



BUDGET 2022



**Steadfast Against All Challenges,
Resolute in Building Our One Guyana**

JANUARY 26, 2022

CO-OPERATIVE REPUBLIC OF GUYANA

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

FIRST SESSION 2020-2022

BUDGET SPEECH

Honourable Dr. Ashni K. Singh, M.P.
Senior Minister in the Office of the President
with Responsibility for Finance

January 26, 2022

TABLE OF CONTENTS

1.	Introduction	1
2.	The Global and Regional Economic Context	5
3.	Developments in the Domestic Economy in 2021	7
	A. Real Gross Domestic Product	7
	B. Sectoral Performance	7
	a. Agriculture, Fishing and Forestry	7
	b. Extractive Industries	9
	c. Manufacturing	10
	d. Electricity and Water Supply and Sewerage	10
	e. Construction	10
	f. Services	11
	C. Balance of Payments	11
	D. Monetary Developments	12
	E. Prices and Income	13
	a. Inflation	13
	b. Interest Rates	14
	c. Income	14
	F. Fiscal Position	15
	a. Non-Financial Public Sector	15
	b. Central Government	15
	c. Public Enterprises	17
	G. Public Debt Management	17
	H. Natural Resource Fund	18
4.	Sectoral Developments and the Agenda for 2022	20
	A. Introduction and Macroeconomic Context	20
	B. The Low Carbon Development Strategy	21

C.	A Diversified, Resilient and Competitive Productive Sector	23
a.	Oil and Gas	23
b.	Other Extractives	25
i.	Gold	25
ii.	Bauxite	26
iii.	Sand and Stone	26
iv.	Manganese	27
v.	Other Minerals	27
c.	Forestry	27
d.	Agriculture and Food Security	28
i.	Sugar	29
ii.	Rice	30
iii.	Other Crops	30
iv.	Agro-Processing	32
v.	Livestock	33
vi.	Fisheries and Aquaculture	34
viii.	Drainage and Irrigation	35
e.	Sustainable Tourism	36
f.	Information and Communications Technology	38
g.	Small Business Support	39
D.	Transformational Infrastructure	41
a.	Energy Expansion and Diversification	41
b.	Transport Infrastructure	43
i.	Roads and Bridges	43
ii.	Air Transport	45
iii.	River Transport	45
c.	Sea and River Defence	46
E.	Investing in Our People	47
a.	Health	47
b.	Education	51
c.	Housing	56

	d.	Water and Sanitation	57
	e.	Culture and Arts	60
	f.	Sports	61
	g.	Youth	61
	h.	Senior Citizens	62
	i.	Women and Gender	63
	j.	Persons with Disabilities	64
	k.	Victims of Domestic Violence	65
	l.	Amerindian and Hinterland Development	65
	F.	Improved Governance and Institutional Reforms	67
	a.	Governance	67
	b.	Justice Sector Strengthening	68
	c.	Strengthening Local Government	69
	d.	Public Administration and Public Financial Management	69
	i.	Revenue Management	69
	ii.	Payment Systems	70
	iii.	National Insurance Scheme	71
	iv.	Procurement	71
	v.	Data Systems Strengthening	73
	G.	Foreign Relations and the Diaspora	73
	a.	Foreign Relations	73
	b.	The Diaspora	74
	H.	Public Safety and Security	76
5.		Targets for 2022	79
	A.	Real Gross Domestic Product	79
	a.	Agriculture, Fishing and Forestry	79
	b.	Extractive Industries	80
	c.	Manufacturing	80
	d.	Construction	80
	e.	Services	81

B.	Monetary Policy and Inflation	81
C.	Balance of Payments	81
D.	Targets for the Non-Financial Public Sector	82
a.	Central Government Operations	82
b.	Summary of Operations of the Public Enterprises	83
c.	Operations of the Non-Financial Public Sector	83
E.	Natural Resource Fund	84
6.	Measures	85
7.	Conclusion	92
Appendices		
I.	Selected Socio-Economic Indicators	93
II.	Gross Domestic Product at 2012 Prices by Industrial Origin	94
III.	Central Government Financial Operations	95
IV.	Urban Consumer Price Index	96
V.	Balance of Payments Analytic Summary	97
VI.	Actual and Projected Total Public Debt Stock	98
VII.	Actual and Projected Natural Resource Fund Inflows and Withdrawals	99

LIST OF ABBREVIATIONS

AFHP	Amaila Falls Hydropower Project
BOG	Bank of Guyana
BPD	Barrels of Oil Per Day
BPO	Business Process Outsourcing
CARICOM	Caribbean Community
CJIA	Cheddi Jagan International Airport
COVID-19	Coronavirus Disease 2019
CSO	Community Service Officer
CVQ	Caribbean Vocational Qualification
D&I	Drainage and Irrigation
FPSO	Floating Production Storage and Offloading
GDP	Gross Domestic Product
GGDMA	Guyana Gold and Diamond Miners Association
GOAL	Guyana Online Academy of Learning
GPHC	Georgetown Public Hospital Corporation
GPL	Guyana Power and Light Inc.
GRA	Guyana Revenue Authority
GRDB	Guyana Rice Development Board
GRIF	Guyana REDD+ Investment Fund
GTA	Guyana Tourism Authority
GUYSUCO	Guyana Sugar Corporation
ICT	Information and Communication Technology
IDH	Infectious Diseases Hospital
IDB	Inter-American Development Bank
KM	Kilometres
KW	Kilowatt
LAC	Latin America and the Caribbean
LED	Light-emitting diode

LCDS	Low Carbon Development Strategy
LDOs	Local Democratic Organs
MW	Megawatt
MMSCFD	Million Standard Cubic Feet Per Day
NDMA	National Data Management Authority
NICIL	National Industrial and Commercial Investments Limited
NRF	Natural Resource Fund
NIS	National Insurance Scheme
PAYE	Personal Income Tax
PPG	Public and Publicly Guaranteed Debt
PPP/C	People's Progressive Party/Civic
PSIP	Public Sector Investment Programme
SDGs	Sustainable Development Goals
SEN	Special Education Needs
TB	Tuberculosis
VAT	Value-Added Tax
UN	United Nations
UK	United Kingdom
US	United States

1.

Introduction

1.1 Mr. Speaker, I rise to move the motion for the approval of the Estimates of the Public Sector and the Budget for the Financial Year 2022. In doing so, I wish to indicate that Cabinet has recommended that the National Assembly proceed upon this motion, pursuant to Article 171 Paragraph 2 of the Constitution of Guyana.

1.2 Budget 2022 is the third budget that this People's Progressive Party/Civic (PPP/C) Government is submitting to this Honourable House in our current term of office. It comes to this House a mere eighteen months since the culmination of that epic struggle to defend democracy that was waged for five months following the unforgettable March 2020 elections. History now records it indelibly that that struggle secured the triumph of democracy over dictatorship and safeguarded the supremacy of the will of the People.

1.3 Over the eighteen months that have elapsed since democracy prevailed, pessimism has been replaced with optimism. Lethargy has made way for energy, superficiality has made way for substance, and pomp and pageantry have made way for humility and hard work. The policy void that existed then has been replaced with vision and clear direction, institutional inertia has been replaced with dynamism, and empty rhetoric has been replaced with concrete action. Today, investors who had walked away are returning, and projects that had stalled have resumed. Where there was once economic contraction there is now economic expansion, and where there were once job losses there is now job creation. These developments are clear for all to see, and they illustrate amply the indisputable relationship between democratic and economic outcomes.

1.4 Lest we make the mistake of taking for granted the freedoms for which so many have fought for so long and so hard, the events of 29 December 2021 in this very House provided a stark reminder of the dangers that still threaten our democratic institutions. It is indeed sobering to contemplate that the reins of government once, not so long ago, rested in the same hands that sought to desecrate the sanctity of this House in the manner that occurred last month. Clearly, those who are yet to learn that dictatorship is a discredited form of governance, are also yet to learn that hooliganism has no place in civilised political discourse. The events of that memorable day serve the important purpose of showcasing for the world the political landscape within which we operate here in Guyana.

1.5 Mr. Speaker, with this very political landscape in mind, we in this PPP/C Government are determined to continue to distinguish ourselves from the alternative. We are battered down in our resolution to serve the cause of unifying the People of Guyana and at the same time to ensure that the lives of all Guyanese are meaningfully, demonstrably, and lastingly, improved. Forever faithful to the timeless refrain of our national motto – One People, One Nation, One Destiny – we are relentless in our commitment to a path of national unity and national prosperity.

1.6 Nowhere is this better articulated than in the vision of One Guyana that was outlined by His Excellency the President right here in this hallowed House almost exactly one year ago. It is that vision of One Guyana that guides us in all we do and, most immediately, it is that vision of One Guyana that guides us now as we present Budget 2022. As we do so, we are not unmindful of the severe challenges that continue to beset both the global and domestic environment in which we operate.

1.7 To begin with, COVID-19 continues its relentless course through variant after variant, each one wreaking a new instalment of public health havoc across the globe. Since I presented Budget 2021 last year, 245 million more cases and 3.2 million more deaths have been confirmed, bringing the cumulative number of cases and deaths worldwide to 353 million and 5.6 million respectively. The highly contagious Omicron variant has brought a record spike in infections, with global cases reaching a high of 4 million on 20 January 2022, sparking a new wave of containment measures worldwide.

1.8 Like every other country, Guyana could not escape COVID-19's inexorable grip on daily human existence. The main anchor of our Government's response has been the deployment of an aggressive vaccination campaign. Currently, 82.1 percent of the adult population has received at least one dose, while 60.3 percent of the adult population is fully vaccinated. Undoubtedly, our vaccination successes have helped to contain the most severe consequences of infection and have helped to reduce hospitalisation and mortality rates. Despite this, stubborn pockets of vaccine hesitancy threaten our prospects of achieving herd immunity and delay the return to any semblance of normalcy.

1.9 Beyond its global public health consequences, COVID-19 also had severe disruptive effects on global production and trade and, particularly, on the global supply chain. Since the onset of COVID-19, supply chains across the world have been clogged up with disruptions in critical shipping routes due to port congestion, shortages in labour and key materials, and fluctuating demand. Additionally,

a shortage in container availability helped drive up freight charges significantly. The consequence has been freight rates that have increased by over 400 percent over the past two years with most of that increase occurring in 2021. As a result, inflationary pressures were amplified the world over, and global inflation is at its highest in at least a decade and, in some places, inflation is at its highest in over four decades. The disruptions created by the pandemic are not expected to dissipate in the near term.

1.10 Our Government has moved to contain the pass-through to the domestic economy. Specific interventions implemented to date include restricting the freight cost to pre-COVID-19 levels for the purposes of determining the taxable value of imports. This measure is estimated to have saved Guyanese businesses and consumers nearly \$4 billion since its implementation in August 2021. Additionally, successive reductions in the excise tax charged on diesel and gasoline, first in February 2021 from 50 percent to 35 percent and then in October from 35 percent to 20 percent, also helped contain the cost of domestic transportation which feeds through directly to prices more broadly.

1.11 As if COVID-19 were not enough, 2021 also brought the most severe floods in recent memory. The 2021 floods were even more devastating than the 2005 floods and resulted in a National Disaster being declared. During the first half of last year, we experienced the second highest level of rainfall since 1981, with the month of May alone recording 607.7 millimetres, compared with 474.5 millimetres in May 2020. The floods that followed left none of our Regions unharmed. In the productive sector, over 130,000 acres of farmland were affected, and approximately 1.3 million animals lost.

1.12 Our Government moved swiftly to deploy mobile pumps to remove the water from the land and heavy equipment to clear previously blocked channels and shore up structures that came under threat. We distributed 3,761 medical kits to reduce the risk of water borne disease and 74,162 food hampers to provide relief to households in distress. In addition, we distributed over \$7 billion in relief cash grants to households and the agriculture sector, in addition to thousands of bags of seed paddy to help rice farmers recover from the flood. Unavoidably, the temporary disruption to production of food items caused by the floods contributed to some price escalation in the domestic marketplace, but these started to revert as the year progressed and as production resumed. The immediacy of our interventions helped facilitate a quick recovery from the floods. Nevertheless, the reality of our acute vulnerability to climate change and to extreme weather events is ever-present and will only be mitigated with very significant investments aimed at achieving greater climate resilience.

1.13 Mr. Speaker, even as we confront head-on the formidable challenges before us, our Government continues to work in earnest to advance the aggressive agenda for transformation that we had previously outlined. At this moment of unprecedented opportunity for our country, we seek now to convert the bright prospects before us into realised national and individual well-being for all Guyanese. In this regard, Budget 2022 has historic significance. Building on the foundation laid by the previous two budgets, Budget 2022 launches what will be the most rapid period of transformation and modernisation ever witnessed in our country's entire history.

1.14 As I will shortly elaborate, Budget 2022 provides for massive investment in infrastructure that will change the face of our country forever, opening vast new tracts of land for productive purposes, establishing entire new communities while connecting others, and making thousands of Guyanese homeowners for the very first time. This budget lays the basis for thousands of rewarding jobs to be created for Guyanese nationals, including by leveraging the local content opportunities that are now being created, and it provides for relevant training to ensure that the Guyanese workforce is suitably equipped. This budget also lays the cornerstone for a visible leap in the coverage and quality of social services enjoyed by our Guyanese brothers and sisters, including and especially the most vulnerable.

1.15 It is also important to note that Budget 2022 is the first budget that will benefit from financing from the proceeds of Guyana's new and emerging oil sector. In this regard, this budget, supported by the robust institutional architecture that this Government has established, ensures that two complementary and critically important objectives are met: firstly, that the urgent development needs of the country are met in the shortest possible time; while secondly and simultaneously that the long term economic well-being of the country is protected and safeguarded at all times.

1.16 Mr. Speaker, we must never take for granted the challenges and risks that lie before us. They are real and formidable. At the same time, we must be cognisant of the vastness of the opportunities that beckon us as a nation, and we must have the vision and courage to convert those opportunities into a positive and lasting reality, remaining faithful always to the oneness of our country. Budget 2022 does precisely this and is, therefore, presented under the theme **Steadfast Against All Challenges, Resolute in Building Our One Guyana.**

2. The Global and Regional Economic Context

2.1 Mr. Speaker, as indicated earlier, global economic performance continues to be dominated by COVID-19. Undoubtedly, the 9.9 billion vaccine doses administered worldwide to date would have helped limit the severity of the pandemic's impact. However, the spikes caused by successive variants has resulted in some rolling back of previously relaxed containment measures. These factors, combined with the impact of the significant government support measures implemented in both advanced and emerging market and developing economies, led to the global economy recording a significant rebound from the 2020 contraction. Global growth is now estimated at 5.9 percent in 2021.

2.2 Underlying this was estimated growth of 5 percent in advanced economies, led by the United Kingdom (UK), the United States (US) and the Euro area which grew by 7.2 percent, 5.6 percent and 5.2 percent, respectively. Emerging market and developing economies grew by 6.5 percent, with particularly strong performances from China and India at 8.1 percent and 9 percent, respectively. Latin America and the Caribbean (LAC) recorded growth of 6.8 percent and, within the Caribbean, the latest estimate of overall growth in the sub-region is 3 percent in 2021, but excluding Guyana that estimate is revised downwards to 1.2 percent reflecting continued subdued conditions in the tourism sector.

2.3 Mr. Speaker, looking ahead to 2022, global growth prospects are subject to a high level of uncertainty. Renewed outbreaks, continued trade disruptions, and rising commodity prices are just a few of the downside risks to this year's outlook. Against this backdrop, global growth for 2022 is projected to be lower, at 4.4 percent. Output in advanced countries and emerging market and developing economies is expected to grow by 3.9 percent and 4.8 percent, respectively, while growth in LAC is anticipated to moderate to 2.4 percent. Meanwhile, the Caribbean is expected to grow by 11 percent overall and by 6.1 percent excluding Guyana.

2.4 As mentioned earlier, COVID-19 had adverse impacts on the global supply chain thereby fuelling global inflationary pressure. Rising commodity prices, coupled with supply-demand mismatches, resulted in inflation rates increasing rapidly, both in advanced economies and in some emerging market and developing countries. In the advanced world, the UK saw the highest inflation since 1992, while the US has reported a 7 percent 12-month inflation rate at the end of 2021, the fastest consumer price increase since 1982. Similarly, in Canada, annual inflation reached 4.8 percent,

the highest level since 1991. Prices also soared in the Euro area and in LAC, with growth in consumer prices estimated at 5 percent and 9.3 percent, respectively, in 2021.

2.5 Mr. Speaker, like all commodity exporting nations, Guyana remains particularly susceptible to global price fluctuations as evidenced by significant swings in our export earnings across some commodities in 2021. Among our main exports, rice and logs recorded an overall drop in prices. The average world market price of rice fell by 7.8 percent year-on-year to US\$458.3 per metric tonne for 2021, on account of increased supply in large producing countries. Similarly, the average price of logs decreased by 2.7 percent from US\$278.9 per cubic metre. The average world price of sugar, on the other hand, rose by 37.6 percent at the end of last year to an estimated US\$0.39 per kilogramme, owing to increased demand. With respect to precious metals, the average price of gold increased by 1.7 percent year-on-year to US\$1,799.6 per troy ounce in 2021. Similarly, there was a significant increase in aluminium prices, which grew by 45.1 percent in 2021 to US\$2,472.8 per metric tonne. With respect to crude oil, prices rose by 66.5 percent to an average of US\$70.4 per barrel in 2021. This increase resulted from supply disruptions and the global energy crunch, the latter resulting from unprecedented growth in demand combined with dwindling supplies.

2.6 Mr. Speaker, in 2022, prices are expected to taper for most of our exported commodities. The price of rice is expected to decline further by 12.7 percent to US\$400 per metric tonne. Similarly, the world price of sugar is expected to contract by 5 percent to US\$0.37 per kilogramme. Further, while the price of gold is also projected to fall in 2022 by 2.8 percent to US\$1,750 per troy ounce, the prices of aluminium and logs are expected to rise to US\$2,700 per metric tonne and US\$280 per cubic metre, respectively. Like aluminium, the average price of crude oil is expected to increase this year, growing by 5 percent, owing to continued high demand to an average of US\$74 per barrel in 2022.

3. Developments in the Domestic Economy in 2021

A. Real Gross Domestic Product

3.1 Mr. Speaker, real Gross Domestic Product (GDP) is estimated to have grown by 19.9 percent, while non-oil GDP is estimated to have grown by 4.6 percent in 2021, despite the persistence of COVID-19 as well as the impact of the floods. With this rate of overall growth, Guyana is likely to be amongst the three fastest growing economies worldwide in 2021.

3.2 The very creditable performance of the non-oil productive sector reflects the delicate and dynamic policy balance struck between aggressive containment of COVID-19 on the one hand and phased reopening of the economy on the other hand. It also reflects the prompt and proactive flood mitigation measures which helped limit the fallout in the agriculture sector and supported the sector in resuming activity in the shortest possible time. Additionally, the services sector recorded extraordinarily strong performances in response to a policy framework that has stimulated historic levels of demand for services and that has facilitated a commensurate response on the supply side.

B. Sectoral Performance

a. Agriculture, Forestry and Fishing

3.3 Mr. Speaker, the agriculture, forestry and fishing sector bore the brunt of the impact of the floods and is estimated to have contracted by 9.1 percent in 2021. This position is largely on account of reduced output in the sugar growing, rice growing, and other crops subsectors, which outweighed improved performances in the forestry, fishing and livestock subsectors.

3.4 Despite the devastation caused by the flood, the sugar growing subsector managed to contain the reduction in its value added to 34.7 percent in 2021, and delivered total sugar production of 58,025 tonnes. This reflects the destruction of some 4,300 hectares of cane in inundated fields in the first half of 2021. It is estimated that approximately 35 percent of the standing cane for the second crop was lost as a result of the May/June floods. At Albion estate alone, it is estimated that the mortality rate for the standing canes planned to be harvested for the first crop was 80 percent. Having worked

tirelessly to drain some 4.5 million tonnes of water off the lands, the industry was only able to save some of the surviving cane.

3.5 Similarly, the record-high rainfall observed in the first half of last year also had a severe impact on the rice growing sector, but the subsector managed to confine the reduction in its value added to 20.5 percent, with total paddy production in 2021 amounting to 859,993 tonnes, which resulted in 558,995 tonnes of rice being produced. Consequently, yield amounted to 5.5 tonnes of paddy per hectare.

3.6 Mr. Speaker, the other crops subsector is estimated to have contracted by 9.8 percent in 2021. When compared with the output from this industry in 2020, significant declines are observed for many fruits, vegetables, and spices, including papaw, bora, watermelon, sweet peppers, ochro, sweet potatoes, and ginger. Here again, the impact of the flood was sharp and severe. The reduced output of many items under this category was observed in the marketplace and fed through to prices of these and related commodities.

3.7 On the upside, growth in the livestock subsector is estimated at 9.2 percent in 2021, despite the loss of livestock in the floods. The increase is on account of growth in the production of poultry meat, beef, pork and mutton, which are estimated to have expanded by 16.5 percent, 13.9 percent, 23.6 percent and 21.3 percent, respectively, when compared with 2020 output. These more than offset the estimated declines in the production of eggs and milk. The increase in production reflects the growth in demand which followed the relaxation of COVID-19 restrictions on restaurants and other food establishments, combined with high demand in the oil and gas and mining sectors.

3.8 Similarly, the forestry subsector is estimated to have expanded in 2021 by 11.3 percent. Some level of recovery was noted in the latter months of the year after the initial impact of the floods affected accessibility and declarations. According to the latest declarations, timber output grew from 344,179 cubic metres in 2020 to 383,189 cubic metres in 2021, reflecting strong demand as a result of the expansion in construction activity.

3.9 Despite the challenges currently being faced by the subsector, fishing is estimated to have grown by 11 percent, having shown signs of recovery in the latter half of 2021 which resulted in some

15.7 percent growth in fish production. Notable increases were observed in production across all fish products, with the most significant growth observed for industrial finfish, which grew by 235.4 percent. Undermining the subsector's overall performance, was a 13.5 percent decline in the production of shrimp, as a result of declines in catches of whitebelly and industrial seabob shrimp. These declines outweighed increased catches of artisanal seabob shrimp and prawns.

b. Extractive Industries

3.10 Mr. Speaker, the mining and quarrying sector is estimated to have expanded by 36.5 percent in 2021, driven mainly by an expansion in the oil and gas and support services subsector which, when combined with the estimated growth in the other mining and quarrying subsector, outweighs the contraction in the gold and bauxite mining subsectors.

3.11 A total of 42.7 million barrels of oil were produced in 2021 compared with 27.2 million in 2020. This level of output was supported by the remedying of the mechanical issues initially encountered as a result of which the oil production rate for 2021 is now estimated at approximately 116,900 barrels of oil per day (bpd). The increased level of production resulted in the subsector's value added increasing by an estimated 46.5 percent.

3.12 Output in the bauxite mining subsector is estimated to have declined by 3.8 percent in 2021. In the latter half of the year, along with the effects of the continuous rainfall on the condition of access roads and on mining operations, one of the large operators faced mechanical issues with some of its machinery, thereby resulting in output falling by an estimated 12.7 percent below its 2020 performance. This outweighed the 155 percent growth in output recorded by the other smaller operator.

3.13 The gold mining subsector is estimated to have contracted by 14.8 percent in 2021, driven by lower output from both large and small and medium scale producers. On account of technical, financial and administrative challenges, the combined output from the large operators declined by 31.7 percent in 2021 to 68,268 troy ounces. Further, the small and medium scale operators declared 11.3 percent less ounces in 2021, taking total 2021 output to 499,054 troy ounces.

3.14 In contrast, in the latter half of 2021, output from the other mining and quarrying subsector, which comprises diamond, sand and stone mining, continued its upward trajectory. The subsector is estimated to have expanded by 81.6 percent in 2021. Diamond declarations grew by an estimated 82.2 percent to 45,106 metric carats last year. Sand extraction and stone production are estimated to have grown by 132.8 percent and 15.9 percent, respectively, partially supported by heavy emphasis of construction activity in the Government's Public Sector Investment Programme (PSIP) as well as rapid expansion in private sector construction activity.

c. Manufacturing

3.15 Mr. Speaker, the manufacturing sector is estimated to have grown by 3.5 percent in 2021. While rice and sugar manufacturing are estimated to have declined by 16.1 percent and 34.7 percent, respectively, the other manufacturing sector is estimated to have expanded by 20.7 percent. The expansion in other manufacturing is attributed to increased output of products like cement blocks, fabricated metal products, beverages, chemical products, and other food.

d. Electricity and Water Supply and Sewerage

3.16 Mr. Speaker, electricity supply is also estimated to have grown in 2021, by 4.7 percent, while the water supply and sewerage sector is estimated to have declined by 6.4 percent, partially on account of loss reduction efforts. Total water production amounted to 162 million cubic metres in 2021.

e. Construction

3.17 Mr. Speaker, as indicated above in relation to production of sand and stone, investment in critical infrastructural projects by the public and private sectors is driving, and will continue to drive, significant growth in construction activity. Current estimates show that the construction sector grew by 29.8 percent when compared with 2020, underpinned by both the major public infrastructure build-out that is currently underway, as well as increased private sector activity in industrial, commercial, and residential construction.

f. Services

3.18 Mr. Speaker, growth in the services sector is estimated at 11.9 percent. This is largely the result of significant expansion in wholesale and retail trade and repairs, transport and storage, financial and insurance activities, and administrative and support services, which are estimated to have grown by 32.9 percent, 31.8 percent, 10.3 percent, and 7.4 percent, respectively. Growth in wholesale and retail trade and repairs was primarily driven by heightened demand for consumption goods and construction materials. With respect to transport and storage, there was observed growth in the land transport subindustry through cargo movements and increased passenger transport attributed to relaxed COVID-19 restrictions. The administrative and support services industries expanded on account of increased activities related to the rental and leasing of machinery and equipment used in the construction industry, rising customer care service activities, and an increase in demand for security services due to business expansion countrywide.

C. Balance of Payments

3.19 Mr. Speaker, the overall balance of payments recorded a surplus of US\$130.2 million at the end of 2021, 24.4 percent higher than the surplus in 2020. This was the result of a higher capital account surplus, which more than offset the larger deficit on the current account.

3.20 Over the year, the deficit on the current account increased from US\$822.9 million to US\$1,533.1 million, primarily on account of the importation of Guyana's second floating production storage and offloading (FPSO) vessel as well as a significant increase in net service payments.

3.21 At the end of 2021, total export earnings amounted to US\$4,352 million, 68 percent higher than the US\$2,590 million earned in 2020. This was mainly driven by oil exports growing by 179.6 percent to US\$2,975.5 million amid increases in both volume and price. Non-oil export earnings amounted to US\$1,376.5 million.

3.22 Mr. Speaker, matching the intensity of the rise in exports, total import payments grew by 90.8 percent to US\$4,293.1 million. This was primarily attributed to the arrival of Guyana's second FPSO, Liza Unity, which accounted for US\$1,658.6 million or 38.6 percent of total imports for 2021. Further, net service payments stood at US\$2,557.1 million at the end of 2021, rising 40.4 percent above the

end-2020 position. This resulted from payments for non-factor and factor services growing by 40.1 percent and 60.8 percent to US\$2,503.9 million and US\$53.2 million, respectively.

3.23 Mr. Speaker, the capital account recorded a surplus of US\$1,678.5 million in 2021, US\$758.8 million above the surplus in 2020. This was primarily attributed to a 110.5 percent increase in net foreign direct investment (FDI) to US\$4,336.2 million. The overall favourable performance on the capital account was also supported by the net position for the non-financial public sector recording a 77.9 percent lower deficit of US\$42.1 million. This was largely due to disbursements increasing by 163.2 percent to US\$125.2 million.

3.24 Mr. Speaker, the balance of payments surplus resulted in the Bank of Guyana's external reserve position increasing to US\$810.8 million at the end of 2021, up from US\$680.6 million at the end of 2020. This is equivalent to 1.4 months of import cover.

D. Monetary Developments

3.25 Mr. Speaker, the stock of broad money at the end of 2021 was \$588.3 billion, 12.9 percent above the 2020 level. Growth was supported by narrow and quasi money expanding by 14.5 percent and 10.8 percent to \$342.5 billion and \$245.8 billion, respectively. The expansion in the former resulted primarily from demand deposits and currency in circulation increasing by 16.6 percent and 12.4 percent to \$166.2 billion and \$171.5 billion, respectively. The increase in demand deposits was driven by business enterprises' and individual customers' deposits growing by 24.2 percent and 6.8 percent, respectively.

3.26 Mr. Speaker, at the end of 2021, net domestic credit stood at \$225.1 billion, below the 2020 level of \$337.3 billion. While credit to the public sector declined, private sector credit increased by 10.4 percent to \$286.9 billion, consistent with the strong growth in the economy and improved sentiments in the financial sector. Private sector credit growth was supported by increased lending of 16.4 percent, 27 percent, and 19.4 percent to businesses in the services, manufacturing, and agriculture sectors, respectively. The growth in lending to the services sector resulted mainly from increased credit of \$11.3 billion, \$2.8 billion, and \$1.4 billion for other services, distribution, and telecommunications, respectively. The increased lending to the manufacturing sector was primarily attributed to credit for

other construction and engineering, and other manufacturing expanding by \$3 billion and \$2.8 billion, respectively, while the growth in credit to agriculture was principally driven by increased lending of \$1.2 billion and \$1.1 billion for paddy production and shrimp and other fishing.

3.27 While credit to businesses in the mining and quarrying sector reduced by 11 percent to \$4.2 billion, lending to households and for real estate mortgage loans increasing by 7.4 percent and 5.5 percent to \$36.6 billion and \$95.6 billion, respectively. The expansion in the former was supported by growth of \$2.7 billion and \$2.1 billion in lending for other purposes and motor cars, respectively. The increase in real estate mortgage loans was due to mortgages granted for private dwellings rising by 6.6 percent to \$88.2 billion, despite lending for individual and commercial properties falling by 6.2 percent to \$7.4 billion.

3.28 Mr. Speaker, as it relates to the public sector, contrary to a net credit position of \$127.2 billion at the end of 2020, the position reflected net deposits of \$2.9 billion at the end of 2021. This improvement resulted from credit to Central Government declining from \$188.2 billion to \$73 billion amid the previously reported securitisation of the government overdraft with debentures. The overall favourable position was also supported by public enterprises and other public sector net deposits increasing from \$40.9 billion and \$20.1 billion to \$51.7 billion and \$24.3 billion, respectively.

3.29 Mr. Speaker, consistent with the increased lending by the commercial banks and the growth in the money supply is total reserves deposited with Bank of Guyana declining by 6.5 percent to \$117.4 billion over the review period. Additionally, total liquid assets of commercial banks increased from \$211.5 billion to \$257.6 billion over the review period, largely driven by holdings of treasury bills expanding from \$69.5 billion to \$133.3 billion.

E. Prices and Income

a. Inflation

3.30 Mr. Speaker, as discussed earlier, inflationary pressures are elevated worldwide. Guyana was not exempt from these pressures. Indeed, as also discussed previously, imported price pressures were mitigated by measures implemented by Government, but were compounded by the domestic shock to productive output especially in the agriculture sector.

3.31 The immediate aftermath of the flood resulted in a sharp spike in prices, but as production returned to some normalcy, some amount of reversion was observed in the latter months of last year, leading to a 12-month inflation rate of 5.7 percent in December 2021. This reflected higher food prices, which rose by 11.6 percent and contributed 5 percentage points to the inflation rate.

b. Interest Rates

3.32 Mr. Speaker, there were no substantial changes in treasury bill yields over the review period. The 91-day treasury bill and 182-day treasury bill remained unchanged at 1.54 percent and 1.00 percent, respectively, while the 364-day treasury bill yield declined marginally from 1.00 percent to 0.99 percent. On the commercial bank rates, the small savings rate decreased from 0.91 percent to 0.83 percent. The weighted average lending rate also fell, from 8.95 percent to 8.88 percent.

c. Income

3.33 Mr. Speaker, our Government remains firmly committed to improving the lives and livelihoods of all Guyanese. In 2021, a 7 percent across the board increase was paid to over 50,000 public servants, teachers, members of the Disciplined Services, and Government pensioners. We also committed at the end of 2021 to seek to resolve the disparities that exist across positions in the public service salary scale to ensure parity and consistency with which persons with similar qualification are paid. The required work to support this process will be undertaken this year.

3.34 Additionally, in recognition of the tremendous efforts of our health workers across the country who have continued to confront the challenges of the COVID-19 pandemic, a special tax-free bonus equivalent to two weeks salary and amounting to more than \$600 million was paid to 9,200 health workers. Further, in fulfillment of our Manifesto promise, Government restored the one-month bonus to the members of the Disciplined Services, which resulted in a \$1.2 billion payout. Government also provided a \$250,000 one-off cash payment to nearly 5,300 severed sugar workers from the Enmore, Skeldon, Rose Hall and Wales sugar estates, injecting over \$1.3 billion into these communities.

F. Fiscal Position

a. Non-Financial Public Sector

3.35 Mr. Speaker, the non-financial public sector deficit (after grants) was \$121.8 billion, equivalent to 10.7 percent of GDP at the end of 2021, reflecting the expanded PSIP, growth in public expenditure to finance social programmes and to respond to the shocks encountered during the year, as well as the impact of the revenue measures implemented to provide relief to businesses and households.

b. Central Government

3.36 The operations of the Central Government recorded a deficit of \$115.7 billion, 10.2 percent of GDP, at the end of 2021. This is largely attributed to a \$61.8 billion increase in total expenditure which outweighed the \$38.5 billion growth in revenue.

3.37 Mr. Speaker, the strong performance of the economy and expanded activity across multiple sectors resulted in revenue gains that more than offset the annualised loss from the revenue measures implemented in the 2020 and 2021 budgets. As a result, total current revenue net of inflows of the Guyana REDD+ Investment Fund (GRIF) in 2021 was \$265.8 billion, 16.7 percent above 2020 collections. Tax revenue collections which accounted for 96 percent of total current revenue collections (net of GRIF inflows) amounted to \$255.1 billion, a growth of 16.8 percent over 2020.

3.38 Internal revenue collections increased by \$20.1 billion or 17.8 percent above 2020. This was driven largely by higher collections of personal income tax (PAYE), private sector corporation taxes, and withholding taxes. The increase in personal income tax of \$8.2 billion was driven by higher remittances by employers in both the public and private sectors. Collections of private sector corporation taxes grew by \$6.9 billion or 22.6 percent, due to higher payments by companies within the retail trade, telecommunications, and manufacturing of beverages sectors, among others. Withholding taxes grew by \$4.8 billion, largely on account of collections from the oil and gas sector.

3.39 Value-Added Tax (VAT) and excise tax collections increased by \$10.9 billion or 13.1 percent. Excise tax collections grew by \$12.5 billion, above the \$33.9 billion in 2020 as a result of higher tax collections from the importation of motor vehicles and petroleum products. Collections from the

importation of motor vehicles grew by \$6.7 billion above 2020, reflective of the budget measure in 2020 that removed the eight-year restriction on imported vehicles. On the downside, collections from VAT (net of refunds) totalled \$48.4 billion, \$1.5 billion below the level in 2020. This was primarily attributed to the zero rating of several previously standard rated goods and services, the cap on freight charges used to calculate taxes on import, as well as more timely payment of VAT refunds by the Guyana Revenue Authority (GRA).

3.40 Customs and trade tax collections were \$27 billion, a \$5.7 billion increase above its 2020 level, resulting from higher collections of import duties of \$5.1 billion from goods imported within the wholesale food, beverages and tobacco category and retail sales of hardware, paints, glass, automotive fuel, household appliances and furniture, all reflecting the resumption of economic activity and growth in disposable incomes.

3.41 Non-tax revenues totalled \$10.7 billion, \$1.3 billion above 2020, mainly on account of the higher transfers from statutory bodies and profits from the Bank of Guyana.

3.42 Mr. Speaker, Central Government expenditure totalled \$387.3 billion, \$61.8 billion above the amount expended in 2020. Within this, non-interest current expenditure for 2021 was \$275 billion, growing by 13.8 percent. This was primarily driven by the growth in other goods and services of \$17.8 billion and transfer payments of \$9.6 billion.

3.43 The higher expenditure within the goods and service category was attributed mainly to the more than \$7 billion in payments to farmers and households for flood relief assistance to recover from the floods. Further, there was higher spending on COVID-19 vaccines due to the countrywide vaccination programme rollout. The growth in transfer payments resulted from such factors as the restoration of the grant to parents of children attending school as well as the extension to private school students, along with growth in training such as through the provision of 6,000 online scholarships through the Guyana Online Learning Academy (GOAL).

3.44 Capital expenditure grew by \$28.3 billion to \$104.4 billion, on account of the ramped up PSIP to support critical infrastructural development, including transport infrastructure such as roads and

bridges, as well as in the social sector such as schools and public health care facilities. A significant contributing factor was also the resumption of the aggressive Government housing programme.

c. Public Enterprises

3.45 The public enterprises at the end of 2021 recorded an overall deficit of \$6.2 billion. Total receipts were \$140.3 billion, 20.2 percent higher than 2020 and total expenditures were \$146.5 billion, 24.1 percent above the expended amount in 2020. A significant contributory factor was higher operational costs at the Guyana Power and Light Inc. (GPL) due to increased oil prices.

G. Public Debt Management

3.46 Mr. Speaker, over the last year, our Government has continued its well-established track record of prudent public debt management, despite global and domestic shocks which constrained economic activity, affected government revenue, and necessitated increased government spending to curb the social and economic ramifications. In executing Guyana's public debt management functions, we have stuck, steadfastly, to the tried and tested strategy of contracting development financing in a manner conducive to both cost minimisation and risk mitigation.

3.47 Consequently, we have succeeded in preserving the sustainability of Guyana's total stock of public and publicly guaranteed (PPG) debt, which amounted to US\$3,126.7 million at the end of last year, or 38.7 percent of GDP. The end-2021 stock of PPG debt represented a 20.6 percent increase from the end-2020 position, primarily driven by growth of domestic public debt.

3.48 At the end of last year, domestic public debt totalled US\$1,731.5 million, 36.4 percent higher than the position at the end of 2020, mainly due to two factors. The first is an 81 percent increase in the stock of treasury bills to US\$702.7 million, reflecting Government's commitment to finance fiscal operations by recourse to the market instead of perpetuating the inherited malpractice of overdraft accumulation at the Bank of Guyana (BoG). The other factor responsible for the higher domestic debt is the issuance of debentures to the BoG in June 2021 for a total value of US\$959.2 million. These debentures were issued primarily to securitise the inherited overdraft. The issuance of these debentures restored a positive balance on public deposits at the BoG, along with the integrity of Guyana's fiscal accounts.

3.49 The stock of external public debt grew by 5.5 percent over the last year, to US\$1,392.8 million at the end of 2021. This increase was largely influenced by positive net flows from large creditors.

3.50 Total public debt service payments amounted to US\$121.9 million in 2021, representing an increase of 32.1 percent, mainly as a result of higher domestic debt service payments. The growth of domestic debt service payments was caused by three factors: firstly, an increase in debt service payments on debentures held by the National Insurance Scheme (NIS) due to an early repayment which yielded interest cost savings and improved liquidity at the NIS; secondly, 2021 marked the first year that Central Government fully covered the payments under a bond issued by the National Industrial and Commercial Investments Limited (NICIL) in 2018 with a Government guarantee; thirdly, domestic debt service costs were also driven by the payment of interest which accrued on the debentures issued to securitise the overdraft. External debt service payments increased by 6 percent in 2021, due to the commencement of principal repayments on several loans.

H. Natural Resource Fund

3.51 Mr. Speaker, it would be recalled that the previous Government had established the Natural Resource Fund (NRF) by enacting an NRF Act in 2019, and that our Government enacted a revised NRF Act in 2021 to address the more egregious deficiencies of the 2019 enactment. I will return shortly to the significance of the changes we made to the institutional architecture of the NRF flowing from the 2021 enactments.

3.52 Mr. Speaker, from the commencement of oil production in December 2019 to the end of 2021, there were 69 lifts of oil exported from Guyana, of which 9 were for Government. In March 2020, the US\$54.9 million proceeds from our nation's first lift of crude oil were deposited into the Fund, followed by the first royalty payment of US\$4.9 million at the end of April 2020. The Fund received US\$185.4 million from four lifts of profit oil and US\$12.9 million from royalties for the period March 2020 to December 2020. In 2021, the Fund received US\$357.2 million from Government's share of profit oil, and US\$52 million from royalties, and at the end of the year, the Fund's cumulative balance stood at US\$607.6 million.

3.53 Consistent with our Government's commitment not to use any of the proceeds of the oil sector until the deficiencies of the NRF Act are corrected, no withdrawals have been made from the Fund to date. As I will subsequently discuss, Budget 2022 proposes the first withdrawals to be made in keeping with the strengthened legislative framework governing the NRF.

4. Sectoral Developments and the Agenda for 2022

A. Introduction and Macroeconomic Context

4.1 Mr. Speaker, our Government is guided by the contract we have with the People of Guyana, the Manifesto on the basis of which they elected us. Our two previous budgets were guided accordingly, and so is Budget 2022. Our priorities continue to be to ensure that:

- i. Our economy is growing rapidly but sustainably, based on a diversified, competitive, and resilient productive base;
- ii. Rapid economic growth translates into abundant employment and entrepreneurial activity for the Guyanese People;
- iii. Our People are equipped with the skills they will need to participate meaningfully in, and contribute fully to, the economic transformation that is underway;
- iv. The infrastructural prerequisites for rapid transformation to a modern Guyana are in place, with special focus on energy, transport, and climate resilient sea and river defences;
- v. Our People have access to the highest standards of social services, including health care, water, and sanitation;
- vi. Basic protection and support are offered to the most vulnerable in our society, particularly the elderly and the young; and
- vii. Our institutions are strengthened to ensure a peaceful, safe, harmonious society, and one where citizens enjoy the highest quality of service throughout the country.

4.2 We are also guided by the global and regional goals to which we have subscribed. These include, of course, the Sustainable Development Goals agreed under the auspices of the United Nations in Agenda 2030. All of our national and sectoral strategies are guided by our aspiration to realise the eminently relevant objectives and targets of this globally shared Agenda. Similarly, we continue to be proud of our place as the seat of the Caribbean Community (CARICOM), and we have embraced a number of important regional strategies that are of importance not just to the region as a whole but also to our national interest. Foremost amongst these is "Twenty-Five by 25", which calls for the Region to reduce its extra-regional food import bill by 25 percent before 2025. We embrace

fully this objective not least because it coincides fully with our objective to ramp up agricultural production, agro-processing, and agri-business, as a major productive sector going forward.

4.3 Budget 2022 marks a visible stepping up of the pace towards achieving all these objectives, and towards achieving them in an observable, measurable, quantifiable, and lasting manner. With this in mind, this budget proposes dramatically scaled up investments in almost all sectors. It is important to emphasise that Budget 2022 is also cast within a framework that strikes a balance between meeting the immediate development needs of the country on the one hand, while investing for the future on the other hand.

4.4 Looking ahead, the future will be a period of strong economic growth which will moderate into the medium term. We will continue to be vigilant in our efforts to address supply side constraints in the near term, especially given the pre-existing presence of imported inflationary pressures. At the same time, we will remain focused on preserving and reinforcing fiscal and external sustainability for the long term, including by prudent management of the resources earned from our oil and gas sector.

B. The Low Carbon Development Strategy

4.5 Mr. Speaker, as a new oil and gas producer, it becomes doubly important for Guyana to maintain and demonstrate our strong global credentials on climate issues. For generations, Guyanese have discharged more than our fair share of responsibility in the global fight against climate change while, at the same time, bearing the brunt of climate vulnerability. Our country has championed the global effort to recognise the value of standing forests in fighting climate change.

4.6 At the heart of our original and pioneering Low Carbon Development Strategy (LCDS) was a mechanism to monetise the value of forest climate services, under which Guyana was eligible to earn up to US\$250 million through a partnership with the Government of Norway. Regrettably, during the period 2015 to 2020, over US\$135 million of those revenues, well over half of what had been earned, was ignored and left unallocated. Other programmes that had started before 2015 slowed down and effectively stopped. Moreover, work to integrate with global carbon markets did not advance. Since resuming office, the task of repairing these failures and recovering from the lost years has begun.

4.7 In Budget 2021, we unblocked over US\$85 million of the US\$137 million that had been left unallocated. Work has now been resumed on solar energy, Amerindian land titling, ICT access for the hinterland, and sustainable land management projects funded through the GRIF. The benefits of all these investments will fully materialise over the course of this year and early 2023 and these benefits will last long into the future, bringing economic and social benefit to tens of thousands of Guyanese.

4.8 In 2022, we will allocate the balance received from Norway currently sitting in the GRIF. When combined with investment income, this totals just around US\$54 million. Alongside the requisite institutional strengthening, the majority of this sum will be invested in building out major new outfall channels in Regions 5 and 6, similar to the Hope Canal, to strengthen our climate resilience. This final allocation of the amount earned through the Guyana-Norway partnership means that this year will see the first phase of Guyana's LCDS draw to a close. It also means that Guyana can now pivot away from catching up and repairing damage, and instead we can refocus on a vision for the future.

4.9 In line with that goal of focussing on the future, His Excellency the President launched in October 2021 the updated and expanded LCDS, the LCDS 2030, which has at its core four objectives:

- i. Integrating Guyana's forest climate services with emerging global carbon markets;
- ii. Supporting Guyana's economic transformation through cleaner, cheaper energy;
- iii. Investing in adaptation to climate change and building resilience, so that the extreme impacts of floods, droughts and other weather events can be lessened in the future; and
- iv. Contributing to the global effort to address climate change and biodiversity loss, both in terms of managing our natural resources responsibly as integration with carbon markets advances, and in terms of responsible stewardship of our oil and gas sector also.

4.10 Underpinning the entire draft LCDS 2030 is the need for it to be responsive to the needs of all Guyanese. That is why the strategy is currently undergoing a national consultation. Already, hundreds of persons have taken part in the consultation with many more contributions anticipated in the weeks ahead. The feedback received in the consultation will lead to the preparation of the final LCDS 2030, which will then be tabled in the National Assembly. At that point, the financing modalities for transitioning away from the GRIF while Guyana integrates with carbon markets will be fully specified.

C. A Diversified, Resilient, and Competitive Productive Sector

a. Oil and Gas

4.11 Mr. Speaker, as a new oil and gas producer and the country with the 17th largest oil reserves in the world to date, the oil and gas sector promises to be the driver of historically high levels of growth in the Guyanese economy with strong positive spillovers into the non-oil economy. This is already observed in our economic performance over the past two years, and the external environment remains supportive with demand for oil anticipated to exceed pre-pandemic levels in 2022 and a very positive near-term outlook.

4.12 Mr. Speaker, ongoing exploration activities have continued to yield positive results, with 28 commercially viable oil discoveries to date in the Stabroek Block and an estimated recoverable resource of over 10 billion oil-equivalent barrels, a mere 6 years after first discovery. The Stabroek Block currently has three identified production areas Liza 1, Liza 2, and Payara. Production capacity is currently at 120,000 bpd with the Liza Destiny FPSO in operation. The coming into operation of the Liza Unity FPSO early in 2022 will raise capacity to 340,000 bpd, and the deployment of the Liza Prosperity FPSO in 2024 will further raise capacity to 560,000 bpd. With the anticipated fourth production area, Yellowtail, estimates are poised to reach 810,000 bpd by 2026/27 and additional developments under consideration could see us reaching 6 FPSOs producing 1 million bpd by 2030.

4.13 Additionally, the current estimate of the gas reserve is 16 trillion cubic feet (Tcf) with projections from Liza 1 and 2 likely at 50 million standard cubic feet per day (mmscfd) and Payara will bring an additional 20 mmscfd. This augurs extremely well for the Gas-to-Energy Project that I will discuss later.

4.14 Meanwhile, development works on Payara and Yellowtail are ongoing and the exploration programme will continue in 2022. The operators in the Kaieteur and Canje Blocks also advanced exploration programmes in 2021, with additional wells likely to come online in the last quarter of 2022. In addition, exploration activities will continue in the Kanuku block.

4.15 Mr. Speaker, in the third quarter of this year, Government will be holding auctions and bidding rounds for available acreages of offshore blocks. This will be done in an open and competitive manner

which will allow for a more marketable approach to Guyana's resource development and at same time bring financial gains for the country.

4.16 Meanwhile, the legal framework governing the sector has also undergone significant strengthening. The historic Local Content Act 2021 was enacted in December 2021. The new law earmarks forty sectors or services and stipulates a minimum percentage of the total value of expenditure on those services that oil companies and their sub-contractors must procure from Guyanese suppliers. In doing so, the Act provides an enabling framework for the development and expansion of Guyanese companies and most importantly business and job opportunities for Guyanese nationals. Furthermore, the Local Content Secretariat is already being established and will come on stream within a matter of weeks. This will allow for the efficient operationalisation of the Act.

4.17 Relatedly, in order to ensure sound management of the revenues from our oil and gas sector, the deficient Natural Resource Fund (NRF) Act 2019 was repealed and a new NRF Act 2021 enacted. Despite the many shortcomings of the 2019 Act, Government decided to focus attention in the immediate term on addressing the most egregious deficiencies. These included: fundamental weaknesses in the governance arrangements, including a high concentration of powers and responsibilities in the hands of the Minister of Finance, and the complete absence of a Board of Directors or similar governing body, as required by the Santiago Principles; lack of transparency, including an opaque and unnecessarily complicated formula for determining the ceiling on withdrawals from the Fund, and which was open to manipulation by the Minister of Finance; and loose arrangements that allowed for expenditure to be met directly from the Fund, bypassing the appropriation process, and therefore without prior parliamentary approval.

4.18 The new NRF Act remedies these fundamental deficiencies by: scaling back the excessive powers of the Minister of Finance and removing any possibility of ministerial discretion in determining the ceiling on withdrawals; establishing a Board of Directors for the first time, and vesting in that Board the powers that were previously concentrated in the hands of the Minister; removing the possibility of any expenditure from the Fund being met without prior parliamentary approval; and strengthening transparency by requiring publication and parliamentary tabling of notification of every receipt into the Fund. These amendments constitute major improvements to the framework for managing the revenues from the sector.

b. Other Extractives

4.19 Mr. Speaker, beyond oil and gas, other extractives such as gold, bauxite, sand, stone, and other minerals will be major contributors to Guyana's economy going forward. Our Government recognises the critical role of the mining sector in the economy and will continue to invest in and promote the expansion of the sector, remaining mindful of the challenges and vulnerabilities as illustrated during the 2021 floods when operating sites and access roads were inundated and rendered impassable for an extended time.

4.20 In 2021, Government initiated consultations with the Guyana Gold and Diamond Miners Association (GGDMA) on revisions to the Mining Act and Mining Regulations. Meanwhile, the Mineral Property Management System has been developed and will undergo testing in 2022 with the aim of being fully implemented.

4.21 This year, Government will re-focus on capacity building in the sector through the Guyana Mining School and Training Centre (GMSTC), and the partnership agreement with the GGDMA will advance through Mercury Free Technology Testing and Demonstration. Other plans for 2022 include the implementation of a revised Standard Operating Procedures (SOPs) for the diamond trade.

i. Gold

4.22 Mr. Speaker, in 2021, the gold mining subsector represented 8.8 percent of our GDP – the third largest non-oil sector of our economy – and more than 60 percent of our total non-oil export earnings. The vision for gold mining lies with the continued support for exploration to uncover new discoveries that can potentially transition to mining projects. At a strategic level, more focus on deriving efficiency from the mineral recovery phase of the small and medium scale mines can also help to promote sustainability.

4.23 Significant growth can be expected from the subsector in 2022, with gold declaration envisaged to continue to be dominated by small and medium scale producers operating 1,054 small-scale mines and 25 medium-scale mines. Meanwhile, new allocations of mineral properties last year saw 202 medium-scale mining blocks being awarded via lottery and 65 via an auction.

4.24 Large scale operators are expected to come fully on stream in the medium term. At Karouni, while production will be paused this year, the investor will forge ahead with exploration and development of the underground prospect. Beyond this year, investment in the Toroparu area will finally result in long anticipated development of a full-fledged gold mine since an international mid-tier gold company has confirmed their interest in this project. Notably, development works to the tune of US\$165 million are slated for 2022 and a further US\$189 million in 2023, with production expected to commence in 2024.

ii. Bauxite

4.25 Mr. Speaker, having lost one major producer in 2020 as a result of the hostile investment environment at the time, bauxite mining continued with only two major operators. The larger of the two operating in Linden has in place plans to expand investment in 2022 with an estimated outlay of US\$16 million on capital investments. These include the construction of a third kiln and procurement of other heavy-duty equipment to improve the scale and efficiency of their mining operations. This third kiln is rated to have a throughput of 650 metric tonnes of bauxite per day and will increase the plant's installed production capacity by 65 percent with operation expected to begin in the latter half of 2022. Government is committed to continue the exploration of opportunities for another large-scale investor to fill the void created in 2020.

iii. Sand and Stone

4.26 Mr. Speaker, with the construction boom underway particularly pertaining to the rapid expansion in housing and road projects, the development and expansion of the other mining and quarrying subsector is crucial. This expansion has the potential of lowering construction costs since the abundance of local, readily available resources could ease the impact of imported inflationary pressure on the cost of key construction materials.

4.27 In 2021, there were five new permits granted for sand and loam that cover some 525 acres. The acreage of the plots ranges from 25 to 283 acres and production is expected to expand significantly in 2022 and beyond. Critically, 2022 will see attention focused on ensuring beneficial occupation of sand-bearing properties along the Soesdyke-Linden Highway.

4.28 On quarry production, private investment in the sector will bring significant growth in output in 2022. Currently, there are seven active stone quarries, three in Mazaruni, two in Essequibo and one each in the Corentyne River and Northwest District. In 2021, 11 quarry licences were issued to new applicants, covering 30,737 acres with each having a productive capacity of 150,000-200,000 metric tonnes per year. Most of the new quarries are anticipated to come on stream by the end of 2022.

v. Manganese

4.29 Mr. Speaker, the manganese operation in Matthew's Ridge was granted its Environmental Permit and Mining Licence, along with the approval of the Mine Plan. The project investment is pegged at US\$75 million, and the annual production and shipment of manganese ore concentrates is targeted at 500,000 metric tonnes annually. The first shipment of manganese is slated for March this year from the Port Kaituma site.

vi. Other Minerals

4.30 In 2021, there were several applications for non-traditional minerals including rare earth elements such as scandium and strategic minerals with over 20,500 acres allocated for the search and possible exploitation of these minerals.

c. Forestry

4.31 Mr. Speaker, Government is also committed to ensuring the sustainability of the forestry sector, as highlighted in the new LCDS 2030. In the context of sustainable forestry management, Government resolves to extract our forest resources at a pace that does not jeopardise our rate of deforestation.

4.32 Mr. Speaker, as already discussed, the forestry sector's performance was affected by the recent devastating floods. In 2021 rehabilitation of interior roads in the Kwakwani Unamco area facilitated improved access. Additionally, the adjusted National Log Export Policy has allowed for the rebound of timber exports including in the medium range species such as Wamara logs. Phase II of the National Forest Inventory (NFI) was successfully completed for Regions 2, 3, 6 and 10, at a cost of \$250 million. This will allow improved cost effectiveness in the resource extraction and more efficient management of the concessions.

4.33 Mr. Speaker, in support of continued growth in the sector, this year we anticipate the conversion of three large concessions, equivalent to 1.5 million acres which will result in an additional 30,000 cubic metres of logs, in 2022, and approximately 50,000 cubic metres of logs, annually, for the next 4 years. Additionally, 50 new small concessions of a combined 150,000 acres will be allocated resulting in a further 20,000 cubic metres of logs. In 2023, we project to allocate another 500,000 acres, with an estimated production output of 30,000-40,000 cubic metres of logs, annually.

4.34 In 2022, expanded road rehabilitation will target the Puruni road while we will examine the bridging of the Puruni River. The rehabilitation works will result in substantially improved ingress and egress for the forestry sector. These, along with regular monitoring of benchmark targets, are expected to redound to improved performance of the sector.

4.35 In the area of expanding the local value chain for wood products, we have been exploring market opportunities for export of sawn lumber to Barbados and pre-fab to Ghana and other countries. For the latter initiative, 120 pre-fab houses will be manufactured using local wood and exported to Ghana this year, in an effort to secure a long-term relationship with this potential market. Government will also work to resuscitate three kiln drying facilities at Essequibo, Berbice and Linden, which will support the supply of sawn lumber to the Barbados market, among many others. Further, a Wood Expo is planned for the second half of the year to promote value added opportunities which will benefit the over 100 licenced sawmillers and 25 higher-end value producers. The event is slated to attract over 80 overseas buyers and several value-added experts from Europe and North America. In 2022, Government will work on finalising the Guyana's Timber Legality Assurance System which is required for the implementation of the European Union Forest Law Enforcement Governance and Trade programme in order to be licenced to access the EU and other markets.

d. Agriculture and Food Security

4.36 Mr. Speaker, as has been said on multiple occasions, agriculture will be a major anchor of the non-oil economy. Having resumed responsibility for the agriculture sector in the CARICOM quasi-Cabinet, Guyana is uniquely poised to take advantage of production and trade opportunities in food products. As mentioned earlier, Guyana is committed to the CARICOM Twenty-Five by 25 initiative which aims to cut the extra-regional food import bill by 2025. This regional commitment is, in fact, a

golden opportunity for Guyana to finally realise its potential as the breadbasket of the Caribbean. Our focus is on ramping up domestic production as well agro-processing capabilities, working with the region to remove all historic barriers and impediments to intra-regional trade, and promoting more widely agri-business and complete transformation of regional food systems. On the domestic front, focus will be placed on both traditional crops as well as new and emerging ones.

i. Sugar

4.37 Mr. Speaker, Government's commitment to the sugar industry remains unwavering in spite of inheriting a devastating situation that was dominated by the callous shutdown of three sugar estates. Since resuming office, our Government has been proactive in focusing on: reopening and recapitalising the closed estates; rationalising cost structures; diversifying the sugar sales mix to maximise earnings; re-engaging previously displaced workers; and repositioning the industry on a sustainable path to profitability. Since taking office in August 2020, the focus has been on rehabilitation of assets and retooling of the estates.

4.38 Looking ahead at 2022, strategic investments will be made at Albion, Blairmont, and Uitvlugt, to upgrade and mechanise where appropriate the field operations, and expand packaging capabilities to produce more value-added products for our domestic and international markets. These investments will be undertaken with the ultimate objective of ensuring that each estate is able to break even in the not-too-distant future.

4.39 In anticipation of improved production levels, the Guyana Sugar Corporation (GuySuCo) will be concentrating its marketing efforts on shifting from the low-value bulk-sugar markets to more bagged and packaged sugar products. To this end, these products will increase from 34 percent in 2020 to 64 percent of total production in 2022.

4.40 I am pleased to announce to this Honourable House that over 1,300 persons have been re-employed with GuySuCo and are now able to provide a livelihood for their families. Additionally, as previously mentioned, over 5,000 workers who were severed in 2016/17, each received cash grants of \$250,000 in 2021.

4.45 Mr. Speaker, in 2022, Government has allocated \$6 billion to support GuySuCo's ongoing investment in field and factory operations to turn around the industry, while we continue to consider the possibility of engaging private investor interest also in some of the estates.

ii. Rice

4.46 Mr. Speaker, rice remains a mainstay of our agriculture sector and rice cultivation continues to be the main source of economic activity in many rural farming communities. We see rice maintaining its importance and increasing its contribution in our economy going forward. Our Government's immediate priority is to help our rice farmers recover from the aftermath of the 2021 floods as quickly as possible, and then to continue to expand cultivation and production, including more value-added varieties and products. In 2022, a total of 185,000 hectares is slated for cultivation with plans to expand by 8,000 hectares to 193,000 hectares by 2026.

4.47 Focus in 2022 will see improved drainage and irrigation to mitigate losses, and expanded research on new high yielding varieties, and seed production. In that regard, soil testing facilities were made available to farmers through the construction of a soil laboratory at the Burma Rice Research Station. Also, a value-added laboratory for rice and rice products was completed.

4.48 In 2022, GRDB will expend over \$300 million in plant breeding, agronomy, plant pathology, entomology and valued-added products as part of its research and development thrust. An additional \$20 million is budgeted for the procurement of a seed dryer for Black Bush Polder which will benefit more than 600 rice farmers in the area. In addition, a mini testing mill (polisher) will be acquired to analyse the quality of cargo rice and paddy. In anticipation of expanded production six drying floors in Regions 2, 3, 5, and 6 were constructed in 2021 and this year two additional drying floors will be added in Regions 3 and 4. Additionally, efforts to secure new markets will continue, with the British Virgin Islands, Estonia, and Slovenia secured recently.

iii. Other Crops

4.49 Mr. Speaker, the development of value chains for non-traditional crops is key to the expansion of agricultural production, ensuring food security, meeting local market demands, reducing imports and leveraging export opportunities. This Government recognised the need to reduce the cost of

production and address the challenges along food value chains in order to develop viable industries. In 2022, we will support the private sector to expand production and exports of non-traditional crops such as corn, soya, coconuts, broccoli, cauliflower, spices, citrus, and fresh flowers.

4.50 In this regard, focus will be placed on the cultivation of high-value produce, providing support for farm inputs for climate smart cultivation, restructuring the extension services to align with farmers' needs, and pursuing applicable research, to improve farmer profitability and enable them to become more competitive.

Corn and Soya Bean

4.51 Mr. Speaker, historically our livestock feed supplies have largely been imported, with our poultry industry consuming approximately 113,000 tonnes annually. Given that livestock feeds typically comprise 60 percent corn and rice and 30 percent soya beans, the recent global supply chain disruptions to imports have transmitted this vulnerability to our domestic food chain. Anticipated increases in demand for poultry and other livestock as our economy grows and the demand for food supplies expand led to a strategic decision by Government in 2021 to support the local private sector in a trial cultivation of approximately 200 acres of corn and soya bean. Our Government took the initiative to rehabilitate 47 kilometres of a vital farm to market road – the Ituni-Tacama road – starting from the junction of the Linden-Ituni road and heading east towards the Berbice River which will open up approximately 61,000 hectares of prime farmland in the Tacama, Wiruni, and Ebini Savannahs on the eastern side of the Berbice river.

4.52 Mr Speaker, I am pleased to report that the success of this trial has led to a decision by the private sector to increase to 2,700 acres for commercial trials in 2022. This will result in 1,500 tonnes of soya bean and 3,000 tonnes of corn being harvested in the second half of this year. With the anticipated success of the commercial trial, cultivation is expected to ramp up to 12,500 acres in 2023, 25,000 acres in 2025 and 56,000 acres in 2028.

4.53 To this end, \$102 million was expended in 2021 and a further \$426 million is budgeted in 2022 to complete the road. Further, required storage for anticipated harvests saw approximately \$236 million committed to procure a drying and storage facility with an additional \$225 million budgeted

in 2022 for the additional works and installation. This initiative sets the stage for large scale cultivation of corn and soyabean and related agrobusiness development in the Tacama area.

Coconuts

4.54 Mr. Speaker, in support of the expanding market for coconut water and coconut-based products, Government has allocated \$66 million in 2022. This allocation will support: the expansion of coconut cultivation and production, with decentralised and strengthened services to farmers; the establishment of three additional nurseries at Hosororo, Fort Wellington and Lethem, bringing a total of decentralised nurseries to nine across Guyana; and the expansion of seedling production to 36,000 in 2022. The production of value-added products, such as coconut fibre from coconut waste, will also commence in the Pomeroron, and will be used for soil enhancement.

High-Value Crops

4.55 In 2022, having recognised the growing markets for high-value produce, coupled with the need to provide employment opportunities particularly for young people trained in agricultural science, a sum of \$100 million is allocated to a newly launched Agriculture and Innovation Entrepreneurship Programme (AIEP). The first phase will see the construction of 25 shade houses for high-value crops such as broccoli, cauliflower and carrots, with over 300 shade houses slated for the medium-term.

4.56 In addition to the AIEP focus areas, another 100 shade houses will be constructed, adding to the 143 constructed in 2021, while shade house materials will continue to be available to farmers at a subsidised cost. In addition, floriculture will be explored with the aim of enhancing species adapted to our climatic conditions, and is expected to become a niche export.

iv. Agro-Processing

4.57 Mr. Speaker, it is recognised that Government's intervention in the agro-processing industry is critical for business viability and the development of private sector capacity in post-harvest options. To this end, in 2021, Government established a one-stop agri-business incubator, and cold storage and agro-processing facilities, all of which are interventions that will improve value-added in the agriculture sector.

4.58 In 2022, the Guyana Marketing Corporation (GMC) is aiming to decentralise the one-stop agri-business incubators in Regions 3, 5, 9 and 10 in areas such as Parika, Fort Wellington, St. Ignatius and Watooka. The sum of \$96.5 million has been allocated in Budget 2022 to equip the Sophia, Parika and Mabaruma agro-processing and packaging facilities. These facilities, along with supportive market research, will assist producers in meeting the international market protocols for their products and allow access to new markets. To further support the agro-processing industry, Government will retrofit and equip facilities at White Water Creek (Region 1), Charity (Region 2) and Shulinab (Region 9). These facilities will produce cassava bread, cassareep, tuma pot water, cassava meal, wines, dehydrated products, and sweet potato and banana flours. In addition, market research will be conducted for vegetables, roots and tubers, plantain, citrus and edible palm to inform the medium-term export strategy.

v. Livestock

4.59 Mr. Speaker, in response to the floods last year, Government provided cash grants totalling \$421 million to livestock farmers, distributed 71,594 breeding stock to be followed by another 80,104, and provided technical support to assist with the recovery of the sector. Government will continue to focus on the recovery of the industry and help farmers build resilience, in especially vulnerable situations. This includes: prioritising the relocation of vulnerable farms; constructing refuge mounds for animal shelter in the pastures; improving feed conservation; establishing alternative holding areas for disasters as part of an approved emergency plan; storing adequate veterinary supplies; and formalising the Disaster Risk Management Unit, with dedicated staff and resources to work on mitigation, adaptation and response to different types of hazards.

4.60 In 2022, Government will partner with the private sector to develop a modular swine abattoir at Garden of Eden to expand the production of pork and pork products. This facility will encompass better-standardised production systems and biosecurity, and benefit over 600 farmers. Also, Government will facilitate the establishment of a modern abattoir at Onverwagt for beef and beef products, which is expected to be completed by 2023. Additionally, pasture development will be a priority for the resuscitation of the dairy industry. The establishment of these facilities will be supported by the requisite certification processes and traceability capacity which would allow Guyana to access regional and international markets.

Mr. Speaker, to achieve these objectives, Government will provide \$977.3 million for livestock development in 2022.

vi. Fisheries and Aquaculture

4.61 Mr. Speaker, the fishing industry has been going through challenging times, despite its creditable performance in 2021. Government has been working closely with the sector to help overcome the challenges and encourage growth. In this regard, Government facilitated the creation of an Aquaculture Committee, and rolled out a programme to promote the improvement of brackish-water shrimp production on the Corentyne Coast. Currently in its first phase, this project provided for the rehabilitation of 23 shrimp farms in Region 6, resulting in higher shrimp production in this category in 2021 when compared to 2020.

4.62 Our Government will continue to support the livelihood of fishermen. In 2022, \$230 million is budgeted for second phase of the brackish-water shrimp production initiative. Both phases are expected to raise aquaculture production by over 300 percent moving brackish-water shrimp production to 500,000 kg per annum.

4.63 Additionally, Budget 2022 provides a sum of \$200 million to introduce and develop marine cage fishing which will enhance the production of prawns and tilapia. This will provide an important alternative production modality for Guyana's fisherfolk.

4.64 Additionally, Government will continue to improve the supportive infrastructure for the fisheries industry. In 2022, the greenhouse at the Satyadeow Sawh Aquaculture Station will be upgraded for the promotion of aquaponics, as a climate smart option for food production. Research will be also undertaken in indigenous high-value species and the use of local low-cost feed ingredients into aquafeed development.

4.65 Mr Speaker, in total, Government has budgeted \$743.7 million in 2022 for the development of this subsector.

viii. Drainage and Irrigation

4.66 Mr. Speaker, the recognition that climate change has evolved to a climate crisis has been abundantly evidenced by the erratic and extreme climate patterns and weather events we are experiencing in Guyana. The recent 2021 floods are, of course, only the most recent case in point. Now more than ever before, effective drainage and irrigation infrastructure design, construction and maintenance, are required to prevent perilous consequences. We must rapidly advance our plans for addressing our vulnerability to the effects of climate change.

4.67 In 2021, this administration conducted critical drainage and irrigation works to structures across the country, including areas such as: Nabaclis, Friendship, Victoria, Cove and John, Hogg Island, Wakenaam, Leguan, Zeelugt, Meten-Meer-Zorg, Buxton, Canal Polders, Black Bush Polder and Pomeroon. Emergency interventions by our Government brought relief to more than 115 communities that were severely affected by flooding. Government also developed water harvesting mechanisms in the South Central Rupununi; commenced work on pump stations at Adventure, Black Bush Polder, Cottage, Greenwich and Trafalgar; empoldered farmlands at Upper Pomeroon; and procured equipment and pumps to enhance our drainage and irrigation capacity. Further, a major study of Georgetown commenced to rectify drainage problems in residential areas.

4.68 Our Government will continue to strengthen the drainage and irrigation network across all Regions. In 2022, over \$1 billion is budgeted to procure 37 new mobile pumps to be installed along the coast, in Regions 2, 3, 4, 5 and 6, in areas identified to be vulnerable to flooding. Further, 100 tractor-driven pumps will be purchased to be utilised in all coastal Regions. This will be complemented by the construction and rehabilitation of pump stations at Canal No. 1, A-Line sluice WBD, Charity and Cozier, which will benefit over 9,500 acres of coastal farmlands. These interventions, along with the development of drainage improvement in the Mahaica-Mahaicony area, will benefit over 36,300 acres of farmlands.

4.69 Mr. Speaker, in 2022, we have budgeted \$13 billion to upgrade drainage and irrigation systems.

e. Sustainable Tourism

4.70 Mr. Speaker, like so many other sectors of activity, the trajectory of the tourism sector remains heavily dependent on the evolution of the pandemic. According to the World Tourism Organisation, a return to 2019 levels of international arrivals could take anywhere from 2.5 to 4 years. In striking contrast with this global trend, Guyana's tourism industry is facing its brightest prospects ever. Visitor arrivals increased to 131,381 in 2021, a 52 percent increase over 2020, though still below pre-pandemic levels. This reflects the captive business traveller and resident expatriate market, as well as the very resilient diaspora market.

4.71 Mr. Speaker, to prepare for the heightened interest in Guyana and a gradual return to pre-pandemic levels of visitors, large investments in accommodation are already underway. This year an additional 200 rooms will become available with the anticipated completion of the Pegasus Suites and Corporate Centre in 2022. An additional three internationally branded hotels are already under construction with an additional 485 rooms. Furthermore, approximately eight additional hotels are expected to commence construction in 2022, which would increase the room stock by a further 995 once completed. Among these are several global brands such as the Marriott and Hyatt Place. When completed the pipeline projects would add a further 2,180 hotel rooms to the stock by 2025. Additionally, in support of the enhancement and expansion of the eco-tourism product, Government invited expressions of interest for the establishment of even more eco-lodges and resorts.

4.72 At the same time, Government's efforts to facilitate increased airlift capacity continue apace. InterCaribbean Airways began operations to Barbados last December, and is expected in the medium-term to add about 30,000 seats annually, allowing for convenient connections to the Caribbean and Europe. In January 2022, Aruba Airlines and TransGuyana Airways resumed services to Cuba via Aruba and to Boa Vista. Additionally, Fly Allways is expected to commence flights between Guyana and Cuba with an anticipated 2,016 weekly seats being added to the market. Apart from these, discussions are ongoing with other international and regional airlines on the possibility of introducing service to either of Guyana's two international airports.

4.73 Meanwhile, Destination Guyana continues to attract mainstream attention and coverage, and we continue to seize every available opportunity to market our product. We leveraged key international

venues to showcase Guyana including our participation at the Dubai 2020 Expo. Additionally, in 2021, Guyana was showcased in several major industry publications, including Wanderlust Magazine, Condé Nast Traveller, and Forbes Top 50 Best Places to Visit Post-Pandemic.

4.74 Looking ahead, major effort will be devoted to human resource development in the sector. Work has begun on the design of the tourism and hospitality institute, as well as the preparation of draft curriculum, with construction is anticipated to commence this year. Additionally, we have secured a partnership with the Government of Barbados which will see over 6,000 Guyanese nationals being trained in various areas of the hospitality sector.

4.75 Government is also exploring technical exchanges and cooperation with Costa Rica in the area ecological and Scientific, Academic, Volunteer, Educational (SAVE) tourism, another niche area of focus in 2022 and beyond. We will also promote awareness of the various standards, including those related to accommodation, tour operators and tour guides, and bed and breakfast facilities, encouraging the private sector to pursue certification.

4.76 Seven new experiential tourism products were launched in 2021 and, in 2022, additional tourism products will include culinary, adventure, nature and SAVE tours across all regions. We will also develop tourism circuits in Regions 1, 2, 7 and 9, and complete the agri-tourism roadmap. To service the current and post-COVID travellers looking for 'safe' destinations, the vast open spaces in the savannahs in the North Rupununi will be promoted as well as the Essequibo Circuit and the Lower Essequibo Region, even as we take steps to ensure the safety of our hinterland residents.

4.77 Mr. Speaker, all our efforts, however, must be underpinned by strategic and targeted marketing. To this end, we will partner with the private sector, develop several consumer-based social media campaigns and monthly blogs, among other initiatives. Provision is made in Budget 2022 to: pursue a social media influencer initiative to complement ongoing market representation; expand airline and Diaspora partnerships; and train over 300 travel agents and tour operators, as we continue to proudly market Destination Guyana.

f. Information and Communication Technology

4.78 Mr. Speaker, it would be recalled that we liberalised the telecommunications sector as soon as we assumed office in August 2020. This was driven by our recognition of the vast transformative potential of the telecommunications sector. To further support the development of the sector, a national Information and Communication Technology (ICT) policy is slated for completion during the first half of this year, with \$1.3 billion budgeted to support the sector's rapid development.

4.79 Mr. Speaker, the Government's network infrastructure was improved with the addition of 30 km of fibre optic cable together with expanded LTE coverage across communities in the lower East Bank area and Bartica. In 2021, Government provided 451 new service connections to public institutions and increased the public WIFI bandwidth to 200mbps at 139 sites. Moreover, hinterland communities have benefited from the installation of 35 IP phone services, providing free calls between villages, government agencies and local landlines, for 16,300 persons. Grants were also released to 33 communities for the retrofitting/rehabilitation of facilities to accommodate ICT hubs.

4.80 Additionally, we have facilitated the growth of the business process outsourcing (BPO) industry which has created an additional 1,131 jobs between August 2020 and the end of 2021. In 2021, we partnered with a private operator to reopen a call centre in Linden which now provides 125 persons with jobs and an anticipated further 100 by June 2022. This year, we will also start work on building out the infrastructure for two new call centres which could potentially create over 1,500 new jobs by 2023.

4.81 Mr. Speaker, in 2022 Government will continue delivering on its promise to increase connectivity by providing 100 new service connections for additional schools, hospitals and other public institutions. Also in 2022, approximately 200 hinterland communities are expected to benefit from the deployment of VSAT equipment to facilitate connectivity, for the first time in many instances. Additionally, 167 communities are also slated to benefit from grants to make spaces ready to host ICT hubs as well as from 400 laptops to outfit them. Government will also be expanding its fibre optic cable network by 115 kilometres to deliver additional services to over 50 communities.

4.82 Mr. Speaker, our Government is committed to improving ICT literacy such that the employability and productivity of our population are improved. In 2021 alone, over 1,300 young people benefitted from training in areas ranging from word processing to robotics, networking and programming, and we are targeting another 3,000 beneficiaries this year, including via such events as innovation and coding camps.

4.83 Finally, Mr. Speaker, our thrust to rapidly develop our ICT capacities must also be underpinned by a robust cybersecurity posture. To this end, we are in the process of developing data protection legislation and will establish a Guyana National Cyber Incident Response Team, and a related Security Operations Centre. These teams are to be mandated with the protection of Government eServices, including citizen data, from external threats such as phishing and other forms of cybercrime.

g. Small Business Support

4.84 Mr. Speaker, small businesses have the potential to strengthen communities, local economies and the economy as a whole. For this reason, we have always supported and will continue to support small businesses through various initiatives including small business development grants, training opportunities and incubator centres.

4.85 In 2021, the Small Business Bureau (SBB) successfully distributed 746 small business development grants at a value of \$329 million, of which 61 were COVID-19 relief grants valued at \$13.4 million. Additionally, we introduced the country's first-ever Small Business One-Stop Shop in Region 2, which rendered assistance to 111 persons, helping them to register their businesses, secure NIS compliance and with other related business transactions. To further improve the ease of doing business, the reduction of the processing of export/import licences to target a 24-hour turnaround period has increased the aggregate number of licences issued from 5,282 licenses in 2020 to 5,969 in 2021, benefitting all scales of businesses.

4.86 Mr. Speaker, in 2022, \$300 million is budgeted for replenishment of the Small Business Development Fund. Furthermore, training will be provided to small business owners in areas including business management, record keeping, business plan writing, amongst others, which will enhance the capacity of small business owners to effectively develop and manage their businesses. Government,

through the SBB, will also establish an e-commerce marketplace for small businesses to market goods and services which will, no doubt, support their resilience, helping to maintain and increase revenue.

4.87 Mr. Speaker, as part of our ongoing efforts to enhance small business support, six Small Business One-Stop Shops, across Regions 1, 5, 6, 7, 8, and 9, are anticipated to be held in 2022, targeting 500 beneficiaries. We will also continue our efforts to improve the ease of doing business through the digitisation of the licensing process, in addition to development of an online platform for communication with the public and the provision of training to businesses in leveraging technology.

4.88 Mr. Speaker, the design of an electronic single window for trade will also commence in 2022. This initiative will result in the development and deployment of a single-entry point to fulfil all import, export and transit related regulatory requirements aimed at modernising and improving the efficiency of trade operations in Guyana, in support of increasing business activity. Concomitantly, there will be a comprehensive review of the business processes for all trade related agencies, as well as the acquisition of the necessary IT equipment to facilitate the roll-out of the single window.

4.89 Mr. Speaker, a sum of \$245 million has been budgeted to facilitate the establishment of new industrial estates in Regions 2 and 10. Additionally, business incubator centres at the Lethem and Belvedere estates will be operationalised in 2022 with 16 pods combined between the centres. These pods will provide access to shared light manufacturing facilities, operational space, and training and coaching for small businesses. They will also allow for small businesses to produce value-added agricultural products including virgin coconut oil, indigenous flour, and processed fruits, as well as other goods and services.

4.90 Furthermore, to assure confidence in our private sector and locally-produced goods and services, a National Standards Strategy for the development of priority standards will be pursued in consultation with stakeholders. In addition, we are examining the establishment of a traceability system which would address trade barrier issues, to the benefit of our growing private sector.

D. Transformational Infrastructure

a. Energy Expansion and Diversification

4.91 Mr. Speaker, inadequate, unreliable, costly, and environmentally unfriendly energy has been the bane of Guyana's industrial development as well as of our citizens' daily existence for as long as we can remember. As has often been said, had the Amaila Falls Hydropower Project (AFHP) not been derailed by those on the other side of this Honourable House, AFHP would have been meeting the needs of the national grid today. Be that as it may, the time for fixing this problem is overdue.

4.92 Mr. Speaker, following a public expression of interest in September 2021, Government issued an advertisement for the prequalification of firms interested in the transformational Gas-to-Energy project, recognising the potential of natural gas as a transition fuel. This project will allow us to phase out the use of expensive and carbon-intensive heavy fuel oil and is targeted to reduce costs substantially below the current levels. This project encompasses the establishment of a power plant to generate 300MW of power as well as a Natural Gas Liquids (NGL) plant that will cover domestic demand. The project also entails the construction of a 225 km 12" pipeline to transport the guaranteed minimum of 50 mmcf of natural gas from offshore Guyana to the Wales Development Authority.

4.93 Ongoing geotechnical and geophysical works for both offshore and onshore operations are advancing with portions already completed. An Environmental and Social Impact Assessment is expected to be completed by early second quarter of 2022. Utilising a transparent procurement process it is expected that the firm selected would be able to engineer, procure and construct the Power Plant and NGL Plant along with related facilities. Construction is expected to start in the third quarter of 2022 and will be completed by the fourth quarter of 2024.

4.94 Mr. Speaker, regarding renewable and low carbon energy, our most promising venture continues to be the AFHP with an expected capacity of 165 MW. We have requested, received, and evaluated proposals for this project, and negotiations are underway with the highest ranked company which is an experienced international company. The project will be developed under a build-own-operate-transfer (BOOT) arrangement within which the Guyana Power and Light Incorporated (GPL) will purchase power from the operator under a Power Purchase Agreement (PPA). We anticipate that

construction will begin in 2022 and be completed by 2027. Once operationalised, the facility will significantly reduce the cost of energy for both businesses and households.

4.95 We have also advanced the process for the construction of a 1.5 MW hydropower plant at Kumu, and for rehabilitation and upgrade to 700kW capacity of the defunct Moco Moco hydropower plant in Region 9. Over \$600M is budgeted for the construction of both projects in 2022. Additionally, over \$170 million has been budgeted for the completion of the 150kW hydropower scheme at Kato and for 30,000 photovoltaic home systems for hinterland and riverain areas. These solar mini-grid and off-grid solutions are our most viable options to ensure unserved and underserved hinterland regions are energised.

4.96 Likewise, \$1.1 billion is budgeted for solar farm interventions in 2022. These include the completion of the 1.5 MW solar farm at Bartica, 0.75 MW at Wakenaam and the 1.0 MW at Lethem. We will also tender for a 0.6 MW solar farm at Leguan and a 0.65 MW farm at Mahdia later this year. Over \$450 million has been budgeted to expand and upgrade the hinterland electrification and power generation capacity through the purchase of generators and the expansion of distribution lines.

4.97 Regarding the Guyana Power and Light Incorporated (GPL), we have successfully supported the rehabilitation of over 600 km of medium/low voltage distribution network. We have also implemented a “transformer module” in GPL’s customer information system. Both interventions will serve to better manage electricity loss in the grid. In 2022, \$1.6 billion is budgeted for the construction of a parallel transmission line linking the Kingston and the New Sophia substations, the upgrade of the existing L5 transmission line, and other works aimed at reducing transmission losses and maintaining desired system voltage levels.

4.98 Mr. Speaker, an important facet of the development of a sustainable energy sector, which has been missing from the primary discourse over the past six years has been consumer behaviour. While we have been providing for energy efficiency at the institutional level, consumer choices are equally important in reducing our carbon footprint. In 2022, we will be providing for the free distribution and installation of over 22,000 LED bulbs and over 12,000 LED tubes in homes, businesses and government buildings at Bartica, Linden, Leguan and Wakenaam. This initiative is anticipated to remove over 500 tons of carbon dioxide emissions from the environment. We will also pilot the installation of fast-

charging stations for electric vehicles, in Regions 3, 4 and 6. These, in addition to the existing fiscal incentives for the procurement of renewable energy equipment, are all part of Government's plan to influence consumer choice in favour of low- or zero-carbon options.

4.99 With the aim of advancing the transition to cleaner sources of energy, while ensuring that we meet the growing demand for electricity and reduce the cost of electricity by 50 percent over the next 5 years, Government has allocated \$29.4 billion to the energy sector in 2022. Major allocations within this amount include: \$20.8 billion for the Gas-to-Energy project and \$1.4 billion for the 33 MWs solar farms for Berbice, Essequibo, and Linden.

b. Transport Infrastructure

4.100 Mr. Speaker, our Government is committed to implementing an integrated national infrastructural development programme comprising: improving international, hemispheric and regional connectivity; creating, re-establishing and improving communication linkages between and among our major urban, rural, hinterland and inland centres; and prioritising farm to market access to promote increased production and reduce the cost of production as well as improve trade and competitiveness.

i. Roads and Bridges

4.101 Mr. Speaker, a major expansion of our roads and bridges network is already very visibly underway. In 2021, a sum of \$27.5 billion was spent on improving our roads and bridges network across the ten administrative regions. To this end, works were substantially completed on the four-lane highway from Eccles to Mandela Avenue, Sheriff Street-Mandela Avenue Road Network, No. 52, and No. 58 roads, all of which are expected to be completed during the first half of this year. Under our Hinterland Roads Programme, the sum of \$2.6 billion was expended in 2021. This programme saw among others, the completion of the rehabilitation of the main access road between Kumaka and Kwebanna Phase I, Mile 5 to Airstrip Bartica Phase IV and Princeville main access road and the commencement of works on the Timehri to Makouria, Parika to Bartica and the Tacama roads.

4.102 Mr. Speaker, in 2022, \$76.7 billion has been allocated for roads and bridges, of which \$49.2 billion will be spent on roads and \$27.5 billion on bridges respectively.

4.103 In relation to roads, key allocations include provisions of: \$8.3 billion for the rehabilitation of the Corentyne Main Road from Palmyra to Crabwood Creek; \$6 billion for the construction of the Linden-Mabura Hill Road; \$3.4 billion for hinterland roads; \$2.6 billion for the rehabilitation of the entire Soesdyke-Linden Highway; \$2.3 billion for the East Bank-East Coast Demerara Road Linkage between Ogle and Eccles; \$1.1 billion to complete the Sheriff Street – Mandela Road Network and Expansion Project. Additionally, some \$15.2 billion is allocated for the construction and rehabilitation of additional urban and community roads.

4.104 Mr. Speaker, we recognise that one of the most severe irritants regarding the roads network right now is the congestion on the East Bank Demerara corridor. We have committed to resolving this, to which end we have already constructed and operationalised a 3.7 km inter-community road link between Mocha Arcadia and Diamond. Additionally, a new four-lane highway linking Mandela Avenue to Haags Bosch is currently under construction and will be completed in the first quarter of 2022. Construction of the four-lane Ogle to Haags Bosch road will also commence shortly, creating another road access which will further reduce the current traffic chaos and congestion along the East Bank corridor. Further, works will also commence to widen and pave the East Bank Highway from Grove to Timehri for which \$2.1 billion is allocated in 2022. Meanwhile, preparatory work has also been initiated in relation to the widening of the East Coast highway from Annandale to Mahaica, the upgrade of the railway embankment from Sheriff Street to Orange Nassau, and the construction of the new four-lane superhighway from Schoonord to Parika.

4.105 Mr. Speaker, with respect to bridges, \$21.1 billion is allocated to advance construction of the new, fixed four-lane high span Demerara River Bridge, while \$946 million has been budgeted to rehabilitate and maintain the aged existing floating bridge. Additionally, \$4.1 billion is allocated for the re-construction of several bridges along the Kurupukari to Lethem corridor that will support the phased construction of the Linden to Lethem highway. Further, to address the critical needs of bridges across the country, another \$173.9 million is budgeted for the construction, rehabilitation and maintenance of bridges in areas including Garden of Eden, Chateau Margot, Beterverwagting, and Cemetery Road.

4.106 Mr. Speaker, another extremely important intervention included in Budget 2022 is an allocation of \$3.3 billion to finance improvement and enhancement of the aesthetics of the environment across

major urban areas in our country, with a particular focus on the capital city. It would be recalled that His Excellency the President spearheaded the launching of a major cleanup campaign in Georgetown just over a week ago. This programme will see a number of restoration projects and programmes being undertaken.

ii. Air Transport

4.107 Mr. Speaker, the Government's emphasis on modernising the Cheddi Jagan International Airport to fully comply with air transport standards required for a world class international port of entry, is being further realised through the construction and rehabilitation of additional facilities. These include: rehabilitation of the international apron and the construction of a taxiway; construction of an administrative building with conferencing facilities; offices for the airlines and other supporting agencies; a duty-free bond; and the construction of a new office complex to accommodate CJIA's staffers.

4.108 Mr. Speaker, given the emphasis on hinterland development and the domestic tourism product, it is important that we upgrade and enhance the services provided by our hinterland airstrips and aerodromes. To this end, Government has expended \$345 million in 2021 for the rehabilitation and maintenance of several hinterland airstrips including Baramita and Paramakatoi.

4.109 In 2022, \$600 million has been allocated for the rehabilitation and maintenance of hinterland airstrips at Eteringbang, Karisparu, Paruima and Ekereku Bottom. The interventions to be undertaken on the airstrips earmarked for this year are intended to make them compliant with the Guyana Civil Aviation Authority's minimum engineering standards. Moreover, this will improve the safety for travellers, aircraft and personnel using the airstrips. This subsector has been allocated \$2 billion, including \$927 million for CJIA.

iii. River Transport

4.110 Mr. Speaker, with the emerging oil and gas sector the country's riverain transport activities have increased tremendously. This is particularly so in the Demerara River which is now home to several emerging shore base facilities and other ports catering to the sector. In augmenting this new fast-growing sector, Government has increased the navigational safety devices to aid and guide vessels

using our main waterways in the Demerara, Berbice and Essequibo rivers. Additionally, a new pilot launch was acquired to assist vessels entering and leaving the various ports while the Steve N was rehabilitated to facilitate the dredging of the main channels. Further, the stelling at Wakenaam and sections of the Parika and Supenaam stellings were rehabilitated.

4.111 Mr. Speaker, the rehabilitation of our ferry vessels, which facilitate the travelling public, is also critical for the movement of people and cargo. To this end, Government has allocated, in 2022, the sums of: \$2.1 billion for the construction of a new ocean-going passenger and cargo vessel, which will ply the North West District route; \$562 million for the docking of Makouria, Sabanto, and Kanawan; and \$456 million for the continued rehabilitation of Leguan, Fort Island and Bartica stellings. The new vessel for the North West District route is expected to be completed and operationalised in the second half of this year.

4.112 Additionally, private investments are being encouraged to develop port facilities at the mouth of our main rivers. To this end, two new oil and gas shore base facilities are expected to be constructed by private investors on the western side of the Demerara River. Additionally, at the mouth of the Berbice River, work has already commenced by private investors to construct a port facility also to service our oil and gas industry.

c. Sea and River Defence

4.113 Mr. Speaker, given our long-established climate vulnerability, our Government continues to actively implement measures to mitigate the impact of sea and river defence breaches along our low-lying coastal shorelines and river embankments. To this end, Government expended \$4.7 billion in 2021, on the construction, rehabilitation and maintenance of rip-rap sea defence in areas, including Fairfield, Naamryck, Zeelugt, Zeelandia and Leguan. Further, the construction of 100 metres of geotextile tube groyne at Non Pariel was completed along with the planting of 40,000 mangrove seedlings.

4.114 In 2022, \$5 billion is allocated to further strengthen Guyana's flood protection infrastructure system through sea and river defence works in areas such as Grove, La Resource, Maria's Delight, Zeelandia, Leguan, Bygeval, Essex and Bengal.

E. Investing in Our People

a. Health

4.115 Mr. Speaker, ensuring a modern, world class healthcare system is a paramount objective for our Government. To this end, we will leverage existing and soon to be built public healthcare facilities, private investment, as well as public-private partnerships in the sector, with the aim of not only meeting the needs of our citizens and residents, but also to be able to offer medical treatment as an export service through medical tourism.

4.116 Indeed, only two days ago, this Honourable House considered and approved of the Human Organ and Tissue Transplant Act which seeks to establish a modern framework for the donation and removal of organs and tissues for their use in regenerative medicine and other therapeutic purposes, including gene and stem cell therapy. At the same time, we continue to battle the most immediate challenges before us, foremost amongst them the ongoing COVID-19 reality. We will continue to manage the pandemic even as we prioritise interventions to modernise the sector and improve service delivery. To achieve these outcomes, \$73.2 billion has been budgeted for the health sector for 2022.

Facilities and Equipment

4.117 Mr. Speaker, Government continues to expand access to health services and facilities. Our clear policy mandate is that every health facility across the country must be sufficiently comfortable, functional and equipped with all the basic amenities. In 2021, we expended \$2.3 billion to modernise and expand facilities including Festival City Polyclinic, hospitals, health centres and other facilities in areas such as Kumaka, Moruca, New Amsterdam, Bartica, Kamarang and Aishalton as well as the upgrade of the Diamond Diagnostic Centre and Lethem Hospital to SMART facilities. In addition, a total of \$1.9 billion was expended for the purchase of medical and non-medical equipment to retrofit health facilities countrywide.

4.118 In 2022, a total of \$16.1 billion has been budgeted to launch a major expansion in public health care facilities. Of the amount allocated, \$12.4 billion will be used for the design and construction of a state-of-the-art paediatric and maternal hospital, upgrading of the West Demerara and Bartica regional hospitals, and the construction of six modern regional hospitals at Anna Regina, Tuschen,

Diamond, Enmore, Bath and No. 75 Village, Corentyne. These regional hospitals are expected to catapult healthcare delivery beyond current levels provided by existing regional facilities as well as to reduce the undue cost and burden of referrals to the Georgetown Public Hospital Corporation (GPHC). In addition, a further \$220 million is budgeted to retrofit and equip the Festival City Polyclinic to provide services which will include x-ray, dental, laboratory and rehabilitation services. Additionally, a sum of \$1 billion has been allocated for the upgrading of health centres across all Regions, to address critical interventions needed to improve the patient experience.

4.119 Also in 2022, \$2 billion has been budgeted for medical and non-medical equipment. Of this amount, \$359.3 million is earmarked for our national referral hospital, the GPHC, which will allow for the increased use of laparoscopic surgical techniques – serving to improve surgical outcomes and reduce recovery time – and for the introduction of vascular surgery, for the first time. This will augment the \$299 million which was expended last year, for GPHC, to support the reintroduction of paediatric cardiac services, slated for this year, and the upgrading of testing equipment, among other service improvements.

Human Resource Capacity

4.120 Mr. Speaker, in 2021, across all ten Regions, we added over a dozen specialists in areas including emergency medicine, anaesthesiology, paediatrics and dentistry. We have also placed 20 graduates in the sector and anticipate placing a further 70 in 2022. Further, and for the first time, we will be training 40 biomedical technicians to support more effective maintenance of medical equipment across the country.

Chronic Diseases

4.121 Mr. Speaker, the top challenges highlighted by the national disease profile, aside from accidents and injuries, are hypertensive diseases, diabetes and other ill-defined chronic conditions. In 2021, despite the pandemic, we managed to screen over 25,000 patients for major non-communicable chronic diseases and plan to continue to support early screening. In 2022, we target screening a further 27,000 persons. In the specific area of diabetes, we have made significant progress towards the construction of a diabetic clinic at Lusignan which, when completed later this year, is intended to be a

one-stop shop for diabetic patients. Once operationalised, the clinic will be able to provide specialist services including eye screening, diabetic wound care and cardiovascular screening.

Emergency Medicine

4.122 Mr. Speaker, we anticipate the continued expansion of our Emergency Medical Services programme this year, with a further \$26 million budgeted for two additional ambulances.

Mental Health

4.123 Mr. Speaker, with respect to mental health, in 2021, we expended approximately \$538 million to procure the necessary drugs to augment mental health services and counselling across the country. Additionally, we have successfully completed the designs for the extension of the mental health ward at the national referral hospital, and \$39 million is budgeted in 2022 for this extension. We have also budgeted \$50 million for training including in specialty areas such as addiction and rehabilitation. Noteworthy, consultations on revisions to the Mental Health Act of 1930 will be held, following which it is expected to be revised and tabled in Parliament, for consideration, this year.

COVID -19 and Other Communicable Diseases

4.124 Mr Speaker, Government's COVID-19 response programme, in 2021, required some \$8.4 billion to address the pandemic in the health sector with over \$750 million expended for the functioning of the Infectious Diseases Hospital (IDH) which was able to provide treatment for over 2,500 patients. We have also operationalised imaging, radiology, dialysis and surgical services, among others, at the IDH. Further, \$2.3 billion was expended on the COVID-19 vaccination programme.

4.125 Recognising that the pandemic will continue to demand dedicated attention, in 2022, the COVID-19 response programme will continue to heavily rely on masking, physical distancing, ventilation and sanitising requirements, access to COVID-19 vaccines and care and treatment at the IDH. Additionally, we anticipate operationalising a maternal delivery room, oxygen plant and physiotherapy department, among others, at the IDH. Overall, over \$6.8 billion has been allocated in 2022 for the national COVID-19 response which includes among other initiatives, the provision for an additional 260,000 doses of vaccines to be utilised for booster shots and those yet to be vaccinated.

4.126 Meanwhile, COVID-19 continues to stretch the capacity of our health sector, resulting in reduced human resource availability in other areas, such as HIV and malaria. On that note, in 2022, we will continue the transition to new anti-retroviral medications which are more effective in suppressing the viral loads in persons living with HIV. In the of area of malaria, though there was reduced testing in 2021, over 55,000 long lasting insecticidal bed nets were distributed and over 16,000 are slated for distribution in the first half of 2022. We have also budgeted \$142.4 million to procure over 112,000 nets, this year, in preparation for the next distribution cycle in 2023 which will serve to protect over 158,000 persons. With regard to tuberculosis (TB) management, though also affected by the pandemic, Government successfully opened a chest clinic at the Port Maurant Hospital, in 2021, which provides testing, treatment and follow-up services. In 2022, we will endeavour to ramp up testing, including through a partnership with the Prison Service, and intensify the directly observed treatment short-course (DOTS) programme for TB control.

Maternal and Child Health

4.127 Mr. Speaker, in the area of maternal health, maternal mortality remains high at an estimated 140 per 100,000 live births due to, *inter alia*, COVID-19 complications, pregnancy induced hypertension and post-partum haemorrhage. In 2022, we will be pursuing strengthened engagement and partnerships with traditional birth attendants, strengthening health facilities with related equipment, and expanding family planning services. We also anticipate that the maternal waiting homes at Moruca and Kato as well as the maternity ward at the New Amsterdam Hospital will be substantially completed this year, all of which are expected to improve maternal and child health.

Adolescent Health

4.128 To reduce adolescent pregnancies, Government will pursue the “safe-space” initiative in schools to facilitate peer interaction and counselling as well as partner with local medical teams and community organisations to address comprehensive education in schools. Another initiative that will help to reduce unplanned pregnancy is the expansion of the contraceptive programme which will benefit from an allocation of \$154 million in 2022. In support of adolescent health, \$50 million has been budgeted for advancement of the programme led by the Office of the First Lady on the promotion of menstrual hygiene and will benefit over 30,000 adolescent girls.

Drugs and Medical Supplies

4.129 Mr Speaker, this Government intends to eliminate incidences of drug shortages by 2023 and to that end \$17.9 billion has been budgeted to procure such supplies for the health sector in 2022. In this regard, Government has mandated urgent reforms in the supply chain management system across the sector including data driven quantification and strengthened procurement systems.

b. Education

4.130 Mr. Speaker, an education system that delivers a modern, model, and adaptive learning experience is an imperative to realising His Excellency's vision of a world class education for all. Improved access, quality, and relevance are essential to raising Guyana's human capital to the levels needed to advance and sustain the imminent transformative economic and social development.

Strategic Planning

4.131 Mr. Speaker, in 2021, Government launched the new Education Strategic Plan for the period 2021 to 2025, presenting the 2030 Vision for the sector, aimed at providing opportunities for equitable access to quality education and lifelong learning for all. As such, we will reform the curriculum, expand teacher training, construct new schools, and establish robust systems to take advantage of the finite window of opportunity to educate each generation. Consistent with this vision, \$74.4 billion has been budgeted for this sector in 2022.

Improving Performance Across All Levels

4.132 Mr. Speaker, the quality of the education system is largely gauged by the performance of our children on the national and regional standardised tests. We aim to have passes on the NGSA moving from 30 percent in 2021 to no less than 42 percent by 2025, while for the Caribbean Secondary Education Certificate, performance should move from 30 percent in 2021 to no less than 61 percent by 2025, for students gaining Grades 1 to 3 in five or more subjects, including Mathematics and English.

Improving School Building Infrastructure

4.133 In 2021, \$5.4 billion was spent on the construction, extension, rehabilitation, and maintenance of education facilities. Works advanced on nursery schools at Queenstown, Martyrsville, Agatash; primary schools at Swan, Vryheid Lust, St. Martins, Waramadong; and secondary schools at Abram Zuil and Yarrowkabra. Additionally, science and information technology laboratories, smart classrooms and maintenance of educational facilities were completed.

4.134 Mr. Speaker, in 2022, we have allocated \$6.6 billion towards the construction, rehabilitation, extension, and maintenance of our educational facilities, which includes the commencement of construction of Prospect Secondary, and reconstruction of North Ruimveldt and North West Secondary schools, both destroyed by fire last year. Further, nursery schools at Hydronie, Haslington and Vryheid Lust; and primary schools at Bamia/Amelia's Ward, Kaikan, Karabairu, Zeelugt and Oronoque are slated for construction works. Mr. Speaker, the Kato and the Linden Technical Institute dormitories will be completed. Additionally, a number of schools and educational facilities will be rehabilitated and maintained in 2022.

Improving Access through Cash Transfers

4.135 Mr. Speaker, in keeping with our Manifesto commitment, the PPP/C Government has restored and expanded the Because We Care programme with the aim of improving students' attendance across all levels. For the first time, Government extended this programme to private schools, allowing approximately 15,000 additional students to benefit from this initiative, at a cost of \$284.8 million, while approximately 174,000 public school students received cash grants costing \$3.3 billion.

School Feeding to Support Access and Student Performance in Nursery and Primary

4.136 Mr. Speaker, to address the nutritional intake of our children and improve their attentiveness, we will restructure and expand the national school feeding programme. This will result in the breakfast, juice and biscuit and hot meals programmes being implemented in 902 coastal, hinterland, and riverine, nursery and primary schools. The sum of \$2 billion has been allocated to implement this initiative in 2022 and will benefit a total of 85,773 pupils.

Incorporating Information and Communication Technology in the Education Sector

4.137 Mr. Speaker, the pandemic has reinforced the need to accelerate comprehensive digitalisation of the sector, and in response we will be equipping 300 primary school teachers and 125 secondary school teachers with laptops and computing devices. Additionally, approximately 11,000 tablets and flash drives loaded with teaching materials will be provided to students at these levels while the number of smart classrooms will be expanded. This initiative is budgeted at a cost of \$295.7 million. Further, for the first time over 260 schools will be monitored using the Education Management Information System (EMIS) which will allow expanded monitoring and supervision of performance.

Textbooks and Science Kits

4.138 In 2022, the sum of \$1.2 billion is earmarked to procure textbooks on top of the \$443.5 spent in 2021. Further, over \$20 million is budgeted to purchase 2,000 micro-science kits for an additional 100 primary schools which will allow for 100 percent primary coverage, for the first time.

Reforming Teacher Training

4.139 Mr. Speaker, in 2021, the Cyril Potter College of Education (CPCE) recorded its largest enrolment of over 3,000 students. This was facilitated through a new blended approach of online and in-person delivery of teacher training, at a cost of \$556 million. The initiative served to advance Government's objective of improving the quantity and quality of trained teachers in our schools, so that the target of 85 percent trained teachers by 2025 and 100 percent by 2027 is achieved. Mr. Speaker, in 2022, approximately \$200 million is allocated to provide financial support to trainee teachers. Importantly, the College will continue to offer its existing programmes in a blended approach, as it seeks to further increase enrolment.

4.140 Further, an additional 511 trained teachers were added to the sector in the 2021/2022 academic term. Of note, the January 2022 graduating class of 843 trained teachers was the largest in the history of the College and stands testimony to this Government's commitment to reforming and expanding teacher training. Student to teacher ratios will be brought down to no more than 15 to 1 at the nursery level and 20 to 1 at the primary and secondary levels, to allow each child adequate and individual teacher interaction in the classroom. At the same time, enrolment at the nursery, primary

and secondary levels must reach 100 percent by 2025 to ensure that every school aged child is in a classroom and accessing the education curriculum.

Tertiary Education

4.141 Mr. Speaker, the University of Guyana will be allocated \$3.5 billion towards the operation of its campuses and expansion of its course offerings for online and in-person classes to its 11,000 students and 1,178 staff, dispersed across the country. Additionally, to ensure even wider access to tertiary education, the GOAL programme offered 6,000 online scholarships in keeping with His Excellency's mandate to accelerate the development of our human capital. This exceeded our target of 4,500 due to the overwhelming response by the public to this initiative. In 2022, an amount of \$1.3 billion is budgeted to meet the cost of another 4,500 scholarships as well as 2,726 continuing students.

Technical and Vocational Training

4.142 Mr. Speaker, Guyana's rapid development trajectory requires a skilled, qualified and innovative population, capable of meeting the needs of our labour market. Government has identified human capital development through technical and vocational skills as one of the critical impetuses for our development agenda. In this regard, we will partner with the private sector to provide relevant training immediately, even as we streamline the national skills training programmes that exist across agencies to ensure that they are coordinated and fit for purpose.

4.143 In the latter regard, technical and vocational training programmes must be tailored to be responsive to the labour needs of the sectors across the economy while providing opportunities for personal growth and development. In this context, Government plans to undertake an analysis of the institutions offering skills training with the aim of streamlining them as well as modernising their curriculum to make them more relevant to contemporary needs. Manpower planning for national requirements will guide the content of the training offered.

4.144 Importantly, Government will be partnering with the private sector to establish a Guyana Technical Training College with a campus at Port Mourant that will incorporate the renowned GuySuCo Port Mourant Training School, and that will also add new training facilities for oil and gas as well the

tourism and hospitality sector. An initial \$260 million is budgeted to commence works at this location in 2022.

4.145 Mr. Speaker, in order to ensure that we have a pool of Guyanese persons equipped to take up jobs in the oil and gas industry, Budget 2022 allocates \$420.5 million to train 1,000 workers in a wide range of areas relevant to the sector. Under this programme, training and certification will be provided to welders, stevedores, heavy vehicle operators, and others. This programme will continue into the medium-term and will see up to 4,500 persons trained over the next four years.

4.146 Mr. Speaker, a further \$2.5 billion is earmarked to strengthen Technical and Vocational Education and Training (TVET) programmes across the country at post-secondary levels. This will equip approximately 4,500 young people currently enrolled with the skills to pursue entrepreneurship and ensure employability. Additionally, nine secondary schools will complete a pilot of the Level 1 Caribbean Vocational Qualification (CVQ) programme across various skills, including crop production, furniture making, electrical installation and masonry. This will now create the opportunity for students to access the technical institutions that offer Levels 2 and 3 CVQ, qualifying them as independent workers capable of managing their own operations and as supervisors, respectively with a first batch of 129 students expected in 2022.

4.147 Additionally, the Board of Industrial Training (BIT) launched its website in 2021 to allow online application for the relevant skills course. Since launching, 90,787 persons have visited the website and 5,150 have submitted their applications for skills training on the same platform. Additionally, 3,086 persons were trained in various classifications of occupational skill training such as small engine repairs, shade house farming, refrigeration and air conditioner repairs, introduction to photovoltaic systems-solar installation, maintenance and repairs, electrical installation and computer repairs. In 2022, these training programmes will continue, benefiting over 4,000 persons. To this end, \$448.5 million has been allocated for BIT.

4.148 Mr. Speaker, for the 2020/2021 academic year, under the national youth programme, 254 youths completed training in areas such as data operations, welding, plumbing, refrigeration and air conditioner repairs, and masonry, among other areas, at the Kuru Kuru, Sophia and the Vryman's Erven Training Centres. These programmes are expected to continue in 2022.

4.149 To support the expected construction boom in 2022, the Community-based Employment Stimulation Project for vulnerable communities was launched in 2021, under the Ministry of Housing and Water, to train persons in block making. In the area of agriculture, 110 persons will graduate from the Guyana School of Agriculture in the disciplines of agriculture, agro-processing, veterinary public health and forestry. Other areas of training include the Carnegie School of Home Economics and the Women Innovation and Investment Network initiative.

4.150 Altogether, these technical vocational skills training which will result in almost 10,000 persons being available to enter the job market during 2022, and Government will be focusing on ensuring that trainees are gainfully employed.

c. Housing

4.151 Mr. Speaker, the PPP/C Government gave its commitment to provide affordable housing to the People of Guyana. We are duty bound to meet that promise and we will deliver on that promise. To meet this obligation, we are working on several tracks. On the one hand, we have been making serviced house lots available for allocation, targeting young professionals, individuals with immediate needs, persons who have disposable income to commence construction, and plots for private housing developers. At the same time, we have been developing affordable housing stock for first time middle- and low-income homeowners. These include one and two bedroom flat and elevated properties in numerous housing schemes nationwide. In addition, we have negotiated successfully with our commercial banks to reduce the mortgage interest rates to the lowest level ever seen in the history of the country and we have also taken bold steps to keep building material costs as low as possible.

4.152 Mr. Speaker, we are well on track to achieve our target of providing 50,000 house lots by 2025 through our "Dreams Realised" housing drive across the country. Since the PPP/C Government took office in August 2020, a total of 10,063 house lots were allocated to persons many of whom had applied decades ago. Our commitment is not only to distribute house lots, but also to ensure that persons become homeowners by constructing their own homes. In 2021, real estate loans issued by commercial banks totalled \$95.6 billion, an increase of \$5 billion over the previous year, and this amount is expected to increase further. Government has distributed 1,266 land titles and transports in 2021, and plans to target 6,000 applicants in 2022.

4.153 In support of low-income households, 50 houses were constructed at Prospect in 2021 and, in 2022, Government will construct 100 core homes at La Parfaite Harmonie and Sophia Housing Areas with an additional 125 core homes to be constructed in areas to be identified. Further, a total of 228 home improvement subsidies were distributed in 2021 to the value of \$114 million, and it is expected that 1,000 subsidies will be disbursed in 2022. For moderate income earners, 133 homes were constructed at Cummings Lodge, Onderneeming and Amelia's Ward, as well as 100 houses for young professionals at Providence.

4.154 Mr. Speaker, an amount of \$18.7 billion was expended in 2021 to continue the consolidation works in 11 existing CHPA housing areas including Great Diamond, Prospect and Cummings Lodge. These have substantially progressed.

4.155 In 2022, \$12.4 billion is allocated for the housing sector to continue infrastructure works in housing areas, which include the upgrading of 45.5 km of roads in 31 existing housing areas across Regions 1, 2, 3, 4, 5, 6, 9 and 10, as well as the construction of drains, structures and the installation of LED street lamps. Additionally, Government aims to complete the construction of the electricity distribution networks in the existing housing areas, and also to complete the procurement of electrical hardware for new housing areas.

d. Water and Sanitation

4.156 Mr. Speaker, Government is committed to expanding potable water coverage and improving water supply infrastructure nationwide. To guide these efforts, the Guyana Water Incorporated (GWI) commenced the implementation of its new strategic plan for 2021-2025 to improve access to potable water, enhance the quality of service and reduce non-revenue water. This move will substantially increase water use efficiency across all sectors and improve the sustainable management and availability of our water resources. Government is also working towards the establishment of a National Water Council to rationalise the country's water resources through an Integrated Water Resources Management Framework. Budget 2022 provides \$4.9 billion to continue to improve the water sector.

Access to Potable Water

4.157 Mr. Speaker, the distribution of clean water to unserved and underserved communities is a priority of this Government and to ensure that this commitment is delivered several interventions were executed. The drilling and construction of new wells were completed at Lusignan and Wakenaam. The Lusignan well now provides improved water pressure to a much-desired level for over 4,000 residents between the communities of Good Hope and Annandale. Approximately 4,752 residents of Wakenaam will now have access to improved water pressure supply. The drilling of the new wells located at Chesney and Parika will be completed during the first half of 2022. Notably, in 2021, an old well at Parika Backdam that was inoperable for 16 years was rehabilitated and now providing improved supply of water to some 15,000 residents who will be receiving a 24-hour supply of water at a height of over 14 feet. Additionally, the upgrade and expansion of St. Cuthbert's Mission water supply system was completed to improve the level of service for over 700 residents. Further, to increase coverage and provide first time access to potable water several projects were completed in areas including Nismes, Stanleytown, Patentia, Hydronie and Parika Backdam in Region 3; Relief, Yarrowkabra, Grand Sand Road, Success, Bachelor's Adventure, Unity, Dora, Kuru Kururu, Kairuni and Swan in Region 4; Brahn, Britannia, Nos 28, 29 and 30 Villages, Weldaad, Big Biabu and Good Faith in Region 5; Alness, Nos 61 and 64 Villages and Crabwood Creek benefiting over 7,000 persons in all.

4.158 Mr. Speaker, additionally, a sum of \$410.7 million was expended in 2021 to increase access and improve the water supply systems in our hinterland communities. Works were completed at Katoonarib, Toka, Potarinau, and St. Ignatius in Region 9; as well as Kamarang and Jawalla in Region 7 benefiting over 3,000 residents in both Regions. Further, the completion of the Chiung Mouth water supply system in Region 8 now provides the community with access to potable water for the first time.

4.159 In 2022, \$394.5 million is budgeted under the Hinterland Water Supply Programme which will make provision for new water supply systems to be installed at Phillipai, Isseneru, Warwatta and Tasserene in Region 7, Itabac in Region 8, as well as Yakarinta and Katoka in Region 9.

4.160 Mr. Speaker, it is estimated that 70 percent of the hinterland communities will have access to potable water by the end of 2022 compared to 56 percent currently.

Water Quality and Service.

4.161 Mr. Speaker, in 2021 a provision of \$47 million was provided for the expansion of water treatment plants at Covent Garden, Grove, Friendship and Vergenoegen to enhance the quality of water to residents and businesses. The expansion of the Sophia and Eccles water treatment plants is expected to be completed during the first quarter of 2022.

4.162 Given the interventions planned for 2022, it is estimated that potable water coverage for the coastland will increase from 96 percent to 98 percent.

Reducing Non-Revenue Water.

4.163 A total of 15,340 water metres were installed in 2021 to new and existing service connections to reduce non-revenue water, with 20,000 metres planned for installation in 2022 which will reduce water losses from 67 percent to 64 percent by the end of the year. Further, the upgrading of the transmission lines between Shelterbelt and Lamaha Street, Kitty, was completed including the transfer of 284 service connections from the old network to the new network, as well as the reinstatement of the carriageway to the benefit of approximately 40,000 residents. Furthermore, the old existing cast iron transmission main will be replaced with new high density polyethylene pipes between Shelterbelt and Water Street to benefit approximately 100,000 persons.

Sanitation

4.164 Mr. Speaker, the management of solid waste across the Regions has posed several difficult challenges in terms of disposal. However, this Government remains steadfast in its commitment to ensure that every citizen's health and wellbeing are safeguarded in a clean environment.

4.165 In 2021, \$1.1 billion was expended to improve solid waste management, including the construction, rehabilitation and installation of several facilities at Haags Bosch, including internal roads, leachate treatment ponds, wheel wash bay, fire house and potable water supply system. In addition, several disposal sites were upgraded at Rose Hall, Belle Vue, Lethem, Lima, Charity, Port Kaituma, and Lusignan.

4.166 In 2022, we have allocated \$1.4 billion to improve sanitary and environmental conditions through infrastructural development across the country. This includes the sum of \$105 million for the design and construction of a gas management system and storm water ponds for Haags Bosch. Other activities include the construction and upgrading of access roads for landfill sites at Blairmont, Belle Vue, Rose Hall, and Line Path. Further, works will be undertaken for the upgrading of existing disposal landfill sites at Corriverton, Number 0, St. Ignatius and Aishalton, Matthew's Ridge, Leguan, Wakenaam, Mabaruma, Kwakwani and Mahdia. Additionally, works will be undertaken for the preparation of new dumpsites at East Canje and Blairmont where the disposal of solid waste is a major issue for residents.

e. Culture and Arts

4.167 Mr. Speaker, this Government is committed to building a more inclusive society in which our diversity is celebrated and our People coexist in harmony. His Excellency has entreated all of us to embrace the concept of "One Guyana" – to view ourselves as Guyanese, patriotic and proud of our collective heritage, united and singular in our purpose to build a harmonious and productive society, together. In support of this, as His Excellency has passionately stated, the development of culture requires a bottom-up approach of community engagement.

4.168 Last year, over two hundred artistes including singers, dancers, poets and musicians benefited from the 16 virtual events including the One Guyana Concert, the Independence, and Christmas Concert as well as the Guyana Talent Search which were aimed at developing and showcasing the Guyanese creative prowess. This year, \$157.7 million is budgeted for the hosting of these events including, an additional, Guyana Cultural Festival. The sum of \$7.5 million is also budgeted for the observance of the National Trust's 50th anniversary with planned activities including the launch of a pictorial book on Guyana's cultural landscape. In the areas of conserving and improving our cultural institutions monuments, and artefacts, the National Culture Centre, the Museum of African Heritage, among other facilities have been upgraded and rehabilitated.

4.169 Mr. Speaker, in order to improve the showcasing of our country's arts and entertainment, Government is examining various options to expand our support to our young and emerging artistes. The expansion and strengthening of the arts programmes in schools and integrating an expanded community model is expected to benefit our young people across the school system.

4.170 In 2022, Mr. Speaker, we have budgeted \$1.3 billion to directly support culture and arts in Guyana including \$100 million to establish a fund to promote culture and the arts.

f. Sports

4.171 Mr. Speaker, the sports programme aims to ensure that all Guyanese are provided with opportunities to participate in sporting activities, thereby channelling energies, abilities and talents to contribute meaningfully to national development, in its various dimensions. To ensure that we deliver on His Excellency's vision of a "bottom-up approach" to the development of sports, we have strived to strengthen our partnerships with sports associations; also we continue to place emphasis on the community grounds. Last year, 25 community grounds across Regions 1, 2, 3, 4, 5, 6, 7 and 10 were upgraded. Also, preparatory works have begun for the construction of the multi-purpose sports facilities at Regions 2, 6 and 10.

4.172 Mr. Speaker, \$2.4 billion is budgeted in 2022 for sports infrastructure and development, including for: the completion of the synthetic tracks in Regions 6 and 10; the multi-purpose sports facilities; the erection of stands at the National Track and Field Centre; rehabilitation works at the National Stadium to support the Cricket Academy; construction of pavilions at Region 6 and 10; and the procurement of sports gear. Of this amount, \$250 million is also budgeted for the continued improvement of the community grounds. Aside from this, the sum of \$45.8 million is also allocated for maintenance works to sports facilities including McKenzie Sports Club, Kwakwani Recreational Centre, National Aquatic Centre and Colgrain Pool.

4.173 Overall, the sum of \$3.2 billion has been allocated in the 2022 budget for the continued development of the sports.

g. Youth

4.174 Mr. Speaker, the estimated size of the 14-35 years age cohort is 280,501, over 36 percent of our population. Government is committed to empowering this important segment of our population, our youth, our future, through targeted education including practical and life skills training, community engagements and representation in national and international events. Importantly, the Youth Advisory

Council will serve to ensure representation and inclusion of our youth in the national decision-making process. To this end, we have budgeted a sum of \$841.3 million for 2022.

4.175 The training programmes of the Department of Youth will continue to offer market-driven skills training for employment and entrepreneurship. In 2021, over \$100 million was expended to train 3,390 young people in areas including robotics, civic education, and job readiness. Additionally, Government has operationalised the Youth Entrepreneur and Mentorship Programme, formerly known as the Youth Innovation Programme of Guyana and will expand the programme to accommodate 85 grants at a total value of \$85 million, in 2022. The programme will also provide training and mentorship in areas including financial literacy, proposal writing and project management.

4.176 Mr. Speaker, we have also relaunched of the Volunteer Apprenticeship Community Support Programme and will roll out the apprenticeship component, targeting attachments for 200 youth, across the country, in the private sector through partnerships with the various chambers of commerce. The community service component will also aim to establish volunteer youth organisations in Regions 3, 5, 6 and 10, where 500 volunteers will be trained as leaders capable of fostering collaborations to enhance and develop their communities.

4.177 In addition to the youth focussed programmes, several other programmes across Government include training for youth, particularly those outlined earlier on the subject of technical and vocational training.

h. Senior Citizens

4.178 Mr. Speaker, our senior citizens also remain a valuable institutional resource to our society and must be afforded the opportunity for a good quality of life – safe, secure, good quality health care and opportunities for social engagements. We continue to take active steps to support our senior citizens as the pandemic evolves and have prioritised their access to vaccines and booster shots for our senior citizens.

4.179 In 2021, the Old Age Pension (OAP) was increased from \$20,500 to \$25,000 monthly, and a one-off cash grant of 25,000 paid in October last year. Thus in 2021 Government would have expended almost \$20 billion annually in direct cash transfers to our senior citizens and in 2022 our Government

will keep its promise of further improving disposal incomes of senior citizens. Further, a total of 27,436 pensioners received water subsidies and 49,966 households, including pensioners, benefited from credits to electricity charges.

4.180 Mr. Speaker in addition to giving greater support to care homes, the wellness of senior citizens across our country will benefit from major improvements in the health care and related infrastructure; improved transport networks and expanded food security programmes across the country. Together these will result in safer mobility for our senior citizens and improved access to and affordability of food supplies. These will redound to improved management of chronic diseases such as hypertension and diabetes which continue to be priorities.

i. Women and Gender

4.181 Mr. Speaker, our rich Guyanese diversity is further enhanced by the fact that approximately 50 percent of our population are women and girls. Empowerment of women is therefore an imperative to achieving sustainable development, as has been recognised in this Government's manifesto.

4.182 The representation of women across all spheres of society is something this administration strongly supports. One needs only to look within this Honourable House where thirty-five percent of our MPs are women, a number to which many countries still aspire. The development of women cannot be viewed in isolation, but as part of the substantial investments being undertaken across both social and economic sectors. In addition to the numerous expenditure outlays designed to benefit women, this Government is committed to gender equality not only superficially but meaningfully.

4.183 As Guyana seeks to realise gender equality and empower all women and girls, gender mainstreaming and gender disaggregated data are critical to designing targeted programmes. To this end, the resuscitation of the Inter-Ministerial Gender Focal Point Committee, the establishment of the Regional Gender Affairs Committees and the strengthening the National Men's Forum since Government assumed office, are pivotal steps.

4.184 One area where our Government would like to see improvement is the level of female labour force participation. To this end, Government continues to provide as well as encourage investments that generate job creation opportunities for women. One such example is in the BPO sector where an

estimated 75 percent of employees are women. Further, in 2021, Government championed women entrepreneurs to lead, innovate and flourish in a programme entitled WE LIFT which was launched early last year. To date a mini expo was organised to give women entrepreneurs exposure. The event benefitted over 75 women-owned businesses which were given marketing support tools including an app in an effort to promote and expand their businesses. In 2022, similar expos will be held in at least 2 other regions.

4.185 Mr. Speaker, the Women's Innovation and Investment Network (WIIN) Programme was launched to provide women with training to increase their entrepreneurial skills and sensitization on critical issues, ranging from the legislation on women's rights to social issues, including domestic violence and abuse. In 2022, WIIN will be expanded, targeting more women, and offering additional and advanced courses in culinary arts and technical skills for solar farms, among others.

j. Persons with Disabilities

4.186 Mr. Speaker, Government is concerned about the well-being of persons living with disabilities and is making a conscious effort to bring social services to all eligible persons. In this regard, the National Commission on Disability commenced a survey to record all persons living with disabilities. In 2021, persons living with disabilities received training, psychosocial support, aids, and public assistance.

4.187 In 2022, the Ministry of Health will be collaborating with the Ptolemy Reid Rehabilitation Centre to develop a national classroom for autistic children. In addition, the civil works will continue on the Centre for Disability and the construction of a new care centre at Mahaica Hospital for children living with disabilities will commence. Additionally, 2 wheelchair buses will be purchased to aid in the transport of residents from the Mahaica Hospital and Training Complex.

4.188 Mr. Speaker, to ensure that persons with disabilities achieve their full potential, we must begin care and support from early childhood. Currently, there are approximately 500 children enrolled in our special education needs (SEN) schools, and we will continue conducting assessments to identify other children throughout the education system that might need SEN services. Our administration will continue to work to destigmatise SEN and encourage our parents and children to access SEN services.

4.189 Further, we have worked to ensure improved pedagogy in the area of SEN and to this end, over 2,200 teachers have been trained to provide appropriate instruction. Additionally, over 100 teachers are enrolled in higher education training via the GOAL programme. Their upskilling will surely serve to improve the learning outcomes of our SEN programme to the benefit of our children.

k. Victims of Domestic Violence

4.190 Mr. Speaker, abuse of any form is unacceptable within our society and a social issue that cannot be ignored. The Government continues to pursue initiatives to prevent domestic violence. In this regard, the Inter-Ministry Gender Focal Point Committee (IMC) was reconstituted to mainstream gender in all Government Agencies and serve as the coordinating committee for the upcoming implementation of Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). In addition, domestic violence training is now part of the curriculum of the police training college and the Guyana Police Force has established domestic violence units and special rooms at identified police stations to receive reports in more suitable environment.

4.191 In 2022, \$19.7 million is earmarked for the rehabilitation and extension of domestic violence shelters which will continue to provide services for victims of sexual and domestic violence. Support to victims now includes expanded legal aid services for which \$114.9 million has been allocated in 2022.

l. Amerindian and Hinterland Development

4.192 Mr. Speaker, in pursuit of our Government's commitment to ensure that all the People of Guyana participate fully in the economic transformation that is currently unfolding in our country, we are mindful of the unique challenges faced by our Amerindian brothers and sisters particularly those residing in remote communities. We are committed to ensuring that Amerindian and hinterland villages are economically empowered, first and foremost through the land titling programme and secondly through development of the village economy. We are also committed to ensuring that all of the country's best educational and training opportunities are as available to our hinterland brothers and sisters as they are to those on the coast. And, we are committed to ensuring that the quality of social services delivered to all villages is improved markedly.

4.193 Mr. Speaker, in 2021 a total of 5 demarcations were completed. The Certificates of Titles for these demarcations are currently being issued, and our Amerindian brothers and sisters who reside within the Capoey Village would have been the first of these 5 villages to receive their Certificate of Title. In 2022, our Government will continue to support the rights of our indigenous peoples by accelerating the land titling programme at a cost of \$561.6 million allocated in Budget 2022 to achieve a target of 20 Certificates of Title.

4.194 Mr. Speaker, in supporting sustainable livelihoods of hinterland communities, in 2021, this Government expended \$673 million for tractors, implements and economic projects aimed at enhancing the development of agriculture, tourism, women and youth. This saw 112 tractors and trailers along with implements distributed to Amerindian communities to help promote village agriculture as well as for use in transport. In 2022, a further sum of \$411.2 million will result in 71 additional communities benefitting similarly bringing the total number of communities to 183 since this Government took office. Additionally, to improve connectivity, a sum of \$3.4 billion is budgeted for the hinterland roads programme.

4.195 In 2021, \$666.5 million was expended on stipends to engage 2,000 Community Service Officers (CSOs) under the Youth Entrepreneurship and Apprenticeship Programme, and a further sum of \$115.6 million was expended towards the training of 420 CSOs in areas such as: ICT, tractor driving, licensing and maintenance; and solar panel installation and maintenance.

4.196 In 2022, the number of CSOs will be increased to 2,500, creating an additional 500 jobs for young persons in Amerindian villages, and a sum of \$60 million will be spent on training 650 CSOs to serve in 220 communities within all ten administrative regions in areas such: as tourism and hospitality; development of business plans; food safety pre-requisites; good manufacturing practices; ATV and outboard engine repairs and licensing; as well as garment construction. Through these interventions, this administration will continue to drive employment and opportunities for our Amerindian youth.

4.197 Mr. Speaker, along with other students countrywide, 31,295 hinterland students are expected to benefit this year from the "Because We Care" cash grants to students. Additionally, to improve access to education and skills, a sum of \$93.3 million is budgeted towards the hinterland scholarship programme where 805 students are expected to benefit.

4.198 Mr. Speaker, in total, \$3.1 billion is allocated for core Amerindian development programmes. This, along with key investments across every sector, will set the stage for a rapid improvement in wellbeing in our Amerindian and hinterland villages.

F. Improved Governance and Institutional Reforms

a. Governance

4.199 Mr. Speaker, the governance architecture of this Government is based firmly on inclusivity, participation, transparency and accountability, and the rule of law. It is grounded in the concept and policy thrust of a One Guyana. The consultations on the new and expanded LCDS 2030 and the establishment of the One Guyana Commission are the two critical pillars of the emerging, new Guyana, and Budget 2022 anticipates the establishment of the One Guyana Commission in 2022. All of these guide Government's approach to everything, to the benefit all of our People. The anti-corruption framework of Guyana, in particular, is based on commitments to our treaty obligations made to the Inter-American Convention Against Corruption and the UN Convention Against Corruption.

4.200 Mr. Speaker, our challenges are, of course, like many other small developing countries, related to factors of human, financial and technical resources. Capacity building will be prioritised to strengthen the implementation of our anti-corruption programme and policies in the Parliament. Furthermore, progress has been made in relation to the reconstitution of key governance institutions – the Ethnic Relations Commission, the Police Service Commission and the Public Procurement Commission. We hope by the end of the Budget process that we will get back to normal Parliamentary meeting sittings and that these items on the agenda will move through quickly so that these constitutional bodies can be in place as required.

4.201 We have heard much about exclusion and discrimination by many on the other side of the House, however this Government's track record of ensuring a wide consultative process is one of our strong point, unlike the APNU/AFC. We remain committed to inclusion and participation of our citizens in the areas of government policy and legislative reform. Inclusive governance is also demonstrated by the fact that our programmes are accessible to all, for example, the COVID-19 relief and support cash grant programme, GOAL scholarships, youth programmes, housing drives, among many others.

4.202 These demonstrate to the people our commitment to make sure that those who need help are not blocked nor stymied in accessing government programmes. We will continue with public education and engagement initiatives to improve stakeholder awareness, inclusion and participation.

4.203 The philosophical framework of this Government is that good governance is critical to ensuring equity in the development process. His Excellency has made it clear that we must strive to avoid becoming a rich country of poor people.

b. Justice Sector Strengthening

4.204 Mr. Speaker, this Government recognises that the stability and strength of the justice sector are paramount to public trust and to investor confidence. We have always supported, and will continue to support, the implementation of reforms in order to enhance and modernise our judicial system, while at the same time maintaining the highest respect for their constitutional independence. Government has allocated \$4.7 billion for 2022, to build on the important work and advancement of the justice sector in Guyana.

4.205 In 2021, \$879 million was spent on the completion and construction of courts and living quarters countrywide which will result in Bartica and Mahdia becoming operational this year. In 2022, \$1.3 billion will be expended to support the judiciary to improve access to justice especially in previously underserved areas. To this end, Port Kaituma, Mabaruma and Vigilance Magistrate's Court will be completed in 2022, while two additional magistrate's courts and living quarters along the East Bank of Demerara, in Timehri and Friendship, will be advanced. These investments will increase the number of courts around the country to 46 in 2022, from 41 in 2019 and will result in more timely delivery and improved access to the justice system, and reduced costs to citizens.

4.206 Mr. Speaker, a further \$250 million has been allocated to improve the criminal justice system in 2022. To this end, the University of Guyana's Prosecutorial Programme will commence this year, catering for 25 students initially for a duration of thirteen weeks which will increase our number of trained prosecutors. Further, judicial policies aimed at reducing over-reliance on imprisonment are being developed to increase the use of alternative sentencing in the justice system. To complement these initiatives, a Management Information System for the Ministry of Legal Affairs (Restorative

Justice), Ministry of Human Services (Probation Department), Guyana Police Force, and the Director of Public Prosecutions will become operational this year, ensuring a coordinated approach to the effective management of cases.

c. Strengthening Local Government

2.207 Mr. Speaker, the Local Democratic Organs (LDOs) have a legacy of weak institutional and technical capacity and poor accountability. Despite this, our Government remains firmly of view that LDOs have an important role to play in local governance and local service delivery, and we remain committed to supporting LDOs in building capacity to perform their constitutional roles. We aim to further strengthen the institutional and human resource capacity of the LDOs to ensure accountability and better management of resources, improve sanitary and environmental conditions, and help promote infrastructural development at the local level.

4.208 Mr. Speaker, in 2022, an amount of \$714 million is allocated to finance grants to LDOs to maintain infrastructure and improve services in their areas. Additionally, work will continue on the Parika and Mon Repos markets to provide a safe, secure and conducive environment for vendors and customers, as well as on the iconic Georgetown City Hall, at a total cost of \$666.8 million. Furthermore, a scaled-up Community Infrastructure Improvement Project will be launched in 2022 at a cost of \$5 billion to improve the sanitary and environmental conditions as well as to improve community aesthetics within the LDOs.

d. Public Administration and Public Financial Management

i. Revenue Management

4.209 Mr. Speaker, to promote voluntary compliance the GRA will revolutionise its business processes utilising ICT and public awareness in our goal to create a modern and efficient tax administration agency. Key activities will include implementation of Phase 2 of the Revenue Management Software (Optimal) in 2022, along with other activities to promote voluntary compliance. These will include:

- i. Adoption of Harmonised System (HS) 2022, which will replace HS 2017, to update the Customs laws and regulations to facilitate harmonisation with regional and international nomenclature

and procedures. In addition, efforts to implement digitised versions of the certificates of origin will be explored with our regional and international partners.

- ii. Full implementation of the Single Window Automated Processing System (SWAPS) to create a business-friendly environment and to improve the ease of doing business.
- iii. Finalisation of the process of the Kyoto Convention legislative papers. This will provide the channel for Customs to transition from the current Trusted Trader Programme to the Authorised Economic Operators Programme, thereby encouraging voluntary compliance.

4.210 Mr. Speaker, as we ramp up institutional strengthening to effectively execute in the oil and gas sector as well as the other changes taking place in our economy currently, several capacity building priorities have been identified in 2022. In this regard, key virtual training sessions will be done through the World Customs Organisation (WCO) platform with the focus on Rules of Origin, the Harmonized System, Customs Valuation, Risk Management and Post Clearance Audit. In addition, specific emphasis within the oil and gas sector will see the conduct the tax audit and cost audit training. To this end, a total of \$8.9 billion is allocated to Guyana Revenue Authority in 2022.

ii. Payment Systems

4.211 Mr. Speaker, in 2021, we made significant progress in modernizing Guyana's Payment System infrastructure. The Real Time Gross Settlement (RTGS) and Central Securities Depository (CSD) Systems were fully integrated with the Automated Clearing House (ACH). The new system went live during the first quarter and facilitated over 413,000 transactions to date, including the payment of all government pensions and salaries.

4.212 In 2022, we will engage our financial systems vendors to further integrate our systems in central government with the National Payment System (NPS). This will enhance the processing of all payments electronically thus reducing the printing of cheques. When fully operationalized, all Government payments as well as, business to business payments through the banking systems will be instantaneous and the security of financial transactions will be substantially improved.

4.213 Mr. Speaker, also in 2022, 2 drafted regulations on dematerialisation of government and bank securities and settlement and treatment of collateral are currently under review. These will serve to

reduce the cost and risk of transactions while expanding the legal framework to support modernising our financial sector architecture.

iii. National Insurance Scheme

4.214 Mr. Speaker, the National Insurance Scheme is an extremely important national institution which has served Guyana well, but which is in need of serious reform, both from the administrative and policy standpoints. Administratively, the Scheme has a longstanding reputation for administrative inefficiency and is a major source of frustration to its contributors and pensioners alike. The Government appointed a new Board of Directors at the end of 2020, and mandated the Board to address the longstanding administrative problems. Much has been achieved since then.

4.215 The Scheme has rolled out its technology-based solutions, such as an online call-in-function for submission of life certificates and processing of other transactions. This service proved immensely popular. The NIS also conducted a series of outreaches throughout the country, listening and addressing public concerns. Ten such outreaches were held and 1,606 persons seen. The outreaches proved extremely popular and effective in addressing public complaints, and almost 75 percent of the matters raised have since been resolved.

4.216 At the same time, the Scheme faces serious challenges regarding its long-term viability. Its last actuarial valuation was done in 2016 and indicated the deficiency of the Fund. Preliminary work has begun to analyse the various recommendations made on the NIS over the years with a view to identifying and implementing lasting reforms to the institution.

iv. Procurement

4.217 Mr. Speaker, in Budget 2021, I conveyed Government's commitment to restoring a public procurement system that was systematically dismantled by the APNU/AFC. Indeed, since we resumed office in 2020, our Government has worked tirelessly to restore credibility, confidence, accountability, and transparency in public procurement.

4.218 To this end, Mr. Speaker, in 2021 we have: remodeled, modernised, and created a more user-friendly NPTAB website; uploaded the records of all tender openings and all contracts awarded at the

NPTAB level; instituted a public, virtual tender opening process twice weekly, whereby bidders are provided visual, voice and text communication at the opening process, from the comfort of their offices; revised, updated, and issued new standard bidding documents for goods, works and services including security services; completed the design and development of the bidders register and expect to roll out its implementation in the first quarter of 2022; compiled a comprehensive training manual for procuring entities including ministerial and regional entities; remodeled the three (3) person independent evaluation committees, whereby the composition of that committee is drawn from persons and sectors other than from the procuring entity. This was aimed at correcting fundamental checks and balances and control inadequacies that were prevalent under the previous administration, where the chairpersons of the evaluation committees were the same person that chaired the ministerial or regional tender's board.

4.219 But most importantly, our NPTAB meets twice weekly, at which the business of the Board is captured, in structured minutes for each board meeting, and is kept for future examination as is necessary. This is in contrast with the ad hoc arrangements under the previous APNU/AFC government.

4.220 Mr. Speaker, going forward into 2022, our Government intends to continue to adhere to the stringent principles of transparency and good governance in public procurement. In 2022, we will further strengthen the public procurement process through training and capacity building at all levels of the procurement process, national, ministerial, and regional. NPTAB personnel will also be provided with focused training which will be extended to key officials Ministries and Regions who manage programmes and projects. NPTAB will commence the delivery of ministerial and regional training modules both virtual and face-to-face before the end of the first quarter of this year.

4.221 Mr. Speaker, we will operationalize the bidders register within the first quarter of 2022 and will design an open and transparent system to rank and classify contractors by capacity and make provisions for electronic evaluations and payments to contractors. Further, the NPTAB will commence work to digitise its records in its effort to move to a fully electronic system in preparation for the launch of an E-Procure platform by 2024.

4.222 Finally, action has already been taken with a view to seeking Parliamentary approval for the appointment of the members of the Public Procurement Commission.

v. Data Systems Strengthening

4.223 Mr. Speaker, our Government recognises the immense value and importance of quality, timely and reliable data to inform and drive policy and decision making at all levels. In 2022, we will continue to strengthen the Bureau of Statistics and the National Statistical System to improve cooperation, coordination and streamlining of data capture, sharing, processing, analysis and reporting across the various statistical offices of Government to enhance the quality, timeliness and reliability of data.

4.224 Mr. Speaker, 2022, is a significant year for statistics in Guyana and the region, as it marks the conduct of the 2020 round of the Population and Housing Census. Census 2022 will establish baseline data sets that inform and guide policy at all levels. For the first time, the national census will utilise Geographic Information Systems (GIS) to improve mapping. The resultant Census data would strengthen evidence-based development planning, and support policies and programmes in all areas, as well as the monitoring and updating of the SDGs.

G. Foreign Relations and the Diaspora

a. Foreign Relations

4.225 Mr. Speaker, the Government's main foreign policy objectives continue to be: the preservation of Guyana's sovereignty and territorial integrity; advancing bilateral relations and conducting economic diplomacy through the promotion of trade and investments; projecting a positive image of Guyana through sensitisation and awareness of policies and programmes being undertaken by the Government in fulfilment of bilateral and multilateral agreements; maintaining a proactive role in international affairs; and harnessing in a structured manner the skills, expertise and other resources of the Guyanese Diaspora that can contribute to the country's development.

4.226 In pursuit of these objectives, during 2021 a number of high-level visits were hosted, including visits by the President of Suriname and the Vice-President of Ghana. During the years also, Guyana opened a diplomatic mission in Doha, Qatar, for the first time.

4.227 In 2022, our Government will continue to pursue a robust foreign policy guided by the main thrust of our domestic agenda. The preservation of our sovereignty and territorial integrity remains

paramount. We have maintained our resolve in no small measure due to our active diplomacy. Our focus this year is the completion of the Memorial on the merits on our case in the controversy with Venezuela which by Order of the International Court of Justice must be submitted to the Court on March 8, 2022.

4.228 The Government is also committed to seeking closer relations with all of our neighbours. Since the return to office, our relations with Suriname have improved significantly with regular exchanges at the highest levels that have resulted in agreements to further cooperation in a multiplicity of areas, one of these being the bridging of the Corentyne River which will enhance the movement of our people and provide greater trading opportunities. We intend to work towards maintaining the momentum in our relations with Suriname. It is also our intention to advance our relations with Brazil. To this end, just last week, His Excellency the President met with the Presidents of Brazil and Suriname.

4.229 The Government will also focus on deepening relations with the Member States of the Caribbean Community. We will continue in 2022 to give priority to expanding trade, maintaining our commitments to CARICOM and accessing new markets ensuring that external trade negotiations redound to the benefit of the country and people. We will also continue to engage traditional partners and seek to foster the development of new strategic alliances. In this regard, our diplomatic mission will be opened in the United Arab Emirates during the year, and we will also be taking advantage of the CARICOM diplomatic mission in Kenya to have representation in that office.

4.230 In the international arena, the Government will maintain its advocacy on key issues such as sustainable development, climate change, human rights and peace and security. Our candidacy for a non-permanent seat on the United Nations Security Council for the period 2024-2025 is evidence of Guyana's commitment to being proactive in the international arena and we will intensify our campaign efforts with a view to being successful in elections for that seat due to be held in June 2023.

b. The Diaspora

4.231 Mr. Speaker, the contribution which our Diaspora can make to national development is not to be underestimated, especially at this point in our country's economy history. In concretising our Diaspora strategy, we will be implementing initiatives that would facilitate better coordination,

ensuring that the involvement of individuals and associations from the Diaspora, cater to specific needs and areas that would meet our development goals and also benefit all stakeholders.

4.232 In 2021, the Government aggressively pursued engagements with the Diaspora in fulfillment of its promise that it will include overseas-based Guyanese in every area of national development. Hundreds of engagements were held with individuals and groups from across the globe with information supplied to them on remigration, land acquisition, investment opportunities and development plans. Persons with longstanding issues in financial and investment matters were assisted, guided and facilitated to realise their plans to invest, contribute and develop Guyana. Many of our overseas-based Guyanese with problems were assisted and had those problems resolved by the Diaspora Unit.

4.233 In May 2021, the first virtual Diaspora conference was successfully held with over 500 persons from 77 countries in attendance. Subsequent to this, a strong foundation was laid in Guyana to allow for greater ease and facilitation of Diaspora initiatives. We will continue to build on that foundation in 2022. Throughout 2021, Government received many expressions of interest from our Diaspora for projects in agriculture, technology, health, solid waste management, ship building, renewable energy, community development, sports, tourism, education, security, oil and gas, financial services and social services. In 2022, the country will see the realisation of many of these projects.

4.234 Mr. Speaker, recognising the value the Diaspora brings to developmental efforts, among the plethora of strategies and plans to be implemented in 2022 are the development of the Diaspora database, including the expert database, and the launching of the Diaspora website which will not only become a platform to provide valuable information to the Diaspora on every sector relevant to their needs and interests, but will integrate the global Guyanese Diaspora, connect them to every ministry, sub-agency, foreign mission, private sector and will foster integration and networking among Diaspora from different countries. The Diaspora will also see more of the Government as a rigorous global outreach programme has been planned for 2022.

H. Public Safety and Security

4.235 Mr. Speaker, this Government's vision for public safety and security is to create an enabling environment for our citizens, business community, investors and visitors alike to feel confident that they and their property are protected, and that they are dwelling in a safe, orderly and peaceful environment.

4.236 Mr. Speaker, our law enforcement agencies will continue to work to preserve public trust and to uphold the rule of law. Initiatives such as strengthening community engagements and partnerships, increasing and improving the deployment of resources in all Police Regional Divisions, enhanced leadership, professional development and performance of staff, heightened crime-fighting capabilities, and improved investigative and forensic capabilities are key structural and operational issues that must guide our security personnel. Concomitantly, technology will be developed and applied to buttress intelligence-gathering and information sharing to improve diagnostic competencies by law enforcement agencies. To support these initiatives, a sum of \$47.9 billion has been allocated in 2022 towards ensuring the restoration and preservation of law and order at all levels in our society.

a. Guyana Police Force

4.237 In 2021, \$1.8 billion was expended to improve the physical infrastructure and operational capability of the Guyana Police Force (GPF). Of this, \$795 million was expended to complete construction of police stations at Albion, Whim, Mahdia, and Wismar, among others. Additionally, works commenced on the reconstruction of Mabaruma, Ruimveldt, Providence and Yarakita police stations. Also during 2021, 50 double cabs vehicles were handed over to the force to improve their response time and bolster public confidence as well as crime fighting capabilities. Additionally, given the state of the operational fleet of the force, a further 50 vehicles were procured with delivery scheduled for 2022.

4.238 In 2022, \$4.9 billion has been allocated to strengthen the assets of the force. In this regard, works will commence on a multi-storey building to consolidate the operations of the Brickdam Police Station which was gutted by fire in October 2021 and for which over \$400 million is allocated. Additionally, the role of ICT in our security and crime fighting capabilities cannot be overemphasised.

In 2022, \$2.5 billion has been allocated to expand the Safe City Programme beyond the boundaries of Georgetown. This investment will see the entire country being connected to CCTV cameras monitored centrally as well as at Regional Command Centres to be established across the country. Moreover, satellite phones and body cameras will be acquired to boost operational efficiency across all Regional Divisions.

4.239 To support the efforts of the GPF, in 2021 we promised to resuscitate community policing groups, nationally. Mr. Speaker, 176 groups were active at the end of 2021 while another 175 are targeted for 2022. To this end, we allocated \$99 million to support these groups who have proven to be effective across many rural and hinterland communities.

4.240 Mr. Speaker, training also remains a key strategic imperative of the Guyana Police Force. To this end, a sum of \$120 million is budgeted in 2022 towards the training of ranks while additional ranks will be added to ensure greater coverage across communities. Furthermore, training in the areas of crime and traffic management will continue to be facilitated both locally as well as with international institutions.

b. Guyana Prison Service

4.241 Mr. Speaker, transforming the penal institution into a correctional facility that reforms the mindsets of inmates to benefit all of society post-incarceration is a core objective. During 2021 over \$2 billion was expended mainly to complete the first block of the Mazuruni prison and to commence construction of three prison blocks at Lusignan.

4.242 In 2022, a further \$2.3 billion is budgeted towards enhancing prison infrastructure. Works will continue on the Lusignan Prison which will be transformed into a modern facility to house both male and female prisoners including a vocational school, an infirmary annex, prison headquarters and command centre. Additionally, works are ongoing at Mazaruni Prison on a second prison block. We will also invest in the training of 1,400 inmates in areas such as anger management, literacy and numeracy, tailoring, among others, at a budgeted sum of \$88.9 million in an effort to reduce recidivism.

c. Guyana Fire Service

4.243 Mr. Speaker, in 2021 the operational capabilities of the fire service were severely challenged. Our Government reviewed the situation and took concerted action to identify interventions to arrest this challenge. In 2021, over \$140 million was allocated for installation of 139 new fire hydrants in housing areas and for repairs to 51 fire hydrants. This year, \$100 million is allocated for additional installations in order to ensure adequate water supplies in the event of a fire.

4.244 To augment the capability of the fire service, especially at time when our landscape is changing towards modern, high rise buildings, \$255 million will be invested to procure a hydraulic platform to bolster our firefighting capabilities. Additionally, water bowsers, ambulances and an all-terrain fire-fighting vehicle will be procured in 2022.

4.245 Mr. Speaker, \$614 million will be expended to relocate the Fire Service headquarters to a less congested area to ensure improved response times. In 2022, \$508 million is allocated to continue works on the new Headquarters at Durban Park, a fire station at Ogle, as well as the construction of a fire station at Wales and facilities at New Amsterdam. Further, a sum of \$49.1 million is also allocated towards the repairs and maintenance of fire stations countrywide.

5.

Targets for 2022

A. Real Gross Domestic Product

5.1 Mr. Speaker, real GDP is projected to grow by 47.5 percent, a rate of growth which no other country in the world is currently projected to achieve in 2022. This reflects the coming into operation of the second FPSO vessel, the Liza Unity, which will significantly ramp up oil production. The non-oil economy is expected to continue registering strong growth, currently projected at 7.7 percent this year, driven mainly by rebounds in rice growing and gold mining, and continued expansion in construction activity and wholesale and retail trade and repairs.

a. Agriculture, Forestry and Fishing

5.2 Mr. Speaker, the agriculture, forestry and fishing sector is expected to expand by 8.9 percent this year, driven by growth across all subsectors.

5.3 This year, the sugar growing subsector is projected to grow by 11.8 percent, as GuySuCo will begin to recover from the onslaught of the 2021 floods, with the aim of producing almost 65,000 tonnes of sugar. Similarly, the rice growing subsector is forecasted to expand by 25.1 percent in 2022, a reversal of the 20.5 percent decline observed last year, largely on account of replanting efforts as well as the introduction of new high-yielding varieties.

5.4 Like rice, the other crops subsector is expected to recover in 2022 and grow by 2.5 percent. The livestock subsector will continue to expand, with a growth rate of 13.6 percent projected for 2022. Despite the challenges they face, the forestry and fishing subsectors are projected to grow by 13.5 percent and 5.8 percent, respectively. Higher forestry output will partly meet the demand for timber products from public and private sector construction activity, while the fishing authorities will work closely with the subsector and put in place the measures previously discussed to promote a more viable and sustainable fishing industry.

b. Extractive Industries

5.5 Mr. Speaker, in 2022, the mining and quarrying sector is forecasted to grow by 86 percent, driven by expansion across all subsectors, namely petroleum, gold, other mining and quarrying, and bauxite.

5.6 In the oil and gas subsector, production is expected from both Liza Destiny and Unity FPSOs, and the rate of production for 2022 is expected to be approximately 257,000 bpd on average. As such, the subsector is projected to grow by 96.7 percent in 2022. Additionally, a turnaround is anticipated for the gold mining subsector, which is projected to grow by 12.2 percent in 2022 on account of higher expected declarations from one large operator, and the small and medium scale miners.

5.7 Mr. Speaker, the bauxite subsector, like many other productive subsectors, faced tremendous interruptions in 2021. However, it is anticipated to recover in 2022 and grow by 25.4 percent, with greater output expected from both large operators. Additionally, the other mining and quarrying subsector – which includes sand, stone, and diamonds – is also projected to grow in 2022, by 8.4 percent. This is driven mainly by the intensified PSIP, with many major infrastructure projects expected to take off this year.

c. Manufacturing

5.8 Mr. Speaker, improved performance is anticipated for all manufacturing industries in 2022. Sugar, rice and other manufacturing are expected to expand by 11.8 percent, 28.6 percent and 8.5 percent, respectively. Growth in value-added from sugar and rice manufacturing reflect developments in cultivation and harvesting. In the case of other manufacturing, we can expect further expansion in the manufacturing of non-metallic products like cement and chemical products, as well as in the manufacturing of fabricated metal products.

d. Construction

5.9 Mr. Speaker, Government is committed to filling the substantial infrastructural gaps that exist across our nation. In 2022, we will continue to invest heavily in construction projects across all sectors, alongside major projects coming from private sector investment initiatives. As a result, we project 10.5

percent growth in the construction sector in 2022, on top of the growth observed in the sector last year.

e. Services

5.10 Mr. Speaker, after facing significant challenges in 2020, many of the services industries began their recovery in 2021, on account of the phased reopening of our economy and other measures put in place by this Government to boost economic activity. In 2022, all of the services industries are projected to expand by 3.8 percent. Notably, significant increases are forecasted for wholesale and retail trade and repairs, transport and storage, financial and insurance activities, administrative and support services, and real estate activities. These are projected to grow by 6.5 percent, 7.8 percent, 3.9 percent, 2.5 percent and 2.3 percent, respectively.

B. Monetary Policy and Inflation

5.11 Mr. Speaker, in 2022, monetary policy will continue to be focused on price and exchange rate stability, alongside growing credit to the private sector. This year, inflation is forecasted to be 4.1 percent, driven largely by continued but gradually moderating imported price pressure.

C. Balance of Payments

5.12 This year, the overall balance of payments is expected to register a surplus of US\$403.4 million, largely attributed to projected improvement in the current account.

5.13 The current account is expected to record a surplus of US\$2,441.4 million, mainly on account of higher projected export earnings. Export receipts are forecasted to increase by 79.1 percent to US\$7,792.8 million, reflecting higher anticipated export earnings from all commodities. In particular, crude oil exports are projected to increase by 107.7 percent to US\$6,180.6 million amid the commencement of production from Liza Unity. Non-oil exports are forecasted to increase by 17.1 percent to US\$1,612.1 million. At the same time, imports are expected to fall by 31.1 percent to US\$2,957.1 million, as no new FPSO is projected to be imported this year.

5.14 The capital account is forecasted to record a deficit of US\$2,037.9 million, reflecting the operator's share of oil production applied to cost recovery, as well as a moderation of FDI inflows also as a result of no new FPSO being imported this year.

D. Targets for the Non-Financial Public Sector

a. Central Government Operations

5.15 Mr. Speaker, total Central Government current revenue (net of GRIF inflows and NRF withdrawal) is projected to increase by 13.4 percent to \$301.3 billion, within which tax collections will account for an estimated \$286.8 billion driven by strong continued investment and growth in the economy. Internal revenue collections are projected at \$152.7 billion, 14.6 percent above the 2021 level. Similarly, collections from customs and trade tax are anticipated to grow by 15.1 percent to reach \$31.1 billion this year. Moreover, while collections from VAT are projected to grow by \$6.5 billion, excise tax collections are anticipated to decline by \$60.8 million to \$46.3 billion. Non-tax revenues are estimated to grow by \$3.8 billion to reach \$14.5 billion in 2022 mainly on account of higher collections of royalties, dividends and special transfers from the non-financial public enterprises and Bank of Guyana profits.

5.16 Mr. Speaker, total expenditure of the Central Government is forecasted at \$530 billion in 2022, 36.8 percent above 2021 expenditure. This is driven predominantly by the strong emphasis of Budget 2022 on public investment both to address pressing infrastructure gaps as well as to accelerate the build out of transformative infrastructure nationwide, as discussed earlier. The PSIP is projected to grow by 108.7 percent to \$217.8 billion. Meanwhile, non-interest current expenditure is projected at \$302.2 billion, 9.9 percent above the 2021 outlays. This increase is expected to be driven by greater expenditure in all three sub-categories: transfer payments, personal emoluments, and other goods and services. Transfer payments are forecasted to grow by 12.1 percent to reach \$119.8 billion, employment costs by 15.5 percent to \$89.9 billion, and other goods and services by 2.5 percent, to reach \$92.5 billion.

5.17 Mr. Speaker, as indicated earlier, Budget 2022 is the first budget ever to benefit from withdrawals from the NRF, following the historic passage of the NRF Act last December which

addressed the most offensive deficiencies of the predecessor Act. Pursuant to the provisions to the newly enhanced legal framework set out in the new NRF Act, Budget 2022 projects a withdrawal from the NRF and transfer to the Consolidated Fund of \$126.7 billion. This ensures that the accelerated development agenda outlined in this budget, the critical investments proposed, as well as the measures still to be announced, can be financed without excessive borrowing or the introduction of any new taxes.

5.18 Mr. Speaker, against this background, the overall deficit of the Central Government is projected at 7 percent of GDP.

5.19 Mr. Speaker, Budget 2022 is 44.3 percent larger than Budget 2021 and 36.6 percent above total expenditure last year, and amounts to \$552.9 billion, undoubtedly the largest budget ever and, as indicated earlier, is fully financed with no new taxes.

b. Summary Operations of the Public Enterprises

5.20 In 2022, receipts from the non-financial public enterprises are expected to grow by 8.6 percent to reach \$152.4 billion. Total operating cost for the public enterprises is projected to increase by \$11.7 billion, primarily at GPL due mainly to higher anticipated oil prices in 2022, and to a lesser extent at GuySuCo, due to the rehabilitation and retooling of the grinding estates, coupled with the re-opening of three sugar estates. The overall deficit for the public enterprises is forecasted at \$12.6 billion, equivalent to 1 percent of GDP.

c. Operations of the Non-Financial Public Sector

5.21 Mr. Speaker, a deficit of \$100.3 billion, or 8 percent of GDP, is projected for the non-financial public sector in 2022.

E. Natural Resource Fund

5.22 Mr. Speaker, having addressed the withdrawal from the NRF above, I will now address the projected inflows for 2022. With two FPSO vessels expected to be in operation this year, it is anticipated that there will be 94 lifts from the Stabroek Block, 13 of which will be Government lifts. From this, it is estimated that deposits into the NRF for 2022 will total US\$957.6 million, comprising some US\$857.1 million earned from the Government lifts of profit oil, and an additional US\$100.5 million from royalties.

6.

Measures

6.1 Mr. Speaker, in addition to the wide range of public investment projects and initiatives announced earlier, all of which will stimulate economic activity, create jobs, and thereby generate incomes, Budget 2022 also proposes additional specific measures aimed at providing support to both businesses and households with the same objectives of job creation and income generation and, ultimately, improving wellbeing.

a. Improving Business Competitiveness, Promoting Local Content, and Job Creation

i. Parity in Tax Treatment for Local Content

6.2 Mr. Speaker, when we were considering the Local Content Act, one of the recurring issues that arose was the question of ensuring that Guyanese businesses are not in a disadvantageous position relative to their international counterparts in competing for contracts with the oil and gas sector. This could arise, for example, where the sector is procuring a service and the international companies tendering to supply that service enjoy a particular tax treatment on the importation of their capital equipment to provide that service that Guyanese companies might not enjoy.

6.3 Mr. Speaker, in the interest of ensuring that Guyanese businesses can compete successfully under the new local content framework, our Government will take steps wherever practicable to minimise disparities arising from the tax system that will disadvantage Guyanese businesses against their international counterparts. This will help improve the competitiveness of Guyanese companies, help secure business opportunities for them, and thereby create jobs for Guyanese nationals.

ii. Supporting Renewal of the Industrial and Commercial Transport Fleet

6.4 Mr. Speaker, in this era of mass movement of goods and intensive logistics operations, which are all critical to the oil and gas sector, as well as the ongoing construction boom, the transportation fleet has become an essential part of business capital stock. In this regard, we would like to enable Guyanese businesses to be able to renew and expand their transport fleets and, additionally, to do so by acquiring, newer, safer, and more efficient vehicles.

6.5 To this end, we will be implementing the following measures:

- a) In relation to importation of new motor trucks of any tonnage for transport of goods (new for the purposes of this paragraph refers to vehicles less than four years old), we will remove the 10 percent excise tax as well as the 14 percent VAT that currently apply.
- b) In relation to importation of new haulers for pulling containers or similar vehicles for pulling, we will remove the VAT of 14 percent that currently applies.
- c) In relation to importation of new double cab pickups below 2000 cc we will remove the currently applicable 10 percent excise tax altogether, while for new double cab pickups between 2000 and 3000 cc we will reduce the excise tax from 110 percent to 75 percent.
- d) In relation to importation of new single cab pickups below 3000 cc, we will remove the currently applicable 10 percent excise tax altogether.

iii. Reducing the Cost of Cranes, Safety Equipment, and Oil Spill Equipment

6.6 Mr. Speaker, still on the subject of improving competitiveness of Guyanese businesses and enabling them to ramp up their equipment fleet, we will also remove the 14 percent VAT on cranes, safety equipment, and oil spill response equipment, all as part of ensuring that as many Guyanese businesses as possible can equip themselves accordingly.

iv. Advance Tax on Resident Contractors

6.7 Mr. Speaker, we gave a commitment to reverse the punitive taxes that were implemented by the APNU/AFC once we return to office. One such tax that was implemented was a 2 percent withholding tax on resident contractors. This tax very severely affected the liquidity of resident contractors and therefore also undermined their competitiveness. It also proved challenging to administer, with very uneven compliance, particularly outside the Central Government. We will, therefore, remove this 2 percent withholding tax on resident contractors.

6.8 Mr. Speaker, together these measures will cost an estimated \$2 billion and will make an important difference in ensuring the competitiveness of Guyanese businesses, and thereby help create jobs for the Guyanese People.

b. Easing the Cost of Living

i. Farmers Markets

6.9 Mr. Speaker, as already discussed, we recognise the fact that there has been some upward movement in the prices at the marketplace for a number of food items. But, we also observe that the extent of the upward price movement at the marketplace is not reflected in similar price movement at the farm gate. Indeed, market prices have increased much more steeply than farm gate prices. This, of course, reflects a number of factors, including transportation cost and multiple layers of handling and reselling from farm to final retail.

6.10 In the interest of reducing inefficiencies in this process, we will be arranging monthly farmers markets at locations to be specified in East Berbice, East Coast Demerara, Georgetown, East Bank Demerara, and West Coast Demerara in the first instance, with the possibility of extending to other locations depending on the initial experience. This will help our farmers find ready markets for their produce, and help consumers benefit from the price advantage of buying directly from the farmer.

ii. Extending the Freight Cost Adjustment

6.11 Mr. Speaker, it would be recalled that we implemented in August 2021 an adjustment to the freight cost component in the CIF value used for calculation of import taxes, rolling back freight costs to pre-pandemic levels. This had the effect of reducing the import duties, excise taxes, and VAT charged on imported items. This measure was initially due to expire on 31 January 2022. I am pleased to announce now that we will be extended the application of this adjustment until 31 December 2022. This measure is expected to cost in the order of \$6 billion in 2022.

iii. Reducing the Cost of Fuel

6.12 Mr. Speaker, it is well known that this Government established a mechanism whereby the excise tax on fuel is lowered when the world market prices for fuel increases. As previously reported, we used this mechanism twice in 2021 to lower the excise tax rate on gasoline and diesel from 50 to 35 and then from 35 to 20 percent. I am pleased to announce that, utilising the same established mechanism,

we will be lowering the excise tax rate further on gasoline and diesel from 20 percent to 10 percent, with immediate effect.

iv. Other Cost of Living Measures

6.13 Mr. Speaker, our Government regards the issue of cost of living as a matter of pressing concern. As already discussed, it is the direct result of global factors such as COVID-19 and the attendant disruption to the supply chain, as well as domestic factors such as the flood which caused a temporary disruption to production. We have already implemented a number of measures to try to mitigate the effects of these shocks.

6.14 Given the complexity of the factors driving price increases and the limited policy instruments available to mitigate these increases, we intend to engage in further consultations with the communities most affected both on the coast and in the hinterland on possible interventions to help ease the impact on the most vulnerable in our society. To this end, we have allocated a sum of \$5 billion to meet the cost of the interventions to be implemented following these consultations.

c. Supporting the Vulnerable

i. Support to Dialysis Patients

6.15 Mr. Speaker, much has already been said about the public investments being made to improve the quality of the public health care system as well as to incentivise private investment in health care. Even as these investments are being advanced, this country currently has hundreds of persons undergoing ongoing treatment for life-threatening conditions. A prime example is the number of persons currently receiving dialysis treatment, many of whom are young people still in the prime of their lives, but oftentimes struggling to meet the cost of their treatment. To this end, we will introduce a Dialysis Support Programme under which we will finance up to \$600,000 per annum worth of dialysis treatment for each and every dialysis patient in Guyana. This programme will provide much needed assistance to almost 300 persons at a cost of \$180 million.

ii. Public Assistance

6.16 Mr. Speaker, our Government's Public Assistance programme provides important income support to those in the most distressed of circumstances. This year, we will be increasing the monthly Public Assistance payment from \$12,000 to \$14,000, benefiting 18,000 persons and providing an additional \$432 million in disposable income to these individuals.

iii. Support to the Elderly

6.17 We remain committed to ensuring that those who have served our country over the years and are now advanced in their years are able to enjoy a dignified existence. In this regard, it will be recalled that we increased the old age pension by \$20,500 to \$25,000 monthly, just last year. This year, we will be increasing the Old Age Pension further from \$25,000 to \$28,000. This will place an additional \$2.3 billion of disposable income in the hands of our 65,000 old age pensioners.

d. Increasing Disposable Income

i. Uniform Grants for School Children

6.18 Mr. Speaker, recognising that there is no greater investment that can be made than investing in our young people, our Government has historically placed the highest importance on supporting parents in ensuring their children attend school. One such measure that we had introduced is the annual uniform grant given to the parents of each school age child. I am pleased to announce that we will increase that grant this year from \$4,000 to \$5,000 per child. This will place \$200 million of disposable income in the homes of 200,150 children attending both public and private school.

ii. Because We Care Cash Grants

6.19 Mr. Speaker, additionally, we had also introduced a cash grant to parents of children attending school to meet other expenses associated with their children's attendance at school. It would be recalled that this grant was unconscionably discontinued by the APNU/AFC. On returning to office, not only have we reintroduced it, but we now propose to increase it from \$15,000 to \$25,000 per child.

This will place an additional amount of \$2 billion in the homes of the same 200,150 children attending both public and private school.

iii. Incentivising Saving in the Banking System

6.20 Mr. Speaker, it would be recalled that a withholding tax is currently charged on interest income earned on deposits in the banking system. In order to alleviate the impact of this withholding tax on individuals with modest deposits, we are proposing to remove the withholding tax from individuals whose total interest income does not exceed \$10,000 per annum. This measure will cost \$30 million and will bring much needed relief to those individuals with modest savings in the bank.

iv. Reducing the Cost of Life and Medical Insurance

6.21 Mr. Speaker, as more of our Guyanese brothers and sisters enter the world of work and start earning an income, and as their disposable incomes increase, they become better able to make provision for unforeseen adverse circumstances, such as by taking out life and medical insurance. We would like to encourage as many of them to do so, since it enables individuals and their loved ones to better cope with these adverse circumstances when they occur. To this end, we are proposing to allow taxpayers a deduction from their chargeable income for premiums paid for life and medical insurance up to a maximum of 10 percent of their income or \$30,000 monthly whichever is lower.

6.22 This deduction will reduce the amount of taxable income and ultimately the tax payable by the taxpayer, while at the same time secure assurance and assuage the concerns of many citizens on their long term health care needs and the needs of their family in the unfortunate circumstance of their demise. This measure is projected to cost approximately \$1.1 billion.

v. Personal Income Tax

6.23 Mr. Speaker, along with all the other measures proposed to increase disposable incomes, our Government would also like to provide additional relief to taxpayers. In this regard, we are proposing to increase the monthly income tax threshold from \$65,000 to \$75,000 monthly, thereby releasing a total of \$1.3 billion into the hands of current taxpayers both in the public and private sectors.

e. Other Measures

i. Increase in the Low-Income Mortgage Loan Ceiling

6.24 Mr. Speaker, since we assumed office, we announced two increases in the ceiling on low income loans that may be obtained through commercial banks under the low income housing loans programme supported by Government. The first was from \$8 million to \$10 million and the second from \$10 million to \$12 million. I now wish to announce a further increase in the ceiling from \$12 million to \$15 million. This will make housing loans from commercial banks more affordable to borrowers within that range, and help encourage persons who now have a houseplot to proceed to borrow and build.

ii. Stamp Duty on Retail Transactions

6.25 Mr. Speaker, a longstanding irritant to the business community and consuming public has been the requirement to affix revenue stamps on receipts issued for retail transactions, and compliance levels are very uneven. We are proposing to abolish this requirement, specifically as it relates to retail transactions only.

iii. Remigrants

6.26 Mr. Speaker, I have already spoken of how much this Government values the potential contribution of the Diaspora and that, given the opportunities that now exist in Guyana, there is an increased likelihood of remigration by overseas-based Guyanese. In this regard, yet another one of the punitive tax changes made by our predecessors in Government was to alter the entitlements of our remigrating Diaspora in relation to importation of a vehicle when they return. In this regard, we propose to revert to the more flexible arrangement that existed prior to 2015.

6.27 Mr. Speaker, together, it is estimated that these measures will place more than \$25 billion in the hands of Guyanese businesses and individuals, but will also help ease considerable hardship, while at the same time stimulate thousands of jobs.

7.

Conclusion

7.1 Mr. Speaker, I will conclude on the following note. Although this is the third, not the first or second, budget of this PPP/C Government since we resumed office, Budget 2022 is indeed an historic budget. It sets us resolutely on the path to realising the bright future we have long awaited. It launches some of the most transformative projects in our country's history, whose realisation is critical to resolving the bugbears and bottlenecks we have long faced, whether it be adequate and affordable electricity, a transport network that is responsive to both productive opportunities and changing patterns of urbanisation, or improved medical services for our People. Budget 2022 also lays the foundation for creation of thousands of jobs and provides for the training of our Guyanese brothers and sisters to take up these jobs.

7.2 Mr. Speaker, in short, Budget 2022 can well be regarded as the budget that truly launched the transformation of Guyana, the building of the modern Guyana. When the history of our country shall have been written, future generations will consider that 2022 was the year in which Guyana's great transformation began. Put differently, if this era is a special era in Guyana's history, then 2022 is a special year within that era. Of that I am sure. And, my fervent expectation is that Budget 2022 will be judged on its merits, and that my colleagues on that side of the House will see it fit that Budget 2022 deserves the unanimous approbation of this Honourable House.

7.3 I will conclude by acknowledging the very hard work done by my Cabinet colleagues and the dozens of civil servants who contributed to compilation of this budget, especially given that they did this while working under COVID-19-constrained circumstances. And, of course as I always do, I save the last word for my own team at the Ministry of Finance without whose tremendous work preparation of this historic budget would not have been possible, and whose contribution will be equally invaluable in the execution of this historic budget in the months ahead.

7.4 Mr. Speaker, the honour is mine, on behalf of this PPP/C Government, to commend Budget 2022 to this Honourable House.



APPENDICES

APPENDIX I

SELECTED SOCIO-ECONOMIC INDICATORS

INDICATORS	2017	2018	2019	2020	2021
1.0 NATIONAL ACCOUNTS AGGREGATES					
1.1 Growth Rate of Real GDP (2006 Base) (%)	2.1	4.2	...	...	...
1.2 Growth Rate of Real GDP (2012 Base) (%)	3.7	4.4	5.4	43.5	19.9
1.3 GDP at Current Basic Prices (US\$M) (2006 Base)	3,068.0	3,186.0	...	...	...
1.4 GDP at Current Basic Prices (US\$M) (2012 Base)	4,224.4	4,190.8	4,475.4	4,940.1	7,373.5
1.5 GNP at Current Basic Prices (US\$M) at 2006 Base	3,080.0	3,230.9	...	...	...
1.6 GNP at Current Basic Prices (US\$M) at 2012 Base	4,213.0	4,163.0	4,428.8	4,895.1	7,320.3
1.7 Per Capita GDP (US\$) at 2006 Base	4,127.0	4,223.2	...	...	...
1.8 Per Capita GDP (US\$) at 2012 Base	6,233.3	6,097.7	6,539.3	6,900.5	10,211.9
1.9 Per Capita GNP (US\$) at 2006 Base	4,142.0	4,282.8	...	...	...
1.10 Per Capita GNP (US\$) at 2012 Base	6,217.8	6,061.4	6,478.5	6,845.6	10,143.0
1.11 Gross National Disposable Income (US\$M) at 2006 Base	3,361.0	3,520.2	...	...	...
1.12 Gross National Disposable Income (US\$M) at Current Purchaser's Price	4,902.9	5,149.7	5,550.4	5,867.1	8,805.5
1.13 Private Consumption as % of Gross Domestic Expenditure at 2006 Base	59.0	49.0	...	...	...
1.14 Public Consumption as % of Gross Domestic Expenditure at 2006 Base	15.0	15.0	...	...	...
2.0 EXTERNAL TRADE AND FINANCE (US\$M)					
2.1 BOP Current Account Balance	(290.5)	(1,438.8)	(2,823.7)	(822.9)	(1,533.1)
2.2 Imports of Goods and Non-Factor Services (G&NFS)	(2,177.6)	(3,437.0)	(5,150.5)	(4,239.4)	(7,068.2)
2.3 Exports of Goods and Non-Factor Services (G&NFS)	1,616.9	1,534.3	1,792.0	2,791.3	4,623.1
2.4 Resource Balance	(560.7)	(1,902.8)	(3,358.5)	(1,448.0)	(2,445.1)
2.5 Imports of G&NFS/GDP (%) at 2006 Base	71.0	107.9	...	...	...
2.6 Imports of G&NFS /GDP (%) at 2012 Base	51.5	82.0	115.1	88.0	95.0
2.7 Exports of G&NFS/GDP (%) at 2006 Base	52.7	48.2	...	...	...
2.8 Exports of G&NFS/GDP (%) at 2012 Base	38.3	36.6	40.0	57.9	62.1
2.9 Net International Reserves of Bank of Guyana	584.0	528.4	575.9	680.6	810.8
2.10 External Public Debt Outstanding	1,240.6	1,322.1	1,305.5	1,320.8	1,392.8
3.0 PRICES, WAGES & OUTPUT					
3.1 Rate of Inflation (% Change in CPI)	1.5	1.6	2.1	0.9	5.7
3.2 Public Sector Monthly Minimum Wage in G\$	60,000.0	64,200.0	70,000.0	70,000.0	74,900.0
3.3 % Growth Rate	9.1	7.0	9.0	-	7.0
3.4 Electricity Generation (in M.W.H) ('000)	859.5	818.1	872.5	900.4	937.3
4.0 POPULATION & VITAL STATISTICS					
4.1 Mid-Year Population ('000)	741.4	763.9	767.0	770.0	773.0
4.2 Population Growth Rate (e.o.p)	(0.3)	3.0	0.4	0.4	0.3
4.3 Net Migration ('000)	6.5	18.2	35.5	2.6	0.3
4.4 Visitor Arrivals ('000)	247.3	281.9	314.7	86.5	173.8
4.5 Crude Birth Rate (per 1,000 persons)	16.8	16.1	20.0	...	...
4.6 Crude Death Rate (per 1,000 persons)	6.6	6.0	7.2	6.1	5.5
4.7 Crude Marriage Rate (per 1,000 persons)	5.4	5.2	5.7	4.4	6.2
4.8 Infant Mortality Rate (per 1,000 live births)	13.2	12.4	11.9	9.1	9.3
4.9 Under 5 mortality Rate (per 1,000 live births)	16.2	14.8	14.7	11.1	11.4
5.0 HEALTH AND EDUCATION					
5.1 Public Expenditure on:					
5.1.1 Education as % of National Budget	17.2	16.7	11.9	15.6	16.0
5.1.2 Health as % of National Budget	12.5	17.6	12.3	15.5	16.0
5.2 Trained teachers across the education sector (%)	72	70	72	71	69
5.3 Matriculation rate (%)	39	46	43	49	30
5.4 Gross enrolment rate at tertiary/TVET Institutions (%)	5	5	5	5	5
5.5 Percentage of graduates from TVET/Higher education sector employed	3	3	3	3	4
5.6 Number of Physicians per Ten Thousand Population	11.3	13.5	16.3	11.2	13.0
5.7 Number of Nurses per Ten Thousand Population	37.8	36.9	28.6	27.6	22.0
5.8 Number of Hospital Beds per Ten Thousand Population	23.8	23.8	22.3	23.4	22.0
5.9 Low birth-weight babies (<2500g.) as a % of live births	13.5	9.0	11.4	8.1	8.1
5.10 Nutritional Status of children under 5 as a % of age group:					
5.10.1 Severely malnourished	0.9	0.4	0.2	0.1	0.4
5.10.2 Moderately malnourished	2.2	1.4	1.1	0.5	1.0
5.10.3 Overweight (%)	1.1	1.0	0.5	0.1	1.0
6.0 IMMUNIZATION COVERAGE					
6.1 1 Year Olds Immunized Against DPT/ (Pentavalent) (%)	97.0	98.0	99.0	90.0	92.0
6.2 1 Year Olds Immunized Against MMR, Yellow Fever (%)	100.0	100.0	92.0	92.0	89.0
6.3 1 Year Olds Immunized Against Polio (%)	94.0	98.0	97.0	97.0	89.0
6.4 1 Year Olds Immunized Against TB, BCG (%)	97.0	98.0	97.0	97.0	82.0
7.0 CRIME					
7.1 Reported Serious Crimes	3,030.0	2,571	3,658	2,468	1,853
7.2 of which: Murder	115.0	111	134	154	121

Notes:

1) ... indicates data not available. 2) The 2021 figures are estimates and subject to revision. 3) National Account aggregates were revised for 2020. 4) Indicators updated: 3.1 for 2016 to 2019; 4.6 for 2018; 4.8 and 4.9 for 2019 to 2021; 5.9 for 2019; 5.10.2 and 5.10.3 for 2020; and 6.2 and 6.3 for 2020. 5) Indicators 5.2, 5.3, 5.4, and 5.5 are newly added.

APPENDIX II

GROSS DOMESTIC PRODUCT AT 2012 PRICES BY INDUSTRIAL ORIGIN

INDUSTRY	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Agriculture, forestry and fishing	211,234	219,803	236,671	244,364	217,221	244,734	260,963	259,670	270,445	245,915
Growing of sugar cane	13,420	11,494	13,304	14,220	11,292	8,450	6,440	5,677	5,469	3,571
Growing of rice	41,562	46,142	54,935	60,677	48,432	55,525	54,352	54,901	57,532	45,710
Growing of other crops	105,691	110,618	116,262	118,709	111,795	133,986	149,136	149,522	159,461	143,823
Raising of livestock	20,564	21,236	21,832	23,028	21,697	21,196	26,127	25,201	26,455	28,880
Forestry	17,554	18,517	21,473	19,060	14,040	15,224	15,430	14,821	13,614	15,149
Fishing	12,444	11,796	8,865	8,670	9,965	10,353	9,478	9,548	7,914	8,782
Mining and quarrying	100,988	109,494	93,781	104,567	157,978	146,388	151,122	167,155	674,849	920,948
Bauxite	12,965	12,159	11,303	8,841	9,391	9,677	11,582	11,784	6,925	6,665
Gold	82,392	90,363	72,786	84,723	133,869	122,796	115,746	119,255	109,963	93,738
Other mining and quarrying	5,235	6,597	9,155	9,009	11,925	9,322	14,737	15,811	9,062	16,459
Petroleum and gas; and support services	397	375	537	1,994	2,793	4,593	9,057	20,305	548,899	804,086
Manufacturing	49,950	54,046	57,187	57,752	48,373	49,105	50,208	57,568	52,634	54,456
Sugar	11,907	10,198	11,804	12,617	10,019	7,497	5,713	5,037	4,852	3,168
Rice	9,898	12,082	15,376	15,734	10,972	13,911	14,564	18,415	17,366	14,572
Other manufacturing	28,145	31,766	30,008	29,401	27,382	27,697	29,931	34,116	30,415	36,716
Electricity supply	3,905	4,029	4,286	4,447	4,727	4,755	4,921	5,265	5,328	5,580
Water supply and sewerage	2,556	2,473	2,755	2,437	2,942	3,074	3,190	3,234	3,494	3,269
Construction	63,366	66,801	65,485	62,238	65,793	69,007	71,021	73,205	68,591	89,028
Services	357,054	363,004	373,286	371,821	381,080	391,745	403,182	419,928	380,278	425,404
Wholesale and retail trade and repairs	81,866	76,300	75,458	66,128	67,410	71,754	74,509	78,234	56,082	74,533
Transport and storage	29,738	31,680	33,319	34,417	34,913	35,098	36,763	39,299	27,447	36,176
Accommodation and food services	2,915	3,081	3,121	3,127	3,245	3,410	3,684	3,886	2,224	3,390
Information and communication	18,678	19,274	20,751	20,827	20,955	21,495	22,166	22,388	23,629	23,907
Financial and insurance activities	34,649	38,087	40,383	43,015	44,216	44,823	46,702	49,114	50,448	55,644
Real estate activities	71,724	72,614	73,459	74,379	75,220	76,067	76,976	77,874	78,125	80,857
Professional, scientific and technical services	3,948	4,064	3,974	3,986	4,155	4,461	4,683	4,864	3,775	4,388
Administrative and support services	49,734	51,490	53,777	54,906	57,539	59,360	60,430	63,949	62,078	66,644
Public administration	30,758	32,072	33,121	34,065	35,147	36,101	36,985	38,985	39,435	40,255
Education	19,292	19,742	20,537	21,412	21,897	22,085	22,477	22,757	20,505	21,450
Human health and social work	7,985	8,684	9,418	9,570	10,283	10,846	11,309	11,943	12,349	12,738
Arts, entertainment and recreation	3,032	3,107	3,124	3,124	3,175	3,246	3,365	3,455	2,017	2,710
Other service activities	2,735	2,809	2,842	2,865	2,925	2,999	3,135	3,180	2,164	2,712
<i>Less FISIM</i>	<i>15,451</i>	<i>17,651</i>	<i>18,386</i>	<i>20,266</i>	<i>21,545</i>	<i>20,700</i>	<i>20,370</i>	<i>21,911</i>	<i>21,698</i>	<i>23,596</i>
GDP at basic prices	773,602	801,998	815,066	827,361	856,567	888,107	924,238	964,114	1,433,921	1,721,006
Taxes less subsidies on products	56,725	58,663	60,109	53,830	58,176	60,797	66,807	79,979	64,140	75,858
Total GDP at purchaser prices	830,326	860,661	875,176	881,192	914,743	948,904	991,044	1,044,093	1,498,061	1,796,865
Non-oil GDP at purchaser prices	829,930	860,287	874,638	879,198	911,950	944,311	981,988	1,023,788	949,162	992,778

Figures: G\$M
Source: Bureau of Statistics

APPENDIX III
G\$M
CENTRAL GOVERNMENT FINANCIAL OPERATIONS

	ACTUAL 2020	BUDGET 2021	REVISED 2021	BUDGET 2022
Total Revenue	227,741.5	266,024.9	266,231.1	432,015.6
Revenue	227,739.5	257,937.9	265,817.6	301,319.2
Tax	218,330.1	242,090.8	255,085.5	286,816.8
Income taxes	104,703.0	113,470.7	122,858.7	140,986.8
Value Added and Excise Taxes	83,829.9	93,700.8	94,778.3	102,937.6
Trade taxes	19,641.0	23,357.0	25,611.4	30,445.2
Other	10,156.2	11,562.3	11,837.1	12,447.2
Non-tax	9,409.4	15,847.1	10,732.1	14,502.5
Private sector	7,229.2	7,947.1	7,282.1	7,402.5
Public enterprise & BOG	2,180.2	7,900.0	3,450.0	7,100.0
NRF Withdrawal	-	-	-	126,694.3
GRIF Inflows	-	8,085.0	405.7	4,000.0
Total expenditure	325,471.5	366,897.2	387,273.6	529,966.3
Current expenditure	249,356.7	263,649.4	282,887.4	312,127.9
Non-interest expenditure	241,595.1	256,685.3	274,971.7	302,198.5
Personal emoluments	71,852.2	79,563.4	77,811.9	89,911.1
Other goods and services	72,477.3	70,724.4	90,272.5	92,501.5
Transfer Payments	97,265.6	106,397.5	106,887.3	119,785.9
Interest	7,761.6	6,964.1	7,915.7	9,929.4
External	6,442.7	5,370.4	5,128.6	6,056.9
Domestic	1,318.9	1,593.8	2,787.1	3,872.5
Primary balance	(13,855.6)	1,252.7	(9,154.1)	(879.2)
Current balance	(21,617.2)	(5,711.5)	(17,069.8)	(10,808.6)
Capital Revenue	2.0	2.0	7.7	2.0
Capital Expenditure	76,114.7	103,247.8	104,386.2	217,838.4
Overall Balance before Grants	(97,729.9)	(100,872.3)	(121,042.5)	(97,950.7)
Grants	7,579.8	10,587.7	5,384.3	10,235.1
HIPC relief	953.0	183.3	182.1	-
Original	-	-	-	-
Enhanced	953.0	183.3	182.1	-
CMCF	-	-	-	-
MDRI	-	-	-	-
Other	6,626.8	10,404.4	5,202.2	10,235.1
Projects	4,610.1	8,250.4	3,386.9	10,235.1
Non-projects	2,016.7	2,153.9	1,815.3	-
Overall Balance after Grants	(90,150.2)	(90,284.6)	(115,658.1)	(87,715.5)
Financing	90,150.2	90,284.6	115,658.1	87,715.5
Net External Borrowing	2,322.8	18,254.9	11,683.7	32,358.7
Disbursements of Loans	13,976.5	30,604.9	23,518.1	45,794.5
Debt Repayments	11,653.6	12,350.1	11,834.3	13,435.7
Rescheduling	-	-	-	-
Net Domestic Borrowing	87,827.3	72,029.7	103,974.4	55,356.8
Overall Deficit as a % of Non-Oil GDP	(9.4)	(8.7)	(10.2)	(7.0)

Note:

Actual 2020 Non-tax revenue excludes closure of bank accounts valued at \$2.6 billion.

APPENDIX IV

**URBAN CONSUMER PRICE INDEX - NEW SERIES
(GEORGETOWN)**

GROUP	2020	2021											
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
ALL ITEMS	120.65	122.33	121.89	121.41	121.94	123.38	127.35	128.38	128.94	128.31	127.51	127.13	127.49
FOOD	152.51	157.07	155.43	153.66	156.07	160.20	171.50	173.79	175.24	173.09	170.42	169.26	170.26
CLOTHING	89.04	88.23	88.23	88.23	88.28	88.28	87.98	88.02	88.02	88.02	88.10	87.94	87.94
FOOTWEAR AND REPAIRS	80.75	80.60	80.53	80.53	80.63	80.63	80.63	80.64	80.64	80.64	80.88	80.78	80.78
HOUSING	97.32	97.55	97.66	97.80	96.20	96.24	96.23	96.42	96.60	96.86	96.95	97.08	97.10
FURNITURE	90.46	90.55	90.51	90.56	90.56	90.77	91.99	93.40	93.34	93.37	93.66	93.76	93.96
TRANSPORT & COMMUNICATION	117.90	118.32	118.81	119.21	119.78	119.89	120.03	120.48	120.60	120.76	120.73	120.53	120.57
MEDICAL & PERSONAL CARE	136.55	136.40	136.47	136.59	136.96	136.96	136.96	137.50	137.49	137.49	138.70	138.76	138.76
EDUC., RECR. AND CULTL. SERVICE	96.73	97.25	97.24	97.24	96.44	96.44	96.46	96.37	96.37	96.37	96.38	96.38	96.38
MISC. GOODS & SERVICES	122.56	122.38	122.38	122.31	123.99	124.08	124.90	125.02	125.05	124.98	125.85	125.90	125.89

NEW SERIES COMMENCED 1st JANUARY 2010

GROUP	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	% Change 2021 - 2020
	DEC	DEC	DEC	DEC	DEC	DEC	DEC	DEC	DEC	DEC	DEC	DEC	DEC	
ALL ITEMS	100	104.5	107.9	111.6	112.6	113.9	111.9	113.5	115.2	117.1	119.5	120.6	127.5	5.7
FOOD	100	110.4	113.2	124.0	124.1	126.7	125.4	130.7	134.4	138.5	147.0	152.5	170.3	11.6
CLOTHING	100	99.3	101.8	98.0	98.4	99.3	98.5	95.4	95.7	94.2	89.3	89.0	87.9	-1.2
FOOTWEAR AND REPAIRS	100	100.5	103.5	104.6	89.8	96.1	96.3	94.0	94.3	82.4	81.5	80.7	80.8	0.0
HOUSING	100	99.7	100.4	100.7	100.8	100.6	98.8	98.8	99.3	100.4	99.5	97.3	97.1	-0.2
FURNITURE	100	99.2	101.1	100.6	95.9	95.4	91.8	91.3	91.9	90.6	89.9	90.5	94.0	3.9
TRANSPORT & COMMUNICATION	100	104.8	115.5	114.6	121.9	121.2	117.2	116.7	118.0	120.3	119.5	117.9	120.6	2.3
MEDICAL & PERSONAL CARE	100	101.4	101.3	111.7	116.0	121.6	122.2	123.5	126.9	129.6	129.9	136.6	138.8	1.6
EDUC., RECR. AND CULTL. SERVICE	100	102.0	98.7	98.4	96.9	98.7	95.1	94.7	97.7	96.0	96.4	96.7	96.4	-0.4
MISC. GOODS & SERVICES	100	102.0	107.0	111.0	112.6	120.9	120.9	120.9	119.8	120.3	120.9	122.6	125.9	2.7

APPENDIX V

BALANCE OF PAYMENTS ANALYTIC SUMMARY

ITEM		ACTUAL 2020	BUDGET 2021	ACTUAL 2021	BUDGET 2022*
A	Current Account	(822.9)	65.7	(1,533.1)	2,441.4
1.0	Merchandise (Net)	339.8	1,193.2	58.8	4,835.6
	1.1 Exports (f.o.b.)	2,590.0	3,788.8	4,352.0	7,792.8
	1.1.1 Bauxite	73.3	90.1	76.2	92.6
	1.1.2 Sugar	24.1	30.5	14.6	20.3
	1.1.3 Rice	243.2	257.3	201.4	288.6
	1.1.4 Gold	979.2	1,030.0	858.4	962.5
	1.1.5 Timber	27.7	30.0	26.5	28.9
	1.1.6 Crude Oil	1,064.1	2,102.7	2,975.5	6,180.6
	1.1.7 Other	147.1	195.0	161.2	177.3
	1.1.8 Re - exports	31.3	53.2	38.2	42.0
	1.2 Imports (c.i.f.)	(2,250.2)	(2,595.6)	(4,293.1)	(2,957.1)
	1.2.1 Fuel & Lubricants	(493.3)	(427.0)	(740.3)	(895.4)
	1.2.2 Other	(1,756.8)	(2,168.6)	(3,552.8)	(2,061.8)
2.0	Services (Net)	(1,820.9)	(1,723.5)	(2,557.1)	(3,417.0)
	2.1 Factor	(33.1)	(45.0)	(53.2)	(618.5)
	2.2 Non Factor (Net)	(1,787.8)	(1,678.5)	(2,503.9)	(2,798.5)
3.0	Transfers	658.1	596.0	965.2	1,022.8
	3.1 Official	26.9	57.1	60.7	-
	3.2 Private	631.2	538.9	904.5	1,022.8
B	Capital Account	919.6	(5.8)	1,678.5	(2,037.9)
1.0	Capital Transfers	48.7	69.8	81.8	49.1
2.0	Medium and Long Term Capital (Net)	932.6	(14.7)	1,648.8	(2,026.7)
	2.1 Non - Financial Public Sector Capital (Net)	(190.3)	(228.7)	(42.1)	(194.1)
	2.1.1 Disbursements	47.6	95.3	125.2	219.6
	2.1.2 Amortization	(52.5)	(60.5)	(57.4)	(63.6)
	2.1.3 Other	(185.4)	(263.5)	(109.9)	(350.2)
	2.1.3.a SDR Allocation	-	-	247.4	-
	2.1.3.b Natural Resource Fund	(185.4)	(263.5)	(357.3)	(957.9)
	2.1.3.c Natural Resource Fund Withdrawal	-	-	-	607.6
	2.2 Private Sector (Net)	1,122.9	214.0	1,690.9	(1,832.6)
	2.2.1 Foreign Direct Investment (Net)	2,060.3	2,085.3	4,336.2	(1,785.7)
	2.2.2 Portfolio Investment (Net)	(21.4)	(32.1)	(49.7)	(46.9)
	2.2.3 Private Enterprises	(916.0)	(1,839.2)	(2,595.6)	-
3.0	Short Term Capital	(61.7)	(60.9)	(52.2)	(60.3)
C	Errors and Omissions	8.0	0.0	(15.2)	0.0
D	Overall Balance	104.7	59.9	130.2	403.4
E	Financing	(104.7)	(59.9)	(130.2)	(403.4)
1.0	Bank of Guyana Net Foreign Assets	(104.7)	(90.0)	(130.2)	(403.4)
2.0	Change in Non-Financial Public Sector Arrears	-	-	-	-
3.0	Exceptional Financing	-	30.0	-	-
	3.1 Debt Relief	-	2.4	-	-
	3.2 Balance of Payments Support	-	-	-	-
	3.3 Debt Forgiveness	-	27.6	-	-
	3.4 Debt Stock Restructuring	-	-	-	-

Notes:

*Budget 2022 estimates are reclassified to reflect revised treatment of oil-related transactions.

Figures: US\$M

Source: Ministry of Finance,
Bureau of Statistics and Bank of Guyana

APPENDIX VI

ACTUAL AND PROJECTED TOTAL PUBLIC AND PUBLICLY GUARANTEED DEBT					
ITEMS	Actual	Actual	Projected	Revised	Projected
	End-December 2019 (After E-HIPC & MDRI Reduction)	End-December 2020 (After E-HIPC & MDRI Reduction)	End-December 2021 (After E-HIPC & MDRI Reduction)	End-December 2021 (After E-HIPC & MDRI Reduction)	End-December 2022 (After E-HIPC & MDRI Reduction)
1.0 TOTAL PUBLIC AND PUBLICLY GUARANTEED DEBT	1,767.45	2,592.20	3,140.31	3,126.65	3,573.17
2.0 TOTAL PUBLIC DEBT	1,689.08	2,589.81	3,137.91	3,124.25	3,490.78
2.10 TOTAL EXTERNAL DEBT	1,305.47	1,320.79	1,410.56	1,392.78	1,517.95
2.1.1 Multilateral	815.31	825.30	924.46	910.20	1,036.35
CDB	151.07	149.47	148.78	144.37	146.01
CDF	10.55	9.85	10.45	9.77	8.98
EEC	5.22	5.17	4.65	4.32	3.83
IDB	546.18	552.05	639.59	642.57	735.91
IDA	82.97	90.26	102.02	92.42	106.79
IFAD	8.52	8.56	9.42	7.86	8.91
OFID	10.81	9.83	8.84	8.84	7.86
ISDB	0.00	0.12	0.71	0.04	18.05
2.1.2 Bilateral	456.52	462.61	454.11	450.58	450.53
Paris Club Creditors:	3.03	3.00	2.74	2.57	2.47
Italy	2.55	2.56	2.35	2.18	2.14
T&T	0.00	0.00	0.00	0.00	0.00
USA	0.48	0.43	0.39	0.39	0.34
-PL 480	0.48	0.43	0.39	0.39	0.34
Non-Paris Club Creditors:	453.49	459.61	451.37	448.01	448.05
Argentina	15.90	16.24	16.57	16.57	16.57
China (Eximbank)	233.84	245.98	234.16	240.45	229.17
India (Eximbank)	14.47	14.59	22.65	14.73	33.09
Kuwait	24.85	22.85	20.85	20.85	18.85
Libya	44.90	45.19	46.60	45.47	45.47
Serbia	1.40	1.43	1.55	1.45	1.45
UAE	8.27	8.41	9.05	8.54	8.54
Venezuela (PDVSA)	109.85	104.92	99.93	99.93	94.90
2.1.3 Private Creditors	33.64	32.88	32.00	32.00	31.07
Commercial Banks	20.98	20.22	19.33	19.33	18.41
Barclays Bank	3.44	3.44	3.44	3.44	3.44
Lloyds Bank (O/Draft)	1.73	1.78	1.77	1.77	1.77
Republic Bank Limited (T & T)	15.82	15.00	14.13	14.13	13.20
Others ^{1/}	12.66	12.66	12.66	12.66	12.66
2.2.0 TOTAL DOMESTIC DEBT	383.60	1,269.02	1,727.35	1,731.48	1,972.82
2.2.1 Domestic Securitites	382.58	1,268.16	1,726.67	1,730.80	1,972.31
Treasury Bills	343.96	388.22	808.52	702.67	990.44
91-Days ^{2/}	4.78	4.78	4.78	4.78	4.78
182-Days	3.48	25.67	26.15	1.69	1.69
364-Days	335.70	357.77	777.59	696.20	983.97
Debentures ^{3/}	38.60	37.43	36.26	985.90	960.75
BOG Variable Interest Rate Debentures	18.70	18.70	18.70	18.70	18.70
NIS Debenture (GOG/NIS No. 1/2016) ^{4/}	19.90	18.73	17.56	7.97	6.80
GOG/BOG Debenture Certificates (Series A to T) ^{5/}	0.00	0.00	0.00	959.23	935.25
Bonds	0.02	59.10	42.22	42.22	21.12
Defence Bonds	0.02	0.02	0.02	0.02	0.02
NICIL \$30 Billion Fixed Rate Bond ^{6/}	0.00	59.09	42.21	42.21	21.10
Other	0.00	783.41	839.66	0.00	0.00
Overdraft ^{7/ 8/}	0.00	783.41	839.66	0.00	0.00
2.2.2 Domestic Loan	1.02	0.85	0.68	0.68	0.51
NIS Loan (CARICOM Building Project)	1.02	0.85	0.68	0.68	0.51
3.0 TOTAL PUBLICLY GUARANTEED DEBT	78.37	2.40	2.40	2.40	82.40
3.1.0 TOTAL EXTERNAL PUBLICLY GUARANTEED DEBT	0.00	0.00	0.00	0.00	0.00
3.2.0 TOTAL DOMESTIC PUBLICLY GUARANTEED DEBT	78.37	2.40	2.40	2.40	82.40
NICIL \$30 Billion Fixed Rate Bond	75.97	0.00	0.00	0.00	0.00
Deposit Insurance Corporation	2.40	2.40	2.40	2.40	2.40
Other	0.00	0.00	0.00	0.00	80.00

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.
- 5/ Debentures issued on May 28, 2021 to securitise the Central Government's gross overdraft with the Bank of Guyana.
- 6/ In May 2018, the GOG guaranteed a 5-year syndicated NICIL Bond not exceeding \$30 billion, of which \$17.6 billion was issued.
In December 2020, a decision was taken to have this Bond transferred to the books of the Central Government.
- 7/ For the historical years, there were no instruments assigned to cover the Central Government gross overdraft with the Bank of Guyana.
- 8/ Includes Central Government gross overdraft with the Bank of Guyana to be securitised.
- 9/ Exchange rate used: USD/GYD:\$208.50

APPENDIX VII

**ACTUAL AND PROJECTED NATURAL RESOURCE FUND:
INFLOWS AND WITHDRAWALS**

	ITEM	ACTUAL 2020	ACTUAL 2021	BUDGET 2022	INDICATIVE 2023	INDICATIVE 2024	INDICATIVE 2025
A	INFLOWS	198,314.6	409,332.0	957,874.8	1,165,443.9	1,335,315.1	1,781,842.7
1.0	Petroleum Revenue Deposits	198,302.3	409,207.7	957,625.9	1,165,141.0	1,334,968.0	1,781,379.5
	Government Share of Profit Oil	185,380.3	357,212.2	857,116.0	1,008,688.0	1,158,088.0	1,545,128.0
	Royalties	12,921.9	51,995.5	100,509.9	156,453.0	176,880.0	236,251.5
2.0	Nominal Return	12.3	124.2	249.0	302.9	347.1	463.2
	Interest Income	7.6	124.2	249.0	302.9	347.1	463.2
	Capital Gains	4.8	-	-	-	-	-
B	OUTFLOWS	-	-	607,646.6	843,219.4	957,570.5	1,042,484.0
1.0	Estimated Withdrawal Amount	-	-	607,646.6	843,219.4	957,570.5	1,042,484.0
	NRF Opening Balance	-	198,314.6	607,646.6	957,874.8	1,280,099.3	1,657,844.0
	NRF Closing Balance	198,314.6	607,646.6	957,874.8	1,280,099.3	1,657,844.0	2,397,202.6
	MEMORANDUM ITEMS:						
	Withdrawal Ceiling	-	-	607,646.6	843,219.4	957,570.5	1,042,484.0

Figures: US\$ '000

