



# BUDGET 2020

AN EMERGENCY BUDGET FOR THE PEOPLE

**Our Plan for Prosperity:** Protecting our People in a COVID-19 Environment; Strengthening Democracy and the Rule of Law; Incentivising Economic Growth and Job Creation; and, Enhancing Welfare.



A Publication by the  
Department of Public Information



@dpiguyana



## REMARKS

“To realise a number of these measures, it required reprioritizing of resources and reprogramming of resources to ensure that priority of Government and the priority of the Emergency Budget is to address people’s issue, to address issues that affect communities, businesses, the economy. So, more resources were directed towards these efforts and it was in this context that I want to share with you some of the measures that will be implemented”.

**His Excellency, Dr. Irfaan Ali**  
**President of the Co-operative**  
**Republic of Guyana**

“The allocations and measures contained in Budget 2020 have benefited from numerous and ongoing engagements with various stakeholder groups which began during the formulation of our manifesto, our social contract with the people of this nation. In addition, ever conscious of the pandemic that has distorted our ideas of normalcy and wreaked havoc on health systems the world over, Budget 2020 seeks to ensure our level of preparedness and response prioritise the safety of our people.”

Budget Speech September 12 , 2020

**Hon. Bishop Juan Edghill,**  
**Minister of Public Works**



## Health

The Dr. Irfaan Ali-led Administration intends to, as an immediate measure, provide for the purchase of adequate drugs and medical supplies and to fix diagnostic equipment and infrastructural defects at facilities across the country to improve the quality of health care provided to citizens.

- \$51.7 billion or 15.7 per cent of the total Budget for the health sector
- \$3.2 billion to facilitate the procurement of emergency of drugs and medical supplies
- Complete the SMART Hospital initiatives at Diamond, Paramakatoi, Mabaruma, Leonora and Lethem
- Redevelopment of the West Demerara, Suddie and Bartica Hospitals
- \$143.3 million for HIV-related drugs and medical supplies
- \$17 million to commence the construction of a cold storage bond in Region 6
- \$15 million to continue the extension of the GPHC Accident and Emergency and Medical Outpatient departments
- \$11 billion for GPHC, which includes \$2.5 billion for drugs and medical supplies
- \$790 million to operationalize the infectious disease hospital
- \$1.8 billion for the procurement of PPE for central government workers

### Measures to Improve the Provision of Education and Health

Removal of  
**25%**  
Corporate Tax  
on Education  
and Health

Removal of  
**VAT**  
on  
Medical Supplies





## Governance

The decision by His Excellency, President Irfaan Ali, to establish a Ministry of Parliamentary Affairs and Governance indicates the importance that His Government is giving to parliamentary democracy, good governance, transparency and accountability. Making Our Government Systems More Accessible, Inclusive and Open to all,” at all levels.

- Continuous revision of the Constitution
- Committee on Constitutional Reform to pursue nationwide consultation

Measure to Support COVID-19 Frontline Workers

**\$150 MILLION**  
to support workers



## Information and Communications Technology

Information and Communications Technology (ICT) is utilised as a catalyst for development in education, health, industry and agriculture globally. ICT helps to reduce transaction costs, improve effectiveness and efficiency, as well as enhance overall productivity. Our Government's goal is to ensure that the benefits of enhanced ICT infrastructure reaches every Guyanese in every community, and we will pursue this in partnership with the private sector, as no Guyanese should be left behind with an allocation of \$5.2 billion for ICT development.

- \$2 billion subvention for the National Data Management Authority
- \$200 million to expand the Learning Channel
- \$65.6 million for the completion of a call centre in Linden
- Liberalise the telecommunications sector
- Schools will be outfitted with adequate equipment and software, and curricula will be reformed to develop ICT proficiencies nationwide
- Continued internet access through the e-Government network

## Strengthening Local Government

The Dr. Irfaan Ali-led Administration will implement its Manifesto programme for local government which includes strategic actions that will improve the efficacy of our Local Democratic Organs (LDOs).

- Develop / implement a 3-year strategic plan for local government and an institutional gap analysis for the five municipalities
- Increase subvention for Local Government Authorities



## Senior Citizens

The PPP/C government is committed to strengthening the medical capacities at the Palms Geriatric Home, and to undertaking other measures aimed at enhancing the lives of our elderly citizens.

- Strengthening medical capacities at the Palms Geriatric Home
- Reduce long lines at the Post Office, by utilising alternate modes and venues for pension payments
- Reinstate the water subsidy for pensioners, from October 1<sup>st</sup>, 2020
- Increase in the Old Age Pension to \$25,000, from January 1<sup>st</sup>, 2021

## Social Protection and Vulnerable Groups

Budget 2020 has a top priority, the delivery of key services to the most vulnerable groups, including women and children, disadvantaged families, the elderly, the differently-abled and those who are at risk of being trafficked to ensure they benefit from an enhanced quality of life.

- Continued partnership with all stakeholders in Guyana to assist in the delivery of hampers and other forms of assistance to underprivileged and vulnerable groups, included as part of our COVID-19 relief measures
- Operationalize a focused programme to address the issue of homelessness and extreme poverty





## Persons with Disabilities

The PPP/C Administration will work at an interagency level, and with stakeholder organisations, to ensure opportunities for effective diagnoses and treatment, rehabilitative support and services, training and employment are all available to persons with disabilities across the country.

- Expand partnership with Eye Care Guyana
- Partner with Starkey Hearing Foundation to screen, assess and fit over 1,000 persons with hearing aids in Regions 4 and 9

## Public Service Human Resource Development

Strategic initiatives to ensure efficient and effective human resource management, as well as human resource development are key priorities of the PPP/C Government. In this Emergency Budget the Administration will provide education and training to facilitate job creation in both the traditional and new and emerging sectors.

- Fully-funded Government of Guyana scholarships
- \$960 million for scholarship and training
- Implement new management practices, such as a Performance Management System





## Revenue Management

Government will prioritise the rapid deployment of electronic tax services to the population as we seek to reconfigure how we do business.

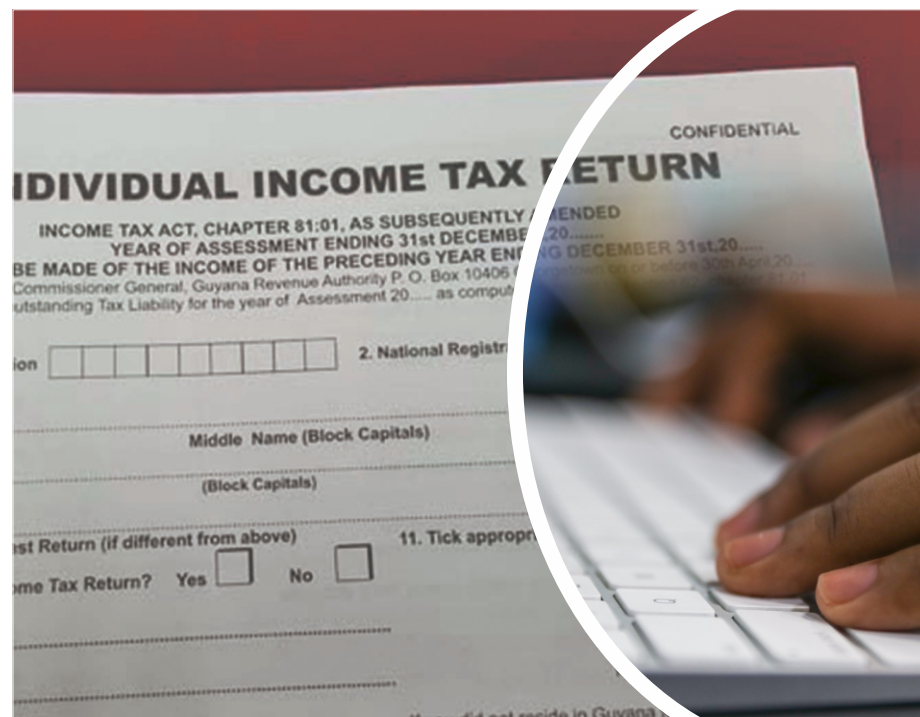
- Deploy a revenue management system software which will gradually replace the tax component of the existing Total Revenue Integrated Processing System
- Complete the roll-out of Automated System for Customs Data (ASYCUDA) to strengthen Customs' operations efficiency



## Housing

The Dr. Mohamed Irfaan Ali-led Administration will restore the vibrancy of the housing sector by investing in infrastructural development in existing housing schemes, land preparation for new housing schemes and improving services in various communities.

- \$3 billion for infrastructure development in new housing schemes
- Infrastructure development in existing housing schemes
- Support to improve occupancy of housing schemes
- Private housing developers to be engaged as part of comprehensive housing strategy





## Water

Budget 2020 provides for sustaining and improving access to potable water across coastal, urban, and hinterland communities, continuing the reduction of the non-revenue water programme and increasing the access to treated water in more areas, including of new/existing housing schemes.

- \$2.8 billion to support the operations of Guyana Water Incorporated (GWI)
- \$644.2 million for sanitation
- Pipe replacements in Georgetown to improve pressure in the system
- Commence a study for the provision of potable water from Hope Canal, and design of water treatment systems for the hinterland towns of Mabaruma and Mahdia, the Islands of Leguan and Wakenaam and coastal areas of Walton Hall to Charity – Region Two, Bush Lot – Region Five and Tain to No. 50 Village – Region Six

## Justice Sector Reform and Strengthening

With renewed visionary leadership, the PPP/C Government has already reoriented itself on a new course with a packed legislative agenda. Many new initiatives will be implemented to advance this critical sector.

- Deeds and Commercial Registry Authority will be modernized
- Appointment of additional Judges under a new Judicial Service Commission
- Special Organised Crime Unit will be transformed to the enforcement arm of the Anti-Money Laundering / Combating the Finance of Terrorism (AML/CFT) structure





## Small Business Support

The Mohamed Irfaan Ali-led Administration will introduce a suite of measures that will catalyse small business growth and development, and boost the sustainability of existing businesses.

- \$100 million for the Small Business Development Fund
- \$212.1 million for the Small Business Bureau
- \$105 million to the Sustainable Livelihood and Entrepreneurial Development programme Reorganisation of GO-Invest



## Education

While Guyana has begun to yield the benefit of its new resource, we remain resolute that the greatest resource this nation possesses is our people. As such, the Government understands the role of the public education sector in the development of Guyana

- \$52 billion or 15.8 per cent of the total Budget allocated for education
- \$1.7 billion for the construction and rehabilitation of schools across the country
- Over \$300 million for blended learning options
- \$3 billion for University of Guyana
- Effective January 1, 2021 Government will reintroduce the school cash grant and increase it to \$15,000.
- The school uniform vouchers increased to \$4,000



## Sustainable Tourism

The tourism sector continues to be one of the hardest-hit by the outbreak of COVID-19. With Government's support measures, the sector will rebound stronger than ever to make Guyana a top sustainable tourism destination, in keeping with our manifesto promise.

- Reversal of VAT on hinterland travel
- Special incentives for new hotels and businesses
- Complete the Hospitality Training Institute

## Energy Expansion and Diversification

The PPP/C Administration is committed to providing affordable, stable and reliable energy to benefit both households and businesses through an energy mix that includes hydropower, solar and wind.

- Invest \$400.6 million to expand electrification of our Amerindian and hinterland communities
- Pursue the completion of the Amaila Falls Hydro Project
- Pursue mini-hydro grid-tied systems in Bartica and Lethem
- Distribute solar panels to 25,000 households in Amerindian, hinterland, and deep riverine communities



## Agriculture and Food Security

- \$15.8 million for the acquisition of shade house materials and sprinkler hoses
- Establish 2 coconut nurseries, at Charity on the Essequibo Coast and Kairuni on the Soesdyke-Linden Highway, with the capacity to produce 25,000 additional seedlings per year
- Continue projects such as the abattoir at Onverwagt, West Coast Berbice
- Remove VAT on key inputs in the poultry industry, in addition to reverting it to zero-rated status, and create incentives for the production of corn and soybeans, key feedstock inputs
- Promote sustainable fishing through improved management
- Working to revert the US ban on catfish
- Over \$9billion for drainage and irrigation
- Over 1,200 acres of farmland in West Watooka, Linden will benefit from D&I
- Upgrading the existing mud dam access to farm-to-market access roads at Villages 52-58, Region 6, Right Bank Mahaicony, Left Bank Mahaica, and Salem, Region 3
- Drainage capacity will be bolstered with the installation of 12 high capacity drainage pumps for Regions 2, 3, 4, 5 and 6

## Transport Networks

The PPP/C Administration will pursue numerous transformational projects aimed at boosting the transportation network across the country.

- 34.4 billion for infrastructure sector
- Complete the East Coast Demerara highway
- Replace all acro-panel bridges between Sheriff Street and Hope Canal
- Remodel the Linden to Lethem Road project to a manageable level, whereby the highway can be completed from Linden to Mabura Hill at US\$150 million
- US\$50 million secured for first phase of Ogle to Diamond bypass road
- Relaunch expression of interest for design, construction and financing options for a four-lane high-span new Demerara River bridge.
- Pursue construction of a new ocean-going ferry for Region One



## National Security

Every Guyanese citizen is entitled to safer communities, where life can flourish unhindered. Crime in our communities is detrimental to our quality of life and takes a toll on the development of businesses. Historically, the PPP/C Administration have taken measures to reduce crime and support safer communities.

- \$1 billion for ongoing works on police stations and divisional headquarters
- \$2 billion for the construction, rehabilitation and upgrading of prison facilities countrywide
- \$428.1 million for the procurement of 50 vehicles for Guyana Police Force
- \$200 million to continue work on the Mazaruni and Georgetown prisons, and to commence reconstruction of Lusignan prison
- \$63 million to procure two water tenders for Linden and Bartica, as well as to upgrade the facilities at Mahdia



## Agriculture and Food Security

Over the next five years, starting from Budget 2020, the Government will implement measures to promote a diversified economy, create more jobs and increase the income of farmers at the same time, through strategic investments, and ease the burden associated with the COVID-19 pandemic.

- \$18.4 billion for agriculture sector
- Phased re-opening of the Enmore, Rose Hall and Skeldon Sugar Estates
- \$3 billion for GuySuCo for critical works, with an additional \$2 billion available should works progress
- Reverse increases in land lease fees for lands under cultivation, and land taxes and drainage and irrigation charges, back to their 2014 position
- 112.9 million capital injection into the Mahaica/Mahaicony/Abary-Agricultural Development Authority

# DOMESTIC VIOLENCE

## Victims of Domestic Violence

Budget 2020 will offer programmes and partner with civil society and other organisations to reduce the incidence of intimate partner violence.

- Enhance the capacity of law enforcement officers and prosecutors to ensure the appropriate punishment for intimate partner violence
- Enhance the physical infrastructure at police stations to accommodate the privacy required to deal with domestic violence and other sensitive issues
- Government will accelerate the Spotlight Initiative which seeks to address the root causes of violence against women and girls emphasising prevention

## Natural Resource Management

- Establish an arm's length SWF insulated from political interference
- Establish a model PSA based on industry-wide standards and best practices
- Training thousands of Guyanese at every level to create national core of managers and workforce to chart the future direction and effectively manage the petroleum sector
- Uphold the Santiago Principles of transparency and accountability and EITI
- Criminalise non-disclosure of receipt of funds from oil revenues
- Ensure annual reports from the Government are laid in the National Assembly detailing oil revenues and expenditures
- Ensure regular petroleum audits
- Immediately engage the oil and gas companies in better contract administration/renegotiation





## Amerindian and Hinterland Development

In effects of COVID-19, Budget 2020 brings special meaning to our Amerindian brothers and sisters. It will facilitate support for our indigenous people in the areas of food security, youth development, student welfare, women initiatives, agriculture, eco-tourism and grants to fund social and productive micro projects.

- \$800 million for the Amerindian Development Fund (ADF)
- \$300 million from the ADF to purchase tractors and accessories
- \$10 million to commence the design of a new head office for the National Toshao Council
- Reintroduction of ICT hub programme for 26 Amerindian communities
- Provision of 25,000 household solar photovoltaic units
- Over \$800 million for the Hinterland Roads Programme
- About 19,000 Amerindian households to benefit from \$25,000 cash transfer, with an allocation of about \$475 million



## Natural Resource Management

The Dr. Mohamed Irfaan Ali-led Administration will implement a number of measures aimed at catalysing growth in the natural resources sector.

- \$350 million to support to the ailing Forestry Commission
- Removal of VAT on machinery and equipment, and the provision of tax concessions on all-terrain vehicles (ATVs)
- Reversal of VAT on exports
- Amend the log export policy to allow saw millers to export logs
- Accelerate the restructuring of the Guyana Geology and Mines Commission (GGMC) to best meet the needs of a modern mining sector, expand collaboration between Budget Agencies and GGMC to ensure effective and efficient delivery of hinterland infrastructure, which is essential for mining

## Youth and Children

Budget 2020 caters for the implementation of a number of education, skills-training and recreational programmes, aimed at equipping Guyana's youth with the necessary skills to become productive citizens.

- \$25 Million for establishment of Youth Advisory Council
- Expand the engagement of youth and sports groups to improve their organisational capacity
- Ensure training and employment opportunities are expanded



## Culture, Youth, Sports and Arts

Budget 2020 will allow for us to embrace diversity and explore the talents of our people by improving and providing increased access to sport facilities for the nation's youth.

- \$2.7 billion for Culture, Youth and Sports, \$805.3 million allocated specifically for sports
- Undertake initial work on mini sports stadiums in Regions 2, 6 and 10, and the Guyana-China friendship park
- \$185 million for the National Sports Commission to accelerate work on the synthetic tracks in Regions 6 and 10, as well as the purchase of sports gears and ground enhancements

