



# BUDGET 2023



**Improving Lives Today,  
Building Prosperity for Tomorrow**

JANUARY 16, 2023



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

**Original Title:** Budget 2023

**Presented by:** The Honourable Dr. Ashni K. Singh, M.P.

Senior Minister in the Office of the President with Responsibility for Finance.

**Publisher:** Ministry of Finance.

**Cover:** The cover shows the Coat of Arms, the theme of Budget 2023, and images depicting major areas of development (Health, Education, Housing, Transport Infrastructure, and Forests) of Guyana.

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

© Ministry of Finance 2023

**ISBN** 978-976-8254-62-7 (Paperback)

**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 2020-2023

**BUDGET SPEECH**

---

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

---

**January 16, 2023**



## TABLE OF CONTENTS

---

1.	Introduction	1
2.	The Global and Regional Economic Context	6
3.	Developments in the Domestic Economy in 2022	8
	A. Real Gross Domestic Product	8
	B. Sectoral Performance	8
	a. Agriculture, Fishing and Forestry	8
	b. Extractive Industries	9
	c. Manufacturing	10
	d. Electricity and Water Supply and Sewerage	11
	e. Construction	11
	f. Services	11
	C. Balance of Payments	12
	D. Monetary Developments	13
	E. Prices and Income	15
	a. Inflation	15
	b. Interest Rates	15
	c. Income	15
	F. Fiscal Position	16
	a. Non-Financial Public Sector	16
	b. Central Government	17
	c. Public Enterprises	18
	G. Public Debt Management	18
	H. Natural Resource Fund	19
4.	Sectoral Developments and the Agenda for 2023	20
	A. Introduction and Macroeconomic Context	20
	B. The Low Carbon Development Strategy	20

C.	A Diversified, Resilient and Competitive Productive Sector	22
a.	Oil and Gas	22
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	31
iv.	Agro-Processing	33
v.	Livestock	33
vi.	Fisheries and Aquaculture	34
vii.	Drainage and Irrigation	34
e.	Sustainable Tourism	35
f.	Business Process Outsourcing	37
g.	Small Business Support	38
D.	Transformational Infrastructure	40
a.	Energy Expansion and Diversification	40
b.	Transport Infrastructure	42
i.	Roads and Bridges	42
ii.	Air Transport	46
iii.	River Transport	46
c.	Sea and River Defence	47
E.	Investing in Our People	47
a.	Health	47
b.	Education	51
c.	Housing	54

d.	Water and Sanitation	56
e.	Culture and Arts	58
f.	Sports	59
g.	Youth	60
h.	Children	61
i.	Senior Citizens	61
j.	Women and Gender	62
k.	Persons with Disabilities	63
l.	Victims of Domestic Violence	64
m.	Amerindian and Hinterland Development	65
F.	Improved Governance and Institutional Reforms	67
a.	Governance	67
b.	Justice Sector Strengthening	69
c.	Strengthening Local Government	70
d.	Financial Sector Reform and Capital Market Development	71
e.	Payment Systems	72
f.	Public Administration and Public Financial Management	72
i.	Revenue Management	72
ii.	Digital Solutions in Guyana	73
iii.	National Insurance Scheme	74
iv.	Procurement	75
v.	Data Systems Strengthening	76
vi.	Reducing Bureaucracy and Red Tap	77
G.	Foreign Relations and the Diaspora	78
a.	Foreign Relations	78
b.	The Diaspora	79
H.	Public Safety and Security	80
5.	Targets for 2023	84
A.	Real Gross Domestic Product	84
a.	Agriculture, Fishing and Forestry	84

	b.	Extractive Industries	84
	c.	Manufacturing	85
	d.	Construction	85
	e.	Services	85
	B.	Monetary Policy and Inflation	86
	C.	Balance of Payments	86
	D.	Targets for the Non-Financial Public Sector	87
	a.	Central Government Operations	87
	b.	Summary Operations of the Public Enterprises	88
	c.	Operations of the Non-Financial Public Sector	88
	E.	Natural Resource Fund	88
6.		Measures	89
7.		Conclusion	94
		Appendices	
	I.	Selected Socio-Economic Indicators	95
	II.	Gross Domestic Product at 2012 Prices by Industrial Origin	96
	III.	Central Government Financial Operations	97
	IV.	Urban Consumer Price Index	98
	V.	Balance of Payments Analytic Summary	99
	VI.	Actual and Projected Total Public Debt Stock	100
	VII.	Actual and Projected Natural Resource Fund Inflows and Withdrawals	101



## LIST OF ABBREVIATIONS

---

ADF	Amerindian Development Fund
AFHP	Amaila Falls Hydropower Project
ART-TREES	Architecture for REDD+ Transactions Environmental Excellence Standard
ASYCUDA	Automated System for Customs Data
ATVs	All-Terrain Vehicles
BPD	Barrels of Oil Per Day
BPO	Business Process Outsourcing
CARICOM	Caribbean Community
CLE	Council of Legal Education
COVID-19	Coronavirus Disease 2019
CSO	Community Service Officer
D&I	Drainage and Irrigation
EEPGL	Esso Exploration and Production Guyana Limited
ESW	Electronic Single Window
FPSO	Floating Production Storage and Offloading
GDP	Gross Domestic Product
GFC	Guyana forestry Commission
GOAL	Guyana Online Academy of Learning
GPL	Guyana Power and Light Inc.
GRA	Guyana Revenue Authority
GRDB	Guyana Rice Development Board
GRIF	Guyana REDD+ Investment Fund
GUYSUCO	Guyana Sugar Corporation
GWI	Guyana Water Incorporated
ICT	Information and Communication Technology
KM	Kilometres
KW	Kilowatt

KV	Kilovolt
LARC38	38th Regional Conference for Latin America and the Caribbean
LCDS	Low Carbon Development Strategy
LCS	Local Content Secretariat
LDOs	Local Democratic Organs
MMU	Materials Management Unit
MW	Megawatt
NIS	National Insurance Scheme
NPTAB	National Procurement and Tender Administration Board
NRF	Natural Resource Fund
PPG	Public and Publicly Guaranteed Debt
PPP/C	People's Progressive Party/Civic
PYARG	President's Youth Award Republic of Guyana
PSA	Production Sharing Agreement
PSIP	Public Sector Investment Programme
PV	Photovoltaic
T&D	Transmission and Distribution
TVET	Technical and Vocational Education and Training
US	United States
UNSC	United Nations Security Council
VAT	Value-Added Tax
VSAT	Very-small-aperture terminal
WIIN	Women Innovation and Investment Network
YEST	Youth Entrepreneur and Skills

## 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 2023. 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 2023 is the fourth budget of this People's Progressive Party/Civic (PPP/C) Government formed in August 2020, after the protracted struggle to ensure that the constitutional consequences of the December 2018 no confidence motion were adhered to and that the results of the March 2020 elections were respected as the democratic will of the People. Inevitably, even if belatedly, democracy and the rule of law finally prevailed, and our beloved Guyana was rescued from the precipice of becoming a rogue dictatorship and a pariah state.

1.3 Since assuming office, our Government has set about the task of repairing the deep and lasting damage caused by five years of misrule and mismanagement, rebuilding Guyana's credibility in the global community, restoring our attractiveness as a destination for private investment, improving infrastructure and social services, and ensuring enhanced opportunities and improved quality of life for the Guyanese People. All this we endeavour, while guided by His Excellency's overarching and abiding philosophy of One Guyana.

1.4 Mr. Speaker, Budget 2023 comes at the 30-month mark, or approximate midpoint, of our current term of office. It therefore presents a timely opportunity both to look back at the first half of this term and, even more importantly, to look ahead at that which is yet to come and which beckons with such abundant and exciting promise.

1.5 To give just a few examples, in the two and a half years since assuming office we have:

- Combated the COVID-19 pandemic, providing protection to citizens by administering 958,365 doses of vaccines in total and achieving a fully-vaccinated rate of 68 percent of the adult population and, at the same time, provided relief to households by distributing over \$7 billion in cash grants;

- Improved social safety nets, by increasing old age pension by nearly 40 percent to \$28,000 monthly resulting in transfers of over \$21 billion in 2022 to our senior citizens, and increasing public assistance by over 55 percent to \$14,000 monthly resulting in transfers of over \$3 billion in 2022 to the most vulnerable in our society;
- Reintroduced and increased the “Because We Care” cash grant to \$25,000 per child in 2022 which, along with the \$5,000 uniform grant, resulted in total transfers of \$5.6 billion to parents of over 196,000 school age children in 2022;
- Awarded nearly 14,000 online scholarships under the GOAL programme, giving the awardees an opportunity to pursue higher education or specialised training and certification in the comfort of their own home;
- Distributed over 20,000 house lots, about three times the total distributed in the previous five years, giving all those recipients – Guyanese families and young professionals – the opportunity to become a home owner for the very first time; and
- Increased hinterland access to water from 46 percent in 2020 to 75 percent currently.

1.6 Similarly, looking ahead to give just a few transformative examples on which work has already commenced, before the end of our current term of office we will have:

- Constructed and rehabilitated thousands of community and urban roads in towns and villages across the country;
- Constructed a new and modern four-lane Demerara River Bridge, bringing long overdue relief to commuters crossing that river and saving millions of person-hours annually;
- Completed the Linden to Mabura highway, improving access to the hinterland and creating economic opportunities through improved linkages with our neighbours to the south; and
- Completed the construction of Guyana’s onshore gas pipeline and natural gas plant, which will significantly reduce the cost of electricity to the benefit of households and businesses, thereby catalysing rapid growth in industrial activity.

1.7 As we engage in this important exercise of reflection on the past and planning for the future, it is apposite to recall that my preamble to Budget 2021 pointed out the clearly distinguishable phases in our country’s economic journey. On that occasion, I emphasised the conspicuous correlation between our economic history and our political history since independence. More specifically, I

highlighted that the years from 1966 to 1992 were characterized by state domination and economic decimation, the years from 1992 to 2015 were a period of restoration and rebuilding, and the years from 2015 to 2020 were scarred by renewed state domination and economic degeneration. Against that background, the current PPP/C Government has resolved that the post-2020 years will be an era of positive and lasting transformation.

1.8 Mr. Speaker, on that occasion two years ago when I spoke of these phases in our economic history, I did not elaborate on the factors that helped distinguish the economic stewardship by successive PPP/C Governments from the economic mismanagement by our colleagues on that side of the House. As we contemplate the future, it is important that we consider some of the cardinal distinguishing principles that have guided successive PPP/C Governments in our economic policy formulation. These guiding principles contributed to the outcomes realized during our stewardship thus far and will continue to guide our stewardship going forward.

1.9 First amongst these is policy continuity, consistency, and credibility. Our Government, like previous PPP/C Governments, is committed to positions that are longstanding and well known. For example, our commitment to work towards improving the lives of all Guyanese is entrenched in our Party's founding principles, has been a constant feature in all our election Manifestos and our budgets, and has informed all the policies contained therein. We have remained faithful to the commitments in our successive Manifestos, and we have delivered on those commitments. Except where needed to adapt to evolving circumstances, our core principles and policies have not shifted over the years, and do not vary depending on the audience or issue we are addressing. This has earned us incomparable credibility.

1.10 Second, our Government is committed to sound policies for long term sustainability. PPP/C Governments do not compromise the long-term wellbeing of our country and our People at the altar of expediency or populism. As a responsible Government, our policy choices are constantly guided by their long-term implications. These implications will be borne by this generation, in our twilight years, as well as by generations yet to come. We owe it to ourselves and, even more so to them, not to make decisions today that have short term appeal but will have adverse consequences in years to come. Long term sustainability and the avoidance of policy myopia remain a paramount concern for us. This is absolutely critical for many of the fiscal choices we are faced with today.

1.11 Third, our economic policymaking is guided by objective, sound, and rigorous examination of prevailing realities. In this regard, economic policymaking at this particular juncture in our economic history is by no means an uncomplicated task. To give perhaps the most obvious example, as a resource-based economy, the avoidance of Dutch Disease and the containment of over-exposure to and over-dependence on any one sector of the economy necessitates concerted policy action now. The threat of Dutch Disease is real and nontrivial, and we need now to take the actions necessary to ensure that we broaden our non-oil productive base and to secure the long-term competitiveness of our non-oil economy.

1.12 It is for this reason that we are investing so heavily in the catalytic infrastructure that is critically needed for expanding productive capacity and improving competitiveness in the non-oil economy. It is not accidental that we are investing as heavily as we are to build roadways to open up new cultivable acreage for agriculture and to improve access to our non-oil extractive resources such as minerals and forestry. It is similarly not accidental that that we are investing in energy infrastructure to increase the supply and reduce the cost of electricity, to ensure a competitive industrial and manufacturing sector.

1.13 At the same time, we are working assiduously to reduce and remove supply-side bottlenecks, both in the market for goods and services as well as the labour market, given that these can exacerbate the risk of overheating. Examples of this include facilitating ramped up domestic production of construction inputs such as quarry aggregate and sand, both of which will be needed in vastly increased quantities in the coming months given the construction boom underway. In the labour market, we have been investing heavily in training to maximise the availability of skilled personnel and to enhance the capacity of Guyanese nationals to take up new and emerging job opportunities.

1.14 Fourth, we are always mindful of the global environment in which we operate. In the current instance, we are navigating the transformation in our country at a time when the global economic context is extremely unhelpful and highly unpredictable. Having only partially exited the throes of the COVID-19 crisis, the global economy is now characterised by elevated inflationary pressures as well as strong recessionary risks for a variety of reasons which I will discuss shortly. This is a reality from which we in Guyana are by no means isolated and to which we are by no means immune, and this is the background against which economic policy is being formulated.

1.15 Mr. Speaker, I emphasise all these points for the following reason. Our Government considers it extremely important for the entire population to be fully attune to the complexities of the policy environment in which we are operating, the very real threats and risks we face, as well as the policy choices before us and their implications. For this reason, we consider a high level of economic literacy countrywide to be a high priority, and we will continue to ensure that the complexities of the policymaking environment are explained in the most accessible way possible, to build broad-based appreciation of the issues that confront us and the policy choices before us.

1.16 Finally, even as we remain focused on ensuring the long-term wellbeing of Guyana and the Guyanese People, our Government remains fully cognisant of the importance of addressing the most urgent and immediate imperatives. We understand and appreciate the urgency with which the most pressing problems and irritants of today need to be fixed. Matters like ensuring decent quality community infrastructure including community roads and drainage and irrigation (D&I) structures to reduce the risk of flooding, good quality education for our children, good quality health care for all, reliable electricity and water supply, and decent jobs for everybody of employable age, are all urgent and immediate needs.

1.17 We recognize and appreciate the urgency with which these basic needs must be met. The initiatives contained in Budget 2023 represent a major step forward in ensuring that these needs are met in the shortest possible time. At the same time, we attach an equally high level of importance to ensuring that the investments needed for longer term wellbeing are also being made. Reflecting this recognition, Budget 2023 is presented under the theme **Improving Lives Today, Building Prosperity for Tomorrow**, capturing the essence of simultaneous attention being paid to both the immediate issues and irritants of the day as well as the longer-term investments need to secure the wellbeing of all of the Guyanese People well into the future.

## **2. The Global and Regional Economic Context**

2.1 Mr. Speaker, global growth for 2022 is now estimated at 2.9 percent, down significantly from the 5.9 percent expansion recorded in 2021 in the initial recovery from the doldrums of the pandemic. The weaker output level for 2022 reflects significant slowdowns in economic growth for the world's two largest economies – the United States (US) and China – and the Euro area. Pressures on global growth came from protracted lockdowns and a property market crisis in China, along with the spill over effects from the Russia/Ukraine war leading to tighter gas supplies to the Euro area. Weaker output is also partially attributed to a continual tightening of global financial conditions to curb soaring inflation levels.

2.2 Growth in advanced economies is estimated at 2.5 percent in 2022, slower than the 5.3 percent growth recorded in 2021, against the backdrop of slowdowns in the US and the Euro area. Growth in the emerging market and developing economies is estimated at 3.4 percent in 2022, down from 6.7 percent in the year prior, largely on account of a sharp slowdown in China and contraction in Russia. The Latin America and the Caribbean region is estimated to have grown by 3.6 percent in 2022, weaker than the 6.8 percent growth in 2021. Latest estimates show that economic recovery in the Caribbean continued in 2022, with the region recording growth of 7.7 percent, albeit slower than the 9.7 percent recorded in the preceding year.

2.3 Mr. Speaker, looking ahead, the global economy is expected to expand at an even slower rate in 2023. With one third of the world economy expected to be in recession this year, the global outlook for the year will be heavily impacted by several factors. These include, but are not limited to, continued monetary policy responses to inflation, the lasting effects of the Russian invasion of Ukraine, and enduring supply chain disruptions in the aftermath of COVID-19. Within this context, the latest forecast for global growth in 2023 is 1.7 percent as advanced economies are predicted to grow by only 0.5 percent, while the emerging market and developing economies are expected to keep pace with 2022 levels with growth of 3.4 percent. Growth in the Caribbean is anticipated to slow further to 5.6 percent in 2023, after benefitting from some uptick in tourism.

2.4 Meanwhile, inflation levels have remained elevated, with global inflation estimated at 8.8 percent in 2022, rising from 4.7 percent in 2021. In advanced economies, inflation rates have risen to



their highest level since 1982, up from 3.1 percent in 2021 to an estimated 7.2 percent in 2022. Emerging market and developing economies have also suffered from markedly high inflation, up by 4 percentage points year-on-year to an estimated 9.9 percent at the end of 2022. Finally, inflation levels closer to home have remained elevated as tourism-dependent Caribbean nations have seen inflation rise from 5.4 percent in 2021 to an estimated 8.3 percent in 2022. Similarly, inflation for commodity exporters in the Caribbean is estimated at 10.8 percent in 2022, though declining marginally year-on-year by 0.2 of a percentage point.

2.5 Mr. Speaker, stemming from the existing geopolitical tensions and weather-related production shortfalls, the price of some of Guyana's key exports rose in 2022, especially in the first half of the year. In particular, prices for oil, sugar, and metals were up year-on-year, while a decline was observed for rice. The world price of sugar increased to US\$0.41 per kilogramme, representing a 4.7 percent increase over 2021. On the downside, the average world market price of rice fell from US\$458.3 per metric tonne in 2021 to US\$436.8 per metric tonne in 2022. With respect to the price of metals, aluminium prices averaged US\$2,705 per metric tonne in 2022, up 9.4 percent from 2021. Similarly, gold prices averaged US\$1,800.6 per troy ounce for 2022, up from US\$1,799.6 per troy ounce in 2021. Lastly, the price of crude oil averaged US\$99.8 per barrel in 2022, 41.7 percent above 2021 levels.

2.6 Mr. Speaker, in 2023, a general decline in the prices of Guyana's main exported commodities is expected, as we are confronted with the possibility of a global recession. Rice and sugar prices are expected to fall by 0.4 percent and 6.8 percent, to US\$435 per metric tonne and US\$0.38 per kilogramme, respectively. Metal prices are also expected to fall in 2023 with aluminium prices expected to average US\$2,400 per metric tonne or 11.3 percent lower than 2022, and gold prices are expected to decline by 5.6 percent to US\$1,700 per troy ounce. Most recent forecasts show that the price of crude oil is projected to average US\$83.1 per barrel in 2023, a decline of about 17 percent year-on-year, even as prices are expected to remain above its 5-year average of US\$60 per barrel. The commodity price outlook is, therefore, heavily tilted on the downside for key commodities produced and exported by the Guyanese economy.

### **3. Developments in the Domestic Economy in 2022**

#### **A. Real Gross Domestic Product**

3.1 Mr. Speaker, at the time of Budget 2022, it was anticipated that real Gross Domestic Product (GDP) would grow by 47.5 percent, with the non-oil economy expected to expand by 7.7 percent. As the year ensued, the oil and gas sector performed even better than expected. At the same time, Government policies focused on supporting the traditional and new and emergent non-oil pillars of the economy, helped ensure stronger and more broad-based growth than originally anticipated.

3.2 It is now estimated that our economy grew by 62.3 percent overall in 2022 in real terms, with a very strong expansion of 11.5 percent in non-oil real GDP. At 62.3 percent overall real growth, Guyana would be the fastest growing economy in the world in 2022.

#### **B. Sectoral Performance**

##### **a. Agriculture, Forestry and Fishing**

3.3 Mr. Speaker, the agriculture, forestry and fishing sector is estimated to have expanded by 11.9 percent in 2022. This growth is attributed to notable performances in the other crops, rice growing, livestock, and forestry industries. Growth in these industries more than offset contractions in sugar growing and fishing.

3.4 The sugar growing sector is estimated to have declined by 18.9 percent in 2022, with sugar production for the year totaling 47,049 tonnes. This performance was largely the result of lingering effects of the 2021 floods, which caused lower yields per hectare and reduced cane quality, as well as technical challenges encountered in the first half of 2022.

3.5 In contrast, an expansion of 8.1 percent is estimated for the rice growing sector in 2022, with total production of 610,595 tonnes. Like sugar, there were some lingering effects of the 2021 floods that affected rice production in 2022. However, production grew to surpass 2021 levels, with yields increasing to 5.9 tonnes per hectare in 2022, compared with 5.5 tonnes per hectare in 2021.

3.6 Mr. Speaker, the other crops sector is estimated to have grown by 15.3 percent in 2022, with expansions observed across all crop categories. Significant growth was recorded in the production of crops such as eddoes, coconuts, sweet potatoes, plantains, lettuce, and sweet peppers. The contributing factors to higher output include increases in acreage cultivated and increased yield. The livestock industry is also estimated to have expanded, growing by 9 percent in 2022. It is estimated that the production of pork, poultry meat, mutton, and beef grew by 15.8 percent, 12 percent, 10.1 percent and 1.8 percent, respectively, in 2022. On the downside, the production of eggs and milk declined by 37.5 percent and 10.8 percent, respectively.

3.7 The fishing industry, however, is estimated to have contracted by 4.8 percent in 2022. This is attributed to lower marine production, with shrimp and fish production falling by 7.1 percent and 0.7 percent, respectively. Marked underperformance was observed in the production of red snapper and prawns. On a more positive note, Government's efforts to transform the aquaculture industry, inclusive of the construction of over 60 ponds in 2021, have resulted in growth in the overall productive capacity of shrimp ponds, and 454.1 percent growth in the production of brackish water shrimp with production totaling 621,000 kilogrammes in 2022.

3.8 On the upside, the forestry sector is estimated to have expanded in 2022, growing by 13.4 percent. It is estimated that approximately 441,000 cubic metres of timber products were produced in 2022, largely on account of growing demand from the construction sector.

b. Extractive Industries

3.9 Mr. Speaker, the mining and quarrying sector is estimated to have expanded by 109.7 percent in 2022. The estimated growth is driven mainly by an expansion in the oil and gas and support services industry which, when combined with the projected growth in the other mining and bauxite industries, outweighs the contraction in gold mining activity.

3.10 The oil and gas sector is estimated to have expanded by 124.8 percent in 2022, with a total of 101.4 million barrels of oil produced, compared with 42.7 million in 2021. This performance is attributed to the commencement of production on our country's second floating, production, storage and offloading (FPSO) vessel – Liza Unity – early last year. In 2022, the Liza Destiny FPSO produced

crude oil at an average rate of approximately 128,000 barrels per day (bpd), compared with 117,000 bpd in 2021, and the Liza Unity FPSO produced at an average rate of about 169,000 bpd, reaching a peak monthly rate of just over 233,000 bpd in December.

3.11 Mr. Speaker, the bauxite mining industry is estimated to have expanded by 35 percent in 2022, with increased output from both producing operators. Total output from the industry is estimated to have expanded from 618,452 tonnes in 2021, to 706,634 tonnes in 2022. Output from the largest producer increased from 388,510 tonnes in 2021, to 407,225 tonnes in 2022, despite delays in the start-up of a new kiln. Moreover, it is estimated that output from the smaller operator grew from 229,942 tonnes in 2021, to 299,409 tonnes in 2022.

3.12 On the downside, the gold mining industry is estimated to have contracted by 2.5 percent in 2022, stemming from lower output from the small and medium scale producers. Overall declaration of gold fell marginally from 499,054 ounces in 2021 to 486,415 ounces in 2022. The single producing foreign operator recorded a notable increase in declarations, with 101,418 ounces declared in 2022, while output from the small and medium scale operators fell by 10.6 percent to 384,998 ounces, attributed to lower declarations from the top two dealerships.

3.13 Output from the other mining and quarrying sector, which comprises diamond, sand and stone mining, continued its upward trajectory, resulting in the sector expanding by an estimated 38.5 percent in 2022. Diamond declarations are estimated to have grown by 85.6 percent to 83,720 metric carats last year. Sand extraction and stone production are estimated to have grown by 35.6 percent and 18.6 percent, respectively, supported by the heavy emphasis of construction activity in Government's Public Sector Investment Programme (PSIP) as well as rapid expansion in private sector construction activity. Notably, for the first time in the last five decades, 255,081 tonnes of manganese were produced in 2022.

c. Manufacturing

3.14 Mr. Speaker, the manufacturing sector is estimated to have expanded by 3.9 percent in 2022. While sugar manufacturing is estimated to have contracted by 18.9 percent, the rice manufacturing and other manufacturing subsectors are estimated to have grown by 11.7 percent and 2.8 percent,

respectively. With respect to the latter, growth was driven largely by fabricated metal products, plastic products, and paper products, which grew by 4.9 percent, 35.7 percent, and 98.8 percent, respectively. On the downside, however, there was a 33 percent contraction in the manufacturing of pharmaceuticals and a 9 percent contraction in the manufacturing of chemicals, particularly oxygen, amid lower COVID-19 related hospitalisations in 2022.

d. Electricity and Water Supply and Sewerage

3.15 Mr. Speaker, both electricity and water supply are estimated to have expanded in 2022 by 9.3 percent and 0.7 percent, respectively. The expansion in electricity supply was driven by higher total consumption, while growth in water supply is attributed to higher demand combined with the commissioning of three new wells, which were more productive than the wells removed from the distribution line due to failure or damage.

e. Construction

3.16 Mr. Speaker, latest estimates show that the construction sector grew by a very strong 26.3 percent in 2022. As was the case in 2021, this expansion is supported by intensified activity in the public and private sectors. Alongside massive Government investment in new and improved roads and bridges, housing developments, educational and health facilities, and agriculture infrastructure, private sector investment in the oil and gas and hospitality industries continues to boost growth in construction.

f. Services

3.17 The services sector is estimated to have expanded by 9 percent in 2022. While growth was recorded across all service industries, the overall 2022 performance is mainly attributed to growth in wholesale and retail trade and repairs, administrative and support services, financial and insurance activities, real estate activities and transport and storage. These industries grew by 15.6 percent, 11.8 percent, 6.7 percent, 4.1 percent and 8.9 percent, respectively. Growth in wholesale and retail trade and repairs was largely driven by higher demand for building materials and consumer goods. With respect to administrative and support services, the expansion was driven by greater activity related to

the rental and leasing of machinery and equipment used in the construction industry, greater activity in the business process outsourcing (BPO) industry, and higher demand for security services.

### **C. Balance of Payments**

3.18 Mr. Speaker, the overall balance of payments recorded an estimated surplus of US\$128.3 million at the end of 2022.

3.19 The current account improved from a deficit of US\$1,995 million in 2021 to an estimated surplus of US\$4,262.4 million in 2022, supported by the trade balance moving from a deficit of US\$19.9 million to a surplus of US\$7,780.7 million over the review period.

3.20 Mr. Speaker, total export earnings surged to an estimated US\$11,404.3 million at the end of 2022. When compared with 2021, there was estimated growth of 161.8 percent driven largely by an increase in crude oil production. These increased crude volumes and favourable global oil prices supported export earnings growing year-on-year by an estimated US\$7,003.5 million to US\$9,978.9 million. The non-oil export commodities also fared well, with earnings expanding year-on-year by an estimated 3.3 percent to US\$1,425.4 million. This outturn is largely the result of growth of US\$57.1 million in the 'others' category, and of US\$18.9 million in bauxite earnings. These increases offset an estimated US\$28.6 million and US\$5.8 million decline in gold and rice receipts, respectively.

3.21 Mr. Speaker, total import payments declined year-on-year by an estimated 17.2 percent to US\$3,623.6 million amid no new FPSOs arriving in Guyana's waters last year. As such, overall importation of capital goods fell by an estimated 61.4 percent, with mining machinery imports falling by 80.7 percent, to US\$345 million. Within capital goods, however, growth was recorded in the importation of agricultural machinery, transport machinery and building materials. Furthermore, payments for intermediate goods and consumption goods increased by 38.4 percent and 8.1 percent, respectively, with the former primarily resulting from an estimated 54.1 percent increase in fuel and lubricants, on account of higher global oil prices.

3.22 Net service payments are estimated at US\$4,532.5 million at the end of 2022, increasing 49.7 percent year-on-year. This reflects net payments for factor and non-factor services growing by

US\$894.6 million and US\$609.5 million, respectively. In addition, in the current account, transfers contracted over the period by an estimated 3.7 percent to US\$1,014.2 million.

3.23 Mr. Speaker, the capital account is estimated to have recorded a deficit of US\$4,120.1 million at the end of 2022. This principally stems from a significant contraction in net foreign direct investment (FDI) amid no new FPSO arriving in 2022. Additionally, the non-financial public sector's deficit is projected at US\$599.9 million, reflecting an increase in deposits into the Natural Resource Fund (NRF) from US\$409.2 million in 2021, to US\$1,408.8 million last year. Notably, 2022 marked the first year of withdrawals from the Fund, with US\$607.6 million withdrawn.

3.24 Mr. Speaker, the balance of payments surplus is estimated to result in the Bank of Guyana's external reserve position increasing to US\$939.2 million at the end of 2022, up from US\$810.8 million at the end of 2021. This is equivalent to 1.2 months of import cover.

#### **D. Monetary Developments**

3.25 Mr. Speaker, the supply of money expanded year-on-year by an estimated 14.5 percent to \$673.3 billion at the end of 2022, reflecting proactive and stimulating policies crafted by this Government to foster sustainable business and consumer sentiment in the economy.

3.26 Growth was driven by narrow and quasi money expanding by a projected 16 percent and 12.4 percent to \$397.1 billion and \$276.2 billion, respectively. The forecasted increase in narrow money is mainly based on currency in circulation and demand deposits growing by 15.8 percent and 15 percent to \$198.7 billion and \$191.1 billion, respectively. Cashiers' cheques and acceptance also increased by a projected 52.8 percent. Lastly, the estimated growth in the supply of quasi money is on account of savings deposits growing by 14.2 percent to \$252 billion, despite time deposits falling by 4 percent to \$24.2 billion.

3.27 Mr. Speaker, net domestic credit is estimated at \$263.4 billion at the end of 2022, surpassing net lending of \$224.6 billion in the prior year. This largely indicates lending to the private sector growing by an estimated 14.6 percent.

3.28 Furthermore, a 19.1 percent expansion is estimated in private sector credit to enterprises, primarily attributed to increased credit to businesses in the services, manufacturing, and agriculture sectors of 15.8 percent, 36 percent, and 15.5 percent, respectively. The outturn in the services sector resulted mainly from expanding credit of \$9.4 billion and \$4.2 billion for other services and distribution, respectively. Meanwhile, the estimated growth in the manufacturing sector is based largely on increased lending for other construction and engineering as well as beverages, food and tobacco expanding by \$5 billion and \$3.5 billion, respectively. Lastly, the projected rise in the agriculture sector is mostly on account of growth of \$1.7 billion and \$1 billion in lending for paddy and livestock production, respectively.

3.29 Mr. Speaker, growth is also estimated for lending for real estate mortgage loans and to households, of 9.8 percent and 8.8 percent, to \$105 billion and \$39.8 billion, respectively. The real estate mortgage loans position largely reflects mortgages granted for private dwellings rising by \$6.7 billion, while the projected growth in households mainly stems from a \$2.2 billion increase in credit for other purposes.

3.30 Mr. Speaker, the public sector's net depositor position with the banking system strengthened from \$3.4 billion at the end of 2021 to a projected \$9.1 billion in 2022. This is principally supported by the public enterprises and other public sector net deposits rising from \$51.7 billion and \$24.8 billion to an estimated \$78.9 billion and \$48.3 billion, respectively.

3.31 Mr. Speaker, total reserves deposited with Bank of Guyana, in line with the expansive credit by commercial banks and increased stock of money, declined by an estimated 6.7 percent to \$109.5 billion over the review period. Of this amount, excess reserves are estimated to account for \$33.2 billion, 44.8 percent below the \$60.2 billion at the end of 2021. The required statutory reserves, however, are projected to grow by 33.4 percent to \$76.3 billion. Further, total liquid assets of commercial banks are forecasted to contract by 5.2 percent to \$244.2 billion over the review period, primarily underpinned by the mentioned 44.8 percent fall in excess reserves.



## **E. Prices and Income**

### **a. Inflation**

3.32 Mr. Speaker, as highlighted previously, the global economy continues to grapple with the persistent inflationary pressures triggered by the COVID-19 pandemic and exacerbated by the Russian invasion of Ukraine. In 2022, it is estimated that global inflation rose to 8.8 percent, up from 4.7 percent in 2021. Guyana was not insulated from these pressures. Here at home, prices also continued to grow with the 12-month inflation rate estimated at 7.2 percent in December 2022, above the 5.7 percent recorded in 2021, primarily based on account of higher food prices, which contributed 6.4 percentage points to the inflation rate.

3.33 To soften the impact of imported inflation, Government implemented a suite of fiscal measures throughout 2022 including: lowering the excise tax rate for petroleum imports to zero in March; extending the application of the freight cost adjustment to pre-pandemic levels for the calculation of import taxes to December 2022; and distributing fertiliser to farmers to encourage replanting and reduce the impact of imported fertiliser price spikes.

### **b. Interest Rates**

3.34 Mr. Speaker, treasury bill yields were largely stable over the review period, with the 91-day and 182-day treasury bill yields unchanged at 1.54 percent and 1.00 percent, respectively. The 364-day treasury bill yield, however, increased from 0.99 percent to 1.09 percent. On the other hand, the commercial banks small savings rate and weighted average lending rate declined from 0.83 percent and 8.88 percent to an estimated 0.81 percent and 8.54 percent, respectively.

### **c. Income**

3.35 Mr. Speaker, Government remains committed to improving the wellbeing of all Guyanese citizens and recognises and appreciates the hard work of employees in delivering services to the people of Guyana. In 2022, an 8 percent salary increase was paid to over 52,000 public servants, teachers, members of the Disciplined Services and Government Pensioners. The members of the Disciplined Services also benefitted from a one-month tax-free bonus which was unconscionably taken

away by the previous government, placing over \$1.3 billion in the hands of over 11,000 members of the Disciplined Services.

3.36 As highlighted in the 2022 Budget, all workers benefitted from the increase in the monthly income tax threshold from \$65,000 to \$75,000, injecting some \$1.3 billion into the pockets of both public and private sector workers. Further, the minimum wage for private sector workers was increased by 36 percent from \$44,200 to \$60,147, with effect from July 1, 2022, in line with the recommendations of the Tripartite Committee.

3.37 Furthermore, Mr. Speaker, as part of this Government's suite of measures to combat the rising cost of living and supplement household income in 2022, the hinterland and riverain communities also benefitted from a \$25,000 one-off cash grant, injecting more than \$1.2 billion into these communities. Further, almost 8,000 fisherfolk benefitted from the provision of a \$150,000 one-off payment totalling \$1.2 billion and over 1,400 sugar workers of Uitvlugt, who were affected by the Estate downtime, were provided a one-off payment totalling over \$277 million.

3.38 Mr. Speaker, this Government is committed to ensuring that all categories of workers at the end of the day have a better standard of living, better opportunities, and greater prospects in the future.

## **F. Fiscal Position**

### **a. Non-Financial Public Sector**

3.39 Mr. Speaker, at the end of 2022, the non-financial public sector deficit (after grants) was \$152.5 billion, or 11.5 percent of GDP. This deficit is attributed to Government's continued ramp up of capital investments, continued expansion in public expenditure to finance improved social programmes and higher outlays related to the implementation of measures to provide relief to citizens as we continue to combat both external and domestic economic shocks.

b. Central Government

3.40 The Central Government recorded a deficit of \$155.5 billion, or 11.8 percent of GDP, at the end of 2022, on account of a 53.1 percent increase in overall expenditure. Expenditure totaled \$593.1 billion at the end of the year, and its growth outweighed the \$162.4 billion increase in total revenue.

3.41 Mr. Speaker, total current revenue of the Central Government, net of inflows of the Guyana REDD+ Investment Fund (GRIF) and the NRF, was \$302.1 billion at the end of 2022, 13.3 percent above 2021 collections. Within this, tax revenue collections amounted to \$292.3 billion, growing by 14.6 percent when compared with the level at the end of 2021.

3.42 Internal revenue collections totaled \$176.1 billion at the end of 2022, 32.1 percent above the end-2021 position. This expansion is attributed largely to higher collections of private sector corporation taxes, personal income tax, and withholding taxes. These grew by \$16.9 billion, \$12 billion, and \$10.4 billion, respectively. Of note, growth in withholding tax collections is mainly attributed to higher collections from the oil and gas sector.

3.43 Mr. Speaker, collections of value-added tax (VAT) and excise tax contracted by \$9.6 billion, in 2022, amounting to \$85.2 billion at the end of the year. This is attributed to the reduction of the excise tax rate applied to petroleum products, which resulted in a total loss of \$17.2 billion on the collection of excise tax on petroleum products. On the upside, collections from VAT (net of refunds) expanded by \$8.5 billion when compared with 2021, totaling \$56.8 billion at the end of 2022, on account of higher collections related to both domestically supplied goods and the importation of goods and services. Customs and trade tax collections grew \$4 billion above its 2021 level to reach \$31.1 billion in 2022, largely attributed to higher collections of import duties of \$3.4 billion.

3.44 In contrast, non-tax revenues totalled \$9.8 billion at the end of 2022, \$1.8 billion below the 2021 collections, driven by lower collections of rents and royalties.

3.45 Mr. Speaker, within Central Government expenditure, non-interest current expenditure amounted to \$326.1 billion, growing by 18.6 percent above 2021, largely driven by growth in transfer payments and outlays for other goods and services. The 21.3 percent growth in transfer payments was

driven by transfers to local organisations, higher outlays on education grants and old age pension, reflecting many of Government's initiatives highlighted previously.

3.46 Mr. Speaker, in 2022, Government's PSIP grew by 147.2 percent, with total capital expenditure amounting to \$258.1 billion at the end of last year. As previously highlighted, Government intensified its investment in key sectors to promote infrastructural development through an improved and upgraded network of roads and bridges, new and improved schools and public health care facilities, and an enhanced housing programme.

c. Public Enterprises

3.47 Mr. Speaker, at the end of 2022, the public enterprises recorded an overall surplus of \$3 billion. Total receipts were \$177.2 billion, \$36.9 billion higher than in 2021, and total expenditures were \$174.2 billion, \$27.7 billion above the amount spent in 2021. The growth in expenditure is largely attributed to higher operational costs associated with Guyana Oil Company, Guyana Power and Light (GPL) and GuySuCo.

**G. Public Debt Management**

3.48 Mr. Speaker, since the presentation of the last Budget, Government has maintained its long-standing practice of prudent debt management. Consequently, Guyana continues to enjoy strong debt sustainability fundamentals, even as we expand investments in public infrastructure, social services and other initiatives geared at ensuring improved standards of living for all Guyanese. This delicate balancing act hinges on our time-honoured debt management strategy of contracting development financing and meeting debt service obligations at the lowest cost, within prudent risk parameters.

3.49 Total public and publicly guaranteed (PPG) debt amounted to US\$3,654.9 million at end-2022, up 16.9 percent from end-2021, on account of growth in external and domestic debt. Notwithstanding, the ratio of total PPG debt-to-GDP declined substantially over the past year, from 38.9 percent at end-2021 to 24.6 percent at end-2022. This outcome is testament to our judicious contracting of development financing, at a level well within Guyana's debt carrying capacity.

3.50 Mr. Speaker, at the end of 2022, Guyana's external debt totalled US\$1,571.9 million, representing a 12.9 percent increase compared to end-2021, mainly as a result of positive net flows from both bilateral and multilateral creditors. Meanwhile, domestic debt amounted to US\$2,080.6 million at end-2022, up from US\$1,731.5 million at end-2021. This increase is attributed to Government's issuance of new fiscal treasury bills.

3.51 Total public debt service rose from US\$121.9 million in 2021 to US\$150.2 million in 2022. This increase was driven primarily by domestic debt service payments, which totalled US\$65 million in 2022, up from US\$41.2 million in the preceding year. The growth of domestic debt service payments was, in turn, largely due to the commencement of principal repayments on debentures issued in 2021 to securitise an inherited overdraft at the Central Bank. Compared with the previous year, external debt service payments increased by 5.5 percent to US\$85.2 million in 2022, mainly on account of higher principal and interest payments to multilateral creditors.

#### **H. Natural Resource Fund**

3.52 Mr. Speaker, in 2022 there were 102 lifts of crude oil from Guyana's FPSOs, 13 of which were for Government. For the year 2022, the Fund received US\$1,099.1 million in profit oil, US\$510.2 million from Liza Destiny and US\$588.9 million from Liza Unity. The profit oil receipts received in 2022 correspond to 11 Government lifts, as the remaining two will be received this month. Additionally, US\$155.2 million was received in royalty payments from the only producing operator – Esso Exploration and Production Guyana Limited (EEPGL). In keeping with the NRF Act 2021, US\$607.6 million was withdrawn to finance national development priorities in the 2022 Budget. At the end of 2022, the overall balance in the Fund, inclusive of interest income and after transfers to the budget, amounted to US\$1,271.8 million.

#### **4. Sectoral Developments and the Agenda for 2023**

##### **A. Introduction and Macroeconomic Context**

4.1 Mr. Speaker, in my budget speech for 2022, I outlined our Government's development priorities, which are grounded in our 2020 Manifesto, the basis on which we were elected by the People of Guyana. These priorities remain the same and it is worthwhile to emphasise that they are fully aligned with the regional and international aspirations and obligations to which we have subscribed. These include the Sustainable Development Goals under the United Nations Agenda 2030, as well as CARICOM regional agenda including, on food security, the Twenty-Five by 2025 Initiative, on which we are, ourselves, providing strong leadership.

##### **B. The Low Carbon Development Strategy**

4.2 Mr. Speaker, amongst the many signature achievements of this PPP/C Government has been our global and national leadership on environmental stewardship and climate action. Our 2020 Manifesto, committed to reinstating Guyana's Low Carbon Development Strategy (LCDS), to help achieve prosperity for our people by deploying earnings from forest climate services to diversify the economy and create more jobs and opportunities utilising a low carbon pathway. Our Manifesto anticipated the possibility of earning hundreds of millions of US dollars, building on what we pioneered during our previous term of office, through the Guyana Norway Bilateral Agreement. Regrettably, during the 2015 to 2019 period, the LCDS was abandoned, the remaining US\$135 million of unspent resources was unutilised, and the projects that were previously started were stalled. As a result, during those years, Guyana lost the opportunity to engage the global carbon market.

4.3 The challenge facing this Government on returning to office was to repair this damage, re-establish a vision for moving forward for the benefit of Guyana, and contribute to the global search for solutions. To start repairing the damage, through the last two budgets I have presented to this House, all of the outstanding US\$135 million has now been unlocked. As I noted in Budget 2022, this has cleared the way for Guyana to refocus on a vision for the future.

4.4 Mr. Speaker, to resuscitate the vision of forest climate services, Guyana developed its second generation LCDS, LCDS 2030, that takes forward Guyana's world-leading mechanism for payment for

forest climate services. LCDS 2030 benefited from seven months of national consultation since the launch of a draft version by His Excellency in October 2021. Thousands of Guyanese and international partners participated in these consultations, provided feedback, and offered new ideas. The resulting document has been strengthened by these inputs.

4.5 At the core of LCDS 2030 is an expanded understanding of Guyana's world class natural ecosystems. The original LCDS focused on the climate services provided by our forests, LCDS 2030 expands the focus to include biodiversity conservation, water management, and the ocean economy. It opens a window of opportunities in the years ahead – where Guyana can improve the management of natural ecosystems, expand protected areas, improve watershed management, and establish world class research facilities, including an International Centre for Biodiversity Research. LCDS 2030 was endorsed by the National Tshaos' Council at their July 2022 National Tshaos' Conference, and presented and debated in Parliament with a resolution passed in August 2022 endorsing the Strategy. All this was achieved in 2022.

4.6 Today I am pleased to put on record that the vision of the LCDS 2030 has moved to reality. In 2022, a major milestone was achieved for Guyana and forest countries in the world in the achievement of that vision – when the Architecture for REDD+ Transactions Environmental Excellence Standard (ART-TREES) Secretariat issued the world's first jurisdiction-scale, market-ready carbon credits to Guyana. In total, almost 33.5 million credits were issued for the period 2016-2020, one of the biggest issuances of carbon anywhere in the world. These credits for 2016 to 2020 relate to a period when the former government did nothing to monetise them. The PPP/C Government has now corrected that.

4.7 A second major milestone was also achieved in 2022, through the sale of a significant percentage of Guyana's ART-TREES credits. During the period February 14 to March 14, 2022, an international Request for Proposal for the purchase of Guyana's carbon credits was issued. Resulting from this process, several proposals were submitted, and Government and the Hess Corporation finalised an agreement whereby Hess Corporation would be the first buyer of Guyana's credits, totaling approximately a third of our issuances under ART-TREES, from 2016 to 2030. The agreement sets out that Hess will buy 2.5 million credits per year for 2016 to 2030 to a total of 37.5 million credits for a minimum payment of US\$750 million to be paid to Guyana between 2022 and 2032. This may be the biggest carbon transaction to ever take place anywhere in the world.

4.8 Moving forward, this will open a new revenue stream for Guyana, and the long-term significance of this should be recognized. Not only is it an example of Guyana providing leadership for the world on addressing climate change, but it is also laying the long-term foundations for the day when the global economy values nature's contributions to that economy. In short, Guyana's mechanism for forest climate services starts to change the financial reality where the world's forests are worth more dead than alive.

4.9 As set out in Budget 2023, investments will be made across the country in national and multi-community initiatives to build our future economy, while 15 percent of all revenues received will be invested in Village Sustainability Plans produced by Amerindian villages and communities. Further, efforts will be advanced to market the remaining two thirds of Guyana's credits for which there has already been tremendous interest. Importantly we have also wanted to provide a model for other forest countries who we know are waiting to see that the promise of private capital flows can actually be realized and directed towards protecting forests, and sustaining livelihoods whilst advancing the global climate ambitions. In 2022, Guyana demonstrated that this is all possible, and we should all be proud that our country is providing this kind of leadership on forest climate services and financing.

### **C. A Diversified, Resilient and Competitive Productive Sector**

#### a. Oil and Gas

4.10 Mr. Speaker, since taking office, and in keeping with our Manifesto promise of securing the benefits of oil and gas for all Guyanese, Government has:

- Taken steps to strengthen the sector's legal and regulatory framework;
- Established and strengthened institutional structures required by that framework; and,
- Continued to promote accelerated exploration and production of the resources in the national interest.

#### Legal, Regulatory and Institutional Framework

4.11 Mr. Speaker, in 2022, on strengthened management and governance, Government brought into operation the new NRF Act. The NRF Board of Directors, Public Accountability and Oversight



Committee, and Investment Committee, three critical entities in the sector's governance architecture, were appointed. Furthermore, in order to ensure full transparency and accountability, since April 2022, notifications of receipts of petroleum revenues are being published in the Official Gazette and have been tabled in Parliament.

4.12 The new Local Content Act has also been brought into operation. The Local Content Secretariat (LCS) has been established, and the Local Content Register put in place. The Register now includes over 500 Guyanese companies, and the Secretariat has approved over 29 five-year local content master plans to date. The latest available information shows that Guyanese accounted for 64 percent of total employment within the sector, totaling 3,153 at the end of the first half of 2022. Additionally, the LCS also successfully unbundled contracts and reduced the payment period for Guyanese suppliers from 45 to 30 days, particularly benefiting small Guyanese businesses.

4.13 Mr. Speaker, we have announced the main elements of a new fiscal framework which will form the basis of a draft new model Production Sharing Agreement (PSA) to be released in February. In addition to four areas of revised fiscal terms, Government will strengthen the articles related to work programme commitments by operators for each block, and put in place an enhanced relinquishment mechanism. The expectation is for the new model PSA to be applicable for awards by the end of the first half of this year.

#### Exploration

4.14 Mr. Speaker, 2022 was a major year for exploration activity, with 11 exploration wells drilled – Stabroek Block alone accounting for 10 of these wells, resulting in 10 new commercially viable discoveries being made offshore Guyana. This brings the total number of discoveries made in Stabroek to 35, and a total of 40 for all blocks being explored. With the new discoveries in 2022, our total estimated proven reserves now stand at over 11 billion oil-equivalent barrels, with strong likelihood of upward revision as exploration activity continues. Additionally, we launched the 2022 Licensing Round on December 9, 2022, which will run until April 14, 2023, with successful bids expected to be awarded by the end of the first half of the year. The round offers 14 blocks for tender in the shallow and deepwater areas of Guyana's offshore area. Meanwhile, in the Kaieteur and Canje blocks, exploration continues.

## Production

4.15 Mr. Speaker, there were also strides in production as the Liza Unity FPSO began production in early-2022, increasing the number of operationalised FPSOs in Guyana's waters to two platforms. Notably, it is anticipated that production will commence at a third FPSO – Liza Prosperity – by the end of this year. With these three FPSOs, production capacity is forecasted to be 560,000 bpd.

4.16 Moreover, Government collaborated extensively with the Stabroek Block operator and its partners on the Yellowtail and Uaru projects in 2022. Stemming from this, the production licence for the former was approved on April 1, 2022, pushing increased development activity. These advancements are supporting a potentially earlier start-up in 2025, and will produce at a rate of 250,000 bpd. This will increase overall production capacity to approximately 810,000 bpd by 2025. Further, with an application for the fifth development project – Uaru – filed in November 2022, subsequently kick-starting Government's review, it is anticipated that this platform will produce another 250,000 bpd following start-up in 2027. These will enable Guyana to generate just over 1 million bpd by this time.

## Harnessing our Gas Reserves

4.17 Mr. Speaker, a most important component of this sector is our gas reserves. Harnessing these for affordable energy has resulted in the Gas to Energy Project, which will be discussed in more detail later. Moreover, Government has also commenced work on the revision of the Liza Field Development Plan and Licence which will allow for the production of natural gas for commercial usage in Guyana. It is crucial to note that our gas reserves have expanded, with the estimated recoverable natural gas reserves moving from 16 trillion to over 17 trillion standard cubic feet. We are expected to export, at a minimum, about 50 million standard cubic feet of gas per day through Liza Destiny and Unity, in the initial phase, and, EEPGL, through the Yellowtail Production Licence, has submitted a Gas Utilisation Study for the remainder of Guyana's gas reserves. Government is currently reviewing this submission.

## Promoting Value-Added Production

4.18 Finally, following the call for proposals to design, finance, and build an oil refinery near the Berbice River, 9 bids were submitted and are expected to be evaluated this quarter. Following its

completion in 2025, the refinery will allow for the local production of fuel and serve to strengthen the nation's, and the region's, energy security.

b. Other Extractives

4.19 Mr. Speaker, our more traditional mining and quarrying sectors continue to play a crucial role in our nation's growth and diversification, contributing not only to national production and export revenues, but also to job creation. Government, as promised in our Manifesto, implemented a suite of measures since assuming office, invested in critical infrastructure, and improved the regulatory and institutional architecture to support the sector.

4.20 Mr. Speaker, we commenced in 2022 the establishment of a comprehensive automated Mineral Property Management System with online capabilities. This system, anticipated to be implemented fully by 2024, will allow the Guyana Geology and Mines Commission to decentralise its services to its mining stations, enabling many of the stations to offer the same services as the Head Office in Georgetown.

4.21 Mr. Speaker, the Guyana Mining School and Training Centre remains committed to providing qualified technicians and tradesmen for the industry. To this end, in 2023, the Centre will continue to strengthen the enabling framework for biodiversity mainstreaming and mercury reduction. Particularly, the Centre will provide extension services to miners by delivering training that is customised to their operations to achieve these objectives.

i. Gold

4.22 Mr. Speaker, the gold mining subsector continues to be a key contributor to growth in our non-oil economy, representing 8.3 percent of non-oil GDP and 58.2 percent of non-oil exports in 2022. Government's focus in the sector remains to be on promoting exploration activity that can eventually transition into production, thereby supporting growth, employment and export earnings.

4.23 In 2022, development of underground activity in the sector progressed, but not at the originally anticipated pace due to supply chain constraints which shifted the timeline out to 2024. On a more positive note, investment opportunities within the sector continued with major discoveries by

exploration companies in the Oko, Cuyuni area, Omai, and Marudi. Notably, the Toroparu area potential remains hopeful, but changes in the company architecture led to some revision in the initial investment timelines. Notwithstanding, Government remains optimistic that all these areas that show potential are brought into production in the near-term.

ii. Bauxite

4.24 Mr. Speaker, in the bauxite industry, Government continues to encourage value added production to accompany the raw products. As such, in 2022, one of the two large operators advanced investments to further refine their bauxite ore, while the other made progress in the installation of its kiln at its Linden facility. However, the completion of the installation of critical plant and machinery of this kiln was delayed in 2022 due to global supply chain disruptions. It is now expected to come on stream before the end of 2023. Furthermore, the investment outlook for the sector is promising amid additional discoveries of world class deposits, especially at the Tarakulli deposit in Berbice, as Government continues to seek additional large-scale investors for the industry. Notably, the number of persons employed in the sector increased significantly, rising from 438 in 2020, to 905 at the end of 2022.

iii. Sand and Stone

4.25 Mr. Speaker, a construction boom is very visibly underway in Guyana. This is seen through the massive ramp up of the PSIP, with robust activity from the housing drive, and the building of several hospitals, schools, roads, and bridges; private sector investment infrastructure, including hotels and business complexes; and the spill over effects of removing VAT on critical construction materials.

4.26 Supporting this construction boom is a rapid expansion in sand and stone production. Facilitating these activities are the 22 operators to date in the sand and loam subsector, with production almost doubling in 2022. Government, in 2023, will continue to promote accelerated investment in the sector and ensure that concessions are brought to production in the shortest possible time in order to boost productivity.

4.27 Mr. Speaker, similarly, stones reached record high levels. The currently operating quarries collectively ramped up operations in 2022 to produce a record 1,021,000 tonnes: the highest in over a

decade. An additional six quarries were recently licensed and are expected to contribute a further 400,000 tonnes in 2023. These additions reflect Government's efforts to ensure construction materials rise to match demand from housing and the other infrastructure works across the country.

iv. Manganese

4.28 Mr. Speaker, the sole operator in the area commenced production in 2022 and remains on track to deliver on its US\$75 million investment over the next three years. Though there were logistical challenges, the company still managed to make two shipments last year, totalling over 100,000 metric tonnes. This was the first time in over five decades since Guyana exported manganese. In 2023, manganese output is projected at 500,000 metric tonnes.

v. Other Minerals

4.29 Mr. Speaker, beyond the traditional minerals, Government has placed and will continue to place emphasis on the diversification of our mining industries. Since assuming office in 2020, five prospecting licenses were issued for non-traditional minerals, and it is anticipated that exploration of rare earth elements, including scandium, lithium, columbite/tantalite, will continue into the medium term, as Government continues to push diversification in the mining sector.

c. Forestry

4.30 Mr. Speaker, on assuming office in August 2020, we met a forestry sector in a state of despair, with the Guyana Forestry Commission (GFC) unable to pay salaries and cover other operational costs. We committed to repairing the damage done, and putting the sector on a path to prosperity. In Budget 2020, consistent with our promise to improve the ease of doing business in Guyana, the forestry sector benefitted from an adjustment to the National Log Export Policy and the removal of several restrictive VAT and tax hindrances. In particular, the former was instrumental in enhancing the competitiveness of the sector through expanded market access for saw millers without concessions. These measures materialised into a strong recovery for the forestry sector in 2021 and an even stronger estimated performance in 2022.

4.31 Looking ahead, in 2023, Government anticipates issuing 15 new small concessions to enhance the sector's output. Additionally, loggers will be supported through Government's rehabilitation of the Linden to Mabura road networks as well as the Puruni road, through improved access to current and new lands within the sector. Furthermore, works are expected to continue with the GFC's implementation of Guyana's Timber Legality Assurance System – a requirement for the Voluntary Partnership Agreement (VPA) under the European Union Forest Law Enforcement Governance and Trade programme.

4.32 The sector will be further aided by a \$900 million revolving fund established in partnership with the Demerara Bank Limited, aimed at boosting production and value-added. In line with Government's strengthened focus on small, medium and community loggers, as well as value-added producers, the revolving fund provides more accessible, low-cost financing for these operators.

d. Agriculture and Food Security

4.33 Mr. Speaker, when we took office in 2020, the agriculture sector was in a state of collapse, as it had become a target for political vindictiveness, having been starved of financial support, and subjected to particularly poor planning. This is tragic since agriculture is an important pillar in our non-oil economy and has been the base of economic activity, especially in rural communities, for decades.

4.34 Since returning to office, our Government has resumed giving the sector the attention it deserves, focusing on its restoration and enhancement with strong, decisive leadership, at both national and regional levels, in order to mould a robust agriculture sector that will transform lives, livelihoods and landscapes.

4.35 We remain committed to: increasing production and productivity through expansion in acreages and use of technology; diversifying into new crops and varieties; promoting high-value and value added, including through agro-processing; and easing the access, for farmers and consumers, to markets.

4.36 Mr. Speaker, in the interest of advancing the food security and agri-business agenda, we will, in partnership with the private sector:

- Establish a regional food hub incorporating critical elements of the production and supply chain, such as cold storage, manufacturing and processing capabilities, in order to promote improved access to markets, both export and domestic.
- Establish the capability to harness greater use of science, technology and research and development to promote innovation and product development.
- Promote hinterland agriculture for food security and self-sufficiency, as well as to meet the needs of markets beyond the local community.

An amount of **\$2 billion** is allocated in Budget 2023 for these initiatives.

i. Sugar

4.37 Mr. Speaker, in August 2020, we met a sugar industry that was neglected and decimated. Fields and factories were left abandoned, billions of dollars in machinery and equipment were left to the elements, and over \$2.5 billion in valuable standing canes were left to rot in the fields of the estates in Skeldon, Rose Hall, Enmore and Wales. Further, over 7,000 workers were severed, and their extended families left without a livelihood. Government is committed to the revitalisation and restructuring of the sugar industry to support a diversified and modernised sector, ensuring its sustainability and economic viability.

4.38 Since returning to office, we have invested over \$10 billion in plant and equipment; rehabilitated sugar cane fields at all factory locations and fostered private sector partnerships through lending support to cane farmers at Uitvlugt to expand land under cultivation. Moreover, in keeping with our Manifesto promises, Government sought to reenergise local economies through the re-hiring of 1,479 workers and delivery of a \$250,000 cash grant to severed sugar workers. In 2022, we further advanced the recapitalisation of the Albion, Uitvlugt and Blairmont Estates and remodelled the marketing and sales mix to move away from the sale of raw bulk sugar to packaged, higher value-added sales.

4.39 This year, Government has allocated **\$4 billion** to GuySuCo, including for the commencement of the construction of the Albion Packaging Plant and expansion of the capacity of the Blairmont Packaging Plant. We have also targeted the acquisition of a drying machine to improve the quality of our packaged sugar, and a stick packaging machine to offer a new smaller packet of sugar to meet the needs of premium markets. Additionally, it is anticipated that grinding operations at the Rose Hall Estate will commence in the second crop of 2023, in keeping with our commitment to resuscitate the sugar communities and to create employment for persons within the villages where estates were closed. Further, GuySuCo will continue to roll out its mechanisation programme and procure conversion equipment that will contribute to improved productivity.

ii. Rice

4.40 Mr. Speaker, the rice industry remains a dominant contributor in the agriculture sector and is a staple in our food security agenda, while supporting employment in rural communities. Government remains focused on increasing production and yields. Since assuming office, and consistent with our Manifesto promises, Government reversed the increases in land rent and taxes on agricultural equipment and inputs; invested over \$35.8 billion to enhance the drainage and irrigation structures across Guyana; secured new markets in the British Virgin Islands, Estonia, Slovenia and Lebanon; and introduced the GRDB 16 variety which resulted in 40 percent higher yields. Additionally, since returning to office, Government has constructed eight new drying floors in Regions 2, 3, 4, 5 and 6.

4.41 In 2022, Government commissioned its national gene bank and soil tissue laboratory at the Burma Rice and Research Station. These facilities will improve productivity through advancements in research and innovation. Further, Government procured a seed dryer and a mini testing mill and distributed over \$900 million in fertilizer free of cost to 5,160 farmers.

4.42 Mr. Speaker, this year, Government will be investing over **\$300 million** to promote production and productivity in the rice sector including on research and development to improve yields and identify and implement alternatives to insecticides to control the paddy bug problem; construct two new drying floors in Regions 3 and 5; introduce new bio-fortified rice varieties; secure new markets for the rice industry; and advance other initiatives.



iii. Other Crops

4.43 Mr. Speaker, aligned with the agricultural diversification agenda, Government continues to expand non-traditional agriculture, with particular focus on research and development, and the production of high value commodities.

Corn and Soya Bean

4.44 Mr. Speaker, in keeping with our 2020 Manifesto, Government committed to the cultivation of corn and soya bean in the intermediate savannahs, with the aim of being self-sufficient by 2025. To support the growth of this industry, we committed over \$1.2 billion to infrastructural development in the Tacama area.

4.45 At the end of 2022, access to the area was improved having constructed 40 kilometres (km) of road, with the remaining 7 km scheduled to be completed in 2023. Further, Government invested in a drying and storage facility for which construction works will be completed within the first quarter of this year, establishing the first such facility for corn and soya bean in the country.

4.46 In 2023, Government will invest **\$150 million** in the construction of a wharf in the Tacama area. This wharf will provide critical riverain access to the area under cultivation.

Coconuts

4.47 Mr. Speaker, in keeping with our Manifesto commitments, Government rolled out our coconut decentralisation programme which saw nine coconut nurseries established in Charity, Kairuni, Wakenaam, Leguan, Canal No. 2, Corentyne, Hosororo, Fort Wellington and Lethem. In 2022, Government also produced 45,000 coconut seedlings to promote expanded cultivation. In 2023, a new high yielding and disease resistant coconut variety will be introduced to farmers with eight demonstration plots to be established in Regions 2, 3, 4, 5 and 6.

### Citrus and Spices

4.48 Mr. Speaker, in 2022, to increase the production of citrus and spices, Government boosted cultivation with the distribution of over 25,000 kg of ginger and turmeric planting materials and 67,997 mixed citrus seedlings (orange, tangerine, lime and lemon) to farmers.

4.49 This year, Government will continue to invest in the processing of ginger and turmeric, and the production of citrus. To this end, the sum of **\$153 million** is budgeted to improve processing capacity at Hosororo, Parika and Linden/Soesdyke. The improved mechanisation will reduce drying time from 3-5 days to 8 hours daily, directly increasing productivity and targeting over 300 metric tonnes of production of ginger and turmeric. To boost citrus production, Government will expand distribution to 100,000 seedlings to farmers.

### High Value Crops

4.50 Mr. Speaker, in keeping with our Manifesto promise to incentivize young people to pursue a career in agriculture, Government launched the Agriculture and Innovation Entrepreneurship Programme (AIEP). This programme saw over 100 students engaged in shade house farming, growing crops such as broccoli, cauliflower, carrots and romaine and iceberg lettuce. Through this initiative, over 16 metric tonnes of vegetables were produced.

4.51 At the end of 2022, 120 shade houses were constructed to support the production of high value crops across the country. Further, in 2022, Government rolled out a fresh flower project which saw the production of 2,551 roses, while creating employment and generating income for single parents.

4.52 In 2023, **\$200 million** is budgeted for the expansion of the Agriculture and Innovation Entrepreneurship Programme with the aim of engaging a further 100 new young agri-entrepreneurs and increasing the production of these high value crops by 50 percent.

iv. Agro-Processing

4.53 Mr. Speaker, the agro-processing sector is a critical element of Government's push for enhanced food security and broad based sustainable economic growth. Through adding value to primary production, agro-processing not only helps to improve household agriculture income but also enhances the potential for growth in export earnings. Government is therefore committed to continue efforts to support and promote investments in agro-processing.

4.54 Mr. Speaker, in 2022, agri-business incubators were established in Parika, Fort Wellington, St. Ignatius and Watooka. The procurement of equipment for the agro-processing and packaging facilities at Sophia, Parika, and Mabaruma was advanced. Moreover, notable progress was made on the establishment of new processing facilities at White Water Creek and Charity, which are expected to be commissioned this quarter.

4.55 In 2023, Government will invest in new agro-processing facilities in Crabwood Creek and Orealla; construct a new cold storage facility in Bartica; and procure two new refrigerated trucks to support transport of inputs and agro products. Agro processors will also benefit from the establishment of another Guyana Shop and a marketing information centre in Bartica. Moreover, the regional food hub referred to above will provide strong impetus to agro-processing and value-added food production.

v. Livestock

4.56 Mr. Speaker, the livestock sector is vital to Government's plans for enhanced food security, sustainable economic growth, and enhanced farm incomes. With high and growing demand for animal sourced food products both locally and internationally, the livestock sector is poised for further expansion, which can simultaneously bring economic value to underutilised pasture lands while creating further avenues for investment, employment and bolster farm household incomes.

4.57 Consistent with our Manifesto commitment to provide a support system to livestock farmers, Government embarked upon a series of initiatives, including: the black belly sheep programme, which saw the commitment from the Government of Barbados to supply Guyana with 1,000 black belly sheep; the procurement of 65 breeding bulls; and distribution of \$581.9 million in cash grants to 6,991

livestock farmers. Further, we are encouraging private investment in milk processing capabilities to provide ready markets for our dairy farmers.

4.58 In 2023, Government will continue to support the industry by undertaking investments to help improve the quality of milk and milk products through better sanitation and hygiene practices, improve mutton variety and production, establish a bio-secured small ruminant breeding facility and invest in a broiler breeder facility which will reduce the dependency on importation of hatching eggs.

vi. Fisheries and Aquaculture

4.59 Mr. Speaker, Government recognises the fisheries sector as an important source of livelihood, employment, food and nutrition for a wide cross section of Guyanese. In the face of challenges due to climate change and related factors, Government continues to support our fisherfolk and is assiduously working to provide the necessary assistance and technical support to promote innovation and productivity within the marine and aquaculture industries.

4.60 Since assuming office, Government reversed increases in licensing fees and removed taxes on fishing equipment; distributed over \$1 billion in cash grants to 7,518 fisherfolk; rolled out a \$221 million programme to improve wharves and landing sites; and to improve coordination in the sector, we facilitated the creation of an Aquaculture Committee. To support the development of the aquaculture industry, Government invested in developing marine cage culture and 33 brackish water shrimp farms, upgraded the Satyadeow Sawh Aquaculture Station, and completed training for 424 persons in aquaculture. Further, to develop marine cage fishing culture, we have established five fishing cages in Capoey and Lake Mainstay villages. In 2023, an additional 53 cages will be operationalised.

4.61 Mr. Speaker, in 2023, **\$349.6 million** is budgeted for the expansion of brackish water shrimp farms, and the establishment of vannamei shrimp farms.

vii. Drainage and Irrigation

4.62 Mr. Speaker, Government recognises the critical importance of adequate, effective and reliable drainage infrastructure for the safety and security of our people. We are therefore working relentlessly

towards building climate resilient drainage infrastructure. Since returning to office, Government has invested over \$35.8 billion to upgrade the D&I networks across the country.

4.63 In 2022, Government completed D&I works across the country at a total cost of \$19.1 billion, including areas such as: Kamuni, Warimina, Troolie Island, Cane Grove, Black Bush Polder and Goed Intent. Additionally, Government procured over 100 tractor-driven pumps; commissioned \$125 million in machinery; fulfilled the long-standing demand to begin dredging of the Pomeroon river and advanced works on the construction and rehabilitation of pump stations at Cottage, Black Bush Polder, Canal No. 1, A-Line sluice, Charity and Cozier.

4.64 Mr. Speaker, we commenced work on the design studies for replicas of the unique Hope Canal drainage system. These systems will realise D&I solutions at scale for Regions 3, 5 and 6, to ameliorate flooding during heavy rainfall.

4.65 In 2023, Government will invest a sum of **\$19.7 billion** in upgrading the D&I systems across the country. Farmers and residents of Meten-Meer-Zorg, Jimbo Grove, Belle Vue and Letter Kenny will be direct beneficiaries of new pump stations that will be constructed in these areas. D&I upgrades will also benefit farmers and residents across the country, including those at Amazon, Adams Creek, Nabaclis, Golden Grove, Buxton and Bellamy Canal.

e. Sustainable Tourism

4.66 Mr. Speaker, tourism the world over was challenged by the evolving COVID-19 pandemic, and our Government effectively navigated the sector through this hurdle with the aim of marketing Guyana as a competitive world class tourist destination that boasts a sustainable tourism product. Over the last two years, Government has carefully and gradually reopened our borders and removed the majority of COVID-19 restrictions on international travel. Global prospects indicate an anticipated increase of 65 percent in arrivals when compared to 2021. Initial estimates for Guyana have recorded an 83.9 percent increase in arrivals over 2021 and well above the global average.

4.67 Airlift expansion for the tourism sector remains a priority. To this end, Government has successfully concluded arrangements to allow British Airways to commence operations in March 2023 with twice weekly flights on a 332-seater aircraft. In addition, in February of this year Fly Always will

commence twice weekly flights to Barbados using a 70-seater aircraft adding to their existing Guyana-Suriname and Guyana-Cuba routes. Moreover, we are expecting that an additional service will be introduced on the Guyana-Canada route by the end of the first quarter.

4.68 Mr. Speaker, at the end of 2022 room capacity stood at 3,200 rooms even as preparations are underway to welcome increased visitors to our shores. Construction has commenced on the AC Marriott at Ogle and Four Points Sheraton in Houston which will each offer 150 rooms upon their completion. An additional 140 rooms are expected to be available from the construction of the Marriott Courtyard at Timehri and 350-500 rooms Pasha Global at Liliendaal. Further, the Aiden by Best Western hotel at Robb Street is advanced in its construction, and once completed will add some 101 rooms to current capacity. Notably, during the Cricket Carnival period, over 250 bed and breakfast rooms were inspected and conditionally approved for visitor use.

4.69 Events-based tourism will continue to play a major role in Guyana's product offering to the world and the hosting of events such as the Caribbean Premier League 2022 and Cricket Carnival, which featured a vast number of events and activities, helped to significantly boost the local tourism sector. This performance is anticipated to continue well into the next three years from the hosting of these and similar events, all of which will continue to build Guyana's reputation as a major events and convention destination.

4.70 Mr. Speaker, 27 new experiences have been developed, in conjunction with the private sector and communities. Government is working with all the regions to operationalise attractions and establish quality and sustainable tours. These experiences not only cater for the international markets but also for the diaspora and domestic markets. In 2023, Government will continue to focus its attention on building out experiences from our world class tourism assets which will include a range of culinary tours, health and wellness experiences, excursions, soft adventure, nature-based tours, and community experiences to diversify the tourism product portfolio. Moreover, new tourism circuits have been prioritised in Barima-Waini, Essequibo, Berbice, South Rupununi, and Upper Demerara-Berbice. These areas will be developed, thus introducing more experiences and creating new hubs that will spur additional streams of employment. Given our people-centric approach, the support for establishing community tourism enterprises is a priority.

4.71 Mr. Speaker, our tourism sector could benefit from a larger pool of personnel available to it with formal training and specialised skills. This Government, over the last two years, executed various hospitality and tourism related training programmes to over 3,500 persons. However, our capacity to deliver formal training and certification will receive a significant fillip with the completion of the Hospitality Institute, which will have the capacity to train 2,500 persons annually. This will support the growth and development of the sector and improve service delivery.

4.72 These and other programmes will further solidify Destination Guyana as a globally recognised brand even as Government pursues the Global Sustainable Tourism Council Accreditation programme, at the country level. Such accreditation will help to showcase our destination on the world market and allow Guyana to tap into new investment opportunities for the sector.

f. Business Process Outsourcing

4.73 Mr. Speaker, in alignment with our diversification agenda and commitment to create 50,000 jobs, Government continues to support and foster the expansion of the BPO industry. This industry has vast potential to create substantial employment within and beyond the traditional urban centres, and has recorded tremendous success in bringing women into the workforce. It also provides important training and skills that are transferable across other areas in the economy. Unfortunately, this vision was replaced by short-sightedness and deliberate callous action of the previous administration that led to the closure of a growing call centre in Linden.

4.74 Since we resumed office, over 1,800 new BPO jobs have been created, as a direct result of Government's intervention to create a supportive environment, engage investors, and decrease the cost of operation. Notably in 2022, the shuttered call centre was reopened in Linden, and has already employed over 100 young Lindeners. This was followed by the establishment of another call centre which commenced operations in Essequibo.

4.75 In 2023, a total of four new call centres are targeted for Essequibo and Berbice. This intervention is expected to increase employment in this industry by 800, with the potential to scale up to 1,600. Government will continue its engagement with the industry to make Guyana a preferred

destination for investors operating BPOs, as well as for companies placing business with BPOs in Guyana.

g. Small Business Support

4.76 Mr. Speaker, the local Small Business Sector is an integral part of the development thrust of this administration. Small businesses are essential to ensure a diversified and resilient Guyana, as well as for the sustainability of livelihoods for thousands of households. For this reason, investments will continue to be encouraged to ensure that the sector remains vibrant. Budget 2023 will complement the gamut of existing measures geared towards improving competitiveness and eliminating constraints affecting the sector.

4.77 Mr. Speaker, over the past two years, Government, through the Small Business Bureau has continued to support small business development through a suite of initiatives which include the issuing of grants and collateral guarantee programmes, special grant programmes to businesses affected by COVID-19 and training of clients across all 10 administrative regions. To this end, in 2023, we will deliver on our promise of creating a conducive environment for private sector investment in the small business sector by allocating **\$584.2 million** to the Small Business Bureau and the Small Business Development Fund. This is in addition to the extensive range of support in place in agriculture, tourism, youth-based, and women-based initiatives.

4.78 In 2022, through the Small Business Development Fund, more than 1,400 entrepreneurs benefitted from grant financing ranging from \$150,000 to \$500,000 in areas such as Professional and Business Services, Low Carbon Agriculture and Agro-Processing, Farming and Processing and Livestock development. This represents an almost 91.6 percent increase in the number of beneficiaries from the year prior. A sum of **\$300 million** is budgeted in 2023 for the Fund to continue assisting small entrepreneurs.

4.79 Mr. Speaker, in addition to increasing their access to finance, there has been a robust ongoing effort to enhance the capacity and capabilities of small businesses. Last year, over 2,000 business owners were trained and benefitted from courses to improve their strategic positioning, general and financial management, record keeping, digital marketing and market access, among other areas.



4.80 Further, in delivering on our promise to reduce the processing time for applications and premised on the successful outcome of a One-Stop Shop initiative in 2021, an additional six small business One-Stop shops were held in 2022 in Regions 1, 5 and 6, where an estimated 650 persons were able to access services. An online communications portal was also developed and launched, with 139 businesses benefitting from training in leveraging technology.

4.81 Mr. Speaker, we recognise the constraints faced by many small businesses in relation to finding adequate and suitable space from which to operate. In this regard, Government has already embarked on the construction of industrial estates and business incubator centres at key locations countrywide. To this end, notwithstanding some delays in logistics in acquiring equipment, the business incubator centers at Lethem and Belvedere are expected to be fully operationalised in 2023, resulting in the creation of over 400 jobs. These will provide direct and indirect services, aimed primarily to boost agro-processing output, and are expected to generate revenues through rental space for office use, training facilities and shopfront pods for 48 small businesses to sell their goods and services. In a bid to further expand available land for industrial development, **\$327.8 million** has been allocated in 2023 to continue development works in Amelia's Ward and commence works for the establishment of a new industrial estate in Region 2.

4.82 To support quality and standards for businesses, the existing facilities for the Guyana National Bureau of Standards will be expanded to allow for them to provide adequate, accurate and timely services, with **\$1.5 billion** budgeted for the construction of the new laboratory that will commence in 2023. This new facility, being built according to international standards, will provide industrial and legal metrology services, improving our capacity to promote the adoption of quality standards among micro, small and medium enterprises. Further, the National Standards Strategy has been drafted and a national consultation will be held following the finalisation of the CARICOM Regional Strategy. It is expected that this will result in improved methodology in developing standards in keeping with the International Organisation for Standardization.

4.83 Mr. Speaker the establishment of a traceability system to address trade barrier issues is expected to be established in 2023 and will support expanded market access for our businesses.

## D. Transformational Infrastructure

### a. Energy Expansion and Diversification

4.84 Mr. Speaker, the strides that we are making to catapult Guyana into the 21st century, are seriously constrained by the lack of reliable, affordable, and environmentally sustainable energy. Many ordinary consumers and businesses, alike, perpetually and rightfully complain about the state of our aged and ailing power supply system and the inability of GPL's current power generation, transmission and distribution (T&D) capacity to satisfy their present and future needs. Conscious of the debilitating impact that an unreliable and costly electricity supply has on business activity, industrial competitiveness and consumer welfare and satisfaction, Government has crafted an energy matrix that looks well beyond today's needs, and which will cater for strong forecasted future demand. More importantly, our energy matrix is a careful study that addresses immediate short-term interventions and transformational medium- to long-term initiatives.

4.85 Mr. Speaker, GPL is examining options for boosting its short-term generation needs through the acquisition of an additional 50 megawatts (MW) of firm generating capacity. Additionally, 413 kilometres (km) of new distribution lines and feeders; a new 69 kilovolt (kV) transmission line from Kingston to Sophia and from Edinburgh to Hydronie; new and rehabilitated substations at Hydronie, Sophia, Columbia, Canefield and No. 53 Village; and the replacement of 320 inefficient transformers, will be realised in 2023.

4.86 Shifting the focus to our medium- to long-term needs, and in keeping with our Manifesto promise to produce more than 200 MW of electricity from natural gas, Government has signed a contract for the construction of the integrated natural gas liquids plant and the 300 MW combined cycle gas turbine power plant within the Wales Development Zone. This represents the single largest investment made in the electricity sector, and single largest Engineering, Procurement and Construction contract undertaken. This project will directly cut emissions by 70 percent as well as trigger a series of major economic development initiatives in Guyana as energy costs, a major constraint on our productivity, would be significantly reduced. In 2022, \$24.6 billion was paid to meet start up costs associated with this transformative project. In 2023, **\$43.3 billion** is budgeted to facilitate the construction of this plant and associated facilities.

4.87 In the area of hydropower, Government will relaunch a Request for Proposals for the restart of the Amaila Falls Hydropower Project (AFHP). Further, to support Government's renewables' objectives, works are being initiated for the construction of a 1.5 MW hydropower facility at Kumu and the rehabilitation and upgrade of the 700 kW Moco-Moco hydropower plant in Region 9. These works are expected to be completed in 2024, driving the much-needed diversification in our energy matrix, and solving the energy woes of these communities.

4.88 With respect to solar power, in 2022, Government commissioned a 1 MW solar farm in Lethem, while work advanced on another 1.5 MW solar farm in Bartica and 0.75 MW in Wakenaam. Looking ahead, Government has launched the tender for the completion of a total of 33 MW solar photovoltaic (PV) system to be connected to the GPL power system and at Linden as follows: 5 MW at Onderneeming, 3 MW at Charity, 4 MW at Trafalgar, 3 MW at Prospect, 3 MW at Hampshire, 4 MW at Block 37 (Millie Hideout), 8 MW at Retrieve, and 3 MW at Dacoura. These interventions will displace the use of fossil fuel and contribute to climate change mitigation through the reduction of CO<sub>2</sub> emissions.

4.89 At the household level, a total of 166.82 kW of solar PV systems at 39 locations across the regions, were installed last year. In 2023, Government will roll out its 30,000 solar PV home lighting systems to the hinterland and riverain areas, for which **\$1.8 billion** is budgeted.

4.90 In keeping with the vision to reduce our carbon footprint, in 2022, Government installed 36,520 LED lights for residents and businesses of Linden, Wakenaam, Leguan and Bartica. In 2023, Government will install and commission six public electric vehicle charging stations. These initiatives are geared toward redirecting consumer behaviour towards low or zero-carbon options.

4.91 Mr. Speaker, as GPL prepares to become the off-taker of the mega power generation projects, that is, 300 MW Gas-to-Power, 165 MW AFHP and the 33 MW solar PV systems we need to invest in resilient transmission and distribution infrastructure in order to deliver reliable and improved quality electricity to customers. These transformative power generation projects will be integrated into the electric power systems via a combination of 230 kV and 69 kV substations and transmission and distribution lines. The new power grid will be supervised and controlled by a modern control centre, which will be constructed at Goedverwagting.

b. Transport Infrastructure

4.92 Mr. Speaker, there are few aspects of contemporary life in which Guyana's ongoing transformation is more visible than in the area of transport infrastructure. To put it mildly, our transport infrastructure is being expanded and upgraded at a pace that has never been seen before in the entire history of this country. The results are visible changes to the physical landscape and, in particular, to our transport networks.

4.93 Several transformative projects are either at an advanced stage of implementation or are poised for take off this year, all part of a comprehensive and fully integrated infrastructure development plan, with the aims of halting and reversing the dilapidated state of our infrastructure, leapfrogging our infrastructure development to facilitate reliable connectivity and mobility, guide rural and urban growth, enhance environmental quality, and reduce inter and intra-urban and regional transport disparities.

i. Roads and Bridges

4.94 Mr. Speaker, in 2022 an amount of \$67.9 billion was expended to further improve our road connectivity across the ten administrative regions. Of this, \$39.8 billion was expended under the miscellaneous, urban and hinterland roads programme for the construction, upgrading and rehabilitation of roads in several of our coastal and hinterland communities. Additionally, an amount of \$27.8 billion was spent on the construction, rehabilitation and maintenance of bridges.

4.95 Mr. Speaker, allow me to list some of the key road and bridge projects primarily for the purpose of demonstrating the vastness of what is being undertaken in this sector.

4.96 In pursuit of the objective of linking and integrating with our hemispheric neighbours to the East and the South, which will open up new economic opportunities and improve the ease and reduce the cost of moving people and goods, we have:

- Engaged with our Surinamese counterparts on the construction of the Corentyne River Bridge. Even as we forge ahead with the construction of the access road on the Guyana side, a contract was signed to undertake preliminary studies. Six international companies

have been invited to submit pre-qualification documentation, and five have been shortlisted for the construction of the Bridge.

- Commenced construction of the Linden - Mabura Hill Road. Works are ongoing on the first phase of the highway to link Linden to Lethem, as well as on 45 concrete bridges along the route, with planned acceleration in 2023. An amount of **\$11.9 billion** is allocated in Budget 2023.

4.97 Mr. Speaker, Government is also committed to linking our major urban, rural and hinterland communities to provide easy, safe and reliable access and commute. To this end we are engaged in the following:

- Upgrading and widening the Corentyne Highway from Palmyra to Crabwood Creek. Contracts have been awarded for the widening of the structures along the carriage way to accommodate a four-lane highway and to relocate the utilities. An amount of **\$27.7 billion** is allocated in Budget 2023 to advance these works.
- Upgrade of the East Coast Railway embankment road into a four-lane highway from Sheriff Street to Orange Nassau and continuing to the Mahaica River bridge, continuation of the upgrade of the East Coast Highway from Belfield to Orange Nassau, and construction of a second bridge across the Hope Canal. Financing has been secured, procurement has been advanced, surveys have commenced, and construction works will intensify in 2023. An amount of **\$16.6 billion** is allocated in Budget 2023.
- Upgrade of the East Bank Highway from Prospect to Timehri. Preparatory works have started including the clearing of the right of way between Diamond and Good Success and construction of an alternate bypass road through Diamond and Grove. Financing has been secured and construction works will begin in 2023. An amount of **\$4.1 billion** is allocated in Budget 2023.
- Construction of the East Coast – East Bank Road linkage from Ogle to Eccles. This will be the first phase of a four-lane highway intended ultimately to link the East Coast of Demerara and the Soesdyke-Linden Highway. Works are ongoing with planned acceleration in 2023. An amount of **\$10.3 billion** is allocated in Budget 2023.

- Rehabilitation of the Linden-Soesdyke Highway. Preparatory works have commenced, financing has been secured and construction will commence in 2023. An amount of **\$5 billion** is allocated in Budget 2023.
- Construction of a four-lane highway from Meer-Zorgen to Schoonord (Phase 1) and Schoonord to Crane (Phase 2). Work has commenced, while Crane to Parika (Phase 3) is currently under review and is expected to commence late 2023.
- Construction of the Wismar Bridge. This is a new bridge across the Demerara River at Wismar to replace the existing old bridge and provide synergy with the Linden-Mabura corridor and onwards to Lethem. Negotiations regarding financing are well advanced.
- Construction of the Kurukupuri Crossing Bridge. This replaces the current river crossing pontoon. Negotiations regarding financing are well advanced.

4.98 We are expanding the network of secondary roads that link villages, communities and towns to ease congestion and create alternative routes to our primary highways. In this regard we have:

- Constructed the new Mocha to Diamond interlink road. This project was completed in 2021, has opened nearly 400 acres of prime land, and has significantly eased traffic congestion along the East Bank corridor.
- Constructed a four-lane highway from Mandela Avenue to Eccles with a well-designed, beautifully engineered roundabout. This project was completed in 2022 and now significantly facilitates the further reduction of traffic congestion along the East Bank corridor as well as improves accessibility for residential, commercial, and industrial developments along the corridor.
- Upgraded the Sheriff Street - Mandela Avenue Road. After re-engaging fresh negotiations with the contractor following socio-environmental issues that stalled the project under the previous government, works recommenced and were substantially completed in 2022, enabling commuters to traverse in much comfort and safety and for business activity to once again return to the "street that never sleeps".

4.99 Additionally, we have invested in several farm to market access roads that open vast new lands for productive endeavours and link to markets for commercial and industrial activities. These include:

- Developing the Parika to Goshen route and the Sand Hills to Makouria link. Already works are well advanced on the clearing of the alignment, coupled with other preliminary activities. Works will continue in 2023. An amount of over **\$500 million** is allocated in Budget 2023.
- Construction of the Nos. 52 and 58 farm to market roads. These are intended to open in excess of 40,000 acres of arable agricultural lands.
- Construction of the Ituni to Tacama road in the intermediate savannah, to support our new agricultural ventures in corn and soya production. An amount of **\$218 million** is allocated in Budget 2023.

4.100 Mr. Speaker, two other major transformative projects that must be mentioned are:

- Construction of the New Demerara River Bridge, the first high span, four-lane permanent hybrid concrete and cable-stayed structure. Preparatory works have commenced with an aggressive work programme to advance construction works in 2023. An amount of **\$5.2 billion** is allocated in Budget 2023.
- Construction of an ocean-going ferry to ply the Georgetown to Northwest route. The ferry has been completed and has departed India en route to Guyana and is expected to arrive in Port Georgetown early this year. An amount of **\$675 million** is allocated in Budget 2023.

4.101 Mr. Speaker, finally, recognising how critical local community roads and streets are to ease of access and quality of life for our citizens, we have embarked on a major upgrade of community roads. To this end, a total of \$41.2 billion was spent in 2022. In 2023, we have budgeted **\$38.5 billion** to construct, rehabilitate and maintain community roads, particularly in underserved areas.

4.102 In the hinterland, \$3.4 billion was spent in 2022 on the upgrading of critical roads, with an additional **\$5 billion** budgeted in 2023, for works in areas such as Moruca, Port Kaituma, Issano, North Pakaraimas and Butakari.

4.103 Mr. Speaker, in 2023, an amount of **\$136.1 billion** has been allocated to enhance our roads and bridges network across the country, including the transformative projects mentioned above.

ii. Air Transport

4.104 Mr. Speaker, several hinterland airstrips and related facilities were also rehabilitated and maintained to make them safer for aircraft, travellers, tourists, and investors. In 2022, Government expended \$600 million toward the completion of the Lethem, Baramita, Paramakatoi and Kaieteur airstrips, paving the way for new developments in these communities to attract more business, tourism and socio-economic activities.

4.105 Mr. Speaker, having commenced in 2022, it is anticipated that three airstrips – Eteringbang, Karisparu and Ekereku Bottom – will be completed during the first half of this year. In 2023, an amount of **\$1.6 billion** has been allocated for their completion and at the same time, caters for the rehabilitation of Paruima, Imbaimadai and Matthew’s Ridge airstrips and maintenance of other hinterland airstrips.

iii. River Transport

4.106 Mr. Speaker, as mentioned earlier, a new ocean-going passenger and cargo vessel to ply the Georgetown to Northwest District route was constructed, aimed at bringing great relief for businesses, residents and commuters who traverse this route. Further, in 2022 an amount of \$2 billion was expended to improve the river transport fleet. To this end, the MV Barima, MV Makouria, MV Sabanto and MV Kanawan were rehabilitated, while works commenced on the ML Thompson, ML David P, Seamang and Split Barge. This year, a further **\$2 billion** is allocated to improve the operation of our sea and river transport fleet, including the dry docking of MV Sandaka.

4.107 Mr. Speaker, \$1.1 billion was expended to rehabilitate several stellings in 2022 including the Fort Island, Parika and Leguan stellings. In 2023, an amount of **\$1.7 billion** is budgeted to rehabilitate stellings including those at Kumaka, Morawhanna, Port Kaituma, Goods Wharf, Rosignol, New Amsterdam, and Bartica.

4.108 Mr. Speaker, to support and augment our river transport fleet, a new pilot launch was acquired in 2022 at a cost of nearly \$500 million. This year, to provide for the safety of vessels entering and leaving Port Georgetown, a tug will be procured to support our navigational needs while several navigational aids will be constructed or rehabilitated within the Demerara River and Mora Passage.



Also in 2023, to enhance our under-sea surveying and mapping activities we will be acquiring a multi-beam sonar with accessories and software. An amount of **\$1 billion** is budgeted for these initiatives.

c. Sea and River Defence

4.109 Mr. Speaker, to ensure that coastal and riverain residents and farmers are protected from the threats of climate change, Government has already undertaken several interventions comprising the construction, rehabilitation and maintenance of sea and river defence structures across various areas. Additionally, several geotextile tube groynes at Anna Regina, Devonshire Castle, Reliance and Non Paniel were constructed, along with the planting of mangrove seedlings.

4.110 Mr. Speaker, in 2022, an amount of \$5.5 billion was expended on the construction, rehabilitation and maintenance of sea and river defence structures at areas, including La Resource/Maria's Delight, Leguan, Good Success/New Hope, Bygeval, Bengal, and Glasgow.

4.111 Mr. Speaker, in the 2023 budget an amount of **\$4.9 billion** has been allocated towards the protection and preservation of our sea and river defences. To this end, rip-rap sea defence structures will be undertaken in areas, including Abrams Zuil, Anna Catherina, Zeeburg, Better Hope, Belvedere, Joppa, Eversham and Speightland.

**E. Investing in Our People**

a. Health

4.112 Mr. Speaker, this Government inherited a health sector which was ill-prepared to contain the proliferation of the COVID-19 virus. The sector was plagued with mismanagement and neglect that compromised our citizens' access to universal healthcare. With decisive leadership, our Government has resolved to deliver world-class standards of health care in keeping with His Excellency's vision for the sector. To this end, \$74.5 billion was expended for healthcare delivery in 2022, while a total of **\$84.9 billion** has been budgeted for the sector for 2023.

4.113 We are in the process of expanding both primary and tertiary healthcare, improving management systems across health facilities as well as deploying more medical personnel throughout the regions to ensure access to quality healthcare services for all.

#### Facilities, Equipment and Drugs

4.114 This Government is steadfast in our approach to continuously modernise our health sector infrastructure. In 2022, an amount of \$11.9 billion was paid as mobilisation advance, and works were initiated for site preparations for six regional hospitals and a state-of-the-art paediatric and maternal hospital. Additionally, \$92 million was spent to retrofit the Festival City Polyclinic, which, on completion, will provide dental, rehabilitation and laboratory services. A sum of \$1 billion was also spent on the upgrade of the existing infrastructure of 258 health facilities across all regions – an investment made to facilitate improved patient experience.

4.115 Mr. Speaker, in 2023, we will witness a vast transformation of infrastructure in the public healthcare system. This year we will:

- Advance infrastructural works for the paediatric and maternal hospital and six regional hospitals. The former will be a centre of excellence for maternal and paediatric care, while the latter is intended to decentralise modern healthcare into Lima, De Kindren, Diamond, Enmore, Bath, and No. 75 Village. An amount of **\$13.1 billion** is allocated in Budget 2023.
- Commence the rehabilitation, expansion and reconstruction of the Georgetown, New Amsterdam and Linden hospitals, as well as four telemedicine centres in Regions 1, 7, 8 and 9. The latter are intended to be modern facilities that will deploy communication technology to facilitate real time, remote diagnosis and treatment, thereby bringing modern healthcare to remote indigenous communities. An amount of **\$1.8 billion** is allocated in Budget 2023.
- Complete the design for and commence construction of the Bartica Regional Hospital. An amount of **\$830 million** is allocated in Budget 2023.
- Retrofit and upgrade health centres, health posts, and other facilities across the country. An amount of **\$1 billion** is allocated in Budget 2023.
- Construct and rehabilitate health science training facilities in Regions 2 and 6. An amount of **\$620 million** is allocated in Budget 2023.

- Upgrade the Karasabai, Annai and Sand Creek health centres into district hospitals, providing radiology and laboratory services. An amount of **\$237 million** is allocated in Budget 2023.

4.116 Mr. Speaker, Government has been increasing our stock of medical and non-medical equipment and, in 2022, the sum of \$2.1 billion was expended to enhance the quality of health care delivery. We will continue to increase this capacity with a further **\$2.5 billion** being earmarked for purchases of equipment in 2023 across all 10 administrative regions.

4.117 It is no small task to rectify what could only be described as a broken mechanism of pharmaceutical supply chain management. However, we have so far been able to put systems in place to better manage the country's stock which is reflected in improved fulfilment of requests for drugs supplied by the Materials Management Unit (MMU) in 2022. These efforts, as well as increases in storage capacity, improved storage conditions for cold chain products, as well as the decentralised training of pharmacy assistants will support more effective pharmaceutical supply chain management. In 2023, MMU aims to fulfil over 80 percent of all requests made for drugs and medical supplies.

#### Human Resource Capacity

4.118 Mr. Speaker, since we assumed office, our Government deployed an additional 52 doctors and 53 nurses to augment the existing complement in the hinterland regions. Challenges in completion of theatre facilities and other logistical constraints affected placements in 2022 but additional deployment is expected in 2023. Importantly, for the first time in recent history, the residents of White Water, Shulinab and Monkey Mountain can now visit a resident doctor in their respective villages. In addition to the investment in health sciences training facilities, over **\$500 million** is allocated this year for the training of healthcare professionals.

#### Non-Communicable Diseases including Mental Health

4.119 Mr. Speaker, in 2022, we were able to surpass our target of screening 27,000 persons for major non-communicable chronic diseases. In 2023, we aim to reach an additional 50,000 persons. Works were also completed on the Lusignan Diabetic Clinic and will be operationalised within the first quarter of this year. This clinic would offer a menu of new services including eye screening, cardiovascular

screening, diabetic wound care, x-ray, laboratory and rehabilitative services. Expanded efforts on public communication and education on lifestyle diseases will be a focus in 2023.

4.120 Mr. Speaker, in the area of mental health, Government has successfully passed two pieces of important legislation – the Suicide Prevention Act 2022 and the Mental Health Protection and Promotion Act 2022. Works advanced on the expansion of the mental health ward at GPHC which, once completed, would increase capacity and service delivery capabilities, housing 14 additional beds. In 2023, a total of \$62.4 million has been budgeted for rehabilitation works at the national psychiatric hospital. Last year, 54 persons were trained across the ten regions in the areas of addiction and rehabilitation and, in 2023, will be placed to facilitate drug treatment and rehabilitation clinics.

4.121 In 2023, more than **\$900 million** is allocated to address non-communicable diseases, including mental health.

#### Communicable Diseases

4.122 Mr. Speaker, in the continuous battle against the spread of malaria, over 81,000 long lasting insecticidal nets were distributed in 2022 and, in 2023, a sum of \$88.8 million is allocated for the procurement of a further consignment of nets to defend over 132,000 people against the disease. In the field of tuberculosis management, approximately 5,275 tests were conducted in 2022 compared to the 4,800 tests in 2021. This ramp up included expanded testing in the prisons in which 10 new cases were found.

#### Maternal and Child Health

4.123 Mr. Speaker, I have already referred to a world class paediatric and maternal hospital being built to revolutionise the quality of care provided. Meanwhile, in 2022, a maternal waiting home at Moruca was completed and is functional, while the home at Kato as well as the maternity ward at New Amsterdam are expected to be operationalised in the first quarter of 2023. Additionally, a maternal waiting home at Mabaruma is expected to be completed later this year.

4.124 These investments will help to reduce maternal mortality, which stands at an estimated 112 per 100,000 as at the end of 2022. Reducing this incidence will be further aided by the training of 29

traditional birth attendants in Regions 1 and 9, and the purchase of over \$250 million in related equipment and expanded training of health care providers in family planning. In 2023, we will launch several new initiatives, including one that aims at expectant mothers in the hinterland having at least one ultrasound, and is visited at least once by an obstetrician during her pregnancy. Additionally, screening for post-partum depression will be implemented countrywide.

b. Education

4.125 Mr. Speaker, our Government is committed to fulfilling our Manifesto promise of increasing access to education for all, across all levels, delivered at world class standards, and increasing the quality of Guyana's human capital to be competitive in the region and the world.

4.126 In 2022, Government invested approximately \$72.8 billion toward our vision of world class education in Guyana and to further realise this goal. In 2023, a sum of **\$94.4 billion** is allocated to further improve access to and the quality of education for all.

Improving Performance Across All Levels and Curricula Development

4.127 Mr. Speaker, despite Government's investments in the education sector, we are still cognisant of the prolonged effects of the pandemic on the performance of our students. As such, Government will be deploying innovative strategies to engage our learners, and to boost attendance to ensure students have adequate contact hours to improve their performance.

4.128 Government recognises that curriculum reform is a key component for delivering quality education for lifelong learning. In this regard, new curricula for the nursery and primary levels were developed, while the curricula for Grades 1 through 4 are expected to be completely rolled out in 2023. Additionally, training on the implementation of these new and improved curricula, which encompasses advanced teaching methods and is more student-centred will also continue in 2023.

Improving School Building Infrastructure

4.129 As Government continues to improve access to education, we must ensure that there are sufficient schools to house all learners. In recognition of this, a comprehensive school mapping exercise

was launched in 2022 and is expected to be completed in the first half of 2023. We acknowledge that school infrastructure, especially in the hinterland and riverain areas, remain a challenge. Government is committed to providing a quality learning environment for all students and for this reason, the mapping exercise will clearly detail specific infrastructure enhancement needs for individual schools at all levels. The results of this exercise will inform immediate and long-term interventions regarding school building infrastructure.

4.130 In 2022, construction works were completed on the Jawalla and Vryheid's Lust nursery schools; the Swan and Eteringbang primary schools; and on the Annai secondary school. For 2023, we will build, upgrade, and maintain educational buildings and other facilities including nursery, primary and secondary schools in areas such as Hosororo, Patentia, Orealla, Prospect, Good Hope, Yarrowkabra, North Ruimveldt and Diamond. We will also commence the construction of facilities to house the students of St. George's and Christ Church secondary schools. Additionally, we will take actions to provide short-term accommodation where there is overcrowding. An amount of **\$12.4 billion** is allocated in 2023 to improve education infrastructure across the country.

#### Improving Access through Cash Transfers

4.131 Mr. Speaker, the Because We Care cash grant which was reintroduced in 2021, has proven to be an effective means of supporting families of school aged children to improve attendance and reduce school dropouts. This initiative, together with the uniform grant, saw cash transfers totaling \$5.9 billion in 2022, to families of over 196,000 school aged children, including those attending private schools. Government will continue the roll out of the National School Feeding Programme which will provide juice and biscuits, breakfast, and hot meals to over 85,000 pupils at a cost of **\$2.1 billion**. Additionally, a new Home-Grown School Feeding programme, which allows communities to provide fresh vegetables and milk among other food products to schools, will also be introduced. This programme will provide locally produced ingredients to prepare nutritious meals for learners.

#### Incorporating Information and Communication Technology in the Education Sector

4.132 Mr. Speaker, in 2022, training in the use of online education tools to support student learning was provided to all Headteachers across all secondary schools, as well as over 15,000 students and 980

teachers at the Grade 7 level. This training allowed students and teachers to communicate virtually for assessments. In 2023, the Education Management Information System software will be implemented in all secondary schools in Region 4 and Georgetown, to improve the data management capacity, the monitoring of school performance and decision making. We will also create 20 smart classrooms for secondary schools bringing the total to 36 smart classrooms by the end of the year and we will procure in excess of 7,500 tablets, which are capable of functioning offline in areas with poor connectivity.

#### Textbooks

4.133 Mr. Speaker, in keeping with Government's commitment in delivering universal education across all levels, we have emphasised the need to ensure that each child has access to adequate learning resources. As such in 2022, over \$1.4 billion in textbooks were procured, and in 2023 we intend to procure more than **\$3.4 billion** worth in textbooks for use at the primary and secondary levels.

#### Reforming Teacher Training

4.134 Mr. Speaker, the PPP/C Government intends to have all teachers trained by 2025 in keeping with His Excellency's world class education vision. To achieve this, the Cyril Potter College of Education will expand intake to accommodate approximately 2,000 trainee teachers each year, utilising a blended modality of in-house capability and online courses. Over the last two years, 907 teachers have completed training.

#### Tertiary Education

4.135 Mr. Speaker, to meet the growing demand for qualified personnel, our tertiary institutions will increase their intake to produce more graduates to boost Guyana's human capital. Over the last two years, 6,100 students graduated from the University of Guyana. In 2023, an amount of **\$3.7 billion** is allocated for the management and expansion of operations at the University of Guyana Turkeyen and Berbice campuses. Additionally, the sum of **\$1.8 billion** is budgeted for the GOAL scholarship programme and caters for 8,555 new students and 1,047 continuing students. This will add to the nearly 14,000 scholarships awarded since 2021, fulfilling the Manifesto promise of providing 20,000 online scholarships.

## Technical and Vocational Training

4.136 Mr. Speaker, the importance of Technical and Vocational Education Training (TVET) to our economy cannot be understated, Guyana is currently growing rapidly, and we need a skilled population to further accelerate this growth. To realise this, Government is investing heavily in TVET. In 2022, the sum of \$2.1 billion was spent to increase training programmes offered by TVET training institutions across the country, and approximately 3,655 persons were trained under these programmes. To improve the quality of training, we will be revising the curriculum to align the teachings with the Caribbean Vocational Qualification standards and adding nine courses to the Secondary Competency Certificate Programme including crop production, mechanical engineering, electrical technology, and mechanical technology.

4.137 Additionally, works are progressing on the construction of Practical Instructional Centres at Beterverwagting, Fellowship and Hoptown, and Practical Instructional Departments at North West Secondary, Bartica Secondary and St. Ignatius Secondary, and are all expected to be completed in 2023. Works will also commence for the construction of a Guyana Technical Training College at Port Mourant that will be the premier institution offering oil and gas training.

4.138 Mr. Speaker an amount of **\$488.5 million** is allocated for the Board of Industrial Training to expand training programmes in 2023 for 7,890 persons.

4.139 Mr. Speaker, our TVET and other training institutions have been mandated to adopt tracer studies in order to demonstrate the effectiveness of their training programmes translating to job creation. Indeed, our investments in TVET are aimed at improving our response to labour market demands and providing employment opportunities and to this end, in 2023 we have budgeted **\$2.5 billion** for the TVET programme.

### c. Housing

4.140 Mr. Speaker, Government is committed to ensuring that every Guyanese family would realise their aspirations of becoming a homeowner. In pursuit of this, we are opening up new lands, putting in place the requisite infrastructure, accelerating the allocation process, supporting those who require prebuilt homes, and providing easy access to finance.



4.141 In 2022, an amount of \$28.2 billion was expended on the continuation of infrastructural works in new housing areas across the country including Onderneeming, Charity, Leonora, Cummings Lodge, Great Diamond, Golden Grove, Non Pariel, Enterprise, Experiment, Williamsburg, Lethem and Linden, realising 10,430 serviced lots. Notably, since taking office, Government has allocated over 20,000 house lots in new and existing housing schemes, placing us on target to achieve the distribution of 50,000 house lots during our first term in office.

4.142 Mr. Speaker, Government has diversified the housing solutions offered beyond house lots. To this end, housing development for young professionals is progressing with the completion of 40 homes at Prospect in 2022, with works ongoing for the construction of an additional 131 houses at Prospect and 80 at Little Diamond. For moderate income earners, 321 units were completed at Onderneeming, Cummings Lodge and Amelia's Ward in 2022, and works are ongoing for the construction for an additional 266 homes at Cummings Lodge, Williamsburg/Hampshire and Amelia's Ward. For low-income earners, 250 houses were completed at Hampshire/Williamsburg, Prospect, Ordinance Fortlands and at Great and Little Diamond in 2022, while in 2023 works will continue on the construction of 340 more low-income units at Great Diamond, Little Diamond and Ordinance Fortlands.

4.143 Mr. Speaker, in recognition of the circumstances of deserving cases, Government has created an innovative home ownership mechanism to facilitate access for all citizens. To this end, we launched a Home Construction Assistance Programme in collaboration with financial institutions that will provide loans to persons for the construction of their houses. To date, some 194 persons were prequalified and accessed loans. Further, a Cement and Steel Subsidy Programme was launched to provide steel and cement to homebuilders constructing homes. Additionally, 600 allottees in Region 9 will receive a grant of \$1 million each to commence the construction of their homes and will be offered loans up to \$2 million at a rate of 3.5 percent under the Lethem Housing Support initiative. To date, 258 persons have prequalified for loans.

4.144 Mr. Speaker, recognising the changing preferences of the market, Government enacted the Condominium Act 2022. Further, a single-window approval system for building permits will soon become a reality, thereby reducing the processing time from land allocation to home construction. The operationalisation of this system is being pursued with the recent signing of a contract to the tune

of \$202.9 million for the development of a single-window Information Technology Platform. This platform will allow for more transparency and accountability and at the same time facilitate the ease of doing business between applicants and the respective agencies.

4.145 In 2023, the sum of **\$54.5 billion** is budgeted for housing development in new and existing areas, including the construction of roads, drains and bridges, and the installation of utilities to meet housing demands. Areas will include Mabaruma, Oronoque, Buxton/St. Joseph, Stewartville, Wakenaam, Block A & B Hope, Success, Balthyock and No. 75 Village. Government will also undertake infrastructure works in regularised areas, such as, Charity, Tuschen, Chateau Margot, Block SS Sophia, Belvedere and Amelia's Ward. Additionally, more lands will be acquired for new housing areas across the country.

d. Water and Sanitation

4.146 Mr. Speaker, Government continues to deliver on its promise to the population by improving and expanding the water supply systems across the country. Improved access and enhanced quality of water has positively impacted the quality of life and overall public health. In support of these investments, the Guyana Water Incorporated (GWI) has undertaken several interventions in the water sector. In this regard, Government expended \$9.9 billion in 2022 and has allocated **\$17.7 billion** in Budget 2023 to further improve the water sector.

Access to Potable Water

4.147 Mr. Speaker, Government continues its effort to ensure that all communities across the country will have access to potable water by 2025. To this end, T&D networks and mains were expanded in areas including Richmond, Dartmouth, Parika, Hydronie, Foulis, Belfield, Triumph, Vryheids Lust, Kuru Kururu, No. 12 Village and Fort Ordinance. These investments have provided first-time access to more than 7,000 residents. Additionally, new wells were completed at Swan, Waia Kabra, Moblissa, Providence, Parika Backdam and Chesney providing improved quality and access to potable water for more than 30,000 residents in these areas.

4.148 Mr. Speaker, upgrading works are currently progressing with the distribution networks along Church Street to improve service delivery levels and water quality for over 35 percent of the residents

in Georgetown. Works have advanced on the replacement of old cast iron mains with new polyethylene pipes from the Shelterbelt to East Street. The replacement works are now 90 percent completed.

4.149 In 2023, it is planned for water transmission systems to be upgraded in areas including Pouderoyen, Vergenoegen, La Parfaite Harmonie, Caledonia and Cummings Lodge. New wells will be constructed at Onderneeming, Lima, Central Ruimveldt, Cummings Lodge, Caledonia and Amelia's Ward.

4.150 In the hinterland and riverain communities, 15 new wells were drilled in areas including Matthew's Ridge, Arakaka, Kamarang, Itabac, Sand Hill, Maikwak, Kamana, and Taruka, benefitting more than 8,000 persons who are receiving service for the first time. Additionally, the installation of distribution network and the construction of an elevated storage unit with service connections also complemented the new wells that were completed. As such, the hinterland's access to potable water supply has now increased to 75 percent, up from 46 percent at the end of 2020, and we are on track to achieving 100 percent by 2025.

4.151 Mr. Speaker, in 2023, **\$1.4 billion** will be spent on the further upgrade and extension of water supply systems and construction of wells in several hinterland communities of Regions 1, 2, 7, 8 and 9.

#### Water Quality and Service

4.152 Mr. Speaker, Government targets an increase in treated water coverage for the coastland from 52 percent currently, to 90 percent by 2025. With this target in mind, in 2022, Government upgraded three existing water treatment plants located at Covent Garden, Grove and Eccles benefitting more than 60,000 residents. In 2023, we will advance works on the construction of seven new water treatment plants at Onderneeming, Parika, Wales, La Parfaite Harmonie, Caledonia, Cummings Lodge and Bachelor's Adventure. Further, 12 existing water treatment plants located at Vergenoegen, Fellowship, Pouderoyen, Eccles, Covent Garden, Grove, Better Hope, Mon Repos, Friendship, Cotton Tree, New Amsterdam and Port Mourant will be rehabilitated. Water treatment plants will also be constructed at Charity to Walton Hall, Leguan, Wakenaam, Bush Lot, and Tain to No. 50 Village. These interventions will improve water quality for more than 250,000 residents, at a total cost of **\$13 billion**.

## Reducing Non-Revenue Water

4.153 Mr. Speaker, since our return to office in 2020, GWI has installed over 38,000 meters to reduce losses in the distribution system. It is estimated that non-revenue water will reduce from 65.2 percent in 2022 to 55 percent by the end of 2025, with the installation of 95,000 additional meters.

## Sanitation

4.154 Mr. Speaker, since taking office, this PPP/C Government has aggressively pursued the implementation of a solid waste management programme across the country that results in timely and safe collection and disposal of garbage. We have prioritized continuous community clean-up and maintenance programmes and the operation and upgrading of Haags Bosch Sanitary Landfill Site and others in various localities including Rose Hall, Belle Vue, Lethem, and Lusignan.

4.155 In 2022, a total of \$1.4 billion was spent towards solid waste management and the upgrading of solid waste infrastructure, including the completion of temporary locations for accepting waste at East Canje and Blairmont, closure of dumpsite at Babu John, the upgrading of existing disposal landfill sites at Corriverton and Number 0.

4.156 This year, **\$1.9 billion** is budgeted to support infrastructural development, the operation of existing and additional landfill sites, and for the solid waste clean-up programme. More specifically, provision is made for: the access road and bridge at the Blairmont Waste Management Facility; the closure of dump sites in Charity, Lima and D'Edward; further upgrades, construction of storm water ponds and a landfill gas management system at Haags Bosch; and, upgrades to landfill sites at Kildonan, Bon Success and Kara Kara.

### e. Culture and Arts

4.157 Mr. Speaker, even as our Government undertakes a physical transformation of our country, we consider it of equal importance that the moment be seized to harness and fortify our rich cultural diversity. Indeed, the preservation and promotion of our unique Guyanese cultural identity will be essential to the definition of who we are as a nation in the now, and in the long-term. Additionally, it

is important that we recognise the vast economic potential of our cultural assets and that our young people view cultural endeavours as a viable and attractive proposition.

4.158 Mr. Speaker, in 2022, Guyana hosted the Caribbean Premier League Cricket Carnival where we partnered with the private sector to create a stage which allowed 89 local artistes to showcase their abundant talents, and in 2023 we will do it again. Government also launched the studio subsidy for recording which will be issued in 2023 while provisions are made for a recording studio to aid in the promotion of creative arts. In addition, 30 artistes will receive Cultural and Creative Industry grants of \$1 million each to support their creative venture, expanding our national cultural inventory.

4.159 Mr. Speaker, we have budgeted **\$1.4 billion** to directly support culture and arts in Guyana including \$100 million towards the Endowment Fund for the Arts. Within this, \$277 million has been allocated for the preservation of our cultural heritage sites including monuments, museums, and historic buildings, among others, which will be upgraded and rehabilitated in 2023. Last year also heralded the return of the Guyana Prize for Literature, after a hiatus of six years, having been discontinued by the coalition government during their tenure. Furthermore, a sum of **\$100 million** has been budgeted to support activities associated with the observance of the International Decade for People of African Descent.

f. Sports

4.160 Mr. Speaker, on our assumption to office, our sport and recreational facilities across the country were in a state of neglect. It was therefore no secret as to why Guyana could not have made substantial contributions to regional and international competitions. To address this travesty, our Government pledged to implement five essential pillars as part of our Manifesto promises. Those include the establishment of a fund for the upgrading of facilities; provision of a Sports Academy as well as multi-purpose sporting facilities across the country; and also, the upgrading of Guyana's premier racing facility – the South Dakota Circuit.

4.161 Mr. Speaker, in March 2022, Guyana was successful in its bid to host the qualifiers and finals of Caribbean Premier League's T20 competition for 2022, 2023 and 2024. At the regional level, 2022, saw the return of the Inter-Guiana games to these shores, after a 5-year hiatus. Further, through a

public-private partnership, we were able to upgrade the South Dakota Circuit. We are well on the way to having this track attaining international standards. Additionally, in partnership with the Guyana Football Federation and corporate Guyana, the One Guyana President's Cup football tournament was launched and successfully executed.

4.162 In order to promote community level sporting activity and healthy living, since 2020, we have upgraded a total of 54 community grounds across Regions 1 to 6, 8, and 9, provided lights for 21 grounds at various locations, conducted rehabilitation works at the National Stadium and completed the synthetic tracks in Regions 6 and 10.

4.163 Mr. Speaker, 2023 bodes even better than 2022, for sports investment in Guyana. Provision has been set aside for the establishment of a National Cricket Academy, while the construction of the state-of-the-art stadium at Palmyra is also slated for this year. Additionally, provision is made for other sports infrastructure and development, including for: construction of multipurpose sporting facilities in the hinterland, rehabilitation works at the Cliff Anderson Sports Hall, construction of stands and grass mounds in Regions 2 and 6, extension of the squash court at the National Racquet Centre, and the procurement of sports gear. Further, the sum of **\$250 million** is budgeted for the continued improvement of community grounds across the country.

4.164 Overall, the sum of **\$4.3 billion** has been allocated in Budget 2023 for the development of sports.

g. Youth

4.165 Mr. Speaker, the young women and men who make up 36 percent of our population are considered an important pillar in Guyana's development and Government is resolutely committed to invest heavily to mould better, sharper, and more creative young minds.

4.166 Mr. Speaker, in 2022, the President's Youth Advisory Council was launched to coincide with the International Day of the Youth. This body is tasked with sharing with the Government youth perspectives on matters such as education, mental health, constitutional reform, primary health care and agriculture. In this way, we are able to ensure that their views are heard and considered by the Government's policymaking machinery.

4.167 Mr. Speaker, in 2022, we made tremendous efforts to develop our youth through the Youth Entrepreneur and Skills Training (YEST) Programme for which tools and equipment were procured to train and enhance their skills. Grants were also distributed through the Youth Entrepreneur and Mentorship Programme, while an inaugural National Youth Science Fair was held in which more than 3,500 young Guyanese participated. In the area of robotics training, more than 1,300 youths from Regions 2, 3, 4 and 5 participated and as a result 12 robotics hubs were established and the President's Youth Award Republic of Guyana (PYARG) Programme was re-launched after a few years of dormancy.

4.168 In 2023, to continue expanding on the educational and vocational opportunities being made available to young people across Guyana, we will procure tools and equipment for welding and fabrication, expand our YEST centres and our PYARG Programme to all our ten administrative regions. More importantly, we will continue to provide robotics training and establish more robotics hubs across the country.

4.169 To this end, a sum of **\$960.2 million** has been budgeted in 2023 for youth development.

h. Children

4.170 Mr. Speaker, a child's wellbeing is at the heart of the sustainable development of a nation. Our Government recognises that addressing social issues, such as the scourge of child abuse, requires a whole-of-society approach. To this end, we will strengthen partnerships with non-state actors in the area of childcare and development, and the prevention of child abuse, including through an allocation of **\$103.9 million** to child advocacy centres to ensure we reach vulnerable children in all ten regions.

4.171 We will also provide support for establishing additional day care centres and training for childcare providers and protectors. We have the duty to ensure that a healthy, safe and stimulating environment is cultivated for our children and our Government will continue to pursue policies and initiatives to that end. In 2023, the sum of **\$100 million** is allocated for establishment of these centres.

i. Senior Citizens

4.172 Mr. Speaker, our Government remains steadfast and committed to the health, well-being and welfare of our senior citizens. In keeping with our Manifesto promises, in just two years we have

increased old age pensions, reinstated water subsidies, reduced taxes on basic food and other household items and improved access to government services, including health care.

4.173 Mr. Speaker, in just two years, old age pensions have increased from \$20,500 to \$28,000 reflecting a 40 percent increase to over 69,000 senior citizens. In addition, pensioners benefitted from a one-off cash-grant of \$28,000 and 28,450 pensioners benefitted from subsidised water charges.

4.174 Mr. Speaker, our senior citizens continue to benefit from Government's improved care services. To this end in 2022, 6,300 elderly persons benefitted from home-based care in Regions 2, 3, 5, 6 and 9. Also, 590 persons were trained in elderly care in 2022 and another 750 are targeted in 2023. Further, **\$100 million** has been budgeted to commence the construction of a new care home for senior citizens.

j. Women and Gender

4.175 Mr. Speaker, in keeping with our promise of empowering our citizens, several initiatives were implemented across all sectors to ensure that women and girls as well as men and boys are able to participate fully in the development of our country.

4.176 Mr. Speaker, our Government expanded the Women Innovation and Investment Network (WIIN) programme from 2,170 beneficiaries in 2021 to 6,193 in 2022. The beneficiaries would have gained employable skills through this programme and over 3,000 WIIN graduates received a one-off \$50,000 cash grant to help start a small business. Provision is made in 2023 for the continuation of this programme, targeting an additional 6,000 women.

4.177 To further support women and men while at work, Government continued to facilitate the provision of childcare services. In this regard, 444 essential workers received \$15,000 per month for three months for childcare services and 60 day-care facilities benefitted from the disbursement of a one-off \$50,000 for the improvement of their facilities. In 2023, as mentioned above, the sum of **\$100 million** is budgeted for the construction of day and night care centres to benefit women and men in need of child-care services while at work.

4.178 We cannot speak to issues of gender without addressing the boys and men of our society. In 2022, the launch of Men on Mission (MoM) by His Excellency invited our menfolk to provide coaching,



mentoring and direction. MoM is geared towards creating a new movement that fosters greater appreciation among men for the way they take individual and collective action and model responsible behaviour. Building role models for boys to emulate so that they enter adult life as responsible and respectful citizens will bode well for gender relations and development as a whole.

4.179 Key interventions in 2023 include the development of gender focal points to advocate against gender inequality; the introduction of a Gender Equality Seal Programme to advance gender mainstreaming in the workplace; the launch of a Share Responsibility at Home Campaign to reverse and eliminate persistent gender stereotyping, negative cultural attitudes and other practices which discriminate against women; and training of 2,500 national and community leaders on gender and social inclusion and development of gender mainstreaming into decision-making processes.

k. Persons with Disabilities

4.180 Mr. Speaker, our Manifesto promised improved conditions for persons with special needs, including children, through better facilities, services and jobs. Government remains committed to delivering social services to all eligible persons.

4.181 In 2022, persons 18 years and older living with permanent disabilities started to benefit from Public Assistance support of \$14,000 per month for life. In addition, parents of children living with disabilities received a one off-cash grant of \$100,000 per child. Further, over 205 persons received assistive aids inclusive of wheelchairs, folding canes and walkers while over 170 persons living with disabilities were trained in the areas of garment construction, social media marketing, audio/video editing and computer skills to improve their livelihoods.

4.182 Government has been proactively improving access to services for persons with disability. In this regard, in 2022, construction of the Mahaica Disability Complex was completed to provide skills training for employment opportunities and empowerment of persons. Also, we began construction of a new care centre for children living with disabilities at the Mahaica Hospital, and a state-of-the-art business centre in Region 6 to promote entrepreneurial opportunities. Further, two wheelchair buses were acquired to provide transportation for residents of the Mahaica Hospital and Training Complex.

In 2023, we aim to ensure that transportation is available at all institutions representing persons living with disabilities in Guyana.

I. Victims of Domestic Violence

4.183 Mr. Speaker, Government is steadfast on no-tolerance for domestic violence or any form of violence. Since taking office, we have focused on numerous interventions to curb gender-based violence in our country which are also aligned with guidelines set out by the Convention on the Elimination of all Forms of Discrimination against Women. While Guyana continues to work towards achieving gender equality and the empowerment of women and girls, efforts will be intensified towards tackling the prevalent social issue of violence against women and girls. We are committed to ensuring that Guyana is safer for all women to live, work and enjoy a good quality of life.

4.184 Key interventions to date include the 914 hotline and the iMatter application for immediate reporting of violence, the Survivors' Advocates Programme which expanded counselling services, and the COPSQUAD2000 Initiative which saw over 1,476 police officers trained to deal with domestic violence related matters.

4.185 Mr. Speaker, two domestic violence shelters will be opened later this year. Together these two shelters will cost \$27.3 million and provide the needed refuge for women and children fleeing violence. Further, Government will continue to support Help and Shelter, given the services they provide to women and families fleeing domestic violence. The sum of \$56 million is allocated for 2023.

4.186 Noteworthy, Guyana has maintained its Tier 1 ranking in the 2022 United States of America State Department Human Trafficking Report for the 5th consecutive year and we have completed a draft of the Combating of Trafficking in Persons Bill which is being reviewed by stakeholders. Further, we have been providing the required infrastructure to complement our initiatives such as domestic violence rooms at the police stations and courts, and domestic violence shelters.

4.187 Also, in 2022, Government's contribution to support legal aid services increased to \$114.9 million. which saw 7,597 persons benefiting from legal services. Other key initiatives included the opening of a new child advocacy centre in Region 8, and launching a parent manual to promote child development knowledge and non-violent methods of discipline. This year, an additional **\$114.9**

**million** is allocated for the continued Government contribution toward legal aid services required by victims.

4.188 Mr. Speaker, the Ministry of Human, Services and Social Protection spent \$30.3 billion in 2022. This year, the sum of **\$40.4 billion** is allocated for the Ministry.

m. Amerindian and Hinterland Development

4.189 Mr. Speaker, when we returned to office, we were greeted with an array of issues facing our Amerindian brothers and sisters. Our Government's commitment, following our Manifesto promises, resulted in the prioritisation of our first people's education, health, housing, infrastructure, social well-being, employment, youth development and development of the village economy. In achieving these promises, we resuscitated the Community Service Officers' (CSO) Programme, improved agricultural support by distributing tractors, boats, engines and all-terrain vehicles (ATVs); reinvigorated the Amerindian Land Titling Programme; and invested heavily in hinterland infrastructure.

4.190 Mr. Speaker, 2022 has been no different in our pursuit of prosperity for our Amerindian people. Testament to this, in fulfilling our obligations to safeguard and improve the security of land tenure enjoyed by our indigenous people, five additional demarcations have been completed as part of the Amerindian Land Titling Programme. In 2023, an amount of **\$500 million** has been budgeted to advance Amerindian Land Titling activities.

4.191 Mr. Speaker, the National Toshaos' Conference was reconvened in 2022, following a hiatus occasioned by the onset of COVID-19, thereby enabling the election of a new Executive and allowing the membership of the council to engage on matters of national and local interest. Additionally, Government continues to finance the construction of the National Toshaos' Council Secretariat building, which started in 2022 and will be completed in 2023. To this end, a sum of \$69.7 million has been provided to complete and furnish the building.

4.192 To further develop Amerindian communities, we spent \$4.9 billion through the Amerindian Development Fund (ADF) on Presidential Grants, the Youth Entrepreneurship and Apprenticeship Programme, and additional financial support in areas of food security, youth development, tourism, and micro projects. In 2023, a sum of **\$2.7 billion** is budgeted for the ADF, which includes continued

training in tourism and hospitality, business development plans, garment construction, ATV, and small engine repairs, as well as provisions for Presidential Grants to 233 communities. Several commercial, eco-tourism, agricultural and infrastructural projects are also catered for. Furthermore, the sum of **\$5 billion** is budgeted for hinterland roads development.

4.193 Consistent with our internet connectivity objectives, Government deployed VSAT equipment which is now serving over 60,000 residents in 161 hinterland communities with internet service. In addition, 93 hinterland communities have benefitted from grants to prepare spaces to host ICT hubs, with another 107 communities slated to benefit by the third quarter of 2023. The 93 beneficiaries would have also seen the construction and equipping of ICT hubs in their villages, of which 72 are operational and the remainder slated to be completed in the first quarter of 2023. Further, works have commenced on the expansion of the fibre cable network by 115 km, expected to be completed in 2023. A sum of **\$500 million** is budgeted in 2023 to finance these initiatives.

4.194 In 2022, the number of CSOs increased to 2,645 and further training was provided to 372 Amerindian Leaders in governance, financial accountability, leadership, and project management, while 254 CSOs completed training in garment construction and small engine repairs.

4.195 Mr. Speaker, an additional \$93.3 million is budgeted to support 804 students through the hinterland scholarships programme. Furthermore, in preserving the cultural uniqueness of our Amerindian brothers and sisters, we will commit a further \$124 million on the Celebration of Heritage in 2023. The National Toshias' Conference, budgeted at \$91.8 million, will continue to add meaningful transformational engagements. Our indigenous people will be at the forefront to directly benefit from this Government's efforts on climate finance, with 15 percent of revenue received from the sale of our carbon credits going toward investment in Village Sustainability Plans produced by villages and communities.

4.196 Mr. Speaker, a total of **\$4.7 billion** is allocated for Amerindian development programmes and initiatives, specifically tailored to improve the livelihoods of our indigenous people.

## **F. Improved Governance and Institutional Reforms**

### **a. Governance**

4.197 Mr. Speaker, Government reiterates its objective of continuing to expand its initiatives, policies and programmes to build a more inclusive Guyana, One Guyana. To this end, we reaffirm several key pledges outlined in our 2020 Manifesto that commits our Government to constitutional rule of law, separation of powers of the Executive, the Legislature, and the Judiciary, transparency and accountability, independence of the Constitutional Bodies, continuous reform and accountability of the criminal justice system, equitable access and distribution of goods and services provided by the state, specific programmes to reduce poverty and targeted initiatives to the poor and vulnerable and reducing disparities between urban, rural and hinterland communities to ensure “no one is left behind”, all are involved, and all benefit.

4.198 In addition, several strides have been made in addressing discrimination in areas of national life and re-establishing a permanent mechanism for meaningful engagement with the private sector and civil society. Furthermore, we remain committed to strengthening the Integrity Commission and ensuring that our procurement laws are rigidly upheld. In 2023, following the appointment of the Constitutional Reform Commission this body will be operationalised with resources reflected in Budget 2023. This is a key component of people’s participatory democracy.

4.199 The National Stakeholders Forum has been resuscitated with over 80 non-governmental organisations aimed at facilitating engagements between civil society and the public and private sectors. For 2022, five such fora were held to discuss the Budget 2022, LCDS and the Electoral Reform bills. This body will also lend support to civil society organisation involvement in the Constitutional Reform process.

4.200 Key and critical Constitutional bodies that are part of the architecture of constitutional governance are appointed and functioning, such as the Audit Office of Guyana, the Supreme Court, the Office of the Director of Public Prosecutions, the Public Service Appellate Tribunal, the Ombudsman, and the Guyana Elections Commission. In 2022, Constitutional agencies inclusive of the Public Procurement Commission, Police Service Commission, and most recently in January 2023, the

Teaching Service Commission have been appointed. Notably, the consultative process with civil society organisations for nominations to the Ethnic Relations Commission and the Women and Gender Equality Commission has been completed and the approval of the National Assembly is anticipated shortly after this budget is adopted. The work to complete the Rights of the Child Commission and the Indigenous People's Commission should be completed by mid-year. Issues surrounding the appointment of the long-overdue Judicial Service Commission are on public record despite efforts by His Excellency the President to bring this to conclusion in 2022. The process for concluding the nominees to the Public Service Commission is in progress at the Committee of Appointment.

4.201 Mr. Speaker, the National Procurement and Tender Administration, the Integrity Commission, the Financial Intelligence Unit, key agencies in our anti-corruption architecture, are all active and functioning in keeping with our statutes. In 2022, Government launched the first Anti-Corruption Framework of Guyana. Government's focus on continuing to build its anti-corruption institutional capacity is a key platform with Guyana's active participation in and oversight by international and regional treaty bodies. Guyana will be assessed by the Caribbean Financial Action Task Force and the UN Convention Against Corruption in 2023. Guyana is also a member of the Commonwealth Caribbean Association of Integrity Commissions and Anti-Corruption Bodies and will be host to its annual conference in 2023.

4.202 The modernisation of Guyana's legislation over the last 2 years has covered a broad range of areas such as in the justice system, juveniles, inheritance, adoption of children in accordance with the Hague Convention, birth registration, hire purchase to make life easier for our citizens as well as new legislation addressing new areas such as organ transplant, radiation, mental health, and condominiums. We have also brought revised legislation to comply with rulings of the Caribbean Court of Justice. In 2023, the legislative agenda continues to build a modern democratic legal system.

4.203 Mr. Speaker, Government's policy of visibility, accessibility and responsiveness and its consistent implementation with all people in communities across Guyana is unprecedented. This is the fundamental principle of democratic governance based on inclusiveness, transparency and accountability on which the government will continue to build "One Guyana".

b. Justice Sector Strengthening

4.204 Mr. Speaker, the preservation of public trust and the safety of our citizens can only be attained when justice prevails for all Guyanese. In this quest, Government is unwavering in its commitment to strengthen the justice sector. Accordingly, our 2020 Manifesto measures included the reform and accountability of the criminal justice system to ensure that justice is delivered in a timely manner. This is especially important in boosting investor confidence in our changing economic climate which relies heavily on the rule of law. To this end, Government spent \$4.4 billion in 2022, and has allocated **\$6.2 billion** in 2023 for the enhancement of the justice sector, which is intended to expand access to justice countrywide, while also addressing existing challenges in the system.

4.205 Mr. Speaker, with respect to expanding access to justice, the Kwakwani Magistrate's Court was commissioned in 2022, while an additional eight courts – Court of Appeal, Mabaruma, Port Kaituma, Vigilance, Cove & John, Mahaicony, Bartica, and Mahdia – are slated for completion in 2023. Additionally, ICT is being deployed to improve the efficiency of the court system. In this regard, SMART courts are among the new projects intended to accelerate the provision of justice. Additionally, an E-Litigation Programme for the Court of Appeal and the Georgetown High Court, as well as a Case Management System for the Magistrates' Courts are intended to go live in 2023. Towards these and other initiatives, **\$1.5 billion** is budgeted in 2023.

4.206 Additionally, investments are being made to strengthen technical capacity to improve the efficiency of the system. In particular, 34 persons successfully completed the Prosecutorial Programme at the University of Guyana increasing the number of prosecutors assigned to various courts countrywide, with the aim of reducing the need for pre-trial detention. Further, in November 2022, the Restorative Justice Act was passed, paving the way for the use of alternative sentencing for specific categories of offences, along with the approval of an amendment to the Narcotic Drugs and Psychotropic Substances Control Act, allowing the removal of custodial sentences for persons in possession of 30 grammes or less of cannabis. These measures would all contribute to reducing the burden on the justice system.

4.207 Mr. Speaker, in 2023, a number of other initiatives are targeted to advance the constitutional and law reform processes. These include: the operationalising of the Constitutional Reform

Commission; the work of the Law Reform Commission; the completion of the Revised Laws of Guyana; and, the preparation of the Law Reports of Guyana. In this regard, I am pleased to announce that the new Laws of Guyana volumes are expected to be available by June of this year. An amount of over **\$600 million** has been provided to finance these and other initiatives.

4.208 Also, in the interest of expanding capacity of the justice sector, work will be advanced to improve the ease of access to legal education. Having received the green light from the Council of Legal Education (CLE), a feasibility study will be prepared in 2023, on the establishment of a regional law school in Guyana, within the framework of the CLE. This will cater for local, regional and extra-regional students given the growing need for legal education in Guyana and the Caribbean.

c. Strengthening Local Government

4.209 Mr. Speaker, in 2020, we inherited a lethargic system encouraged by the former government and practiced by some Local Democratic Organs (LDOs). Our Government has long recognised that robust local government architecture and systems support more sustainable communities.

4.210 In 2022, improved infrastructure in communities resulted in a total of \$714 million being spent to support and enhance the Regional Development Programmes within the LDOs. Furthermore, in preserving our rich history and maintaining the aesthetics of our capital city, works on the historic City Hall started with financing from this Government and will continue until the building is restored to its former glory. This year an allocation of **\$263.2 million** is budgeted for restoration of the building. In 2023, works will also advance at markets in Charity, Parika, Leonora and Mon Repos.

4.211 In 2022, we successfully launched the National Pathway Workers Project and maintained the Community Enhancement Workers Programme, employing over 12,000 persons and improving infrastructure, sanitary and environmental conditions. In 2023, Government will continue to commit to the Sustainable Livelihood and Entrepreneurial Development, National Pathway Workers and the Community Infrastructure and Improvement projects, with an additional **\$13.5 billion** budgeted.

4.212 Mr. Speaker the upcoming local government elections will serve as a reminder of our Government's commitment to good governance and transparency across every community, and will provide much needed renewal to the local government system.



d. Financial Sector Reform and Capital Market Development

4.213 Mr. Speaker, an effective financial sector is a vital underpinning for our resilient transformation. This will not only allow the sector to efficiently allocate savings and funds but to also ensure returns on investments consistently increase, while catalysing growth in the real economy. Our financial sector must therefore move closer to its intended role of an intermediary. Recognising the importance of this, Guyana embarked on developing a National Financial Inclusion Strategy, which aims to guarantee easy and equitable access to advantageous, safe, and affordable financial products and services. Together with improving financial transactions, focus will also be on facilitating financial literacy as well as consumer empowerment and protection.

4.214 Mr. Speaker, to emphasise Government's commitment on making financial products and services readily accessible to our citizens and people living and working in Guyana, is a recently launched initiative designed to simplify the process of opening a bank account for low-risk customers. This is expected to ease the hassle these customers typically encounter, promote deeper financial intermediation and facilitate financial inclusion.

4.215 We recognise that affordable and easy access to financing is critical for private sector growth and development. In this regard, and in the interest of promoting easier access to financing, our Government is committed to ensuring that movable collateral and financial receivables can be pledged as security for financing. To this end, the necessary legal amendments will be enacted this year.

4.216 Mr. Speaker, on the same note, our Government considers an efficient, deep and vibrant capital market to be an essential aspect of a modern financial system. Investors in the productive sector should be able to consider, as a viable option, the possibility of raising finance on the capital market. In order to advance this objective, we will be convening stakeholders including the regulator, self-regulatory organisations, and the private sector, to identify practical actions that can be taken to promote capital market development.

4.217 Regarding the promotion of safe and fair access, works commenced in May 2022 on the drafting of the Financial Consumer Protection Legislation, which intends to protect the rights of consumers, promote fair and responsible conduct of financial service providers as well as foster

competition and market development in the sector. These works are expected to be completed in the second half of 2023, with the major components addressing disclosure and transparency; fair treatment and business conduct; data protection and privacy; and dispute resolution mechanisms.

e. Payment Systems

4.218 Mr. Speaker, in keeping with Government's vision to modernise our payment infrastructure, the Real Time Gross Settlement and Central Securities Depository Systems were fully integrated with an Automated Clearing House in 2021, and the National Payment System in 2022. With the operationalisation of the enhanced system in 2022, a total of 579,100 transactions were processed in the system, including all Government pensions and salaries, compared with 55,993 in 2021. Also in 2022, two newly drafted regulations – one on the dematerialisation of Government and bank securities and the other on the settlement and treatment of collateral – were finalised and enforced. These regulations will unlock opportunities for the private sector and other interested parties to safely trade securities on the Central Security Depository. Currently, the system is utilised for the trading of Government securities with plans to roll out more widely. This will also support capital market development.

f. Public Administration and Public Financial Management

i. Revenue Management

4.219 Mr. Speaker, we aim constantly to modernise our tax administration facilities and systems while improving voluntary compliance.

4.220 In this regard, the Guyana Revenue Authority (GRA) commenced the construction of a modern functional office space for Licensing Operations at Princess and Smyth Streets and the construction of a new bond at Eccles. These are both expected to be completed in 2023. Construction also began for a new Branch Office at Onverwagt and will soon begin for a new Branch office at Mabaruma as well as the remodeling of existing Branch Offices at Anna Regina and Bartica. A new office is earmarked for Mahdia during 2023, thereby providing relief to the hinterland regions. All of these will better serve the taxpaying public. Issuance of Provisional Driver's Licence at the Branches commenced in 2022 and

this service is being expanded to all branches countrywide. International drivers' permits are also now issued at all of GRA's regional branches.

4.221 Additionally, to bolster our non-intrusive cargo examination capability, baggage scanners were procured for the Moleson Creek and Ogle ports of entry. These will facilitate expeditious processing of passengers' baggage and cargo at these two locations. Towards these and other interventions, \$1.3 billion was spent in 2022, and a further **\$2 billion** has been allocated in 2023.

4.222 Mr. Speaker, in order to facilitate easier customs and trade transactions, the design of the Electronic Single Window (ESW) for trade transactions was completed and integration with ASYCUDA has commenced and is expected to go live by the end of the year. Additionally, this will be supported by drafting and review of the legislative framework for implementation in 2023 of the Harmonized Tariff 2022. The adoption of HS 2022 will replace HS 2017 and will facilitate harmonisation with regional and international nomenclature and procedures.

4.223 Mr. Speaker, Government will continue to support the GRA in its mandate to ensure that tax laws are administered in a fair and transparent manner and its pursuit of a simplified tax system so that there is a level playing-field for all taxpayers; citizens and businesses alike are on an equal footing with no one being unduly privileged or disadvantaged.

ii. Digital Solutions in Government

4.224 Mr. Speaker, when we speak of transformation, we refer not only to physical transformation but also to the intangibles such as efficiency and quality of service delivery. In the latter regard, digitalisation holds the key to improving citizens' routine interfacing with government services. Our phones, computers and other devices have moved beyond a simple means of communication to tools for accessing goods and services across the geography of our country and indeed the world. Our Government has long recognised investing in ICT as a vehicle to leapfrog the pace of development. This is why on October 5, 2022, Government moved to liberalise the sector and shortly thereafter remove VAT on data.

4.225 Mr. Speaker, in this regard, we have already deployed ICT solutions across several areas in government and private sector with the aim of improving affordability and convenience to every citizen. Today, digital solutions have taken shape in the form of:

- Electronic Funds Transfer (EFT) which has improved the efficiency of the internal payment management system, thereby lowering the incidence of late payments of salaries. We have, since assuming office, moved from 131 public servants being paid via EFT to 40,282.
- The establishment of payment facilities for the disbursement of Old Age Pensions directly into pensioner bank accounts.
- The establishment of NIS Online Contribution Checking System (OCCS) which is expected to reduce the incidence of inaccuracies, the WhatsApp life certificate hotline, WhatsApp Queries Textbook Service, NIS Live Chat and GTT Mobile Money payment system.
- The digitalisation of house lot applications.
- The utilisation of mobile money apps for the payment of utilities, NIS, taxes, etc.

4.226 In 2023, Government will continue to roll out additional digital solutions to improve the ease with which the public interacts with public institutions.

4.227 Further, consistent with these objectives, a total of 2,486 persons were trained in ICT to improve participation in and quality of our ICT industry. Government is working towards fostering a knowledge driven generation equipped with the necessary skills to be employable or to incubate businesses of their own. The most flagship initiative is the Guyana Coders Initiative which will train 150,000 persons in programming, data science and Android Kotlin Developer fundamentals (app development training). This, along with the Hinterland Train the Trainers initiative, Guyanese Girls Code, ICT Apprenticeship Programme, among others, will continue to be implemented to ensure such a reality of a knowledge driven "e-ready" generation.

### iii. National Insurance Scheme

4.228 Mr. Speaker, the National Insurance Scheme (NIS) has historically been the provider of social security when earnings are interrupted by illness or accident, for exceptional expenses related to birth or death and for retirement by age. Indeed, for many pensioners this has been their only source of

income. It is for these reasons that the efficiency of the operation of the Scheme is critical because in many instances lives, health and wellness are dependent on this source of income. Government has been proactive in its support of the Agency and has in the immediate term urged the newly appointed Board of the Scheme to prioritise:

- Resolving the inherited backlog of long outstanding matters.
- Addressing the deficiencies in the systems within the Scheme.
- Implementing programmes to improve compliance by delinquent employers to protect the interests of all working people.

4.229 Mr. Speaker, as of August 2020, the backlog of claims outstanding and on query was 20,106. It is encouraging that as of December 2022 the backlog was reduced to 10,902. Further, of the 1,362,734 suspense and invalid numbers existing in the database, the Scheme was able to resolve 1,103,835 during 2022.

4.230 I am pleased to report that in October 2022 the NIS operationalised the connection for electronic transfers into the national payment system architecture which resulted in 750 pensioners being paid directly into their bank account at one commercial bank. It is anticipated that this will be expanded to cover all commercial banks during 2023, thereby enabling thousands of pensioners to be paid directly into their bank account. In addition, the use of WhatsApp to make claims and submit video styled life certificate validations served to reduce the need for travel to the NIS office.

4.231 Mr. Speaker, compliance campaigns and expanded outreaches will continue to be an active strategy to ensure that we educate both employers and workers of their benefits from joining the Scheme. Notably, the financial viability of the Scheme has over the years depended primarily on the contributors' payments. Most importantly, medium- and longer-term solutions continue to be actively examined with a view to ensuring the long-term viability of the Scheme.

#### iv Procurement

4.232 Mr. Speaker, since we entered office in this new term, public procurement has undergone a complete metamorphosis, from a largely manual, cumbersome and non-transparent system to one that establishes fairness and transparency, promotes competition between and among suppliers and

contractors, maximises economy and efficiency, increasingly utilises technology and is fully compliant with the procurement laws and regulations. This is consistent with our Manifesto promise to ensure that the procurement laws are rigidly upheld.

4.233 In 2022, we continued to advance good governance initiatives at the National Procurement and Tender Administration Board (NPTAB) including: increased frequency of board meetings and tender openings as the situation demands; preparation and gazetting of regulations bringing into operation the bidders register; revision of standard bidding documents; and the design of a comprehensive all government training programme in procurement. Work has also commenced on the design of a management information system for NPTAB. Additionally, a new Public Procurement Commission has been appointed and commenced work.

4.234 Mr. Speaker, in 2023, NPTAB intends to continue to improve its operational efficiency. We will create and install a separate registry to record, store and retrieve records through an electronic document management system that will allow simultaneous access to electronic files to Board members and facilitate a document tracking protocol, improve our management information system to provide for timely statistical analyses, ensure all bidders are registered to be able to participate in the bidding process, develop a new organogram for NPTAB to reflect its modernisation, and re-establish NPTAB's role in training all procurement personnel across Government. Furthermore, the Board has concluded arrangements for the training of over 100 public servants, including procurement officers, engineers and other public officials directly involved in the procurement process. This programme will be launched in 2023.

#### v Data Systems Strengthening

4.235 Mr. Speaker, the 21st century is marked by its intensive use and reliance on data for the completion of the simplest to the most complex tasks. The world is in the information age and this Government intends to ensure that Guyanese operate in a data rich society, as we are cognisant of the importance of data to national planning, policy development, policy implementation and monitoring. Therefore, we will continue to prioritise the institutionalisation of data systems strengthening.

4.236 Further, in education, health and public security we have introduced new software and technologies to support better management within the sectors, and we are in the process of expanding to the agriculture sector.

4.237 Timely investments are being made to equip, train, and enable the Bureau of Statistics to generate and produce geospatial datasets supported by data visualisation tools to improve the accessibility and user-friendliness of data.

4.238 Mr. Speaker, Census Day was September 15, 2022 which marked the start of enumeration for Guyana's National Population and Housing Census 2020 Round. While preparation would have begun in prior years, 2022 saw the Bureau of Statistics working assiduously to ensure a complete count of every person in Guyana. The Census is the largest national activity and therefore requires enormous logistical efforts for its effective and timely execution. In 2022, approximately 3,000 census workers were hired, trained, and dispatched across all ten regions of Guyana. This also marked the first time that tablet computers and cloud technology were utilised in Guyana's census. This enabled the merging of the census data with GIS technology.

4.239 To-date enumeration has been completed in seven of the ten administrative regions. Enumeration continues in regions 1, 4, and 7 where work was hindered in some areas by inclement weather, unavailability of residents and other logistical constraints. Enumeration is expected to be completed in these regions in the coming weeks, following which a verification and validation process will be done, which includes a post Census survey to ensure there was accurate coverage of the population.

4.240 The Census' first deliverable, the preliminary report which is a quick count of the population, is expected to be produced in the first half of 2023. This report will present a brief overview of specific demographic indicators prior to the detailed analysis and final report.

#### vi. Reducing Bureaucracy and Red Tape

4.241 Mr. Speaker, Government has recognised the need to reduce red tape across the public sector so that businesses and citizens can undertake transactions faster and cheaper. To this end, efforts have been initiated to identify ways in which systems and processes can be streamlined and made more

efficient, including through the use of technology, in order to facilitate easier access to Government services. A number of these have already been mentioned, such as ESW, the single-window for construction permits, and simplifying the process for low-risk applicants to open bank accounts. During this year, Government will continue work on these and other initiatives that will help in the identification and elimination of inefficiencies and bottlenecks including in such areas as registering a business.

## **G. Foreign Relations and the Diaspora**

### **a. Foreign Relations**

4.242 Mr. Speaker, Government will continue to promote Guyana's interests and priorities through a range of engagements to maintain, develop and enhance relations in the international community. Our intention is to further strengthen the implementation of Guyana's development strategies, while pursuing opportunities to advance mutual interests. We have remained steadfast in the preservation of Guyana's sovereignty and territorial integrity, and committed to strengthening bilateral ties with other countries, while expanding our engagements with the Guyanese Diaspora.

4.243 Since the PPP/C Government returned to office in August 2020, we continued to take every step to maintain and preserve Guyana's sovereignty and territorial integrity. In the case before the International Court of Justice regarding the Arbitral Award of 1899, Guyana maintains its conviction for the peaceful conclusion of the matter by the agreed judicial route. In 2022, Guyana participated in oral hearings on Venezuela's preliminary objections to the admissibility of the case and is expecting the court to deliberate on the issue over the coming months.

4.244 Mr. Speaker, we are committed to promoting closer relations with all our neighbours, as well as strengthening relations with longstanding strategic partners. In 2022, we announced the granting of visa-free travel for Guyanese to the United Kingdom and, in 2023, we will pursue other initiatives to increase the strength of the Guyanese passport and free and hassle-free movement of our people. Further, we will continue to implement existing trade agreements and develop programmes aimed at enhancing private sector awareness of opportunities under trade agreements that will give maximum advantage to businesses in the private sector for market access and fair-trade practices.



4.245 Also related to improving our relations with our neighbours, early last year, CARICOM Heads approved an enhanced cooperation protocol to amend the Revised Treaty of Chaguaramas, which provides for groups of at least three Member States to seek to establish cooperation among themselves in areas where they feel the targeted objectives cannot be attained within a reasonable period by the Community as a whole.

4.246 We will also continue to increase our presence in the regional and international fora in keeping with the priorities outlined within the LCDS 2030 and express advocacy on global issues impacting the environment such as climate change, biodiversity loss as well as land degradation and habitat fragmentation.

4.247 Mr. Speaker, Guyana is seeking a non-permanent membership on the United Nations Security Council (UNSC) for the 2024-2025 term. The decision to present Guyana's candidature for the UNSC seat is rooted in the belief that serving on this prestigious and critical body will aid the country in further enhancing its standing as an active and valuable contributor to global debates, particularly in areas such as the environment and international peace and security.

4.248 Mr. Speaker, in keeping with our commitment to food security and CARICOM's Vision 25 by 2025, this year, we will be preparing to host the Food and Agriculture Organization's (FAO) 38th Regional Conference for Latin America and the Caribbean (LARC38) in the first quarter of 2024. Hosting LARC38 will provide an opportunity for Guyana to work closely with the FAO and countries in the region to advance shared priorities for the agri-food sector and to promote coherence across the region in alignment with global policy frameworks, including the 2030 Agenda for Sustainable Development.

b. The Diaspora

4.249 Mr. Speaker, the involvement of the Guyanese Diaspora is critical to Guyana's development. A Diaspora Unit was created in 2020 to facilitate the effective implementation of Diaspora projects through collaboration with key Government Ministries and Agencies. With the first virtual Diaspora Conference being a success in 2021, Government has been able to build on a strong foundation for greater facilitation of Diaspora initiatives.

4.250 In 2022, there were several outreaches and engagements to connect with the Diaspora which led to persons expressing interest in returning to Guyana to set up businesses and make investments in areas of education, agriculture and tourism among others.

4.251 In 2023, continued emphasis will be placed on the promotion of closer relations with the Guyanese Diaspora and on initiatives for the enhancement of Diaspora Diplomacy, and more Diaspora Direct Investments, by encouraging more of our overseas-based Guyanese to take hold of new and emerging opportunities. Several engagements are planned for 2023, including a Diaspora conference and outreaches in the United States, United Kingdom, Canada, and Caribbean countries.

## **H. Public Safety and Security**

4.252 Mr. Speaker, Government recognises that delivering safety and security to citizens and businesses is a prerequisite for them to grow, prosper and contribute to the development of the state. We are adopting a structured approach to arrive at qualitative improvements that harmonise with our Government's commitment to deliver to the citizens of Guyana, a country with improved safety and security systems. To this end, a sum of \$51.5 billion was expended in 2022. Meanwhile, in 2023, our Government has allocated a sum of **\$58.6 billion** towards the fulfillment of this vision of a strengthened security sector that will help to maintain the peace and prosperity for One Guyana.

### **a. Guyana Police Force**

4.253 Mr. Speaker, in our ongoing efforts towards the enhancement of working environment of our ranks, the Guyana Police Force benefitted from over \$1.2 billion in 2022, which was expended towards the construction and rehabilitation of police stations at Anna Regina, Parika, Kamarang, Kurupung, Mahdia, Blairmont and Kato, living quarters at Eve Leary and Port Kaituma.

4.254 In 2023, a sum of **\$2.4 billion** has been allocated to upgrade police stations and facilities. We will continue works towards the construction of Command Centres in Regions 2, 3, 5, 6 and 10. Also, works commenced on the construction of CID Head Quarters, Special Constabulary Head Quarters, Tactical Service Unit Head Quarters; living quarters at Beterverwagting and Cove and John; police stations at Baramita, Den Amstel, Tuschen, Mocha, Sparendaaam, Rose Hall, Imbaimadai, Eteringbang

Annai, Lethem, and Karasabai; and ICT Training Complexes in Regions 1, 4, 5 and 9. Works will also commence on the reconstruction of Brickdam Police Station.

4.255 Mr. Speaker, a mobile, quick response police service is key to averting criminal activity and in speedy detection and apprehension of criminals. In 2022, the Guyana Police Force was given critical support to its transportation fleet with the acquisition of 40 pick-ups, 10 cars, 20 ATVs and 26 motorcycles at a sum of \$495 million which has significantly enhanced the security force's capabilities to respond in a timely manner to incidents. In 2023, **\$500 million** is budgeted to continue to support the mobility of the force by expanding its transportation fleet.

4.256 Additionally, in 2022, a sum of \$114 million was expended towards equipping community policing groups in the execution of their mandates to provide support to regular policing. A sum of **\$111 million** will be allocated in 2023, to support community policing groups.

4.257 Mr. Speaker, in 2022, an amount of \$2.5 billion was expended towards improvements in the prevention and detection of criminal activities with the use of ICT solutions through the Safe Country Initiative. This programme bolsters the police crime fighting efforts through the provision and installation of intelligent video surveillance sites, regional command centres to monitor and manage these sites and 911 emergency response facilitation. Thus far, this initiative has already had demonstrable impact in helping to reduce serious crimes.

4.258 A sum of **\$2 billion** is provided in Budget 2023 geared toward expanding the Safe Country Initiative to Regions 3 and 6. Further, Budget 2023 provides **\$2.1 billion** to develop an electronic identification (eID) system to introduce a single electronic identifier, by which each citizen is assigned a unique national registration number to be used by all public and private sector agencies. Additionally, the application of forensic crime fighting capabilities will be bolstered with the acquisition of a DNA analysis workflow system which was acquired in 2022 and will be operationalised in 2023.

4.259 Mr. Speaker, good policing coupled with professional, well-trained officers is critical to promoting order, safety, and a welcoming environment. To this end, in 2022, over 3,000 ranks were trained in several areas, both locally and regionally, at a sum of \$120 million. Further, in 2023, a total of **\$140 million** is allocated towards improving the investigative and forensic capabilities of a further

3,000 security personnel, which will result in heightened public confidence and support of our law enforcement institutions.

b. Guyana Prison Service

4.260 Mr. Speaker, Government's overall reform and modernisation programme for the Guyana Prison Service targets the transformation of the prison service from a penal to a correctional service, which promotes an environment where custodial safety is assured, and inmates are rehabilitated and successfully reintegrated into society. To this end, \$5.5 billion was spent in 2022.

4.261 Mr. Speaker, Government spent \$2.4 billion in 2022 to commence sweeping upgrades to our custodial and correctional facilities. A further **\$2.2 billion** is budgeted in 2023 to advance prisons being constructed at Mazaruni and Lusignan, and to commence work for the reconstruction of New Amsterdam prison. Furthermore, a sum of **\$50 million** is allocated to ensure "trade shops" at these facilities are fully equipped to facilitate training in carpentry, joinery, masonry, block making, baking, cooking and other craft and trade activities to allow inmates to acquire life skills so that they can seamlessly re-integrate into society and prevent recidivism.

4.262 In 2022, 1,400 inmates were trained in areas such as block making, basic agriculture and culinary arts among others, at a cost of \$88.9 million. It is anticipated that in 2023, a further sum of **\$100 million** will be expended towards the training of 1,500 inmates which will support their rehabilitation and social transformation in preparation for their exit from the prison system. Government will also ensure that the Prison Service is staffed with qualified and competent officers, with the necessary skillset to allow them to effectively navigate this complex environment. To this end, we will invest in prison management training for over 400 prison personnel this year.

4.263 A total of **\$5.5 billion** is earmarked for the Prison Service in 2023.

c. Guyana Fire Service

4.264 Mr. Speaker, in 2022, \$2.7 billion was spent to initiate critical work to boost firefighting activity.

4.265 Of this sum, \$557 million was spent to progress works on critical facilities. The Guyana Fire Service continued work on the construction of the new Fire Service Headquarters at Durban Park, which is a critical and transformational investment that allows the Fire Service to be housed in a very accessible location, without undue hindrances to its demand for quick response. Additionally, works have advanced on the construction of fire stations at Leonora, Wales and Ogle. Budget 2023 makes a provision of over **\$545 million** to advance these and other initiatives.

4.266 Mr. Speaker, an amount of \$400 million was expended in 2022 on the acquisition of several new pieces of firefighting equipment including water bowsers, all terrain fire fighting vehicles, ambulances, and hydraulic platforms, with the aim of improving response capabilities. In 2023, an allocation of **\$489 million** has been provided for the procurement of several other pieces of equipment for firefighting including water bowsers and tenders, water reservoirs, ambulances and a fully equipped firefighting boat.

4.267 Mr. Speaker, effective firefighting depends on the ready availability of water. We have therefore embarked on a massive rehabilitation and replacement programme of all non-working fire hydrants in the country. Of the 188 fire hydrants that were received in July 2022, 47 new installations and 28 replacements were done. In 2023, we will continue the installation of the remaining 113 hydrants by the end of the first quarter. A further 148 fire hydrants will be received in 2023 for installation.

4.268 To complement these initiatives, some \$20 million was spent in 2022 to train fire officers to improve their performance and enhance safety at incident sites. In 2023, a further **\$20 million** is allocated for the training of our fire officers.

## 5.

### Targets for 2023

#### **A. Real Gross Domestic Product**

5.1 Mr. Speaker, with continued interventions and policies geared at building a resilient economy, real GDP is projected to grow by 25.1 percent this year, a rate of growth which currently puts Guyana among the top five fastest growing economies in 2023. This position can be largely attributed to further ramping up of oil production anticipated in the Stabroek Block. Growth in the non-oil economy is currently projected at 7.9 percent this year, driven by continued expansion in construction, other crops, and wholesale and retail trade and repairs, alongside a rebound in gold mining.

##### a. Agriculture, Forestry and Fishing

5.2 Mr. Speaker, the agriculture, forestry and fishing sector is expected to expand by 7.2 percent in 2023, driven by growth across all subsectors.

5.3 Notably, in 2023, the sugar growing subsector is projected to recover and expand by 29.3 percent, as GuySuCo anticipates higher performance from the existing estates, combined with forecasted production from the reopened Rose Hall estate later in the year. The Corporation expects output of nearly 61,000 tonnes of sugar this year.

5.4 Mr. Speaker, growth of 8.3 percent is projected for the rice growing subsector in 2023, with total production of 652,103 metric tonnes. This reflects continued research and development efforts driving the adoption and cultivation of new, high-yielding varieties, as well as increased acreage under cultivation this year.

5.5 The other crops subsector is also expected to expand in 2023, at a rate of 5.8 percent. Livestock, forestry, and fishing are projected to grow at 12.1 percent, 4 percent and 8.4 percent respectively.

##### b. Extractive Industries

5.6 Mr. Speaker, the mining and quarrying sector is forecasted to grow by 34.1 percent in 2023, with expansions projected for all four subsectors – oil and gas, gold, bauxite and other mining and quarrying.

5.7 This year, the Stabroek Block is forecasted to produce crude oil at an average rate of about 374,000 bpd. Consequently, the subsector is estimated to grow by 35.6 percent in 2023. In addition, a turnaround is anticipated for the gold mining subsector, which is projected to grow by 12.7 percent in 2023, on account of higher expected declarations from one of the large operators, and the small and medium scale miners.

5.8 Mr. Speaker, the bauxite subsector recovered in 2022 from the many disruptions in 2021. This momentum is expected to continue into 2023, and with greater output expected from both large operators, the sector is projected to grow by 9.8 percent. Further, the other mining and quarrying subsector – comprising sand, stone, and diamonds – is also forecasted to expand this year, by 7.3 percent. This is supported by continued strong growth in the infrastructure component of the PSIP, and equally strong growth in private sector construction activity.

c. Manufacturing

5.9 Mr. Speaker, in 2023, manufacturing is projected to grow by 5.7 percent. Sugar manufacturing is anticipated to recover and grow by 29.3 percent. Rice and other manufacturing are expected to continue growing, by 6.1 percent and 4 percent, respectively. The recovery in value-added from sugar manufacturing, and the expansion in rice manufacturing, correspond with higher output from the producing estates, and higher cultivation and harvesting, respectively. Relating to other manufacturing, further growth is expected in the manufacturing of fabricated metal products and plastic products.

d. Construction

5.10 Mr. Speaker, the expansion in the construction sector is estimated to continue this year, with growth projected at 17 percent. As is the case with other mining, activity in the construction sector coincides with the continued ramp up of Government's PSIP investments, complemented by the major private sector investment initiatives, particularly in the oil and gas and hospitality industries.

e. Services

5.11 Mr. Speaker, driven by continued activity in the construction, financial, and agriculture sectors, the services sector is estimated to grow by 5.6 percent. This is further augmented by strong growth in

tourism, and robust expansion in wholesale and retail trade and repairs, transport and storage, administrative and support services, and real estate activities. These are forecasted to increase by 7.8 percent, 7.4 percent, 6.5 percent and 5 percent, respectively.

## **B. Monetary Policy and Inflation**

5.12 Mr. Speaker, monetary policy in 2023 will remain centred on keeping prices and exchange rates stable while ensuring the economy is conducive for a sustainable expansion in lending to the private sector, and economic output. On inflation, the rate is expected to slow to 3.8 percent, underlined by decelerating prices abroad, along with the maintenance of a suitable policy stance on the part of Government.

## **C. Balance of Payments**

5.13 Mr. Speaker, the overall balance of payments is expected to record a surplus of US\$150 million this year supported by the current account maintaining its surplus amid continued growth in export earnings, and a lower deficit on the capital account.

5.14 The current account is anticipated to register a lower surplus of US\$3,507 million as import payments are projected to increase by 52.8 percent to US\$5,536.4 million with Guyana's third FPSO, Prosperity, expected to arrive this year. Notwithstanding, export earnings are estimated to increase by 13.8 percent to US\$12,977.8 million, resulting from growth in oil and non-oil receipts. Specifically, crude oil exports are forecasted to increase by 13.6 percent to US\$11,332.6 million, while non-oil exports are expected to grow by 15.4 percent, driven by anticipated increases across major commodities.

5.15 The capital account is forecasted to record a lower deficit of US\$3,357 million, largely on account of a smaller net negative FDI position, an increase in disbursements and an increase in NRF withdrawals.



## D. Targets for the Non-Financial Public Sector

### a. Central Government Operations

5.16 Mr. Speaker, Central Government current revenue (net of GRIF and Carbon Credit inflows and NRF withdrawal) is projected to increase by 11 percent in 2023, to reach \$335.3 billion. Within this, tax collections will account for \$320.1 billion, or 95 percent, as the economy continues to grow and diversify. Internal revenue collections are projected to increase to \$197.9 billion, 12.4 percent above the 2022. Customs and trade tax collections are anticipated to grow by 8.1 percent to reach \$33.6 billion this year. Further, while VAT collections are projected to grow by 14.8 percent to \$65.3 billion, excise tax collections are anticipated to fall by 17.6 percent to \$23.4 billion in 2023. Non-tax revenues are estimated to grow by \$5.4 billion to reach \$15.2 billion this year, mainly on account of higher forecasted collections of royalties, dividends and special transfers from the non-financial public enterprises and Bank of Guyana profits.

5.17 Mr. Speaker, alongside a transfer of \$208.9 billion from the NRF to the Consolidated Fund this year, Budget 2023 will benefit, for the first time, from the sale of our carbon credits. In 2023, it is estimated that some \$31.3 billion will be transferred to the Consolidated Fund.

5.18 Total expenditure of the Central Government is expected to grow by 27.5 percent in 2023, to reach \$756 billion. This largely represents the continued ramp up of the PSIP to support Government's transformation agenda, with includes key projects such as the Gas to Energy Project, the Demerara River Bridge and the Linden to Mabura road, as discussed previously. The PSIP is projected to expand by 50.3 percent to reach \$387.8 billion. Meanwhile, Government's non-interest current expenditure is projected to grow at a much slower rate of 8.6 percent, to total \$354.2 billion this year.

5.19 Mr. Speaker, against this background, the overall deficit after grants of the Central Government is projected at \$167.6 billion, or 11.5 percent of GDP.

5.20 Mr. Speaker, Budget 2023 is 41.4 percent larger than Budget 2022, amounting to **\$781.9 billion**, the largest budget ever and, again, is fully financed with no new taxes.

b. Summary Operations of the Public Enterprises

5.21 Total receipts of the public enterprises are projected to grow by \$3 billion in 2023 to \$180.2 billion. Total expenditure for the enterprises is anticipated to grow by 5.8 percent to \$184.4 billion, with operating costs growing from \$168.2 billion last year, to \$176.1 billion this year. Capital expenditure is projected to reach \$7.9 billion, 33.1 percent above 2022 level. GuySuCo will continue the rehabilitation and retooling projects of the grinding estates and GPL is expected to install efficient transformers and rehabilitate primary and secondary lines. The overall deficit of the public enterprises is projected at \$4.1 billion, equivalent to 0.3 percent of GDP.

c. Operations of the Non-Financial Public Sector

5.22 Mr. Speaker, a deficit of \$171.7 billion, or 11.8 percent of GDP, is projected for the non-financial public sector in 2023.

**E. Natural Resource Fund**

5.23 Mr. Speaker, it is anticipated that there will be 136 lifts of profit oil from the Stabroek Block in 2023. Within this, Government is projected to have 17 lifts of profit oil from the producing FPSOs, earning an estimated US\$1,406.6 million in profit oil and US\$225.2 million in royalties in 2023. As highlighted previously, based on 2022 deposits, an estimated US\$1,002.1 million, equivalent to \$208.9 billion, can be withdrawn from the NRF and transferred to the Consolidated Fund to support national development priorities this year.

**6.**

**Measures**

6.1 Mr. Speaker, in addition to the initiatives, projects, and programmes already announced, Budget 2023 also reflects a number of measures that are geared towards providing further stimulus to economic activity and the productive sectors, as well as to bring relief to households and individuals. These interventions are targeted towards continuing to increase the disposable income of our citizens, while facilitating and promoting job creation and income generation, coupled with an institutional framework that will reduce the cost of doing business all with the aim of improving the lives of all Guyanese.

**a. Increasing Disposable Income**

**i. Salary Adjustments**

6.2 Mr. Speaker, Government continues to work to resolve anomalies and disparities across comparable positions within the Public Service. As previously announced, the first phase of salary adjustments will take effect in this month, benefiting over 5,000 healthcare workers and almost 9,000 members of the Disciplined Services, resulting in an additional \$3 billion in disposable income in the hands of these workers, provision for which is made in Budget 2023.

**ii. Income Tax Threshold**

6.3 Mr. Speaker, it would be recalled in Budget 2022 that the income tax threshold was increased from \$65,000 to \$75,000 monthly. I now propose to further increase the threshold to \$85,000 monthly, with effect from year of income 2023. As a result of this adjustment, over 12,000 persons will be removed from paying income taxes, and every single taxpayer will benefit. This will result in a \$3.3 billion increase in disposable income. At an individual taxpayer level, for illustrative purposes, this translates to additional disposal income of \$33,600 annually for every single taxpayer who is currently earning \$100,000 per month.

iii. Because We Care Cash Grant

6.4 Mr. Speaker, our PPP/C Manifesto 2020 committed to restore and increase the \$10,000 Because We Care School Grant which was callously and vindictively taken away by the AFC/APNU Government in its tenure. We fulfilled that promise in Budget 2021 and further increased the amount from \$15,000 to \$25,000 in Budget 2022. In addition to students in public schools, in 2021, this cash grant was extended to students attending private schools. I now wish to announce that Budget 2023 caters for a further increase to the Because We Care cash grant from \$25,000 to \$35,000. This will benefit over 214,000 school children in public and private schools, and will place an additional \$2.1 billion in the hands of their parents.

6.5 Mr. Speaker, it is worthwhile to point out that the newly increased grant of \$35,000 together with the uniform grant of \$5,000 per child will see parents receive \$40,000 per child in total, and the two grants together will amount to a transfer totalling \$8.6 billion being made to parents of school age children.

**b. Easing the Cost of Living**

i. Containing the Cost of Fuel

6.6 In Budget 2022, one of the key measures to mitigate price increases was the reduction of excise tax on petroleum products from 20 percent to 10 percent. In March of that year, our Government cut this tax further from 10 percent to zero – a measure that has resulted in tax revenue losses of over \$17 billion. Government remains committed to absorbing the impact of volatile fuel prices, and will continue to monitor the developments in global oil prices going forward. The zero excise taxes on fuel will be maintained as long as fuel prices remain elevated.

ii. Reduction in Freight Charges

6.7 Mr. Speaker in August 2021, Government adjusted freight charges to the pre-pandemic levels (March 31, 2020) to combat the escalation in shipping costs which were passed on to consumers by importers. This relief measure was initially implemented for a six-month period from August 1, 2021 to January 31, 2022 and in Budget 2022, it was further extended to December 31, 2022. I now wish to

announce an extension of this measure for a further 12-month period from January 1, 2023 to December 31, 2023, at a cost of over \$6 billion. Relevant Government agencies will continue to be vigilant in ensuring that these benefits are passed on to consumers.

iii. Expansion of Part-time Job Programme

6.8 In 2022, Government launched the part time job programme among the suite of measures implemented to cushion the rising cost of living. The job programme has allowed for one person per household to work in public offices in close proximity to their homes for 10 days per month and earn \$40,000. Over 11,000 persons were employed through the programme in Regions 2, 3, 5, 6, 9 and 10, injecting \$2.3 billion into these households since the programme started in the second half of the year. In 2023, this programme will continue and will be expanded with \$10 billion allocated. The beneficiaries of this programme are encouraged to upskill themselves so they can eventually take up full time employment as the labour market is confronted with a shortage of skills in certain areas.

iv. Other Cost of Living Measures

6.9 Mr. Speaker, recognising continued impacts of the cost of living challenges due to global developments as previously highlighted, Government continues to consult with stakeholders across the country on the development and implementation of interventions to alleviate the impact of increases in prices. In this regard, a total of \$5 billion is allocated for additional cost of living measures to be determined from the ongoing community engagements.

**c. Supporting the Vulnerable**

i. Increase in Old Age Pension

6.10 Our Government, since returning to office, increased monthly OAP from \$20,500 in 2020 to \$28,000 last year. As the Government continues to improve the country's social safety net, with effect from January 1, 2023, OAP will be increased to \$33,000. As a result of this increase, the cumulative increase granted since we returned to office in 2020 now exceeds 60 percent.

6.11 This measure will benefit approximately 73,000 pensioners, each of whom will now receive an additional \$60,000 per annum, thereby placing an additional \$4.4 billion of disposable income in their hands. With this latest increase, the total OAP bill now amounts to \$28.9 billion.

ii. Public Assistance

6.12 Budget 2022 included an increase to \$14,000 monthly to public assistance beneficiaries up from \$9,000 in 2020. In addition, in 2022, Government announced that all persons with a disability will be registered automatically to receive monthly public assistance. I now wish to announce an increase in Public Assistance from \$14,000 monthly to \$16,000 with effect from January 1, 2023, an over 75 percent increase since the PPP/C Government resumed office – to the benefit over 29,000 persons. This will provide over \$700 million in additional disposable income to these individuals.

**d. Other Measures**

i. Increase in Low-Income Mortgage Ceiling

6.13 Since resuming office in 2020, the Government has implemented a suite of measures in support of housing development and remains committed to providing 50,000 house lots by the end of our current term. Given the importance of home ownership, I now wish to announce an increase in the low-income mortgage ceiling to \$20 million, up from \$15 million, reducing the cost of borrowing within this range from the commercial banks, and further incentivising home ownership.

ii. Removal of VAT on Residential Properties

6.14 In support of Government's aggressive housing drive and to reduce the cost of home ownership, I propose the removal of the 14 percent VAT with respect to the sale of residential properties, which will also further reduce the cost of home ownership.

iii. All-Electric Motor Vehicles

6.15 Mr. Speaker, in keeping with our commitment towards development along a low carbon development pathway, and to incentivise the transition to lower emission vehicles, I wish to announce the following:

- a) The removal of the currently applicable 14 percent VAT on new electric motor vehicles (not hybrid) of any power rating (new for the purposes of this paragraph refers to vehicles less than four years old).
- b) In support of business's investment decision to switch to more environmentally friendly vehicles, I wish to announce an increase in the writing down allowance applicable to all-electric motor vehicles to 50 percent annually.

iv. Vehicle Ownership

6.16 In today's modern age, the ownership of a motor vehicle is no longer considered a luxury, with vehicle ownership improving the ease of access to and from the places of home, work, and learning. In this regard, I now wish to announce the following measures to reduce the cost of motor vehicle ownership:

- a) In relation to the importation of new motor vehicles below 1500 cc, we will reduce the duty of 45 percent to 35 percent (new for the purposes of this paragraph refers to vehicles less than four years old). This will reduce the cost of importing such a vehicle by approximately \$200,000.
- b) In relation to used vehicles below 1500 cc (used for the purposes of this paragraph refers to vehicles 4 years and older) we will replace the current tax rate with a flat rate of taxes of \$800,000. This will reduce the cost of importing such a vehicle by \$300,000 on average.

6.17 Mr. Speaker, an aggregation of these measures will place over \$50 billion in the hands of citizens, easing cost of living pressures while incentivising the expansion of economic activity and job creation.

## 7.

### Conclusion

7.1 Mr. Speaker, in keeping with its theme – **Improving Lives Today, Building Prosperity for Tomorrow** – Budget 2023 strikes a balance between addressing the pressing needs of today and the critical investments needed for tomorrow, ensuring that both are attended to.

7.2 As I just announced, it delivers: \$3 billion worth of special salary adjustments to our healthcare workers and uniformed servicemen and servicewomen; \$3.3 billion in tax relief to those paying income taxes, and removes 12,000 of them immediately from the tax net; \$2.1 billion in additional cash grants to parents of school age children; and \$4.4 billion in additional OAP payments to our senior citizens; just to name a few of the immediate initiatives. At the same time, Budget 2023 allocates: \$136.1 billion for the upgrade of thousands of roads and bridges countrywide; \$43.3 billion to advance construction of the gas to energy project which will reduce the cost of electricity by a half and bring much-needed relief to our entire citizenry, and creating jobs for Guyanese nationals; and \$84.9 billion for enhanced healthcare delivery; and, \$94.4 billion for the education sector to ensure our young people are prepared for the future that beckons them.

7.3 Mr. Speaker, I reiterate this really to make the point that this is a Budget for all Guyanese and it is a Budget for now and for the future. Budget 2023 delivers on its promise, and on our PPP/C Government's unwavering commitment, to improve the lives of every single Guyanese family and individual and to improve the opportunities they enjoy for the future. It is also a responsible Budget, cast within the context of a macroeconomic framework that recognises the risks we face both from the global economy as well as from the realities that confront a new and emerging resource-based economy. On these bases, we on this side of the House expect that it will enjoy the smooth passage and unanimous support from this Honourable House.

7.4 Mr. Speaker, before I resume my seat, I wish to acknowledge the invaluable contributions made by my Cabinet colleagues and their respective staff, and the comments and suggestions offered by many stakeholders from civil society. And, of course, I salute the unstintingly hard work done by my very own team at the Ministry of Finance who were at it until mid-morning today, ensuring completion of the product that I now have the honour to present as Budget 2023, and which I now commend to this Honourable House, on behalf of this PPP/C Government.





---

# APPENDICES



## APPENDIX I

## SELECTED SOCIO-ECONOMIC INDICATORS

INDICATORS	2018	2019	2020	2021	2022
<b>1.0 NATIONAL ACCOUNTS AGGREGATES</b>					
1.1 Growth Rate of Real GDP (2006 Base) (%)	4.2	...	...	...	...
1.2 Growth Rate of Real GDP (2012 Base) (%)	4.4	5.4	43.5	20.1	62.3
1.3 GDP at Current Basic Prices (US\$M) (2006 Base)	3,186.0	...	...	...	...
1.4 GDP at Current Basic Prices (US\$M) (2012 Base)	4,190.8	4,475.4	4,940.1	7,434.9	14,370.9
1.5 GNP at Current Basic Prices (US\$M) at 2006 Base	3,230.9	...	...	...	...
1.6 GNP at Current Basic Prices (US\$M) at 2012 Base	4,163.0	4,428.8	4,895.1	7,379.6	13,040.6
1.7 Per Capita GDP (US\$) at 2006 Base	4,223.2	...	...	...	...
1.8 Per Capita GDP (US\$) at 2012 Base	6,097.7	6,539.3	6,900.5	10,301.6	19,252.7
1.9 Per Capita GNP (US\$) at 2006 Base	4,282.8	...	...	...	...
1.10 Per Capita GNP (US\$) at 2012 Base	6,061.4	6,478.5	6,845.6	10,229.1	17,537.9
1.11 Gross National Disposable Income (US\$M) at 2006 Base	3,520.2	...	...	...	...
1.12 Gross National Disposable Income (US\$M) at Current Purchaser's Price	5,149.7	5,550.4	5,867.1	8,805.5	1,014.2
1.13 Private Consumption as % of Gross Domestic Expenditure at 2006 Base	49.0	...	...	...	...
1.14 Public Consumption as % of Gross Domestic Expenditure at 2006 Base	15.0	...	...	...	...
<b>2.0 EXTERNAL TRADE AND FINANCE (US\$M)</b>					
2.1 BOP Current Account Balance	(1,438.8)	(2,823.7)	(822.9)	(1,533.1)	4,280.5
2.2 Imports of Goods and Non-Factor Services (G&NFS)	(3,437.0)	(5,150.5)	(4,239.4)	(7,068.2)	7,002.7
2.3 Exports of Goods and Non-Factor Services (G&NFS)	1,534.3	1,792.0	2,791.3	4,623.1	11,599.3
2.4 Resource Balance	(1,902.8)	(3,358.5)	(1,448.0)	(2,445.1)	4,596.6
2.5 Imports of G&NFS/GDP (%) at 2006 Base	107.9	...	...	...	...
2.6 Imports of G&NFS /GDP (%) at 2012 Base	82.0	115.1	88.0	95.0	48.7
2.7 Exports of G&NFS/GDP (%) at 2006 Base	48.2	...	...	...	...
2.8 Exports of G&NFS/GDP (%) at 2012 Base	36.6	40.0	57.9	62.1	80.7
2.9 Net International Reserves of Bank of Guyana	528.4	575.9	680.6	810.8	939.2
2.10 External Public Debt Outstanding	1,322.1	1,305.5	1,320.8	1,392.8	1,571.9
<b>3.0 PRICES, WAGES &amp; OUTPUT</b>					
3.1 Rate of Inflation (% Change in CPI)	1.6	2.1	0.9	5.7	7.2
3.2 Public Sector Monthly Minimum Wage in G\$	64,200.0	70,000.0	70,000.0	74,900.0	80,892.0
3.3 % Growth Rate	7.0	9.0	-	7.0	8.0
3.4 Electricity Generation (in M.W.H) ('000)	818.1	872.5	900.4	937.3	1,031.5
<b>4.0 POPULATION &amp; VITAL STATISTICS</b>					
4.1 Mid-Year Population ('000)	763.9	767.0	770.0	773.0	775.8
4.2 Population Growth Rate (e.o.p)	3.0	0.4	0.4	0.3	0.4
4.3 Net Migration ('000)	18.2	47.9	6.9	7.9	16.6
4.4 Visitor Arrivals ('000)	281.9	314.7	86.5	173.8	288.2
4.5 Crude Birth Rate (per 1,000 persons)	16.1	20.0	...	...	23.6
4.6 Crude Death Rate (per 1,000 persons)	6.0	7.2	6.1	5.5	7.7
4.7 Crude Marriage Rate (per 1,000 persons)	5.2	5.7	4.4	6.2	5.2
4.8 Infant Mortality Rate (per 1,000 live births)	12.4	11.9	9.1	9.3	10.0
4.9 Under 5 Mortality Rate (per 1,000 live births)	14.8	14.7	11.1	11.4	13.0
<b>5.0 HEALTH AND EDUCATION</b>					
5.1 Public Expenditure on:					
5.1.1 Education as % of National Budget	16.7	11.9	15.6	16.0	13.4
5.1.2 Health as % of National Budget	17.6	12.3	15.5	16.0	13.2
5.2 Trained Teachers Across the Education Sector (%)	70.0	72.0	71.0	69.0	72.0
5.3 Matriculation Rate (%)	46.0	43.0	49.0	30.0	32.0
5.4 Gross Enrolment Rate at Tertiary/TVET Institutions (%)	5.0	5.0	5.0	5.0	5.0
5.5 Percentage of Graduates from TVET/Higher Education Sector Employed	3.0	3.0	3.0	4.0	3.0
5.6 Number of Physicians Per Ten Thousand Population	13.5	16.3	11.2	13.0	12.5
5.7 Number of Nurses Per Ten Thousand Population	36.9	28.6	27.6	22.0	21.9
5.8 Number of Hospital Beds Per Ten Thousand Population	23.8	22.3	23.4	22.0	25.8
5.9 Low Birth-Weight Babies (<2500g.) as a % of Live Births	9.0	11.4	8.1	8.1	10.0
5.1 Nutritional Status of Children Under 5 as a % of Age Group:					
5.10.1 Severely Malnourished	0.4	0.2	0.1	0.4	0.3
5.10.2 Moderately Malnourished	1.4	1.1	0.5	1.0	1.0
5.10.3 Overweight (%)	1.0	0.5	0.1	1.0	3.0
<b>6.0 IMMUNIZATION COVERAGE</b>					
6.1 1 Year Olds Immunized Against DPT/ (Pentavalent) (%)	98.0	99.0	90.0	92.0	97.0
6.2 1 Year Olds Immunized Against MMR, Yellow Fever (%)	100.0	92.0	92.0	89.0	98.0
6.3 1 Year Olds Immunized Against Polio (%)	98.0	97.0	97.0	89.0	95.0
6.4 1 Year Olds Immunized Against TB, BCG (%)	98.0	97.0	97.0	82.0	95.0
<b>7.0 CRIME</b>					
7.1 Reported Serious Crimes	2,571.0	3,658	2,468	1,853	1,590
7.2 of which: Murder	111.0	134	154	121	128

## Notes:

- 1) The blank cells ( . . . ) indicate the data is not available.
- 2) The 2022 figures are estimates and subject to revision.
- 3) The 2021 national account aggregates were revised.
- 4) Visitors arrivals for 2022 were estimated.
- 5) Marriages for 2022 were estimated.
- 6) The migration rate, derived from passenger arrivals and departures, from 2019 to 2021, was revised to account for Venezuelan migrants.
- 7) Immunization coverage reflects actual numbers for 2022 Q1 to Q3, and projected for Q4.

**APPENDIX II**

**GROSS DOMESTIC PRODUCT AT 2012 PRICES BY INDUSTRIAL ORIGIN**

<b>Industry</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Agriculture, forestry and fishing</b>	<b>211,233.9</b>	<b>219,802.9</b>	<b>236,671.4</b>	<b>244,364.4</b>	<b>217,220.7</b>	<b>244,733.6</b>	<b>260,963.3</b>	<b>259,670.4</b>	<b>270,445.1</b>	<b>245,915.4</b>	<b>275,104.5</b>
Growing of sugar cane	13,419.9	11,493.8	13,303.9	14,220.3	11,291.9	8,449.8	6,439.6	5,677.4	5,468.9	3,570.8	2,897.3
Growing of rice	41,561.6	46,142.4	54,935.2	60,677.5	48,432.4	55,525.1	54,352.3	54,901.0	57,532.1	45,710.2	49,409.2
Growing of other crops	105,690.6	110,618.0	116,261.6	118,708.7	111,794.5	133,986.2	149,136.0	149,521.5	159,461.1	143,823.1	165,786.3
Raising of livestock	20,563.6	21,235.9	21,832.0	23,028.0	21,697.1	21,195.8	26,127.2	25,201.0	26,454.9	28,879.7	31,475.2
Forestry	17,554.4	18,517.0	21,473.5	19,059.9	14,040.1	15,224.2	15,429.7	14,821.1	13,613.7	15,149.5	17,178.9
Fishing	12,443.7	11,795.9	8,865.2	8,670.0	9,964.6	10,352.6	9,478.5	9,548.4	7,914.4	8,782.1	8,357.6
<b>Mining and quarrying</b>	<b>100,987.8</b>	<b>109,494.0</b>	<b>93,781.0</b>	<b>104,566.8</b>	<b>157,978.0</b>	<b>146,388.1</b>	<b>151,122.3</b>	<b>167,154.8</b>	<b>674,848.5</b>	<b>923,069.3</b>	<b>1,935,332.4</b>
Bauxite	12,965.0	12,159.3	11,303.0	8,840.7	9,391.3	9,677.5	11,582.1	11,783.6	6,924.9	6,720.7	9,069.7
Gold	82,391.5	90,363.3	72,785.9	84,723.1	133,868.9	122,795.6	115,746.2	119,255.3	109,962.7	93,738.2	91,364.2
Other mining and quarrying	5,234.8	6,596.8	9,154.8	9,009.4	11,924.8	9,322.3	14,737.2	15,811.1	9,061.9	16,806.8	23,278.0
Petroleum and gas; and support services	396.5	374.7	537.3	1,993.6	2,793.0	4,592.7	9,056.8	20,304.8	548,899.0	805,803.6	1,811,620.4
<b>Manufacturing</b>	<b>49,950.2</b>	<b>54,045.8</b>	<b>57,187.5</b>	<b>57,751.6</b>	<b>48,372.6</b>	<b>49,104.8</b>	<b>50,208.5</b>	<b>57,567.8</b>	<b>52,634.0</b>	<b>54,524.1</b>	<b>56,640.7</b>
Sugar	11,906.6	10,197.6	11,803.7	12,616.7	10,018.6	7,496.9	5,713.4	5,037.2	4,852.2	3,168.2	2,570.6
Rice	9,898.2	12,082.0	15,376.3	15,733.8	10,972.1	13,911.2	14,564.5	18,415.2	17,366.5	14,572.4	16,271.2
Other manufacturing	28,145.4	31,766.2	30,007.5	29,401.1	27,382.0	27,696.6	29,930.6	34,115.5	30,415.4	36,783.6	37,798.9
<b>Electricity supply</b>	<b>3,904.9</b>	<b>4,029.3</b>	<b>4,286.3</b>	<b>4,447.0</b>	<b>4,726.6</b>	<b>4,754.9</b>	<b>4,920.6</b>	<b>5,265.1</b>	<b>5,327.8</b>	<b>5,580.4</b>	<b>6,100.0</b>
<b>Water supply and sewerage</b>	<b>2,556.0</b>	<b>2,473.2</b>	<b>2,755.4</b>	<b>2,437.0</b>	<b>2,942.0</b>	<b>3,074.0</b>	<b>3,190.0</b>	<b>3,234.1</b>	<b>3,493.7</b>	<b>3,241.2</b>	<b>3,264.9</b>
<b>Construction</b>	<b>63,366.5</b>	<b>66,800.6</b>	<b>65,485.2</b>	<b>62,238.3</b>	<b>65,792.6</b>	<b>69,006.6</b>	<b>71,021.2</b>	<b>73,204.8</b>	<b>68,591.4</b>	<b>88,309.1</b>	<b>111,568.1</b>
<b>Services</b>	<b>357,054.1</b>	<b>363,003.5</b>	<b>373,285.7</b>	<b>371,821.5</b>	<b>381,080.0</b>	<b>391,744.8</b>	<b>403,182.2</b>	<b>419,927.9</b>	<b>380,278.1</b>	<b>425,529.6</b>	<b>463,797.0</b>
Wholesale and retail trade and repairs	81,865.5	76,299.7	75,458.2	66,128.1	67,409.7	71,754.4	74,509.0	78,234.5	56,082.5	75,856.9	87,665.9
Transport and storage	29,738.4	31,679.8	33,318.6	34,417.1	34,913.1	35,098.3	36,762.7	39,299.0	27,447.0	35,840.8	39,035.5
Accommodation and food services	2,914.6	3,081.3	3,121.5	3,126.7	3,245.3	3,409.5	3,683.6	3,885.5	2,223.7	3,406.3	4,509.8
Information and communication	18,678.2	19,274.2	20,751.4	20,827.3	20,954.7	21,494.9	22,165.9	22,387.6	23,628.7	23,752.3	25,889.7
Financial and insurance activities	34,648.8	38,087.3	40,383.4	43,014.7	44,216.3	44,823.5	46,701.5	49,114.0	50,447.7	54,848.0	58,522.1
Real estate activities	71,723.6	72,614.0	73,458.9	74,378.7	75,220.3	76,067.0	76,975.6	77,873.8	78,125.3	80,766.8	84,087.0
Professional, scientific and technical services	3,947.7	4,063.8	3,974.2	3,985.8	4,155.1	4,460.7	4,683.2	4,864.0	3,775.2	4,749.5	5,565.1
Administrative and support services	49,734.1	51,490.1	53,777.5	54,906.2	57,538.9	59,360.0	60,429.7	63,949.0	62,078.4	66,697.4	74,586.9
Public administration	30,758.2	32,071.8	33,120.9	34,064.8	35,147.2	36,101.4	36,984.9	38,985.4	39,435.4	40,361.6	42,101.6
Education	19,292.0	19,742.2	20,536.9	21,412.4	21,896.8	22,084.5	22,476.8	22,757.5	20,505.0	21,472.4	22,555.9
Human health and social work	7,985.5	8,683.7	9,418.0	9,570.5	10,282.9	10,845.9	11,309.3	11,942.6	12,348.6	12,740.0	13,125.8
Arts, entertainment and recreation	3,032.0	3,106.7	3,123.8	3,124.2	3,175.1	3,245.5	3,364.7	3,455.0	2,017.0	2,285.6	2,817.2
Other service activities	2,735.5	2,808.8	2,842.3	2,865.2	2,924.7	2,999.2	3,135.4	3,180.0	2,163.7	2,752.2	3,334.5
<i>Less FISIM</i>	<i>15,451.0</i>	<i>17,651.2</i>	<i>18,386.1</i>	<i>20,265.5</i>	<i>21,545.3</i>	<i>20,699.8</i>	<i>20,370.5</i>	<i>21,910.6</i>	<i>21,697.9</i>	<i>23,441.5</i>	<i>22,906.2</i>
<b>GDP at basic prices</b>	<b>773,601.5</b>	<b>801,998.3</b>	<b>815,066.4</b>	<b>827,361.2</b>	<b>856,567.2</b>	<b>888,107.1</b>	<b>924,237.6</b>	<b>964,114.3</b>	<b>1,433,920.7</b>	<b>1,722,727.6</b>	<b>2,828,901.4</b>
Taxes less subsidies on products	56,724.7	58,663.1	60,109.2	53,830.3	58,175.6	60,796.7	66,806.8	79,979.0	64,140.4	75,844.9	89,968.2
<b>Total GDP at purchaser prices</b>	<b>830,326.2</b>	<b>860,661.4</b>	<b>875,175.6</b>	<b>881,191.5</b>	<b>914,742.7</b>	<b>948,903.7</b>	<b>991,044.4</b>	<b>1,044,093.3</b>	<b>1,498,061.1</b>	<b>1,798,572.5</b>	<b>2,918,869.6</b>
<b>Non-oil GDP at purchaser prices</b>	<b>829,929.7</b>	<b>860,286.7</b>	<b>874,638.2</b>	<b>879,197.9</b>	<b>911,949.7</b>	<b>944,311.0</b>	<b>981,987.6</b>	<b>1,023,788.5</b>	<b>949,162.1</b>	<b>992,768.9</b>	<b>1,107,249.1</b>

## APPENDIX III

## CENTRAL GOVERNMENT FINANCIAL OPERATIONS

	ACTUAL 2021	BUDGET 2022	REVISED 2022	BUDGET 2023
<b>Total Revenue</b>	<b>267,040.3</b>	<b>432,015.6</b>	<b>429,478.8</b>	<b>578,554.0</b>
<b>Revenue</b>	<b>266,626.9</b>	<b>301,319.2</b>	<b>302,111.3</b>	<b>335,309.8</b>
Tax	255,085.5	286,816.8	292,336.8	320,109.8
Income taxes	122,858.7	140,986.8	163,483.4	183,462.3
Value Added and Excise Taxes	94,778.3	102,937.6	85,222.3	88,636.6
Trade taxes	25,611.4	30,445.2	30,273.6	33,508.2
Other	11,837.1	12,447.2	13,357.4	14,502.7
Non-tax	11,541.4	14,502.5	9,774.5	15,200.0
Private sector	8,091.4	7,402.5	6,177.1	8,000.0
Public enterprise & BOG	3,450.0	7,100.0	3,597.4	7,200.0
<b>NRF Withdrawal</b>	<b>-</b>	<b>126,694.3</b>	<b>126,481.8</b>	<b>208,944.2</b>
<b>GRIF Inflows</b>	<b>405.7</b>	<b>4,000.0</b>	<b>866.3</b>	<b>3,000.0</b>
<b>Carbon Credit Inflows</b>				<b>31,275.0</b>
<b>Total expenditure</b>	<b>387,273.6</b>	<b>529,966.3</b>	<b>593,096.9</b>	<b>756,033.7</b>
<b>Current expenditure</b>	<b>282,887.4</b>	<b>312,127.9</b>	<b>335,010.1</b>	<b>368,233.9</b>
Non-interest expenditure	274,971.7	302,198.5	326,051.8	354,165.6
Personal emoluments	77,811.9	89,911.1	87,760.4	105,718.3
Other goods and services	90,272.5	92,501.5	108,602.6	103,676.2
Transfer Payments	106,887.3	119,785.9	129,688.7	144,771.1
Transfers to the private sector				
<b>Interest</b>	<b>7,915.7</b>	<b>9,929.4</b>	<b>8,958.3</b>	<b>14,068.3</b>
External	5,128.6	6,056.9	5,085.9	9,771.9
Domestic	2,787.1	3,872.5	3,872.4	4,296.4
<b>Primary balance</b>	<b>(8,344.8)</b>	<b>(879.2)</b>	<b>(23,940.4)</b>	<b>(18,855.8)</b>
<b>Current balance</b>	<b>(16,260.6)</b>	<b>(10,808.6)</b>	<b>(32,898.7)</b>	<b>(32,924.1)</b>
<b>Capital Revenue</b>	<b>7.7</b>	<b>2.0</b>	<b>19.4</b>	<b>25.0</b>
<b>Capital Expenditure</b>	<b>104,386.2</b>	<b>217,838.4</b>	<b>258,086.8</b>	<b>387,799.8</b>
<b>Overall Balance before Grants</b>	<b>(120,233.2)</b>	<b>(97,950.7)</b>	<b>(163,618.0)</b>	<b>(177,479.7)</b>
<b>Grants</b>	<b>5,384.3</b>	<b>10,235.1</b>	<b>8,095.0</b>	<b>9,918.3</b>
HIPC relief	182.1	-	-	-
Original	-	-	-	-
Enhanced	182.1	-	-	-
CMCF	-	-	-	-
MDRI	-	-	-	-
Other	5,202.2	10,235.1	8,095.0	9,918.3
Projects	3,386.9	10,235.1	8,095.0	9,815.9
Non-projects	1,815.3	-	-	102.4
<b>Overall Balance after Grants</b>	<b>(114,848.9)</b>	<b>(87,715.6)</b>	<b>(155,523.0)</b>	<b>(167,561.4)</b>
<b>Financing</b>	<b>114,848.9</b>	<b>87,715.6</b>	<b>155,523.0</b>	<b>167,561.4</b>
Net External Borrowing	11,683.7	32,358.7	31,260.9	87,679.2
Disbursements of Loans	23,518.1	45,794.5	43,781.9	101,360.0
Debt Repayments	11,834.3	13,435.7	12,521.0	13,680.8
Net Domestic Borrowing	103,165.2	55,356.9	124,262.1	79,882.2
<b>Overall Deficit as a % of Non-Oil GDP</b>	<b>(10.2)</b>	<b>(7.0)</b>	<b>(11.8)</b>	<b>(11.5)</b>

APPENDIX IV

URBAN CONSUMER PRICE INDEX - NEW SERIES  
(GEORGETOWN)

GROUP	2021	2022											
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>ALL ITEMS</b>	<b>127.5</b>	<b>129.4</b>	<b>128.9</b>	<b>129.6</b>	<b>131.0</b>	<b>131.6</b>	<b>133.7</b>	<b>135.7</b>	<b>137.1</b>	<b>136.6</b>	<b>135.8</b>	<b>135.9</b>	<b>136.7</b>
FOOD	170.3	175.7	174.1	174.3	177.7	178.7	184.0	189.5	193.8	192.5	191.3	192.0	194.2
CLOTHING	87.9	88.1	88.1	87.9	87.9	87.9	87.9	87.9	87.9	88.0	88.3	88.3	88.3
FOOTWEAR & REPAIRS	80.8	80.8	80.8	80.8	80.8	80.8	80.8	80.8	81.0	81.0	81.0	81.0	81.0
HOUSING	97.1	97.1	97.3	98.5	98.9	99.1	98.9	98.9	98.7	98.6	98.6	98.6	98.6
FURNITURE	94.0	94.3	94.3	94.3	95.4	95.3	96.2	96.4	96.5	96.5	96.4	96.5	96.7
TRANSPORT & COMMUNICATION	120.6	120.6	120.3	122.1	122.0	122.8	124.8	125.3	125.1	125.1	121.9	122.0	122.0
MEDICAL CARE & HEALTH SERVICES	138.8	139.2	139.5	139.6	139.3	139.5	139.4	139.9	141.0	140.8	140.8	140.8	139.0
EDUCATION, RECREATION & CULTURAL SERVICES	96.4	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	98.7	96.6	96.6
MISCELLANEOUS GOODS & SERVICES	125.9	126.0	125.9	126.2	127.9	128.0	128.1	128.6	128.7	128.6	129.6	129.5	130.3

NEW SERIES COMMENCED 1st JANUARY 2010

GROUP	2009 DEC	2010 DEC	2011 DEC	2012 DEC	2013 DEC	2014 DEC	2015 DEC	2016 DEC	2017 DEC	2018 DEC	2019 DEC	2020 DEC	2021 DEC	2022 DEC	% Change 2021-2022
<b>ALL ITEMS</b>	<b>100</b>	<b>104.5</b>	<b>107.9</b>	<b>111.6</b>	<b>112.6</b>	<b>113.9</b>	<b>111.9</b>	<b>113.5</b>	<b>115.2</b>	<b>117.1</b>	<b>119.5</b>	<b>120.6</b>	<b>127.5</b>	<b>136.7</b>	<b>7.2</b>
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	194.2	14.1
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	88.3	0.4
FOOTWEAR & 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	81.0	0.3
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	98.6	1.5
FURNITURE	100	99.2	101.2	100.6	95.9	95.4	91.8	91.3	91.9	90.6	89.9	90.5	94.0	96.7	2.9
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	122.0	1.2
MEDICAL CARE & HEALTH SERVICES	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	139.0	0.2
EDUCATION, RECREATION & CULTURAL SERVICES	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	96.6	0.3
MISCELLANEOUS 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	130.3	3.5

**APPENDIX V**

**BALANCE OF PAYMENTS ANALYTIC SUMMARY**

ITEM		ACTUAL 2021	BUDGET 2022	REVISED 2022	BUDGET 2023
<b>A</b>	<b>Current Account</b>	<b>(1,995.0)</b>	<b>2,441.4</b>	<b>4,262.4</b>	<b>3,507.0</b>
<b>1.0</b>	<b>Merchandise (Net)</b>	<b>(19.9)</b>	<b>4,835.6</b>	<b>7,780.7</b>	<b>7,441.4</b>
	1.1 Exports (f.o.b.)	4,355.9	7,792.8	11,404.3	12,977.8
	1.1.1 Bauxite	80.0	92.6	98.9	110.7
	1.1.2 Sugar	14.7	20.3	17.4	21.4
	1.1.3 Rice	201.4	288.6	195.6	268.5
	1.1.4 Gold	858.4	962.5	829.8	918.0
	1.1.5 Timber	26.5	28.9	27.1	30.7
	1.1.6 Crude Oil	2,975.5	6,180.6	9,978.9	11,332.6
	1.1.7 Other	161.3	177.3	199.6	230.4
	1.1.8 Re - exports	38.2	42.0	56.9	65.4
	1.2 Imports (c.i.f.)	(4,375.8)	(2,957.1)	(3,623.6)	(5,536.4)
	1.2.1 Fuel & Lubricants	(822.9)	(895.4)	(1,268.2)	(1,369.3)
	1.2.2 Other	(3,552.8)	(2,061.8)	(2,355.4)	(4,167.1)
<b>2.0</b>	<b>Services (Net)</b>	<b>(3,028.3)</b>	<b>(3,417.0)</b>	<b>(4,532.5)</b>	<b>(5,029.7)</b>
	2.1 Factor	(442.0)	(618.5)	(1,336.6)	(1,525.8)
	2.2 Non Factor (Net)	(2,586.3)	(2,798.5)	(3,195.9)	(3,503.9)
<b>3.0</b>	<b>Transfers</b>	<b>1,053.2</b>	<b>1,022.8</b>	<b>1,014.2</b>	<b>1,095.3</b>
	3.1 Official	48.0	-	-	0.5
	3.2 Private	1,005.2	1,022.8	1,014.2	1,094.8
<b>B</b>	<b>Capital Account</b>	<b>2,107.5</b>	<b>(2,037.9)</b>	<b>(4,120.1)</b>	<b>(3,357.0)</b>
<b>1.0</b>	<b>Capital Transfers</b>	<b>81.8</b>	<b>49.1</b>	<b>38.9</b>	<b>47.1</b>
<b>2.0</b>	<b>Medium and Long Term Capital (Net)</b>	<b>2,077.9</b>	<b>(2,026.7)</b>	<b>(4,175.0)</b>	<b>(3,339.0)</b>
	2.1 Non - Financial Public Sector Capital (Net)	(94.0)	(194.1)	(599.9)	(55.8)
	2.1.1 Disbursements	125.2	219.6	261.5	486.1
	2.1.2 Amortization	(57.4)	(63.6)	(60.1)	(66.9)
	2.1.3 Other	(161.8)	(350.2)	(801.2)	(475.0)
	2.1.3.a SDR Allocation	247.4	-	-	-
	2.1.3.b Natural Resource Fund	(409.2)	(957.9)	(1,408.8)	(1,477.2)
	2.1.3.c Natural Resource Fund Withdrawal	-	607.6	607.6	1,002.1
	2.2 Private Sector (Net)	2,171.8	(1,832.6)	(3,575.1)	(3,283.2)
	2.2.1 Foreign Direct Investment (Net)	2,221.5	(1,785.7)	(3,533.9)	(3,239.9)
	2.2.2 Portfolio Investment (Net)	(49.7)	(46.9)	(41.2)	(43.3)
	2.2.3 Private Enterprises				
<b>3.0</b>	<b>Short Term Capital</b>	<b>(52.2)</b>	<b>(60.3)</b>	<b>16.0</b>	<b>(65.0)</b>
<b>C</b>	<b>Errors and Omissions</b>	<b>17.7</b>	<b>0.0</b>	<b>(13.9)</b>	<b>0.0</b>
<b>D</b>	<b>Overall Balance</b>	<b>130.2</b>	<b>403.4</b>	<b>128.3</b>	<b>150.0</b>
<b>E</b>	<b>Financing</b>	<b>(130.2)</b>	<b>(403.4)</b>	<b>(128.3)</b>	<b>(150.0)</b>
<b>1.0</b>	<b>Bank of Guyana Net Foreign Assets</b>	<b>(130.2)</b>	<b>(403.4)</b>	<b>(128.3)</b>	<b>(150.0)</b>
<b>2.0</b>	<b>Change in Non-Financial Public Sector Arrears</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3.0</b>	<b>Exceptional Financing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	3.1 Debt Relief				
	3.2 Balance of Payments Support				
	3.3 Debt Forgiveness				
	3.4 Debt Stock Restructuring				

**Note:** The 2021 actuals were reclassified to reflect revised treatment of oil-related transactions.

Figures: US\$ Millions

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

APPENDIX VI

ACTUAL AND PROJECTED TOTAL PUBLIC AND PUBLICLY GUARANTEED DEBT

ITEMS	Actual End-December 2020 (After E-HIPC & MDRI Reduction)	Actual End-December 2021 (After E-HIPC & MDRI Reduction)	Projected End-December 2022 (After E-HIPC & MDRI Reduction)	Revised End-December 2022 (After E-HIPC & MDRI Reduction)	Projected End-December 2023 (After E-HIPC & MDRI Reduction)
<b>1.0 Total Public and Publicly Guaranteed Debt</b>	<b>2,592.2</b>	<b>3,126.7</b>	<b>3,573.2</b>	<b>3,654.9</b>	<b>4,460.6</b>
<b>2.0 Total Public Debt</b>	<b>2,589.8</b>	<b>3,124.3</b>	<b>3,490.8</b>	<b>3,652.5</b>	<b>4,458.2</b>
<b>2.10 Total External Debt</b>	<b>1,320.8</b>	<b>1,392.8</b>	<b>1,518.0</b>	<b>1,571.9</b>	<b>2,146.0</b>
<b>2.1.1 Multilateral</b>	<b>825.3</b>	<b>910.2</b>	<b>1,036.4</b>	<b>1,092.3</b>	<b>1,197.7</b>
CDB	149.5	144.4	146.0	157.4	169.3
CDF	9.8	9.8	9.0	9.0	8.3
EEC	5.2	4.3	3.8	3.6	3.1
IDB	552.0	642.6	735.9	787.2	818.5
IDA	90.3	92.4	106.8	117.5	149.0
IFAD	8.6	7.9	8.9	9.6	11.2
OFID	9.8	8.8	7.9	7.9	6.9
IsDB	0.1	0.0	18.0	0.2	31.4
<b>2.1.2 Bilateral</b>	<b>462.6</b>	<b>450.6</b>	<b>450.5</b>	<b>448.7</b>	<b>746.7</b>
<b>Paris Club Creditors:</b>	<b>3.0</b>	<b>2.6</b>	<b>2.5</b>	<b>2.2</b>	<b>2.0</b>
Italy	2.6	2.2	2.1	1.9	1.7
T&T	0.0	0.0	0.0	0.0	0.0
USA	0.4	0.4	0.3	0.3	0.3
- PL 480	0.4	0.4	0.3	0.3	0.3
<b>Non-Paris Club Creditors:</b>	<b>459.6</b>	<b>448.0</b>	<b>448.1</b>	<b>446.5</b>	<b>744.8</b>
Argentina	16.2	16.6	16.6	16.9	17.3
Bulgaria					
China (Eximbank)	246.0	240.5	229.2	204.6	261.5
China CAMC Engineering Co., Ltd. (CAMCE)	0.0	0.0	0.0	0.0	36.0
India (Eximbank)	14.6	14.7	33.1	25.1	56.7
Kuwait	22.9	20.9	18.9	18.9	18.9
Libya	45.2	45.5	45.5	45.8	46.1
Saudi Fund for Development (SFD)	0.0	0.0	0.0	0.0	10.1
Serbia	1.4	1.5	1.5	1.5	1.5
UAE	8.4	8.5	8.5	8.7	8.8
UK Export Finance (UKEF)	0.0	0.0	0.0	30.3	54.3
US (Eximbank)	0.0	0.0	0.0	0.0	143.9
Venezuela (PDVSA)	104.9	99.9	94.9	94.9	89.8
<b>2.1.3 Private Creditors</b>	<b>32.9</b>	<b>32.0</b>	<b>31.1</b>	<b>30.9</b>	<b>201.5</b>
<b>Commercial Banks</b>	<b>20.2</b>	<b>19.3</b>	<b>18.4</b>	<b>18.2</b>	<b>188.9</b>
Barclays Bank	3.4	3.4	3.4	3.4	3.4
Lloyds Bank (O/Draft)	1.8	1.8	1.8	1.6	1.6
Republic Bank Limited (T & T)	15.0	14.1	13.2	13.2	12.2
Bank of China (BOC)	0.0	0.0	0.0	0.0	171.7
<b>Others <sup>1/</sup></b>	<b>12.7</b>	<b>12.7</b>	<b>12.7</b>	<b>12.6</b>	<b>12.6</b>
<b>2.2.0 Total Domestic Debt</b>	<b>1,269.0</b>	<b>1,731.5</b>	<b>1,972.8</b>	<b>2,080.6</b>	<b>2,312.2</b>
<b>2.2.1 Domestic Securities</b>	<b>1,268.2</b>	<b>1,730.8</b>	<b>1,972.3</b>	<b>2,080.1</b>	<b>2,311.9</b>
<b>Treasury Bills</b>	<b>388.2</b>	<b>702.7</b>	<b>990.4</b>	<b>1,098.2</b>	<b>1,386.0</b>
91-Days <sup>2/</sup>	4.8	4.8	4.8	4.8	4.8
182-Days	25.7	1.7	1.7	1.7	1.7
364-Days	357.8	696.2	984.0	1,091.7	1,379.5
<b>Debentures <sup>3/</sup></b>	<b>37.4</b>	<b>985.9</b>	<b>960.7</b>	<b>960.7</b>	<b>925.9</b>
BOG Variable Interest Rate Debentures	18.7	18.7	18.7	18.7	18.7
NIS Debenture (GOG/NIS No. 1/2016) <sup>4/</sup>	18.7	8.0	6.8	6.8	5.5
GOG/BOG Debenture Certificates (Series A to T) <sup>5/</sup>	0.0	959.2	935.3	935.3	901.7
<b>Bonds</b>	<b>59.1</b>	<b>42.2</b>	<b>21.1</b>	<b>21.1</b>	<b>0.0</b>
Defence Bonds	0.0	0.0	0.0	0.0	0.0
NICIL \$30 Billion Fixed Rate Bond <sup>6/</sup>	59.1	42.2	21.1	21.1	0.0
<b>Other</b>	<b>783.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Overdraft <sup>7/ 8/</sup>	783.4	0.0	0.0	0.0	0.0
<b>2.2.2 Domestic Loan</b>	<b>0.9</b>	<b>0.7</b>	<b>0.5</b>	<b>0.5</b>	<b>0.3</b>
NIS Loan (CARICOM Building Project)	0.9	0.7	0.5	0.5	0.3
<b>3.0 Total Publicly Guaranteed Debt</b>	<b>2.4</b>	<b>2.4</b>	<b>82.4</b>	<b>2.4</b>	<b>2.4</b>
<b>3.1.0 Total External Publicly Guaranteed Debt</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>3.2.0 Total Domestic Publicly Guaranteed Debt</b>	<b>2.4</b>	<b>2.4</b>	<b>82.4</b>	<b>2.4</b>	<b>2.4</b>
NICIL \$30 Billion Fixed Rate Bond	0.0	0.0	0.0	0.0	0.0
Deposit Insurance Corporation	2.4	2.4	2.4	2.4	2.4
Other	0.0	0.0	80.0	0.0	0.0

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 Guyana of Guyana 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/ Central Government gross overdraft with the Bank of Guyana was securitised in 2021.  
9/ Exchange rate used: USD/GYD:\$208.50



APPENDIX VII

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

	ITEM	ACTUAL 2021	BUDGET 2022	REVISED 2022	BUDGET 2023	INDICATIVE 2024	INDICATIVE 2025	INDICATIVE 2026
<b>A</b>	<b>INFLOWS</b>	<b>409,332.0</b>	<b>957,874.8</b>	<b>1,271,766.9</b>	<b>1,661,871.1</b>	<b>2,163,897.0</b>	<b>2,467,526.3</b>	<b>2,780,618.5</b>
<b>1.0</b>	<b>Petroleum Revenue Deposits</b>	<b>409,207.7</b>	<b>957,625.9</b>	<b>1,254,260.5</b>	<b>1,631,706.1</b>	<b>2,118,868.6</b>	<b>2,404,625.6</b>	<b>2,695,488.5</b>
	Government Share of Profit Oil	357,212.2	857,116.0	1,099,105.3	1,406,552.3	1,830,700.0	2,077,846.0	2,309,984.0
	Royalties	51,995.5	100,509.9	155,155.2	225,153.8	288,168.6	326,779.6	385,504.5
<b>2.0</b>	<b>Nominal Return</b>	<b>124.2</b>	<b>249.0</b>	<b>17,506.4</b>	<b>30,165.0</b>	<b>45,028.4</b>	<b>62,900.7</b>	<b>85,130.0</b>
	Interest Income	124.2	249.0	17,506.4	30,165.0	45,028.4	62,900.7	85,130.0
	Capital Gains	-	-	-	-	-	-	-
<b>B</b>	<b>OUTFLOWS</b>	<b>-</b>	<b>607,646.6</b>	<b>607,646.6</b>	<b>1,002,130.2</b>	<b>1,157,926.5</b>	<b>1,255,943.4</b>	<b>1,270,231.3</b>
<b>1.0</b>	Withdrawal Amount	-	607,646.6	607,646.6	1,002,130.2	1,157,926.5	1,255,943.4	1,270,231.3
	<b>NRF Opening Balance</b>	<b>198,314.6</b>	<b>607,646.6</b>	<b>607,646.6</b>	<b>1,271,766.9</b>	<b>1,931,507.7</b>	<b>2,937,478.2</b>	<b>4,149,061.1</b>
	<b>NRF Closing Balance</b>	<b>607,646.6</b>	<b>957,874.8</b>	<b>1,271,766.9</b>	<b>1,931,507.7</b>	<b>2,937,478.2</b>	<b>4,149,061.1</b>	<b>5,659,448.2</b>
	<b>MEMORANDUM ITEMS:</b>							
	Withdrawal Ceiling	-	607,646.6	607,646.6	1,002,130.2	1,157,926.5	1,255,943.4	1,270,231.3

Figures: US\$'000

Source: Ministry of Finance, Ministry of Natural Resources,  
and Bank of Guyana

