme

objectives, impacts, strategies and performance indicators. The PPS requirement is designed to create and stimulate more results-oriented information from Budget Agencies.

Additionally, the Government of Guyana is currently implementing an initiative that will see the strengthening and institutionalization of monitoring and evaluation functions across the central government. This initiative is guided by the National Action Plan for M&E (2011) and is being spearheaded by the Ministry of Finance. It aims to improve the current M&E culture and network by gradually and systematically strengthening M&E functionality at key government Budget Agencies over a five-year period.

B. NATIONAL-LEVEL PERFORMANCE REPORTING

This exists in several forms in Guyana. On an annual basis, the country's national budget, which provides a comprehensive review of Government's expenditure and performance against previously stated targets, is presented to and debated in Parliament. The annually published Budget Speech is an extremely detailed account of global and national social and economic developments, and accounts for all monies expended in the past fiscal year and planned for expenditure in the next financial cycle. The Budget Speech is publicly available and serves as a key reference point for tracking progress in all sectors, and contains data on critical performance indicators. The "Budget at a Glance" document is a more user-friendly publication that enables non-technical readers to more easily access and interpret the information presented in the national budget documents. Government has also annually published a Mid-Year Report on the Budget since 2007, which reports on key achievements for the previous year.

National Progress Reports have also been issued on the previous Poverty Reduction Strategies (2004, 2005) and to date, two Progress Reports on the Millennium Development Goals (2003, 2007) have been completed. The third, and most recent MDG Progress Report for 2008/09 is slated for publication in September 2011.

C. PROGRAMME BUDGETING

Since 1997, Government moved away from the conventional approach of line-item budgeting and adopted a system of programme budgeting under which detailed costs are ascribed to each activity, sub-programme and programme to be carried out in the National Budget across all Budget Agencies. This has resulted in an unprecedented degree of transparency in expenditure planning, review and management. The introduction of the Integrated Financial Management Accounting System (IFMAS) designed along the activity sub-programme and programme structure permits Budget Agencies to access real time information on expenditure

D. STATISTICAL CAPACITY BUILDING

A key component of monitoring and evaluation systems is statistical capacity. A broad initiative to build such capacity within Budget Agencies was carried out in recent years, with leadership from the Bureau of Statistics. The Social Statistics and Policy Analysis Project aimed to improve the capacity of Budget Agencies by establishing statistical units in three social sector ministries, and further strengthening existing capacity in the key social sector ministries of health and education. This programme served to

underscore the importance placed on statistics and analysis, as well as some of the human resource issues associated with recruitment and retention of this particular skill into government.

In addition, the Bureau of Statistics has operationalized the use of the statistical software “DevInfo” which provides to users quick and user-friendly access to and analysis of key development indicators and trends.

II. MONITORING & EVALUATION STRATEGY 2011-2015

A review of the current status of M&E in the public sector demonstrates that there is a sound framework upon which to build and strengthen the practice of monitoring and evaluation of government policies and programmes. In 2010, the Government re-evaluated the existing M&E system in order to better ensure a viable national M&E system. The current initiative to strengthen and institutionalize M&E across government aims to develop a stronger, more effective and nationally integrated M&E system capable of producing timely, relevant and credible feedback and analysis on government performance.

Key elements of the medium-term strategy to strengthen M&E in the system are:

A. ESTABLISHING INSTITUTIONAL ARRANGEMENTS

Following the dissolution of the Policy Coordination and Programme Management Unit (PCPMU) at the Office of the President, which previously held responsibility for national-level monitoring and evaluation, the mandate for M&E has been assigned to the Ministry of Finance. In this regard, MoF is in the process of establishing a Monitoring & Evaluation Division within the Ministry to serve as the ‘policy centre’ for M&E, to support and facilitate the initiative to strengthen and institutionalize M&E across government.

The intention is to build M&E capacity in Budget Agencies in a phased manner over the plan period, with the Ministries of Health and Education serving as pilots in Year One (2011), with a target of 28 Budget Agencies being covered by the end of the 5-year period in 2016.

The structure of the M&E framework envisaged can be described as one of “Ministerial delivery and central leadership” where the central M&E Division at the Ministry of Finance will play guidance, facilitation and oversight roles for ministry M&E units/functional capacity which will conduct actual monitoring and reporting on results.

B. HUMAN RESOURCE DEVELOPMENT

M&E training and orientation across the public sector will be intensified to generate awareness and sensitization as well as to build and strengthen technical capacity within Budget Agencies to carry out monitoring and evaluation functions. Government began training key personnel in concepts and techniques of M&E in 2011, and aims to expand and intensify such capacity building efforts over the remainder of the plan period.

C. DATA DEVELOPMENT

Measurement and data development strategies will be developed for individual Budget Agencies at a national level and for the collection of sub-national data to support results-based management. These strategies will be aimed at identifying credible and cost-effective approaches to measuring performance, and will serve as a mechanism for identifying data gaps and areas in which investments in data development are required.

D. BUILDING BUDGET AGENCY CAPACITY

Building capacity at individual Budget Agencies to undertake monitoring and evaluation functions more effectively will require the development of ministry-specific performance frameworks under which relevant results-based performance indicators for expected outputs and outcomes will be critically reviewed.

E. RESULTS-ORIENTED PERFORMANCE REPORTING

Performance reporting will continue to be strengthened, with an emphasis on improving the system's capability of generating the requisite information and analysis on policies, programmes and activities.

F. REVIEW AND OVERSIGHT OF M&E IMPLEMENTATION

To ensure that the guidelines and expected standards for results-oriented M&E are being followed, the establishment of two committees will provide oversight of the entire process: (1) the M&E Project Monitoring Committee, a high-level committee to monitor the overall progress being made in the implementation and use of M&E across the system; and (2) the M&E Pilot Advisory Committees, set up in each new pilot ministry to monitor and help deal with operational issues.

III. ROLES AND RESPONSIBILITIES IN BUILDING AN EFFECTIVE M&E SYSTEM

Implementation, as well as monitoring and evaluation of the PRSP 2011-2015, is a collective national exercise. It is useful in the specific context of M&E to articulate and clarify broad roles and responsibilities of key stakeholders:

Government: responsible for monitoring, evaluation and reporting of government performance against PRSP targets and indicators.

Development Partners: support M&E by providing financial and technical assistance to the initiative to build M&E capacity, integrating development partners' monitoring frameworks into government systems, supporting capacity building for M&E, and use of M&E products.

Private Sector: The role of the private sector in M&E primarily relates to collaboration with relevant Budget Agencies in the provision of data, as well as the development of and adherence to necessary codes and standards.

IV. MONITORING & EVALUATION OF THE PRSP 2011-2015

In the course of implementation of the PRSP 2011-2015, it will be important to assess Guyana's performance against stated goals and objectives. To this end, effective monitoring and evaluation will be undertaken to provide relevant information which will be used to measure and report progress towards planned objectives and related targets as well as to assess, fine-tune, re-orient or otherwise alter the proposed initiatives.

The summarized Results Framework for the PRSP 2011-2015 is presented below, against which monitoring and evaluation activities will be conducted:

TABLE 13.1 – GUYANA QUANTITATIVE TARGETS ON THE PRSP, 2011-2015							
	2006	2010	PRSP TARGETS				
			2011	2012	2013	2014	2015
POVERTY REDUCTION							
Population below the national poverty line	36.1	30	28.2	26.5	24.9	23.4	22
Population below the national poverty line (Extreme)	18.6	17	16.6	16.1	15.7	15.3	14.9
% of Under 5 year old children severely undernourished	0.4	0.3	0.2	0.2	0.2	0.2	0.2
EDUCATION AND LITERACY							
(Primary)							
- Completion rate	90	92	92	93	93	93	94
- Student-teacher ratio	46	45	44	43	42	39	35
PRSP TARGETS							
	2006	2010	2011	2012	2013	2014	2015
(Secondary)							
- Repetition rate	11	9	9	8	8	8	7
- Student-teacher ratio	42	37	36	34	34	33	30
- Percentage CSEC passes Grades 1-4	79	81	81	80	82	83	84
Infant mortality rate (per 1,000 live births)	19	13	13	11	11	10	10
Maternal mortality ratio (per 100,000 live births)	114	85	85	85	85	85	85
Births attended by Skilled personnel	97	95	95	95	95	95	95
1 year olds immunized against measles	94	95	95	95	95	95	95
1 year olds immunized against DPT	93	95	95	95	95	95	95
% of population with access to health services	75	78	79	80	81	82	84
% of population with access to adequate sanitation							
Number of reported cases of AIDS	191	176	175	170	168	168	165
Reported cases of AIDS among women (15-45 cohort)	105	100	98	96	96	94	90
Incidence of tuberculosis (per 100,000 pop)	185.5	100	80	75	75	70	70
Reported new cases of measles	21,064	16,401	15,089	13,882	12,771	11,750	10,810
WATER							
% of population with access to safe water	81	86	88	89	91	93	95
% of population with access to treated water							

TABLE 13.1 – GUYANA QUANTITATIVE TARGETS ON THE PRSP, 2011-2015							
	2006	2010	PRSP TARGETS				
			2011	2012	2013	2014	2015
HOUSING							
House lots distributed	3120	6331	7500	7875	8111	8273	8356
Land/house titles distributed	0	4591	4000	4040	4080	4121	4162
ENVIRONMENTAL SUSTAINABILITY							
Co2 emissions (metric tons per capita)							
Forest area (% of land area)							
GENDER EQUALITY							
Share of Parliamentary seats held by women	29	29	29	32	32	32	32

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RISKS TO THE STRATEGY, SUMMARY AND CONCLUSIONS

In the medium term Guyana faces both external and internal risks to the attainment of the objectives outlined in it's this PRSP. On the external side, (i) adverse terms of trade; slowdown in the global economy particularly in North America; and shortfall in external financing may undermine macroeconomic stability and poverty reduction. Internally, absence of national consensus, limited implementation capacity, and rigidities in the business environment may well thwart Guyana's efforts to attract private sector investment to expand and sustain growth.

EXTERNAL FACTORS

Perhaps, a threat in the near term to Guyana achieving its PRSP objectives is the worsening terms of trade of its external sector. Continuing higher fuel prices pose real risk to macroeconomic stability through higher inflation and inflationary expectations. The transmission of these developments may result in the (i) erosion of purchasing power especially by the poor; and (ii) pressures on foreign exchange reserves. In addition, rapid changes in trade preferential agreements have been effected and will continue to pose a systemic risk to the external sector and the affected industries.

In addition, the downside effects of the housing market in the United States pose a risk on remittances in the near term. Remittances which account for close to 17 percent of GDP has provided a cushion to the poor and contributed to poverty reduction. Reduction of remittances in the near term may put pressure on resources for safety nets and may trigger further Government interventions to protect the poor.

INTERNAL FACTORS

The key risks to the strategy internally may emanate from human resources, socio economic and political instability, and crime. Re-orienting curriculum of the education system to reflect the development needs of the country may be helpful. While results may not be seen, perhaps in the medium term, the long term effects will be positive. In the case of socio-economic and political instability, managing the political process through peaceful elections and implementation of the governance policies may help build national consensus, a key factor in programme success. Further, routinely evaluating the impact of the external environment on the cost of living will be crucial to contain downside risks. Managing crime may help improve perceptions about Guyana.

EXOGENOUS FACTORS

An important risk that is involved here is natural disaster and its recurrences. Despite the interventions in comprehensive disaster management, seasonal rainfall and recently rainfall associated with unusual weather patterns may affect agriculture production, livelihoods.

SUMMARY AND CONCLUSIONS

Guyana stands on the threshold of economic and social transformation. Steadfast commitment to policy measures elaborated in the second PRSP is likely to unleash the country's vast potential thereby opening the door of opportunities to its people. The lessons of the last 5 years properly assimilated would help guide policy and programme implementation. While the country faces great challenges in the medium-term, the opportunities are even greater. Social cohesion, marketing of Guyana potential to the developed world would augment the transformation process.

**1] PRSP POLICY
& PERFORMANCE
MATRIX, 2011 – 2015**

2] STATISTICAL ANNEX

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
Macro- Economic Framework	Maintaining Fiscal sustainability	Strengthen and enhance tax administration	Develop and Pass the Consolidated Tax Act	2013	Tax Act tabled in Parliament
			Strengthen the GRA's PR Function	2012	Communications Strategy in Place Media tools developed
			Improve the container examinations system	2012	Increase revenue through examinations
			Establish and operationalise a post clearance controls function	2012	Post Clearance Controls Unit established; Three-year training programme in place Revenue gains
			Strengthen VAT administration in particular the audit function for VAT	2012	Audit function review completed; Continuation of VAT Audit Training Programme Revenue gains
	Maintain or lower Guyana's debt distress risk		Continue efforts to maximize concessionality on new borrowing	Continuous	Debt sustainability indicators
			Identify and implement actions to ensure aid effectiveness	2011	Aid Information Management System in place Capacity building to stakeholders involved in aid mobilization
			Develop models for public private partnerships in critical sectors such as energy and transportation	2013	Framework for PPP in place
	Enhance expenditure management and controls	Strengthen the public procurement system and administration	Establish PPC and its Secretariat	2012	PPC established and staffe
			Recruit and train staff for the PPC Secretariat staff		
Provide on-going training to develop a critical mass of public procurement professionals			2012	Multi-year Training programme in place No. of public officials trained	
		Develop and pilot sector-specific public procurement manuals	2013	Manuals developed Staff trained in Manual	

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
					Pilots implemented at key sector ministries
			Computerize/digitize procurement information; Upgrade MIS	2012	Reduced time for the procurement process by 50 percent
			Review regulatory, institutional and IT infrastructure capacity in preparation for e-procurement	2014	Begin piloting of on-line tendering of goods and services at NPTA and 4 largest sector ministries
	Enhance accountability of public resources	Strengthen the audit function in support of improving accountability of public resources	Strengthen internal controls at MOF to service all sector ministries and establish audit capabilities in sector ministries	2012	Trained Staff of Internal Audit Units across sector ministries
Strengthen the performance audit capability in the Auditor General's Department			2013	Value for Money Manual	
Complete Implementation of IFMAS		Implement remaining modules	2011	IFMAS fully functional	
	Establish and Safeguard the Integrity of the financial system	Maintain price and exchange rate stability	Continuous review of monetary policy to ensure its consistency with price stability	Continuous	Inflation targets met
		Strengthen supervision and fiduciary oversight of the financial system through completion of the implementation of FSAP	Review legislative/regulations pertaining to credit Unions	2013	Bring Credit Unions under supervision of the bank of Guyana
			Review legislation/regulations pertaining to the Insurance Industry	2013	Amendments to existing legislation tabled in Parliament
			Continued implementation of financial literacy programme	Continuous	Number of programmes completed
			Establishing a Credit Bureau	2012	Credit Bureau legal framework completed
			Develop regulations and guidelines and strengthen implementation of anti-money laundering legislation		Legislation and guidelines in place

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
Improve good governance	Strengthen parliamentary processes and its capacity for fiduciary oversight	Implement Parliamentary reforms	Continue to strengthen the staffing and technical skills of the Secretariat Committee that serves the various committees including the PAC and ESC	2013	Continuous training for the Committees Secretariat
			Provide ongoing technical support to the Hansard Division to ensure access to timely records of debates in the National Assembly.	Continuous	Number of additional Hansard Records digitized
		Strengthen the Electoral process	Create New National Register of Registrants	2011	New Register in place
			Strengthen the Elections Commission	Continuous	Equip the Elections Commission Train staff
	Strengthen the regime requiring disclosure of the assets of public official	Reform the Integrity Commission (IC)	Develop operational protocols and procedures governing the execution of the Commission's roles	2013	Number of public officials declaring assets annually
			Carry out a Needs Assessment and propose appropriate internal organisation, staffing complements, systems, and training;	2013	Needs Assessment completed
			Design a monitoring and evaluation plan for IC	2014	Monitoring and Evaluation system in place
	Improve efficiency and effectiveness in public services	Implement measures to modernize the Guyana Public Sector	Complete a review study to support modern public management and develop strategic vision	2013	Review completed
			Provide management and leadership training to Permanent Secretaries and Heads of Departments	Continuous	Number of Permanent Secretaries trained
			Review, develop, and implement civil service training programme	Continuous	Number of staff trained per year
Design and implement a performance appraisal system for professional staff			2013	Link salary adjustments to performance	
Rationalise work force planning including critical review of the number			2014	Review study completed	

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
			of authorised persons, matching of job descriptions, and capacity assessment		
Regulatory and Institutional Framework	Strengthen Land management	Reform land-use policies and align, especially in forestry and mining, with the LCDS	Develop a comprehensive land and property markets policy	2012	Policy Paper completed
			Streamline and re-engineer the land lease allocation system	2012	Reduction in time in acquiring leases
			Upgrade the Land Information System	2013	Upgraded MIS in place
			Implement measures to improve land administration procedures in alignment with the LCDS	2013	Guidelines developed
		Improve the legislative environment for businesses	Bring the Deeds Registry Authority Act into effect	2012	Begin implementation of New Act
			Automate, digitize and develop electronic retrieval systems for all past records for land registrations, trademarks and intellectual property rights.	2012	New automated system in place
			Pass the Business Name (Amendment) Bill to allow business to re-register on their anniversary date	2011	Bill tabled in Parliament
			Pass the Electronic Transaction Bill to allow investors and government agencies to transact business online	2012	Bill tabled in Parliament
Modernise the economic base	Create and/or expand sectors that will generate broad based employment and growth	Develop low carbon economies in fruits and vegetables, aquaculture, sustainable forestry and wood processing	Attract major international investors and Nature investments	2013	Share of FDI in total private sector investment
			Develop sustainable forestry and wood processing sectors to facilitate long term job creation and export earning capability	Enforce the law and regulations to ensure that logging and all forestry concessions comply with global standards for sustainable forest management	2011
			Conducting of a detailed National Forestry Inventory	2011	Forestry inventory completed
			Reduction and eventual restriction of	2014	Share of log export in GDP

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
			log exports		reduced
			Establish Pilot “forest plantations”	2013	Pilots implemented
			Establish additional Community Forestry Organizations	2013	Number of Community Organisations established and operational
			Provision of appropriate training to all stakeholders	Continuous	Training programmes developed and implemented
			Implementation of a Code of Practice for processing operations to enhance recovery, efficiency, and product quality	2012	Code of Practice in place
	Modernise the sugar industry	Implement the Sugar Action Plan	Increase investment in specific cane sugar activities such as D&I	Continuous	Expanded production for private growers
			Complement current cane sugar production with increased mechanization	Continuous	Labour-Capital ratio in cane production
			Create incentives for private growers to increase production	2012	Incentives structure developed
			Establish packaging plant at Enmore	2011	Repackaged Sugar exports
	Accelerate rice production and exports		Expand drainage and irrigation of arable land suited for rice cultivation	2013	Capital investments in rice related D&I activities
			Continue research for more rice resistant seeds and three season crop per year	Continuous	Research and Development budget and outcomes
			Provide extension services and training for farmers	2011	Extension services allocation in budget; Extension officers trained annually
			Improve competitiveness by exploring approaches to reducing cost of production	2011	Cost of rice production
			Identify, evaluate and secure export market	Continuous	Volume of Rice Exports
			Strengthen standards for rice production and exports	2011	Regulatory standards established
	Diversify and modernize the	Develop the livestock and fruits and	Establish the Diversification Institutional Arrangement (DIA) for (i)	2011	DIA established

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
	Agriculture sector to enable poverty reducing value-added business and export development	vegetables agribusiness chain	the vegetable and fruit, and the (ii) livestock agribusiness chains		
			Develop and Implement a Plant Health System	2012	Plant Health system established
			Strengthen public services to (i) support technology development and transfer; (ii) provide animal and plant health, and food safety access; (iii) facilitate foreign markets access, and (iv) identify additional potential export chains.	2012	Knowledge products produced
			Streamline processes related to (i) Sanitary and Phyto-sanitary Systems (SPS) and quality certification systems, and (ii) land applications and related incentives for agribusiness investors	2011	Procedural manuals in place
			Upgrade the SPS inspection service process for outgoing products	2012	Inspections Procedural Manual in place
			Establish a non-discretionary land lease and water rights allocation system	2013	System in place
			Conduct a pilot programme for allocating relative large land plots in order to attract larger investments	2013	Pilot programme developed
	Aquaculture	Develop vibrant aquaculture exports	Construct research facility in Anna Regina	2014	Research facility constructed
	Develop and exploit Guyana's economic potential in eco-tourism	Support private sector initiatives and development in the sector	Designate and develop product destinations;	Continuous	Media tools developed
			Establish accommodation classification system.	2012	System established
			Develop and main-stream tourism product portfolio	Continuous	Media tools developed
		Establish and enforce a Protected Area Management system	Establish Protected Area Management System	2013	PAMS developed
			Establish system to distinguish zones suitable for different types of eco-tourism	2012	Criteria and Guidelines established

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS		
			Determine general carrying capacities of locations	2012	Sensitivity Analysis completed		
			Identify sensitivities and limits of acceptable change	2012	Sensitivity Analysis completed		
			Outline guidelines for development within the different zones	2012	Guidelines developed		
			Specify indicators to monitor activities and change	2012	Indicators established		
		Implement other measures to promote standards in the sector	Complete an employment and training needs survey of the sector	2011	Survey tool developed		
			Develop an accredited national curriculum	2012	National curriculum developed		
			Determine optimum delivery mechanisms.	2013	Mechanisms developed		
		ICT		Capacity building	Integrate ICT into the education and training system	2013	Curriculum revision completed
				Development of content and applications	Develop and implement an e-government action plan	2013	Action Plan completed
					Integrate ICT applications into Disaster Preparedness/Mitigation capabilities.	2013	ICT applications mainstreamed in disaster response plans
Legislative and regulatory reforms	Review and revise the regulatory and legislative arrangements in the sector			2013	Review completed		
ICT Infrastructure and Access	Lay fibre optic cable from Lethem to Georgetown and establish backbone for e-government			2012	Cable optic bone ready to be accessed		
	Implement One-Laptop Per Family Programme	2011	Number of laptops distributed				
Support private sector development and competitiveness	Establish an enabling environment for enhanced business competitiveness	Export Promotion and Facilitation	Expand the mandate of Go-Invest to address export promotion	2011	Regulatory and legal amendments completed		
			Establish and Enable the Investment and Export Promotion Council	2011	Investment Act revised and enabled		

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS	
	Enhance trade efficiency and export competitiveness	Establish improved mechanisms for Trade Facilitation	Implement a Single Windows Automated Processing system to remove bureaucracy and inertia in trade transactions	2012	SWAPs system in place	
			Co-finance business advisory services tailored to the firms' export-readiness assessment	2012	Co-Financing arrangement set up	
		Business and Investment Facilitation	Establish a One-Stop Shop for business licenses and permits	2012	One-Stop shop established	
			Establish a business Information and knowledge center	2011	Center established at Go-Invest	
			Establish the Competition, Consumer Protection and Fair Trading Commission	2011	Commission staffed and equipped	
			Establish a Consumer Protection Commission	2011	Commission staffed and equipped	
			Expand staffing and improve training at the Commercial Court	2012	No of additional staffing recruited	
	Improve access to finance and credit	Adjust the Financial Institutions Act to allow for regulation in the use of clients' confidential information by credit bureaus	2012	Amendment to Act passed		
		Develop cheaper, low carbon, renewable energy sources	Expanding and diversifying power supplies	Construct and operationalise Hydro plant at Amelia Falls	2014	Commercial operation commences
				Establish Hinterland Electrification Unit to verse implementation of Hinterland Electrification Strategy	2012	Hinterland Electrification Unit functional
Reduce technical and commercial losses at GPL	Complete transmission/substation development		2014	Development completed		
	Replace defective meters		2013	Loss reduction rates		
	Re-privatise GPL	2014	Privatization in progress			
Strengthen and sustain the integrity of the national D&I system	Increase the quality and volume of investments in D&I structures and systems	Improve access to unused, non forested land through D&I and road development	2013	Capital investments in D&I and road construction in relevant regions.		
		Desilt on a routine basis the mouths of rivers that provide outlets for the D&I system	Continuous	Reduction in flooding		

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS			
			Construct permanent structures for the main conservancies	2013	Contracts for permanent structures signed			
			Install more pumps along the coastal regions to speed up drainage during periods of high tides	2011	Number of Pumps operational/ requirement			
			Rehabilitate sluices and kokers and make them functional all-year round	Continuous	Capital expenditure on D&I			
			Ensure adequate budgetary resources for the comprehensive maintenance of the D&I system	Continuous	Total expenditure on D&I			
			Strengthen and sustain the integrity of the sea defences	Maintain and reconstruct as necessary, monitor and implement continual surveillance	Continuous	Total expenditure on D&I		
				Protect and enhance the mangrove forests	Continuous	Mangrove coverage		
				Implement Institutional Capacity Building Activities (ICBA)	Continuous	Training budget in public works targeted to personnel in the D&I system		
				Strategically expand economic infrastructure	Developing core system of infrastructure for growth and competitiveness	Identify priority infrastructure core projects including deep-port harbor, rail link, container port and highway from Linden to Lethem	2014	Port construction contracted
			Disaster Management Justice and Public Safety			Modernise the Justice Administration System	Enhance the institutional capacity	Strengthen the Justice Services Commission
				Reduce the backlog of civil and criminal cases in the courts system	2012			Volume of backlog reduced
Strengthen the administration of the Supreme Court of Judicature in the management of cases and case-related information, human resources and budgeting and financial services	2012	Case management software acquired; Budgeting and Financial Procedural Manual developed						
Enhance the skills and productivity of Judges and Magistrates	2012	Number of manager trained						
Enhance the functional and operational	2012	Organisational restructuring						

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS		
			capacity of the Office of the DPP		plan completed and under implementation		
			Strengthen the functional and operational capacity of the MLA	2011	Medium term Capacity Development Plan completed		
		Strengthen institutional linkages					
		Improve access to justice					
			Develop public legal awareness;	2011	Media tools produced		
			Provide alternatives to the formal justice system	2012	Alternative mechanisms developed		
		Improve Citizen's security	Build capacity of the MoHA to formulate, execute and evaluate evidence-based policies		Establish an integrated crime information system linking all crime fighting agencies	2011	System developed and functional
					Develop evidence based policies and interventions including capacity building, development of policies, review of the legal framework and educational and media awareness campaigns	2012	Policy guidelines developed.
					Complete of 2 national surveys on the prevalence of violent behavior	2012	National surveys fielded and reported on
					Develop and Implement a Strategic Action Plan, Annual Plans of Operations, new organizational structure, and an integrated human resource management system for the MOHA	2012	Strategic Plan, action plans. New organizational structure and integrated HR in place
				Improve Capacity of the Guyana Police Force		Develop and implement training including investigation and detection of crime, information management, and case management.,	Continuous
	Promote community and neighborhood policing				2011	Community policy regulations and guidelines established; training completed	

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS		
			Strengthen internal and external accountability mechanisms	2011	Mechanisms in place and functional		
			Strengthen the Traffic Department and develop a new urban traffic management plan	2012	Management Plan operational		
			Implement updated traffic management standards, including for accident investigation and reconstruction.	2012	Management Plan operational		
			Construct a new crime laboratory and training facility	2014	Lab and training facility completed and commissioned		
			Develop and implement new organisational structure, a results-oriented planning model, an internal audit model, and a human resource management system for the GPF	2014	New administrative and management tools developed		
		Support Community action	Empower community participants including youth and women to build capacities for peaceful change and conflict resolutions	2011	Number of communities engaged		
			Develop peace mechanisms and safety plans	2011	Mechanisms and tools developed		
			Develop and implement national risk reduction strategies through strengthening of public discourse	2012	Participatory strategies developed		
		Health	Improve the equitable distribution of Health Services	Decentralize health services	Improve transportation capacity to hinterland regions	Continuous	Capital investments in vehicles for the regions
					Equip and maintain communications equipment at health facilities	2011	Annual Capital investments in equipment
Coordinate medical outreach programmes between community, government and non-government organisations	Continuous				Outreach programmes in place		
Improve the national referral system	Continuous				Distribution of referral cases to public hospital in Georgetown and regional hospitals		

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
		Development of a skilled health workforce	Implement health workforce strategic plan	2011	Fully costed HR plans in place HRM systems in place Adequate number of managers in place Expansion of training programmes to include post graduate programmes
			Formalisation of Codes of Conduct	2011	Codes of Conduct in place
	Make services people focused and user friendly	Strengthen leadership and regulations in the sector	Promote public private partnerships	Continuous	PPP Models developed
			Formalise Guyana’s Patient Charter	2012	Patient Charter finalised
			Expand Youth (adolescent)- Friendly Health Centre Initiative	Continuous	Mobile YFC in place for Regions 1,7,8,9
			Adapt service agreements for all RDCs	2012	RHA Boards and Teams appointed Strategic and business plans and agreements finalised Staff transfers completed Performance Management systems in place
			Implement licensing requirements for Health Facilities	2012	New regulations on Health Facilities Licensing Bills introduced.
	Improve the quality of health services		Develop and Implement standard treatment guidelines for major diseases	2012	100% of health centers using national guidelines
			Establish Guyana Quality Control Council	2012	Guyana Quality Control Council operational
	Enhance accountability by the service providers and the Government	Establish sector performance management process	Develop and Implement Patient Satisfaction Survey Tool	2012	Tool finalised and field tested
			Establish Hospital Information Desk at all hospitals	2012	Pilot Information Desks in place
			Establish Community Oversight	2012	Community Oversight

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS		
			Committee		Committees in place		
			Establish National Health Sector M&E Framework	2011	Health M&E Plan implemented		
			Establish Public education awareness campaign	2011	National Public Education and Behavioral Change Strategy Plan in place		
		Establish strategic health information systems	Enhance the national surveillance system	2012	Effective strategic HIS system completed		
			Establish periodic epidemiological reporting	2011	Reporting mechanism in place and upheld		
			Computerise the warehouse management system	2011	Warehouse Management System in place		
			Establish National Disability and Chronic Diseases Register	2012	Share of reported cases registered; Registered persons receive training in Self Care		
			Develop MIS Strategy	2012	Strategy in place and operational		
		Education	Improve access to quality education at the Nursery and Primary levels	Early Childhood Education	Construct and/or rehabilitate nursery and primary schools with emphasis on regions with low enrollment rates	2013	Pre-schools coverage; nursery enrollment rates in previously low enrollment regions
					Continue the distribution of “Resource Guides for Nursery Teachers” and provide training support to teachers	Continuous	Pre-schools coverage; nursery enrollment rates in previously low enrollment regions
Improve literacy and Numeracy	Strengthen the Interactive Radio Instruction Unit and establish as a permanent unit			Continuous	Percent Passes (above 50%) at the Grade 2 national assessment		
	Implement the mass literacy programme			Continuous	Functional literacy rates		
	Implement remedial programmes in Maths and English for Grade 6			Continuous	Percent passes at the Grade 6 national assessments		
Improve School/Classroom Environment	Improve Physical infrastructure		Develop facilities management strategy	2011	Facilities management strategy in place; Schools sensitized and trained		
			Ensure adequate capital investment in	Continuous	Share of physical stock		

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS	
			rehabilitation and renovation of school facilities and current provisions for routine maintenance		meeting acceptable standards	
		Child friendly Institutions	Provide support to schools with School Improvement Plans	Continuous	School attendance	
			Intensify collaborations with stakeholders	Continuous	Number of Schools Boards in place Number of PTAs in place	
			Provide training to members of PTAs and School Boards	Continuous	School Boards and PTA functional	
		Instructional Time	Implement schools terms flexible to local and regional characteristics	2011	School attendance rates	
			Strengthen welfare sections of regional education departments	2011	School attendance rates	
		Innovative Technology	Expand distance and open learning	Continuous	Teacher trained through distance education	
			Continue to deliver Mathematics to Grades 1 to 3 through IRI	Continuous	Passes at the Grade 4 National assessments	
			Equip secondary schools with audio-visual and computer equipment to support learning	2013	Share of secondary schools with access to ICT tools	
	School Health, Nutrition, HIV & AIDS	Implementation of the Health and Family Life Education programmes	Continue training of teachers and sector management staff	Continuous	Teacher trained in HFLE	
				Strengthen unit implementing HFLE programme	Continuous	Number of schools implementing the HFLE programme
				Expand the community based school feeding programme in hinterland regions	2011	No. Schools served by programme
				Conduct two health and nutrition surveys and establish a system for regular screening	2012	Survey Reports completed
				Establish a monitoring programme for water and sanitation at schools	2011	Programme implemented and functional
				Establish a mechanism for psycho-social counseling in schools in collaboration with NGOs and CBOs		Number of schools implementing a psycho-social support programme

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
	Universal Secondary Education	Implement recommendations of the USE report	Construct additional secondary schools and equip others	2013	Secondary school enrollment
			Expand the scope of the curriculum to include arts, sports and culture-specific skills in Amerindian communities	2012	Dropout rates in hinterland regions
			Strengthen the link between secondary and technical schools		Dropout Rates
			Implement actions to retain the proportion of trained teachers at this level	Continuous	Student: Trained Teacher ratio (secondary)
	Utilize ICT strategies to increase efficiency at all level of education management and delivery	Utilize ICT as a supportive tool in the learning process	Provide computer training to primary and secondary levels by equipping same with computers, training and trained teachers	Continuous	Students (Primary and secondary) with access to training
			Equip technical-vocational institutions to deliver ICT	2013	Number of tech-voc schools with ICT programmes
			Train teacher in the use of computers for teaching and learning	Continuous	Teachers Trained E-learning courses developed
			Develop and publish an informative web site for the MOE	2011	Web site published
			Complete key information systems to support all ICT users in the education system		IT systems maturity
	Stronger emphasis on Science and Technology	Improve the number and quality of secondary graduates	Increase the supply of trained teachers in science and technology	Continuous	Annual number of trained teachers in science and technology
			Support the Biennial Regional and national science, Mathematics and Technology Fairs as well as the CARICOM Science Fairs	Continuous	Number of schools participating in Fairs
			Establish a mobile science laboratory to promote active learning and on-the-job teacher training	2012	Mobile laboratory operational
			Increase scholarships to science and technology disciplines	2013	Number of students benefitting
Increase the	Improve Teacher	Train additional teachers	2013	Percent of trained teachers at	

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
	proportion of trained teachers in the education system	Education and Training			the various levels
	Strengthen the capacity of technical-vocational institutions	Strengthen the link between secondary and technical institutions	Improve infrastructure and equipment at institutions	2012	New schools constructed and number of schools upgraded
Accredit and streamline all subjects to the CARICOM Vocational Standards			2011	Number of subjects accredited	
Expand the Basic Competency Certificate programme to 70 schools			2013	Expansion target met	
Train Competency based teachers in different fields to fully staff technical/vocational institutions			2013	Number of staff trained	
Increase inclusiveness	Strengthen the capabilities of the education system to address education needs of all children	Implement national policy for responding to students with special needs	2011	National Policy receives Ministerial assent	
		Conduct consultations with stakeholders to identify priority actions for addressing the needs of children with disabilities	2011	Priority actions identified	
		Develop action plan in coordination with the Ministry of Health	2011	Action Plan developed	
		Develop specialized curriculum and training programme for training SEN teachers	2013	Specialised curriculum and training programme developed	
		Develop and implement a public education campaign to sensitise schools and other stakeholders	2012	Public education campaign and media tools implemented	
Strengthen Education management	Reorganise the Central Ministry	Enforce non-academic standards throughout the system	Continuous	Increased compliance throughout the system	
		Strengthening monitoring and evaluation	Continuous	Monitoring visits completed to education departments per year	
			2011	Indicator system developed and functional	

POLICY AREA	OBJECTIVES	STRATEGIES AND MEASURES	REQUIRED ACTIONS	TARGET DATES	MONITORING INDICATORS
Water and Sanitation	Improve population access to improved water sources and improved sanitation particularly in underserved areas	Rehabilitate, expand and improve the quality of water	Reduce non-revenue water	2012	Technical loss ratio Commercial losses ratio
			Housing	Improve and expand access to affordable housing for all Guyanese	Formulate and implement a housing policy to address squatter regularization, housing finance, construction standards and institutional arrangements in the housing sector, among other issues
Develop a housing Strategy to guide the implementation of the housing policy including the development of new housing schemes, PPPs and a performance management system	2013	Share of population (and low income) in own home			
Monitoring and Evaluation	LCDS	Deepen the quality and comprehensiveness of the MRV system		2012	System in place
	PRSP	Implement the M&E action plan to establish a national M&E system	Pilot health and education M&E systems Roll out pilot to sector ministries	2012 2014	System in place Number of sector ministries with functional M&E systems

TABLE 1. ECONOMIC INDICATORS, 1995 - 2012

1995 1997 1999 2001 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012
(In percent of Current GDP mp)

Previous GDP**Origin of GDP at factor cost**

Agriculture	41.2	35.4	34.6	30.3	31.4	31.2	30.2	30.2	27.3	24.9	24.3		
of which Sugar	33.3	30.2	33.4	25.7	34.0	35.1	28.8	31.4	24.2	20.3	21.2		
Industry	32.6	33.7	30.0	28.9	27.2	27.0	24.4	24.8	25.5	24.9	24.7		
of which Mining	52.2	51.4	51.3	54.2	47.5	44.8	41.8	39.4	43.9	45.6	45.5		
Manufacturing													
Services	26.1	30.8	35.4	40.8	41.4	41.8	45.4	45.0	47.1	50.2	51.0		

Revised GDP**Origin of GDP at basic prices**

Agriculture								23.9	21.4	22.4	20.6	18.1	18.6
of which Sugar								24.4	25.2	16.3	21.1	12.5	20.9
Industry								28.2	30.8	32.5	32.0	33.2	32.8
of which Mining								37.8	42.1	43.7	44.3	47.3	46.8
Manufacturing								27.2	24.4	25.4	24.1	20.8	21.4
Services								47.9	47.8	45.1	47.4	48.7	48.7

*(Annual percentage changes, unless otherwise indicated)***National accounts and prices**

Real GDP at 1988 prices	5.1	6.2	3.0	2.3	1.1	1.6	-1.9	5.1	5.4	3.1	2.3		
GDP deflator at 1988 prices (p.a.)	12.0	2.9	13.2	1.5	3.6	4.2	7.4	6.8	5.8	8.4	3.7		

National accounts and prices

Real GDP at 2006 prices									7.0	2.0	3.3	3.6	4.6
GDP deflator at 2006 prices (p.a.)									9.3	12.3	-0.4	6.0	4.9

(Ratios to Previous GDP)

Gross domestic investment	54.2	52.5	45.3	45.8	40.9	38.4	38.7	53.8	50.7	49.2	54.4		
Of which Public investment	16.4	21.3	15.4	16.2	15.7	15.0	15.9	27.1	24.7	21.9	26.2		
Gross national savings													
External savings													
Private consumption	55.3	53.4	51.5	65.9	58.1	65.2	87.9	77.6	99.0	107.8	90.4		
Public consumption	19.1	24.2	28.5	27.2	30.8	28.9	32.2	28.8	31.2	31.7	33.0		

(Ratios to Revised GDP)

Gross domestic investment									31.5	28.4	26.8	30.6	29.6	24.7
Of which Public investment									15.9	13.8	12.0	14.7	15.4	14.3

TABLE 1. ECONOMIC INDICATORS, 1995 - 2012

	1995	1997	1999	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<i>(In percent of Current GDP mp)</i>														
Gross national savings														
External savings														
Private consumption								90.2	101.8	104.6	94.6	99.7	106.7	
Public consumption								16.8	17.5	17.3	18.6	17.6	18.2	
Central Government in percent of GDP														
Total revenues	36.7	34.7	29.8	31.1	31.5	33.1	34.1	21.4	22.8	21.2	23.0	23.8	25.7	
Total expenditures	44.2	45.9	37.8	47.6	46.5	46.5	55.7	35.6	30.5	29.2	30.8	29.4	32.0	
Of which Interest	14.0	13.8	8.0	8.8	6.2	4.9	4.4	2.4	1.8	1.7	1.6	1.7	1.6	
Savings														
Primary balance	16.3	15.2	10.0	4.5	3.2	5.9	4.1	2.5	6.2	2.7	5.1	6.5	4.9	
Overall balance after grants	-7.5	-11.1	-2.0	-8.4	-9.1	-6.9	-14.4	-8.2	-4.5	-3.8	-3.7	-3.0	-3.0	
Non Financial Public sector														
Overall balance after grants	-14.0	-6.9	-0.8	-6.5	-7.7	-4.6	-13.7	-7.1	-4.6	-4.6	-3.4	-4.0	-3.5	

Source: Bureau of Statistics & Ministry of Finance

Note: Years 2009-2011 have been rebased and rebenchmarked at the new base year of 2006 and are presented for comparative purposes.

TABLE 2. GDP BY EXPENDITURE AT CURRENT PRICES

	1995	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
	(In billions of Guyana dollars)												
GDP at 1988 Prices													
GDP at current basic prices	73.9	89.7	105.1	112.2	123.3	137.6							
Taxes on production	14.3	16.9	18.6	21.2	20.8	27.2							
GDP at purchaser prices	88.3	106.7	123.7	133.4	144.1	164.9							
Plus Net imports of goods and services	19.0	20.6	20.2	32.1	24.3	57.9							
Less Net factor income paid Abroad	12.2	10.5	12.2	9.6	8.3	4.1							
Gross Domestic Expenditure	95.1	116.8	113.7	155.9	160.0	218.7							
Consumption expenditure	55.0	69.7	84.1	104.5	109.5	165.4							
Private Sector	40.9	48.0	54.1	74.0	71.6	121.0							
Public Sector	14.1	21.7	29.9	30.5	37.9	44.4							
Gross domestic investment	40.1	47.1	47.6	51.4	50.5	53.3							
Private sector	27.9	28.0	31.4	33.2	31.1	31.3							
Public sector	12.2	19.1	16.2	18.2	19.4	21.9							
2006 Rebased GDP													
GDP at current basic prices							262.9	305.8	349.5	359.5	394.13	431.6	
Taxes on production							29.1	46.4	42.0	53.6	59.1	61.8	
GDP at purchaser prices							292.0	352.2	391.5	413.1	453.2	493.4	
Plus Net imports of goods and services							81.1	106.6	131.2	107.3	123.5	154.7	
Less Net factor income paid Abroad							8.8	7.2	3.0	3.4	-2.6	2.4	
Gross Domestic Expenditure							364.3	451.5	519.7	517.0	579.3	645.7	
Consumption expenditure							281.4	364.7	426.0	407.0	462.5	539.2	
Private Sector							237.2	311.3	365.5	340.1	392.9	461.0	
Public Sector							44.3	53.4	60.4	66.8	69.5	79.0	
Gross domestic investment							82.8	86.9	93.7	110.1	116.8	106.5	
Private sector							41.0	44.5	51.9	57.1	56.3	44.8	
Public sector							41.8	42.3	41.8	53.0	60.6	62.0	
(as a percentage of GDP at current factor costs)													
Consumption expenditure	74.4	77.7	80.0	93.1	88.9	120.2	107.1	119.3	121.9	113.2	117.3	124.9	

TABLE 2. GDP BY EXPENDITURE AT CURRENT PRICES

	1995	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
	(In billions of Guyana dollars)												
Private sector	55.3	53.4	51.5	65.9	58.1	87.9	90.2	101.8	104.6	94.6	99.7	106.7	
Public sector	19.1	24.2	28.5	27.2	30.8	32.2	16.8	17.5	17.3	18.6	17.6	18.2	
Gross domestic Investment	54.2	52.5	45.3	45.8	40.9	38.7	31.5	28.4	26.8	30.6	29.6	24.7	
Private sector	37.8	31.2	29.9	29.6	25.2	22.8	15.6	14.6	14.9	15.9	14.3	10.4	
Public sector	16.4	21.3	15.4	16.2	15.7	15.9	15.9	13.8	12.0	14.7	15.4	14.3	
Net imports of goods and services	9.2	22.9	19.2	28.6	19.7	42.1	30.8	34.9	37.5	29.8	31.3	35.8	

Source: Bureau of Statistics & Ministry of Finance

Note: Years 2009-2011 have been rebased and rebenchmarked at the new base year of 2006 and are presented for comparative purposes.

TABLE 3. SAVINGS AND INVESTMENT

	1995	1997	1999	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
(In billions of Guyana dollars)														
GDP at 1988 Prices														
Savings	40.1	47.9	47.6	51.4	50.5		53.3							
Domestic savings	26.3	29.3	34.3	30.8	34.2		19.6							
Foreign savings	13.7	17.8	13.3	20.6	16.3		33.7							
Investment	40.1	47.1	47.6	51.4	50.5		53.3							
Private investment	27.9	28.0	31.4	33.2	31.1		31.4							
Public investment	12.2	19.1	16.2	18.2	19.4		21.9							
2006 Rebased GDP														
Savings							82.8	86.9	93.7	110.1	116.8	106.5		
Domestic savings							45.8	37.9	28.9	63.4	68.4	28.4		
Foreign savings							37.0	49.0	64.8	46.7	48.4	78.1		
Investment							82.8	86.9	93.7	110.1	116.8	106.5		
Private investment							41.0	44.5	51.9	57.1	56.3	44.8		
Public investment							41.8	42.3	41.8	53.0	60.6	61.7		
(In percent of GDP at market prices)														
Savings	54.2	52.4	45.3	45.8	40.9	38.8	31.5	28.4	26.9	30.6	29.7	24.7		
Domestic savings	35.6	32.6	32.6	27.4	27.7	14.3	17.4	12.4	8.3	17.6	17.4	6.6		
Foreign savings	18.6	19.8	12.7	18.4	13.2	24.5	14.1	16.0	18.6	13.0	12.3	18.1		
Investment	54.2	52.5	45.3	45.8	40.9	38.7	31.5	28.4	26.8	30.6	29.6	24.7		
Private investment	37.8	31.2	29.9	29.6	25.2	22.8	15.6	14.6	14.9	15.9	14.3	10.4		
Public investment	16.4	21.3	15.4	16.2	15.7	15.9	15.9	13.8	12.0	14.7	15.4	14.3		

Source: Bureau of Statistics

TABLE 4. SUMMARY OF THE OPERATIONS OF THE PUBLIC SECTOR

	1995	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
	(in billions of Guyana dollars)												
Revenue		41.0	45.7	50.0	60.7	68.5	85.9	85.1	100.8	107.1	134.3		
Central government		36.8	41.4	45.4	56.2	62.5	80.4	83.0	94.9	108.0	127.0		
Public enterprises		4.1	4.3	4.6	4.5	6.1	5.5	2.2	5.9	-0.9	7.3		
Total Expenditure		49.3	65.3	69.5	95.3	106.6	113.3	119.5	132.1	136.9	167.2		
Current Expenditure		34.4	47.1	49.7	56.7	62.2	64.6	78.5	80.4	86.4	95.5		
Noninterest current expenditure		24.4	35.4	40.8	49.4	55.1	58.4	71.9	73.9	78.5	87.7		
Interest		9.9	11.7	8.9	7.3	7.1	6.2	6.5	6.6	7.9	7.9		
Domestic		3.5	4.8	3.0	2.9	2.6	3.1	3.0	3.3	4.0	3.8		
External		6.5	6.8	5.9	4.3	4.5	3.1	3.6	3.3	3.9	4.1		
Capital Expenditure		15.0	18.3	19.8	38.6	44.4	48.7	41.0	51.7	50.5	71.7		
Central Government		12.3	16.5	17.3	35.1	41.8	42.9	35.9	47.0	46.7	62.1		
Public Enterprises	-	3.9	1.8	2.5	3.4	2.6	5.8	5.1	4.7	3.8	9.6		
Current Balance		6.6	-1.4	0.3	4.0	6.3	21.2	6.6	20.4	20.7	38.8		
Overall Balance before grants		8.3	19.6	19.5	34.6	38.1	27.5	34.4	31.3	29.8	32.9		
Grants		7.3	10.9	8.4	12.0	17.5	11.1	16.6	17.3	11.7	15.6		
Overall balance after grants		-1.0	-8.7	-11.1	-22.6	-20.6	-16.3	-17.8	-14.0	-18.2	-17.3		
Total Financing		1.0	8.7	11.1	22.6	20.6	16.3	17.8	14.0	18.2	17.3		
Net foreign financing		4.3	8.0	8.4	15.1	18.3	17.6	16.1	16.7	15.1	21.5		
Net domestic financing		-2.8	0.3	0.7	7.5	2.3	-1.3	1.5	-6.7	1.1	-5.3		
Net Divestment Proceeds		-0.6	0.5	2.0	83.0		19.0	0.2	4.0	2.1	1.0		
	(in percent of GDP)												
Total revenue		33.1	34.2	34.7	36.8	23.5	24.4	21.7	24.4	23.6	27.2		
Total expenditure		39.9	49.0	48.2	57.8	36.5	32.2	30.5	32.0	30.2	33.9		
Current expenditure		27.8	35.3	34.5	34.4	21.3	18.4	20.0	19.5	19.1	19.4		
Interest		8.0	8.8	6.2	4.4	2.4	1.8	1.7	1.6	1.7	1.6		
Domestic		2.8	3.6	2.1	1.8	0.9	0.9	0.8	0.8	0.9	0.8		
External		5.2	5.1	4.1	2.6	1.5	0.9	0.9	0.8	0.9	0.8		
Current balance		5.3	-1.0	0.2	2.4	2.2	6.0	1.7	4.9	4.6	7.9		
Capital expenditure		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Overall Balance before grants		-6.7	-14.7	-13.5	-21.0	-13.1	-7.8	-8.8	-7.6	-6.6	-6.7		
Grants		5.9	8.1	5.8	7.3	6.0	3.2	4.2	4.2	2.6	3.2		

TABLE 4. SUMMARY OF THE OPERATIONS OF THE PUBLIC SECTOR

	1995	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
Overall balance after Grants			-0.8	-6.5	-7.7	-13.7	-7.1	-4.6	-4.6	-3.4	-4.0	-3.5	
Net foreign financing			3.5	6.0	5.8	9.1	6.3	5.0	4.1	4.0	3.3	4.4	
Net domestic financing			-2.2	0.2	0.5	4.5	0.8	-0.4	0.4	-1.6	0.2	-1.1	
Net divestment Proceeds			-0.5	0.4	1.4	0.1	0.0	0.0	0.1	1.0	0.5	0.2	

Source: Ministry of Finance

TABLE 5. OPERATIONS OF THE CENTRAL GOVERNMENT

	1995	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
(in Billions of Guyana dollars)													
Total revenue			36.9	41.5	45.4	56.2	62.5	80.4	83.0	94.9	108.0	127.0	
Tax revenue			33.6	37.8	41.5	53.0	58.5	77.4	79.1	89.1	100.9	104.4	
Nontax revenue			3.2	3.7	3.9	3.2	3.9	3.0	3.4	5.8	6.9	7.7	
GRIF- Inflows													14.4
Total expenditure			46.7	63.6	67.0	91.8	104.0	107.5	114.4	127.4	133.1	157.7	
Current expenditures			34.4	47.1	49.7	56.7	62.2	64.6	78.5	80.4	86.4	95.5	
Personal emoluments			12.0	14.7	16.3	18.5	20.1	22.0	23.9	26.2	28.4	31.5	
Other goods & services			7.0	9.1	11.1	17.1	19.5	20.3	24.2	25.9	26.8	31.3	
Transfer payments			5.4	11.6	13.4	13.8	15.5	16.1	23.8	21.8	23.3	24.9	
Interest			9.9	11.7	8.9	7.3	7.1	6.2	6.5	6.6	7.9	7.9	
Domestic			3.5	4.8	3.0	2.9	2.6	3.1	3.0	3.3	4.0	3.8	
External			6.5	6.8	6.0	4.3	4.5	3.1	3.6	3.3	3.9	4.1	
Current surplus or deficit (-)			2.5	-5.6	-4.3	-0.5	0.3	15.7	4.0	14.5	21.4	16.5	
Capital expenditure			12.3	16.5	17.3	35.1	41.8	42.9	35.9	47.0	46.7	62.1	
Overall surplus or deficit (-) before grants			-9.8	-22.1	-21.6	-35.6	-41.5	-27.1	-31.5	-32.5	-25.1	-30.7	
Grants 3/			7.3	10.9	8.4	12.0	17.5	11.1	16.6	17.3	11.7	15.6	
Overall surplus or deficit (-) after grants			-2.5	-11.2	-13.2	-23.7	-24.0	-16.0	-14.9	-15.3	-13.5	-15.0	
(In percent of GDP)													
Total Revenue			29.8	31.1	31.5	34.1	21.4	22.8	21.2	23.0	23.8	25.7	
Tax Revenue			27.2	28.3	28.8	32.1	20.1	22.0	20.2	21.6	22.3	21.2	
Non-tax Revenue			2.6	2.7	2.7	1.9	1.3	0.9	0.9	1.4	1.5	1.6	
Current expenditure			27.8	35.3	34.5	34.4	21.3	18.4	20.0	19.5	19.1	19.4	

TABLE 5. OPERATIONS OF THE CENTRAL GOVERNMENT

	1995	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
Non interest current expenditure			19.8	26.5	28.3	30.0	18.9	16.6	18.4	17.9	17.3	17.8	
Interest			8.0	8.8	6.2	4.4	2.4	1.8	1.7	1.6	1.7	1.6	
Current surplus or deficit (-)			2.0	-4.2	-3.0	-0.3	0.1	4.5	1.0	3.5	4.7	3.4	
Capital expenditure			10.0	12.4	12.0	21.3	14.3	12.2	9.2	11.4	10.3	12.6	
Overall surplus or deficit (-) before grants			-8.0	-16.6	-15.0	-21.6	-14.2	-7.7	-8.0	-7.9	-5.5	-6.2	
Grants			5.9	8.1	5.8	7.3	6.0	3.2	4.2	4.2	2.6	3.2	
Overall surplus or deficit (-) after grants			-2.0	-8.4	-9.1	-14.4	-8.2	-4.5	-3.8	-3.7	-3.0	-3.0	

Source: Ministry of Finance

TABLE 6. GUYANA: BALANCE OF PAYMENTS

	1997	1999	2001	2003	2005	2006	2007	2008	2009	2010	2011	2012
	(In millions of U.S. dollars)											
Current account	-50.1	-75.2	-128.8	-79.5	-157.6	-250.3	-189.1	-321.3	-230.6	-232.5	-391.5	
(excluding official transfers)												
Merchandise trade (net)	-34.2	-25.2	-93.8	-58.8	-232.8	-299.8	-365.1	-522.1	-411.2	-520.2	-608	
Exports (f.o.b.)	593.4	525.0	490.3	512.8	550.9	585.1	698.0	801.5	768.2	884.5	1012.0	
Of which												
Bauxite	89.4	77.2	61.0	40.4	62.8	65.5	101.5	131.1	75.9	114.5	127.4	
Sugar	133.4	136.2	109.2	129.2	118.0	137.0	150.1	133.4	119.8	101.5	138.5	
Rice	84.7	71.1	50.3	45.3	46.2	54.6	75.3	118	114.1	151.3	156.0	
Gold	139.5	108.7	127.0	130.9	111.9	114.4	158.2	203.7	281.7	346.4	410	
Timber	44.6	37.3	33.0	30.7	49.6	55.0	55.4	53.8	41.4	48.5	35.6	
Diamonds	0.0	2.5	13.3	29.9	43.6	44.9	35.5	31.2	14.1	7.1	58.2	
Other	101.8	92.0	97.0	106.5	118.9	113.6	122.0	130.3	117.6	124.6	159.6	
Imports (c.i.f.)	627.6	550.1	583.9	571.7	783.7	885.0	1063.1	1323.6	1179.4	1404.7	1539.2	
Capital	180.6	135.5	115.2	116.1	150.7	210.2	233.6	254.8	259.2	291	294.0	
Fuel and Lubricants	95.9	88.5	131.5	147.2	221.8	238.5	285.1	424.3	296.7	381.1	450.0	
Consumer Goods	176.8	174.9	164.9	149.4	194.3	206.7	269.9	326.3	335.9	376.8	390.1	
Other Intermediaries	173.5	150.9	169.5	158.3	202.6	226.9	264.5	310.9	279.1	347.3	396.4	
Other	0.8	0.3	2.9	0.7	14.3	11.7	10.0	7.3	8.6	8.5	8.5	
Services (net)	-37.5	-89	-79	-70.5	-92.1	-168.8	-110.8	-128.1	-119.0	-83.0	-147.0	
Net private transfers	21.3	39.0	44.0	49.8	167.2	216.3	268.8	328.8	299.6	370.8	378.3	
Capital and Financial account	32.0		69.6	115.3	58.6	178.8	268.6	168.7	308.5	454.0	339.2	410.0
Capital account	32.0	69.6	115.3	58.6	178.8	268.6	168.7	308.5	454.0	339.2	410.0	

Financial account											
Nonfinancial public sector (net)	8.6	23.9	39.4	16.0	66.7	71.8	-260.7	91.7	184.9	39.6	218.0
Net official transfers	6.0	15.5	30.8	33.9	52.1	315.6	414.1	38.7	37.2	27.1	20.7
Net official borrowing											
Project loans											
Program loans											
Amortization	-14.3	-23.5	-26.4	-52.0	-35.8	-35.2	-41.4	-45.7	-42.7	-52.9	-59.59
Restructured stock											
Private sector (net)	18.2	46.0	56.0	26.1	76.8	102.4	110.3	184.0	208.0	269.7	207.2
Foreign direct investment (net)	52.0	46.0	56.0	26.1	76.8	102.4	152.4	178.0	164.0	198.0	193.2
Errors and omissions	18.3	-1.2	4.9	12.1	-13.1	24.7	19.1	18.5	11.0	9.8	0.0
Overall balance	0.2	-4.4	-8.4	-8.9	8.1	42.9	-1.4	5.6	234.5	116.5	24.4
Financing	-0.2	4.4	8.4	8.9	-8.1	-42.9	1.4	-5.6	-234.5	-116.5	-24.4
BOG net foreign assets (increase-)	-5.3	-10.3	-16.6	-0.8	-23.9	-61	-37.3	-43.4	-271.5	-154.9	-74.6
Change in NFPS arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional financing	5.1	14.7	25.0	9.7	-15.8	18.1	38.7	37.8	37	38.4	50.2
Memorandum items:											
Current account balance											
(in percent of GDP)	-7.9	-12.7	-21.5	-12.6	-22.9	-32.7	-22.5	-34.3	-23.2	-13.7	-10.0
Gross official reserves											
(in months of imports goods and non factor services)	4.3	4.0	4.0	4.1	2.9	2.8	2.7	2.5	5.0	5.2	3.4
Oil price assumption (US\$/b)	20.6	19.3	25.9	31.1	56.5	66.1	72.4	99.6	61.7	79.4	99.9
Average sugar unit value (US\$/t)	520.6	511.6	432.8	414.2	512.3	574.2	610.3	649.9	564.6	498.7	434.1
HIPC/MDRI debt service relief	0.0	14.7	25.0	9.7	0.0	0.0	7.5	4.7	4.5	4.3	55.9
(Percentage change)											
Export of Goods	3.2	-4.0	-2.9	3.5	-6.5	6.2	19.3	14.8	-4.2	15.1	10.7
Import of Goods	5.5	-8.5	-0.2	1.5	21.2	12.9	20.1	24.5	-10.9	19.1	5.7
External terms of trade	69	-53.5	16.9	-13	303.2	28.8	21.8	43.0	-21.2	26.5	3.5

Source: Ministry of Finance, IMF Statistical Annexes, PCPMU

1/ In 1996, Guyana received a debt stock reduction on Naples terms from the Paris Club Creditors, including Trinidad and Tobago.

1999 comparable treatment from non-Paris club bilateral creditors is assumed.

2/ Debt forgiveness of future maturities is presented as a capital transfer and debt forgiveness of arrears and current maturities is captured under exceptional financing.

TABLE 7. SUMMARY ACCOUNT OF THE BANK OF GUYANA AND MONETARY SURVEY

	Actual 2004	2005	2006	2007	2008	2009	2010
(In billions of Guyanese dollars, end of period)							
I. Bank of Guyana							
Net foreign assets	19.4	24.2	36.6	44.6	54.2	108.7	140.4
Foreign assets	44.9	50.3	55.7	63.6	73.1	127.7	158.7
Foreign liabilities 1/	-25.5	-26.1	-19.1	-19.0	-18.8	-18.9	-18.4
Net domestic assets	0.1	-2.7	-10.6	-14.9	-19.7	-70.3	-94.4
Credit to public sector (net) 1/	-26.4	-25.4	-36.0	-38.6	-42.8	-65.8	-73.1
Liabilities to commercial banks	-23.8	-27.1	-24.6	-24.7	-23.6	-33.7	-45.9
Other items (net)	50.2	49.6	50.0	51.9	63.8	49.3	42.9
Currency in circulation	-19.5	-21.5	-26.0	-29.8	-34.6	-38.4	-46.0
Base money	43.8	48.7	50.6	54.6	60.6	74.9	92.0
Of which: Excess reserves							
II. Monetary Survey							
Net foreign assets	34.0	42.2	55.5	83.1	94.1	142.0	173.1
Bank of Guyana 1/	19.4	24.2	36.6	44.7	54.2	108.7	140.4
Commercial banks	14.6	18.0	18.9	38.5	39.9	33.3	32.8
Net domestic assets	80.5	81.8	88.3	80.3	90.0	60.09	60.2
Credit to public sector (net) 1/ 2/	-1.0	-3.3	-10.4	-19.1	-18.5	-33.3	-41.3
Private sector credit	48.4	52.4	61.8	73.3	89.3	94.4	112.3
Other items (net)	33.1	32.7	36.9	26.0	19.2	-1.0	-10.8
Broad money	114.5	124.0	143.8	163.4	184.2	202.1	233.4
(Percentage change, 12-month basis)							
Net foreign assets	-10.7	24.2	31.3	49.9	13.3	50.85	21.91
Net domestic assets	18.1	1.6	8.0	-9.1	12.1	-33.25	0.3
Domestic credit	48.50	6.62	8.53	3.90	33.0	-20.5	16.6
Of which:							
Private sector credit	-0.4	8.4	17.9	18.7	21.8	5.7	19.0
Business sector	-9.56	-0.3	15.5	7.7	24.9	2.3	20.8
Household sector	-10.28	25.8	21.5	35.9	13.13	-4.7	11.6
Mortgage sector	104.6	25.1	34.6	31.0	33.6	24.4	24.0
Other sectors	-4.2	2.5	-2.7	13.4	0.8	-5.7	7.5
Broad money	7.8	8.3	15.9	13.6	12.7	9.7	15.5
(Contribution to changes in base money, 12-month basis)							
Base money							
Net foreign assets							
Other including net credit to public sector							
(In million of U.S. dollars, unless otherwise indicated)							
Memorandum items:							
Bank of Guyana's net foreign assets 1/	97.2	121.1	182.1	219.5	264.2	534.8	689.8
Commercial banks' net foreign assets	73.0	87.9	93.9	188.9	194.5	163.9	161.0
Money multiplier	2.9	2.8	3.0	2.9	2.9	3.0	2.8
Income velocity of broad money	1.4	1.3	1.3	1.3	1.3	1.3	1.9
Excess reserves (ratio to required reserves)							
Average lending rates, in percent	10.9	13.5	13.1	12.4	12.3	12.2	12.0

Sources: Bank of Guyana, and Fund staff estimates and projections.

1/ Includes Fund debt relief.

2/ Includes G\$1.8 billion, a share of GUYMINE debt transferred from foreign assets to government credit in March 2006.

TABLE 8: NATIONAL EDUCATION INDICATORS, 2001-2006												
	Actual						Prel					
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Interior	Coastal
Gross Enrolment Ratios												
Nursery		85	79	81	79	81	67	65	61	62	70.6	85.4
Primary	N/A	99	98	101	101	100	92	95	87	88	111.6	95.8
Secondary		81	82	83	88	87	86	83	88	93	87.7	87.0
% of Students Reaching Grade 6												
	N/A	91	92	103	95	95	107	108	93		91.7	96.6
Student/Trained Teacher Ratio												
Nursery	36	33	32	33	30	32	27	25	22		157.9	31.8
Primary	47	47	51	50	47	49	44	40	38		94.4	48.5
Secondary	36	33	37	40	40	39	45	42	40		58.3	34.4
Number of Trained Teachers												
Nursery	971	1014	993	962	998	984	988	1040	1054	1065	45.0	938.0
Primary	2324	2346	2273	2291	2338	2301	1886	2430	2454		174.0	2146.0
Secondary	1937	2001	1898	1798	1850	1849	1886	1931	2471		136.0	1711.0
Repetition Rates												
Primary	5	6	1	1	1	1	1	1			6.9	0.7
Secondary	11	15	6	11	9	9	11	12			8.4	6.7
Drop-out Rate												
Primary	7	3	4	4	4	4	3	4			4.9	4.3
Secondary	16	8	12	12	12	12	6	7			6.4	12.7
Percent of CSEC Passes												
	74.5	77.1	76.9	77.6	79.1	78.7	79.5	78.7	83.3		74.8	77.7

Source: Ministry of Education

Note:

Population data after census year 2002 is based on projections by the Bureau of Statistics. As with all projections there is a possible margin of error.

* In cases where the data exceeds 100%, population projection is less than the actual school enrolment.

TABLE 8A: REGION 1 EDUCATION INDICATORS, 2001-2006										PREL
	ACTUAL									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		42	41	45	37	41	31	33	48	46
Primary	N/A	* 106	* 113	116	121	114	133	125	120	120
Secondary		76	81	88	95	85	99	108	120	135
% of Students Reaching Grade 6	N/A	91	100	99	97	97	136	145		
Student/Trained Teacher Ratio										
Nursery	58	63	68	91	63	69	48	44	58	
Primary	75	107	112	111	112	103	78	73	76	
Secondary	90	59	73	54	78	71	65	69	66	
Number of Trained Teachers										
Nursery	12	12	11	9	11	9	12	14	14	19
Primary	60	45	46	48	50	50	44	80	77	
Secondary	45	40	35	39	47	41	44	49	52	
Repetition Rates										
Primary	16	10	11	8	9	9	4	6		
Secondary	24	15	12	17	9	13	9	22		
Drop-out Rate										
Primary	18	2	3	4	4	4	3	6		
Secondary	2	1	2	4	3	3	12	5		
Percent of CSEC Passes	62.7	63.8	76.0	69.8	81.8	77.68	77.6	68.2	75	

Source: Ministry of Education

TABLE 8B:REGION 2 EDUCATION INDICATORS, 2001-2006										
	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		81	71	65	65	67	60	58	55	57
Primary	N/A	96	97	96	91	95	84	78	70	74
Secondary		82	78	82	86	82	89	87	93	83
% of Students Reaching Grade 6	N/A	85	96	* 101	94	97	99	105	103	
Student/Trained Teacher Ratio										
Nursery	24	27	24	23	22	23	22	19	17	20
Primary	31	35	39	37	36	37	34	32	29	
Secondary	26	28	28	30	28	29	33	32	34	
Number of Trained Teachers										
Nursery	91	82	80	76	83	80	75	87	89	80
Primary	244	218	202	208	204	205	174	202	209	
Secondary	170	155	147	148	173	156	174	185	196	
Repetition Rates										
Primary	7	5	1	1	1	1	1	1		
Secondary	11	12	6	4	4	5	6	10		
Drop-out Rate										
Primary	8	5	3	5	4	4	2	3		
Secondary	8	6	14	12	13	13	12	5		
Percent of CSEC Passes	69.7	77.7	77.4	77.6	83.1	82.4	82	80	83	

Source: Ministry of Education

TABLE 8C REGION 3 EDUCATION INDICATORS, 2001-2006										
	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		89	84	82	79	82	67	66	63	63
Primary	N/A	99	97	96	91	95	83	77	75	72
Secondary		81	75	77	76	76	75	77	73	80
% of Students Reaching Grade 6	N/A	93	* 104	* 102	103	103	106	155		
Student/Trained Teacher Ratio										
Nursery	38	31	30	29	28	29	24	24	23	24
Primary	41	45	44	44	40	43	35	32	31	
Secondary	39	34	34	40	40	38	44	44	35	
Number of Trained Teachers										
Nursery	123	141	139	139	140	139	142	143	144	136
Primary	356	333	347	334	352	344	209	370	374	
Secondary	242	247	220	209	214	214	209	214	222	
Repetition Rates										
Primary	6	2	0	0	1	1	0	0		
Secondary	9	17	6	13	11	10	5	9		
Drop-out Rate										
Primary	6	4	2	3	3	3	3	3		
Secondary	15	10	4	11	8	8	5	10		
Percent of CSEC Passes	75.0	77.1	78.1	78.0	81.4	51.27	80	80	85	

Source: Ministry of Education

TABLE 8D: REGION 4 EDUCATION INDICATORS, 2001-2006

	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		85	88	87	81	85	71	67	62	65
Primary	N/A	97	* 103	100	96	100	90	82	79	75
Secondary		78	86	84	83	84	79	83	87	89
% of Students Reaching Grade 6										
	N/A	91	94	* 103	96	98	102	102		
Student/Trained Teacher Ratio										
Nursery	32	28	29	30	28	29	27	26	23	23
Primary	49	44	52	50	46	49	46	43	42	
Secondary	31	27	33	31	31	32	41	42	39	
Number of Trained Teachers										
Nursery	432	455	447	428	439	438	431	448	444	
Primary	841	947	859	871	910	897	745	925	908	
Secondary	829	849	701	770	775	774	745	787	1258	
Repetition Rates										
Primary	1	5	1	0	1	1	0	0		
Secondary	9	11	5	9	6	7	17	15		
Drop-out Rate										
Primary	5	3	4	5	5	5	3	4		
Secondary	4	2	15	14	15	15	6	6		
Percent of CSEC Passes	79.45	83.4	85.75	82.85	87.65	83.18	84	84	88	

Source: Ministry of Education

TABLE 8E: REGION 5 EDUCATION INDICATORS, 2001-2006

	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		60	57	54	82	91	67	67	64	63
Primary	N/A	59	60	61	99	97	93	87	80	76
Secondary		56	55	39	95	92	95	91	90	93
% of Students Reaching Grade 6	N/A	69	63	69	67	66	113	120		
Student/Trained Teacher Ratio										
Nursery	41	41	39	36	37	37	32	30	29	29
Primary	43	41	43	44	47	45	46	39	36	
Secondary	20	21	21	21	29	24	40	35	37	
Number of Trained Teachers										
Nursery	69	68	67	71	64	67	60	63	58	62
Primary	192	191	187	187	177	184	147	187	186	150
Secondary	158	158	154	133	122	136	147	143	141	150
Repetition Rates										
Primary	3	6	0	0	0.5	0	1	0		
Secondary	6	9	4	3	4	4	8	12		
Drop-out Rate										
Primary	5	3	3	3	3	3	5	6		
Secondary	10	5	12	6	9	9	5	5		
Percent of CSEC Passes	70.1	67.0	70.2	66.8	74.7	72.82	72	75		

Source: Ministry of Education

TABLE 8F: REGION 6 EDUCATION INDICATORS, 2001-2006

	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		98	86	83	77	86	64	62	56	56
Primary	N/A	* 103	* 106	104	99	78	87	80	74	70
Secondary		87	82	84	86	85	90	97	98	98
% of Students Reaching Grade 6	N/A	98	99	* 110	102	102	107	114		
Student/Trained Teacher Ratio										
Nursery	53	47	42	42	40	41	31	27	24	25
Primary	55	60	62	59	58	60	53	48	46	
Secondary	40	37	33	50	50	44	53	57	56	
Number of Trained Teachers										
Nursery	127	137	136	130	127	131	140	155	154	155
Primary	338	319	319	328	324	324	253	318	313	
Secondary	258	281	291	255	258	268	253	254	258	
Repetition Rates										
Primary	2	8	0	0	0	0	0	0		
Secondary	8	7	5	5	4	5	11	10		
Drop-out Rate										
Primary	7	3	5	4	5	5	3	2		
Secondary	15	7	9	23	16	16	8	6		
Percent of CSEC Passes	66.9	72.9	69.8	68.4	80.2	74.06	79	76	82	

Source: Ministry of Education

TABLE 8G: REGION 7 EDUCATION INDICATORS, 2001-2006										
	ACTUAL									Prel
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		89	89*	87	88	88	84	76	80	87
Primary	N/A	* 103	107	115	110	111	108	110	111	101
Secondary		86	84	83	92	86	96	96	102	106
% of Students Reaching Grade 6	N/A	97	99	94	97	97	113	118		
Student/Trained Teacher Ratio										
Nursery	42	36	35	36	28	33	29	30	26	26
Primary	47	53	50	46	52	49	47	45	38	
Secondary	19	22	30	35	32	32	40	35	36	
Number of Trained Teachers										
Nursery	20	24	25	24	31	27	29	25	32	34
Primary	58	53	58	63	58	60	43	67	81	
Secondary	49	51	48	46	47	47	43	45	47	
Repetition Rates										
Primary	5	18	2	2	1	2	0	1		
Secondary	6	7	2	1	3	2	3	2		
Drop-out Rate										
Primary	11	3	4	6	5	5	4	7		
Secondary	13	6	11	3	7	7	7	4		
Percent of CSEC Passes	85.1	85.2	86.2	77.0	73.6	73.5	66	77	77	

Source: Ministry of Education

TABLE 8H: REGION 8 EDUCATION INDICATORS, 2001-2006										
	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		58	75	75	72	74	58	57	59	
Primary	N/A	64	89	89	89	89	99	106	98	
Secondary		65	75	84	87	82	94	84	96	
% of Students Reaching Grade 6	N/A	51	79	68	66	71	84	78		
Student/Trained Teacher Ratio										
Nursery	120	118	230	468	226	308	147	93	62	76
Primary	101	131	164	165	215	181	130	141	100	
Secondary	48	51	134	153	70	119	94	84	74	
Number of Trained Teachers										
Nursery	3	3	2	1	2	2	3	4	5	5
Primary	10	8	9	9	7	8	13	13	17	15
Secondary	9	3	9	10	9	9	13	13	15	15
Repetition Rates										
Primary	8	3	6	6	7	6	2	1		
Secondary	6	15	13	18	12	14	13	11		
Drop-out Rate										
Primary	12	1	8	2	5	5	6	2		
Secondary	13	2	10	13	12	12	8	7		
Percent of CSEC Passes	60.0	59.2	36.0	60.4	69.1	78.6	67	68	75	

Source: Ministry of Education

TABLE 8I: REGION 9 EDUCATION INDICATORS, 2001-2006										
	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		71	71	75	83	76	80	78	81	84
Primary	N/A	* 110	* 115	119	117	117	119	118	116	115
Secondary		45	94	94	92	93	98	101	105	101
% of Students Reaching Grade 6										
	N/A	85	82	97	88	89	106	125		
Student/Trained Teacher Ratio										
Nursery	186	160	138	172	142	151	123	99	42	45
Primary	85	76	79	83	75	79	94	85	63	
Secondary	33	17	39	46	36	40	64	57	47	
Number of Trained Teachers										
Nursery	5	6	7	6	8	7	9	11	21	26
Primary	48	54	55	54	59	56	38	53	68	54
Secondary	40	43	41	32	43	39	38	45	54	
Repetition Rates										
Primary	14	7	8	8	8	8	7	7		
Secondary	17	14	13	4	4	7	16	16		
Drop-out Rate										
Primary	19	6	7	4	6	6	13	8		
Secondary	4	1	10	3	7	7	14	14		
Percent of CSEC Passes	67.8	61.6	58.1	82.5	74.9	75.7	72	75	74	

Source: Ministry of Education

TABLE 8J: REGION 10 EDUCATION INDICATORS, 2001-2006

	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Enrolment Ratios										
Nursery		81	82	81	156	106	71	72	61	59
Primary	N/A	99	90	97	190	126	94	90	85	83
Secondary		95	96	100	102	133	120	119	122	
% of Students Reaching Grade 6	N/A	86	84	* 104	91	93	116	112		
Student/Trained Teacher Ratio										
Nursery	22	21	23	23	19	22	18	18	15	
Primary	36	37	31	34	33	33	29	28	26	
Secondary	34	19	31	29	30	30	38	57	28	
Number of Trained Teachers										
Nursery	89	86	79	78	93	83	87	90	93	95
Primary	177	178	191	189	197	192	220	215	221	
Secondary	137	167	175	156	158	163	220	196	228	
Repetition Rates										
Primary	5	11	2	0	1	1	2	1		
Secondary	8	5	11	5	5	7	11	14		
Drop-out Rate										
Primary	7	3	1	3	2	2	1	4		
Secondary	14	3	2	3	3	3	2	10		
Percent of CSEC Passes	78.6	79.1	69.6	79.9	84.7	79.49	83	82	87	

Source: Ministry of Education

Table 9: SUMMARY OF EDUCATION INDICATORS										
	ACTUAL									PREL
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<u>Gross Secondary Enrolment Ratios</u>										
National		81	82	83	88	84				
Region 3		81	75	77	76	76				
<u>% of Students Reaching Grade 6</u>										
National		91	92	103	95	95				
Region 5		69	63	69	67	66				
Region 8		51	79	68	66	71				
<u>Student/Trained Teacher Ratio</u>										
Primary										
National	47	47	51	50	47	49				
Region 1	75	107	112	111	112	103				
Region 6	55	60	62	59	58	60				
Region 8	101	131	164	165	215	181				
Region 9	48	54	55	54	59	56				
Secondary										
National	36	33	37	40	40	39				
Region 1	90	59	73	54	78	71				
Region 8	48	51	134	153	70	119				
<u>Secondary Repetition Rates</u>										
National	11	15	6	11	9	9				
Region 1	24	15	12	17	9	13				
Region 3	9	17	6	13	11	10				
Region 8	6	15	13	18	12	14				
<u>Secondary Drop-out Rates</u>										
National	16	8	12	12	12	12				
Region 2	8	6	14	12	13	13				
Region 4	4	2	15	14	5	15				
Region 6	15	7	9	23	16	16				
Region 8	13	2	10	13	12	12				

Source: Ministry of Education

TABLE 10- PRSP HEALTH INDICATORS, 2001-2010

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<u>Infant Mortality Rate (per 1000 live births)¹</u>	17.7	20.3	17	20.7	22	19.2	19.5	14	14.9	16.8
Region 4	26.5	32	19.1	34.3	37.2	24.2	32.2	18.2	18.3	18.6
<u>Under Five Mortality Rate (per 1000 live births)¹</u>	22	24.9	21.2	26	26.5	23.8	22.4	17.3	17	16.8
Region 4	30.4	36.7	22	40.5	42.4	28	35	22.2	23.6	22
Region 5	33.1	24.7	29.2	30.2	26.1	29	16.7	22.3	20.1	19.5
<u>Maternal Mortality Rate (per 1000 live births)¹</u>	91.7	117.2	123.6	115.9	161.2	114.7	112.5	86.2	72.8	153
Region 3	111	0	562.4	157.6	92	109	52.7	0	54.7	106.7
region 4	90.9	131.7	89.2	136.6	225.9	95.4	117.9	159.5	153.8	177.5
region 5	137.7	190.1	486.6	251.3	289.9	378.8	119.5	111.7	114.7	118.6
<u>1 Year Olds Immunized Against MMR</u>	91	93	89.2	88.4	91.7	89.7	95.8	94.5	96.7	94.5
Region 1	69	81	100	60	77	81	93	96.2	85	80.1
Region 4	91	89	81	87	88	88	94	92.2	95	90.3
<u>Under 1 Year Olds Immunized Against DPT/Pentavalent</u>	85	91	90	91.2	92.8	92.2	94.5	92.8	97.5	95
Region 1	53	62	67	57	83	66	82	79.5	95.5	86
Region 5	92	97	96	98	90	89	93	91.6	93.6	90.3
<u>Reported HIV Cases Percent Population</u>	0.05	0.08	0.1	0.11	0.1	0.17	0.13	0.12	0.15	0.13
Region 2	NA	0.01	0.02	0.05	0.05	0.12	0.08	0.07	0.06	0.03
Region 3	NA	0.05	0.06	0.08	0.07	0.08	0.07	0.08	0.12	0.1
Region 4	NA	0.14	0.15	0.17	0.16	0.26	0.21	0.18	0.21	0.23
Region 5	NA	0.01	0.04	0.03	0.04	0.05	0.07	0.03	0.06	0.05
Region 6	NA	0.02	0.05	0.03	0.03	0.11	0.06	0.07	0.09	0.06
Region 7	NA	0.03	0.05	0.15	0.08	0.17	0.1	0.08	0.16	0.09
Region 8	NA	0.01	0.01	0	0.01	0.01	0.04	0.01	0.06	0.03
Region 9	NA	0	0	0.01	0.01	0.02	0.02	0.02	0	0.02
Region 10	NA	0.05	0.09	0.1	0.07	0.12	0.1	0.08	0.09	0.06
<u>Malaria Cases Per Population (%)</u>	3.62	2.91	3.66	3.82	5.14	2.76	1.52	1.54	1.77	2.96
Region 1	22.53	23.09	31.58	30.53	47.01	19.21	8.26	8.86	11.95	25.58
Region 2	0.99	0.7	0.6	1.03	0.99	0.83	0.61	0.78	0.5	0.9
Region 3	0	0	0	0	0.45	0.06	0.17	0.24	0.49	0.54
Region 4&5	0.01	0.01	0	0	0	0.01	0.01	0	0.01	0.01
Region 6	0.04	0.01	0.01	0.01	0.01	0.01	0	0	0	0.02
Region 7	36.09	23.56	47.96	46.58	49.89	39.92	28.88	28.9	27.6	43.32
Region 8	115.09	101.28	93.06	91.58	76.25	61.59	20.39	20.84	28.8	55.59
Region 9	15.53	5.83	7.16	15.1	36.3	16.52	5.41	3.5	5.91	4.13
Region 10	0.64	2	1.45	1.4	1.33	1.47	1.63	1.97	1.53	1.76
<u>Prevalence Rate of Tuberculosis (per 100,000 population)</u>	190	184	184	186	181	182	178	148	153	151
Region 1	285	256	252	231	218	236	252	119	70	103
Region 4	218	213	224	217	207	202	200	231	252	250
Region 7	302	284	239	279	290	263	268	68	102	125
Region 8	258	367	317	357	387	355	437	89	49	158
Region 9	98	144	108	175	96	214	274	46	56	46
Region 10	229	209	214	221	202	194	176	153	160	223

Source: Ministry of Health

Note¹

Infant, under five and maternal mortality rates for 2009 and 2010 are estimates, and are likely to change.

Table 11: NATIONAL WATER INDICATORS, 2001-2010												
ACTUAL											PREL	
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
% of Population with Access to Water	Treated		20.71%	20.71%	26.46%	26.46%	26.46%	26.46%	26.46%	31%	36%	45%
	Untreated		51.23%	51.23%	45.48%	45.48%	45.48%	45.48%	53.54%	52%	61%	53%
	Total		71.94%	71.94%	71.94%	71.94%	71.94%	71.94%	80%	83%	97%	98%
Total Number of Customers	Metered		29,383	31,646	32,173	38,312	39,352	39,368	39,638	47,113	50,940	62,797
	Unmetered		140,285	132,965	125,226	122,102	104,699	106,625	121,474	118,103	116,019	109,866
	Total		169,668	164,611	157,399	160,414	144,051	145,993	161,112	165,216	166,959	172,663
Households Connected to GWI	Total		131,565	132,559	133,560	134,569	135,585	136,609	150,612	153,916	154,819	159,663
	Meter Coverage (%)		20.46%	21.27%	22.12%	23.00%	23.91%	24.86%	24.6%	28.5%	30.5%	36.4%
% of Households Receiving Water			70.81%	71.34%	71.88%	72.43%	72.97%	73.52%	81.1%	82.8%	83.3%	85.9%
Hinterland Coverage	Total Number of Households		1156	1202	1241	1276	1301	1450	2500	4800	8400	11600
	% Receiving Safe Water		19%	20%	20%	20%	20%	25%	40%	50%	60%	67%
NRW (GWI Method)			-	-	61%	66%	67%	72%	64%	69%	53%	49%
Collection Efficiency			-	-	71.1%	75.2%	77.6%	73.0%	82%	30%	46%	78%
Prevalence of Water Borne Diseases	Acute Diarrhoeal Diseases	< 5 Years Old	9.67%	10.56%	11.66%	9.55%	10.86%	11.00%	5.8%	11%	10.7%	10.3%
Continuity of Service	Pressurized Service	>5m	-	-	-	32%	26%	20%	N/A*	N/A*	30%	45%
						58%	63%	58%	N/A*	N/A*	65%	70%
						36%	32%	32%	N/A*	N/A*	30%	24%
		No Data	-	-	-	6%	6%	10%	N/A*	N/A*	5%	6%
Total Length of Pipes Installed (m)			-	-	-	-	1,625,025	1,904,323	2,044,555	N/A*	N/A*	
Memorandum item												
Expenditure for GWI (G\$m)	Current*		-	\$1,279	\$2,745	\$3,024	\$2,276	\$3,429	\$3,875	\$5,395	\$7,798	\$5,236
	Capital		-		\$1,962	\$874	\$282	\$650	\$986	\$1,128	\$4,575	\$3,761
	Total				\$4,707	\$3,898	\$2,558	\$4,079	\$4,861	\$6,523	\$12,373	\$8,997
<i>Source: Guyana Water Inc</i>												
Note: 1) All figures in Red are estimates												
2) Metered Coverage is calculated as a percent of total customers.												
3) The decrease in the total number of customers in 2005 was due to the removal of duplicate and inactive accounts												
4) Population with access to Water does not include coverage in the Hinterland Division and areas supplied by Guysuco.												
5) Total length of pipes installed is a cumulative total and represents the networks which have been capitalized.												
6) Prevalence of Water Borne Diseases is calculated as a percent of the total number of persons < 5 years old in Guyana												
* 7) The Current Expenditure Cost does not include Employment Cost and Office & Administrative Cost												
N/A* - This data is currently unavailable at the detail at which is requested. In addition to this, there are data quality issues with some existing datasets which are being addressed. GWI is working to ensure this information is made available.												

Table 12. SELECTED SOCIAL SAFETY NET INDICATORS, 2001-2006

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
National										
Coverage of old age pension	34128	34254	34485	33107	33492	33438	36813	40339	43398	42531
% getting water assistance				26	28	25	34	43	43	44
Beneficiaries of public assistance										
Children	7197			8727	10000	11190	1156	14611	6124	11845
Adults	3599			4364	5000	5597	578	7306	3062	5923
Difficult Assistance Program										
Small business grant recipients		328	211	411	291	419	64	45	65	63
School uniform assistance recipients		5541	13748	13028	24777	30000	3	12	13	50
Eye Care Support										
Children		70	12	40	29	28	47	64	83	89
Old age pensioners		177	27	100	15	97	102	268	498	268
Child Protection Program										
Cases addressed by the Ministry	NA	NA	13	99	NA	219	259	481	886	3084
Beneficiaries of Night Shelter for the homeless		28874	25539	26478	29089	30017	6050	3165	3967	5167
Beneficiaries using drop-in centers for homeless			1108	3815	3978	4104	5543	6631	7735	8830
Memorandum item (% Share of GDP)										
Social safety net expenditure as % of GDP										
Public assistance program		0.21	0.15	0.13	0.10	0.25				
Old age pension		0.48	0.52	0.49	0.49	0.77				
Difficult circumstances assistance		-	-	-	-	-				
Eye care support		6.41	0.26	0.97	2.78	0.69				

Source: Ministry of Labour, Human Services and Social Security

Table 13. Selected National Crime Indicators, 2001-2006

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Murder	79	142	206	131	142	153	115	158	117	140
Manslaughter		10	18	17	8	10	1	7	3	7
Robbery	44	23	20	28	8	11	33	46	35	49
Under arms	1005	1620	1004	1100	967	1129	1108	1253	920	782
With violence	222	252	174	149	97	88	169	148	182	129
With aggravation	112	134	113	58	33	42	64	78	80	90
Larceny from the person	449	411	287	317	109	82	134	215	244	245
Rape	117	137	122	170	149	112	89	72	72	101
Burglary	419	428	408	382	122	88	140	113	144	197
Prisoners										
On remand	3532	4925	3972	4230	5103	7436				
Convicted	1621	6981	6495	6049	7095	7904				
Appellants										
Prisoners by age group	2001	2002	2003	2004	2005	2006				
< 18		10	13	24	28	19				
18 - < 24		194	180	188	234	226				
24 - < 30		296	250	274	334	283				
30 - < 36		281	306	332	433	392				
36 - < 42		167	143	225	274	299				
42 - < 48		68	67	97	124	178				
48 - < 55		42	27	37	51	55				
55 - < 65		12	12	21	15	16				
65 - < 75		1	0	4	2	4				
> 75		1	0	0	0	0				

Source: Ministry of Home Affairs

Table 13A. SELECTED CRIME INDICATORS, 2001-2006

Division A	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Murder		54	84	46	65	76	45	45	38	44
Manslaughter		9	11	12	2	3	-	3	-	3
Robbery:		9	11	16	13	27	17	27	19	33
Under arms		1021	651	600	784	828	572	795	550	477
With violence		140	92	103	84	96	85	76	122	75
With aggravation		97	77	42	53	93	36	63	64	70
Larceny from the person		285	240	242	219	177	74	172	208	225
Rape		38	47	53	62	43	33	17	20	21
Burglary		258	249	202	132	66	63	57	87	115

Source: Ministry of Home Affairs

Table 13B. SELECTED CRIME INDICATORS, 2001-2006

2011-2015

	Division B		Division C		Division D		Division E & F		Division G	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Murder	18	21	26	22	13	13	17	13	3	8
Manslaughter	-	-	1	2	4	3	1	2	-	-
Robbery:	4	2	1	0	1	2	3	3	2	1
Under arms	227	231	129	145	76	100	54	54	8	15
With violence	33	31	17	5	3	4	4	5	0	2
With aggravation	17	8	2	2	2	3	1	1	0	0
Larceny from the person	36	31	6	4	3	5	3	7	1	0
Rape	30	19	15	14	11	7	30	18	6	7
Burglary	53	50	45	31	12	10	13	26	3	3

Source: Ministry of Home Affairs

Table 13B. SELECTED CRIME INDICATORS, 2001-2006

	Division B		Division C		Division D		Division E & F		Division G	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Murder	20	21	16	34	8	17	23	38	3	3
Manslaughter	-	1	-	-	-	2	-	1	1	-
Robbery:	10	9	-	-	2	4	4	6	-	-
Under arms	238	213	188	132	47	57	35	46	28	10
With violence	43	39	24	21	6	2	5	3	6	7
With aggravation	16	7	5	7	4	-	2	1	1	-
Larceny from the person	41	30	6	-	7	9	2	3	4	1
Rape	27	10	8	8	-	8	17	25	4	4
Burglary	35	25	16	10	6	13	16	8	4	-

Source: Ministry of Home Affairs

Table 13B. SELECTED CRIME INDICATORS, 2001-2006

	Division B		Division C		Division D		Division E & F		Division G	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
Murder	15	22	19	25	19	10	23	34	3	5
Manslaughter	1	2	1	2	1	-	-	-	-	-
Robbery:	6	6	4	-	2	4	1	6	3	-
Under arms	168	109	121	103	49	53	44	28	18	12
With violence	24	30	14	6	5	8	6	5	11	5
With aggravation	4	8	3	5	8	4	-	-	1	3
Larceny from the person	28	18	-	-	3	15	2	1	3	1
Rape	18	26	11	33	6	5	8	12	8	4
Burglary	34	25	8	19	6	19	5	17	4	2

Source: Ministry of Home Affairs

Table 14. SELECTED INDICATORS ON TRAFFIC ACCIDENTS, 2001-2006										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Number of accidents	2,765	2,662	2,474	2,593	2,479	2,436	2,359	1,941	2,063	1,704
Minibuses	2,126	2,676	2,380	2,396	3,259	3,418	209	281	261	229
Saloon cars	2,971	3,156	2,942	2,858	3,096	2,629	2,281	1,850	2,165	1,917
Other	2,229	1,907	2,457	2,325	3,074	3,212	2,087	1,590	2,155	2,205
Fatalities	161	158	173	168	182	164	207	113	117	115
Children	30	19	25	21	21	21	30	7	18	7
Adults	131	139	148	147	161	143	177	106	99	108
Serious accidents	522	489	492	541	440	492	429	354	364	348
Children	49	55	47	39	48	63	46	76	64	48
Adults	516	481	482	544	671	639	646	413	368	548
Prosecution against Motor Vehicle Act	45,759	45,513	51,040	51,757	53,137	48,793	52,993	71,041	63,383	63,251
Summons	506	349	524	421	617	826	744	936	729	643
Tickets	28,366	26,128	28,306	25,482	29,229	24,216	30,207	34,855	35,485	32,707
Convictions	37,641	38,216	40,965	40,364	41,978	42,436	44,339	57,118	39,348	32,707

Source: Ministry of Home Affairs