



MID-YEAR REPORT 2019



Ministry of Finance
Main and Urquhart Streets,
Georgetown.
Co-operative Republic of Guyana

Original Title: Mid-Year Report 2019

Presented by: The Honourable Winston Jordan, Minister of Finance

Published: Ministry of Finance

Cover: The cover shows the Coat of Arms, Mid-Year Report of Independence Logo and border with the colours of the National Flag.

Production Services: Printed in the Co-operative Republic of Guyana

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ISBN 978-976-8254-44-3 (pbk)

CO-OPERATIVE REPUBLIC OF GUYANA

**ELEVENTH PARLIAMENT OF THE
CO-OPERATIVE REPUBLIC OF GUYANA
UNDER THE
CONSTITUTION OF THE
CO-OPERATIVE REPUBLIC OF GUYANA**

FIRST SESSION 2019

MID-YEAR REPORT

**Honourable Winston D. Jordan, M.P.
Minister of Finance**

August 9, 2019

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List of Abbreviations

3G	Green Generation Guyana
ABCs	Agency Budget Committees
ASYCUDA	Automated System for Customs Data
BoS	Bureau of Statistics
CANU	Customs Anti-Narcotics Unit
CARICOM	Caribbean Community
CDB	Caribbean Development Bank
CEIT	Centre for Excellence in Information Technology
CHPA	Central Housing and Planning Authority
CHW	Community Health Workers
CJIA	Cheddi Jagan International Airport
CPCE	Cyril Potter College of Education
CPI	Consumer Price Index
CPR	Cardiopulmonary Resuscitation
CSSP	Citizens Security Strengthening Programme
DOTS	Directly Observed Treatment Short Course
D&I	Drainage and irrigation
ECLAC	Economic Commission for Latin America and the Caribbean
ETP	Endangered, threatened and protected
FAM	Familiarisation
FDI	Foreign direct investment
FMAA	Financial Management and Accountability Act 2003
GDP	Gross Domestic Product
GFS	Guyana Fire Service
GLDA	Guyana Livestock Development Authority
GPF	Guyana Police Force
GPL	Guyana Power and Light Incorporated
GRA	Guyana Revenue Authority
GRDB	Guyana Rice Development Board

GSDS	Green State Development Strategy: Vision 2040
GTA	Guyana Tourism Authority
GuyOil	Guyana Oil Company Limited
GuySuCo	Guyana Sugar Corporation
GWl	Guyana Water Incorporated
HIV	Human Immunodeficiency Virus
HoBA	Head of Budget Agency
HS	Harmonised System
ICT	Information Communication Technology
IDB	Inter-American Development Bank
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
IMTCoP	Inter-Ministerial Technical Committee on Petroleum
ITB	Internationale Tourismus-Börse
LATA	Latin American Travel Association
LED	Light-Emitting Diode
LTE	Long Term Evolution
M&E	Monitoring and Evaluation
MARDS	Mahaica Abary Rice Development Services
MDR	Multi-drug resistant
MoE	Ministry of Education
MSC	Marine Stewardship Council
NAREI	National Agricultural Research and Extension Institute
NCDs	Non-communicable diseases
NDIA	National Drainage and Irrigation Authority
NDMA	National Data Management Authority
NGO	Non-Governmental Organisation
NIS	National Insurance Scheme
NRF	Natural Resource Fund
OPEC	Organisation of the Petroleum Exporting Countries
PAYE	Pay as You Earn
PCN	Project Concept Note

PEFA	Public Expenditure and Financial Accountability
PEs	Public Enterprises
PFM	Public Financial Management
PIMA	Public Investment Management Assessment
PIM	Public Investment Management
PPCN	Project Profile and Concept Note
PSIP	Public Sector Investment Programme
PV	Photovoltaic
SDGs	Sustainable Development Goals
SEI	Skeldon Energy Incorporated
STI	Science, technology and innovation
SWAPS	Single Window Automated Processing System
TINs	Taxpayer Identification Numbers
TTC	Trained Teachers' Certificate
UG	University of Guyana
US	United States
VAT	Value-Added Tax
VEMS	Visitor Exit Motivation Survey
VNR	Voluntary National Review
WHO	World Health Organization

1. Introduction

1.1 This report is prepared pursuant to Section 67 of the Fiscal Management and Accountability Act (FMAA) 2003 that prescribes that a mid-year report shall be produced in a manner and format prescribed as follows: "A mid-year report shall include – (a) an update on the current macroeconomic and fiscal situation, a revised economic outlook for the remainder of the fiscal year, and a statement of the projected impact that these trends are likely to have on the annual budget for the current fiscal year; (b) a comparison report on the out-turned current and capital expenditures and revenues with the estimates originally approved by the National Assembly with explanations of any significant variances; and (c) a list of major fiscal risks for the remainder of the fiscal year, together with likely policy responses that the Government proposes to take to meet the expected circumstances."

1.2 The theme of Budget 2019 *Transforming the Economy, Empowering People, Building Sustainable Communities for the Good Life* guided the content of the National Budget that was presented to Parliament on November 26, 2018, pursuant to Article 219 (3) of the Constitution. The related analyses and tables contained in this Mid-Year Report 2019 will address key issues captured in the Budget 2019 Speech and Estimates as presented to the National Assembly. A revised economic outlook for 2019, in light of current developments both nationally and globally, is also provided.

1.3 A commendable historical record has been set by the Coalition Government, with the presentation of the third consecutive budget to the National Assembly in November, prior to the commencement of the fiscal year. Were it not for the passage of the no confidence motion, the stage was set for this record to be extended in 2019. In spite of the budget being available at the beginning of the fiscal year, human capacity and institutional strengthening, as well as fiscal and other challenges have served to constrain the pace of implementation. Preparatory work for first oil has advanced with the passage of the Natural Resource Fund (NRF) Act and capacity building across several government agencies and departments. Public financial management (PFM) reforms to further

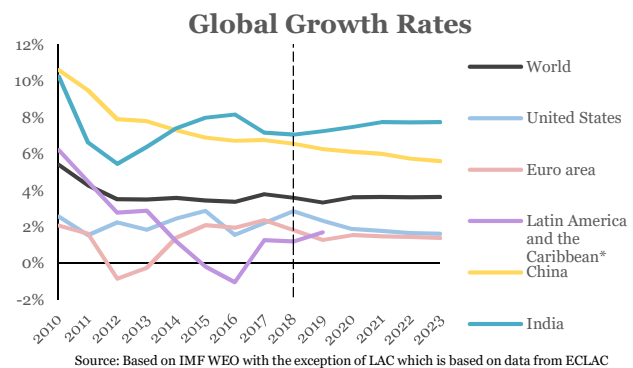
strengthen and embed policy initiatives are underway. They include: the introduction of a criteria-based public investment management (PIM) system; mandatory procurement planning; expanded monitoring and evaluation (M&E) of programmes; and, expansion of internal audit capabilities. These are anticipated to result in more efficient public expenditure management.

1.4 With sustained positive economic growth and low single digit inflation, Government remains optimistic that the fiscal target will be achieved. Following the mid-year review engagements and the commencement of the development of an M&E framework for the Green State Development Strategy: Vision 2040 (GSDS), Heads of Budget Agencies (HoBAs) are redoubling efforts to ensure that Budget 2019 programmes are fully and successfully implemented to enable the continued transformation of the economy and the empowerment of people that are so necessary for the realisation of the *Good Life*.

2. Global Economic Development

2.1 A number of country- and sector-specific developments across the advanced and emerging market country groups – trade tensions and tariff hikes between the United States (US) and China, lower business confidence, tighter financial conditions, and higher policy uncertainty – contributed to weaker global growth in the latter half of 2018. This has spilled over to the first half of 2019. As a result, the International Monetary Fund (IMF), in its July 2019 World Economic Outlook Update, projects global growth of 3.2 percent, 0.4 percentage points slower than 2018.

2.2 Growth in the advanced economies is expected to reach 1.9 percent at the end of 2019, 0.3 percentage points weaker than 2018. The US economy is projected to expand by 2.6 percent, 0.3 percentage points slower than 2018, since the temporary boost to the economy from the



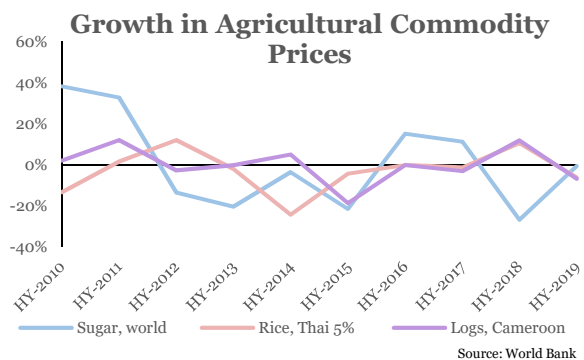
sizable fiscal stimulus is expected to unwind during 2019. The UK is expected to grow by 1.3 percent in 2019, compared with 1.4 percent in 2018, due to prolonged uncertainty about Brexit. Growth in the euro area is forecasted to decline from 1.9 percent in 2018, to 1.3 percent in 2019, given expectations of lower investment spending, in light of a possible no-deal Brexit, as well as slower projected growth in Germany, Italy and France. These three economies were affected by soft private consumption and weak industrial production; weak domestic demand; and street protests and worker strikes across several industries, respectively, in the second half of 2018, the effects of which carried over to 2019. The Japanese economy, in contrast, is expected to grow 0.1 percentage points faster, to 0.9 percent in 2019, as there are expectations of increased fiscal support this year to offset the negative effects of a planned consumption tax increase in October 2019.

2.3 Emerging market and developing economies are projected to expand by 4.1 percent in 2019, slower than the 4.5 percent in 2018, primarily reflecting forecasts of weaker

growth for China and negative growth for Turkey. The former economy is expected to grow by 6.2 percent, 0.4 percentage points slower than last year, due to lingering trade tensions with the US, weakening external demand, and slower growth in the latter half of 2018. Growth in India is likely to increase by 0.2 percentage points, to 7 percent, supported by continued recovery of investment and robust consumption.

2.4 The Economic Commission for Latin America and the Caribbean (ECLAC) projects economic activity in Latin America and the Caribbean to expand by 0.5 percent in 2019, slower than 0.9 percent in 2018. This outlook is based on expectations of negative effects of the aforementioned developments in advanced and emerging market and developing economies – especially the uncertainty regarding Brexit, trade tensions with China and the US, and tighter financial conditions in emerging markets. Growth in South America is expected to weaken to 0.2 percent, from 0.4 percent last year.

2.5 On average, global price changes for Guyana’s major traded commodities were mostly negative during the first half of 2019, when compared with the same period in 2018. The World Bank, in its July 2019 Pink Sheet, reported that the average price of rice (Thai 5%) declined by



6.1 percent, to US\$411 per metric tonne, year-on-year. Prices are projected to fall marginally to US\$410 per metric tonne at the end of 2019, 2.6 percent lower than the price in 2018, partly due to an expected increase in global production.¹ The average price of timber also weakened over the review period, by 1.3 percent, to US\$271 per cubic metre. However, prices are anticipated to strengthen to US\$275 per cubic metre at the end of the year, 1.9 percent higher than the previous year. Contrary to the above, the average price of sugar remained unchanged at US\$0.28 per kilogramme over the review period, but with notable increases within the month of June 2019, mainly on account of severe

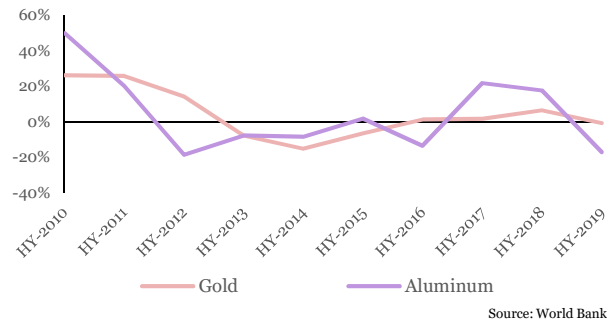
¹ Commodity price forecasts in this section are based on the April release of the World Bank’s Commodity Markets Outlook.

drought in India. The price of sugar is forecasted to stay at US\$0.28 per kilogramme to the end of 2019, the same as 2018.

2.6 Like commodity prices for rice and timber, for example, metal prices also declined over the review period, with the average international price of gold and aluminum falling by 0.8 percent and 17.2 percent, to US\$1,307 per ounce and US\$1,829 per metric tonne, respectively.

While the price of aluminum is expected to strengthen to US\$1,940 per metric tonne, at the end of 2019, it will still be 8 percent lower than 2018. The price of gold is anticipated to rise slightly to US\$1,310 per ounce at the end of 2019, 3.2 percent higher than 2018, as demand is anticipated to maintain a healthy pace, and the US Federal Reserve holds off on interest rate hikes.

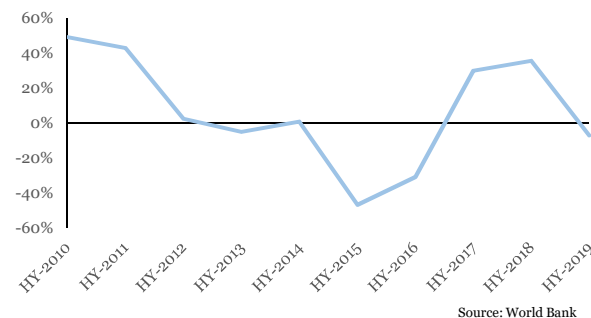
Growth in Metal Prices



2.7 The average price of Brent crude oil was US\$66 per barrel during the first half of 2019, 7 percent lower than the same period in 2018. This was partly due to a slowing global economy, and escalating trade tension between the US and China. Prices are expected to remain at this level

to the end of 2019, 3.4 percent lower than 2018 as diverging forces – strong growth outcomes for US shale production; production cuts by OPEC; declining output from Venezuela; fears of supply disruptions in Libya and Nigeria; and US sanctions against Iran’s oil industry – are expected to affect production.

Growth in Brent Crude Oil Prices



3. Domestic Development

A. Real Sector²

Economic Growth

3.1 The domestic economy is estimated to have grown by 4 percent in the first half of 2019. Growth continued to be broad-based with notable expansions in key sectors such as rice, forestry, gold, manufacturing, construction, wholesale and retail trade, and financial and insurance activities. Investments by both businesses and households continue to trend upward, evidenced by a 5.7 percent increase in private sector credit. This was driven by significant increases in real estate mortgages as well as loans to business enterprises and individuals.



Agriculture, Fishing and Forestry

3.2 In the first half of 2019, the Agriculture, Fishing and Forestry sector is estimated to have contracted by 0.3 percent, compared to growth of 4.9 percent for the 2018 half-year. This outcome was a result of declines in the sugar, fishing and livestock subsectors which outweighed significant gains in the rice, other crops and forestry subsectors.

Sugar

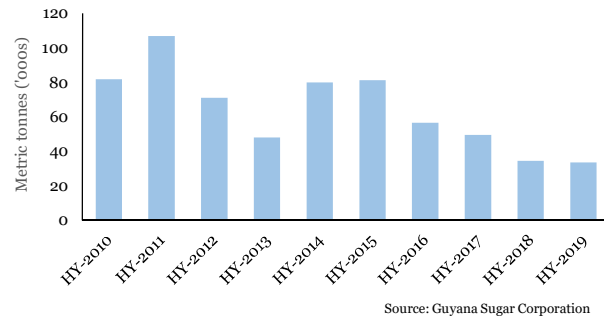
3.3 The Guyana Sugar Corporation (GuySuCo) fell short of its production target for the first crop by 1 percent, with output reaching 33,531 metric tonnes of sugar. There were

² All comparisons and growth rates referred to in this section are between the first half of 2018 and the first half of 2019.

delays in the start of production that were due to the late delivery of materials for critical repairs to boilers in all factories, as well as extended equipment maintenance at the Uitvlugt factory. Thus, the commencement of cane harvesting was pushed to late February. However, once

harvesting began, industry yields were higher than the same period last year, by 1.4 percent, with considerable gains being made at Uitvlugt. There were also noticeable improvements in the recovery of sugar at both the Uitvlugt and Blairmont estates. The Corporation estimates that production for the second crop will be 73,516 metric tonnes, resulting in a growth rate of 2.3 percent in 2019, down from the 15.6 percent forecasted at the time of the Budget. The first round of cane assessment for the 2019 second crop was completed; the canes are relatively well grown and continue to develop in favourable conditions. However, it is noted that delays in the procurement of inputs, including fertilisers and spare parts, could affect production for the remainder of 2019, as well as 2020.

Sugar Production

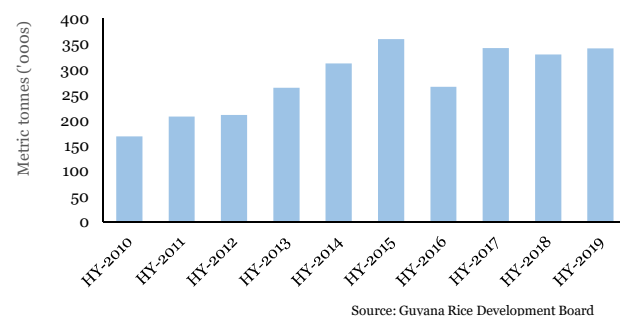


Rice

3.4 The rice industry grew by an estimated 3.7 percent in the first half of 2019. This increase was due to improvements in both the number of hectares harvested and the yield. The former grew by 1.5 percent to reach 87,681 hectares at the end of June 2019. There

were notable increases in hectares harvested in Regions 4, 5 and 6, which offset contractions in Regions 2, 3 and 9. The first crop yield averaged 6 metric tonnes per hectare in 2019, the highest yield ever, in addition to being 2.1 percent above the previous year. This improvement was due to several factors, including adoption of improved paddy

Rice Production



varieties and practices primarily by farmers in Region 6, where yields grew by 16.9 percent, on average, despite the threat of paddy bug infestation. While sowing for the second crop continued into July, early indications suggest that the sector is on track to meet the production target identified at the time of Budget 2019. The Guyana Rice Development Board (GRDB) has deployed officers to work with farmers to contain the paddy bug threat and ensure that this target is achieved.

Other Crops

3.5 The other crops subsector is estimated to have grown by 4.8 percent in the first half of 2019, faster than the revised rate of 4.6 percent for the first half of 2018. This was driven by increased production of root crops, spices and vegetables, which expanded by 1.5 percent, 4.1 percent, and 1.2 percent, respectively. Bitter cassava and yam production were responsible for the increase in root crops, while pepper, celery and ginger production drove the increase in spices. The production of many of the traditional vegetables was higher in the first half of 2019, but there was also notable expansion in the production of non-traditional vegetables such as broccoli and cauliflower. The subsector is expected to grow by 4 percent in 2019, as originally projected.

Livestock

3.6 The livestock subsector, which recorded remarkable growth in 2018, is estimated to have contracted by 8.1 percent, in the first half of 2019. This was as a result of a decline in broiler meat production and, to a lesser extent, milk production, which fell by 8.2

Livestock Production			
	HY 2018	HY 2019	Percent change
Beef	850	1,170	37.6%
Mutton	34	33	-1.5%
Pork	306	431	40.9%
Chicken	21,219	19,476	-8.2%
Table Eggs	13,023	19,719	51.4%
Milk	19,840	19,530	-1.6%
Note: All figures are in thousands. Meat production is measured in metric tonnes and milk in litres.			
Source: Ministry of Agriculture			

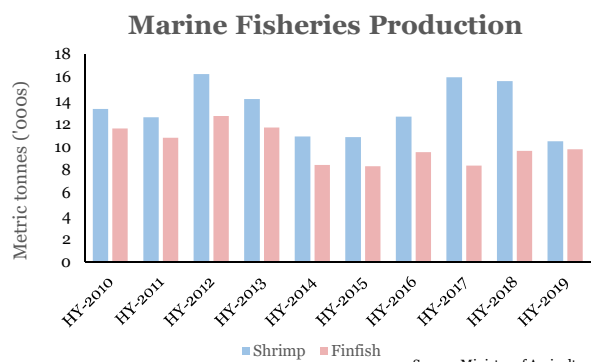
percent and 1.6 percent, respectively. The contraction in the former was due to a supply imbalance of a large producer, who reduced output so as to run down stocks. Subsequently, there has been a shortage in the supply of chicken on the local market, and

efforts to address this have been hampered by poor hatchability of eggs and the stunted growth of chickens. Beef and pork production continued to make steady gains, growing by an estimated 37.6 percent and 40.9 percent, respectively. This was on account of the ongoing artificial insemination and training programmes, which have helped to improve animal productivity, as well as an increased number of farmers involved in animal production. The output of table eggs also benefited from more farmers becoming involved in this activity, which has increased the national laying flock. In the first half of 2019, imports of layer chicks and eggs grew by 25 percent and 186.7 percent, respectively, to reach 45,000 chicks and 129,000 eggs. At the same time, many birds are currently in the laying stage, which has resulted in production rising by 51.4 percent, at the end of the first half. The livestock subsector is expected to grow by 0.7 percent in 2019, with the expectation that the supply of broiler meat will expand in the second half, as private producers take corrective action to meet the current shortfall in the market. Despite this expected increase in production in the second half of 2019, the anticipated outturn is 1.6 percentage points lower than projected in Budget 2019.

Fishing

3.7 The fishing subsector faced significant challenges in the first half of 2019, as reflected in the estimated contraction of 12.2 percent. The invasion of the sargassum weed, which provides a habitat and source of food for many aquatic species, has proven disruptive to

fisherfolk across the Caribbean. In Guyana, the shrimp subsector has been particularly hard hit by the current invasion, with total shrimp production declining by 36 percent, at the end of the first half of 2019. While the number of vessels harvesting prawns has fallen to 45 percent of the fleet, in the first half of 2019, there has been an increase in the vessels targeting red snapper, which has resulted in a 63.3 percent increase in the production of this species at the end of the first half of 2019. Artisanal fishermen have also realised

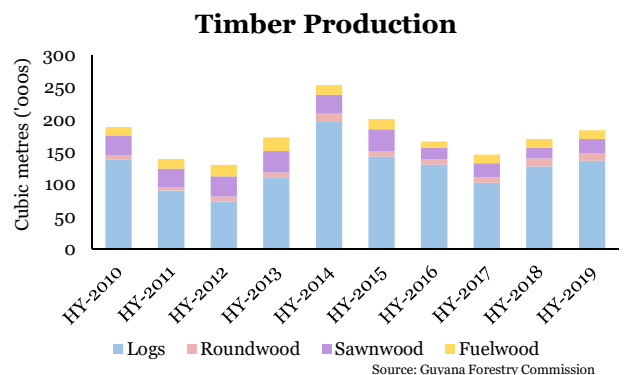


significant gains, with their catch of finfish growing by 10.8 percent at the end of the first half. However, these gains were offset by declines in production in the industrial finfish and tuna categories, which resulted in overall growth in finfish production of 1.4 percent. Based on the outturn at the half-year, the growth rate for the fishing sector has been revised downwards.

Forestry

3.8 The forestry subsector is estimated to have grown at the half-year, for a second consecutive year, with the production of timber (which includes logs, roundwood, primary lumber, splitwood and fuelwood) rising 7.8 percent above the level achieved at the end of June 2018. This pushed

growth in the sector to 8.5 percent in the first half of 2019. The improvements to interior roads in the latter half of 2018, saw community loggers, particularly in Region 10, realising higher production levels in the first quarter of 2019. Production continued to surge, driven by small scale concessions and community forestry operators. At the end of the first half, log production grew by 6.8 percent, mainly on account of the increased extraction of greenheart logs to meet local demand. On the other hand, weaker international demand for roundwood resulted in a contraction of this category in the second quarter, which resulted in a 2.6 percent decline relative to the previous half-year. Primary lumber producers recorded gains of 32.4 percent in the first half, capitalising on increased local demand for construction. The outlook for the remainder of the year remains positive for this subsector, with log production expected to remain high and roundwood to stabilise. Given these factors, the forestry sector is conservatively expected to expand by 5 percent, 3.1 percentage points above the projection in Budget 2019.



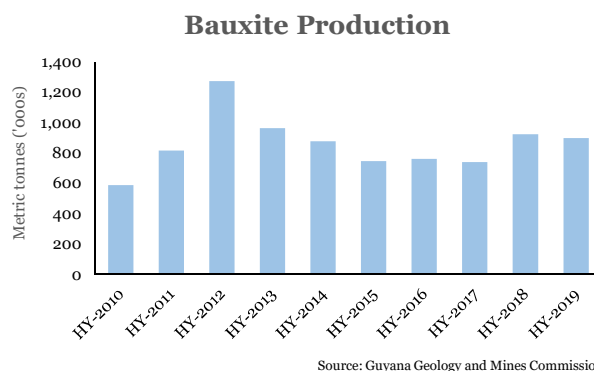
Mining and Quarrying

3.9 The mining and quarrying sector is estimated to have grown by 2.6 percent in the first half of 2019, due to an expansion in the gold mining subsector. The increase was sufficient to offset lower production in bauxite and other mining categories. As a result, growth in the first half was 0.3 percentage points faster than the first half of 2018.

Bauxite

3.10 The bauxite mining subsector contracted by 2.9 percent in the first half of 2019, with total production of all grades contracting by 1.1 percent. Production got off to a brisk start in early 2019, after the US decided to lift sanctions against Rusal. However, there was a significant setback

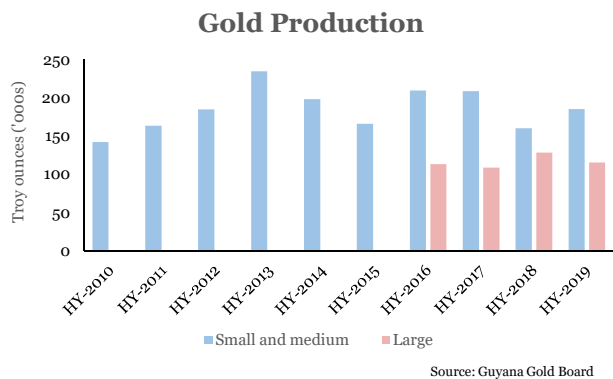
in February, when strike action by workers of the Bauxite Company of Guyana Inc., for wage increases, escalated, resulting in the company ceasing operations. This dispute lasted for more than a month and led to production falling by almost 25 percent in the first quarter. However, production was ramped up in the second quarter and that helped to mitigate the loss in the previous quarter. The subsector's output is expected to remain stable for the remainder of the year, but, in light of the underperformance in the first half, the growth rate for 2019 has been revised downward to 1.3 percent, from 8.6 percent projected at the time of Budget 2019.



Gold

3.11 The gold mining subsector is estimated to have expanded by 4.4 percent at the end of the first half of 2019, to reach 300,674 ounces. Further growth was curtailed by a shortfall in production by one of the large mining companies whose access to higher grade ore has been

restricted as a result of a wall pit failure in 2018. Production by the other large company, in the first half of 2019, exceeded the previous year's production by 10.1 percent, but fell short of the budgeted amount. However, this company anticipates that activities in the second half of the year, which include underground exploration, could reverse the shortfall. The industry's half-year performance also benefitted from a 15.8 percent increase in declarations from small and medium scale miners, who accounted for more than 60 percent of declarations in the reporting period. Miners responded positively to improved road and weather conditions earlier in the year, while the surge in declarations in the second quarter was largely in response to more favourable international prices. This momentum in production is expected to continue into the second half of the year and push annual growth in the subsector to 3.2 percent, greater than the 2.5 percent projected at the time of Budget 2019.



Other Mining

3.12 The other mining subsector, which comprises diamond, sand and stone, is estimated to have contracted by 0.7 percent in the first half of 2019. This is despite half-year growth of 9.2 percent in sand mining and 15.1 percent in stone quarrying. Diamond declarations, which contracted by 37.1 percent in the first half of 2019, drove the decline in other mining. Some analysts have posited the increased exploitation of gold as a possible reason for lower diamond declarations. This sector is expected to grow by 1 percent in 2019, slower than the 5.3 percent projected in Budget 2019.

Manufacturing

3.13 The manufacturing sector is estimated to have expanded by 3.6 percent in the first half of 2019, due to growth in rice and other manufacturing. The latter category expanded by 4 percent, on account of increased output of pharmaceuticals, beverages, edible items and timber products. This sector is expected to grow by 3.7 percent in 2019, slower than the 4.2 percent projected in Budget 2019, as a result of the anticipated decrease in sugar production.

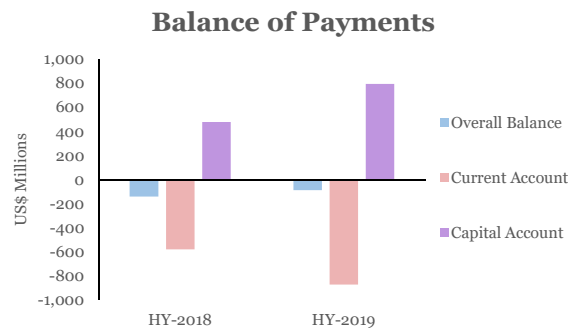
Services and Construction

3.14 The services sector is estimated to have grown by 4.6 percent in the first half of 2019, the highest half-year rate since 2011. This increase was driven by wholesale and retail trade, transportation and storage, financial and insurance activities, rental of dwellings, and other service activities, which grew by 5.9 percent, 5.5 percent, 4.1 percent, 5.9 percent, and 10 percent, respectively. This momentum is expected to continue into the second half, as signalled by businesses in the services sector increasing their borrowing by 7.2 percent in the first half. There has also been increased borrowing for real estate of 5.7 percent, which has contributed to an estimated 8.2 percent growth in the construction sector over the same period. Also contributing to the sector's growth was Government expenditure on construction activities, through the Public Sector Investment Programme (PSIP), which increased by 12.4 percent in the first half of 2019. In 2019, the services sector is expected to grow by 4.3 percent, 0.6 percentage points above the projection in Budget 2019, while growth in the construction sector is anticipated to remain unchanged from the initial projection of 10.5 percent.

3.15 At the time of Budget 2019, the economy was forecasted to grow at a rate of 4.6 percent in 2019. This was later revised downwards to 4.4 percent in April 2019, given the better-than-expected outturn for 2018. Based on the performance of the various sectors in the first half of 2019, the projected growth rate for this year has been revised upwards to 4.5 percent.

B. External Sector

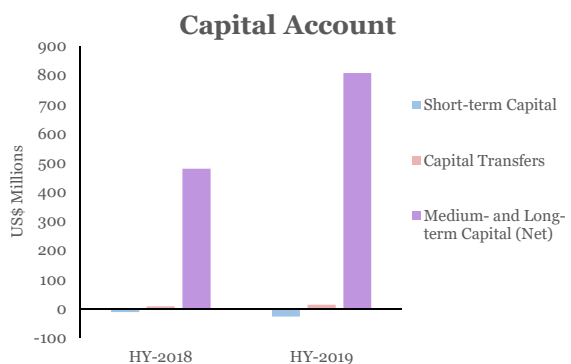
3.16 In the first half of 2019, the overall balance of payments registered a deficit of US\$86.9 million, 37.9 percent smaller than the previous half-year's deficit of US\$139.8 million. This was supported by a higher surplus on the capital account, despite a higher current account deficit.



Source: Bank of Guyana

Capital Account

3.17 The capital account recorded a surplus of US\$795.2 million, significantly higher than US\$477.6 million, over the previous half-year. This was primarily attributable to substantial growth in medium- and long-term capital which was supported by an increase in capital transfers to the private sector, of 67 percent to US\$803.6 million. This, in turn, was mainly due to an expansion in foreign direct investment (FDI), of 60.5 percent to US\$826.4 million. The significant increase in FDI was largely supported by oil and gas activities, which accounted for US\$354.6 million of the amount. There was also strengthening of the non-financial public sector (net) position, to a surplus of US\$4.7 million from a deficit of US\$0.8 million, primarily due to an increase in disbursements. The latter expanded by US\$8.2 million as a result of higher loan disbursements, mainly



Source: Bank of Guyana

from the Caribbean Development Bank (CDB) and China EXIM Bank. Additionally, capital transfers supported the overall strengthening of the capital account, rising to US\$13.9 million from US\$8.9 million. The short-term capital net position moved to a deficit of US\$26.9 million, from US\$11.7 million.

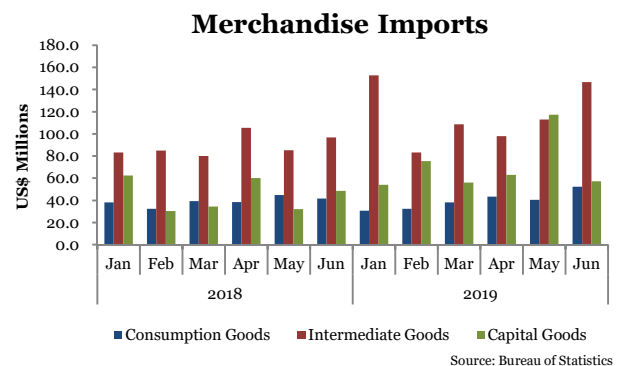
Current Account

3.18 In contrast to the capital account, the current account recorded a deficit of US\$866.8 million at the end of June 2019, from a deficit of US\$578.5 million at the end of June 2018. This resulted largely from a substantially higher deficit on the merchandise trade account, and, to a lesser extent, an increase in the services account deficit. However, there was an increase in unrequited transfers.

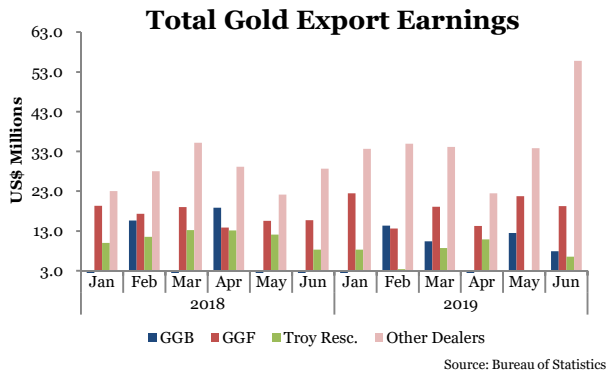
Merchandise Trade

3.19 The merchandise trade account weakened to a deficit of US\$628 million, higher than the deficit of US\$329.3 million from the previous year, on account of stronger growth in total imports of 31.6 percent to US\$1,371.8 million, relative to less robust expansion in export receipts of

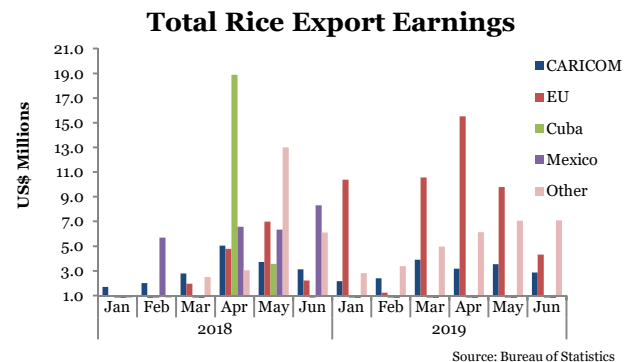
4.3 percent to US\$743.8 million. Imports of intermediate goods expanded by US\$170.4 million to US\$706 million, driven largely by other intermediate goods, chemicals, parts and accessories imported growing significantly on account of oil and gas activities. There was marginal growth of 1.1 percent, or US\$2.6 million, in the imports of fuel and lubricants. Imported capital goods increased substantially, by US\$155.2 million to US\$423 million, primarily attributed to a substantial expansion in mining machinery, again, supported by oil and gas activity. Consumption goods on the other hand, grew less robustly by US\$2.2 million to US\$236.8 million, on account of increases in other non-durables, other semi-durables, and other durables, which were partly offset by a decrease in the importation of food for final consumption.



3.20 For export earnings, the main contributors were gold, fish and fish by-products, and sugar, which increased by US\$41.5 million, US\$3.4 million, and US\$1.8 million, respectively. Noteworthy, gold exports by “other dealers” accounted for 52.2 percent of the US\$411.2 million earned from the export of this metal in the first half of 2019. Other dealers accounted for 44.9 percent of gold exports for the same period in 2018.³



3.21 Receipts from rice exports declined by US\$9.9 million this year; while there were higher earnings from exports to the EU and Venezuela, there were no exports to the Cuban and Mexican markets in 2019.



Net Services

3.22 The outturn on the services account, which moved from a deficit of US\$443.9 million in June 2018 to US\$456.3 million in June 2019, resulted from higher net payments for non-factor services, of US\$19.5 million, being partially offset by lower net payments for factor services, of US\$7.1 million. The increase in the former was largely driven by higher payments for transportation, which rose by US\$53.8 million. The improved factor services net position, however, was attributed to inflows growing faster than outflows. These increased inflows, of US\$10.3 million, were largely supported by inflows from income on equity growing by US\$9.3 million.

³The “other dealers” category includes all licensed traders and excludes Troy Resources, Guyana Gold Fields, and Guyana Gold Board.

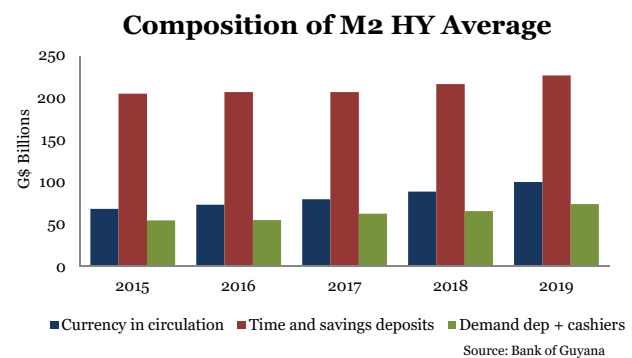
Unrequited transfers

3.23 Unrequited transfers expanded by U\$22.8 million, to US\$217.5 million in the first half of 2019, supported mainly by increased workers' remittances and in-kind transfers, by US\$90.8 million and US\$3.6 million, respectively. Notwithstanding, other current transfers, which include receipts to bank accounts abroad and remittances by foreign embassies, declined by US\$71.7 million.

C. Monetary Sector

Money Supply

3.24 At the end of June 2019, the money supply (M2) expanded robustly by 9.5 percent, to \$408 billion, when compared with the same period in 2018. This was the fastest half-year growth since June 2012, supported by expansions in both narrow and broad money of 13.1 percent and 6.9 percent, to \$175.7 billion and \$232.4 billion, respectively.



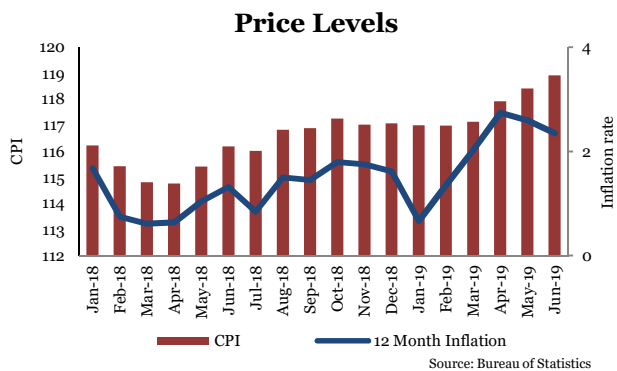
3.25 The outturn in narrow money was attributed to growth in all its monetary aggregates, except for cashiers' cheques and bank acceptances, which decreased by 28 percent to \$3.7 billion. Moreover, currency in circulation increased by 12.4 percent to \$101 billion; 2014 was the last time a half-year growth rate above 12 percent was recorded for this category. This performance in 2019 resulted from currency issuance expanding by 12.7 percent to \$108.1 billion, which offset growth in holdings of commercial banks of 18.4 percent to \$7.2 billion. Noteworthy is that currency issuance grew at the fastest rate in 4 years. Demand deposits also expanded strongly, by 17.7 percent to \$71 billion, outpacing growth in the past 7 years. This was on account of an increase in business enterprises and individual customers' demand deposits, which rose by 23.4 percent and

5.6 percent to \$50.8 billion and \$20.2 billion, respectively. Business enterprises' demand deposits recorded its strongest expansion since June 2008.

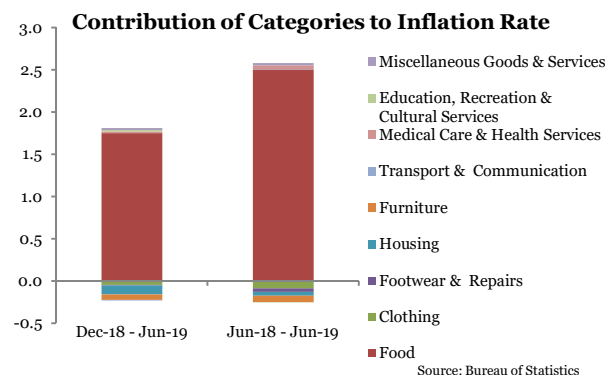
3.26 Quasi money grew by 6.9 percent at the end of June 2019 to \$232.4 billion, the fastest rate of growth for this period since 2013. The performance in the first half 2019 was supported by an increase in both time and savings deposits of 16.8 percent and 5.7 percent to \$28.3 billion and \$204.1 billion, respectively, with the former expanding faster than it has in the past 18 years.

Inflation

3.27 The inflation rate from December 2018 to June 2019 reached a moderate 1.6 percent. This was due to higher food prices. The 12-month inflation rate at the end of June 2019, which grew to 2.4 percent, was also driven mainly by higher food prices. Over the 12 months, these prices rose by 6.3 percent, and affected 2.5 percentage points of the increase in the Georgetown-based Consumer Price Index (CPI)⁴.



3.28 Within the food category, the main contributors to the increase were meat, fish and eggs, vegetables and vegetable products, and condiments and spices, which increased by 12.8 percent, 10.9 percent and 18.6 percent, respectively. These were responsible for 1.3 percentage points, 0.5 percentage points, and 0.3 percentage points of the increase in food prices,



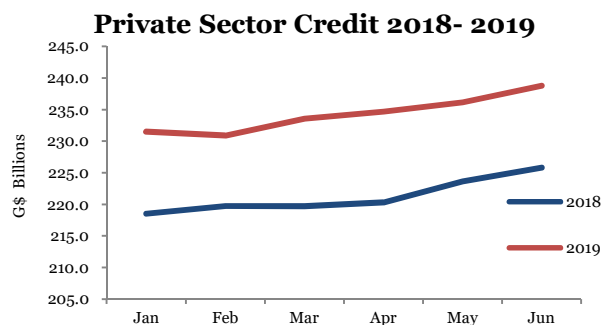
⁴The inflation rate is measured by the percent change in the CPI.

respectively. The 12-month inflation rate is expected to increase marginally to 2.5 percent at the end of 2019, unchanged from the forecast at the time of Budget 2019.

Domestic Credit

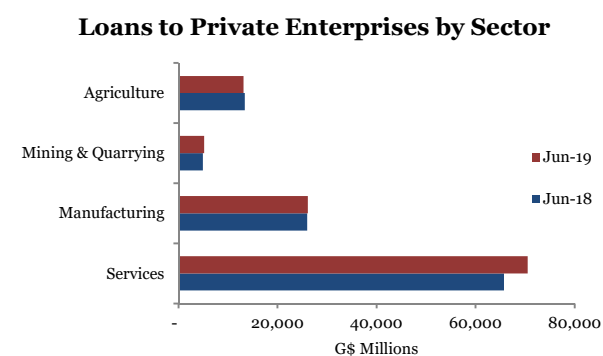
3.29 At the end of the first half of 2019, net domestic credit of the banking system grew by 14.1 percent over the same period last year, to \$33.4 billion, supported by an expansion in both private and public sector credit.

3.30 Total credit to the private sector increased by 5.7 percent to \$238.8 billion over the review period, faster than the past three years. This was supported by an expansion in loans and advances to individuals and businesses, except for businesses in the agriculture sector. The decline in this sector, of 2.1 percent, to \$13.1 billion resulted mainly from a contraction in lending for sugarcane and livestock production of 35.4 percent and 19.8 percent, to \$0.9 billion and \$1.4 billion, respectively.



Source: Bank of Guyana

3.31 In contrast, credit to all other sectors recorded growth. Credit to the mining and quarrying, manufacturing, and services sectors increased by 6 percent, 0.5 percent, and 7.2 percent, to \$5.2 billion, \$26.1 billion, and \$70.5 billion, respectively. The increase in the

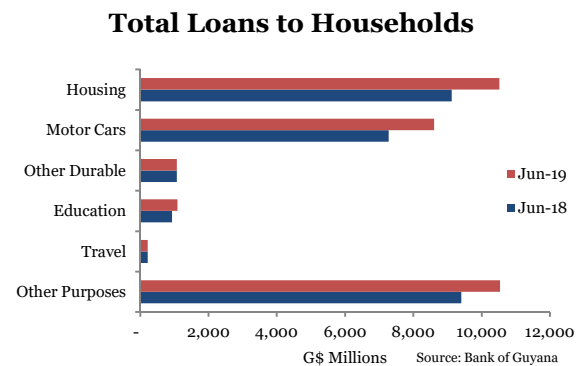


Source: Bank of Guyana

mining and quarry sector was attributed solely to growth in lending to industries outside of the bauxite subsector, whereas the expansion in the manufacturing sector resulted from mixed outturns in the subcategories. There was a sizeable increase of \$1.4 billion and \$0.5 billion in the beverages, food and tobacco, and other construction and

engineering subcategories, which was partially offset by a notable decline of \$1.2 billion and \$0.5 billion in lending to the other manufacturing and rice milling industries, respectively. The outturn in lending to the services subcategories, on the other hand, was mostly positive, with major contributors such as the “other services”, distribution, entertainment and catering, and education subcategories increasing by \$2.2 billion, \$1.7 billion, \$0.8 billion and \$0.7 billion, respectively.

3.32 Lending to households recorded robust growth of 13.5 percent, to reach \$32 billion; this was stronger than the past two years, and was supported by an increase in loans and advances for all purposes, with the exception of other durable goods and travel. Moreover, lending for housing, motor cars and other purposes expanded by \$1.4 billion, \$1.3 billion and \$1.1 billion, respectively.



3.33 Of the other major categories of credit, which include real estate mortgages, credit instruments and “other credit”, only the former two increased, by 5.7 percent and 2.8 percent, to \$84.5 billion and \$3.1 billion, respectively. The expansion in real estate mortgages, which surpassed the half-year growth rate in each of the past three years, resulted from an increase in lending of 5 percent and 14.7 percent for private dwellings, and industrial and commercial properties, respectively. Further, growth in credit instruments was solely supported by increased lending for credit cards, while the decline in the “other credit” category of 8.5 percent to \$4.1 billion, resulted from a contraction of 8.4 percent and 10.7 percent in securities, and shares and other equity, respectively.

3.34 Public sector credit (net), increased by 48.7 percent to \$66.6 billion, mainly due to an expansion in Central Government credit by 17.1 percent to \$115.6 billion.⁵ Conversely,

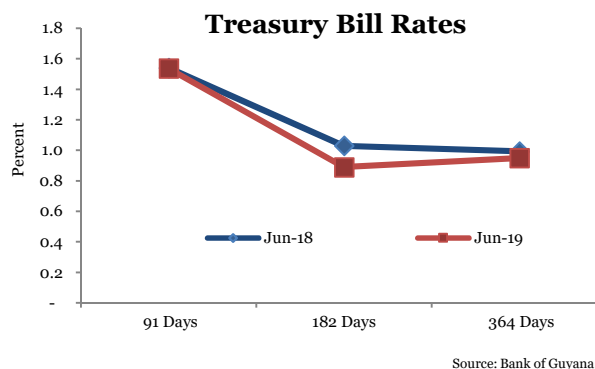
⁵Public sector credit (net) consists of deposits net of loans and advances, treasury bills and debentures.

net deposits of the “Other Public Sector,” which includes Local Government and the National Insurance Scheme (NIS), contracted by 34.3 percent to \$19.3 billion, whilst the net deposits of the Public Enterprises (PEs) increased by 20.8 percent, or \$29.7 billion, on account of higher deposits by Guyana Oil Company (GuyOil) Limited and Guyana Power and Light (GPL) Inc. at local commercial banks.

3.35 Total liquid assets of the commercial banks expanded by 6.2 percent to \$127.7 billion. Total reserves deposited with the Bank of Guyana were \$75.3 billion, 0.7 percent higher than the level at the end of June 2018. The required statutory reserves of the commercial banks were \$48.2 billion at the end of June 2019, creating an excess over the minimum requirement of \$27.1 billion.

Interest Rates

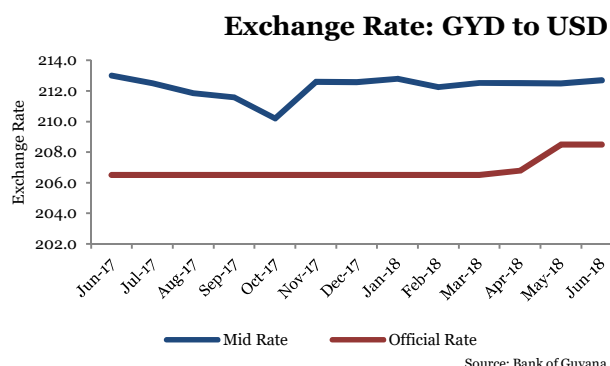
3.36 At the end of June 2019, domestic treasury bill yields were mostly lower, when compared with June 2018, except for the 91-day domestic treasury bill. This yield remained unchanged from 1.54 percent, since February 2017, due to non-issuance. On the contrary, the 182-day and 364-day domestic treasury bill yields declined by 14 basis points and 4 basis points, to 0.89 percent and 0.95 percent, respectively, as a result of competitive bidding for these treasury bills.



3.37 As it relates to interest rates at commercial banks, these were also lower at the end of June 2019. The average small savings rate declined by 10 basis points to 1.00 percent, while the weighted average lending rate reduced by 15 basis points to 9.97 percent.

Exchange Rate

3.38 The official exchange rate at the Bank of Guyana was \$208.5 to the US dollar in June 2018, steady since May 2018. The market mid-exchange rate, in contrast, depreciated to \$213.3 to the US dollar, from \$212.7.



D. Fiscal Sector

3.39 In the first half of 2019, the fiscal position of non-financial public sector reflected a deficit of \$0.9 billion, a reversal from the surplus of \$31.2 million for the same period, in 2018. This outturn was due to increases in Central Government current and capital expenditure, which grew by \$10.8 billion and \$6.1 billion, respectively. These increases outweighed improved current revenue and capital grants of Central Government as well as the operational surplus achieved by the PEs.

3.40 Central Government overall balance, for January to June 2019, was a surplus of \$2.4 billion compared to \$3.1 billion, in the same period, in 2018. This was on account of higher levels of current and capital expenditure, which were larger than the increase in current revenue collections and grants received in the first half of 2019, of \$6.7 billion and \$2.7 billion, respectively. The higher grants were mainly from non-projects which grew by \$3.1 billion to \$5 billion during the period January to June 2019. This increase resulted from the one-off transfer of \$3.1 billion from the ExxonMobil signature bonus account that was held at the Bank of Guyana. This account was closed and all funds, including interest of \$103.6 million, were transferred into the Consolidated Fund account, during the first quarter of 2019. Project grants increased by \$1 billion to \$2.9 billion during the assessment period in 2019 compared to the same period in 2018.

3.41 The overall deficit in 2019 is projected to decrease by 0.1 percentage points to 4.9 percent of GDP despite a revision of the budgeted amount from \$41.5 billion to \$41.8 billion. The projection for the Central Government current balance is expected to reduce to \$12.3 billion for the year, from a budgeted \$16.6 billion. The revenue projection, for 2019, was revised upwards to \$238.4 billion, from a budgeted \$238.3 billion. Capital expenditure is expected to be maintained at the budgeted \$69.3 billion.

Revenue

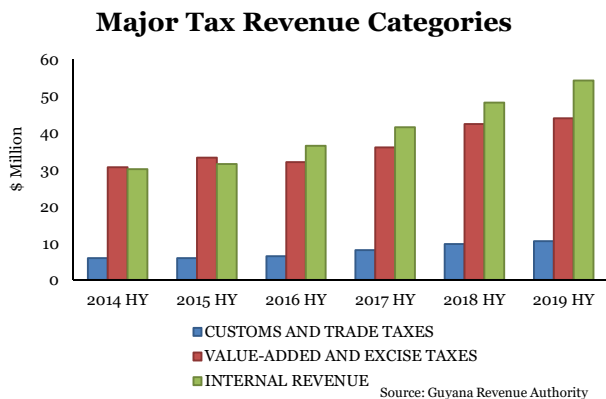
3.42 In spite of the revenue-reducing measures announced in Budget 2019, revenue collection totalled \$115.9 billion, at the end of June 2019, 6.1 percent above the corresponding period in 2018. This was due primarily to increased collections from all the major tax types: income taxes increased by \$6.2 billion; value-added and excise taxes grew by \$1.6 billion; and trade taxes were higher by \$0.8 billion.

3.43 Tax revenue collections during the first half of 2019 grew by \$8.3 billion, or 8.3 percent, to reach \$109 billion, of which arrears accounted for \$2.8 billion. These collections represented 94 percent of total revenue collected, up from 92.2 percent in the same period of 2018. Non-tax revenue collections decreased by \$1.7 billion, or 19.4 percent, as a result of lower transfers from statutory bodies.

3.44 Internal revenue collection increased by \$6.1 billion, or 12.5 percent, to \$54.3 billion, during the first half of 2019. This increase was primarily attributed to higher payments of withholding tax, personal income taxes and private corporation tax. During this period, withholding tax grew by \$3.9 billion, or 65.9 percent, largely reflecting payments from companies within the oil and gas sector. Arrears on this category accounted for \$0.4 billion, during the review period. In addition, the number of companies making payments of withholding tax increased by 26, or 18 percent.

3.45 In the first half of 2019, personal income tax collections grew by \$2 billion, or 16.4 percent, when compared with the same period in 2018. Companies operating in the oil and gas sector accounted for \$1.2 billion, or 61 percent, of the collections.

The other entities contributing to the increased collections were mining companies, public institutions and telecommunications companies. The number of employers making payments rose by 6.3 percent or 120 employers during the first half of 2019, in comparison to the same period in 2018. Arrears payments were \$0.2 billion for PAYE and \$0.6 billion for individual income taxes.



3.46 Private corporation taxes increased by \$0.7 billion, or 4.1 percent, reflecting higher payments of current and advance taxes of \$2 billion from companies within the services sector, while collection of arrears declined from \$1.8 billion to \$0.5 billion. The total number of companies making payments during the review period increased by 46, or 6.6 percent.

3.47 Net property tax of the private sector was \$3.6 billion, of which individuals' payments were \$0.7 billion. Payment of current taxes by companies increased by \$24.7 million, or 0.9 percent; and individuals by \$76 million, or 14.2 percent. Arrears payments for companies and individuals were \$127.8 million and \$101.7 million respectively, during January to June 2019.

3.48 Customs and trade tax collections grew by \$0.7 billion, to \$10.6 billion, during the first half of 2019, when compared with the same period in 2018. Import duties accounted for 98.1 percent of the increased collections. This was due to the increased collection of duties from commodity imports, especially lubricating oils and petroleum bitumen. There was also growth in the environmental levy by \$78.5 million, or 8.8 percent, above the period January to June 2018.

3.49 Value-added tax (VAT) collections increased by \$2.1 billion to \$24.8 billion, during January to June 2019, when compared with the same period in 2018. Over the review period, VAT from domestic goods rose by \$2 billion, primarily due to higher payments from the manufacturing, distribution, services and oil and gas sectors. Similarly, VAT on imports of goods and services grew by \$0.2 billion. Arrears payments on VAT on domestic goods amounted to \$29.5 million.

3.50 Revenue collected from excise taxes in the first half of 2019 amounted to \$19.3 billion, \$0.6 billion below the same period in 2018. The decrease resulted from lower values of diesel oil and motor spirits (gasoline), as well as more companies benefitting from tax exemptions for petroleum products during the review period. Collections from imported petroleum products and motor vehicles accounted for \$12.6 billion and \$3.4 billion, respectively. Excise tax collections from domestic supply increased by \$14.9 million, to \$2.2 billion.

3.51 In the first half of 2019, travel tax collection recorded an increase of \$139.2 million, or 10.7 percent above the same period in 2018. The growth resulted from increased ticket sales to outgoing passengers.

3.52 Total non-tax revenue decreased by \$1.7 billion, or 19.4 percent, to \$6.9 billion during the first half of 2019, compared with the same period in 2018. This outturn reflects reduced transfers from statutory agencies. Royalties collected by Central Government rose by \$95.2 million, to \$2.4 billion, as a result of higher gold declarations from one of the large-scale gold mining companies.

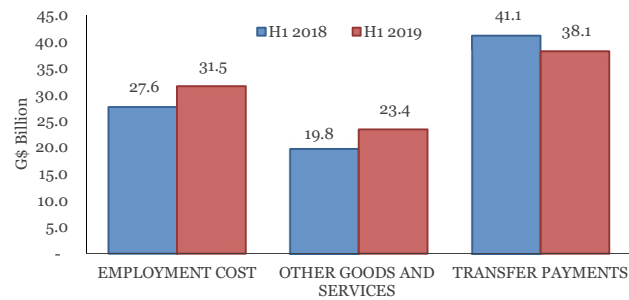
3.53 Total tax remissions for January to June 2019, amounted to \$26 billion, or 23.9 percent of tax revenues, compared to \$29.4 billion, or 29.2 percent, for the same period in 2018. The decline in remissions resulted from decreases in: companies/businesses, by \$1.5 billion; foreign funded projects, by \$1.1 billion; churches/charitable organisations, by \$608.6 million; Ministries or Government Departments, by \$222.3 million; and

hospitals, by \$62.9 million. The categories that increased were diplomats, by \$38.7 million, and public officials/officers, by \$152 million.

Expenditure

3.54 The Central Government non-interest recurrent expenditure budget for 2019 was \$213.1 billion. However, due to supplementary provisions of \$4.4 billion to support Central Government activities, this was revised to \$217.5 billion. By the end of the first half of the year, the sum of \$93.1 billion, or 42.8 percent of the revised budgeted sum, was expended. This represents an increase of 5.2 percent, or \$4.6 billion, over the corresponding period for 2018.

Non-Interest Current Expenditure



Source: Ministry of Finance

3.55 In the category of employment costs, \$31.5 billion, or 45 percent of the budget, was spent, reflecting an increase of \$3.9 billion or 14.2 percent when compared with the same period in 2018. This is attributed to new recruits, public service salary increases and the 2 percent increase to teachers applicable to their 2016 salaries.

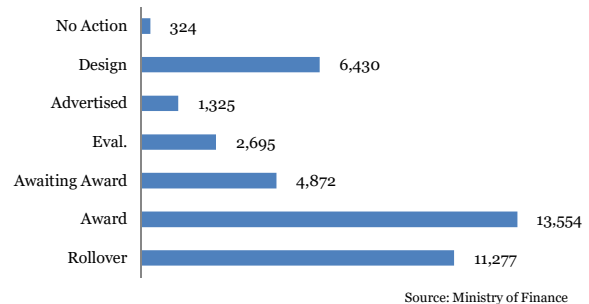
3.56 Under the goods and services category, the sum of \$23.4 billion, or 38.5 percent of the revised budget, was expended during the review period; this reflects an increase of \$3.7 billion, or 18.5 percent, over the same period of 2018. This increase is attributed to the early passage of Budget 2019, which facilitated an early commencement of the 2019 work programme, particularly in areas such as other expenses, purchase of materials and supplies, and maintenance of buildings, which posted increases of \$1.5 billion, or 19.7 percent, \$1 billion, or 32.1 percent, and \$0.5 billion, or 31.1 percent, respectively.

3.57 Transfer payments amounted to \$38.1 billion, or 44 percent of the revised budget, during the first half of 2019. This represents a decrease of \$3 billion, or 7.3 percent, when compared with the same period in 2018. This variance is due to a one-off transfer to

GuySuCo, in early 2018, for severance pay. This did not recur in 2019, and Subsidies and Contributions to Local Organisations fell as a result.

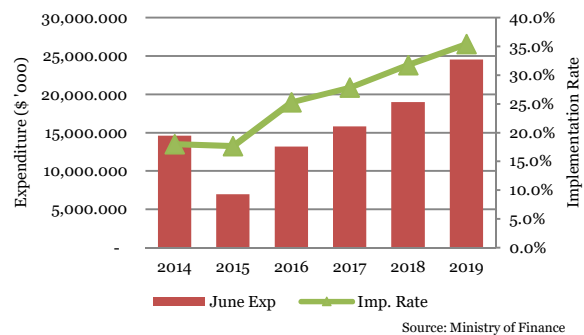
3.58 A total of \$24.5 billion was expended on the PSIP during the first half of 2019, reflecting a 29.3 percent increase, over the same period of 2018. This represents an overall implementation rate of 35.4 percent of the budgeted allocation of \$69.3 billion, the highest half-year implementation rate in the last 6 years.

Status of Local PSIP (\$ million)



3.59 Notwithstanding an increase in capital expenditure in the first half of 2019, Budget Agencies continue to face challenges with the implementation of the PSIP. Some of the issues experienced are: lack of staff in critical positions in planning, procurement and contract management; tender related issues such as delays in completion of evaluation reports and in awards at various tender boards; and contractors' capacity to complete projects in a timely manner. As at the half-year, more than \$28 billion of the local PSIP projects were awarded.

PSIP Half-Year Analysis



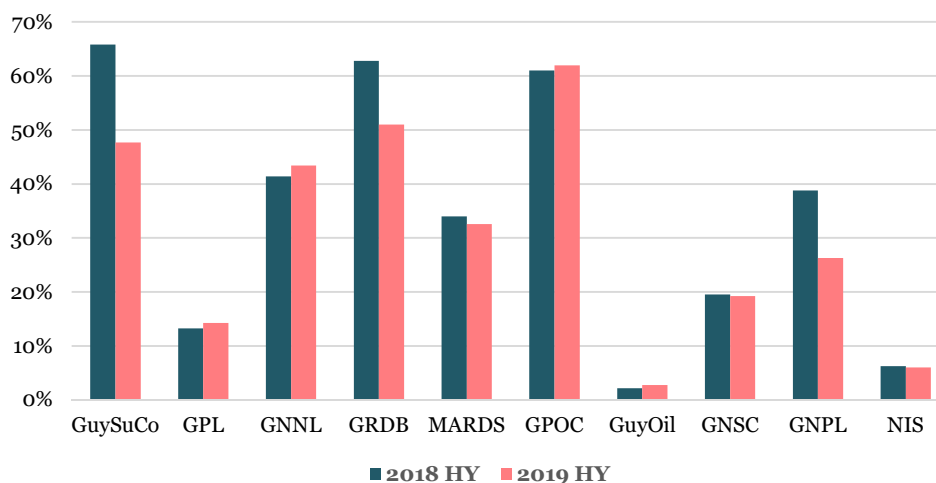
3.60 Government has put in place measures to improve the implementation of the 2019 PSIP which includes increasing the effectiveness of Agency Budget Committees (ABCs) to ensure that they are better able to plan, programme, implement and monitor capital interventions.

3.61 The implementation rate of the foreign funded portfolio of investments was 39.3 percent of the budgeted sum of \$27.7 billion, a substantial improvement over the corresponding period of 2018.

Public Enterprises

3.62 The performance of the PEs, during the first half of 2019, improved to a deficit of \$3.3 billion, from a deficit of \$9.4 billion in the corresponding period in 2018. Total receipts were \$58.6 billion, an increase of \$3 billion or 5.3 percent, when compared with the same period in 2018. At the end of the first half of 2019, operating expenses were \$58 billion, a reduction of \$3.6 billion or 6 percent, when compared with the same period in 2018. Expenditure on wages and salaries fell by \$2.6 billion, due in part to the reduction in the number of employees at GuySuCo. Capital projects for some of the PEs were rescheduled to the second half of the year, mainly due to delays in procurement at GuyOil and GPL. The PEs paid a total of \$1.1 billion in corporation and property taxes, 43 percent higher than the \$801.7 million in the first half of 2018. The projected end of year position of the PEs for 2019 reflects a strengthening to a deficit of \$10.9 billion, from a deficit of \$13.3 billion at the time of Budget 2019.

Public Enterprises: Employment Cost as a Percentage of Total Expenditure



Source: Individual Public Enterprises

Public Enterprises - Total and Ratios: 2019 Half-Year Comparisons

	2016	2017	2018	2019	% Change
Total Receipts (\$M)	48,749.4	54,245.1	55,591.6	58,558.0	5.3%
Total Operating Expenses (\$M)	38,127.8	55,679.3	61,658.4	58,031.8	-5.9%
Capital Investment (\$M)	621.1	3,609.8	3,289.8	3,840.1	16.7%
Surplus/(Deficit)	7,950.2	-5,044.1	-9,356.7	-3,313.8	-64.6%
Local Government Rates and Taxes	26.9	148.5	73.6	38.4	-47.8%
VAT Payments to GRA (\$M)	73.6	100.0	1,113.5	1,135.3	2.0%
Corporation Tax (\$M)	1,129.9	1,528.9	646.7	1,004.0	55.2%
Property Tax (\$M)	117.2	128.2	155.0	138.5	-10.6%
Dividends to Central Government (\$M)	1,000.0	0.0	0.0	0.0	0.0%
Total Contributions to Government (\$M)	2,347.6	1,905.6	1,988.8	2,316.2	16.5%
Total Operating Expenses/Total Receipts	78.2%	102.6%	110.9%	99.1%	

Source: Individual Public Enterprises

Guyana Sugar Corporation

3.63 At the end of June 2019, GuySuCo recorded a cash surplus of \$843 million, reflecting an improved performance, when compared to a deficit of \$3.8 billion in the same period in 2018. Total receipts were \$9.3 billion, of which \$3.9 billion was received from National Industrial and Commercial Investments Limited/Special Purpose Unit to fund GuySuCo's operations and capital projects. The Corporation exported 37,836.7 tonnes of sugar, of which 33,263 tonnes were sold to the EU market at a higher price than budgeted, resulting in an increase of \$1.3 billion in export sales. Current expenditure was \$8.1 billion in the period under review, \$2.7 billion lower than the corresponding period in 2018. The Corporation's capital expenditure was \$334 million, 90.3 percent lower than the budgeted amount of \$3.4 billion, primarily due to delays in funding for capital works. The Corporation projects a deficit of \$920 million at the end of 2019.

National Insurance Scheme

3.64 The NIS made adjustments to the following rates, effective 1 January 2019:

- minimum Old Age and Invalidity Pensions, from \$30,000 to \$32,100 per month;

- minimum Survivor's Pension from, \$15,000 to \$16,050 per month
- funeral grant from \$44,438 to \$48,882.

Additionally, the Insurable Earnings Ceiling was increased, with effect from 1 February 2019, from \$240,000 to \$256,800 monthly, and from \$55,385 to \$59,962 weekly.

3.65 For the first half of 2019, the Scheme recorded an overall deficit of \$748.4 million, compared with \$715.6 million recorded in 2018. Revenue collected for the first half of 2019 reached \$11.9 billion, 90.8 percent of the budget, and 9.7 percent more than the corresponding period in 2018. This improved position resulted from higher wage bands, on account of an increase in wages and salaries, as well as improved collection of outstanding contributions from delinquent employers. Contributions from the self-employed were \$492 million, 22 percent lower than the half-year target of \$627.8 million, despite ongoing campaigns. At the same time, the Scheme is working closely with the Guyana Revenue Authority (GRA) to update its list of self-employed persons. Effective June 15, 2019, self-employed persons can make their contribution payments using GTT Mobile Money. Expenditure for the period under review increased to \$12.6 billion, from \$11.5 billion at the end of June 2018, mainly due to an increase in benefit payments, which were 91.4 percent of total expenditure. The latest forecast projects a deficit of \$546.7 million, a worsening position from a budgeted surplus of \$469.3 million. This was mainly due to a shortfall of \$1 billion or 4.5 percent in employee contributions, compared to the amount budgeted for at the half-year, as well as an increase of \$449.3 million, or 1.9 percent in benefit payments.

Guyana Power and Light, Inc.

3.66 At the end of June 2019, GPL recorded a cash deficit of \$4.2 billion, compared to a cash deficit of \$3.7 billion in the corresponding period in 2018. GPL's receipts were \$15.7 billion, a shortfall of \$1.4 billion from the budgetary position, and \$0.6 billion lower than the first half of 2018. This was mainly due to a decline in sales collection, which was a result of a 61.5 percent collection rate for Government accounts, and actual billed sales falling below budget, by 3 percent. In addition, there was reduced income from

investments in treasury bills as well as from services provided by the company. These services included new connections, reconnection, tampering charges and service investigation. Total current expenditure amounted to \$16.4 billion, \$925 million less than the same period in 2018. Fuel costs were \$1.4 billion more than budgeted, due to payments made in January 2019 for a fuel shipment received in December 2018, as well as fuel purchased and supplied to Skeldon Energy Inc (SEI). While this was not catered for, GPL and SEI have a working capital agreement and the cost will be offset. In the first half of 2019, fuel rebate to customers totalled \$2.2 billion or 13.4 percent of local sales, a slight increase from the \$2.1 billion or 13.2 percent of local sales in 2018.

3.67 The company was forced to reschedule some of its capital projects due to repairs to its submarine cables, which were damaged on two occasions in the month of June. On June 2, GPL's 69 kilovolts cable sustained damages, resulting in the unavailability of 14 megawatts of generation to the eastern half of the Demerara Berbice Interconnected System. In another incident, GPL reported that a ship's anchor damaged its submarine cable connecting the Kingston, Georgetown and Vreed-en-Hoop, West Bank Demerara locations. Repairs to these cables were given high priority, and as a result, gross generation for the first half of 2019 reached 419,942 megawatts, 23,728 megawatts higher than the same period in 2018, also supported by increased demand. The company anticipates closing the year with a deficit of \$9.5 billion, compared to a deficit of \$9.8 billion that was projected at the beginning of the year.

3.68 At the end of June 2019, technical and non-technical losses were 28.2 percent, compared to 29 in the same period in 2018. The company will continue to upgrade its networks to aid in the reduction of electricity diversion through the installation of smart meters, and load balancing on low voltage and primary networks.

Guyana Rice Development Board

3.69 At the end of the first half of 2019, GRDB recorded a cash deficit of \$253.3 million, \$16.5 million higher than the end of June 2018. The Board reported revenues of \$282.6

million, compared to \$186.8 million in the same period in 2018, mainly due to receipt of outstanding sales commissions. Total expenditures were \$523.9 million, an increase of \$104.1 million over the same period in 2018. This resulted from higher employment costs and unbudgeted operational expenditure. The latter included rehabilitation works on an office building at LBI Estate, and an advance payment for a seed cleaner, which amounted to 20.7 percent of total expenditure. The Board now projects a deficit of \$256.4 million at the end of the year, compared with a budgeted surplus of \$27.7 million.

MARDS Rice Milling Complex

3.70 At the end of the first half of 2019, MARDS Rice Milling Complex recorded a cash surplus of \$15.1 million, 32.1 percent lower than the position at the end of June 2018. Total receipts were \$33.1 million, \$5.4 million less than the same period in 2018. This was mainly on account of farmers not paying their land rent in a timely manner. Sales of pesticides and weedicides amounted to 11 percent of revenue earned, compared with 7.7 percent for the same period in 2018. On the other hand, total expenses increased in the period under review, to \$17.9 million, from \$16.2 million, due to higher spending on maintenance of property and purchase of pesticides. At the end of 2019, the company anticipates an overall balance of \$23.1 million, \$9.5 million above the budgeted surplus of \$13.6 million.

Guyana National Shipping Corporation

3.71 The Guyana National Shipping Corporation recorded a cash surplus of \$9.9 million in the first half of 2019, higher than a cash surplus of \$2.8 million in the same period in 2018. Total receipts were \$747.2 million, an increase of \$67.1 million over the first half of 2018. This resulted from an increase in freight charges, supported by the import/export of containers, receipts from GuySuCo, and income from container fees. In addition, current expenditures rose by \$68.7 million to \$666.1 million in the first half of 2019, largely due to an expansion in the imports/exports of containers which resulted in the Corporation having to increase remittances to its principal Hapag-Lloyd AG. The

Corporation expects a deficit of \$9.4 million at the end of 2019, deteriorating from an initial cash surplus of \$6.3 million.

Guyana National Printers Limited

3.72 In the first half of 2019, Guyana National Printers Limited recorded a deficit of \$21.5 million, compared to a deficit of \$55.2 million in the same period in 2018. Total revenues reached \$275.9 million, an increase of \$75.5 million over the corresponding period in 2018, but 94.2 percent of the budgeted amount. The latter resulted from several entities not honouring their debts in a timely manner. Total expenditures for the period under review amounted to \$293.8 million, an increase of \$87.7 million, due to additional purchases of paper stock, as well as repairs and maintenance of the equipment used to produce exercise books. This PE now anticipates a cash deficit of \$80.5 million at the end of 2019, a worsening from a cash surplus of \$40 million forecasted at the time of Budget 2019.

Guyana National Newspapers Limited

3.73 In the first half of 2019, Guyana National Newspapers Limited recorded an overall deficit of \$15.8 million, compared to a surplus of \$5.4 million in the same period in 2018. The company recorded total receipts of \$230.1 million, a shortfall of \$22.4 million from the budgeted amount, and a decrease of \$14.3 million, when compared with the first half of 2018. This was largely as a result of a decrease of \$45.5 million in local sales, as many readers now turn to other sources, including online, for news. The company anticipates a deficit of \$13.6 million at the end of 2019, compared to a cash surplus of \$5 million previously projected in Budget 2019.

Guyana Oil Company Limited

3.74 At the end of the period under review, GuyOil recorded a cash surplus of \$979.8 million, an improvement from a cash deficit of \$811.5 million in the first half of 2018.

Total receipts were \$19.5 billion, \$1.3 billion lower than the same period in 2018. This was a direct result of lower sales volumes of fuel products, which fell by 62,461 barrels below the first half of 2018. Mogas, Kerosene and Gasoil sales were 35,701 barrels, 4,632 barrels and 33,624 barrels lower than 2018, respectively. In addition, given price competition and the contamination of a shipment of Super 95 Gasolene in February 2019, overall sales declined. However, a market plan is in place to address this, and includes public outreaches, volume discounts and a dealers' rebate programme.

3.75 Total expenditures declined, from \$20.6 billion, to \$17.3 billion, in the first half of 2019, due to reduced payments to creditors and rescheduling of capital projects. The company has revised its sales target downwards. However, this is not expected to affect the end of year performance, which is projected to reach a higher cash surplus of \$262.2 million, compared with a projection of \$178.8 million at the time of Budget 2019.

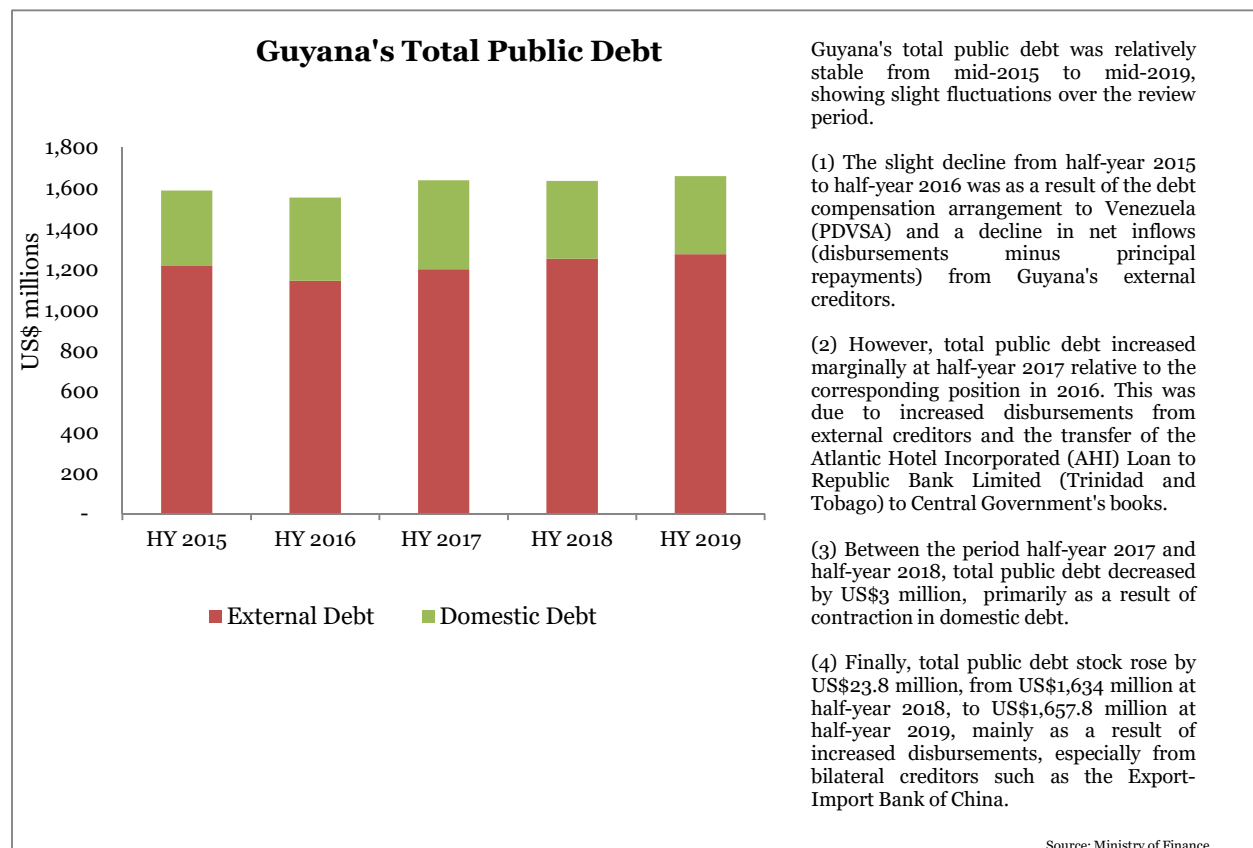
Guyana Post Office Corporation

3.76 In the period under review, Guyana Post Office Corporation recorded a cash surplus of \$105.6 million, compared to a cash deficit of \$43.1 million in the first half of 2018. Over the same period, total receipts increased by \$133.9 million to \$690.9 million, on account of the approval of an additional 1 percent increase in agency fees, to 2 percent for the payment of NIS vouchers, Old Age and Government pensions, effective January 1, 2019. Operating expenses decreased, from \$582.4 million, at the end of June 2018, to \$574 million, mainly due to a decline in "other" expenses. It is expected that the Corporation will end the year with a surplus of \$131.2 million, 54.5 percent higher than the budgeted surplus of \$84.9 million.

E. Debt Management

Total Public Debt

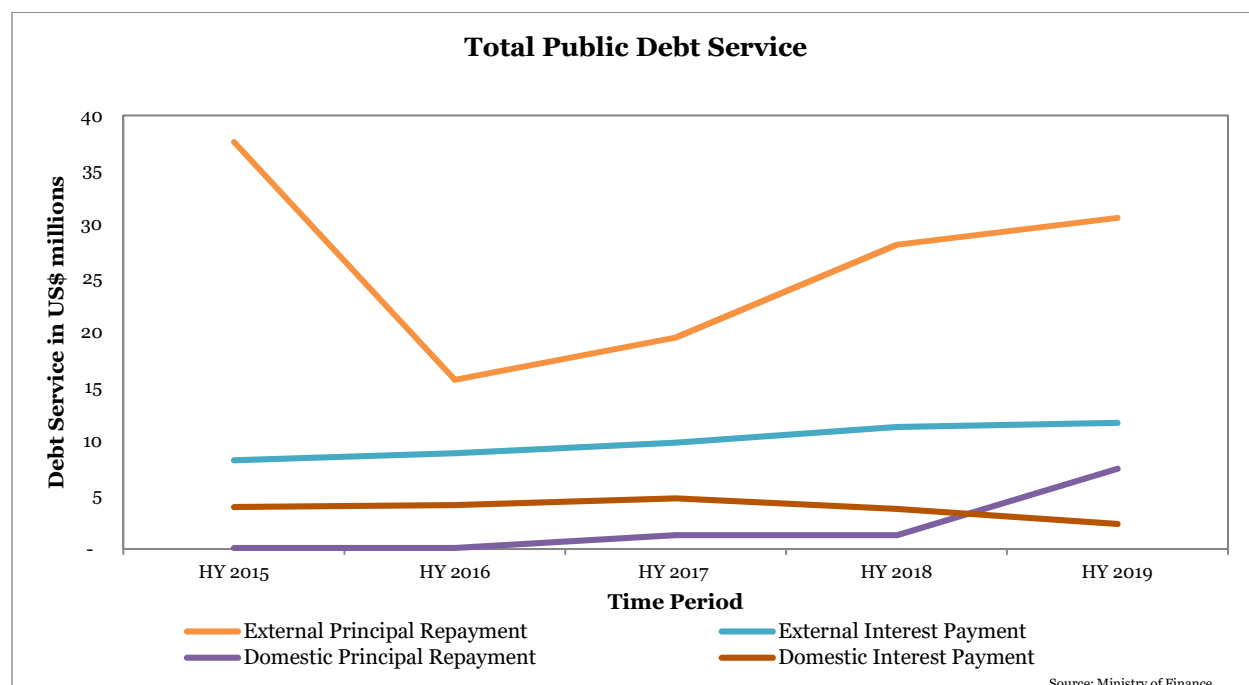
3.77 Guyana's public debt remains sustainable and faces a moderate risk of debt distress, primarily as a result of Government's commitment to meeting its financing needs and payment obligations at the lowest possible cost, over the medium-to-long term, within prudent risk parameters. At the end of June 2019, Guyana's stock of total public debt amounted to US\$1,657.8 million, a marginal increase of 1.5 percent when compared with the 2018 half-year position of US\$1,634 million. Of this sum, external debt was US\$1,274 million or 76.9 percent of total public debt, whilst domestic debt was US\$383.8 million or 23.1 percent. External debt as a share of total public debt increased by 0.3 percentage points, while the share of domestic debt declined, correspondingly, by 0.3 percent at June 2019. A major contributory factor to the stability of total public debt level from the end of June 2018 to the end of June 2019 was the sizeable debt relief of US\$50.7



million, granted by Kuwait under a Bilateral Debt Settlement Agreement signed in March 2019. The remaining debt to Kuwait, of US\$24.9 million, will be settled through a combination of cash payments and a debt swap arrangement. Without this debt relief, total public debt would have increased by 4.5 percent, instead of the actual growth of 1.5 percent. Notwithstanding, efforts to proactively engage other bilateral non-Paris Club creditors in debt settlement negotiations are ongoing, with a view to alleviating the fiscal burden imposed by arrears that have been accumulating at high interest rates.

Total Public Debt Service

3.78 In the first half of 2019, total public debt service payments increased by 17.3 percent, from US\$44.3 million in the first half of 2018, to US\$52 million, mainly as a result of a 96.9 percent rise in domestic debt service payments. For the first half of 2019, total public debt service as a share of government revenues was 9.4 percent, compared to 8.5 percent for the first half of 2018. External debt service payments, for the first half of 2019, accounted for 81.2 percent of total public debt service payments, a 7.7 percentage point decrease from the corresponding period in 2018.



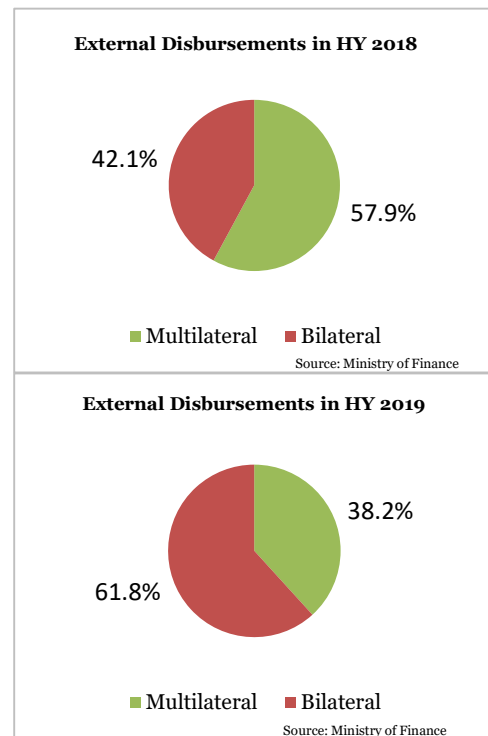
External Public Debt

3.79 At the end of the first half of 2019, external public debt was US\$1,274 million, 1.8 percent higher than the 2018 half-year position of US\$1,251.9 million. This moderate growth was primarily due to a 95.9 percent increase in debt to the World Bank – International Development Association, to US\$78.4 million at half-year 2019, mainly attributable to disbursements under the Bank’s Financial and Fiscal Stability Project. Additionally, debt to Guyana’s largest creditor, the Inter-American Development Bank (IDB), grew by 3.5 percent, from US\$505.5 million to US\$523.2 million over the corresponding period.

3.80 At half-year 2019 the share of multilateral debt grew to 61.9 percent, from 58.4 percent at half-year 2018, while the share of bilateral debt fell to 35.4 percent, from 38.8 percent, mainly due to a debt write-off of US\$50.7 million from Kuwait, in March 2019.

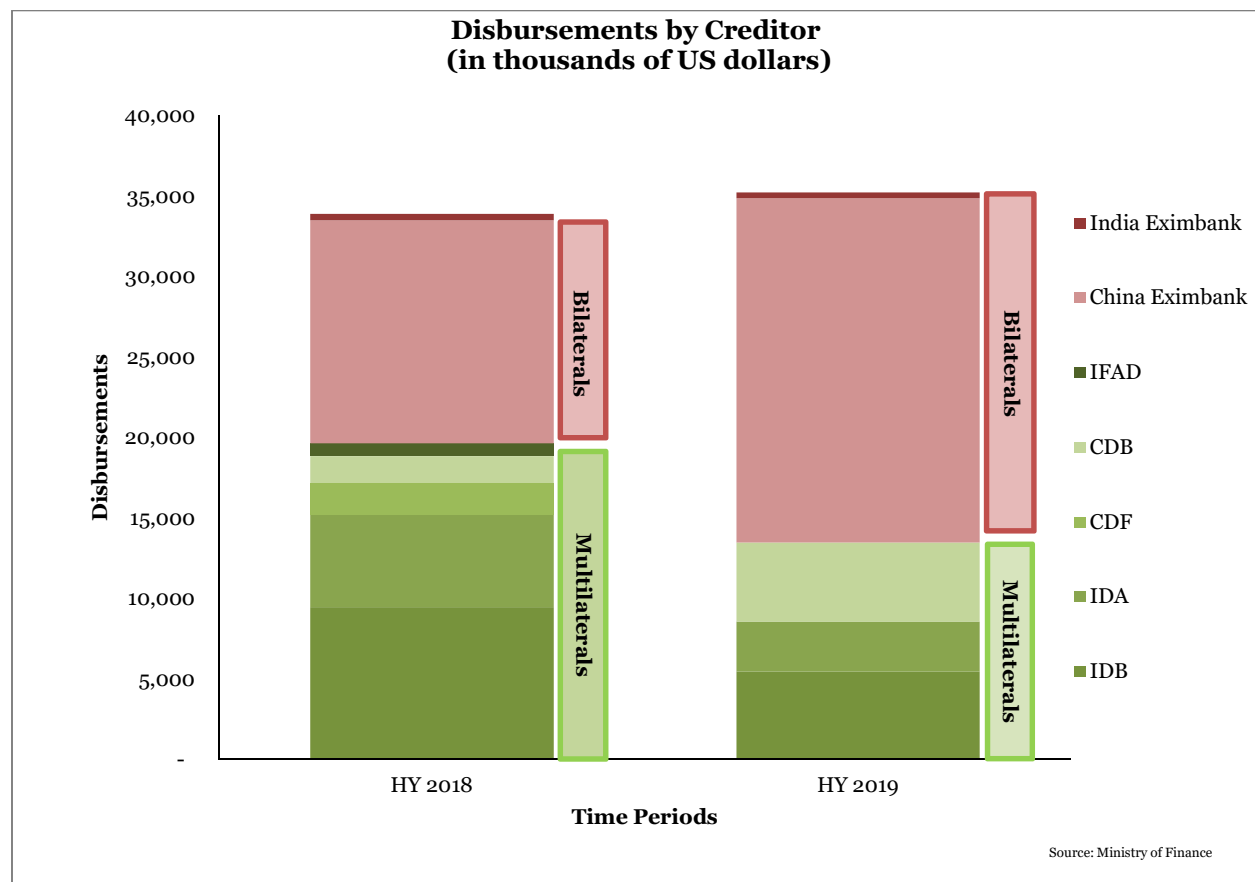
External Disbursements

3.81 For the first half of 2019, external disbursements totalled US\$35.2 million, 3.9 percent higher than the US\$33.9 million disbursed in the first half of 2018. This was mainly attributable to a 52.5 percent increase in disbursements from bilateral creditors, from US\$14.3 million in first-half 2018 to US\$21.8 million during first-half 2019, primarily from China EXIM Bank under the National Broadband and Guyana East Coast Demerara Road Improvement projects. Notably, multilateral disbursements for the first half of 2019 declined by 31.4 percent, when compared to the US\$19.6 million disbursed during the same period in 2018. This reduction resulted mainly from a 42.2 percent



decline in disbursements from the IDB, which accounted for the largest share of multilateral disbursements for both periods under consideration.

3.82 Bilateral creditors accounted for 61.8 percent of disbursements in the first half of 2019, while the remainder was attributable to multilateral creditors. Conversely, in the first half of 2018, 57.9 percent and 42.1 percent of disbursements were attributed to multilateral and bilateral creditors, respectively. This reversal in the distribution of disbursements across the two periods reflects financing from China, coupled with a decline in disbursements from multilateral creditors.



External Debt in Arrears

3.83 Guyana's debt to its bilateral Non-Paris Club and commercial creditors at the end of June 2019 totalled US\$87.2 million, representing a 47.2 percent decline from the balance of US\$165 million at the same point in 2018. This significant reduction, to the tune of US\$50.7 million, stemmed from the debt relief received from Kuwait, in March 2019.

External Debt in Arrears

(all figures in thousands of US dollars)

	HY 2018			HY 2019			
	Principal in Arrears	Interest in Arrears	Total Arrears	Principal in Arrears	Interest in Arrears	Total Arrears	Change
Grand Total	49,270.7	115,704.5	164,975.2	39,350.6	47,801.4	87,152.0	-47.2%
Bilateral Creditors	33,251.4	113,995.4	147,246.8	23,343.8	46,142.8	69,486.6	-52.8%
Argentina (BICE)	4,515.4	10,871.4	15,386.8	4,515.4	11,210.1	15,725.4	2.2%
Kuwait (KIA)	9,907.5	68,768.5	78,676.0	0.0	0.0	0.0	-100.0%
Libya	15,000.0	28,778.1	43,778.1	15,000.0	29,160.0	44,160.0	0.9%
Serbia (Yugo-imports SDPR)	587.7	781.0	1,368.7	587.7	804.8	1,392.6	1.7%
United Arab Emirates	3,240.8	4,796.3	8,037.1	3,240.8	4,967.9	8,208.7	2.1%
Private Creditors	16,019.4	1,709.1	17,728.4	16,006.7	1,658.7	17,665.4	-0.4%
Ruston Bucyrus (Gov't Bond)	28.1	1.4	29.5	27.1	1.4	28.4	-3.6%
External Payments Deposit Scheme	12,538.5	0.0	12,538.5	12,538.5	0.0	12,538.5	0.0%
UK (Barclays Bank)	3,130.0	309.6	3,439.6	3,130.0	309.6	3,439.6	0.0%
UK (Lloyds Bank Overdraft)	322.7	1,398.1	1,720.8	311.1	1,347.7	1,658.8	-3.6%

Source: Ministry of Finance

External Public Debt Service

3.84 External debt service (principal and interest) payments increased by 7.3 percent, from US\$39.4 million in the first half of 2018, to US\$42.2 million during the same period for 2019, mainly due to the commencement of principal and interest payments to the China EXIM Bank under the Cheddi Jagan International Airport (CJIA) Extension Project, India EXIM Bank under the East Bank-East Coast Road Linkage Project, and

Kuwait under the Bilateral Debt Settlement Agreement signed in March 2019. The growth in bilateral payments seen across the two periods occurred largely on account of the commencement of repayments to Kuwait, from May 2019.

Domestic Public Debt Stock

3.85 The stock of domestic public debt increased by a marginal 0.4 percent, from \$79.7 billion (or US\$382.1 million) at the end of the first half of 2018, to \$80 billion (or US\$383.8 million) as at June 30, 2019. The stability of domestic public debt was reflective of a modest 0.9 percent growth in the stock of treasury bills, to \$71.7 billion (or US\$344 million), over the review period. The stock of treasury bills is expected to remain relatively stable to the end of 2019, in spite of a projected increase in issuance of 364-day treasury bills (G-series) for fiscal purposes. It is expected that there would be no significant changes in the stock of 182-day and 91-day treasury bills in the second half of 2019. Notably, except for the G3 Series treasury bills for the face value of \$2.5 billion, that were not reissued in July 2019, G-series treasury bills that mature during the second half of 2019 would be reissued.

Domestic Public Debt Service

3.86 On the other hand, domestic debt service increased by 96.9 percent, from approximately \$1 billion (or US\$5 million) in the first half of 2018, to \$2 billion (or US\$9.8 million) in the first half of 2019. This increase was mainly due to principal repayment of \$1.3 billion (or US\$6.2 million) made in May 2019 for the 364-day G1 Series treasury bills, which were not reissued since there was no request for funding at the time of redemption.

Government Guarantee

3.87 In the first half of 2019, the National Industrial and Commercial Investments Limited (NICIL) commenced payments, totalling \$785.3 million, under the Government-

guaranteed \$30 billion bond issued to finance specific expenditures relating to the operations of the GuySuCo. At the end of the first half of 2018, \$16.5 billion of \$30 billion bond was accessed. A further \$1.1 billion was drawn down in July 2018, bringing the total sum issued to \$17.6 billion. As at June 30, 2019, there have been no further issuances.

F. Key Sector Highlights

Education

3.88 Education remains a national priority, as evidenced by continuous increases in budgetary allocations to ensure that the quality of education delivered across the country can drive national development. During the first half of this year, a total of \$21.7 billion was expended, accounting for 41.5 percent of the allocated sum to the sector. This represents an increase of 21.6 percent over 2018. During the review period, 44.6 percent of the allocated recurrent expenditure and 20.5 percent of the allocated capital expenditure were spent. Of note, the Ministry of Education completed a draft of the Education Sector Strategic Plan, in the first half of 2019. In June, stakeholder consultations commenced in Regions 2 and 8. Consultations in the remaining Regions are expected to be completed before the end of the year, following which, the Plan will be finalised. This will be complemented by a performance expenditure review of the sector that will help to guide the changes, in keeping with global best practices, necessary to ensure that every child is equipped to contribute to Guyana's transformation and development.

3.89 School enrolment and attendance continue to affect the learning outcomes of a large proportion of the school-aged population. Data from 2016 indicate that less than 80 percent of this segment of the population were enrolled in school, and attendance rates were approximately 75 percent. In an effort to improve enrolment and attendance, the school feeding programme was expanded, in the first half of 2019, with the sum of \$1.6 billion of the budgeted \$3.6 billion spent. The community-based school feeding component provides meals to 214 schools in Regions 1, 2, 7, 8 and 9, to the benefit of over 26,000 children. An additional 935 students now benefit from expansion of the programme this year. Further, the breakfast component provides for approximately 13,539 students in 118 schools across Regions 3 and 4, and Georgetown. Under this component, 851 beneficiaries in 9 additional schools are expected to be added in Region 5 – Ithaca, Blairmont, Bath, Liberty Hall, Shieldstown, and Rosignol – and 435

beneficiaries in 5 schools in Region 6 – Leeds, Mount Sinai and New Amsterdam. This is expected to be implemented in the second half of the year.

3.90 Continuous assessment of students is key to identifying their progress. Results from assessments of Mathematics and English at Grades 2, 4 and 6, continue to hover around low pass rates across the country, signalling the need for emergency stopgap measures while longer-term solutions are developed.⁶ To this end, 400 mathematics kits were available for distribution to primary schools within the riverain and hinterland areas, of which 217 kits were distributed to Regions 2, 3, 7, 8 and 10. The remaining 183 kits will be uplifted by the other Regions in the second half of 2019. An additional 50 mathematics kits together with 720 literacy kits and 400 robotic kits are also expected to be procured.

3.91 A key constraint to improving student outcomes is the availability of qualified teachers. There were 3,781 teachers delivering primary education during the 2017/2018 academic year. Of this number, 78 percent were trained, similar to the previous academic year, and the pupil to trained teacher ratio remained elevated at 21:1. At the secondary level, there were 3,785 teachers, of which 72 percent were trained, with a pupil to trained teacher ratio of 25:1. However, these numbers disguise the disparities across regions, particularly in hinterland areas where, for example, in 2018, Region 8 has 23.9 percent trained teachers compared to 82 percent in Region 4. It is critical that teachers are technically competent and appropriately skilled at communication, classroom management and appropriate discipline techniques, to create a positive learning environment. To this end, teachers continued to develop skills through best practices via continuing education and classroom experience. Of the 1,111 teachers that are in training at the Cyril Potter College of Education (CPCE), 75 are expected to graduate this year ‘equipped’ to teach at the nursery level, 134 at the primary level and 156 at the secondary level. Additionally, draft standards for the teaching profession are currently being

⁶ See Feature Box for further details on these results.

reviewed by CARICOM and will guide the national approach to improving the quality of teachers.

3.92 To bridge the divide between the delivery of education between hinterland and coastal regions, smart classrooms continue to be equipped across the country. Both Paramakatoi and Santa Rosa Secondary Schools have received smart boards and accompanying equipment, which have been operationalised. Of note, during the review period, IT labs were completed at Windsor Forrest, Helena, Paradise, Belladrum, Wismar Hill and New Amsterdam primary schools, increasing the number of functional labs at the primary level to 50.

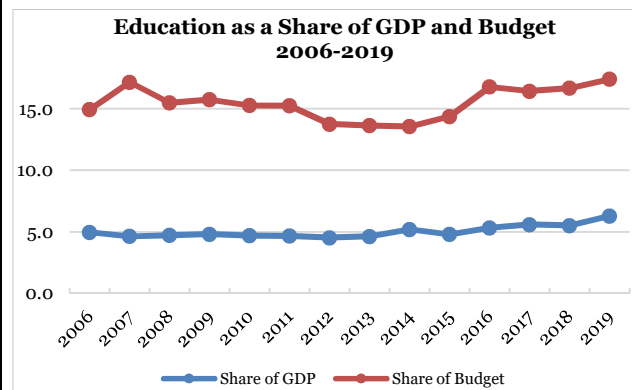
3.93 To complement the aforementioned interventions to improve the delivery of quality education, efforts have advanced in creating learning environments in which students are motivated and able to learn. In 2017, approximately 62 percent of the nation's schools and teachers' accommodations met minimum standards. Of the \$5.4 billion allocated for the construction, rehabilitation, extension and maintenance of educational facilities, countrywide, \$1.5 billion was spent at the half-year. Thus far, works advanced on secondary schools at Wismar/Christianburg, Mahaicony, and Beladrum; primary schools at Kako, Imbaimadai, Kildonan, and Leeds; and, nursery schools at White Water, Kuru Kuru, Onderneeming, and Bamia/Amelia's Ward. Further, works commenced on the rehabilitation and upgrading of 4 facilities under the University of Guyana's (UG) programme. Recognising the need to improve educational outcome across all levels, Government will continue to invest in improving learning environments, teacher training and programme content.

FEATURE: Prioritising the Performance Review of the Education Sector⁷

The role of education in the determination of the pace of economic diversification has long been known. A 2008 study by Eric A. Hanushek and Ludger Woessmann highlighted empirical results displaying the importance of both minimal (basic) and high-level skills, the complementarity of skills and the quality of economic institutions, and the robustness of the relationship between skills and growth. International comparisons incorporating expanded data on cognitive skills reveal much larger skill deficits in developing countries than generally derived from just school enrolment and attainment. The magnitude of change needed makes clear that closing the economic gap with developed countries will require major structural changes in schooling institutions, including in Guyana's case.

The need to accelerate improving Guyana's public education sector is further intensified in light of the rapid growth of the economy anticipated with oil production expected to commence in 2020. In order to mitigate the perils of the resource curse, the education system must be able to: 1) effectively deliver a variety of programmes and skills, with special attention on science, technology and innovation, into the economy to allow for diversification and, 2) ensure that all children are strongly supported to reach their full potential and become highly productive contributors to the economy, both in the private and public sectors. Government recognises the limitations of the current system to meet these demands. This feature assesses public education expenditure, teacher qualification and the performance of students at the Grades 2, 4 and 6 assessments.

Spending in Education



The trends in expenditure on education as a percent of budget and GDP in last 14 years have increased gradually from 14.9 percent to 17.4 percent; 5 percent to 6.3 percent, respectively. Results-based budgeting best practice requires that expenditures, even more so, increases in expenditure should be demonstrably linked to the delivery of particular outcome changes. Government has continually been cognisant of the need to ensure that value for money is delivered. However, given the varying performances discussed below, a public expenditure (diagnostic) review in the education sector is necessitated, for which support is being sought.

In the category of employment costs, teachers have consistently received salary increases from 2006 to 2018. Over the last 13 years, teachers' salary increase has moved from 5 percent to 8 percent across all salary scales. Teachers are the cornerstone of education delivery and student performance must be considered in conjunction with teachers' performance, such that impediments can be remedied and appropriate, targeted, support can be provided. Therefore, future negotiations for wage increases must explicitly consider appropriate performance benchmarks.

Teachers Salary Increase (Percentage) 2006-2018												
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
5	9	5	10-24*	5	8	5	5	5	5	8-12	6-8	8
* between 10 and 24 percent according to salary scale												
In 2015, it was 5 percent plus \$5000, 2016-2018 according to Memorandum of understanding between MoE and the Guyana Teachers' Union												
Source: Budget Speeches 2005 to 2019												

⁷ Charts and tables in this Feature are based on information gathered by the Ministry of Education.

Teacher Training and Capacity Building for the Education Sector

Generally, the proportion of trained teachers is near or over 70 percent at all levels – nursery, 69, primary, 77, and secondary, 71 – in the 2017 to 2018 academic year. The traditional Trained Teachers' Certificate Programme has been **using 45 percent as the pass mark** for several decades. However, the criteria for the Levels of attainment for a Distinction, Credit and Pass differ among courses. Further investigation of professional training of teachers delivered by the CPCE and UG is warranted. In addition, recognising that teachers and school supervision need urgent review, a new teacher appraisal instrument will be implemented. In addition, a standardised classroom observation protocol will be developed, along with other initiatives, all emanating from the new Education Sector Strategic Plan. The Government of Finland, responsible for one of the top ranked education systems in the world, has highlighted the paramouncy of ensuring **strong and competent teachers**. Finland's education system requires that all teachers hold Master's Degrees, at minimum. Becoming a teacher is highly regarded in the Finnish culture and acceptance into teacher programmes is highly competitive.

Trained Teachers: Primary Education

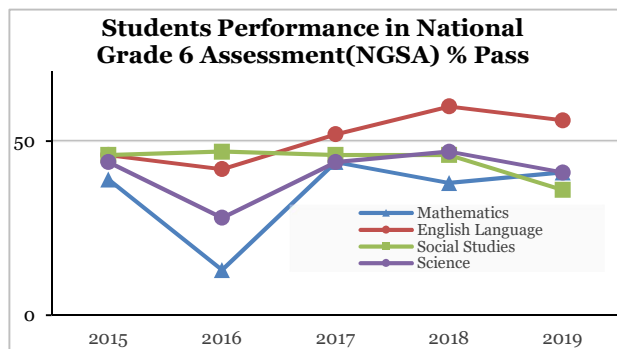
Regions	% Trained Teachers			
	2013-2014		2017-2018	
	Male	Female	Male	Female
Region 1	11.27%	33.33%	10.39%	38.10%
Region 2	9.52%	66.67%	10.59%	62.93%
Region 3	6.19%	78.84%	7.02%	74.07%
Region 4	5.41%	82.43%	4.25%	81.97%
Region 5	3.73%	70.52%	3.85%	79.49%
Region 6	12.43%	66.73%	11.38%	72.85%
Region 7	6.72%	47.76%	2.26%	51.13%
Region 8	6.15%	29.23%	4.23%	23.94%
Region 9	13.58%	37.65%	14.98%	34.30%
Region 10	4.07%	78.89%	4.67%	81.00%
National	7.36%	70.36%	7.01%	70.38%

Since 2011, under the umbrella of the National Monitoring and Evaluation Strategy and Action Plan, Government has trained approximately 260 senior technical officers across the education sector in the key concepts of M&E, in accordance with the International Programme for Development Evaluation Training methodology. The intention is for participants to utilise the concepts to improving planning, budgeting, implementation and monitoring of their respective programmes. There will be continuous training across the various levels of the education sector to ensure consistency in delivery, understanding and application of M&E concepts nationally, with the next training session focussed on education scheduled for August 2019. This also supports the eminence of the data challenges, identified in the preparation of Guyana's first Voluntary National Review, for which data clinics will be held.

Other M&E strengthening for the education sector has included the conduct of clinical sessions, targeting various aspects of education delivery. One critical area assessed was book distribution, which sought to address the shortage of text and exercise books across the country. As part of the process, a theory of change and performance measurement framework was developed by the Book Distribution Unit. This resulted in the shift of focus from transporting books out of the Unit, to ensuring that each child receives their required quota of books. Recommendations implemented towards this included, revision of the distribution plan and schedule for books, as well as the system of monitoring receipt of books, with greater focus on schools submitting their issue vouchers.

Student Performance

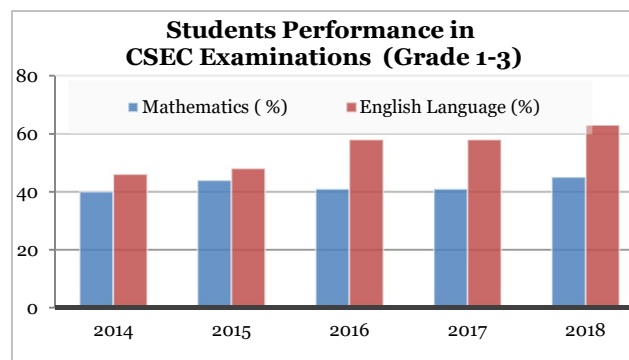
Government recognises that early childhood education is paramount in building a strong foundation that will allow a child to participate meaningfully and learn more effectively as they progress through their school years. Grade 2 holds the final early childhood level assessment, and student performance for the past 3 years is displayed in Table 1. Government is significantly concerned that, in 2018, more than half of students are not passing



English and only about half are passing Mathematics. Such performance is inimical to a students' growth and ability to learn as they progress to the upper grades; it is also untenable to building a strong and productive society. The former 'snowball' effect is experienced at the Grade 4 level where over 60 percent of students are not passing English and over 55 percent not passing Math (see Table 2 for Grade 4 results). At the Grade 6 level, performance in Mathematics, Social Studies and Science remain low, in 2019, ranging between 36 to 41 percent of students passing, though English is slightly better with 56 percent passing.

At the secondary-level CSEC examinations; students achieving Grades 1-3 in Mathematics and English Language, moved from 40 percent to 45 percent and 46 percent to 63 percent respectively. Of note, there has been an increase in matriculation by 11 percentage points over the past five years (2014-2018) at the secondary level. However, this still represents less than half of students attaining Grades 1-3 in Mathematics. The authorities are yet to disaggregate this data between scores. With regard to mathematics, which underpins basic logic and reasoning skills, there are currently just 35

Mathematics Specialist/Master trainers at the Secondary level that offer support to teachers at this level, however there are no Specialist Mathematics teachers at the Primary level. The deficit of specialist teachers in mathematics and other subject areas needs to be urgently addressed.



If improved livelihoods, economic growth and development are to be effectively and equitably realised, they must be underpinned by a citizenry with a strong educational background, or Guyana may succumb to increasing disparities, wastage of public funds, the resource curse, including a decline in competitiveness and economic stability, worsening crime and social tensions, among others. Increased spending in the education sector and the growing number of 'trained' teachers has been yielding mixed results. To make the matter more concerning, this is just based on an analysis of "passes", i.e. the minimum score required to progress. The majority of students should attain not just the bare minimum, but thrive with high passes. As such, the education sector, in the preparation of its next Strategic Plan, should address the issues highlighted in this feature, including the re-examination of teacher performance and exploration of innovative strategies for education delivery, as maintaining the status quo is clearly untenable and restrictive to Guyana's development.

Table 1: Grade 2 Performance in English and Mathematics, 2015-2018

Regions	English: % not passing Grade 2			Maths: % not passing Grade 2		
	2016	2017	2018	2016	2017	2018
All Regions	58%	48%	57%	43%	58%	50%
Georgetown	39%	29%	37%	31%	40%	35%
Private	27%	19%	23%	19%	35%	27%
Region 1	80%	75%	79%	51%	65%	57%
Region 2	65%	51%	62%	43%	63%	54%
Region 3	58%	44%	59%	45%	57%	54%
Region 4	59%	52%	60%	46%	67%	55%
Region 5	65%	55%	66%	55%	73%	58%
Region 6	64%	52%	62%	50%	65%	56%
Region 7	67%	72%	73%	42%	73%	54%
Region 8	70%	63%	72%	43%	63%	46%
Region 9	77%	62%	69%	55%	60%	52%
Region 10	53%	41%	53%	43%	46%	49%

Table 2: Grade 4 Performance: English and Mathematics, 2015-2018

Regions	English: % not passing Grade 4			Maths: % not passing Grade 4		
	2015	2017	2018	2015	2017	2018
All Regions	52%	59%	62%	100%	68%	57%
Georgetown	29%	37%	40%	100%	50%	38%
Private	20%	24%	31%	100%	34%	23%
Region 1	83%	90%	91%	100%	93%	87%
Region 2	61%	68%	68%	100%	75%	64%
Region 3	47%	54%	62%	100%	63%	56%
Region 4	55%	59%	62%	100%	68%	57%
Region 5	58%	69%	68%	100%	76%	63%
Region 6	57%	64%	67%	100%	72%	62%
Region 7	68%	76%	76%	100%	82%	71%
Region 8	82%	88%	90%	100%	90%	84%
Region 9	76%	83%	83%	100%	88%	80%
Region 10	46%	53%	57%	100%	65%	55%

Health

3.94 The Government continued to make strides to expand and improve the delivery of health services to all citizens. A sum of \$16.7 billion of the \$35.9 billion budgeted for the health sector was expended in the first half of 2019. Delays in procurement continued to be a challenge within the Ministry of Public Health, and, at the end of the first half, only \$1 billion of the \$4.4 billion allocated towards capital investments was expended. However, this situation is expected to improve considerably in the second half of 2019, since all infrastructure-related projects have been advertised.

3.95 During the first half of 2019, Government spent \$3.8 billion, or 49 percent, of the \$7.8 billion budgeted for the procurement of drugs and medical supplies. This represented a 22.7 percent increase over the same period in 2018. In addition, a total of \$713.9 million was expended on the maintenance and construction of buildings for the health sector, as Government continued its drive to upgrade and modernise healthcare facilities nationally. Of that amount, the sum of \$455.3 million was spent on capital infrastructure works, of which \$40.6 million was expended on the upgrade of the doctors'

quarters in Georgetown, Lethem, Kaikan, Leguan, Kamarang, New Amsterdam, Ituni, Wiruni and Mabaruma.

3.96 The construction of a new laboratory for the Food and Drug Analyst Department was advanced. The scope of this project has been broadened to include an administration complex. Selection of a suitably qualified consultant to supervise the project is anticipated to be completed by the end of the year, with final designs and construction expected to commence soon thereafter.

3.97 During the first half of 2019, Government both increased and improved temperature-controlled storage facilities. A new, state-of-the-art drug storage bond for the Central Supplies Unit at Kingston, costing almost \$540 million, was commissioned. At the same time, the extension of the bond for the Material Management Unit at Diamond was completed at a cost of \$116 million. These facilities have increased the floor space for storage by over 1,900 square feet and will be central in the distribution network for drugs and medical supplies.

3.98 Drugs and medical supplies make up approximately 21.7 percent of the national health sector budget. Persistent issues of drug shortages have led to a review of the essential medicines' list, in order to improve quantification of the demand for drugs and medical supplies at healthcare facilities across Guyana. This exercise has almost been completed and will be used to better inform Government on purchases of drugs and medical supplies. In addition to increasing the storage space, the distribution network for these supplies has been strengthened with the recruitment of 9 pharmacy support personnel to coordinate and facilitate the distribution to the Regions.

3.99 As part of the upgrading and modernising of health facilities nationwide, Government has expended about \$285 million of the budgeted \$760.7 million on the procurement of medical equipment across the country, including the procurement of incubators, laser therapy machines, foetal Dopplers, dental x-ray machines, infant warmers and anaesthetic machines.

3.100 Improving maternal health is an ongoing priority and, to this end, decentralised training was conducted for Community Health Workers (CHW) in regions that were identified as being more susceptible to maternal deaths. At the half-year, 19 CHWs had completed training in Region 1. Further, 48 students in Region 6 commenced training in July, with an additional 25 students in Regions 7 and 8 slated for training in August. Additionally, the refurbishment of the maternal waiting home in Lethem was completed in the first half of 2019, and a new home in Long Creek is under construction, with completion expected before the end of the year.

3.101 Non-communicable diseases (NCDs), such as hypertension and diabetes, continue to afflict a significant proportion of the population, thus placing a heavy burden on healthcare facilities. In a bid to raise awareness, and offer treatment and guidance to persons suffering from NCDs, Government has put in place a workplace screening programme in 2019. The services offered to work sites were Visual Inspection with Acetic Acid sensitisation and screening for cervical cancer, screening for diabetes, blood pressure and blood sugar testing. Of the 50 work sites planned for 2019, 27 of them, in both the public and private sectors, benefitted from these services in the first half of the year. Additionally, Government has conducted a study on sugar-sweetened beverages, the increasing consumption of which has been linked to the higher incidence of NCDs. A paper has been developed and will be circulated widely later this year.

3.102 Government continues to combat existing and emerging threats to the nation's health such as the multi-drug resistant (MDR) strain of tuberculosis. While the incidence of this disease has been on the rise, the rate of increase is lower than that projected by the World Health Organisation (WHO). Based on historical declarations, the WHO has projected that there would be 30 cases of MDR-tuberculosis in Guyana in 2019. However, to date, there have been only 11 such cases revealed through screenings. Government will continue to fight the disease through its Directly Observed Treatment Short course (DOTS) programme. In the first half of 2019, the DOTS programme was bolstered by increased personnel, training of staff, and the purchase of a new vehicle to facilitate the mobile unit outreaches.

3.103 In the first half of 2019, the incidence of HIV grew to 142 cases per 100,000 persons, significantly higher than the 2018 rate of 117 per 100,000 persons. Testing for HIV remains one of the most important activities in the fight against the virus. To this end, and in its pursuit to achieve the 90/90/90 Treat All Policy, Government has committed to increasing HIV testing and, with the help of NGOs, increasing access to testing of vulnerable groups. In addition to testing, the package of care that will be on offer through the collaboration with NGOs includes sensitisation, the distribution of condoms, and linking persons to care and treatment sites. Government will also be piloting two new initiatives in August as countermeasures against HIV. The first of them is the establishment of a public-private partnership with doctors within the private sector to whom patients will be referred for treatment. While the cost of treatment will remain free, the patient will be required to cover the doctor's consultation fee. Secondly, Government will be introducing Pre-Exposure Prophylaxis, which is a course of HIV drugs taken as a pre-emptive measure against the spread of disease, particularly targeted at vulnerable groups.

3.104 Suicide continued to be a cause for alarm, despite a decline in incidence at the end of May 2019, falling by 18, from 58, when compared with same period of the previous year. To combat this, Government continues to train primary healthcare professionals, such as physicians, medexes and community health workers, in the early diagnosis and management of mental health illnesses that do not require hospitalisation. In the first half of 2019, a total of 166 persons were trained. Additionally, 11 workshops on suicide prevention have been held in Regions 2, 3, 4, 5 and 6, and 6 schools have been visited for suicide prevention and mental health talks, including St. John's College, Lodge Secondary School and Starters Nursery. A number of other schools have been identified for visits in the second half of 2019.

3.105 Work on the design of a modern trauma centre at the Guyana Public Hospital Corporation, will progress in the third quarter of 2019 when expressions of interest are evaluated. The design for the trauma centre will include an isolation area, a

decontamination area, critical bays, additional operating suites, increased intensive care capacity and additional inpatient bed capacity.

Water

3.106 Of the \$2.9 billion allocated for improving potable water supply and distribution systems, in 2019, the Government expended a sum of \$1.4 billion during the first half. To ensure that investments in water result in the efficient management of this valuable resource, the Guyana Water Incorporated installed 3,952 meters in 1,271 villages across Regions 2, 3, 4, 5, 6, 7 and 10, resulting in the reduction of non-revenue water of approximately 8,640 cubic metres each month. Additionally, works are progressing on water treatment plants at Uitvlugt, Diamond and Sheet Anchor; these are expected to be completed by the end of 2019, and benefit more than 50,000 households. Under the New Amsterdam Water Treatment Plant Project, 60 percent of the metering activities has been completed. The subsequent reduction in non-revenue water will allow for improved delivery of water to residents of Sandvoort by increasing water pressure in the mains.

3.107 To expand access to potable water, a new well was constructed at Vergenoegen, benefitting over 4,000 households. Works on wells at Pouderoyen and Westminster are expected to be completed by August 2019. Together, these wells will increase the capacity of the 3 water treatment plants in Region 3, thereby improving service delivery to residents. In addition, works will commence on new wells at Farm, Lusignan and Fyrish, in the second half of 2019, after the acquisition of a new drilling rig. The expansion of water supply systems on the East Bank Essequibo corridor and Ruby is expected to be completed by the end of 2019 and will benefit approximately 1,350 persons and 500 persons, respectively. Works will commence, in the second half, on the expansion of the water supply system at Parika. New pumps were installed at water treatment plants in Linden – Watooka, Amelia’s Ward and Wisroc – and works commenced to upgrade the water distribution network and transmission mains at Orealla, Ithaca and Kingelly, all of which are expected to be completed by December 2019.

3.108 Expansion of the current 40 percent access to potable water by residents in the hinterland continued to be a priority of Government. To that end, in Region 1, a new well was completed, in April, at Port Kaituma, giving 50 percent of the community, or approximately 1,300 persons, access to potable water. Additionally, refurbishment works, including upgrades to parts of the distribution system and the cleaning of springs, were completed at Matthew's Ridge, in March, resulting in the improvement in the quality and supply of water. In Region 8, works were completed on a new well at Campbelltown and a new water supply distribution system was activated at Paramakatoi, providing 90 percent of the community, or approximately 1,142 persons, with access to potable water for the first time. The activation of a new well at Sand Creek was also completed, resulting in the continuous supply of potable water to 90 percent of the community, compared to 20 percent prior to this intervention. In Region 9, works on a well at St. Ignatius were completed, resulting in 185 persons now having access for the first time. New wells were also completed at Aishalton, Annai, Karasabai, Kaicumbay, Yupukari, Nappi, Hiowa, and Aranaputa, all of which will be operationalised by the end of August 2019.

Sanitation

3.109 In the first half of 2019, Government expended the sum of \$155.4 million of the \$841 million budgeted for the national solid waste programme. The construction of Cell 2 at Haags Bosch Sanitary Landfill site, which is urgently needed, given that Cell 1 is approximately 95 percent filled, is expected to commence in the second half of 2019, with procurement in progress. Additionally, the upgrading of internal access roads to this site commenced in July and, already, 40 percent has been completed.

3.110 The environmental impact assessments and designs for sanitation operations at Bartica, Linden and Mahdia will be undertaken, once the terms of reference and procurement processes are completed. The development of the terms of reference for the assessment is expected to be finalised soon by a joint committee comprising the Ministry of Communities and the Environmental Protection Agency. Further, the draft Solid Waste Management Bill is under internal review, and public consultations will be held soon.

3.111 In the first half of 2019, a total of 120 children in 8 primary schools in Region 4 were engaged in programmes on good sanitation practices, as part of the Green Generation Guyana (3G) Sanitation Campaign. Further, 9 schools in Regions 4 and 6 also participated in hygiene engagements, which targeted 1,271 children. In the second half of the year, the hand rubbing/washing component of the 3G Sanitation Campaign will be done in Regions 1 and 2, targeting approximately 2,000 students in each region.

Housing

3.112 In the first half of 2019, the Government expended \$375.3 million of the \$1.7 billion allocated to the housing sector. Of the \$780 million targeted for consolidation efforts in housing schemes across the country, about \$90 million was expended as of June 2019. The Central Housing and Planning Authority (CHPA) commenced road upgrades in 12 areas in Regions 3, 4, 5 and 6, totalling 9 kilometres. These will be completed by the end of 2019, to the benefit of approximately 2,000 persons in each housing area. It is expected that 100 LED street lamps will be installed in several housing areas, in the second half of the year, to improve night time visibility and security. These areas include La Parfaite Harmonie, Cacique Road, Little to Great Diamond, Enmore/Haslington, Tract A Coldingen, Section D Non Pareil, Block 15A/15B Bladen/Vigilance, Belfield, Hope/Dochfour, Strathspey, Bell West, Tuschen, Zeelugt, Ordnance Fortlands, Kilcoy Chesney, Burma, Amelia's Ward and Wisroc 1B. Works are also expected to commence, in the second half, on the upgrading of recreational facilities at Prospect and Amelia's Ward, allowing for the hosting of community events, including sporting activities, towards the promotion of cohesive communities.

3.113 Of the \$750 million allocated towards the Adequate Housing and Urban Accessibility Programme, the sum of \$126.1 million was expended in the first half of 2019. During this period, works commenced on the upgrading of roads in the Sophia housing area, with 7 kilometres expected to be upgraded by the end of 2019. In the second half of the year, a total of 350 Sophia households will benefit from the distribution of 300 home improvement subsidies, to the value of \$170 million, and the construction of 50 core

homes. These disbursements are anticipated to commence after applications are evaluated and beneficiaries selected for the 2019 cycle. The Sophia housing area will also benefit from the construction of approximately 2.1 kilometres of sidewalks, in the second half of the year.

3.114 While the upgrade to schemes across the country is expected to increase the occupancy of these areas, there still remains a backlog of housing applications that is being urgently addressed. During the first half of 2019, the CHPA distributed a total of 541 house lots in Regions 2, 3, 4, 5 and 9, which represents 54.1 percent of the target for 2019. The areas in which these house lots were distributed included Onderneeming, Onderneeming Phase II, Onderneeming Phase III, Recht Door Zee, Zeelugt (Phase I), Eccles, Providence Gardens, Plot B Herstelling, Perseverance, Prospect, Providence (115), Parcel 123 Providence, Section C Block X Golden Grove, Section A Block X Great Diamond, Mon Repos, Lowlands, Enmore, Experiment, Culvert City and Tabatinga. In the second half of the year, it is expected that a further 459 house lots will be allocated. Additionally, the CHPA will develop 4,000 new house lots in 12 areas, with distribution expected in 2020.

3.115 In 2019, the sum of \$170 million was allocated for housing and roof replacement subsidies in hinterland areas, of which \$144 million was spent in the first half. Of the 112 subsidies for new houses targeted in 2019, 35 were completed by June. The remainder is anticipated to be completed by the end of the year, with materials already procured. With regard to roof replacement subsidies, 16 of the 27 households targeted for this year benefitted from this intervention in the first half.

3.116 In the first half of 2019, there were 21 housing unit sales which were exempt from VAT, as a result of the Budget 2018 measure that excluded houses sold for less than \$6.5 million from this tax. In 2018, 13 housing unit sales were exempt from VAT, as a result of this measure.

Agriculture

3.117 In the first half of 2019, progress continued towards the expansion and diversification of the agricultural sector with particular focus on non-traditional agricultural produce and value-added production. The key interventions during the half-year included an updated food safety and security legislation; improved infrastructure for non-traditional and traditional agricultural production; development of new value chains and value-added industries in agro-processing for rice, sugar, non-traditional crops and livestock; and, building human resource and institutional capacities in the areas earmarked for development across the sector. Of the \$17.1 billion budgeted in 2019, nearly \$7.7 billion or 45 percent was expended towards advancing an enabling environment for the development of the agricultural sector.

3.118 GuySuCo continued to focus on cost reduction measures and improved efficiencies in order to position the company to compete in and take advantage of lucrative markets. In this regard, GuySuCo has received tractors and other equipment that will increase cane yield and lower the cost of production of sugarcane. This will provide the base for a productive and profitable industry that will include, among other projects, cogenerated electricity from surplus bagasse, from the Albion factory, in the first instance. The refurbishment and modernisation of this factory is expected to lead to the commercial production of plantation white sugar by 2022.

3.119 With respect to rice production, GRDB continued to work assiduously to resolve challenges faced by the rice farmers in the fields, in order to retain yield and production levels. Despite the paddy bug infestation during the first crop of 2019, yield increased by 0.1 tonnes of paddy per hectare and rice production was 3.4 percent higher than that recorded for the first crop of 2018. To combat the infestation and control the spread of the insect, GRDB commenced spraying of rice fields and dams.

3.120 The expansion of non-traditional crops was advanced through land-clearing and on-farm development in Ithaca, Mocha, Buxton and Triumph. This initiative has resulted

in a total of 164 acres being brought under cultivation and 156 farmers receiving planting materials for crop production. Since April 2019, these four communities have benefitted from full-time agricultural extension services. Additionally, the National Drainage and Irrigation Authority (NDIA) has continued to grade access dams in other areas such as Fyrish, Free and Easy and La Parfait Harmonie, allowing farmers to better utilise recently cleared lands.

3.121 In addition, other non-traditional crop production is expected to increase. National Agricultural Research and Extension Institute (NAREI) has projected the cultivation of onions to increase to 5 hectares, by the end of 2019, in Regions 3, 4, 5, 6 and 10. Several farmers in these regions have already benefitted from training in techniques for growing onions, and 20 kilogrammes have been harvested in the initial demonstration exercise. Breadfruit, another non-traditional crop, is being promoted to counter food security threats in Guyana, particularly in the hinterland areas, where climate change related weather events affect one of the main staples, cassava. The first batch of 500 tissue culture breadfruit was produced, and this will increase access to quality planting materials, while simultaneously reducing the time for multiplication. In order to support the expansion of non-traditional production, a bond and cold storage facility were completed, in Mon Repos, for planting materials. This has facilitated the correct storage of planting materials, such as Irish potatoes, before distribution.

3.122 In Region 1, a collaboration between NAREI and the Regional Democratic Council will see an increase in the production and processing of ginger and turmeric for the local market. This is expected to contribute to the improved livelihood of residents in the Region. It is anticipated that by the end of 2019, the existing turmeric processing facility at Hosororo, which boasts a new solar drying facility, will be further strengthened and expanded, to facilitate the processing of increased volumes of commodities.

3.123 Agro-processing remains key for diversification of the agricultural sector. There was continued cooperation between Government and the Guyana Manufacturing Association through the technical committee of the Inter-Ministerial Roundtable to

address the necessary actions required to develop the agro-processing industry. Additionally, the fourth UncappedD Marketplace exhibition was successfully held in March 2019, with more than 70 local agro-processors promoting their products. The technical committee, through the Guyana Marketing Corporation, has also facilitated the training of more than 50 businesses in various aspects of production, including processing techniques, labelling and packaging, and marketing. The GRA has also been working with the private sector to address taxation and procedural issues that are seen to be hindering the operations of agro-processors. The design of a new laboratory facility for the Guyana National Bureau of Standards will be completed in November, and, once constructed, will allow the Bureau to better support the certification of agro-processors, among others, to international standards.

3.124 Cooperation continued with the Islamic Development Bank to advance a reverse linkage programme for meat products which will see improved genetics being made available, as well as training in genetic management. Further, initiatives to improve livestock breeds have resulted in more meat per animal, better quality meat, and bigger and heavier offspring. In the review period, the artificial insemination process produced 561 offspring of cows (344) and pigs (217). Additionally, with respect to the new state-of-the-art abattoir, slated for Onverwagt, design works are scheduled to commence during the second half of 2019. As it relates to the dairy value chain, negotiations are currently ongoing for the scope of a feasibility study that will examine how the quality and quantity of milk produced can be improved.

3.125 The Guyana Livestock Development Authority (GLDA) continued to develop other livestock produce. As such, the production of the black giant poultry expanded in all Regions and this is expected to contribute significantly to food and nutrition security in coastal and hinterland communities. In addition, genetically-driven improvements to duck farming aims to resuscitate and build resilience in the industry, after the devastation of a disease outbreak earlier this year. Further, staff of the GLDA were trained to strengthen the services offered to small ruminant producers, and the Authority is also

working closely with Brazilian investors in the Intermediate Savannah to increase the production of corn and soya beans for livestock feed production.

3.126 The strengthening of the fisheries industry progressed, with several initiatives undertaken in the first half of 2019. Currently the seabob industry is under assessment for the Marine Stewardship Council (MSC) certification and has received a temporary pass in all three of the assessed areas. The final report, due in August of this year, is expected to confirm that the seabob industry is certified to the MSC standards. Additionally, the Fisheries Department has established a seabob observer programme to collect at-sea data and increase the identification of endangered, threatened and protected (ETP) vulnerable species using the World Wildlife Fund's ETP manuals. This is anticipated to inform and guide planning and fishing practices, to ensure the sustainability of this industry.

3.127 As NDIA completed works to further increase the supply of water for the hinterland, eight reservoirs for water harvesting were constructed, primarily for livestock and crop production, in several communities, including Turtle Savannah, Small Kwatamang, Rupertee Cattle Pasture, Annai Central. Additional reservoirs will be constructed in St. Ignatius, Kumu, Quarrie and Shulinab, with works expected to be completed by December 2019. NDIA also completed 12 drainage and irrigation (D&I) structures and water systems by mid-year, which included construction of i) a D&I system at Friendly Farmers Scheme; ii) a conveyance canal at No. 66 Village, Corentyne; iii) a greenheart timber revetment at East Demerara Water Conservancy; and iv) a main irrigation control structure at Barnwell North, East Bank Demerara. Further, the Grove/Diamond South Sluice was rehabilitated. These D&I interventions will help to reduce the instances of flooding and improve agricultural production in these areas.

3.128 Additionally, the construction of 8 pump stations has advanced in the first half of 2019, in preparation for the delivery of high capacity drainage pumps. Three mobile pumps are scheduled to arrive in Guyana, in November 2019, boosting the capacity to control and alleviate flooding, particularly to bring relief to farmers and residents in

flood-prone communities. The Mahaica-Mahaicony-Abary Agricultural Development Authority also continued work on the construction of D'Edward Sluice, which was 50 percent completed at mid-year. However, contractors are facing delays in implementation due to inclement weather. On this note, the Hydrometeorological Service has completed an upgrade of the current satellite receiving system, in order to provide more reliable weather information to stakeholders.

3.129 The agricultural sector also saw progress in the strengthening of supporting legal and institutional interventions. It was noted that the digitalisation of mapping of Ebini, Ituni and Kwakwani was completed. An Environmental Impact Assessment and a Management Study were drafted to support the establishment of a modern agricultural research facility at Ebini. In addition, the Food Safety Bill was passed in the National Assembly, in April. The updated regulations for general food safety, abattoirs, meat, milk, poultry inspections and grading of eggs, fruits and vegetables are being drafted to pave the way for improved standards of agricultural products destined for local and international markets. The Ministry of Agriculture has since commenced preparation for the establishment of the Food Safety Authority, which will have regulatory oversight.

3.130 Importantly, works on the national agricultural census, a critical activity to guide the sector, has commenced. Currently, negotiations to obtain the technical support required for the execution of the census is on-going and preliminary works, including completion of the methodology design and questionnaire for the pilot survey, have begun.

Infrastructure

3.131 Infrastructure connectivity across all ten administrative Regions remains a core priority within the national infrastructure programme. Of the \$38.5 billion allocated for 2019, approximately \$16.5 billion was spent during the first half of the year. Of that amount, \$5.2 billion was current and \$11.3 billion was capital expenditure. The infrastructure sector continued to face challenges with implementation, resulting mainly from a lack of staff in critical positions. Since 2017, over 19 engineers were lost to the

private sector. Human capacity constraints also stymied planning, procurement and contract management. As a measure to attract and retain staff, an updated compensation structure for engineers and technicians was approved in July 2019. Hence, it is expected that the engineering corps will be augmented significantly, going forward.

Roads and Bridges

3.132 During the first half of 2019, the sum of \$5.5 billion was expended, out of a budgeted \$16.3 billion, for roads and bridges. Works on the Linden-Lethem Road Project have commenced with the establishment of the project work site compound at Wisroc. The feasibility study for the 125 kilometres of road from Linden to Mabura, as well as the Kurupukari Bridge, commenced in the first quarter of 2019, and is expected to be completed by December 2019. Along the same corridor, construction will commence, in the third quarter of 2019, on the Mile Zero to Rockstone Junction, which covers a distance of 6 kilometres. Further, the studies and designs for the 72 kilometre Linden-Soesdyke Highway is underway, and is expected to be completed by the end of September 2019. Additionally, studies for the reconstruction of the Wismar Bridge will commence in the second half of the year.

3.133 The East Bank/East Coast Road Linkage project has been lagging but progress has been made in discussions with the bilateral financing partner. During the reporting period, an amount of \$2 billion was expended on the construction of the East Coast Highway, which is on schedule to be completed by the end of 2019. Turning to the Sheriff Street-Mandela Road Programme, the amount of \$107.7 million was expended in the reporting period. Issues, such as the relocation of utilities and mobilisation of key personnel and equipment, stymied greater progress.

3.134 With regard to hinterland roads, an amount of \$913 million was spent during the first half of 2019. Several activities, including the rehabilitation and construction of Mile 4-Mile 5 Bartica Potaro Road, Mile 6-Mile 19 Bartica Potaro Road, and Mile 4-Yarakita/Karrau to Buckhall, along with the internal roads in Port Kaituma, commenced

within the first half of 2019. Further, construction and upgrading of internal roads within the newly established towns of Mabaruma, Bartica and Lethem commenced in the first half of 2019, while the construction of internal roads in Mahdia continued during the same period. In addition, the rehabilitation and construction of several community roads commenced in areas such as Golden Fleece and Suddie in Region 2; Industry, Clonbrook, Timehri, Grove, Better Hope and Mocha in Region 4; Alness in Region 6. All of these roads are expected to be completed by the end of 2019.

3.135 During the first half of 2019, Government undertook an assessment of the feasibility of developing the New Demerara River Bridge under a public-private partnership. This assessment is based on previous studies and is being done in collaboration with the International Finance Corporation, a member of the World Bank Group.

Air and River Transport

3.136 During the first half of 2019, Government expended \$251.2 million from an allocation of \$2.2 billion for the improvement of air and water transport. Works on the CJIA continued during the first half of 2019, in several areas, including the construction of the North East and South West runways, which are expected to be completed by September 2019. Final construction works on the apron and taxiway will be completed by August 2019. The construction of the new arrival terminal building, along with the remodelling of the existing terminal building, will be completed by the end of 2019. Additionally, the facilities for the diesel generator room and fire pump station will be completed by August 2019. However, to meet these deadlines, the contractor and the Ministry of Public Infrastructure are taking steps to accelerate progress by engaging in transition team meetings with the CJIA Corporation to address operational issues. Coming out of the engagement, a recommendation was made for the use of local contractors for auxiliary works so that the principal contractor can focus on main areas such as runways and the departure lounge. Additionally, the contract for the feasibility study for the upgrade of the Lethem Aerodrome was awarded earlier this year.

3.137 With regards to river transport, the rehabilitation and construction works on the Bartica (Phase II), Leguan and Parika stelling commenced in the first half of 2019. The docking and rehabilitation of MV Kanawan and MV Sabanto got underway in the second quarter, and will be completed in the third quarter of 2019.

Sea and River Defence

3.138 At the end of June 2019 an amount of \$2.5 billion was expended on the maintenance, rehabilitation and construction of sea and river defence. Construction and rehabilitation works were completed during the first half of 2019 at areas including Windsor Forest, Waller's Delight, DeWillem, Aurora/Warousi, Westbury, Zeelandia, Henrietta Outfall, Chapman's Grove, Crabwood Creek, Bush Lot/Maida, Capoey, Blenheim, Rosignol, Orealla Village, Cane Field – Leguan, Cottage Mahaicony, Stewartville, Blankenburg, Johanna Cecelia/Zorg, Good Success/New Hope and Grove/Lookout. Further, notwithstanding the irregular supply of materials, more so, boulders, efforts are being made to complete all remaining projects during the second half of 2019.

3.139 The feasibility study for the waterfront development of Port Georgetown and along the East Coast corridor, up to Ogle, was finalised during the first half of 2019. This report is now with the CDB for their approval, after which, a second stakeholder engagement will be held before finalising the design.

Energy

3.140 Government's commitment to a green economy continues to guide its energy vision. This was reflected in the \$8.9 billion budgeted for 2019, which included several initiatives to increase renewable energy generation and improve energy efficiency. As of the end of June 2019, the sum of \$4.7 billion was expended in this sector, of which \$2.4 billion was invested in reducing overall loss of electricity nationwide, under the Power Utility Upgrade Programme. Under this Programme, a total of 361.1 kilometres of the low

and medium voltage distribution network in Regions 3, 4, 5 and 6 was rehabilitated. Additional efforts, in the first half, to reduce electricity losses included the installation of 21,735 smart meters across the country.

3.141 Turning to renewable energy, in the first half of 2019, solar photovoltaic (PV) systems were rehabilitated at La Parfaite Harmonie and Long Creek primary schools, while solar PV systems were installed at the Ministry of Foreign Affairs and Parliament Buildings. A further 80 government buildings will be outfitted with solar PV panels by the end of 2019. To undertake this exercise, the 80 buildings were grouped into 10 lots, of which 8 lots were awarded in the second quarter of 2019. Presently, the contractors will be mobilising and works will commence in the second half of the year.

3.142 With regard to hydropower, the construction of the 20 kilowatt plant at Hosororo, Region 1, was completed in the first half of 2019, and is now awaiting the end of the dry spell to commence final testing, with commissioning expected by the end of 2019. Further, the Mabaruma 400 kilo-volt-ampere solar PV farm is still experiencing several technical challenges, resulting from defective installation. While the contractor has responsibility for rectifying these faults, Government is considering alternative options to ensure that the farm is operationalised before the end of the year.

3.143 Under the Hinterland Electrification Programme, the contracts for the extension of the electricity network at Orealla/Siparuta and Lethem were recently awarded, with works expected to commence in the second half of 2019. Delays in the procurement process have caused setbacks for the extension of electricity supply in Port Kaituma, Oronoque and Moco Moco, but these activities are expected to be completed by the end of 2019.

3.144 With respect to reducing Guyana's carbon footprint, a contract for the installation of 400 stand-alone solar powered street lamps was awarded in the first half of 2019. These lamps will be installed, in the second half of 2019, across the ten administrative Regions in areas including White Water Village, Region 1; Cotton Field, Lima, Queenstown,

Region 2; Wakenaam and Leguan Islands, Region 3; St. Cuthbert's Mission, Kuru Kururu, Region 4; Moraikobai Village, Little Biabau, Mora Point, Region 5; Nos. 65 and 66 Villages, Region 6; Karrau Village, Region 7; Paramakatoi Village, Central Mahdia, Region 8; Aishalton and Moco Moco Villages, Region 9 and Ituni and Kwakwani, Region 10. These installations, in addition to the 100 LED street lamps to be installed in various housing areas, will also improve security and night-time visibility.

Information Communication Technology

3.145 With a clear vision of the role and importance of Information and Communication Technology (ICT) towards the modernisation of Guyana's economy, Government continued to work vigorously to stimulate growth of the ICT sector. To this end, over \$3.2 billion of the \$4 billion budgetary allocation was expended in the first half of 2019, resulting in the expansion and emergence of major ICT and e-Government projects.

3.146 Under the US\$34 million National Broadband Project, videoconferencing equipment for use in telemedicine applications were installed in 4 of the 30 identified health facilities, specifically health centres in Baracara and Orealla, and regional hospitals in Bartica and New Amsterdam. An operational manual has been developed and personnel in these locations will receive training on its use in the second half of 2019. The remaining videoconferencing equipment, which have already been procured, will also be installed in the second half of 2019 and training on their use will be executed. As part of the smart classroom programme, connectivity was provided and equipment installed in the central/main smart classroom located at Queen's College. In the latter half of the year, smart classrooms will be established in other schools, including New Amsterdam Multilateral, Line Path Secondary, Bush Lot Secondary, President's College, Leonora Secondary and 8th of May Secondary.

3.147 In addition, as part of the intelligent surveillance system under the Safe City Component of the National Broadband Project, civil works and installation of cameras were completed at 102 sites. Fifty-two of these sites were operationalised in the first half

of the year, and the remaining 50 sites will be powered by August 2019. A command centre will be established for the Guyana Police Force (GPF) in the first quarter of 2020; the sum of \$85 million is allocated for its construction and bids for the required civil works are currently being evaluated. In the interim, the command centre operations are housed at the National Data Management Authority's Network Operations Centre. Alongside the development of the national security infrastructure, 10 Long Term Evolution (LTE) towers were upgraded with new radios specifically for the security sector, and permission is being sought to utilise 7 towers from a local telecommunications company to install the remaining LTE equipment. This will accommodate the use of broadband handsets by GPF, allowing for additional information to be channelled to the command centre. Additionally, outfitting the 48 coastal LTE towers with microwave equipment, to double the available bandwidth, has been completed.

3.148 Internet connectivity plays a critical role in improving productivity, efficiency and the delivery of public services for government agencies. As such, during the period under review, 11 fire stations, 7 police stations, and 1 training centre across all administrative regions were provided with internet access through the e-Government network. In addition, ICT hotspots were established in 28 public areas/institutions across Regions 2, 3, 4, 5, 6 and 10. For the remainder of the year, Government intends to establish a further 51 hubs/hotspots. To facilitate this, satellite and solar equipment have been procured and civil works started to outfit locations.

3.149 The 5-year ICT Access and e-Services for Hinterland, Poor and Remote Communities project was operationalised this year. Site surveys were completed in 15 communities across Regions 7, 8, 9 and 10, including Kangaruma, Kurukubaru, Apoteri, Waruni. The procurement process has started for the acquisition of computer, satellite, and solar equipment to furnish and equip the 200 ICT hubs to be established under this project. Twenty of these hubs will be created by the end of 2019 across Regions 7, 8, 9 and 10, in communities such as Kato, Monkey Mountain, Toka and Kimbia. Technical training on the set-up and use of the hub equipment will also be provided to 30 persons

across all 10 regions. They will be expected to provide training to members of their respective communities.

3.150 The Centre for Excellence in Information Technology (CEIT) was officially launched in June 2019. Recruitment and training of Master Trainers are ongoing, with a Guyanese Master Trainer expected to return in August, after completing postgraduate studies in IT Infrastructure, Systems and Security. Two other trainers are expected to commence postgraduate studies in Advanced Computing, in August. In the interim, CEIT commenced training of the first cohort of 73 students in 3 certificate courses, by a specialist from the Centre for Development of Advanced Computing, in Network Security, Linux System Administration, and Data Communication and Networking. The second cohort is expected to start training, in August 2019, in Business Computing, Advanced Web Technologies, and Office Automation.

3.151 In the first half of 2019, Government continued to provide a series of capacity programmes as part of ensuring that citizens are prepared to compete in the 21st century environment. The Coding Camps that began in 2017, were expanded from being provided only during the August holidays to now being offered throughout the year. During the period under review, training programmes were conducted in Regions 2, 4 and 6, with 350 students trained in Office tools, website creation and web development. In the second half of the year, Government will be extending its outreach and training programmes to hinterland communities.

3.152 Additionally, during the first half of the year, Government provided technical support to the launch of a pilot for the Agricultural Commodity Exchange, as part of its policy to promote local business development and market access. The primary focus of this product is the use of technology to bring farmers and buyers together to conduct commercial transactions. This product was designed by a local company who won one of last year's Hackathons, and, in the first half of 2019, 116 farmers were trained in the use

of the online platform.⁸ A partnership has been established with NAREI, who will provide support on the quality certification of products being sold through this platform.

Security

3.153 Government continued to ensure that the provision of law and order, protection of the populace and safeguarding of Guyana's borders are maintained. Of the \$35.6 billion budgeted for the public security sector, for 2019, \$15 billion has been expended at the half-year. During the first half of 2019, the sum of \$6.1 billion was expended towards a number of activities to further strengthen the GPF's objective to deliver the highest standard of professional police services, and to serve and protect citizens by preventing and detecting all forms of crime in the maintenance of law, order and the preservation of the peace. Through various interventions, serious crime declined by 3.2 percent in the first half of 2019. Some of these interventions included: training of 124 ranks in basic forensic bloodstain pattern recognition; forensic video analysis; advanced crime scene photography; scene drawing; and community based crime prevention strategies in 10 communities.

3.154 Of the nearly \$700 million that was budgeted for the construction and improvement of police stations, the sum of \$78.2 million was expended as at the end of June 2019. Designs for police stations and divisional headquarters at Golden Grove, Fort Wellington, Mabaruma and Mahdia have been completed, and construction is anticipated to commence in the second half of the year. Further, of the \$0.5 billion budgeted for vehicular and marine fleets, canine and mounted branches, and equipment for GPF, approximately \$84.8 million was expended at the end of the first half of 2019. In addition, during the same period, the Guyana Forensic lab was equipped with DNA and gun residue testing machines to conduct DNA analysis to aid in solving crimes.

⁸ The platform can be accessed by visiting www.farmersmarket.gy

3.155 The Customs Anti-Narcotics Unit (CANU) spent \$165.1 million of the budgeted sum of \$350 million in the first half of 2019. During this period, a total of 112.9 kilogrammes of cocaine, 186.2 kilogrammes of cannabis, 36 grammes of ecstasy, and 590 grammes of unknown substances were seized.

3.156 The Guyana Prison Service, in delivering its mandate of ensuring safe custody and effective rehabilitation of inmates, was allocated approximately \$4 billion towards the maintenance and improvement of the prison environment across the country. Designing the reconstruction of the New Amsterdam prison will commence during the second half of this year. Some components for the rebuilding of the Camp Street prison, including steel cells, have already been procured, with works to begin in the second half. The expansion of the Mazaruni prison is ongoing and the project remains on track for completion in the second half of 2020. These upgraded facilities are intended to alleviate the overcrowding situation across the prison system. The procurement of equipment intended to improve the safety of officers and inmates, including body scanners, has commenced and is expected to be concluded in the second half. To ensure that the Prison Service is staffed with qualified and competent officers, with the necessary skill set to allow them to effectively manage this complex environment, 24 new recruits were trained in the areas of supervision, correctional emergency response, leadership, and emergency medical procedures, among others. The recruitment drive in the first half of 2019 brought the size of the Service to just over 500 officers, still short of the required 601.

3.157 The Guyana Fire Service (GFS) continues to work assiduously to ensure that it fulfils its mandate of protecting life and property. The award for the procurement of five new ambulances, one airport rescue and firefighting vehicle, and two new water tenders was made in the first half of 2019 and delivery is scheduled before the end of the year. The recent establishment of a maritime firefighting section of the GFS, which will address emergencies on Guyana's waterways as well as support onshore firefighting operations, is expected to be fully operational by August 2019. Some 60 trainees are expected to join their ranks in September 2019.

3.158 As part of the Citizens Security Strengthening Programme (CSSP), two economic insertion activities were executed in the first half of 2019. The first of these saw 215 at-risk youths from 20 target communities graduate from technical institutions and training centres in Regions 3, 4, 6 and 10. In addition, 663 youths from these regions, as well as Region 5, are currently enrolled in the programme. The technical and vocational education training is being implemented using the Competency Based Approach, which allows students to advance based on their abilities to master a skill or competency. As part of this programme, participants are offered a monthly stipend of between \$11,000 and \$35,000, depending on how far they live from the training facility. CSSP also funds fees associated with participation in the programme. Another important component of the programme is the continuous psychological and mentorship support offered to youths, which reinforces positive behaviour.

3.159 The second economic insertion activity entailed an entrepreneurship training targeting at-risk youths. As of the end of May 2019, 38 students from target communities in Regions 4 and 6 graduated from the programme. Upon graduation, participants presented business ideas which were evaluated, and the sum of \$11.9 million was distributed as grants to fund these ventures. These start-ups will be monitored during the second half of the year. In addition, a further 48 youths from Regions 4, 5 and 6 commenced classes and are expected to graduate and present their business ideas in August 2019.

3.160 The domestic violence capacity building training, another initiative of the CSSP, will run from July to September, and will target 100 mid-career police officers in domestic violence scenario response. This is expected to improve the professionalism, empathy and integrity of officers when dealing with domestic violence incidents.

Tourism

3.161 Government has made significant strides in the tourism sector. Based on analysis of VEMS (Visitor Exit Motivation Survey) conducted by the Bureau of Statistics (BoS),

the Guyana Tourism Authority (GTA) estimated that, with 286,732 visitors last year spending approximately \$222,216 per visit, travel and tourism injected \$62.6 billion directly into Guyana's economy. This would make tourism the second largest export sector in Guyana.⁹ According to the World Travel and Tourism Council, travel and tourism contributes to 22,000 jobs in Guyana.¹⁰ It should also be noted that tourism contributes to the GSDS. In an effort to promote growth in the industry, the GTA has updated the Guyana National Tourism Strategic Action Plan, and the bylaws and code of conduct were completed in the first half of 2019.

3.162 During the first half of 2019, the sum of \$177.2 million was expended in tourism development and promotion, compared to \$190.2 million in 2018. In the first half of 2019, tourist arrivals increased by 10.7 percent to 148,715 visitors, when compared to the same period in 2018. The increase in visitor arrivals was ascribed to the Guyana Carnival, Mashramani, Independence celebrations, among others. Progress was made in the first half of 2019 to better understand the impact of tourism on Guyana's economy. The GTA collaborated with the Canadian Executive Service Organisation to prepare an Action Plan for the Development of the Guyana Tourism Satellite Account. Additionally, the VEMS was reviewed and updated with the view of moving the tool to an online platform, to increase responses. A team from GTA and BoS will be trained by the Barbados Statistical Service, on the execution and analysis of data from surveys, such as VEMS, in the second half of 2019.

3.163 In the first half of 2019, Guyana secured three international destination awards. Guyana was named the No. 1 "Best of Ecotourism" destination in the world, and honoured at the "Golden City Gate" multimedia awards as the first place winner for the "Destination" category in the nature destination worldwide video competition. Both of these awards were presented at the Internationale Tourismus-Börse Berlin (ITB) Global

⁹Based on the Bank of Guyana Annual 2018 report and the estimated figure, tourism is among the top five export earning sectors in Guyana: Gold – US\$766.8 million, Tourism – US\$300 million, Rice – US\$186.1 million, Bauxite – US\$128.2 million, Timber – US\$33.3 million

¹⁰World Travel & Tourism Council (2018), Travel & Tourism Economic Impact 2018 Guyana

Trade Travel Fair held in Berlin, Germany in March 2019. In June, Guyana received the Latin American Travel Association's (LATA) "Best in Sustainable Tourism" Award. Guyana was selected for its impressive sustainable tourism practices and community-led tourism framework which promote job creation, help preserve local traditions and customs, encourage low-carbon lifestyles and provide livelihoods for indigenous communities.

3.164 The "I Love Guyana" campaign which comprises an 8-part video series, was launched in May with the release of the first video. This has received over 23,000 views on social media. A second part of the Campaign includes the design of an "I Love Guyana" logo, to be released in October. Other marketing activities in the first half included a webinar with 30 travel agents in North America that focused on Essequibo. This resulted in a plan being developed for the promotion of the "Top 10" reasons why tourism is a force for good in Guyana. As part of its marketing strategy, Guyana hosted 8 familiarisation (FAM) groups in the first half of 2019, twice as many as the same period in 2018. These trips have assisted writers to inform the world about our local products and tourism packages. Additionally, Guyana attended and participated in 4 International Trade/Consumer shows, namely, Education Travel Conference (ETC), ITB Berlin, Routes America and Destinations, the Holiday and Travel Show.

3.165 In an ongoing effort to improve the tourism sector, two training curricula, in Successful Taxi Driver and Delivering Quality Service, were acquired from the Caribbean Tourism Organisation. Approximately 340 persons were trained locally during the first half in Successful Taxi Driver, Delivering Quality Service, Business and Financial Management, First Aid/CPR and Tour Guiding, compared to 377 at the end of 2018.

3.166 In the second half of the year, GTA will work with Moraikobai, Karasabai, Chenapou and Warapoka to develop tourism products and strengthen their tour packages. In addition, the mapping of strategic visitor flows will be completed before the end of the year, allowing for tailored experiences to be developed for different visitor groups. Further, it is anticipated that the recently published "Tax Exemption Guide for

the Tourism Sector,” by the GRA, will help to grow this sector by providing businesses with information and clarification on available incentives.

Public Administration and Public Financial Management

3.167 As a continuing commitment to assess the national performance across several key areas of public financial management (PFM) and to support sustainable development, Government commenced its third joint Public Expenditure and Financial Accountability Assessment (PEFA), in May 2019. The PEFA provides an update of progress in PFM since the last PEFA in 2013, and establishes a new PEFA baseline using the 2016 methodology. The PEFA assessment covered 32 performance indicators under seven pillars: Budget Reliability, Transparency of Public Finances, Management of Assets and Liabilities, Policy-Based Fiscal Strategy and Budgeting, Predictability and Control in Budget Execution, Accounting and Reporting and External Scrutiny and Audit.

3.168 Overall, the preliminary findings of the PEFA show a PFM system in Guyana that is fairly robust; however, weaknesses exist in areas of risk management, multi-year budgeting and financial reporting. Given the preliminary results identified in the draft PEFA Report, a 5-year action plan on reforms will be drafted by the Government of the Co-operative Republic of Guyana – PEFA Monitoring Group; which will form the basis of key reform actions to be undertaken between 2020 and 2024.

3.169 In March 2019, the Public Investment Management Framework was approved. This Framework is derived from the Public Investment Management Assessment (PIMA) exercise that was completed for Guyana in December 2017, and outlines the approach to operationalise some of the main recommendations of this exercise. Stemming from the recommendations in the PIMA, Government continued engagement with technical experts to improve and strengthen the public investment management processes, specifically, the initial stages of the project management cycle – from project identification, screening, pre-appraisal, appraisal and approval. These actions resulted in the update of the Project Profile Concept Note (PPCN) template introduced for Budget

2019, revision of the screening criteria for public investment projects, and the commencement of training to undertake project pre-appraisal. During the second half, works will advance on operationalising the framework for PIM, including development of guidelines and templates, as well as capacity building interventions focused on project appraisal and cost benefit analysis; and initiating the project preparation facility.

3.170 As noted in the 2020 Budget Call Circular, the Project Concept Note (PCN) and the PPCN will form the basis for the inclusion of capital projects in Budget 2020. The updated project assessment criteria will guide the screening of project ideas and concepts presented by Agencies, *vis-a-vis* the PCN and PPCN, for inclusion in the budget.

3.171 In keeping with Government's commitment to improving the efficiency of public procurement, several key actions were undertaken in the first half of 2019. These include the legislative review of the Procurement Act Chapter 73:05, which commenced in 2018. The substantive amendments are currently being reviewed by the Attorney General's Chambers. Notwithstanding, initial amendments and regulations have been enacted, providing for:

- 1) Small Business Set-aside;
- 2) Registration of bidders;
- 3) Mandatory preparation of procurement plans to be submitted to the Public Procurement Commission for the fiscal year covered by the National Budget, within 3 weeks after the National Budget is approved; and,
- 4) Increased thresholds for:
 - a. Restricted Tender Method of Procurement to \$10,000,000 for contracts for goods and services (other than consultancy services) and \$20,000,000 for construction contracts; and,
 - b. Request for Quotation Method of Procurement to \$3,000,000.

3.172 Additionally, capacity strengthening continued for procurement personnel, sub-treasury staff auditors, and other staff involved in procurement. This is a critical initial undertaking as National Procurement and Tender Administration Board embarks on the

development of a cadre of staff with the competence to perform data analytics, business process engineering, and public administration, with the aim of developing a plan for the introduction of e-procurement in Guyana.

3.173 Government has maintained its commitment to the institutionalisation of results-based management across the public sector. In this regard, several initiatives have been undertaken to further strengthen national capacities, reinforce the results-based approach, and, ultimately, reform public administration. In keeping with the National Monitoring and Evaluation Strategy and National Monitoring and Evaluation Training Plan, almost 100 public officials were exposed to the key concepts of M&E during the review period, as part of the national M&E capacity strengthening initiative. Further, capacity strengthening is planned for the second half of the year, and will focus on designing and monitoring performance indicators. It is expected that approximately 150 public officials will be participating in these training sessions, and, as a result, will be better able to conceptualise and implement their M&E functions of data collection, analysis and reporting.

3.174 As part of the preparation of Guyana's first Voluntary National Review (VNR), which details progress towards achieving the 17 Sustainable Development Goals (SDGs), the urgent need for intensified data systems strengthening was highlighted as a challenge and a priority action going forward.¹¹ In this regard, there will be targeted data clinics with sector agencies to review their data gaps, and identify strategies to address these, which will be incorporated in their relevant work programmes, going forward.

¹¹ See Box 1 for further details on the VNR.

Box 1 – Guyana’s First Voluntary National Review of the Sustainable Development Goals

On July 18, 2019, Honourable Dawn Hastings-Williams, Minister of State, led the national delegation, which presented Guyana’s first Voluntary National Review (VNR) of the Sustainable Development Goals (SDGs), at the United Nations High Level Political Forum, under the auspices of the Economic and Social Council. Guyana’s VNR elaborates the nation’s progress in effecting the Sustainable Development Agenda 2030, highlighting signal achievements as well as the particular challenges faced across the various sectors. The VNR is a reporting tool which: i) outlines the process and key considerations for its preparation; ii) highlights main achievements regarding the relevant Targets of the 17 SDGs and the initiatives driving them; iii) identifies the indicators that are being used to track progress; iv) discusses challenges, as well as what has been done, and what is needed to overcome them; v) summarises lessons learned as a nation; and, vi) maps the way forward.

For Guyana, the VNR entails the review of all 17 SDGs. Notable progress has been made in food security and ending hunger, access to water and sanitation, climate change mitigation, and natural resource management. His Excellency, President David Granger has highlighted that Goal 4: *Quality Education* is the “mother of all Goals” and progress on this is critical to Guyana achieving all other Goals. Guyana’s VNR is presented within the context of the national long-term development plan, the *Green State Development Strategy: Vision 2040*, the roadmap to becoming a green state.

Guyana is at a critical juncture in its social and economic development and conducting the VNR has provided a valuable opportunity to identify gaps in data development, planning, and implementation frameworks, as well as, reinforced the multidimensional nature of measuring development. This first VNR emphasises the critical role of education, health, infrastructure and innovation in national development, and the urgent need for significant and sustainable investments in these sectors. Therefore, Guyana has outlined eight priority actions, which shall be executed concurrently, towards achieving Agenda 2030, as part of Vision 2040. These actions are listed as follows:

- Demonstrate alignment between proposals for the formulation of public programmes and investments, and the strategic direction and plans, including Agenda 2030. Thus, Vision 2040 and consequentially, Agenda 2030 will be advanced through the national budgeting process.
- Public dissemination and availability of Guyana’s first VNR, including at the highest levels of Government. This will be done through a VNR Outcome Workshop for key stakeholders.
- Conduct a diagnostic gap assessment of institutional arrangements and human resources for achieving Agenda 2030.
- Conduct data development clinics, co-chaired by the Ministry of Finance and Bureau of Statistics, which will result in sector specific data development plans and inter sectoral requirements.
- Accelerate the pace of institutionalising monitoring and evaluation systems across whole-of-government, which will reinforce results-based management and evidence-based interventions to address development challenges.
- Realise mandatory inter-agency collaboration mechanisms to support tracking of core SDGs.
- Seek adequate and affordable funding and technical assistance to support the realisation of Agenda 2030. In addition, comprehensively determine the costing of programmes and interventions within an M&E framework to achieve the SDGs within the national development priorities.
- Strengthen citizens’ knowledge, cooperation and partnerships for the attainment of the SDGs through awareness of developmental efforts to achieve Agenda 2030.

3.175 The Ministry of Finance continues to explore methods and systems to modernise and improve PFM. Towards this end, the Integrated Financial Management and Accounting System was upgraded in 2018 to a current version 7.0 Integrated Financial Management and Information System (IFMIS). The upgrade is geared to support public

sector functions, in order to increase the effectiveness and efficiency of state financial management and facilitate the adoption of modern public expenditure practices, in keeping with international standards and benchmarks. During the review period, an IFMIS assessment was conducted which identified areas for strengthening, and mapped out a plan for a phased approach towards improving PFM and IFMIS arrangements. Focus was also placed on the training of users of the system, in order to address issues in executing key processes and to ensure optimal utilisation.

3.176 In addition, efforts were directed towards strengthening PFM systems, as there is need to continue working towards the implementation of the Treasury Single Account, the adoption of the International Public Sector Accounting Standards, the restructuring of the Government Chart of Accounts, as well as the re-engineering of the business processes, to align with the reform. The National Payments System implementation has begun with a pilot, and the Ministry has commenced the electronic transfer of salaries and pensions, which will continue in a phased manner.

3.177 Further, strengthening of tax administration has continued with the upgrading and expansion of tax systems, as well as the decentralisation of tax services across the country. These efforts reaffirm Government's commitment to ensuring that tax administration operates optimally, and is accessible by all. As part of the ASCUYDA World Project, which specifically focuses on improving the efficiency and effectiveness of Customs Operations, the GRA has operationalised several key functional modules. These modules include:

- 1) Manifest – allowing for the electronic submission of manifests at all wharves and transit sheds;
- 2) Commercial Imports – which includes CARICOM Trade Agreements and Partial Scope Agreements, with the latter being installed incrementally;
- 3) Exemptions – including for all vehicles except for the buses and re-migrants' categories;
- 4) Immediate payment;
- 5) Certain categories of exports;
- 6) Private warehouses; and,

7) Passenger Baggage Declaration at both international airports.

3.178 In the first half of the year, Government enacted legislation to modernise and simplify trade processes, through the passage of the Customs and Trade Single Window System Bill for the Single Window Automated Processing System, and the Customs (Amendment of Schedules) Bill for the implementation of a Harmonised System (HS). This Single Window now allows for the submission of trade and transformation information through a single electronic gateway, which is then distributed to all pertinent public entities for subsequent processing, eliminating duplication and redundancy, and reducing transaction costs. Further, HS will allow traders to obtain consistent tariff treatment for goods, while enabling structured analysis of international trade statistics.

3.179 As a result, GRA's risk management capability has been significantly enhanced, and it has recorded an improved level and quality of trade services for carrier agents, wharfingers, brokers, importers and Customs staff. As part of a planned strategic approach to improve services at the regional branches of the GRA, several service measures were introduced and/or enhanced, particularly at Bartica, Lethem, Mabaruma and Parika. Some of these services include: desk examinations and audits, processing and issuance of drivers' licences, and issuance of Taxpayer Identification Numbers. Additionally, several processes were introduced or modified, including: the processing of individual tax returns, tributors' tax returns, objections, mortgage interest relief applications, refunds and set off, requests for waivers and payment arrangements, and issuing of compliance and liability letters. Further, the recently established Mabaruma Office, which officially opened in January 2019, also examines vehicles for registration and transfer of ownership.

3.180 Institutional and capacity strengthening is a continuous process, and for the Petroleum Revenue Audit Unit, key staff have been hired and are receiving training in preparation for first oil.¹² The GRA also launched the Vehicle Crossing Software

¹² See Box 2 for further details on institutional strengthening for oil and gas.

application, which allows for better monitoring, as it captures and records information on all vehicles crossing Guyana's borders.

Box 2 – The Institutional Demands of Oil and Gas

The imminence of the petroleum industry has increased the expectations of the Guyanese people with regard to its potential for improving lives and transforming the economy. However, experiences across the world have shown that resource availability alone is not sufficient to effectively deliver on these expectations. The resource curse and the potential for conflicts are evidence of the need for robust regulatory frameworks and exceedingly strong institutional capacities in the effective management of the national patrimony. As such, Government has consistently prioritised preparedness prior to first oil, expected in 2020.

An Inter-Ministerial Technical Committee on Petroleum (IMTCoP) was established, in 2017, to coordinate the various public sector actors that have a role to play in the industry and the necessary capacity building. Since then and commendably, Guyana is one of the few countries in the world that has established a sovereign wealth fund (entitled the “Natural Resource Fund”) prior to receipt of oil revenues. However, Government recognises that, given the varying performance of PSIP and the inadequacy of the public education system, among other factors, the efforts to prepare for 2020 and beyond need to be intensified. As such, a key focus and mandate for Budget 2020, is accelerating institutional strengthening in preparation for first oil and oil revenues.

Institutional strengthening for oil and gas will have at least two facets: 1) capacity building for public institutions in the discharge of their regulatory role within the petroleum industry, and 2) strengthening of public institutions to effectively utilise anticipated increased resources in the future. For the former, institutions such as the Guyana Revenue Authority, the Department of Energy and the Civil Defence Commission must focus on building capacity for cost audits, designing and negotiating production sharing agreements and oil spill management and preparation, respectively, among many other areas. Through the IMTCoP, Government has identified more than 70 areas for strengthening across 9 institutions, so far. The imperative is to ensure that Guyana's institutions are sufficiently equipped such that resource extraction delivers the maximum allowable benefit to the country, while assuring the safety of the environment and citizenry. Failure to do so could result in revenue leakages and other externalities, to the detriment of Guyana's current and future generations.

The second critical aspect of institutional strengthening, mentioned above, is to ensure that public institutions are equipped to effectively spend additional revenues expected from oil. Government is continually cognisant of the need to effectively manage public funds and, given the varying performance of the PSIP and the unremarkable health and education outcomes in recent history, recognises that institutions must be reformed and improved significantly to ensure that revenues are not wasted. Proposing increased allocations for drugs and medical supplies when procurement is inefficient, increasing teacher wages without commensurate increases in education outcomes and a direct linkage to performance, and budgeting to expand national public infrastructure without a sufficient engineering corps and quality control, are all recipes for wastage of public funds. As such, all sectors are mandated to prioritise institutional strengthening so they attain the capacity to effectively deliver expanded public programmes and services, with a focus on achieving the results and ambitions set out in the Green State Development Strategy: Vision 2040, which incorporates the SDGs. Otherwise, revenues from oil would be for naught.

4. Economic and Fiscal Risks and Proposed Policy Responses

4.1 This segment of the report is prepared pursuant to Section 67(2)(c) of the FMAA 2003. The management of economic and fiscal risks is conducted via the monitoring of the four sectors of the economy – real, external, monetary and fiscal – by respective agencies, individually, and jointly under the Macro-Fiscal Forecasting Committee.

4.2 Notwithstanding the projected **growth for 2019**, the attainment of revised targets could be undermined by domestic and external risks. The pace of implementation of the PSIP, the ratio of non-performing loans to total loans, political uncertainty, and the influx of immigrants, represent some critical internal threats. At the same time, a slowing global economy amid weak investment, exports, and consumption are among the major risks coming from outside our borders. Other risks include, but are not limited to, climate change, enforcement of key legislation, and data availability and quality.

4.3 The **implementation rate of the PSIP** remains a concern for the Government, despite the increase in capital expenditure in the first half of the year, as bottlenecks in project execution and implementation still exist. As highlighted earlier in this report, problem areas include the paucity of critical staff, such as engineers, and procurement-related issues, such as delays in the completion of evaluation reports. However, Government is in the process of reforming PIM, and has already put mechanisms in place to combat some of the existing bottlenecks, including emphasising criteria-based project selection for public investment, the introduction of detailed project concept notes in budget submissions, and improving the ABCs for better planning, implementing and monitoring of the PSIP. These interventions, collectively, should improve the quality of investments being undertaken and their preparedness for implementation.

4.4 Notwithstanding the improvements to public investment management, Government is cognisant of the **varying institutional capacities** across the public sector. In light of anticipated additional revenues, increased economic activity and wider regulatory and service delivery demands, this presents a risk to ensuring effective

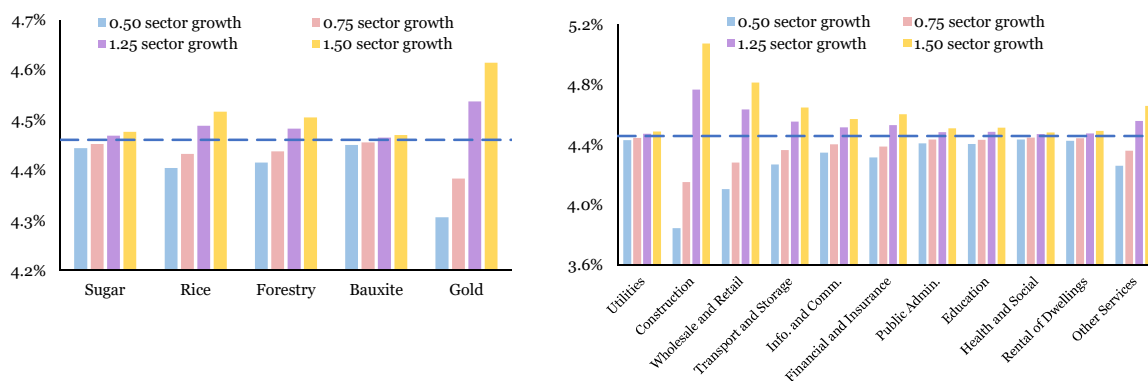
budgeting, spending and value for money. Government has mandated all Budget Agencies to accelerate institutional strengthening, going forward.

Box 3 – Sensitivity Analysis of GDP

To assess and quantify the impact of domestic and external risks on the economy's targets, the Ministry of Finance computed changes to real GDP growth that could materialise in the event of key industries experiencing variations in output.

Considering a baseline growth for the overall economy of around 4.5 percent, each industry's growth rate was shocked both positively and negatively. Negative shocks entail a curtailment of growth rates of either 50 percent, or 75 percent, of their forecasted values while positive ones correspond to an expansion of the rates by either 25 percent or 50 percent. Consequently, once an industry was shocked, the impact of its new estimated production was assessed on the GDP, *ceteris paribus*.

The charts below highlight the result of this exercise for key sectors. For instance, if the rice industry were to grow by 1.7 percent rather than the projected 3.4 percent, the overall economy would contract by 0.06 percentage points. At the same time, if the gold industry were to achieve a 4.8 percent growth rate, rather than the current forecast of 3.2 percent, Guyana's GDP growth would increase by 0.16 percentage points.



4.5 The credit market has improved considerably and the ratio of **non-performing loans** to total loans has declined compared to the last two years. Nevertheless, the figures remain in double digits, standing at 12.3 at the end of the first quarter of 2019, compared to 9.5 in the second quarter of 2015. As such, further efforts within the financial system are required in order to minimise this portfolio, especially given the recent increase in borrowing across all sectors. The Bank of Guyana will continue to undertake stress tests of the financial system to ensure it takes appropriate actions to promote resilience.

Box 4 – Exchange Rate Fluctuations and Debt

Guyana's external debt portfolio is susceptible to exchange rate risk; given that it is denominated entirely in foreign currencies. The US dollar is the most dominant currency in the external debt portfolio, comprising 73.4 percent as at June 30, 2019. Therefore, fluctuations in the exchange rate for Guyana dollars to US dollars can have a significant impact on the value of the external debt stock, as expressed in Guyana dollar terms.

THE EFFECT OF CHANGES IN THE GUYANA/US DOLLAR EXCHANGE RATE ON GUYANA'S EXTERNAL DEBT STOCK (IN MILLIONS OF DOLLARS)				
Currencies in External Debt Portfolio	US Dollar Equivalent	Guyana Dollars		
		Baseline (Exchange Rate 208.5)	10% Appreciation (Exchange Rate 187.65)	10% Depreciation (Exchange Rate 229.35)
US dollars	935.45	195,042.17	175,537.96	214,546.39
Euro	8.22	1,713.23	1,713.23	1,713.23
Chinese Yuan	226.39	47,201.53	47,201.53	47,201.53
SDR	86.23	17,979.54	17,979.54	17,979.54
Other	17.75	3,701.81	3,701.81	3,701.81
Total	1,274.04	265,638.29	246,134.07	285,142.50
External Debt to GDP		31.0%	28.8%	33.3%
Change in External Debt to GDP			-2.3%	2.3%

Notably, at the prevailing exchange rate for a US dollar of \$208.5 in the baseline scenario, the current external debt stock of US\$1,274 million as at June 30, 2019 is equivalent to \$265,638.3 million. However, a 10 percent appreciation in the exchange rate of the Guyana dollar to the US dollar would result in a 7.3 percent reduction in the relative value of the external debt stock, from \$265,638.3 million to \$246,134.1 million. Conversely, a 10 percent depreciation in the exchange rate of the Guyana dollar to the US dollar results in the opposite effect of a 7.3 percent increase in the relative value of the external debt stock, from \$265,638.3 million to \$285,142.5 million.

Exchange rate fluctuations can also impact debt sustainability, due to the resulting effect on the debt-to-GDP ratio. The external debt-to-GDP ratio, based on the revised GDP for 2019, is 31 percent under the baseline scenario. The scenario of a 10 percent exchange rate appreciation of the Guyana dollar to US dollar gives rise to a 2.3 percent reduction in the external debt-to-GDP ratio, from 31 percent to 28.8 percent. Meanwhile, the scenario of a 10 percent exchange rate depreciation would result in an opposite 2.3 percent rise in the debt-to-GDP ratio, from 31 percent to 33.3 percent. These ratios all fall well below the IMF threshold. Nonetheless, exchange rate depreciations of a greater magnitude may potentially escalate debt to GDP levels much closer to the sustainability threshold. By contrast, exchange rate appreciations of a higher degree would result in lower debt stock and debt service payments in Guyana dollar terms.

4.6 Despite Guyana's stability with respect to its **outstanding debt**, which is rated as moderate risk of debt distress, the country faces new challenges due to the reduction in concessional financing and the lack of adequate capacity and institutional framework to facilitate domestic debt instruments. Government is in the process of finalising a draft Public Debt Management Bill, which, when passed, will guide borrowing and investment, and ensure debt is managed in a manner deemed fiscally sustainable.

4.7 The **influx of immigrants** has the potential of crowding-out employment of local workers across several sectors, creating pressure in the labour market. Additionally, this influx has created, and continues to create, additional demands on the Treasury, as Government seeks to ensure that appropriate systems are in place to register migrants, especially Venezuelans, so that they have access to basic social services. Government, through the Multi-Agency Coordinating Committee for Migration, continues to monitor the situation closely, in order to assess and address potential socio-economic threats and risks.

4.8 **Climate change** and **unpredictable weather conditions** remain a persistent threat for the agriculture, forestry, and mining and quarrying sectors, due to the adverse impact on output for the former, and on the condition of roads in hinterland communities for the latter two. This risk is also evidenced by its impact on critical sea and river defence structures in coastal and riverain communities. In recent years, Government has spent over \$2 billion, annually, on adaptation and response measures in the infrastructure sector, including constructing and repairing critical sea and river defence systems and hinterland roads. Other mitigation practices, including the introduction of appropriate and resilient crop varieties, will be key in a wider strategy being elaborated within the National Climate Change Policy and Action Plan and the National Adaptation Plan.

4.9 Also affecting agriculture, specifically the rice industry, is the **rice paddy bug**. Though the infestation has not resulted in lower yields for Region 6, where there were initial reports of an infestation during the first half of the year, it has the potential to adversely affect the economy, as it can result in significant losses in output, exports and income, if not contained. While remedying it will drive up production costs, the GRDB is supporting farmers by undertaking spraying across Regions and collaborating with farmers to monitor fields daily.

4.10 On the external side, the downward revisions for global growth in 2019 has the potential to weaken **investments** and **international trade**, which can result in less financing for, and remittances to, developing countries like Guyana. Moreover, rising

trade tensions between the US and China, which has recently resulted in a depreciation of China's renminbi to an almost historic low, will affect projects supported by the China EXIM Bank that are already underway.

4.11 **Commodity prices** mostly weakened thus far in 2019 and are expected to remain below 2018 levels, against a backdrop of trade tensions and adverse trends in trade flows that are anticipated to continue restraining world economic activity. Although this factor might hinder production in Guyana's traded-goods sectors, export promotion is at the forefront of the Government's agenda, with the advancement of the draft National Value-Added Export Strategy. Additionally, the operationalisation of the NRF will help to reduce exposure to volatility in crude oil prices, when Guyana begins producing this commodity.

4.12 In addition to the risks highlighted above, the **pace of implementation** and **enforcement of key legislation** and policy actions are also of concern. This holds especially true within the oil sector, since production of oil is scheduled to commence in the first quarter of 2020, and the lack of adequate mechanisms could result in revenue leakage. The acquisition of a US\$20 million loan, from the World Bank, in the first half of the year, should help to lessen concerns, as the funding is used to formulate policy, and build structures and capacity in key institutions.

4.13 Critical to ensuring evidence-based decision making and enhancing the responsiveness of the public sector to the needs of the citizens, is timely access to quality data – a recurring concern for Guyana. The **lack of strong data systems** constrains development, as it is key to supporting planning, developing coherent policies, and guiding targeted programmes. Government has committed to conducting data clinics, co-chaired by the Ministry of Finance and the Bureau of Statistics, to aid in data development and enhance statistical capacities at the national level.

4.14 Government is also monitoring **upside risks**, particularly those related to the emergence of the oil and gas services. In the lead up to first oil there has been a noticeable surge in economic activities, particularly in the construction and services sector. Such

increased level of activity can lead to inflationary pressures, but authorities continue to monitor the headline rate to ensure that appropriate policy actions are taken, as needed.

5. Conclusion

5.1 Guyana is at a significant juncture in its development trajectory and the implications of this are at the forefront of Government's national agenda, as elaborated in the *Green State Development Strategy: Vision 2040*. Key macroeconomic variables for Guyana have remained stable at the half-year, a testament to Government's implementation of sound and transformative economic policies, aimed at empowering lives and building sustainable communities. Notwithstanding the challenges faced in the first half of 2019, targeted actions have been taken to address them. As such, the economy has performed commendably in the first half, with growth of 4 percent over mid-year 2018, and further positive growth projected for the fiscal year.

5.2 In light of the varying developments during the year, the revised growth target for 2019 is 4.5 percent, 0.4 percentage points over that of 2018. Growth is anticipated to be broad-based, with all main sectors expected to expand. Growth will be driven by rice, forestry, gold, construction and services. A number of downside risks, both locally and internationally, especially political uncertainty going into the impending General and Regional Elections, have been identified that could impact negatively on the attainment of the revised growth rate. However, Government is convinced that its armoury of policy actions and measures will contribute to mitigating such risks and threats. The non-financial public sector deficit is projected to improve, despite higher expenditures.

5.3 Guyana is now among 5 CARICOM countries to have presented its first VNR of the 17 SDGs. More importantly, Guyana will use this report as a tool in the elaboration of the M&E Framework for the GSDS, as well as to guide strategic and programmatic initiatives to be implemented as part of the thrust towards realising the ambition of Vision 2040. Government has noted with concern the performance of the education sector, given the importance of adequate human capital to achieving the goals of the GSDS and the transition to a green economy. The completed Education Sector Strategic Plan must address, frontally, the challenges.

5.4 As Guyana progresses even closer to becoming an oil-producing nation, Government continues to strive to ensure that: 1) the requisite systems, human resources and tools are in place, such that the economy can be sufficiently diversified, and 2) institutions, infrastructure and technologies are in place to advance the growth of the economy, both oil and non-oil. Government remains committed to Guyana's transition to a green state where the Good Life is guaranteed to all.



APPENDICES

APPENDIX A1

MID-YEAR REAL GDP GROWTH RATES BY SECTOR

ITEM	2018 REVISED	2019 BUDGET	2019 PROJ	2018 HY	2019 HY
Agriculture, Fishing and Forestry	1.5	3.9	1.4	4.9	-0.3
Sugar	-23.8	15.6	2.3	-30.6	-2.7
Rice	-0.5	2.7	3.4	-2.0	3.7
Other Crops	5.0	4.0	4.0	4.6	4.8
Livestock	23.1	2.3	0.7	28.8	-8.1
Fishing	-6.2	1.9	-12.8	5.5	-12.2
Forestry	1.8	1.9	5.0	18.1	8.5
Mining and Quarrying	2.9	3.7	2.6	2.3	2.6
Bauxite	24.6	8.6	1.3	33.6	-2.9
Gold	-6.2	2.5	3.2	-9.1	4.4
Other	45.9	5.3	1.0	53.4	-0.7
Manufacturing	1.0	4.2	3.7	-0.3	3.6
Sugar	-23.8	15.6	2.3	-30.6	-2.6
Rice	-0.5	2.7	3.4	-3.8	3.7
Other Manufacturing	5.2	4.0	4.0	4.7	4.0
Electricity and Water	2.0	3.2	3.2	1.8	3.9
Construction	11.0	10.5	10.5	8.1	8.2
Wholesale and Retail Trade	8.1	5.0	5.5	14.7	5.9
Transportation and Storage	1.1	3.5	3.5	1.0	5.5
Information and Communication	1.9	2.0	3.3	0.9	3.3
Financial and Insurance Activities	5.2	6.0	6.0	2.9	4.1
Public Administration	1.3	1.5	1.5	1.3	1.6
Education	2.4	2.5	2.5	2.7	1.0
Health and Social Services	2.4	2.5	2.5	2.4	2.8
Real Estate Activities	7.5	5.0	5.5	7.6	5.9
Other Service Activities	14.0	5.0	9.0	18.4	10.0
TOTAL	4.1	4.6	4.5	5.0	4.0
Non-Sugar Growth Rate (%)	4.9	4.4	4.5	5.6	4.0

APPENDIX A2

MID-YEAR REAL SECTOR SHARE OF GDP

ITEM	2016 HY	2017 HY	2018 HY	2019 HY
Agriculture, Fishing and Forestry	16.4	16.3	16.3	15.6
Sugar	1.7	1.5	1.0	0.9
Rice	3.0	3.8	3.5	3.5
Other Crops	4.9	4.9	4.8	4.9
Livestock	2.7	2.5	3.0	2.7
Fishing	2.2	2.2	2.2	1.9
Forestry	1.9	1.5	1.6	1.7
Mining and Quarrying	15.1	13.7	13.3	13.2
Bauxite	1.4	1.2	1.5	1.4
Gold	11.3	10.8	9.4	9.4
Other	2.4	1.7	2.5	2.4
Manufacturing	6.5	6.8	6.5	6.5
Sugar	0.5	0.4	0.3	0.2
Rice	1.9	2.4	2.2	2.2
Other Manufacturing	4.1	4.0	4.0	4.0
Electricity and Water	1.8	1.8	1.7	1.7
Construction	10.2	11.1	11.4	11.9
Wholesale and Retail Trade	11.4	12.0	13.1	13.4
Transportation and Storage	11.4	11.4	11.0	11.2
Information and Communication	7.1	7.2	6.9	6.9
Financial and Insurance Activities	4.8	4.6	4.5	4.5
Public Administration	7.3	7.1	6.9	6.7
Education	4.6	4.5	4.4	4.3
Health and Social Services	2.0	2.0	1.9	1.9
Real Estate Activities	1.2	1.2	1.2	1.3
Other Service Activities	3.9	3.8	4.3	4.5
TOTAL	100.0	100.0	100.0	100.0

APPENDIX B

**MID-YEAR BALANCE OF PAYMENTS
ANALYTICAL SUMMARY**

ITEM		2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
A	Current Account	(1,310.0)	(361.2)	(578.5)	(866.8)	(1,378.9)
1.0	Merchandise (Net)	(943.5)	(256.4)	(329.3)	(628.0)	(953.1)
	1.1 Exports (f.o.b.)	1,388.1	1,449.5	713.2	743.7	1,425.1
	1.1.1 Bauxite	128.2	162.9	65.4	65.0	131.3
	1.1.2 Sugar	27.1	29.4	10.3	12.0	25.0
	1.1.3 Rice	186.1	195.0	111.1	101.2	202.0
	1.1.4 Gold	766.8	777.0	369.7	411.2	777.0
	1.1.5 Timber	33.3	45.2	17.6	17.1	40.0
	1.1.6 Other	221.9	228.8	131.0	100.3	228.8
	1.1.7 Re - exports	24.8	11.3	8.0	36.9	21.0
	1.2 Imports (c.i.f.)	(2,331.6)	(1,705.9)	(1,042.5)	(1,371.8)	(2,378.2)
	1.2.1 Fuel & Lubricants	(496.0)	(438.0)	(239.0)	(241.6)	(505.9)
	1.2.2 Other	(1,835.6)	(1,267.9)	(803.5)	(1,130.2)	(1,872.3)
2.0	Services (Net)	(864.7)	(424.6)	(443.9)	(456.3)	(932.4)
	2.1 Factor	(27.7)	(16.0)	(28.9)	(21.8)	(16.0)
	2.2 Non Factor (Net)	(837.0)	(408.6)	(415.1)	(434.5)	(916.4)
3.0	Transfers	498.2	319.8	194.7	217.5	506.6
	3.1 Official					
	3.2 Private	498.2	319.8	194.7	217.5	506.6
B	Capital Account	1,185.7	376.2	477.6	795.2	1,272.75
1.0	Capital Transfers	23.5	34.7	8.9	13.9	34.7
2.0	Medium and Long Term Capital (Net)	1,167.0	351.6	480.3	808.2	1,248.2
	2.1 Non - Financial Public Sector Capital (Net)	82.5	42.2	(0.8)	4.7	42.2
	2.1.1 Disbursements	137.6	98.3	27.0	35.2	98.3
	2.1.2 Amortization	(55.1)	(56.1)	(27.8)	(30.6)	(56.1)
	2.1.3 Other	-	-	-	-	-
	2.2 Private Sector (Net)	1,084.5	309.4	481.1	803.5	1,205.9
3.0	Short Term Capital	(4.8)	(10.1)	(11.7)	(26.9)	(10.1)
C	Errors and Omissions	(8.0)	0.0	(38.9)	(15.30)	0.0
D	OVERALL BALANCE	(132.2)	15.0	(139.8)	(86.9)	(106.13)
E	Financing	132.2	(15.0)	139.8	86.9	106.1
1.0	Bank of Guyana net foreign assets	55.6	(78.5)	110.6	6.3	10.0
2.0	Change in Non-Financial Public Sector Arrears	-	-	-	-	-
3.0	Exceptional Financing	76.6	63.5	29.2	80.6	96.1
	3.1 Debt Relief	17.9	18.1	0.6	50.7	50.7
	3.2 Balance of Payments Support	-	-	-	-	-
	3.3 Debt Forgiveness	58.7	45.4	28.6	29.8	45.4
	3.4 Debt Stock Restructuring	-	-	-	-	-

APPENDIX C

MONETARY SURVEY

ITEM		2018 DECEMBER	2018 HY	2019 HY
1.0	Total Money & Quasi Money	394,931.8	372,598.8	408,041.2
1.1	Money ¹	174,998.5	155,299.5	175,668.1
	1.1.1 Currency	102,780.6	89,854.0	100,966.5
	1.1.2 Demand Deposits ²	64,588.4	60,335.3	71,022.3
	1.1.3 Cashiers' Cheques & Acceptances	7,629.5	5,110.2	3,679.3
1.2	Quasi Money	219,933.3	217,299.3	232,373.1
	1.2.1 Time Deposits ²	21,792.4	24,193.2	28,269.0
	1.2.2 Savings Deposits ²	198,141.0	193,106.1	204,104.1
2.0	Domestic Credit (Net)	253,704.6	236,760.5	270,209.1
	2.1 Public Sector (Net)	54,758.4	44,820.4	66,633.3
	2.1.1 Central Govt (Net)	103,654.8	98,684.8	115,562.5
	2.1.2 Public Enterprises (Net)	(26,152.4)	(24,561.5)	(29,667.4)
	2.1.3 Other Public Sector (Net)	(22,743.9)	(29,302.8)	(19,261.8)
	2.2 Private Sector Credit Balance ³	233,560.2	225,846.6	238,829.8
	2.2.1 Agriculture	13,284.6	13,422.6	13,140.0
	2.2.2 Mining & Quarrying	5,130.2	4,910.3	5,204.7
	2.2.3 Manufacturing	24,456.6	26,007.6	26,127.7
	2.2.4 Services	69,761.2	65,758.4	70,498.4
	2.2.5 Households ⁴	31,657.5	28,223.3	32,041.4
	2.2.6 Credit Card Amount ⁴	3,117.0	3,048.9	3,133.3
	2.2.7 Real Estate Mortgage Loans	81,770.8	79,944.9	84,539.0
	2.2.8 Other	4,382.2	4,530.5	4,145.4
	2.3 Financial Institutions (Net)	(34,614.0)	(33,906.5)	(35,254.0)
3.0	Foreign Assets (Net)	168,104.9	158,074.7	172,415.9
	3.1 Assets	190,516.3	180,243.6	196,559.7
	3.2 Liabilities	(22,411.4)	(22,168.9)	(24,143.9)
4.0	Other Items (Net)	(26,877.8)	(22,236.4)	(34,583.7)

NB. Figures may not add to totals due to rounding

Notes:

- 1) Narrow money is further disaggregated to show cashiers' cheques & acceptances.
- 2) Deposits in this table, refer to private sector deposits.
- 3) Private sector credit categories were aggregated to reflect the economic sectors in the real sector.
- 4) The credit card amount was excluded from the household/personal loans figure and shown as a separate amount.

APPENDIX D

MID-YEAR CONSUMER PRICE INDEX

	2018 Dec.	2018 June	2019 June
ALL ITEMS	117.1	116.2	118.9
FOOD	138.5	135.9	144.5
CLOTHING	94.2	97.2	90.5
FOOTWEAR AND REPAIRS	82.4	87.9	81.5
HOUSING	100.4	100.1	99.9
FURNITURE	90.6	90.8	89.6
TRANSPORT & COMMUNICATION	120.3	120.2	120.2
MEDICAL CARE AND HEALTH SERVICES	129.6	126.7	132.4
EDUCATION, RECREATION & CULTURAL SERVICES	96.0	96.6	96.5
MISCELLANEOUS GOODS & SERVICES	120.3	119.7	120.8

APPENDIX E1

MID-YEAR CENTRAL GOVERNMENT FINANCIAL OPERATIONS

ITEM	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
Total Revenue	217,020.1	238,326.7	109,184.9	115,873.8	238,406.5
Revenue	217,016.4	238,322.7	109,184.9	115,868.8	238,399.5
Tax	198,512.4	223,582.9	100,618.3	108,964.8	223,582.9
Income taxes	78,234.7	88,673.3	41,362.8	47,574.5	91,853.5
Value-Added and Excise taxes	87,861.9	99,669.0	42,496.4	44,057.6	95,897.5
Trade taxes	21,956.1	24,479.1	9,864.1	10,691.3	25,165.9
Other	10,459.7	10,761.5	6,895.0	6,641.4	10,666.0
Non-tax	18,504.0	14,739.8	8,566.6	6,904.0	14,816.6
Private sector	9,221.7	8,439.8	4,834.3	4,353.6	8,866.2
Public enterprise & BOG	9,282.3	6,300.0	3,732.3	2,550.4	5,950.4
	-	-	-	-	-
Total expenditure	254,631.7	291,041.4	111,822.6	121,863.9	295,349.1
Current expenditure	199,612.3	221,762.8	92,848.0	97,325.6	226,070.6
Non-interest expenditure	191,101.5	213,101.8	88,483.1	93,070.6	217,471.8
Personal emoluments	59,452.0	70,151.1	27,624.9	31,547.2	70,151.1
Other goods and services	51,249.9	59,843.0	19,769.0	23,419.0	60,791.1
Transfer Payments	80,399.6	83,107.7	41,089.2	38,104.4	86,529.6
Interest	8,510.8	8,661.1	4,364.9	4,255.0	8,598.8
External	7,178.2	7,603.8	3,602.0	3,771.0	7,541.5
Domestic	1,332.6	1,057.3	762.9	484.0	1,057.3
Primary balance	25,914.8	25,220.9	20,701.8	22,798.2	20,927.7
Current balance	17,404.0	16,560.0	16,336.9	18,543.2	12,329.0
Capital Revenue	3.8	4.0	-	5.0	7.0
Capital Expenditure	55,019.4	69,278.6	18,974.6	24,538.3	69,278.6
Overall Balance before Grants	(37,611.6)	(52,714.7)	(2,637.7)	(5,990.1)	(56,942.6)
Grants	10,769.6	11,217.2	5,725.5	8,419.4	15,110.2
HIPC relief	3,189.5	980.8	1,964.2	479.5	980.8
Original	-	-	-	-	-
Enhanced	962.5	980.8	479.5	479.5	980.8
CMCF	2,227.0	-	1,484.7	-	-
MDRI	-	-	-	-	-
Other	7,580.1	10,236.4	3,761.3	7,939.9	14,129.4
Projects	4,891.8	7,209.9	1,861.1	2,890.3	7,209.9
Non-projects	2,688.3	3,026.5	1,900.2	5,049.6	6,919.5
Overall Balance after Grants	(26,842.0)	(41,497.4)	3,087.8	2,429.3	(41,832.3)
Financing	26,842.0	41,497.4	(3,087.8)	(2,429.3)	41,832.3
Net External Borrowing	5,501.6	8,653.7	(585.5)	9,993.1	17,108.2
Disbursements of Loans	17,249.4	20,492.9	5,047.0	16,351.9	28,840.0
Debt Repayments	11,977.0	11,888.1	5,767.3	6,406.9	11,779.9
Rescheduling	229.2	48.9	134.8	48.1	48.1
Guysuco - Escrow A/C	-	-	-	-	-
Overseas Deposit	-	-	-	-	-
Net Domestic Borrowing	21,340.4	32,843.7	(2,502.3)	(12,422.4)	24,724.1

NB. The 2018 numbers are the audited actual figures

APPENDIX E2

MID-YEAR FINANCIAL OPERATIONS OF THE NON - FINANCIAL PUBLIC SECTOR

ITEM	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
Non-Financial Public Sector Revenues	206,401.0	240,841.0	103,118.1	116,400.1	239,309.9
Central Government	217,020.1	238,326.7	109,184.9	115,873.8	238,399.5
Public Enterprises	(10,619.1)	2,514.3	(6,066.8)	526.3	910.4
Total Expenditure	261,326.1	306,856.4	108,812.4	125,704.0	307,195.2
Current Expenditure	199,612.3	221,762.8	86,548.0	97,325.6	226,070.6
Non-Interest Expenditure	191,101.5	213,101.8	82,183.1	93,070.6	217,471.8
Personal Emoluments	59,452.0	70,151.1	27,624.9	31,547.2	70,151.1
Other Goods and Services	51,249.9	59,843.0	19,769.0	23,419.0	60,791.1
Transfer Payments	80,399.6	83,107.7	34,789.2	38,104.4	86,529.6
Transfers to the Private Sector	80,399.6	83,107.7	34,789.2	38,104.4	86,529.6
Interest	8,510.8	8,661.1	4,364.9	4,255.0	8,598.8
External	7,178.2	7,603.8	3,602.0	3,771.0	7,541.5
Domestic	1,332.6	1,057.3	762.9	484.0	1,057.3
Current Balance	6,788.7	19,078.2	16,570.1	19,074.5	13,239.3
Capital Revenue	3.8	4.0	-	5.0	7.0
Capital Expenditure	61,713.7	85,093.6	22,264.4	28,378.4	81,124.6
Central Government	55,019.4	69,278.6	18,974.6	24,538.3	69,278.6
Public Enterprises	6,694.3	15,815.0	3,289.8	3,840.1	11,846.0
Overall Balance before Grants	(54,925.0)	(66,015.4)	(5,694.3)	(9,303.9)	(67,878.2)
Grants	10,769.6	11,217.2	5,725.5	8,419.4	15,110.2
HIPC Relief	3,189.5	980.8	1,964.2	479.5	980.8
Other	7,580.1	10,236.4	3,761.3	7,939.9	14,129.4
Overall Balance after Grants	(44,155.4)	(54,798.2)	31.2	(884.6)	(52,768.0)
Financing	44,155.4	54,798.2	(31.2)	884.6	52,768.0
Net External Borrowing	5,593.3	13,325.1	(526.0)	11,625.6	21,779.6
Net Domestic Borrowing	38,562.2	41,473.1	494.9	(10,741.0)	30,988.4

APPENDIX E3

PUBLIC ENTERPRISES CASH FLOW

ITEM	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
Receipts	115,118.2	135,200.0	55,591.6	58,558.0	126,927.6
Enterprises	92,867.8	108,577.4	44,776.4	46,693.9	101,165.5
NIS	22,250.4	26,622.6	10,815.2	11,864.2	25,762.1
Contributions	21,177.9	25,437.1	10,539.3	11,620.8	24,686.7
Investment Income	1,072.5	1,185.5	275.9	243.3	1,075.4
Total Expenditure	132,431.6	148,500.7	64,948.3	61,871.9	137,863.2
Total non-interest expenditure	124,923.7	131,594.0	61,117.8	57,745.8	125,658.9
Non-financial public enterprise	98,537.4	103,722.0	48,785.8	44,010.7	96,848.9
Wages and Salaries	22,093.2	17,318.6	10,460.8	7,859.4	17,333.3
Goods and Services	76,260.5	86,274.9	38,251.4	36,112.9	79,425.2
Local taxes	183.6	128.5	73.6	38.4	90.4
The NIS	23,881.2	25,796.3	11,530.3	12,592.6	26,245.6
Taxes to Central Government	1,305.1	1,175.7	801.7	1,142.5	1,664.4
Dividends and transfers	1,200.0	900.0	-	-	900.0
Primary surplus or deficit (-)	(9,805.5)	3,606.0	(5,526.2)	812.2	1,268.7
Interest	813.6	1,091.7	540.6	285.9	358.3
External	-	-	-	-	-
Domestic	813.6	1,091.7	540.6	285.9	358.3
Current surplus or deficit (-)	(10,619.1)	2,514.3	(6,066.8)	526.3	910.4
Capital expenditure	6,694.3	15,815.0	3,289.8	3,840.1	11,846.0
Enterprises	6,684.6	15,458.5	3,289.3	3,820.1	11,782.9
NIS	9.7	356.5	0.5	20.0	63.2
less Government transfers					
Overall surplus or deficit before special transfers(-)	(17,313.4)	(13,300.7)	(9,356.7)	(3,313.8)	(10,935.6)
Special transfers	-	-	-	-	-
Capital transfer from CG for interest capitalisation	-	-	-	-	-
Transfer residual from (+) / to (-) CG	-	-	-	-	-
Overall surplus or deficit after special transfers	(17,313.4)	(13,300.7)	(9,356.7)	(3,313.8)	(10,935.6)
Financing	17,313.4	13,300.7	9,356.7	3,313.8	10,935.6
External	91.7	4,671.4	59.5	1,632.4	4,671.4
Domestic	17,221.7	8,629.3	9,297.2	1,681.4	6,264.2

APPENDIX E4

**MID-YEAR CENTRAL GOVERNMENT ABSTRACT OF
NON-INTEREST CURRENT EXPENDITURE BY CHART OF ACCOUNT**

Aect Cod	CHART OF ACCOUNT	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
Total Statutory Expenditure		4,684,684,488	4,948,340,820	2,392,226,101	2,411,716,621	4,948,340,820
601	Total Statutory Employment Expenditure	4,502,685,455	4,704,740,820	2,346,615,186	2,335,118,477	4,704,740,820
6011	Statutory Wages and Salaries	22,816,232	46,684,220	12,541,340	27,388,446	45,593,699
6012	Statutory Benefits and Allowances	3,882,012	6,556,600	1,532,012	3,688,114	7,647,121
6013	Statutory Pensions and Gratuities	4,475,987,211	4,651,500,000	2,332,541,834	2,304,041,917	4,651,500,000
602	Statutory Payment to Dependants Pension Funds	181,999,033	243,600,000	45,610,915	76,598,144	243,600,000
6021	Statutory Payments to Dependants Pension Funds	181,999,033	243,600,000	45,610,915	76,598,144	243,600,000
Total Appropriation Expenditure		186,416,844,596	208,153,414,042	86,090,792,703	90,659,113,685	212,523,386,535
601	Total Employment Costs	60,146,473,216	70,926,173,404	27,991,009,553	31,914,250,085	70,926,173,404
611	Total Wages and Salaries	44,509,357,489	49,143,029,557	23,251,116,919	25,591,982,646	49,127,316,727
6111	Administrative	6,368,526,800	6,983,247,253	3,228,738,553	4,006,414,019	6,980,836,859
6112	Senior Technical	9,606,155,856	10,929,387,457	4,759,421,311	5,789,044,743	10,930,001,125
6113	Other Technical and Craft Skilled	6,092,608,302	6,809,257,284	3,194,887,326	3,620,875,959	6,807,810,070
6114	Clerical and Office Support	6,824,129,780	8,239,722,460	3,704,698,547	4,203,676,499	8,243,179,656
6115	Semi-Skilled Operatives and Unskilled	5,289,438,014	5,979,496,816	2,815,094,795	3,014,079,335	5,973,456,086
6116	Contracted Employees	9,224,343,729	9,103,635,067	4,984,334,489	4,423,823,164	9,090,686,289
6117	Temporary Employees	1,104,155,008	1,098,283,220	563,941,898	534,068,927	1,101,346,642
613	Overhead Expenditure	8,496,594,925	10,231,012,174	4,739,892,634	5,835,299,977	10,246,725,004
6131	Other Direct Labour Costs	967,688,278	1,047,387,488	520,111,224	543,446,635	1,050,461,374
6132	Incentives	12,000,000	12,000,000	-	2,420,000	12,000,000
6133	Benefits and Allowances	4,023,630,462	5,125,867,980	2,399,197,471	3,244,119,853	5,138,442,310
6134	National Insurance	2,772,090,869	3,217,396,706	1,440,399,342	1,647,179,258	3,217,461,320
6135	Pensions	721,185,316	828,360,000	380,184,597	398,134,231	828,360,000
614	Other Employment Costs	7,140,520,802	11,552,131,673	-	486,967,462	11,552,131,673
6141	Other Employment Costs	7,140,520,802	11,552,131,673	-	486,967,462	11,552,131,673
620	Total Other Charges	126,270,371,380	137,227,240,638	58,099,783,150	58,744,863,600	141,597,213,131
621	Expenses Specific to the Agency	446,660,021	517,175,000	178,362,871	263,566,759	517,175,000
6211	Expenses Specific to the Agency	446,660,021	517,175,000	178,362,871	263,566,759	517,175,000
622	Materials, Equipment and Supplies	8,309,799,365	9,661,092,000	3,393,592,737	4,481,999,014	9,657,612,000
6221	Drugs and Medical Supplies	4,588,320,658	5,121,055,000	2,284,441,851	3,232,838,497	5,121,055,000
6222	Field Materials and Supplies	1,536,493,830	1,850,844,000	485,199,733	480,195,178	1,847,624,000
6223	Office Materials and Supplies	813,156,340	901,334,000	267,615,892	296,636,879	901,334,000
6224	Print and Non-Print Materials	1,371,828,537	1,787,859,000	356,335,261	463,328,460	1,787,599,000
623	Fuel and Lubricants	2,458,643,584	2,901,874,160	1,095,852,379	1,221,895,067	2,901,874,160
6231	Fuel and Lubricants	2,458,643,584	2,901,874,160	1,095,852,379	1,221,895,067	2,901,874,160
624	Rental and Maintenance of Buildings	5,299,433,948	6,058,196,000	1,644,396,972	2,155,124,054	6,129,116,000
6241	Rental of Buildings	1,317,694,933	1,622,842,000	679,319,468	814,789,912	1,672,762,000
6242	Maintenance of Buildings	3,397,813,904	3,796,738,000	777,783,904	1,100,869,808	3,802,738,000
6243	Janitorial and Cleaning Supplies	583,925,111	638,616,000	187,293,600	239,464,334	653,616,000
625	Maintenance of Infrastructure	6,135,446,629	6,812,582,000	2,261,287,664	2,612,105,696	6,813,582,000
6251	Maintenance of Roads	2,279,347,754	2,441,680,000	911,298,272	839,711,454	2,441,680,000
6252	Maintenance of Bridges	368,895,484	499,216,000	82,345,250	196,938,425	499,216,000
6253	Maintenance of Drainage and Irrigation Works	1,163,311,720	1,234,221,000	510,009,867	588,985,619	1,220,221,000
6254	Maintenance of Sea and River Defences	455,934,267	643,100,000	201,112,928	298,193,253	643,100,000
6255	Maintenance of Other Infrastructure	1,867,957,404	1,994,365,000	556,521,347	688,276,945	2,009,365,000

APPENDIX E4

**MID-YEAR CENTRAL GOVERNMENT ABSTRACT OF
NON-INTEREST CURRENT EXPENDITURE BY CHART OF ACCOUNT**

Asect Cod	CHART OF ACCOUNT	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
626	Transport, Travel & Postage	5,487,459,372	5,754,353,000	2,007,100,350	2,143,682,059	5,770,193,000
6261	Local Travel and Subsistence	2,408,133,755	2,436,984,000	852,692,512	1,067,286,924	2,436,564,000
6262	Overseas Conferences and Official Visits	296,687,162	338,968,000	136,781,845	187,986,242	338,968,000
6263	Postage, Telex and Cablegrams	76,879,628	86,663,000	26,378,807	21,776,461	86,663,000
6264	Vehicle Spares and Service	1,451,338,542	1,498,320,000	551,505,765	475,629,142	1,495,320,000
6265	Other Transport, Travel and Postage	1,254,420,285	1,393,418,000	439,741,421	391,003,290	1,412,678,000
627	Utility Charges	4,032,357,118	4,851,823,000	1,805,705,348	1,752,183,521	4,836,823,000
6271	Telephone Charges	675,180,890	827,073,000	287,610,393	281,322,578	827,073,000
6272	Electricity Charges	2,726,786,852	3,343,041,000	1,246,383,075	1,101,994,399	3,328,041,000
6273	Water Charges	630,389,376	681,709,000	271,711,880	368,866,544	681,709,000
628	Other Goods and Services Purchases	10,424,184,431	13,126,962,000	3,932,242,606	4,975,066,601	13,177,328,830
6281	Security Services	4,820,402,835	5,739,242,000	1,932,160,220	2,207,564,025	5,757,614,880
6282	Equipment Maintenance	1,244,314,919	1,674,659,000	569,493,650	528,933,535	1,674,659,000
6283	Cleaning and Extermination Services	514,432,393	539,546,000	171,399,750	192,121,669	539,546,000
6284	Other	3,845,034,284	5,173,515,000	1,259,188,986	2,046,447,372	5,205,508,950
629	Other Operational Expenses	8,655,928,568	10,158,956,000	3,450,414,860	3,813,653,967	10,987,354,000
6291	National and Other Events	923,796,186	1,152,963,000	399,980,905	497,300,368	1,152,963,000
6292	Dietary	4,622,361,998	5,854,186,000	2,002,092,460	2,139,894,704	5,854,186,000
6293	Refreshment and Meals	302,664,330	279,971,000	105,116,116	125,130,669	279,971,000
6294	Other	2,807,106,054	2,871,836,000	943,225,379	1,051,328,226	3,700,234,000
630	Education Subvention and Training	7,576,060,437	8,852,643,000	3,022,066,712	3,427,422,938	8,855,643,000
6301	Education Subventions and Grants	4,096,641,018	4,551,200,000	1,940,985,577	2,096,264,781	4,551,200,000
6302	Training (Including Scholarships)	3,479,419,419	4,301,443,000	1,081,081,135	1,331,158,157	4,304,443,000
631	Rates and Taxes and Subventions to Local Authorities	344,660,567	999,770,000	129,328,102	514,730,942	1,003,191,613
6311	Rates and Taxes	203,491,807	281,870,000	114,710,432	129,912,167	285,291,613
6312	Subventions to Local Authorities	141,168,760	717,900,000	14,617,670	384,818,775	717,900,000
632	Subsidies and Contributions to Local & Int Org	50,463,634,344	48,608,152,478	26,982,855,696	22,290,304,739	52,023,658,528
6321	Subsidies and Contributions to Local Organisations	41,647,077,546	36,982,049,000	22,750,191,524	17,413,454,793	37,079,549,000
6322	Subsidies and Contributions to International Organisations	1,246,549,907	1,279,649,478	1,059,933,511	1,125,211,071	1,272,655,528
6323	Constitutional Agencies	7,570,006,891	10,346,454,000	3,172,730,661	3,751,638,965	13,671,454,000
633	Refunds of Revenue	16,912,229	25,500,000	4,796,457	538,806	25,500,000
6331	Refunds of Revenue	16,912,229	25,500,000	4,796,457	538,806	25,500,000
634	Pensions	16,619,190,767	18,898,162,000	8,191,780,396	9,092,589,437	18,898,162,000
6341	Non-Pensionable Employees	249,665,848	262,500,000	100,446,207	117,056,850	262,500,000
6342	Pension Increases	3,308,629,479	3,874,822,000	1,629,334,972	1,730,853,932	3,874,822,000
6343	Old Age Pensions and Social Assistance	13,060,895,440	14,760,840,000	6,461,999,217	7,244,678,655	14,760,840,000
635	Other Public Debt	-	-	-	-	-
6351	Other Public Debt	-	-	-	-	-
Grand Total		191,101,529,084	213,101,754,862	88,483,018,804	93,070,830,306	217,471,727,355

APPENDIX E5

NON-INTEREST CURRENT EXPENDITURE BY AGENCY

AGENCY	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY
Ministry of the Presidency	7,450,505	9,061,127	3,151,875	3,590,698
Office of the Prime Minister	612,104	759,675	293,637	393,408
Ministry of Finance	23,628,114	30,964,778	7,695,460	8,727,488
Ministry of Foreign Affairs	5,267,578	6,302,654	2,847,236	2,994,342
Parliament Office	1,460,949	1,612,771	694,591	694,038
Audit Office of Guyana	766,357	854,614	378,509	418,218
Public and Police Service Commission	92,012	134,717	34,010	56,092
Teaching Service Commission	91,076	108,595	38,755	42,174
Guyana Elections Commission	2,739,452	4,893,061	822,604	1,117,757
Ministry of Indigenous People's Affairs	951,990	1,115,286	349,535	425,160
Ministry of Agriculture	17,802,662	9,702,381	11,412,432	4,832,018
Ministry of Business	1,285,050	1,521,636	645,606	675,310
Ministry of Natural Resources	755,767	873,271	309,962	436,215
Ministry of Public Infrastructure	7,857,577	8,710,288	3,915,723	4,451,435
Ministry of Public Telecommunication	2,096,199	2,174,906	1,037,294	1,278,980
Ministry of Education	16,151,478	18,069,898	6,748,953	7,743,456
Ministry of Communities	1,723,251	2,772,199	817,405	1,254,342
Ministry of Public Health	20,779,065	22,051,479	9,252,772	10,460,795
Ministry of Social Protection	15,805,269	17,736,593	7,755,766	8,566,217
Ministry of Public Security	15,169,565	17,778,002	7,124,622	8,052,174
Ministry of Legal Affairs	638,607	861,730	285,565	498,822

APPENDIX E5

NON-INTEREST CURRENT EXPENDITURE BY AGENCY

AGENCY	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY
Guyana Defence Force	11,504,101	12,977,028	5,656,610	5,514,450
Supreme Court	1,729,954	1,850,404	818,161	928,224
Public Prosecutions	160,244	216,398	77,387	84,543
Office of the Ombudsman	56,121	73,181	28,443	31,074
Public Service Appellate Tribunal	46,884	62,828	25,009	29,875
Ethnic Relations Commission	115,785	175,195	31,844	87,697
Judicial Service Commission	9,981	10,020	1,830	1,830
Rights Commissions of Guyana	131,411	145,137	51,436	50,584
Public Procurement Commission	169,781	209,533	169,786	209,533
Region 1: Barima / Waini	2,293,677	2,823,165	757,062	1,143,754
Region 2: Pomeroon / Supenaam	3,452,273	4,047,772	1,724,786	1,879,217
Region 3: Essequibo Islands / West Demerara	4,935,064	5,746,028	2,541,122	2,962,253
Region 4: Demerara / Mahaica	5,995,866	6,617,337	3,092,250	3,606,667
Region 5: Mahaica / Berbice	2,816,543	3,286,535	1,389,067	1,754,867
Region 6: East Berbice / Corentyne	6,037,497	6,921,286	2,941,263	3,499,812
Region 7: Cuyuni / Mazaruni	2,261,919	2,585,214	920,190	1,199,984
Region 8: Pataro / Siparuni	1,324,212	1,711,586	336,404	615,376
Region 9: Upper Takatu / Upper Essequibo	1,923,848	2,241,450	844,249	1,066,140
Region 10: Upper Demerara / Upper Berbice	3,011,739	3,341,998	1,463,809	1,695,811
GRAND TOTAL	191,101,529	213,101,756	88,483,019	93,070,830

APPENDIX E6

NON-INTEREST CURRENT EXPENDITURE BY SECTOR

SECTOR	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY
GENERAL ADMINISTRATION SECTOR	43,060,138	55,807,278	16,306,211	18,459,376
Ministry of the Presidency	7,450,505	9,061,127	3,151,875	3,590,698
Office of the Prime Minister	612,104	759,675	293,637	393,408
Ministry of Finance	23,628,114	30,964,778	7,695,460	8,727,488
Ministry of Foreign Affairs	5,267,578	6,302,654	2,847,236	2,994,342
Parliament Office	1,460,949	1,612,771	694,591	694,038
Office of the Auditor General	766,357	854,614	378,509	418,218
Public and Police Service Commission	92,012	134,717	34,010	56,092
Teaching Service Commission	91,076	108,595	38,755	42,174
Guyana Elections Commission	2,739,452	4,893,061	822,604	1,117,757
Ministry of Indigenous People's Affairs	951,990	1,115,286	349,535	425,160
ECONOMIC SERVICES SECTOR	19,843,479	12,097,288	12,368,000	5,943,543
Ministry of Agriculture	17,802,662	9,702,381	11,412,432	4,832,018
Ministry of Business	1,285,050	1,521,636	645,606	675,310
Ministry of Natural Resources	755,767	873,271	309,962	436,215
INFRASTRUCTURE SECTOR	9,953,776	10,885,194	4,953,018	5,730,415
Ministry of Public Infrastructure	7,857,577	8,710,288	3,915,723	4,451,435
Ministry of Public Telecommunication	2,096,199	2,174,906	1,037,294	1,278,980
SOCIAL SERVICES SECTOR	54,459,063	60,630,169	24,574,896	28,024,810
Ministry of Education	16,151,478	18,069,898	6,748,953	7,743,456
Ministry of Communities	1,723,251	2,772,199	817,405	1,254,342
Ministry of Public Health	20,779,065	22,051,479	9,252,772	10,460,795
Ministry of Social Protection	15,805,269	17,736,593	7,755,766	8,566,217

APPENDIX E6

NON-INTEREST CURRENT EXPENDITURE BY SECTOR

SECTOR	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY
PUBLIC SAFETY SECTOR	29,732,434	34,359,456	14,270,693	15,488,806
Ministry of Public Security	15,169,565	17,778,002	7,124,622	8,052,174
Ministry of Legal Affairs	638,607	861,730	285,565	498,822
Guyana Defence Force	11,504,101	12,977,028	5,656,610	5,514,450
Supreme Court	1,729,954	1,850,404	818,161	928,224
Public Prosecutions	160,244	216,398	77,387	84,543
Office of the Ombudsman	56,121	73,181	28,443	31,074
Public Service Appellate Tribunal	46,884	62,828	25,009	29,875
Ethnic Relations Commission	115,785	175,195	31,844	87,697
Judicial Service Commission	9,981	10,020	1,830	1,830
Rights Commissions of Guyana	131,411	145,137	51,436	50,584
Public Procurement Commission	169,781	209,533	169,786	209,533
REGIONAL DEVELOPMENT SECTOR	34,052,639	39,322,371	16,010,202	19,423,880
Region 1: Barima / Waini	2,293,677	2,823,165	757,062	1,143,754
Region 2: Pomeroon / Supenaam	3,452,273	4,047,772	1,724,786	1,879,217
Region 3: Essequibo Islands / West Demerara	4,935,064	5,746,028	2,541,122	2,962,253
Region 4: Demerara / Mahaica	5,995,866	6,617,337	3,092,250	3,606,667
Region 5: Mahaica / Berbice	2,816,543	3,286,535	1,389,067	1,754,867
Region 6: East Berbice / Corentyne	6,037,497	6,921,286	2,941,263	3,499,812
Region 7: Cuyuni / Mazaruni	2,261,919	2,585,214	920,190	1,199,984
Region 8: Pataro / Siparuni	1,324,212	1,711,586	336,404	615,376
Region 9: Upper Takatu / Upper Essequibo	1,923,848	2,241,450	844,249	1,066,140
Region 10: Upper Demerara / Upper Berbice	-	-	-	-
Region 10: Upper Demerara / Upper Berbice	3,011,739	3,341,998	1,463,809	1,695,811
GRAND TOTAL	191,101,529	213,101,756	88,483,019	93,070,830

APPENDIX E7

**MID-YEAR GOVERNMENT SUMMARY OF
CAPITAL EXPENDITURE BY SECTOR AND TYPE OF FINANCING**

SECTOR AND SOURCE		2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY
1.0	Agriculture	3,308.503	5,013.977	1,680.879	1,518.893
	1.1 Specific	775.692	1,795.584	368.194	225.325
	1.2 Non-Specific	2,532.811	3,218.393	1,312.685	1,293.568
3.0	Fishing	55.448	63.160	0.000	8.317
	3.1 Specific	0.000	0.000	0.000	0.000
	3.2 Non-Specific	55.448	63.160	0.000	8.317
5.0	Power Generation	3,450.733	4,452.000	949.688	3,502.084
	5.1 Specific	2,832.246	3,750.000	530.446	3,079.556
	5.2 Non-Specific	618.487	702.000	419.242	422.528
6.0	Manufacturing	704.054	352.148	306.025	35.291
	6.1 Specific	170.324	0.000	120.889	0.000
	6.2 Non-Specific	533.730	352.148	185.136	35.291
7.0	Construction	22,310.487	23,050.924	7,884.256	7,865.922
	7.1 Specific	10,722.316	9,694.000	3,428.345	3,378.304
	7.2 Non-Specific	11,588.170	13,356.924	4,455.912	4,487.618
8.0	Transport & Communication	5,038.052	6,013.870	1,239.565	3,432.705
	8.1 Specific	2,801.990	3,109.500	373.066	2,010.842
	8.2 Non-Specific	2,236.062	2,904.370	866.499	1,421.863
9.0	Housing	394.963	1,891.500	215.229	395.309
	9.1 Specific	240.000	919.500	194.890	270.139
	9.2 Non-Specific	154.963	972.000	20.339	125.170
10.0	Environment and Pure Water	3,566.034	4,314.409	1,347.449	1,520.596
	10.1 Specific	2,358.691	2,936.400	919.260	853.538
	10.2 Non-Specific	1,207.343	1,378.009	428.189	667.057
11.0	Education	2,950.231	5,525.604	791.142	1,095.821
	11.1 Specific	524.683	1,680.000	151.092	309.978
	11.2 Non-Specific	2,425.547	3,845.604	640.050	785.843
12.0	Health	2,670.575	4,206.917	689.351	987.223
	12.1 Specific	352.690	1,300.000	116.336	271.898
	12.2 Non-Specific	2,317.885	2,906.917	573.014	715.325
13.0	Culture/Youth	676.741	1,386.569	122.427	443.583
	13.1 Specific	0.000	0.000	0.000	0.000
	13.2 Non-Specific	676.741	1,386.569	122.427	443.583
14.0	National Security and Defence	1,033.288	1,012.773	724.377	118.545
	14.1 Specific	0.000	0.000	0.000	0.000
	14.2 Non-Specific	1,033.288	1,012.773	724.377	118.545

APPENDIX E7

**MID-YEAR GOVERNMENT SUMMARY OF
CAPITAL EXPENDITURE BY SECTOR AND TYPE OF FINANCING**

SECTOR AND SOURCE		2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY
15.0	Public Safety	2,829.602	4,040.331	556.093	1,344.871
	15.1 Specific	632.040	750.000	274.723	419.720
	15.2 Non-Specific	2,197.561	3,290.331	281.370	925.150
16.0	Tourist Development	0.500	3.550	0.500	3.315
	16.1 Specific	0.000	0.000	0.000	0.000
	16.2 Non-Specific	0.500	3.550	0.500	3.315
17.0	Administration	3,361.054	5,023.272	911.960	1,068.144
	17.1 Specific	285.724	888.102	122.744	55.789
	17.2 Non-Specific	3,075.330	4,135.170	789.216	1,012.355
18.0	Financial Transfers	956.961	1,167.169	523.805	596.059
	18.1 Specific	36.019	262.000	16.851	8.252
	18.2 Non-Specific	920.941	905.169	506.954	587.807
19.0	Social Welfare	1,712.182	1,760.381	1,031.845	601.645
	19.1 Specific	408.794	617.683	291.261	11.737
	19.2 Non-Specific	1,303.388	1,142.698	740.584	589.908
20.0	Overall Total	55,019.407	69,278.554	18,974.592	24,538.322
	20.1 Specific	22,141.211	27,702.769	6,908.098	10,895.079
	20.2 Non-Specific	32,878.196	41,575.785	12,066.495	13,643.244

APPENDIX E8																		
DETAILS OF EXPENDITURE : GENERAL SUMMARY BY PROGRAMME																		
AGENCY	ACTUAL 2018						BUDGET 2019						MID-YEAR 2019					
	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE
05 Ministry of Presidency	1,778,724	5,648,132	7,426,856	23,650	1,419,180	8,869,686	1,954,353	7,082,911	9,037,064	24,063	3,366,239	12,427,366	960,623	2,619,050	3,579,673	11,025	634,918	4,225,616
051 Policy Development and Administration	768,811	1,259,927	2,028,738	23,650	412,989	2,495,377	771,220	1,317,068	2,088,288	24,063	451,251	2,563,602	357,508	538,944	896,452	11,025	100,322	1,007,799
052 Defence and National Security	88,120	180,336	268,456	-	40,399	308,855	21,860	86,566	108,426	-	23,000	131,426	10,531	50,006	60,536	-	7,008	67,544
053 Public Service Management	200,652	1,316,306	1,516,958	-	131,696	1,648,654	261,268	1,596,290	1,807,558	-	18,943	1,876,501	132,317	551,236	683,553	-	12,607	696,210
054 Natural Resource Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-
055 Citizenship and Immigration Services	171,116	209,708	380,824	-	66,857	447,681	212,907	535,422	748,329	-	802,093	1,550,422	95,438	87,041	182,479	-	3,629	186,108
056 Social Cohesion	170,665	202,310	372,975	-	3,432	376,407	179,668	212,456	391,524	-	444,501	816,125	92,150	59,599	151,658	-	210,998	362,257
057 Environmental Management and Compliance	-	894,857	894,857	-	108,030	1,002,887	46,532	1,270,354	1,316,886	-	263,009	1,579,895	28,318	612,766	641,084	-	55,545	696,629
058 Cultural Preservation and Conservation	135,653	594,324	729,977	-	134,810	864,787	167,457	788,109	955,566	-	133,672	1,089,238	87,742	365,467	453,210	-	13,378	466,588
059 Youth	197,656	545,916	743,572	-	294,926	1,038,498	222,268	586,934	809,192	-	236,997	1,046,189	110,716	180,686	291,702	-	73,026	364,728
05A Sports	46,051	444,447	490,498	-	226,043	716,540	50,292	519,403	570,393	-	559,409	1,129,791	25,312	159,721	185,034	-	155,116	340,149
05B Petroleum and Energy Management	-	-	-	-	-	-	20,591	70,311	90,902	-	333,273	424,175	20,591	13,375	33,966	-	3,640	37,605
02 Office of the Prime Minister	88,499	523,606	612,104	-	144,727	756,831	84,356	675,319	759,675	-	149,123	908,800	39,888	333,320	393,408	-	75,703	469,111
021 Prime Minister's Secretariat	88,499	523,606	612,104	-	144,727	756,831	84,356	675,319	759,675	-	149,123	908,800	39,888	333,320	393,408	-	75,703	469,111
03 Ministry of Finance	7,744,696	11,225,432	18,970,128	4,657,986	4,401,221	28,029,336	12,220,612	13,849,066	26,069,678	4,895,100	4,976,601	35,941,379	812,447	5,534,401	6,346,848	2,380,640	1,708,343	10,435,832
031 Policy and Administration	7,284,577	6,960,840	14,245,418	-	4,271,157	18,522,574	11,709,388	8,634,993	20,344,381	-	4,759,652	25,104,033	571,219	3,263,473	3,834,692	-	1,705,594	5,540,286
032 Public Financial Management	460,119	4,265,592	4,725,710	4,657,986	130,065	9,595,761	511,224	5,214,073	5,726,297	4,895,100	216,949	10,837,345	241,228	2,270,928	2,512,156	2,380,640	2,749	4,895,545
04 Ministry of Foreign Affairs	2,046,433	3,321,145	5,367,578	-	428,990	5,696,568	2,395,509	3,907,145	6,302,654	-	535,627	6,838,281	1,189,072	1,805,270	2,994,342	-	91,640	3,085,982
041 Development of Foreign Policy	284,787	1,566,197	1,850,984	-	162,011	2,012,996	291,259	2,160,370	2,451,629	-	52,912	2,504,541	156,000	948,779	1,104,779	-	9,455	1,114,234
042 Foreign Policy Promotion	1,738,250	1,640,956	3,379,206	-	266,978	3,646,184	2,042,203	1,728,885	3,771,088	-	482,715	4,253,803	1,010,227	853,492	1,860,720	-	82,185	1,945,905
043 Development of Foreign Trade Policy	23,495	11,992	35,488	-	-	37,988	62,047	17,860	79,037	-	-	79,037	22,844	2,099	25,843	-	-	25,843
07 Parliament Office	-	1,460,949	1,460,949	-	55,460	1,516,410	-	1,612,771	1,612,771	-	87,500	1,700,271	-	694,038	694,038	-	5,768	699,805
071 National Assembly	-	1,460,949	1,460,949	-	55,460	1,516,410	-	1,612,771	1,612,771	-	87,500	1,700,271	-	694,038	694,038	-	5,768	699,805
08 Auditor General	-	766,357	766,357	-	17,519	783,876	-	854,614	854,614	-	17,395	872,009	-	418,218	418,218	-	13,559	431,868
081 Office of the Auditor General	-	766,357	766,357	-	17,519	783,876	-	854,614	854,614	-	17,395	872,009	-	418,218	418,218	-	13,559	431,868
09 Public and Police Service Commission	-	92,012	92,012	-	2,995	95,007	-	134,717	134,717	-	11,600	146,317	-	56,092	56,092	-	1,102	57,195
091 Public and Police Service Commission	-	92,012	92,012	-	2,995	95,007	-	134,717	134,717	-	11,600	146,317	-	56,092	56,092	-	1,102	57,195
10 Teaching Service Commission	-	91,076	91,076	-	9,469	100,544	-	108,595	108,595	-	500	109,095	-	42,174	42,174	-	21	42,195
101 Teaching Service Commission	-	91,076	91,076	-	9,469	100,544	-	108,595	108,595	-	500	109,095	-	42,174	42,174	-	21	42,195
11 Guyana Elections Commission	-	2,739,452	2,739,452	-	148,060	2,887,512	-	4,893,061	4,893,061	-	478,000	5,371,061	-	1,117,757	1,117,757	-	103,397	1,221,154
111 Elections Commission	-	2,739,452	2,739,452	-	148,060	2,887,512	-	4,893,061	4,893,061	-	478,000	5,371,061	-	1,117,757	1,117,757	-	103,397	1,221,154
112 Elections Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 Ministry of Indigenous People's Affairs	168,723	783,265	951,990	-	1,161,091	2,113,081	215,875	899,411	1,115,286	-	815,348	1,930,634	120,120	305,040	425,160	-	412,009	837,169
171 Policy Development & Administration	168,723	783,265	951,990	-	1,161,091	2,113,081	215,875	899,411	1,115,286	-	815,348	1,930,634	120,120	305,040	425,160	-	412,009	837,169
21 Ministry of Agriculture	728,951	17,073,712	17,802,663	-	3,647,469	21,450,132	746,392	8,935,989	9,702,381	-	4,614,849	14,317,230	424,115	4,407,903	4,812,018	-	1,506,869	6,318,887
211 Ministry Administration	533,634	16,615,474	17,149,108	-	2,173,231	19,322,340	524,014	344,046	868,060	-	1,077,563	1,945,713	303,026	172,556	475,592	-	178,982	654,574
212 Crops and Livestock Support Services	-	-	-	-	1,398,068	1,398,068	-	8,085,978	8,085,978	-	3,423,146	11,509,124	-	3,989,004	3,989,004	-	1,288,024	5,277,027
213 Fisheries	81,453	71,412	154,865	-	55,448	208,313	97,023	85,169	182,192	-	63,160	245,352	52,121	33,023	85,154	-	8,317	93,471
214 Hydrometeorological Services	111,854	385,825	498,689	-	20,722	519,412	125,355	440,796	566,151	-	50,890	617,041	68,968	213,300	282,268	-	31,646	313,915
25 Ministry of Business	152,983	1,132,067	1,285,050	-	788,743	2,073,792	100,324	1,331,311	1,521,635	-	1,136,025	2,657,660	91,394	583,916	675,310	-	137,879	813,189
251 Policy Development and Administration	100,769	158,178	258,947	-	38,605	397,229	106,985	177,744	284,729	-	112,500	397,229	52,041	63,197	115,838	-	23,776	139,613
252 Business Development, Support and Promotion	20,342	555,998	576,340	-	749,607	1,325,948	48,388	692,725	741,113	-	1,014,475	1,755,988	22,830	310,394	333,335	-	105,293	438,628
253 Consumer Protection	9,004	78,541	87,545	-	0	87,545	9,989	90,668	100,657	-	5,509	106,357	4,313	47,944	52,256	-	5,495	57,751

APPENDIX E8																		
DETAILS OF EXPENDITURE : GENERAL SUMMARY BY PROGRAMME																		
AGENCY	ACTUAL 2018						BUDGET 2019						MID-YEAR 2019					
	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL EMPLOYMENT COSTS	TOTAL EMPLOYMENT EXPENDITURE	TOTAL EMPLOYMENT COSTS	TOTAL EMPLOYMENT EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL EMPLOYMENT COSTS	TOTAL EMPLOYMENT EXPENDITURE	TOTAL EMPLOYMENT COSTS	TOTAL EMPLOYMENT EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL EMPLOYMENT COSTS	TOTAL EMPLOYMENT EXPENDITURE	TOTAL EMPLOYMENT COSTS	TOTAL EMPLOYMENT EXPENDITURE
254 Tourism Development and Promotion	22,868	330,349	359,217	-	500	359,717	24,969	320,174	395,136	-	3,550	398,686	11,610	169,271	173,881	-	3,315	177,196
26 Ministry of Natural Resources	375,625	380,143	755,768	-	371,901	1,127,669	340,367	332,904	873,271	-	572,972	1,446,243	189,238	246,977	436,215	-	226,234	662,449
261 Policy Development and Administration	162,587	131,911	294,498	-	371,901	666,399	144,149	202,602	346,751	-	437,000	783,751	81,422	82,758	164,180	-	216,787	380,967
262 Natural Resource Management	190,662	127,681	318,343	-	-	318,343	196,218	330,302	526,520	-	135,972	662,492	107,816	164,219	272,035	-	9,448	281,482
263 Environmental Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
264 Petroleum Management	22,376	120,551	142,927	-	-	142,927	-	-	-	-	-	-	-	-	-	-	-	-
32 Ministry of Public Infrastructure	709,973	7,147,604	7,857,577	-	23,662,890	31,520,467	818,683	7,891,605	8,710,288	-	26,212,032	34,922,320	443,198	4,008,237	4,451,435	-	10,710,379	15,162,014
321 Policy Development and Administration	79,497	3,928,296	4,007,793	-	2,558,464	6,566,257	83,582	4,450,977	4,534,559	-	5,619,800	10,154,359	42,398	2,602,352	2,644,750	-	2,572,066	5,216,816
322 Public Works	627,506	3,135,087	3,761,493	-	15,235,417	18,998,910	731,687	3,350,784	4,082,471	-	17,823,889	21,906,360	308,888	1,378,895	1,777,783	-	7,872,317	9,650,099
323 Transport	2,970	83,322	86,292	-	5,869,009	5,955,301	3,414	89,844	93,258	-	2,768,343	2,861,601	1,911	26,091	28,002	-	266,197	295,100
33 Ministry of Public Telecommunication	96,835	1,999,364	2,096,199	-	2,454,482	4,550,681	116,969	2,037,937	2,174,906	-	2,262,895	4,437,801	59,051	1,219,929	1,278,980	-	2,077,215	3,356,195
331 Policy Development and Administration	87,030	123,684	210,714	-	5,603	216,317	105,479	153,679	260,158	-	68,500	328,658	50,751	60,592	111,343	-	5,466	116,809
332 Public Telecommunications	-	1,837,568	1,837,568	-	2,447,443	4,285,010	-	1,847,610	1,847,610	-	2,184,895	4,032,505	-	1,140,082	1,140,082	-	2,070,334	3,211,315
333 Tourism Development	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-
334 Industry Innovations	9,805	38,112	47,917	-	1,437	49,354	10,400	36,648	67,138	-	9,500	76,638	8,300	18,326	26,626	-	1,415	28,071
40 Ministry of Education	5,001,992	11,149,485	16,151,477	-	1,647,742	17,799,219	5,433,935	12,635,963	18,069,898	-	3,794,844	21,864,742	2,833,943	4,099,533	7,743,456	-	604,868	8,348,324
401 Policy Development and Administration	568,423	990,310	1,558,733	-	155,717	1,714,450	625,525	1,148,408	1,773,933	-	390,400	2,164,333	303,739	577,235	880,974	-	115,697	996,671
402 Training and Development	415,408	1,417,788	1,833,196	-	118,626	1,951,823	401,414	1,559,008	2,020,422	-	153,334	2,173,756	226,481	473,335	699,016	-	56,162	756,077
403 Nursery Education	439,078	1,432,222	1,871,300	-	108,609	1,979,909	501,864	1,695,083	2,196,947	-	70,560	2,267,447	260,489	324,652	575,141	-	59,623	634,763
404 Primary Education	1,084,166	1,994,219	3,078,385	-	66,113	3,144,498	1,181,268	2,599,187	3,690,455	-	138,375	3,828,830	675,130	1,031,101	1,706,231	-	4,758	1,710,990
405 Secondary Education	1,977,617	1,734,863	3,712,479	-	871,039	4,583,518	2,167,913	1,850,318	4,018,231	-	1,400,335	5,418,566	1,156,010	697,458	1,851,467	-	267,200	2,120,667
406 Post-Secondary/Tertiary Education	517,300	3,580,092	4,097,392	-	326,738	4,424,130	495,951	3,873,959	4,369,910	-	1,641,900	6,011,810	221,994	1,805,733	2,027,727	-	155,358	2,183,086
407 Cultural Preservation and Conservation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
408 Youth	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
409 Sports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42 Ministry of Communities	350,654	1,372,598	1,723,252	-	4,268,823	5,992,074	403,622	2,368,577	2,772,199	-	5,549,500	8,321,699	219,408	1,034,845	1,254,342	-	1,886,414	3,140,756
421 Sustainable Communities Management	199,679	460,700	660,379	-	1,030,052	1,690,431	217,415	1,269,341	1,486,756	-	622,000	2,108,756	120,313	692,145	812,459	-	289,330	1,101,789
422 Sustainable Communities Development	150,975	911,898	1,062,873	-	3,238,771	4,292,544	186,207	1,099,236	1,285,443	-	4,927,500	6,212,943	99,185	342,699	441,884	-	1,597,084	2,039,967
43 Ministry of Public Health	6,646,985	14,132,080	20,779,065	-	1,830,199	22,609,264	6,672,494	15,378,985	22,051,479	-	3,171,681	25,223,160	3,610,184	6,850,611	10,460,795	-	659,981	11,120,776
431 Policy Development and Administration	481,055	1,023,457	1,504,512	-	193,640	1,698,153	560,515	1,174,276	1,734,791	-	495,302	2,230,093	292,908	542,985	835,893	-	145,047	980,941
432 Diseases Control	368,009	1,450,513	1,818,522	-	333,780	2,152,302	428,340	1,538,781	1,967,123	-	295,910	2,263,033	225,599	721,076	947,376	-	37,350	984,725
433 Family Health Care Services	226,422	818,295	1,044,717	-	177,176	1,241,893	262,818	985,147	1,247,965	-	420,660	1,668,625	133,773	289,947	423,719	-	238,425	662,145
434 Regional and Clinical Services	5,092,575	9,613,002	14,705,577	-	1,003,904	15,709,480	4,917,683	10,170,569	15,088,252	-	1,794,934	16,883,186	2,662,335	4,539,765	7,302,099	-	220,580	7,522,679
435 Health Sciences Education	128,014	447,341	575,355	-	33,443	608,799	132,615	520,846	653,461	-	67,000	720,461	81,388	213,312	294,700	-	2,714	297,414
436 Standards and Technical Services	179,272	590,996	770,268	-	60,408	830,676	184,829	766,526	951,355	-	64,875	1,016,230	105,664	322,803	428,767	-	14,832	443,598
437 Disability and Rehabilitation Services	171,628	168,476	340,104	-	97,847	437,951	185,694	222,818	408,512	-	33,050	441,532	108,417	119,824	228,310	-	1,034	229,274
49 Ministry of Social Protection	939,880	14,863,389	15,803,269	-	422,282	16,225,551	1,100,265	16,636,028	17,736,393	-	475,009	18,211,402	605,779	7,960,438	8,566,217	-	239,348	8,805,565
491 Policy Development & Administration	162,912	132,239	295,151	-	127,111	422,262	220,883	131,275	352,158	-	296,525	648,683	96,766	58,559	155,325	-	204,273	359,599
492 Social Services	399,880	13,967,520	14,367,400	-	132,701	14,500,101	486,449	15,657,116	16,433,565	-	75,083	16,218,648	287,094	7,540,435	7,827,630	-	-	7,827,630
493 Labour Administration	121,193	435,070	556,263	-	3,636	559,899	141,449	494,487	635,935	-	23,302	659,238	82,478	215,557	297,935	-	-	297,935
494 Child Care and Protection	250,896	320,561	571,456	-	109,334	740,790	261,784	303,150	604,934	-	80,090	685,024	139,240	145,887	285,127	-	35,074	320,201
54 Ministry of Public Security	9,843,138	5,323,378	15,166,516	-	3,048	2,706,731	11,549,912	6,198,912	17,748,824	-	3,868,331	21,616,153	6,072,320	1,959,802	8,032,122	-	1,315,894	9,358,068
541 Policy Development and Administration	384,381	317,135	701,516	-	545,641	1,247,157	457,223	349,787	806,990	-	633,493	1,440,483	233,290	132,423	365,715	-	416,336	782,252
542 Police Force	7,435,019	3,496,591	10,931,610	-	3,048	11,729,332	8,999,888	4,014,984	13,014,872	-	8,595	13,078,467	4,756,810	1,172,840	5,929,650	-	5,844	6,077,923
543 Prison Service	891,310	983,491	1,874,801	-	1,209,796	3,084,597	980,846	1,181,645	2,164,491	-	1,760,208	3,923,699	486,128	445,300	931,427	-	206,413	1,137,841
544 Police Complaints Authority	13,159	7,104	20,263	-	683	20,946	11,306	6,790	21,095	-	20,583	41,779	6,616	2,197	9,113	-	988	24,308
545 Fire Service	790,360	424,940	1,215,300	-	346,922	1,562,222	904,349	517,321	1,421,670	-	578,130	1,999,800	479,427	165,204	644,631	-	536,427	1,181,058
546 Customs Anti-Narcotics Unit	127,899	94,115	222,024	-	9,997	232,021	196,300	123,405	319,705	-	30,000	349,705	109,750	41,836	151,586	-	13,100	164,686

APPENDIX E8																
DETAILS OF EXPENDITURE : GENERAL SUMMARY BY PROGRAMME																
AGENCY	ACTUAL 2018					BUDGET 2019					MID-YEAR 2019					
	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	TOTAL APPROVED TO FIRST EXPENDITURE	
52 Ministry of Legal Affairs	201,826	436,780	638,606	-	148,779	787,385	-	274,024	587,706	861,730	-	217,510	1,079,240	143,407	355,415	498,822
521 Main Office	7,078	282,662	289,730	-	143,570	433,300	-	7,827	307,362	315,189	-	206,810	521,999	6,638	146,283	152,921
522 Ministry Administration	31,119	32,903	64,022	-	718	64,741	-	36,819	33,406	70,225	-	900	71,125	21,404	13,074	34,477
523 Attorney General's Chambers	147,770	117,156	264,926	-	3,997	268,923	-	205,199	242,533	447,732	-	9,100	456,832	103,018	195,118	298,136
524 State Solicitor	15,859	4,068	19,927	-	494	20,421	-	24,179	4,405	28,584	-	700	29,284	12,348	940	13,288
525 Deeds Registry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53 Guyana Defence Force	6,023,449	5,480,652	11,504,101	-	1,023,863	12,527,964	-	6,781,155	6,195,873	12,977,028	-	1,042,500	14,019,528	3,548,719	1,965,731	5,514,450
531 Defence and Security Support	6,023,449	5,480,652	11,504,101	-	1,023,863	12,527,964	-	6,781,155	6,195,873	12,977,028	-	1,042,500	14,019,528	3,548,719	1,965,731	5,514,450
55 Supreme Court	-	1,729,954	1,729,954	-	310,376	2,040,330	-	-	1,850,404	1,850,404	-	458,478	2,308,882	-	928,224	928,224
551 Supreme Court of Judicature	-	1,729,954	1,729,954	-	310,376	2,040,330	-	-	1,850,404	1,850,404	-	458,478	2,308,882	-	928,224	928,224
56 Public Prosecutions	-	160,244	160,244	-	11,811	172,055	-	-	216,398	216,398	-	3,426	219,824	-	84,543	84,543
561 Public Prosecutions	-	160,244	160,244	-	11,811	172,055	-	-	216,398	216,398	-	3,426	219,824	-	84,543	84,543
57 Office of the Ombudsman	-	56,121	56,121	-	1,669	57,790	-	-	73,181	73,181	-	1,042	74,223	-	31,074	31,074
571 Ombudsman	-	56,121	56,121	-	1,669	57,790	-	-	73,181	73,181	-	1,042	74,223	-	31,074	31,074
58 Public Service Appellate Tribunal	-	46,884	46,884	-	2,915	49,799	-	-	62,828	62,828	-	-	62,828	-	29,875	29,875
581 Public Service Appellate Tribunal	-	46,884	46,884	-	2,915	49,799	-	-	62,828	62,828	-	-	62,828	-	29,875	29,875
59 Ethnic Relations Commission	-	115,785	115,785	-	-	115,785	-	-	175,195	175,195	-	19,613	194,808	-	87,697	87,697
591 Ethnic Relations Commission	-	115,785	115,785	-	-	115,785	-	-	175,195	175,195	-	19,613	194,808	-	87,697	87,697
60 Judicial Service Commission	-	9,981	9,981	-	-	9,981	-	-	10,020	10,020	-	-	10,020	-	1,830	1,830
601 Judicial Service Commission	-	9,981	9,981	-	-	9,981	-	-	10,020	10,020	-	-	10,020	-	1,830	1,830
61 Rights Commissions of Guyana	-	131,411	131,411	-	1,012	132,423	-	-	145,137	145,137	-	12,755	157,892	-	50,584	50,584
611 Rights Commissions of Guyana	-	131,411	131,411	-	1,012	132,423	-	-	145,137	145,137	-	12,755	157,892	-	50,584	50,584
62 Public Procurement Commission	-	169,781	169,781	-	7,880	177,661	-	-	209,533	209,533	-	9,400	218,933	-	209,533	209,533
621 Public Procurement Commission	-	169,781	169,781	-	7,880	177,661	-	-	209,533	209,533	-	9,400	218,933	-	209,533	209,533
71 Region 1: Barima/Waini	996,740	1,296,937	2,293,677	-	309,026	2,602,703	-	1,123,427	1,699,738	2,823,165	-	600,800	3,423,965	647,905	495,850	1,143,754
711 Regional Administration and Finance	45,375	141,922	187,297	-	12,177	199,474	-	53,887	414,134	468,021	-	56,280	524,301	29,410	218,053	247,463
712 Public Works	36,279	255,312	291,591	-	94,088	385,679	-	38,705	269,786	308,491	-	162,700	471,191	20,866	25,758	46,624
713 Education Delivery	719,856	455,828	1,175,684	-	103,814	1,279,498	-	800,568	514,258	1,314,826	-	193,270	1,508,096	467,469	75,668	543,137
714 Health Services	195,230	443,875	639,105	-	98,947	738,052	-	230,267	591,590	731,827	-	168,550	900,377	130,060	175,370	305,430
715 Agriculture	-	-	-	-	-	-	-	-	-	-	-	-	30,000	-	-	-
72 Region 2: Pomeroon/Supernaam	1,835,080	1,617,193	3,452,273	-	382,670	3,834,943	-	2,005,229	2,042,542	4,047,771	-	533,153	4,579,926	1,088,313	790,903	1,879,217
721 Regional Administration and Finance	100,866	103,308	204,174	-	45,968	250,142	-	102,711	118,786	221,497	-	16,300	237,797	54,876	55,026	109,903
722 Agriculture	82,172	264,549	346,721	-	36,649	383,371	-	80,317	325,289	414,606	-	40,080	455,586	44,523	85,080	130,503
723 Public Works	36,846	80,580	117,426	-	68,214	185,640	-	43,289	114,373	157,662	-	113,120	270,782	22,456	50,395	72,851
724 Education Delivery	1,254,767	678,417	1,933,184	-	116,219	2,049,402	-	1,197,255	917,246	2,114,501	-	211,490	2,325,991	757,708	275,864	1,033,572
725 Health Services	260,429	481,340	741,769	-	112,619	954,389	-	372,567	566,848	939,415	-	150,355	1,089,860	208,749	223,618	432,367
73 Region 3: Essequibo Islands/ West Demerara	2,728,931	2,206,133	4,935,064	-	463,725	5,398,789	-	3,149,336	2,596,692	5,746,028	-	556,970	6,302,998	1,619,641	1,342,612	2,962,253
731 Regional Administration and Finance	104,847	102,147	206,994	-	11,496	218,491	-	122,716	114,118	236,834	-	18,000	254,834	65,947	64,831	130,778
732 Agriculture	81,983	276,988	358,971	-	108,958	466,929	-	93,627	304,600	398,227	-	88,000	486,227	46,609	135,499	182,068
733 Public Works	17,643	110,148	127,791	-	118,929	246,720	-	20,346	148,410	168,756	-	105,000	246,756	9,905	48,541	58,447
734 Education Delivery	2,079,421	890,439	2,969,860	-	149,870	3,119,730	-	2,400,781	1,045,526	3,446,309	-	177,710	3,624,019	1,226,219	510,426	1,736,644
735 Health Services	443,037	826,412	1,269,449	-	74,471	1,343,919	-	511,864	984,038	1,495,902	-	117,260	1,613,162	271,371	285,354	556,725

APPENDIX E8 DETAILS OF EXPENDITURE : GENERAL SUMMARY BY PROGRAMME																				
AGENCY	ACTUAL 2018						BUDGET 2019						MID-YEAR 2019							
	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO DATE EXPENDITURE	TOTAL ACTUAL TO DATE EXPENDITURE	TOTAL APPROVED TO DATE EXPENDITURE	TOTAL ACTUAL TO DATE EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO DATE EXPENDITURE	TOTAL ACTUAL TO DATE EXPENDITURE	TOTAL APPROVED TO DATE EXPENDITURE	TOTAL ACTUAL TO DATE EXPENDITURE	EMPLOYMENT COSTS	OTHER CLAIMS	TOTAL APPROVED TO DATE EXPENDITURE	TOTAL ACTUAL TO DATE EXPENDITURE	TOTAL APPROVED TO DATE EXPENDITURE	TOTAL ACTUAL TO DATE EXPENDITURE		
74 Region 4: Demerara/Mahaica	3,209,718	2,786,148	3,995,866	-	511,897	6,307,763	3,630,651	2,986,686	6,617,337	-	601,978	7,218,915	2,073,285	1,333,382	3,606,667	-	188,167	3,794,834		
741 Regional Administration and Finance	82,358	134,196	216,554	-	17,634	234,188	101,799	125,813	227,612	-	7,995	235,537	51,789	60,703	112,492	-	6,058	119,449		
742 Agriculture	102,142	250,949	353,091	-	45,800	398,891	105,389	261,243	366,632	-	48,340	414,972	58,166	148,248	206,414	-	31,147	237,561		
743 Public Works	26,016	113,600	140,516	-	90,000	230,516	27,301	128,235	155,536	-	103,128	258,664	13,156	55,539	68,695	-	42,060	110,755		
744 Education Delivery	2,810,579	1,212,573	4,043,152	-	259,407	4,392,559	3,182,871	1,350,472	4,563,343	-	287,045	4,850,388	1,823,528	577,174	2,400,702	-	78,491	2,479,194		
745 Health Services	187,723	1,054,810	1,242,533	-	99,656	1,341,609	213,291	1,090,651	1,304,214	-	155,140	1,459,354	156,647	561,718	818,365	-	29,601	847,966		
75 Region 5: Mahaica/Berbice	1,474,646	1,341,897	2,816,543	-	414,304	3,230,847	1,727,992	1,558,542	3,286,534	-	436,160	3,722,694	908,239	846,628	1,754,867	-	159,814	1,914,680		
751 Regional Administration and Finance	62,488	105,841	168,329	-	2,197	170,526	64,057	129,832	193,889	-	15,378	209,267	32,645	57,433	90,078	-	13,421	103,499		
752 Agriculture	5,626	218,111	223,737	-	59,570	283,307	14,703	226,746	241,449	-	59,000	300,449	5,318	153,109	158,447	-	13,423	171,870		
753 Public Works	41,448	137,007	178,455	-	155,172	333,627	44,407	169,242	213,640	-	168,782	382,431	27,083	81,130	108,212	-	51,799	159,071		
754 Education Delivery	1,081,839	465,273	1,547,112	-	144,941	1,692,053	1,282,043	558,703	1,840,745	-	145,200	1,985,945	672,048	236,110	912,057	-	48,226	960,483		
755 Health Services	283,243	415,664	698,909	-	62,424	751,334	322,782	474,019	796,801	-	47,800	844,601	170,225	315,847	486,073	-	32,784	618,857		
76 Region 6: East Berbice/ Corentyne	3,135,199	2,902,297	6,037,496	-	544,118	6,581,614	3,625,876	3,295,410	6,921,286	-	744,991	7,666,277	1,811,713	1,688,098	3,499,812	-	319,847	3,819,659		
761 Regional Administration and Finance	63,637	87,821	151,458	-	13,590	165,018	68,271	94,312	162,583	-	15,940	178,523	35,467	49,394	84,861	-	11,493	96,354		
762 Agriculture	80,251	696,590	776,841	-	117,149	893,990	86,534	663,762	750,296	-	221,288	971,584	43,555	362,978	406,533	-	54,330	460,863		
763 Public Works	40,982	228,139	269,121	-	141,400	410,521	50,023	270,097	320,120	-	226,212	546,332	26,310	81,178	107,688	-	118,335	226,023		
764 Education Delivery	2,390,614	806,836	3,197,450	-	109,509	3,306,959	2,728,997	1,009,144	3,738,141	-	116,600	3,854,741	1,342,159	479,164	1,821,320	-	74,096	1,895,415		
765 Health Services	559,715	1,122,911	1,682,626	-	162,500	1,845,126	592,051	1,258,095	1,850,146	-	164,951	2,015,097	364,222	715,188	1,079,410	-	61,593	1,141,003		
77 Region 7: Cuyuni/Mazaruni	912,240	1,349,680	2,261,920	-	238,992	2,500,912	1,058,145	1,527,069	2,585,214	-	448,608	3,033,822	544,198	655,786	1,199,984	-	155,818	1,355,803		
771 Regional Administration and Finance	57,727	217,063	274,790	-	14,474	289,264	69,598	242,901	312,499	-	38,778	351,277	37,535	90,706	128,240	-	5,569	133,809		
772 Public Works	3,324	158,803	162,127	-	52,516	215,642	5,877	178,313	184,190	-	92,100	276,290	2,090	86,494	88,585	-	45,187	133,772		
773 Education Delivery	625,118	641,341	1,266,699	-	114,266	1,380,925	703,302	739,645	1,433,917	-	207,700	1,641,617	362,871	305,005	667,876	-	76,137	744,013		
774 Health Services	226,871	331,474	557,345	-	57,726	615,081	279,368	375,240	654,608	-	108,830	763,438	141,702	173,581	315,283	-	28,026	344,209		
775 Agriculture	-	-	-	-	-	-	-	-	-	-	1,200	1,200	-	-	-	-	-	-		
78 Region 8: Potaro/Siparuni	384,066	940,147	1,324,213	-	214,248	1,538,461	427,514	1,284,072	1,711,586	-	394,245	2,105,831	258,408	356,968	615,376	-	115,027	730,403		
781 Regional Administration and Finance	40,027	86,766	126,793	-	1,584	128,377	37,351	114,962	152,313	-	7,950	160,263	23,961	31,645	55,605	-	5,496	61,102		
782 Public Works	22,171	118,573	140,744	-	99,311	240,055	22,352	181,710	204,062	-	147,520	351,582	10,470	42,645	53,116	-	22,777	75,893		
783 Education Delivery	221,511	557,484	778,995	-	67,318	846,314	262,120	733,158	995,278	-	130,765	1,126,043	167,316	249,080	416,396	-	40,935	456,431		
784 Health Services	100,357	160,697	261,054	-	46,034	307,088	105,691	225,497	331,098	-	90,590	421,698	56,661	33,459	90,120	-	42,547	132,667		
785 Agriculture	-	16,626	16,626	-	-	16,626	-	28,835	28,835	-	17,510	46,345	-	139	139	-	4,172	4,310		
79 Region 9: Upper Takatu/Upper Essequibo	916,291	1,007,557	1,923,848	-	444,549	2,368,397	1,025,249	1,216,200	2,241,449	-	534,800	2,776,249	599,630	466,310	1,066,140	-	150,607	1,216,747		
791 Regional Administration and Finance	60,273	116,904	177,177	-	48,012	225,190	64,197	134,162	198,359	-	58,200	256,559	38,836	50,883	89,716	-	15,970	105,686		
792 Agriculture	13,092	26,422	39,514	-	43,039	82,553	12,442	49,576	62,018	-	26,400	88,418	6,320	10,726	17,046	-	1,750	18,796		
793 Public Works	18,399	175,924	194,323	-	159,437	333,999	18,517	185,530	204,047	-	189,400	393,447	9,236	73,659	82,893	-	70,728	153,621		
794 Education Delivery	659,755	402,883	1,062,638	-	109,436	1,163,074	724,218	507,182	1,231,400	-	151,400	1,382,800	433,292	171,670	604,963	-	37,809	642,772		
795 Health Services	174,572	285,424	459,996	-	104,625	564,621	205,875	339,750	545,625	-	109,400	655,025	111,046	139,675	271,622	-	24,320	295,871		
80 Region 10: Upper Demerara/Upper Berbice	1,654,193	1,357,545	3,011,738	-	397,103	3,408,841	1,833,805	1,488,193	3,341,998	-	567,450	3,909,448	999,922	695,889	1,695,811	-	160,661	1,856,472		
801 Regional Administration and Finance	75,621	135,570	211,191	-	67,360	278,551	92,593	137,029	229,622	-	112,000	341,622	46,402	66,962	113,364	-	15,335	128,499		
802 Public Works	17,388	200,726	218,114	-	99,441	317,555	15,310	216,607	231,917	-	116,200	348,117	6,287	72,231	78,519	-	58,437	136,956		
803 Education Delivery	1,347,965	663,435	2,011,400	-	153,790	2,165,190	1,494,743	727,322	2,222,065	-	215,339	2,437,395	810,250	316,771	1,127,022	-	29,775	1,156,797		
804 Health Services	213,219	357,814	571,033	-	76,512	647,545	251,109	378,243	629,402	-	101,150	730,552	136,682	234,166	371,148	-	37,039	409,087		
805 Agriculture	-	-	-	-	-	-	-	25,992	28,992	-	22,770	51,762	-	5,798	5,798	-	19,375	25,134		
Grand Total	60,116,472	126,270,371	186,416,844	4,684,684	55,019,407	246,120,937,027	70,926,171,000	137,227,240,001	208,153,411,000	4,948,341,000	69,278,554	282,380,305,000	31,914,250,085	58,744,863,600	90,659,113,685	2,411,716,621	24,538,327	117,609,157		

APPENDIX E9

MID-YEAR CENTRAL GOVERNMENT
ABSTRACT OF REVENUE BY HEAD

ITEM	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
TOTAL REVENUE	244,076,640.6	270,040,306.7	119,477,833.5	131,234,870.3	282,349,198.7
TOTAL CURRENT RECEIPTS	217,016,363.3	238,322,676.6	109,184,851.5	115,868,781.9	238,399,527.7
CURRENT RECEIPTS TAXES					
I CUSTOMS AND TRADE TAXES	22,191,275.9	24,889,499.0	9,836,334.0	10,570,897.0	25,465,557.6
II VALUE-ADDED AND EXCISE TAXES	87,861,877.7	99,669,047.0	42,496,441.0	44,057,633.0	95,897,458.1
III INTERNAL REVENUE	88,459,256.7	99,024,354.0	48,285,508.0	54,336,233.0	102,219,884.6
IV STAMP DUTIES	424,703.0	517,468.9	175,167.9	204,560.0	504,715.0
V OTHER TAX REVENUE	25.0	3,305.0	4.1	8.8	14.6
FEES, FINES, ETC.					
XI FINES, FEES. ETC.	1,404,814.8	1,513,054.6	652,062.7	798,988.0	1,521,219.4
REVENUE FROM PROPERTY AND ENTERPRISE					
XII INTEREST	755,150.0	1,006,152.5	2,974.8	260,865.2	1,063,807.7
XIII RENTS, ROYALTIES, ETC.	4,311,756.1	4,615,833.5	2,300,459.0	2,419,849.6	4,656,018.7
XV DIVIDENDS AND TRANSFERS	8,532,282.0	5,300,000.0	3,732,282.0	2,300,380.0	4,900,380.0
MISCELLANEOUS RECEIPTS					
XVI MISCELLANEOUS RECEIPTS	3,075,222.2	1,783,962.0	1,703,618.0	919,367.2	2,170,472.0
TOTAL CAPITAL RECEIPTS	27,060,277.3	31,717,630.1	10,292,982.0	15,366,088.4	43,949,671.0
CAPITAL RECEIPTS					
XXI MISCELLANEOUS CAPITAL REVENUE	2,230,756.6	988,316.1	1,484,675.4	484,753.5	980,265.5
XXII EXTERNAL GRANTS	7,580,089.0	10,236,435.0	3,761,278.6	5,663,039.6	14,129,402.4
XXIV EXTERNAL LOANS	17,249,431.6	20,492,879.0	5,047,028.0	9,218,295.4	28,840,003.1

APPENDIX E10**MID-YEAR CENTRAL GOVERNMENT
TAX REMISSIONS BY CATEGORY**

ITEM		2018 HY	2019 HY
TOTAL TAX REMISSIONS		29,417,505	25,984,535
I	HOSPITALS	77,504	14,571
II	COMPANIES/BUSINESSES	24,463,976	22,943,110
III	CHURCHES/CHARITABLE ORGANISATIONS	641,053	32,474
IV	PUBLIC OFFICIALS/OFFICERS	674,097	826,147
V	DEPARTMENTS	1,301,017	1,078,762
VI	REMIGRANTS	391,323	272,382
VII	DIPLOMATS	442,800	481,539
VIII	FOREIGN FUNDED PROJECTS	1,425,734	335,550

APPENDIX E11

**CENTRAL GOVERNMENT SUMMARY OF EXPENDITURES
(Economic Classification)**

ITEM		ACTUAL 2018	BUDGET 2019	HY 2018	HY 2019	REVISED 2019
1.0	TOTAL EXPENDITURE AND NET LENDING	252,017,036	288,583,830	110,497,434	120,461,201	288,583,830
2.0	Current Expenditure	196,997,629	219,305,277	91,522,842	95,922,874	219,305,277
	2.1 Goods and Services	110,701,899	129,994,067	47,393,854	54,966,216	130,942,112
	2.1.1 Personal Emoluments	59,451,986	70,151,054	27,624,898	31,547,184	70,151,054
	2.1.1.1 Wages and Salaries	51,672,695	60,741,845	23,263,658	26,106,331	60,725,042
	2.1.1.2 Allowances and Contributions	7,779,292	9,409,209	4,361,240	5,440,854	9,426,012
	2.1.2 Other Goods and Services	51,249,913	59,843,013	19,768,956	23,419,032	60,791,058
	2.2 Interest Expenditure	5,896,100	6,203,522	3,039,823	2,852,297	6,203,522
	2.2.1 External (Cash)	4,563,513	5,146,227	2,276,875	2,368,339	5,146,227
	2.2.2 Internal	1,332,587	1,057,296	762,948	483,958	1,057,296
	2.2.2.1 Treasury Bills	1,189,027	917,428	656,296	396,961	917,428
	2.2.2.2 Debentures	129,680	127,690	99,508	80,746	127,690
	2.2.2.3 Advances and Miscellaneous	13,880	12,177	7,145	6,252	12,177
	2.3 Transfers	80,382,718	83,082,187	41,084,368	38,103,821	86,504,115
	2.3.1 Pensions and Gratuities	21,998,362	24,621,622	10,950,118	11,871,364	24,621,622
	2.3.2 Education Grants	7,576,060	8,852,643	3,022,067	3,427,422	8,855,643
	2.3.3 Local Authorities	344,661	999,770	129,328	514,731	1,003,192
	2.3.4 Local and International Organisations	50,463,634	48,608,152	26,982,856	22,290,305	52,023,659
	2.4 Refunds of Revenue	16,912	25,500	4,796	539	25,500
3.0	Capital Expenditure and Net Lending	55,019,407	69,278,553	18,974,592	24,538,327	69,278,553
	3.1 Capital Formation	51,843,678	64,823,384	17,950,425	21,598,277	64,823,384
	3.2 Acquisition of Financial Assets	760,941	686,334	434,454	369,807	686,334
	3.3 Transfers and Loans	2,414,788	3,768,835	589,713	2,570,243	3,768,835
	3.3.1 Public Enterprises	2,254,788	3,600,000	517,213	2,352,243	3,600,000
	3.3.2 Financial Institutions	160,000	218,835	72,500	218,000	218,835
	3.3.3 Private Sector	-	-	-	-	-
4.0	Memorandum Items¹					
	4.1.1 Current Transfers to GPL	-	-	-	-	-
	4.1.2 Current Transfers to GRDB	-	-	-	-	-
	4.1.3 Current Transfers to GUYSUCO					
	4.2 Principal Repayments	11,836,160	12,135,179	6,131,988	7,984,171	12,135,179
	4.2.1 External (Cash)	11,556,215	11,854,972	5,869,955	6,434,999	11,854,972
	4.2.2 Internal	279,944	280,207	262,033	1,549,172	280,207

¹ Memorandum items serve as disclosed additional information and are not included in table summation.

APPENDIX F

MID-YEAR TOTAL PUBLIC DEBT STOCK SUMMARY

ITEM	2018 ACTUAL	2019 BUDGET	2018 HY	2019 HY	2019 REVISED
TOTAL PUBLIC DEBT STOCK	1,708.39	1,782.83	1,634.0	1,657.8	1,782.83
Total Public External Debt Stock	1,322.06	1,370.07	1,251.87	1,274.04	1,370.07
1.0 Multilateral	787.88	833.51	731.59	789.24	833.51
CDB	149.98	153.74	148.74	151.10	153.74
CDF	11.16	12.14	9.77	11.07	12.14
EEC	5.79	5.42	6.16	5.53	5.42
IADB	524.90	535.13	505.49	523.20	535.13
IDA	75.45	106.95	40.03	78.41	106.95
IFAD	8.82	9.32	9.12	8.62	9.32
OFID	11.79	10.81	12.28	11.30	10.81
2.0 Bilateral	499.84	502.94	485.51	450.85	502.94
2.1 Paris Club Creditors:	7.63	3.11	11.97	3.21	3.11
Italy	2.80	2.63	3.06	2.69	2.63
T&T	4.31	0.00	8.33	0.00	0.00
USA	0.53	0.48	0.58	0.53	0.48
2.2 Non-Paris Club Creditors:	492.20	499.84	473.54	447.63	499.84
Argentina	15.56	14.90	15.39	15.73	14.90
Bulgaria	0.00	0.00	0.00	0.00	0.00
China (Eximbank)	212.92	204.20	193.33	226.39	204.20
India (Eximbank)	15.60	36.64	16.21	15.02	36.64
Kuwait	79.84	80.81	78.68	24.85	80.81
Libya	44.03	43.84	43.78	44.16	43.84
Serbia	1.38	1.40	1.37	1.39	1.40
UAE	8.14	8.17	8.04	8.21	8.17
Venezuela (PDVSA)	114.73	109.88	116.75	111.89	109.88
3.0 Private Creditors	34.34	33.62	34.77	33.96	33.62
3.1 Commercial Banks	21.68	20.96	22.11	21.30	20.96
Barclays Bank	3.44	3.44	3.44	3.44	3.44
Lloyds Bank (O/Draft)	1.66	1.70	1.72	1.66	1.70
Republic Bank Limited (T & T)	16.58	15.82	16.95	16.21	15.82
3.2 Others ^{1/}	12.66	12.66	12.66	12.66	12.66
TOTAL DOMESTIC DEBT	386.33	412.77	382.10	383.75	412.77
4.0 Domestic Securities	385.14	411.75	380.82	382.63	411.75
4.1 Treasury Bills	345.35	373.13	341.03	344.02	373.13
91-Days ^{2/}	4.78	21.57	4.78	4.78	21.57
182-Days	30.47	35.74	30.95	21.56	35.74
364-Days	310.10	315.81	305.30	317.67	315.81
4.2 Debentures ^{3/}	39.77	38.60	39.77	38.60	38.60
BOG Variable Interest Rate Debentures	18.70	18.70	18.70	18.70	18.70
NIS Debenture (GOG/NIS No. 1/2016) ^{4/}	21.08	19.90	21.08	19.90	19.90
4.3 Bonds	0.02	0.02	0.02	0.02	0.02
Defence Bonds	0.02	0.02	0.02	0.02	0.02
5.0 Domestic Loan	1.19	1.02	1.28	1.12	1.02
NIS Loan (CARICOM Building Project)	1.19	1.02	1.28	1.12	1.02

Notes:

1/ Includes Ruston Bucyrus Bond, Guyana Perpetual Railway Stock and External Payments Deposit Scheme (EPDS) debts.

2/ Includes K-Series

3/ Excludes Bank of Guyana Non-Interest Bearing Debentures

4/ Payment to NIS to assist in recovering from losses due to their investment in CLICO (Guyana) as per Debenture Agreement dated September 16, 2016.

APPENDIX G

MID-YEAR EXPENDITURE OF KEY SECTORS

SECTOR	2018 Actual	2019 Budget
Education	43,946,193,048	52,337,461,603
Health	32,956,194,442	35,816,123,971
Agriculture	23,987,767,967	17,176,773,342
Infrastructure	34,429,382,653	38,545,912,533
Public Security	30,373,286,191	35,607,860,420
GRAND TOTAL	165,692,824,301	179,484,131,869

2018 HY	2019 HY
17,855,336,987	21,719,675,604
14,386,558,013	16,691,116,097
14,398,256,404	7,672,477,748
13,103,842,398	16,493,282,676
14,033,799,894	14,990,415,582
73,777,793,696	77,566,967,707

APPENDIX H

CONTRACTS SIGNED BETWEEN GOVERNMENT OF THE COOPERATIVE REPUBLIC OF GUYANA AND DEVELOPMENT PARTNERS DURING THE PERIOD FROM JAN- JUN 2019	
General Administration Sector US\$6,000,000	
1. Project Title	Establishing an Electronic Single Window for Trade
Executing Agency	Ministry of Business
Development Partner	Inter-American Development Bank
Date of Signature	February 11, 2019
Investment (US\$)	\$6,000,000
Type of Investment	Loan
Details	The objective of this project is to improve the trade facilitation performance in Guyana. Specifically, the project will develop an electronic single window, thus reducing the time and costs of trade processes.
Energy Sector US\$41,160,000	
1. Project Title	Energy Matrix Diversification and Institutional Strengthening of the Department of Energy
Executing Agency	Ministry of Public Infrastructure
Development Partner	Inter-American Development Bank
Date of Signature	February 11, 2019
Investment (US\$)	\$21,160,000
Type of Investment	Loan
Details	The objective of this programme is to support Guyana's evolving energy sector by (i) investing in sustainable/cleaner energy solutions to diversify the energy matrix in the hinterland while contributing to climate change mitigation; (ii) investing in the reinforcement of transmission infrastructure to improve reliability and stability of the Demerara Berbice Interconnected System (DBIS); and (iii) strengthening the Department of Energy to develop a regulatory framework, improve institutional capacity and governance of the oil and gas sector.
2. Project Title	Guyana Petroleum Resources Governance and Management Project
Executing Agency	Ministry of the Presidency
Development Partner	World Bank
Date of Signature	April 11, 2019
Investment (US\$)	\$20,000,000
Type of Investment	Loan
Details	The objective of this project is to support the enhancement of legal and institutional frameworks and the strengthening of the capacity of key institutions to manage the oil and gas sector in Guyana.

