



# MID-YEAR REPORT 2010





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**Ministry of Finance**

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## **1. Introduction**

1.1 On February 8<sup>th</sup> of this year, Budget 2010 was presented to the National Assembly under the theme *Consolidate Transform Sustain*, with the key objectives being the maintenance of economic stability, the continued development of underlying capacity for sustained growth and development with improved quality of life for our people and the pursuit of catalytic interventions necessary for the transformation to a modern and prosperous Guyana.

1.2 The global conditions at the time were bearing early signs of recovery based on several interventions implemented by Governments around the world in response to the prevailing recessionary conditions. As the year progressed, another set of challenges unfolded themselves, as a number of Euro Zone countries had to confront unsustainable debt and fiscal balances. This led to erosion of the earlier stimulus measures, and in some cases, the substitution of these with austerity objectives.

1.3 On the domestic front, the Guyanese economy continued along a path of steady growth, despite persistent difficulties in the sugar industry, continued adverse movement in commodity prices and the effects of the sliding Euro. The continued resilience of our economy has provided support to poverty reduction, emphasis on the accelerated implementation of programmes in the social sectors as well as key infrastructure gaps being addressed.

1.4 In addition, the recent rebasing of our national accounts now provides a clearer picture of the drivers of growth in the economy. It reflects the results of Government's policy initiatives and private sector efforts at diversification over the last decade, which together have yielded demonstrable results.

1.5 Further, the launch of the Guyana's Revised Low Carbon Development Strategy (LCDS) in May of this year saw the outcome of almost a year of review and consultation across the country in addition to input from climate change negotiations at the United Nations, and other international climate change initiatives. The LCDS now outlines a national strategy to forge a new low-carbon economy over the coming decade which, coupled with our National Competitiveness Strategy, will position Guyana well into the medium and long term.

## **2. Global Economic Developments**

2.1 At the time of budget presentation global output was projected to grow by 3.9 percent. Developments during the first half of the year have led to an upward revision which has global growth now projected at 4.6 percent in 2010. This is mainly as a result of the projected growth of 6.8 percent for emerging and developing economies with China and India continuing to lead the way with 10.5 and 9.4 percent respectively both higher than projected earlier this year. In addition, advanced economies, are also projected to grow somewhat faster at 2.6 percent compared to 2.1 percent at the time of Budget.

2.2 Despite these upward revisions to global growth, heightened downside risks prevail as a result of the recent financial turbulence brought on by the debt crisis and fiscal deficit position faced by countries such as Greece. This most recent crisis has led to a plethora of austerity measures over the last few months across countries in the Euro Area. These have included public sector pay freezes and pay cuts, erosion of pension benefits, tax increases and reducing and restructuring government programmes aimed at reducing fiscal deficits and debt burdens which have been a growing cause for concern in these countries.

2.3 Despite these downside risks and the possibility of commodity price increases, exchange rate fluctuations, and additional adverse developments in financial markets, world trade volumes are projected to further increase by 9 percent.

2.4 The Caribbean which was projected to grow at 1.8 percent in 2010 at the time of budget presentation is now projected to grow at 0.9 percent. This resulted mainly from a combination of the decline in tourist arrivals from Europe in the second quarter of 2010 which is expected to continue into the second half, along with persistent difficulties in sectors such as financial services and bauxite mining.

2.5 Oil prices fluctuated during the first half of 2010 and ended the period at US\$74.73 per barrel marginally below the US\$74.88 end December 2009. Oil prices are currently projected to remain relatively stable for the rest of the year. Key non-fuel commodity prices such as aluminium and gold increased in the first half over their 2009 values and are expected to remain higher than 2009 values for the remainder of the year.

2.6 Going forward, global policy efforts are expected to focus on fiscal consolidation along with financial sector reform and structural reform in order to rebuild confidence and stability, and lay the foundation for a return to sustained growth.

### **3. Domestic Economic Developments**

#### **A. Real Economic Growth**

3.1 The domestic economy recorded real growth of 2.8 percent in the first half of 2010, with non-sugar gross domestic product expanding by 3.1 percent. As a result overall growth for the year is now projected at 2.9 percent and non-sugar growth at 2.4 percent.

3.2 The outturn of the sugar industry for the first crop declined by 1.8 percent to 81,864 tonnes. The prolonged dry-season El Nino conditions played a primary role in the production outturn as a result of the reduced sucrose content and the lack of water in the canals hampered the transportation of canes from field to factory. Taking these and other factors into consideration, the whole year target has been revised downwards from 280,000 tonnes to 260,000, and projected growth has been revised from 19.8 percent set at Budget to a more modest 11.2 percent. Meanwhile works continue on the turnaround plan which would see the realisation of increased acreage under cultivation and improvements in the cane to sugar ratio, all aided by more stable industrial relations.

3.3 Given the strong performance of the rice industry in 2009, especially the second crop performance which resulted in an overall output last year of 359,789 tonnes, a more moderate target of 343,373 tonnes was set for this year. At the time of Budget it was anticipated that prevailing El Nino conditions at the end of 2009 would continue well into 2010, adversely affecting sowing of paddy with resultant lower acreage planted and lower production. Early Government intervention mainly through assistance given to farmers resulted in higher acreages sown than initially projected, increased yields of paddy as a result of the sharing of improved farming practices with farmers which included better management of water resources and farm practices, resulted in a 2010 first crop performance of 168,267 tonnes which was 4.6 percent better than first crop 2009. While this trend of improved yields is expected to continue into the second crop the onset of unseasonal rains has led to the target of 188,111 tonnes being maintained. The revised rice industry's annual target of 356,378 tonnes will now be some 13,005 tonnes better than the original budget target and results in an anticipated decline of the industry's output by just 0.9 percent compared to 4.6 percent at the time of Budget.

3.4 The other crops industry has benefited over the past three years from Government's agricultural diversification drive and the Grow More Food Campaign, that helped to cushion the economy from the full effects of the global food crisis in 2008, and has continued to achieve steady increases in its output. The industry grew by 1.5 percent in the first half and is now projected to grow by 1.6 percent, compared to the 2.1 percent at the time of Budget.

3.5 Livestock was targeted to grow by 2.9 percent this year. At the heart of the livestock industry's performance is the poultry sub-industry. At the half year the industry is estimated to have declined by 14.2 percent with production expected to recover sometime in the second half. This is as a result of unanticipated shortfall in the production of poultry meat and eggs. Notwithstanding the anticipated recovery, the output of the sector is projected to contract by 13.2 percent.

3.6 The fishing industry was conservatively targeted to grow by 0.5 percent over the production of 2009. Performance of the first half of 2010 is estimated to be 2 percent over the first half of 2009. With the current changed weather conditions and the expectation that the fishing grounds, given the suspension of intense harvesting, will recover in the second half of the year, an improved estimate of 0.8 percent is now given for the industry for the whole year anticipated performance.

3.7 The forest industry recorded robust growth of 11.8 percent, due to a combination of market, policy and environmental conditions. In particular there was marked improvement in forest operator's compliance with verification systems allowing for a more timely issuance of permits and which led to earlier harvesting. As a consequence, the comparative performance for the second half, relative to last year will be at a more moderate level as harvesters are expected to conclude operations much earlier in the second half. The whole year growth is now projected at 4.4 percent.

3.8 For 2010, the bauxite industry was projected to grow by 5.7 percent, gold declaration by 4 percent and diamond declaration by 4.2 percent, an overall 4.2 percent projected growth in value-added for the mining and quarrying industry. The half year performance shows an opposite trend, a decline of 4.1 percent in value-added over half year 2009. The effects of developments in the subsectors have led to the overall industry showing a reversal in growth to a revised 2.8 percent decline.

3.9 The bauxite industry contracted by 19.6 percent. With the exception of Chemical Grade Bauxite (CGB) which benefited from enhanced market demand, production levels fell in all other grades. The subdued production performance resulted from high accumulation of inventory brought forward from the previous year. Global demand for alumina and aluminium products is expected to grow in the second half. As a consequence, value-added in the bauxite sub-industry is expected to record a less severe decline by end of year of 9.7 percent.

3.10 Gold production showed an increase of 8.1 percent at the half year and the budget projection of 4 percent increase for the whole year is maintained. The price factor was the catalyst driving increased production in the first half. At the end of June 2010, the monthly average price of gold on the international market showed an 8.7 percent increase over the December 2009 monthly average, and June 2010 recorded the highest ever monthly average price of US\$1,233 per ounce with projections showing that price is expected to remain above US\$1,000 per ounce over the next 6 months.

3.11 The surge in gold production came at the expense of diamond production. As indicated before, the catalyst of the prevailing gold price has resulted in a physical migration of mining activities out of diamonds into gold with the resultant 59.5 percent decline in declaration at the half-year. This comparative decline of diamonds relative to gold is expected to continue throughout the year to the extent that ‘Other Mining activities’, of which diamond production is the major component, projected at Budget to grow by 3.6 percent is now revised to record a decline of 22 percent for the year.

3.12 The manufacturing industry grew by 1.5 percent at the half year. This was a result of the improved output of the rice industry and importantly the stable performance of the light manufacturing industry which together offset the contraction in sugar. The light manufacturing sub-sector saw some encouraging performances by such commodities as beer and stout (26.1 percent), rum (44.5 percent), corrugated carton (12.2 percent), cereal (18.9 percent), flour (9.6 percent) and aerated beverages (10.7 percent). These outweighed declines in production of some items such as stockfeed (15.8 percent), and lard (24.4 percent). Even though sugar’s output will decline, a better than initially expected performance from rice in the second crop and the maintenance of the budget projection for the light manufacturing sub-industry of 3 percent, results in a marginal revision

downwards for the overall industry from a budget 4.2 percent growth to the now revised 3.5 percent.

3.13 The electricity and water service industry grew at the half year by 3.6 percent in line with the overall budget growth of 3.4 percent for the year which remains unchanged. The programme for the provision of these services will be driven by the expanding new and existing communities as a result of the housing drive over the years which require the installation of these basic needs.

3.14 Construction continues to be one of the major sources of growth with output expanding by 9.5 percent in the first half of the year. This reflected accelerated implementation of the public sector investment programme along with continued strong growth in private construction. As a result of the sustaining of private construction in the second half of the year, there is a resultant upward revision of the industry's growth to 3 percent for the year. The real estate industry achieved a 2 percent growth in line with budget target which is maintained for the whole year.

3.15 Wholesale and retail trade showed strong growth of 7 percent at end of the first half. Notwithstanding the first half performance, the growth projection of 4.9 percent is conservatively revised to 4.8 percent.

3.16 The transportation and storage industry showed a strong first half performance of 7.1 percent. Higher registrations of vehicles for public transport, increased commercial traffic over the two river bridges, greater internal use of land, sea and air transport directly benefited the industry. As a result of the first half performance some momentum is expected to be sustained into the second half which will result in a 4 percent growth at end of year, compared to 3.6 percent at the time of budget.

3.17 The information and communication industry grew by 5.7 percent compared to the Budget target of 5.1 percent. Telecommunications provide the greatest value added to the industry of approximately 80 percent. The healthy competition between the operators in some lines of business, have provided improved services at lower prices to the populace and the coming on stream at the commencement of July of the Suriname-Guyana submarine cable system augurs for sustained activity and achievement by the industry of a revised growth target of 6 percent.

3.18 Of the remaining service industries, the finance and insurance industry has already recorded a 6 percent growth for the first half in line with the whole year projection of 8 percent which is maintained. The commercial banking sector expanded in the first half, an underlying indicator of sustained activity and growth across the economy as a whole.

3.19 Education services grew by 1.8 percent at the half year and the annual projection is revised upwards from 4.5 percent to 6.4 percent with the main thrust coming from the expansion of private education services and increase in products offered. In addition, health services grew by 6.8 percent as a result of the expansion of government health personnel and services in the first half. Some anticipated moderation is expected in the second half and the annual projected growth has been revised downwards from 7.5 percent to 6.5 percent.

3.20 Other service activities grew by 2 percent, which was driven predominantly by the increased visitor activities and the whole year growth target has been revised downwards to 4 percent compared to 8 percent at the time of budget.

## **B. Balance of Payments**

3.21 At end of the first half 2010, the overall balance of payments reflected a surplus of US\$34.6 million compared to a surplus of US\$57.3 million for the corresponding period in 2009. This is on account of an expansion in the current account deficit due to higher imports of intermediate goods particularly fuel and food, as well as capital goods such as agricultural and building machinery. This was partially offset by the increase in gold and bauxite export earnings and the improvement in the capital account due to higher disbursements of the non-financial public sector and increased foreign direct investment.

3.22 The merchandise trade deficit amounted to US\$287.1 million compared to US\$\$182.8 million due to increased import costs which outweighed the growth in export earnings. Total export earnings increased by 12.4 percent to US\$398.6 million, primarily reflecting higher earnings on all the key export commodities, except sugar.

3.23 Export earnings of sugar declined by 21 percent to US\$37.8 million compared to US\$47.8 million earned at end June 2009. This outturn was attributed to a 22.2 percent decline in the average export price to US\$494.2 per tonne reflecting the final step of EU price cuts which took effect on 1<sup>st</sup> October 2009, outweighing the 1.5 percent increase in export volume to 76,506 tonnes.

3.24 Rice exports earnings amounted to US\$68.6 million, 15.5 percent above the US\$59.4 million earned in the corresponding period in 2009. This reflected a significant increase of 26.5 percent in export quantity of rice to 157,234 tonnes from 124,277 tonnes, which outweighed the 8.7 percent decline in the average export price to US\$436.1 per tonne.

3.25 Gold export earnings amounted US\$146.7 million, 22.4 percent above the level for the corresponding period in 2009. This was primarily as a result of a 26.3 percent increase in average export prices, outweighing the contraction in export volume which declined to 138,242 ounces compared to 142,379 ounces a year ago as a result of the Guyana Gold Board holding lower inventory at the beginning of the year, which was partially offset by the increases in dealers' exports.

3.26 Bauxite export earnings amounted to US\$56.6 million, 30.1 percent above the June 2009 level. This was on account of favourable world market prices with average export prices increasing to US\$91.2 per tonne compared to US\$58.8 per tonne, negating the 16.1 percent or 119,363 tonnes contraction in export volume to 620,779 tonnes, compared to 740,142 tonnes at end June 2009.

3.27 The value of timber exports totalled US\$24.5 million, 48.3 percent above the level for the corresponding period in 2009, primarily on account of an increase in both plywood and other timber exports.

3.28 Net payment for services amounted to US\$36.8 million, a 9.5 percent decline from the US\$40.7 million registered at end half year 2009. This contraction is primarily attributed to the increase in receipts of factor services due to higher returns on Commercial Banks foreign assets and Bank of Guyana's foreign Government securities. This outweighed the increased payment of non-factor services primarily as a result of higher transportation costs.

3.29 Merchandise imports increased by 27.6 percent or US\$148.1 million to US\$685.6 million. This outturn is primarily attributed to a 45.4 percent or US\$59.1 million increase in the value of

imported fuel and lubricants, a 28 percent or US\$30.5 million increase in capital goods, a 37.5 percent or \$49.1 million increase in non-fuel intermediate goods and a 5.6 percent or \$9.2 million increase in consumption goods.

3.30 Net current transfers increased by 49.3 percent to US\$179.9 million primarily attributed to higher receipts of worker remittances.

3.31 The capital account recorded a higher surplus of US\$165.4 million compared with US\$153.7 million a year ago. This is primarily on account of an increase in foreign direct investment in the areas of telecommunication and mining and an increase in disbursements of the non-financial public sector.

3.32 Taken together these developments resulted in an overall balance of payments surplus of US\$34.6 million compared to a surplus of US\$57.3 million for the corresponding period in 2009. This resulted in the Bank of Guyana increasing its external reserve position from US\$628 million at end 2009 to US\$677 million at end June 2010.

## C. Monetary Developments

3.33 The stock of broad money grew by 2.3 percent to \$206.7 billion, primarily reflecting growth in time and savings deposits, while narrow money consisting of currency in circulation and demand deposits contracted by 1.3 percent.

3.34 Total resident deposits increased by 7.2 percent to \$218.8 billion, with private sector deposits which accounted for 76.8 percent of total resident deposits increasing by 4.6 percent.

3.35 Net domestic credit by the banking system contracted by 1.2 percent to \$47 billion at end June 2010, compared with a decrease of 11.4 percent at end June 2009. This outturn is attributed to an expansion of net public sector deposits, which outweighed the increase in net credit to the private sector.

3.36 Private sector credit in the form of loans and advances expanded by 7.1 percent during the review period. This reflected growth in lending for agriculture, other manufacturing, mining and quarry, real estate mortgages, other services and rice milling which increased by 34.7 percent, 21.8 percent, 18 percent, 10.8 percent, 5.4 percent and 5.3 percent respectively. On the other hand, credit to personal and distribution sectors contracted by 4 percent and 3.1 percent respectively. At end June 2010, the commercial banks' major exposure to the private sector were 29.9 percent to real estate, 17.5 percent to personal, 13.3 percent to distribution, 11.7 percent to other services, 10.7 percent to other manufacturing, 6.8 percent to agriculture and other, 1.8 percent mining and quarry and 1.6 percent to rice milling.

3.37 The public sector continued to be a net depositor of funds with the banking system at end June 2010, with deposits totalling \$39.3 billion. The net deposits of the Central Government increased to \$4.7 billion, coupled with an increase of public enterprises net deposits of 27.7 percent to \$20.3 billion. The other category which includes local government and National Insurance Scheme recorded an increase of 4.2 percent in net deposits to \$14.3 billion.

3.38 The non-bank financial institutions recorded a 5.8 percent increase in net deposits to \$14.8 billion, on account of a \$747.2 million and \$66.2 million respective increase in private and public deposits of the non-bank financial institutions.

3.39 The net foreign assets of the banking system increased by 8.4 percent to US\$755.8 million attributed to increased holdings of foreign assets by the Bank of Guyana and commercial banks. The foreign assets of Bank of Guyana increased by 7.9 percent to US\$676.8 million due to an increase in balance held with banks abroad. The foreign assets of commercial banks increased by 5 percent to US\$232.4 million mainly on account of increased holdings of foreign securities and balances held abroad.

3.40 The commercial banks' weighted average lending rate declined from 12.17 percent to 12.03 percent whiles the small savings rate declined by 3 basis points to 2.75 percent. The 91-day Treasury bill rate declined by 7 basis points to 4.11 percent, due to high levels of excess liquidity and aggressive bidding for these bills.

3.41 The overall liquidity of the commercial banks increased by 12 percent to G\$90.3 billion largely on account of higher holdings of treasury bills by commercial banks. Total reserves deposited

amounted to \$34.4 billion, 12 percent above the level at end December 2009. The required statutory reserves of the banks amounted to \$27.5 billion, \$1.6 billion or 6.3 percent above end December 2009. Reserves in the excess of the minimum reserve requirement amounted to \$6.9 billion at end June 2010.

#### **D. Inflation**

3.42 The inflation rate at end of the first half of 2010 was 2 percent, driven primarily by movement in the food category. Price increases in the food category arose mainly from supply constraints of poultry meat. This was tempered by more moderate price developments in other categories of the consumer price index. Based on the developments in the first half of the year, the inflation target has been revised to 4.5 percent compared to the 4 percent at the time of budget.

#### **E. Fiscal Position**

3.43 The non-financial public sector during the first half of 2010 generated a surplus of \$1.4 billion compared to \$5.1 billion in 2009. The major contributor to this outturn was the accelerated implementation of the public sector investment programme, along with deterioration in the financial operations of Guysuco.

3.44 Central government revenue increased by 12.6 percent during the first half of the year to \$54.5 billion reflecting strong performance across several tax and non-tax revenue categories.

3.45 First half internal revenue collections amounted to \$24.1 billion or 19.1 percent more than that of the 2009 level. This reflected strong private sector performance with private sector corporation tax generating an increase of \$1.9 billion or 23.5 percent above 2009 as a result of substantial increases in payments made by oil companies, commercial banks and companies in the manufacturing and services sectors, coupled with a \$191.4 million or 17.2 percent increase in income tax collections from the self employed.

3.46 Value added and excise tax collections in the first half of the year amounted to \$23.2 billion, an increase of 9.1 percent over the corresponding period in the previous year. Value added tax collections improved on account of increased demand for commodities by the construction, trading and manufacturing sectors. On the other hand, excise tax collections fell short of the 2009 collections, on account of lower receipts from petroleum products due to comparably lower excise taxes rates for both gasoline and diesel as against first half of 2009, combined with the reduced collections from motor vehicles linked to lower levels of vehicle imports.

3.47 Customs and trade taxes totalled \$3.9 billion, reflecting an increase of 13.1 percent over 2009, with import duty collections accounting for 88.8 percent of this amount, an increase of \$377.8 million over 2009. This is mainly due to increased collections from capital goods consistent with the higher levels of agriculture, transport and building machinery imports. Collections for consumption goods increased as a result of an expansion in the demand for some basic commodities for household consumption combined with increases in intermediate goods associated with a higher level of imports of food for intermediate use as well as other intermediate goods.

3.48 Collections from the non-tax revenue category during the first half of 2010 declined by \$246.9 million relative to 2009 primarily as a result of a decrease in Bank of Guyana profits of \$791.4 million. This was partially compensated by increases in several other non-tax categories including dividends from equity holdings and miscellaneous categories of non-tax revenue.

3.49 As a result of these developments 2010 projected revenue for the year has been revised to \$107.9 billion.

3.50 Non-interest current expenditure increased by 6.5 percent and totalled \$32.9 billion in the first half of 2010.

3.51 Personal emoluments amounted to \$13.4 billion or 10.8 percent over the half year performance in 2009, which resulted from the 6 percent salary increase awarded to all traditional public servants, teachers, and members of the disciplined services late 2009 and which was annualised in 2010. The increase in this category was also supported by the employment of new personnel in the public service, primarily in the health sector which had expanded its core of medical personnel late in 2009.

3.52 A total of \$9.2 billion was expended under the category of other goods and services, representing a 2.1 percent decrease compared to expenditure in 2009. Main contributors to this decrease are materials and supplies as a result of planned procurement of major items being in the second half of the year. However, there were increases in other areas of spending such as fuel which recorded a higher level of expenditure as a result of increased irrigation services to enable farmers to cope with the El Nino situation and rental and maintenance of buildings which increased on account of agencies commencing earlier on their maintenance programmes. Transport travel and postage also recorded an increase as a result of the distribution of school feeding supplies countrywide derived from the expansion of the school feeding programme combined with increased monitoring of activities by agencies.

3.53 Transfer payments increased by 9.8 percent to a total of \$10.3 billion, with the main contributor being the 6 percent increase to old age pensioners granted in 2009.

3.54 Based on first half developments, non-interest current expenditure is now revised to \$79.1 billion.

3.55 Capital expenditure for the first half of 2010 amounted to \$13.7 billion, \$2.5 billion or 22.1 percent more than expenditure for the same period in 2009. The categories of expenditure which primarily contributed to this were construction, housing, agriculture and education sectors. Based on the first half outturn, the total projected capital expenditure has been revised to \$49.8 billion.

3.56 The overall performance of the public enterprises as at the end of the first half of 2010 reflected a deficit of over \$5 billion as compared to a deficit of \$0.7 billion during the same period of 2009. This deterioration was mainly due to the financial performance of Guysuco which reflected a 12.2 percent decline in current receipts arising from the impact of the final EU price cut on sugar along with a 19.4 percent increase in payments excluding capital expenditure. The public enterprises capital expenditure of approximately \$2 billion during the first half of 2010 reflected a 16.5 percent decline relative to 2009.

## **F. Debt**

3.57 At end June 2010, Guyana's total external public debt amounted to US\$966.2 million compared to US\$933 million at the end of December 2009. This increase in the external debt stock by 3.5 percent reflects new disbursements of about US\$48.2 million, of which US\$39.8 million was obtained from the IDB and Venezuela, as well as principal repayments of about US\$6.4 million in the first half of the year.

3.58 In the first half of 2010, the total actual external debt service payments amounted to US\$12.3 million compared to US\$6.8 million for the same period in 2009. In particular, the repayment of principal during the first half of 2010 totalled US\$6.4 million compared to US\$2.6 million in the same period last year. Similarly, interest payments also increased in the first half of 2010 by about US\$1.7 million to US\$5.9 million. The overall increase in debt service payments in the first half of 2010 can be attributed mainly to Guyana having to commence debt service payments to Venezuela (under the PetroCaribe arrangement) and principal repayments on some CDB loans, for the first time.

## **G. Key Sector Highlights**

### **a. Education**

3.59 This year marks year two of the implementation of the Ministry's five year strategic plan. Ensuring that all citizens of Guyana are given the best possible opportunity to achieve their full potential through equal access to quality education remains one of Government's priorities. To this end, a total of \$21.4 billion was budgeted for this sector, an increase of over 5 percent in 2009, of which \$9.5 billion has been expended during the first half of 2010, 16.6 percent more than 2009.

3.60 The National School Feeding Programme, budgeted at \$800 million has been implemented in all nursery schools and grades one and two of primary schools in Regions 1, 2, 3, 4, 5, 6, and 10, benefiting more than 22,000 nursery students and 39,000 primary students; whilst the peanut butter and cassava bread hinterland school feeding programme continues to be implemented in Regions 7,

8 and 9, to the benefit of more than 15,000 children, and is expected to extend to 10 additional schools in the second half of 2010. Furthermore, in the latter half of 2010, Government will embark upon a National School Uniform Assistance Programme to the tune of \$270 million. Under this programme, 180,000 vouchers valued at \$1,500 each will be distributed to nursery, primary and secondary public schools across Regions 2, 3, 4, 5, 6, 10 and Georgetown; whilst for Regions 1, 7, 8 and 9 raw materials and readymade uniforms will be made available.

3.61 In keeping with the overall objective of strengthening teacher training systems, more than \$583 million was expended in the first half of the year. To this end, the Cyril Potter College of Education (CPCE) has transformed the In-service Secondary Programme into Distance Mode, a collaborative effort among CPCE, UG and UWI, increasing total enrolment by 115 students. Moreover, 5 additional modules for the Distance Education Secondary Certificate Programme for CPCE were developed, bringing the total number of modules to 71. In addition, there has been ongoing collaboration between the Ministry of Education, the CPCE, and the University of Guyana, in relation to the Guyana Teacher Education Reform Project which is aimed at offering an Associate Degree and reducing the number of years it takes to accomplish this from 9 years to as little as 4 years.

3.62 Government continues to use information communications technology (ICT) as a cross-cutting strategy for greater efficiency and as a major supportive tool in the teaching-learning process. The first half saw 32 primary schools and 10 secondary schools receiving equipment in Regions 2, 3, 4, 5, 6 and 10. In addition, a total of 250 teachers have been trained countrywide in basic information technology. Additionally, the Ministry of Education is currently working with the Commonwealth of Learning and Microsoft team at developing an ICT Competency Framework for teachers in Guyana. Guyana's success at developing ICT in the education sector can also be seen through the CXC IT Subject Entries, which has shown a 16 percent increase from 2008 to 2009 – from 1,842 entries to 2,429 entries, and a success rate from 78 percent to 85 percent in grades 1, 2 and 3 passes from 2008 to 2009.

3.63 In the area of construction, rehabilitation, renovation and maintenance of education buildings \$571 million was expended in the period under review. Works are expected to commence shortly on the construction of Leonora Secondary School, extension of Annex at Carnegie School of Home Economics, extension of Paramakatoi and Waramadong Secondary Schools and NCERD

building, and construction of dormitory at Sand Creek in addition to ongoing maintenance at schools countrywide. Also, as part of Government's efforts to ensure equitable access to technical vocational education, work has commenced on the Technical Institutes at Mahaicony and Leonora.

3.64 The University of Guyana has expended \$228 million on the maintenance and operations of its two campuses, whilst an additional \$450 million was provided to enable 3,315 students, 3,040 at the Turkeyen Campus and 275 at the Tain Campus, to access student loans.

**b. Health**

3.65 The health sector was budgeted to spend \$13.3 billion, of which \$5.4 billion was expended at the end of the first half reflecting a 13 percent decrease over the same period last year. This decrease was mainly attributed to delays in the completion of Georgetown Public Hospital Corporation (GPHC) new inpatient facility due to modifications in the design.

3.66 The modernisation of health facilities across the country to allow expanded services remained a priority. Of the \$1.4 billion budgeted for the construction, rehabilitation and maintenance of health facilities countrywide, over \$205.4 million was spent in the first half of the year. This includes \$74.6 million towards the completion of the new inpatient facility which was rescheduled due to reconfiguration of the ground floor with the aim of increasing the bed capacity by over 300 while a further \$22.4 million was expended on the supply and installation of two new elevators at GPHC. Additionally, \$7.5 million was expended on the rehabilitation of the West Demerara Regional Hospital Inpatient Surgical Building which, when completed, is expected to expand the range of service available and reduce the number of referrals to the GPHC. In addition \$1.8 million was expended on the rehabilitation of the Skeldon Hospital which is expected to be completed by end of 2010.

3.67 As Government continues to develop the human resource capacity within the sector, over \$111.8 million has been spent during the first half for training of over 1,200 students in nursing, clinical and technical fields across the country. The sector is expected to benefit from an increase in health personnel with the graduation of over 670 persons including professional nurses, nursing assistants, post-basic midwives, single trained midwives, pharmacy assistants, community health

workers, audiology practitioners, X-ray and medical laboratory technicians. The deployment of these medical personnel is critical to meet the growing demand for medical services health care service across the country.

3.68 At mid-year \$1.2 billion was spent to procure drugs and medical supplies for the public health care system. This was complemented by training aimed at strengthening the supply chain, optimising management processes and identifying key indicators and, logistics information for reporting and evidence based decision making. In addition works continue on the construction of the drugs warehouse facility at Diamond, which is expected to improve the inventory management, storage and distribution of drugs nationally.

3.69 Under the youth friendly services voluntary counseling & testing (VCT) sites were established for children at the Linden and Beterverwagting Health Centres complimented by outreach to eleven schools in areas of sexual reproductive health in Region 2, 3, 5, and 6. Also three additional health clubs were established at schools in regions 2 and 3, while six (6) more are expected to be launched by the end of 2010. In addition two new websites were launched which are intended to engage youths in a virtual community where views, ideas and activities can be shared on a wide cross section of issues. This was further complemented by the drug demand reduction campaign intended to influence persons to pursue healthier lifestyles while promoting behavioural change.

3.70 Expanded analytical services at the Food and Drug Analyst Department and training of Customs Officers in the identification and safe handling, manufacture of illicit drugs and audit and record-keeping for narcotic drugs, psychotropic substances and precursors chemicals was completed in an effort to upgrade and strengthen the registration systems for these substances.

**c. Agriculture**

3.71 Agricultural development continues to be a priority for our economy and focus has been placed on promoting agriculture diversification with special emphasis on the expansion and development of our non-traditional agricultural subsectors.

3.72 In the first half of 2010, specific emphasis was placed towards improving the Agriculture non-traditional sector, primarily through the continuation of the Agriculture Export Diversification Project (AEDP) and the Rural Enterprise and Agriculture Development (READ) project. Under the AEDP, during the first half of the year, the administrative process for the three projects has been finalised namely, the germplasm laboratory and the seed facility at National Agricultural Research Institute (NARI) and the construction of the genetic bank to support the National Dairy Development Programme. The rehabilitation of the seed facility and the furnishing of the germplasm laboratory are expected to be completed and operational later this year. This facility will provide improved variety of rice seeds for farmers, as well as, long term seed storage.

3.73 Further, in pursuit of agriculture diversification, the Government has established two of the three cluster groups namely the livestock and aquaculture cluster groups during the first half of the year. The third cluster group which is the fruits and vegetable cluster group is scheduled to be launched later this year. The overall objectives of these groups include identifying export markets and fostering and consolidating the clusters' business climate; and assessing and improving the overall performance of the services provided.

3.74 Under READ, over 1,000 persons within fifteen (15) communities in Regions 2 to 6 and 10, benefited from a number of training programmes in areas such as organisational strengthening and capacity building in agribusiness planning and development. Four rural organisations in Regions 2, 4 5 and 6 have since been selected as pilot projects to promote specific producer training, farm establishments, exchange visits and participation at local trade fairs.

3.75 During the first six months, under the cold-chain support system, the New Guyana Marketing Corporation has received five refrigerated containers which are being assembled and expected to be operational by the end of 2010.

#### **d. Drainage and Irrigation**

3.76 During the first half of 2010, over \$1.6 billion was spent on drainage and irrigation, an 11.5 percent increase over 2009. The first half has seen the continuation of significant strides with the ultimate objective of strengthening the D & I infrastructure of the country, especially to mitigate the impact of climate change. To this end, maintenance and irrigation works were undertaken including

the construction of sluice at Waterloo, construction of drainage structure at Amersforte, Wakenaam, rehabilitation and installation of pumps at Greenfield, construction of drainage sluices at Retrieve and Cottage, Mahaicony and strengthening of embankment of EDWC and Boerasirie conservancies. The substantial investment in the drainage and irrigation sector has resulted in a significant decline in the flooding associated with exceptionally high intensity rainfall.

#### e. Infrastructure

##### Roads and Bridges

3.77 Government in 2010 budgeted \$7.6 billion to improve our country's roads and bridges network. At the end of the first half of the year \$1.7 billion was spent on roads and \$1 billion on bridges, as against \$1.9 billion and \$353 million in 2009.

3.78 Works are expected to commence later this year on the construction of approximately 35 kilometres of all weather roads in the Black Bush Polder area for which \$1 billion has been budgeted. This will be to the benefit 425 farmers and improve access to 17,000 acres of agricultural land. In addition, the East and West Canje roads which serve 1,500 acres of agricultural land will benefit from commencement of works during the second half of the year. The designs to rehabilitate the Sheriff Street to Mandela Avenue road and the access road from Timehri leading to the Cheddi Jagan International Airport (CJIA) will also commence in the second half of the year, while the design for extending the four lane highway on the East Bank Demerara up to Grove has commenced and will be completed by the end of the year.

3.79 In addition, of the \$2.5 billion allocated in this year's budget for the rehabilitation and maintenance of urban, rural and hinterland roads \$940.3 million was expended at the end of the first half of the year reflecting over 179 community roads in regions 2,3,4,5 and 6 and, another 37 roads expected to commence later this year in Linden and Wismar.

3.80 Works on the 25 critical structures from Garden of Eden to Timehri, Annandale to Buxton and Abary Bridge are ongoing and the sum of \$305.7 million was expended at the first half of the year.

3.81 The upgrade of the Demerara Harbour Bridge continued in the first half of the year with expenditures amounted to \$622.4 million, which included fabrication of deck units, distribution beams, junction transom and buoys and servicing of pontoons.

### **Air and River Transport**

3.82 In the first half of the year a sum of \$35.2 million was spent on the Ogle airport for the construction of 1,740 feet airstrip with further works ongoing and expected to be completed by the end of the year. Domestic aerodromes benefited from \$14.5 million in maintenance while an additional \$10 million was expended to construct an airstrip at Wakenaam. The latter will also benefit from the construction of a bridge and an access road leading to the airstrip which is expected to be completed by year end. During the second half the Civil Aviation Authority will acquire air traffic equipment to modernise the Ogle airport.

3.83 Several works on construction, rehabilitation and modernisation of river transport are in the design stages.

### **Sea and River Defence**

3.84 In the first half of 2010, \$762.7 million was spent to further upgrade and maintain our sea and river defence infrastructure in Regions 2 to 6, compared to \$264.5 million in 2009. Works are continuing in areas such as Golden Fleece, Wakenaam, Clonbrook, Kitty, Springland, and Canje. Under the mangrove management project several stakeholder meetings were held at fifteen locations in Regions 2 to 6 and the process of replanting mangrove has commenced at Hope, Mon Repos and Lima.

### **f. Housing**

3.85 In 2010 \$2.8 billion was allocated to the housing sector to further Government's housing development. During the first half of the year \$1.4 billion was expended which saw significant accomplishments in the sector.

3.86 During the first half of the year an increased number of Guyanese received their own house lots and titles; of the 5,500 house lots targeted for allocation 1,753 were allocated and 1,168 titles were issued compared to the target of 3,750.

3.87 Members of the public continue to access the more convenient online application process; to date 206 online applications were received. In addition, the resumption of the One Stop Shop outreach, in Regions 2, 3 and 4 resulted in more than 700 housing transactions completed. This year's One Stop Shop takes a different approach, not only will persons be able to process their house lot applications but they will be afforded the opportunity to apply for a loan from commercial banks that will be on site. Furthermore, persons will be able to access the services of hardware dealers including the opportunity to acquire quotations for household fittings, at all One Stop Shops. This is all in keeping with Government's bid to stimulate the housing sector and provide a more integrated approach to the population's housing needs. The One Stop Shop outreaches will continue in the second half of the year to cover all ten administrative regions at the end of the year. To further advance the strides being made in the housing sector, Government hosted a building exposition in August which is aimed at creating and advancing linkages among stakeholders in the construction and housing sectors.

3.88 With respect to the development of housing areas, the first half of the year saw \$431.8 million expended on the enhancement of roads and water distribution in Anna Catherina, Plantation Schoon Ord and Hope Estate. Another \$120.3 million was spent to continue infrastructural works at Onderneeming and to complete the construction of the multi purpose buildings at Westminster and Cummings Lodge. Under the Second Low Income Settlement Programme \$690.3 million was expended during the first half of the year to begin construction works in three new sites of Block 8 Tuschen, Section EE Non Pariel and Ordnance / Fortlands.

3.89 The core house pilot has commenced with the objective of providing starter homes for the most vulnerable in the society with 80 core houses are targeted for construction at the end of the second half in 2010. Three community meetings were held in Parafaite Harmonie, Bath and Mon Repos for prospective beneficiaries under the Programme.

**g. Water**

3.90 Of the \$2.7 billion allocated to the water sector \$1.1 billion was expended during the first half. With respect to water treatment plants, \$366.3 million went towards the completion of the water treatment plants at Lima, Vergenoegen and Cotton Tree where in excess of 48,000 persons are benefiting from improved water quality. The operational testing of the plants is scheduled for completion later this year. In addition the Corriverton Water Treatment Plant is scheduled for completion in the third quarter of this year and will benefit more than 50,000 persons. The plants at Central Ruimveldt and Sophia are completed at a cost of \$403.1 million and in excess of 50,000 persons are now benefiting from improved water quality.

3.91 The community outreach and awareness programme, H<sub>2</sub>O Kids in Action, was launched in the first quarter of 2010 in Linden, at the Wisburg Secondary School where more than sixty students were involved. The programme is aimed at changing the attitudes of persons towards the use of water by targeting schools and sensitising children about the importance of water conservation. It also includes the distribution of flyers and souvenirs with reminders for water conservation. To date, in excess of twenty schools have been involved in the programme from Regions 3, 4 5, 6 and 10 and the target for the remainder of the year is two schools per week.

3.92 The sum of \$196.8 million has been expended for capital intervention under the Coastal, Hinterland and Linden programme and the quality of service has increased for in excess of 80,000 residents. The Coastal Water Programme has resulted in the upgrade of in excess of 800 service connections to date which has resulted in improvement of levels of service for which \$177 million was expended in the period. The Hinterland Water Programme has already resulted in the installation of twelve solar photo voltaic (PV) systems and the construction of five elevated storage tanks during the half year. The plan for the second half of the year is to complete drilling of at least twenty shallow wells, construction of four additional elevated storage tanks and installation of six additional PV systems in Regions 1, 9 and 10. Under the Linden Water Programme work is ongoing to advance the programme to upgrade 500 service connections and install in excess of 3 kilometres of transmission mains benefiting more than 1000 residents.

**h. Sanitation**

3.93 At the end of the first half of the year the access road to the Haags Bosch landfill site was completed while works have started on the actual site which is expected to be completed in 2011. In recognition of the need to upgrade the sewer system Government has rehabilitated 23 sewer pump stations in the first half of the year. In addition, the development of a computerised model of the existing sewer system in Georgetown has commenced and is expected to be completed by year end.

#### **4. Conclusion**

4.1 The Guyanese economy continued to record positive growth through the first half of 2010. This performance is most commendable, viewed against the backdrop of a global outlook characterised by uncertainty, with the developed economies still seeking the delicate balance between policies aimed at stimulating output and measures required to contain indebtedness and achieve fiscal sustainability.

4.2 The domestic economy's favourable performance demonstrates the strong underlying fundamentals on which the economy is built and reflects gains made over the years at diversifying the sources of growth. Traditional sectors such as rice, forestry, and gold continue to be important drivers of growth and, coupled with favourable performances in other sectors such as construction, information and communication, health and social services, compensated for more subdued performances in the sugar and bauxite industries.

4.3 The sustaining of real growth in the productive sectors translated to a favourable balance of payments outturn, with significant growth in exports helping to offset increased imports. At the same time, fiscal performance remained strong, allowing for accelerated project and programme implementation in the various sectors of Government operations.

4.4 Taken together, these results point to continued fulfilment of Government's ongoing commitment to prudent and stable macroeconomic policies, and to strengthening Guyana's economic base through modernisation and diversification along a low carbon path.





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# APPENDICES



## APPENDIX A1

### MID-YEAR GDP GROWTH RATES BY SECTOR

ITEM	2010 BUDGET	2010 H1	2010 REVISED
<b>Agriculture, Fishing and Forestry</b>	<b>5.5</b>	<b>0.3</b>	<b>1.8</b>
Sugar	19.8	-1.8	11.2
Rice	-4.6	4.6	-0.9
Other Crops	2.1	1.5	1.6
Livestock	2.9	-14.2	-13.2
Fishing	0.5	2.0	0.8
Forestry	5.0	11.8	4.4
<b>Mining and Quarry</b>	<b>4.2</b>	<b>-4.1</b>	<b>-2.8</b>
Bauxite	5.7	-19.6	-9.7
Gold	4.0	8.1	4.0
Other	3.6	-25.8	-22.0
<b>Manufacturing</b>	<b>4.2</b>	<b>1.5</b>	<b>3.5</b>
Sugar	19.8	-1.8	11.2
Rice	-4.6	4.6	-0.9
Other Manufacturing	3.0	1.0	3.0
<b>Electricity and Water</b>	<b>3.4</b>	<b>3.6</b>	<b>3.4</b>
<b>Construction</b>	<b>2.0</b>	<b>9.5</b>	<b>3.0</b>
<b>Wholesale and Retail Trade</b>	<b>4.9</b>	<b>7.0</b>	<b>4.8</b>
<b>Transportation and Storage</b>	<b>3.6</b>	<b>7.1</b>	<b>4.0</b>
<b>Information and Communication</b>	<b>5.1</b>	<b>5.7</b>	<b>6.0</b>
<b>Financial and Insurance Activities</b>	<b>8.0</b>	<b>6.0</b>	<b>8.0</b>
<b>Public Administration</b>	<b>0.2</b>	<b>0.5</b>	<b>0.2</b>
<b>Education</b>	<b>4.5</b>	<b>1.8</b>	<b>6.4</b>
<b>Health and Social Services</b>	<b>7.5</b>	<b>6.8</b>	<b>6.5</b>
<b>Real Estate Activities</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
<b>Other Service Activities</b>	<b>8.0</b>	<b>2.0</b>	<b>4.0</b>
<b>TOTAL</b>	<b>4.4</b>	<b>2.8</b>	<b>2.9</b>
<b>Non-Sugar GDP Growth Rate</b>	<b>3.4</b>	<b>3.1</b>	<b>2.4</b>

Mid-Year Report 2010



**APPENDIX B1**

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

ITEM	2009 ACTUAL	2010 BUDGET	2009	2010	2010 REVISED
			H1	H1	
<b>A Current Account</b>	<b>(219.7)</b>	<b>(263.8)</b>	<b>(102.9)</b>	<b>(143.9)</b>	<b>(255.9)</b>
1.0 Merchandise (Net)	(401.1)	(442.5)	(182.8)	(287.1)	(446.2)
1.1 Exports (f.o.b.)	768.2	776.5	354.7	398.6	818.8
1.1.1 Bauxite	79.5	94.4	43.5	56.6	121.9
1.1.2 Sugar	119.8	123.6	47.8	37.8	115.8
1.1.3 Rice	114.1	99.5	59.4	68.6	99.5
1.1.4 Gold	281.7	280.0	119.9	146.7	305.6
1.1.5 Timber	41.4	44.0	16.5	24.5	44.0
1.1.6 Other	120.2	120.0	60.6	58.9	120.0
1.1.7 Re - exports	11.5	15.0	6.9	5.5	12.0
1.2 Imports (c.i.f.)	(1,169.2)	(1,219.0)	(537.5)	(685.6)	(1,265.0)
1.2.1 Fuel & Lubricants	(286.5)	(324.0)	(130.4)	(189.5)	(370.0)
1.2.2 Other	(882.7)	(895.0)	(407.1)	(496.1)	(895.0)
2.0 Services (Net)	(118.3)	(131.3)	(40.7)	(36.8)	(119.8)
2.1 Factor	(16.9)	(20.0)	(5.3)	8.4	(8.5)
2.2 Non Factor (Net)	(101.4)	(111.3)	(35.4)	(45.2)	(111.3)
3.0 Transfers	299.6	310.0	120.5	179.9	310.0
3.1 Official	-	-	-	-	-
3.2 Private	299.6	310.0	120.5	179.9	310.0
<b>B Capital Account</b>	<b>454.0</b>	<b>252.5</b>	<b>153.7</b>	<b>165.4</b>	<b>246.6</b>
1.0 Capital Transfers	37.2	29.6	9.2	9.7	27.4
2.0 Medium and Long Term Capital (Net)	392.9	257.8	117.2	160.2	254.2
2.1 Non - Financial Public Sector Capital (Net)	184.9	89.4	2.0	2.2	68.2
2.1.1 Disbursements	135.2	177.0	30.2	43.6	155.4
2.1.2 Amortization	(42.7)	(52.9)	(20.3)	(23.5)	(52.9)
2.1.3 Other	92.5	(34.7)	(7.9)	(17.9)	(34.3)
2.2 Private Sector (Net)	208.0	168.4	115.1	158.0	186.0
3.0 Short Term Capital	24.0	(35.0)	27.4	(4.5)	(35.0)
<b>C Errors and Omissions</b>	<b>0.1</b>	<b>0.0</b>	<b>6.6</b>	<b>13.2</b>	<b>(1.5)</b>
<b>D OVERALL BALANCE</b>	<b>234.4</b>	<b>(11.3)</b>	<b>57.3</b>	<b>34.6</b>	<b>(10.8)</b>
<b>E Financing</b>	<b>(234.4)</b>	<b>11.3</b>	<b>(57.3)</b>	<b>(34.6)</b>	<b>10.8</b>
1.0 Bank of Guyana net foreign assets	(271.4)	(36.4)	(75.4)	(52.6)	(36.4)
2.0 Change in Non-Financial Public Sector Arrears	-	-	-	-	-
3.0 Exceptional Financing	37.0	47.7	18.1	18.0	47.2
3.1 Debt Relief	4.5	13.4	2.3	2.1	13.4
3.2 Balance of Payments Support	-	-	-	-	-
3.3 Debt Forgiveness	33.1	34.9	16.1	16.1	34.4
3.4 Debt Stock Restructuring	(0.6)	(0.6)	(0.3)	(0.3)	(0.6)

Figures: US \$ m

Source: Bank of Guyana

Mid-Year Report 2010  
27      Balance of Payments Analytical Summary



## APPENDIX C1

### MID-YEAR MONETARY SURVEY

	2009 December	2009 H1	2010 H1
<b>1.0 Total Money &amp; Quasi Money</b>	<b>202,094.2</b>	<b>188,227.0</b>	<b>206,674.3</b>
<b>1.1 Money</b>	<b>66,365.1</b>	<b>60,432.8</b>	<b>65,489.8</b>
<b>1.1.1 Currency</b>	<b>38,436.8</b>	<b>31,937.8</b>	<b>36,812.2</b>
<b>1.1.2 Demand Deposits</b>	<b>27,928.3</b>	<b>28,495.0</b>	<b>28,677.5</b>
<b>1.2 Quasi Money</b>	<b>135,729.1</b>	<b>127,794.2</b>	<b>141,184.6</b>
<b>1.2.1 Time Deposits</b>	<b>18,541.2</b>	<b>18,326.0</b>	<b>19,769.9</b>
<b>1.2.2 Savings Deposits</b>	<b>117,187.9</b>	<b>109,468.2</b>	<b>121,414.6</b>
<b>2.0 Domestic Credit (Net)</b>	<b>47,569.0</b>	<b>53,016.2</b>	<b>46,977.3</b>
2.1 Public Sector (Net)	(32,928.5)	(24,620.1)	(39,282.0)
2.1.1 Central Govt. (Net)	(3,306.8)	1,325.4	(4,669.5)
2.1.2 Public Enterprises (Net)	(15,931.2)	(16,082.2)	(20,344.7)
2.1.3 Other Public Sector (Net)	(13,690.5)	(9,863.2)	(14,267.8)
2.2 Private Sector	<b>94,390.1</b>	<b>89,351.6</b>	<b>101,048.7</b>
2.2.1 Agriculture	5,086.9	4,135.2	6,853.7
2.2.2 Other Manu. & Process.	8,903.8	9,959.7	10,843.1
2.2.3 Rice Milling	1,538.0	2,224.4	1,619.6
2.2.4 Distribution	13,849.3	12,327.1	13,420.9
2.2.5 Personal	18,376.7	18,817.0	17,648.7
2.2.6 Mining & Quarrying	1,505.8	1,640.0	1,776.7
2.2.7 Other Services	11,225.5	8,945.7	11,827.1
2.2.8 Real Est. Mortg. loans	27,266.4	24,373.0	30,217.4
2.2.9 Other	6,637.7	6,929.5	6,841.6
2.3 Financial Insts.	<b>(13,892.5)</b>	(11,715.3)	(14,789.4)
<b>3.0 Foreign Assets (Net)</b>	<b>142,008.0</b>	<b>103,615.4</b>	<b>153,988.1</b>
3.1 Assets	172,520.7	133,295.1	185,248.9
3.2 Liabilities	(30,512.7)	(29,679.7)	(31,260.9)
<b>4.0 Other Items (Net)</b>	<b>12,517.1</b>	<b>31,595.4</b>	<b>5,708.9</b>

Figures: G \$ m

Source: Bank of Guyana



## APPENDIX D1

### MID-YEAR CONSUMER PRICE INDEX

	2008	2009	2009	2009	2010
	OLD BASKET			NEW BASKET	
	DEC	DEC	JUNE	DEC	JUNE
ALL ITEMS	265.9	275.6	269.4	100.0	102.0
FOOD	285.9	273.7	275.1	100.0	105.5
CLOTHING	84.7	80.8	86.9	100.0	100.4
FOOTWEAR AND REPAIRS	78.9	73.8	79.0	100.0	100.5
HOUSING	296.5	352.7	329.6	100.0	99.9
FURNITURE	168.9	173.9	170.2	100.0	100.3
TRANSPORT & COMMUNICATION	282.3	293.2	284.4	100.0	99.6
MEDICAL & PERSONAL CARE	292.5	290.3	289.9	100.0	100.7
EDUC., RECR. AND CULTL. SERVICE	273.6	286.4	275.7	100.0	102.3
MISC. GOODS & SERVICES	215.6	228.2	221.8	100.0	101.9



**APPENDIX E1**

**MID-YEAR CENTRAL GOVERNMENT FINANCIAL OPERATIONS**

	<b>2009 ACTUAL</b>	<b>2010 BUDGET</b>	<b>2009 H1</b>	<b>2010 H1</b>	<b>2010 REVISED</b>
<b>Total Revenue</b>	<b>94,890.4</b>	<b>104,547.7</b>	<b>48,417.3</b>	<b>54,515.8</b>	<b>107,901.9</b>
<b>Revenue</b>	<b>94,890.4</b>	<b>98,197.6</b>	<b>48,417.3</b>	<b>54,400.8</b>	<b>101,552.8</b>
<b>Tax</b>	<b>89,084.9</b>	<b>94,084.5</b>	<b>44,914.9</b>	<b>51,145.3</b>	<b>97,000.0</b>
Income taxes	33,197.4	34,806.8	18,037.2	21,492.8	37,762.0
Consumption taxes	44,685.3	47,167.5	21,318.7	23,235.1	46,928.9
Trade taxes	8,067.8	8,732.2	3,635.5	4,077.7	8,650.1
Other	3,134.4	3,378.0	1,923.5	2,339.7	3,659.0
<b>Non-tax</b>	<b>5,805.5</b>	<b>4,113.1</b>	<b>3,502.4</b>	<b>3,255.5</b>	<b>4,552.8</b>
Private sector	3,347.6	2,604.3	1,201.1	1,691.9	2,798.9
Public enterprise & BOG	2,457.9	1,508.8	2,301.3	1,563.6	1,753.9
<b>GRIF Inflows</b>	-	<b>6,150.0</b>			<b>6,150.0</b>
<b>Total expenditure</b>	<b>127,429.9</b>	<b>135,881.4</b>	<b>45,776.4</b>	<b>51,210.9</b>	<b>136,831.7</b>
<b>Current expenditure</b>	<b>80,439.6</b>	<b>86,906.9</b>	<b>34,571.5</b>	<b>37,529.5</b>	<b>87,043.5</b>
<b>Non-interest expenditure</b>	<b>73,852.2</b>	<b>79,249.8</b>	<b>30,922.9</b>	<b>32,944.5</b>	<b>79,065.1</b>
Personal emoluments	26,170.4	28,150.4	12,135.8	13,442.0	28,150.4
Other goods and services	25,889.1	27,982.6	9,408.9	9,207.1	27,812.0
<b>Transfer Payments</b>	<b>21,792.6</b>	<b>23,116.8</b>	<b>9,378.2</b>	<b>10,295.4</b>	<b>23,102.7</b>
Transfers to the private sector	21,792.6	23,116.8	9,378.2	10,295.4	23,102.7
<b>Interest</b>	<b>6,587.4</b>	<b>7,657.1</b>	<b>3,648.6</b>	<b>4,585.1</b>	<b>7,978.4</b>
External	3,281.7	3,848.8	1,632.8	1,849.7	3,957.8
Domestic	3,305.7	3,808.3	2,015.7	2,735.4	4,020.6
<b>Primary balance</b>	<b>21,038.2</b>	<b>18,947.8</b>	<b>17,494.4</b>	<b>21,456.4</b>	<b>22,487.7</b>
<b>Current balance</b>	<b>14,450.8</b>	<b>11,290.7</b>	<b>13,845.8</b>	<b>16,871.3</b>	<b>14,509.3</b>
<b>Capital Revenue</b>	-	<b>200.1</b>	-	<b>115.0</b>	<b>199.1</b>
<b>Capital Expenditure</b>	<b>46,990.3</b>	<b>48,974.6</b>	<b>11,205.0</b>	<b>13,681.4</b>	<b>49,788.2</b>
<b>Overall Balance before Grants</b>	<b>(32,539.5)</b>	<b>(31,333.7)</b>	<b>2,640.9</b>	<b>3,304.9</b>	<b>(28,929.8)</b>
<b>Grants</b>	<b>17,275.0</b>	<b>16,477.6</b>	<b>3,143.2</b>	<b>3,118.0</b>	<b>12,274.2</b>
<b>HPC relief</b>	2,222.4	2,690.0	1,240.6	1,079.1	2,164.7
Original	-	-	-	-	-
Enhanced	586.0	703.1	293.5	349.5	701.1
CMCF	257.0	518.8	257.0	-	-
MDRI	1,379.5	1,468.0	690.2	729.6	1,463.6
<b>Other</b>	<b>15,052.6</b>	<b>13,787.6</b>	<b>1,902.5</b>	<b>2,038.9</b>	<b>10,109.5</b>
Projects	7,681.1	6,605.4	1,902.5	2,038.9	6,005.4
Non-projects	7,371.5	7,182.2	-	-	4,104.1
<b>Overall Balance after Grants</b>	<b>(15,264.5)</b>	<b>(14,856.2)</b>	<b>5,784.0</b>	<b>6,422.9</b>	<b>(16,655.6)</b>
<b>Financing</b>	<b>15,264.5</b>	<b>14,856.2</b>	<b>(5,784.0)</b>	<b>(6,422.9)</b>	<b>16,655.6</b>
Net External Borrowing	15,526.2	19,192.5	3,867.0	4,171.9	17,787.6
Disbursements of Loans	20,435.1	37,718.8	6,487.2	7,681.4	27,963.5
Debt Repayments	2,254.8	3,687.0	1,141.0	1,505.3	3,787.3
Rescheduling	916.9	877.3	459.4	437.9	874.6
Guya - Escrow A/C	-	-	-	-	-
Overseas Deposit	(3,571.0)	(15,716.7)	(1,938.6)	(2,442.0)	(7,263.2)
Net Domestic Borrowing	(261.7)	(4,336.3)	(9,651.0)	(10,594.9)	(1,132.0)
Net Divestment Proceeds	-	-	-	-	-

**Figures: G \$ m**

**Source: Ministry of Finance**

**Mid-Year 2010**  
**30 Central Government Financial Operations**



## APPENDIX E2

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

ITEM	2009	2010	2009 H1	2010 H1	2010 REVISED
	ACTUAL	BUDGET			
<b>Non-Financial Public Sector Revenues</b>	<b>100,816.6</b>	<b>114,550.1</b>	<b>50,101.3</b>	<b>51,496.0</b>	<b>114,463.0</b>
Central Government	94,890.4	104,547.7	48,417.3	54,515.8	107,901.9
Public Enterprises	5,926.2	10,002.4	1,684.0	-3,019.8	6,561.1
<b>Total Expenditure</b>	<b>132,099.6</b>	<b>145,575.4</b>	<b>48,181.4</b>	<b>53,217.9</b>	<b>144,322.1</b>
<b>Current Expenditure</b>	<b>80,439.6</b>	<b>86,906.9</b>	<b>34,571.5</b>	<b>37,529.5</b>	<b>87,043.5</b>
<i>Non-Interest Expenditure</i>	<b>73,852.2</b>	<b>79,249.8</b>	<b>30,922.9</b>	<b>32,944.5</b>	<b>79,065.1</b>
Personal Emoluments	26,170.4	28,150.4	12,135.8	13,442.0	28,150.4
Other Goods and Services	25,889.1	27,982.6	9,408.9	9,207.1	27,812.0
<i>Transfer Payments</i>	<b>21,792.6</b>	<b>23,116.8</b>	<b>9,378.2</b>	<b>10,295.4</b>	<b>23,102.7</b>
Transfers to the Private Sector	21,792.6	23,116.8	9,378.2	10,295.4	23,102.7
Transfers to the public sector	0.0	0.0	0.0	0.0	0.0
<b>Interest</b>	<b>6,587.4</b>	<b>7,657.1</b>	<b>3,648.6</b>	<b>4,585.1</b>	<b>7,978.4</b>
External	3,281.7	3,848.8	1,632.8	1,849.7	3,957.8
Domestic	3,305.7	3,808.3	2,015.7	2,735.4	4,020.6
<b>Current Balance</b>	<b>20,377.0</b>	<b>27,643.2</b>	<b>15,529.8</b>	<b>13,966.5</b>	<b>27,419.5</b>
<b>Capital Revenue</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Capital Expenditure</b>	<b>51,660.0</b>	<b>58,668.6</b>	<b>13,610.0</b>	<b>15,688.4</b>	<b>57,278.6</b>
Central Government	46,990.3	48,974.6	11,205.0	13,681.4	49,788.2
Public Enterprises	4,669.7	9,694.0	2,405.0	2,007.0	7,491.4
<b>Overall Balance before Grants</b>	<b>-31,283.0</b>	<b>-31,025.3</b>	<b>1,919.9</b>	<b>-1,721.9</b>	<b>-29,859.1</b>
<b>Grants</b>	<b>17,275.0</b>	<b>16,477.6</b>	<b>3,143.2</b>	<b>3,118.0</b>	<b>12,274.2</b>
HIPC Relief	2,222.4	2,690.0	1,240.6	1,079.1	2,164.7
Other	15,052.6	13,787.6	1,902.5	2,038.9	10,109.5
<b>Overall Balance after Grants</b>	<b>-14,008.0</b>	<b>-14,547.8</b>	<b>5,063.0</b>	<b>1,396.1</b>	<b>-17,584.9</b>
<b>Financing</b>	<b>14,008.0</b>	<b>14,547.8</b>	<b>-5,063.0</b>	<b>-1,396.1</b>	<b>17,584.9</b>
Net External Borrowing	16,701.3	20,201.8	8,463.1	7,430.6	18,613.8
Net Domestic Borrowing	-6,723.8	-6,312.0	-13,526.1	-8,826.8	-1,486.9
Net Divestment Proceeds	4,030.5	658.0	0.0	0.0	458.0

**Figures: G \$ m**

**Source: Ministry of Finance**

**Mid-Year Report 2010**  
**31 Financial Operations of the Non-Financial Public Sector**



### APPENDIX E3

#### MID-YEAR PUBLIC ENTERPRISE CASH FLOW

ITEM	2009	2010	2009 H1	2010 H1	2010 REVISED
	ACTUAL	BUDGET			
<b>Receipts</b>	<b>89,324.0</b>	<b>105,792.0</b>	<b>39,207.7</b>	<b>44,598.1</b>	<b>104,817.8</b>
Enterprises	79,173.2	94,851.1	34,464.6	39,269.6	93,674.0
NIS	10,150.9	10,940.9	4,743.1	5,328.5	11,143.8
Contributions	8,906.6	9,376.0	4,453.2	5,070.0	9,569.1
Investment Revenue	1,244.3	1,564.9	289.9	258.5	1,574.7
<b>Total Expenditure</b>	<b>88,067.6</b>	<b>105,283.6</b>	<b>39,928.7</b>	<b>49,509.9</b>	<b>105,549.0</b>
<b>Total non-interest expenditure</b>	<b>82,786.1</b>	<b>94,976.8</b>	<b>37,383.4</b>	<b>47,274.8</b>	<b>97,438.3</b>
Non-financial public enterprise	72,190.2	83,615.5	32,455.7	41,650.5	85,440.4
Wages and Salaries	18,688.3	19,749.8	8,401.4	9,632.8	19,751.4
Goods and Services	53,171.6	63,612.8	23,963.4	31,936.4	65,442.4
Local taxes	330.2	253.0	90.9	81.4	246.5
The NIS	9,406.7	10,173.4	4,320.4	4,889.0	10,693.1
Taxes to central government	1,032.8	1,028.8	607.3	735.3	1,152.3
Dividends and transfers	156.5	159.0	0.0	0.0	152.5
<b>Primary surplus or deficit (-)</b>	<b>6,537.9</b>	<b>10,815.2</b>	<b>1,824.3</b>	<b>(2,676.6)</b>	<b>7,379.5</b>
<b>Interest</b>	<b>611.7</b>	<b>612.8</b>	<b>140.3</b>	<b>228.2</b>	<b>619.3</b>
External	399.6	206.1	24.6	62.4	219.3
Internal	212.1	406.6	115.7	165.8	400.0
<b>Current surplus or deficit (-)</b>	<b>5,926.2</b>	<b>10,202.5</b>	<b>1,684.0</b>	<b>(2,904.8)</b>	<b>6,760.2</b>
<b>Capital Expenditure</b>	<b>4,669.7</b>	<b>9,694.0</b>	<b>2,405.0</b>	<b>2,007.0</b>	<b>7,491.4</b>
Enterprises	4,598.7	9,554.8	2,381.1	2,002.5	7,352.2
NIS	71.1	139.2	23.9	4.5	139.2
Less Government transfers					
<b>Overall surplus or deficit before special transfers (-)</b>	<b>1,256.5</b>	<b>508.4</b>	<b>(721.0)</b>	<b>(4,911.8)</b>	<b>(731.2)</b>
<b>Special Transfers</b>	<b>-</b>	<b>-200.1</b>	<b>-</b>	<b>-115.0</b>	<b>-199.1</b>
<b>Overall surplus or deficit after special transfers</b>	<b>1,256.5</b>	<b>308.3</b>	<b>(721.0)</b>	<b>(5,026.8)</b>	<b>(930.3)</b>
<b>Financing</b>	<b>(1,256.5)</b>	<b>(308.3)</b>	<b>721.0</b>	<b>5,026.8</b>	<b>930.3</b>
External	1,175.1	1,009.3	4,596.1	3,258.7	826.2
Domestic	(6,462.1)	(1,975.6)	(3,875.1)	1,768.1	(353.9)
Divestment Proceeds	4,030.5	658.0	0.0	0.0	458.0

Figures: G \$ m

Source: Ministry of Finance



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

Acct Cod	Chart of Account	2009 Actual	2010 Budget	H1 2009	H1 2010	2010 Revised
	<b>Total Statutory Expenditure</b>	<b>2,513,618,787</b>	<b>2,655,799,000</b>	<b>1,283,117,975</b>	<b>1,376,762,652</b>	<b>2,655,799,000</b>
<b>601</b>	<b>Total Statutory Employment Expenditure</b>	<b>2,479,018,787</b>	<b>2,618,739,000</b>	<b>1,283,117,975</b>	<b>1,376,762,652</b>	<b>2,618,739,000</b>
6011	Statutory Wages and Salaries	472,343,506	487,570,000	221,974,716	231,372,413	487,570,000
6012	Statutory Benefits and Allowances	177,929,281	192,769,000	72,130,795	82,570,999	192,769,000
6013	Statutory Pensions and Gratuities	1,828,746,000	1,938,400,000	989,012,464	1,062,819,240	1,938,400,000
<b>602</b>	<b>Statutory Payment to Dependents Pension Funds</b>	<b>34,600,000</b>	<b>37,060,000</b>	-	-	<b>37,060,000</b>
6021	Statutory Payments to Dependents Pension Funds	34,600,000	37,060,000			37,060,000
	<b>Total Appropriation Expenditure</b>	<b>71,338,554,424</b>	<b>76,594,001,000</b>	<b>29,639,787,571</b>	<b>31,567,704,245</b>	<b>76,409,270,697</b>
<b>601</b>	<b>Total Employment Costs</b>	<b>25,833,007,435</b>	<b>27,802,581,000</b>	<b>12,004,115,698</b>	<b>13,298,481,349</b>	<b>27,802,581,000</b>
<b>611</b>	<b>Total Wages and Salaries</b>	<b>19,207,394,329</b>	<b>21,197,108,000</b>	<b>9,718,243,956</b>	<b>10,885,655,812</b>	<b>21,197,108,000</b>
6111	Administrative	2,879,182,523	3,176,910,000	1,471,599,594	1,684,437,817	3,176,910,000
6112	Senior Technical	4,151,282,431	4,009,625,000	2,080,084,406	2,207,211,559	4,009,625,000
6113	Other Technical and Craft Skilled	2,792,806,697	3,022,485,000	1,424,664,059	1,496,209,052	3,022,485,000
6114	Clerical and Office Support	2,890,980,644	3,074,423,000	1,442,145,723	1,552,955,010	3,074,423,000
6115	Semi-Skilled Operatives and Unskilled	2,696,159,949	2,839,132,000	1,364,946,683	1,388,469,945	2,839,132,000
6116	Contracted Employees	3,330,239,124	4,551,399,000	1,690,010,087	2,324,123,698	4,551,399,000
6117	Temporary Employees	466,742,961	523,134,000	244,793,404	232,248,731	523,134,000
<b>613</b>	<b>Overhead Expenditure</b>	<b>4,275,096,050</b>	<b>4,578,500,000</b>	<b>2,281,892,692</b>	<b>2,412,825,537</b>	<b>4,578,500,000</b>
6131	Other Direct Labour Costs	761,574,279	805,636,000	386,981,827	348,255,632	805,636,000
6132	Incentives	10,000,000	10,000,000	-	-	10,000,000
6133	Benefits and Allowances	2,025,667,644	2,196,279,000	1,141,336,365	1,260,460,927	2,196,279,000
6134	National Insurance	1,165,014,036	1,234,065,000	591,190,168	633,656,303	1,234,065,000
6135	Pensions	312,840,091	332,520,000	162,384,332	170,452,675	332,520,000
<b>614</b>	<b>Revision of Wages and Salaries</b>	<b>2,350,517,056</b>	<b>2,026,973,000</b>	<b>3,979,050</b>	<b>-</b>	<b>2,026,973,000</b>
6141	Revision of Wages and Salaries	2,350,517,056	2,026,973,000	3,979,050	-	2,026,973,000
<b>620</b>	<b>Total Other Charges</b>	<b>45,505,546,989</b>	<b>48,791,420,000</b>	<b>17,635,671,873</b>	<b>18,269,222,896</b>	<b>48,606,689,697</b>
<b>621</b>	<b>Expenses Specific to the Agency</b>	<b>194,664,742</b>	<b>212,441,000</b>	<b>90,006,734</b>	<b>90,952,668</b>	<b>212,441,000</b>
6211	Expenses Specific to the Agency	194,664,742	212,441,000	90,006,734	90,952,668	212,441,000
<b>622</b>	<b>Materials, Equipment and Supplies</b>	<b>5,296,087,346</b>	<b>5,369,395,000</b>	<b>2,250,639,081</b>	<b>1,843,008,366</b>	<b>5,175,907,000</b>
6221	Drugs and Medical Supplies	3,057,221,470	2,764,249,000	1,680,058,453	1,251,590,348	2,763,769,000
6222	Field Materials and Supplies	887,230,754	919,758,000	168,224,322	194,945,601	902,801,000
6223	Office Materials and Supplies	505,503,314	585,158,000	174,598,412	185,914,989	576,425,000
6224	Print and Non-Print Materials	846,131,808	1,100,230,000	227,757,894	210,557,428	932,912,000
<b>623</b>	<b>Fuel and Lubricants</b>	<b>1,474,162,456</b>	<b>1,633,723,000</b>	<b>551,721,555</b>	<b>712,511,056</b>	<b>1,722,640,920</b>
6231	Fuel and Lubricants	1,474,162,456	1,633,723,000	551,721,555	712,511,056	1,722,640,920
<b>624</b>	<b>Rental and Maintenance of Buildings</b>	<b>2,517,707,806</b>	<b>2,634,776,000</b>	<b>583,205,720</b>	<b>679,773,248</b>	<b>2,629,485,688</b>
6241	Rental of Buildings	558,048,056	590,335,000	246,416,772	245,372,764	585,699,688
6242	Maintenance of Buildings	1,678,266,886	1,719,936,000	229,438,293	310,149,618	1,719,936,000
6243	Janitorial and Cleaning Supplies	281,392,864	324,505,000	107,350,655	124,250,866	323,850,000
<b>625</b>	<b>Maintenance of Infrastructure</b>	<b>1,771,304,670</b>	<b>1,972,088,000</b>	<b>441,539,476</b>	<b>453,167,687</b>	<b>1,972,088,000</b>
6251	Maintenance of Roads	414,486,908	439,600,000	151,977,700	139,854,044	439,600,000
6252	Maintenance of Bridges	136,845,755	155,200,000	21,153,482	31,180,905	155,200,000
6253	Maintenance of Drainage and Irrigation Works	494,271,327	530,970,000	180,179,359	142,204,831	530,970,000
6254	Maintenance of Sea and River Defenses	175,614,324	181,500,000	18,310,561	22,835,605	181,500,000
6255	Maintenance of Other Infrastructure	550,086,356	664,818,000	69,918,374	117,092,302	664,818,000



**APPENDIX E4**

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

Acct Cod	Chart of Account	2009 Actual	2010 Budget	H1 2009	H1 2010	2010 Revised
	<b>Total Statutory Expenditure</b>	<b>2,513,618,787</b>	<b>2,655,799,000</b>	<b>1,283,117,975</b>	<b>1,376,762,652</b>	<b>2,655,799,000</b>
<b>626 Transport, Travel &amp; postage</b>		<b>2,215,456,448</b>	<b>2,589,847,000</b>	<b>737,192,040</b>	<b>897,618,952</b>	<b>2,569,491,879</b>
6261	Local Travel and Subsistence	969,832,185	1,122,873,000	357,859,060	389,877,201	1,120,781,000
6262	Overseas Conferences and Official Visits	218,169,605	210,353,000	58,644,578	77,327,028	210,353,000
6263	Postage, Telex and Cablegrams	20,322,067	33,066,000	7,555,684	9,861,047	32,733,000
6264	Vehicle Spares and Service	541,606,002	606,124,000	159,550,695	214,288,732	606,124,000
6265	Other Transport, Travel and Postage	465,526,589	617,431,000	153,582,023	206,264,944	599,500,879
<b>627 Utility Charges</b>		<b>4,832,969,326</b>	<b>5,425,343,000</b>	<b>1,899,510,185</b>	<b>1,572,021,854</b>	<b>5,417,146,053</b>
6271	Telephone Charges	398,921,368	433,588,000	154,118,834	150,538,965	428,281,053
6272	Electricity Charges	3,682,681,464	4,248,980,000	1,551,971,400	1,219,532,996	4,246,590,000
6273	Water Charges	751,366,494	742,775,000	193,419,951	201,949,893	742,275,000
<b>628 Other Goods and Services Purchases</b>		<b>3,586,977,832</b>	<b>3,944,024,000</b>	<b>1,510,718,471</b>	<b>1,452,338,650</b>	<b>4,048,490,461</b>
6281	Security Services	1,438,928,175	1,754,586,000	633,194,165	685,360,787	1,743,532,461
6282	Equipment Maintenance	678,499,692	762,106,000	221,276,148	302,017,344	869,626,000
6283	Cleaning and Extermination Services	217,200,431	245,376,000	72,736,155	84,474,136	248,376,000
6284	Other	1,252,349,534	1,181,956,000	583,512,003	380,486,383	1,186,956,000
<b>629 Other Operational Expenses</b>		<b>3,999,770,910</b>	<b>4,200,963,000</b>	<b>1,344,376,011</b>	<b>1,505,726,328</b>	<b>4,064,291,936</b>
6291	National and Other Events	291,562,722	320,513,000	114,956,204	144,229,396	327,513,000
6292	Dietary	1,943,058,055	2,069,180,000	629,173,707	784,645,254	2,069,180,000
6293	Refreshment and Meals	152,011,469	198,658,000	59,212,129	61,062,611	168,315,000
6294	Other	1,613,138,664	1,612,612,000	541,033,971	515,789,067	1,499,283,936
<b>630 Education Subvention and Training</b>		<b>2,529,648,491</b>	<b>2,851,835,000</b>	<b>1,170,900,699</b>	<b>1,246,556,860</b>	<b>2,813,175,760</b>
6301	Education Subventions and Grants	1,243,701,336	1,365,037,000	635,896,031	700,257,213	1,365,037,000
6302	Training (Including Scholarships)	1,285,947,155	1,486,798,000	535,004,668	546,299,647	1,448,138,760
<b>631 Rates and Taxes and Subventions to Local Authorities</b>		<b>192,489,189</b>	<b>192,500,000</b>	<b>85,643,556</b>	<b>51,162,357</b>	<b>192,500,000</b>
6311	Rates and Taxes	175,009,759	174,965,000	80,774,946	43,312,674	174,965,000
6312	Subventions to Local Authorities	17,479,430	17,535,000	4,868,610	7,849,683	17,535,000
<b>632 Subsidies and Contributions to Local &amp; Int Org</b>		<b>11,144,513,880</b>	<b>11,409,908,000</b>	<b>4,629,548,250</b>	<b>5,106,970,772</b>	<b>11,434,454,000</b>
6321	Subsidies and Contributions to Local Organisations	10,316,854,996	10,555,954,000	4,222,032,816	4,703,200,921	10,580,500,000
6322	Subsidies and Contributions to International Organisations	827,658,884	853,954,000	407,515,434	403,769,851	853,954,000
<b>633 Refunds of Revenue</b>		<b>7,009,856</b>	<b>8,677,000</b>	<b>1,633,603</b>	<b>2,915,872</b>	<b>8,677,000</b>
6331	Refunds of Revenue	7,009,856	8,677,000	1,633,603	2,915,872	8,677,000
<b>634 Pensions</b>		<b>5,742,784,037</b>	<b>6,345,900,000</b>	<b>2,339,036,492</b>	<b>2,654,498,226</b>	<b>6,345,900,000</b>
6341	Non-Pensionable Employees	111,000,000	117,700,000	59,430,918	40,683,858	117,700,000
6342	Pension Increases	1,926,175,543	2,042,000,000	740,362,774	875,967,363	2,042,000,000
6343	Old Age Pensions and Social Assistance	3,705,608,494	4,186,200,000	1,539,242,800	1,737,847,005	4,186,200,000
<b>635 Other Public Debt</b>		-	-	-	-	-
6351	Other Public Debt	-	-	-	-	-
<b>Grand Total</b>		<b>73,852,173,211</b>	<b>79,249,800,000</b>	<b>30,922,905,546</b>	<b>32,944,466,897</b>	<b>79,065,069,697</b>



**APPENDIX E5**  
**MID-YEAR CENTRAL GOVERNMENT**  
**ABSTRACT OF REVENUE BY HEAD**

ITEM	2009 ACTUAL	2010 BUDGET	2009 H1	2010 H1	2010 REVISED
<b>TOTAL REVENUE</b>	<b>128,443,505</b>	<b>142,324,395</b>	<b>55,815,681</b>	<b>62,523,742</b>	<b>140,174,996</b>
<b>TOTAL CURRENT RECEIPTS</b>	<b>94,890,392</b>	<b>104,347,699</b>	<b>48,417,370</b>	<b>54,400,875</b>	<b>107,702,551</b>
<b>CURRENT RECEIPTS TAXES</b>					
I CUSTOMS AND TRADE TAXES	7,692,017	8,315,342	3,405,584	3,852,279	8,346,848
II VALUE ADDED AND EXCISE TAXES	44,671,809	47,167,615	21,305,165	23,235,305	46,928,835
II INTERNAL REVENUE	36,721,105	38,601,639	20,204,206	24,058,030	41,724,318
IV STAMP DUTIES	321,611	403,847	149,028	243,956	456,782
V OTHER TAX REVENUE	316,020	316,080	148,155	159,032	323,092
<b>FEES, FINES, ETC.</b>					
XI FINES, FEES. ETC.	951,404	974,713	448,635	501,886	1,030,815
<b>REVENUE FROM PROPERTY AND ENTERPRISE</b>					
XII INTEREST	2,604	92,397	1,137	54,800	93,993
XIII RENTS, ROYALTIES, ETC.	10,966	11,240	5,119	2,489	5,343
XV DIVIDENDS AND TRANSFERS	3,687,861	1,819,000	2,506,361	1,963,742	2,116,242
<b>MISCELLANEOUS RECEIPTS</b>					
XVI MISCELLANEOUS RECEIPTS	514,996	6,645,826	243,982	329,355	6,676,283
<b>TOTAL CAPITAL RECEIPTS</b>	<b>33,553,113</b>	<b>37,976,696</b>	<b>7,398,311</b>	<b>8,122,868</b>	<b>32,472,444</b>
<b>CAPITAL RECEIPTS</b>					
XXI MISCELLANEOUS CAPITAL REVENUE	1,636,456	2,186,949	947,141	844,587	1,662,720
XXII EXTERNAL GRANTS	15,052,584	13,787,623	1,902,545	2,038,906	10,109,500
XXIV EXTERNAL LOANS	16,864,073	22,002,124	4,548,625	5,239,375	20,700,224



## APPENDIX E6

### MID YEAR CENTRAL GOVERNMENT SUMMARY OF CAPITAL EXPENDITURE BY SECTOR AND TYPE OF FINANCING

SECTOR AND SOURCE		2009 ACTUAL	2010 BUDGET	2009 H1	2010 H1
1.0	<b>Agriculture</b>	<b>3,876.502</b>	<b>6,228.279</b>	<b>997.488</b>	<b>1,418.532</b>
1.1	Specific	1,706.185	3,723.000	192.948	718.719
1.2	Non- Specific	2,170.318	2,505.279	804.540	699.813
3.0	<b>Fishing</b>	<b>2.289</b>	<b>10.000</b>	-	-
3.1	Specific	-	-	-	-
	Non- Specific	2.289	10.000	-	-
5.0	<b>Power Generation</b>	<b>2,629.727</b>	<b>7,407.924</b>	<b>703.845</b>	<b>771.491</b>
5.1	Specific	1,553.507	3,247.524	691.558	455.941
5.2	Non - Specific	1,076.221	4,160.400	12.287	315.551
6.0	<b>Manufacturing</b>	<b>280.048</b>	<b>500.600</b>	<b>68.867</b>	<b>85.257</b>
6.1	Specific	196.498	350.000	64.867	83.257
6.2	Non- Specific	83.550	150.600	4.000	2.000
7.0	<b>Construction</b>	<b>8,640.099</b>	<b>9,290.192</b>	<b>1,570.498</b>	<b>2,979.395</b>
7.1	Specific	3,002.857	4,312.600	805.852	849.098
7.2	Non- Specific	5,637.242	4,977.592	764.646	2,130.297
8.0	<b>Transport &amp; Communication</b>	<b>3,938.309</b>	<b>4,571.649</b>	<b>1,193.669</b>	<b>912.234</b>
8.1	Specific	1,324.622	2,117.948	570.293	142.791
8.2	Non- Specific	2,613.687	2,453.701	623.376	769.443
9.0	<b>Housing</b>	<b>7,395.200</b>	<b>2,679.104</b>	<b>592.925</b>	<b>1,280.323</b>
9.1	Specific	2,871.034	1,888.500	352.264	810.564
9.2	Non- Specific	4,524.166	790.604	240.661	469.759
10.0	<b>Environmental and Pure Water</b>	<b>3,958.226</b>	<b>3,372.500</b>	<b>1,167.467</b>	<b>1,293.895</b>
10.1	Specific	3,251.250	2,521.000	959.785	1,037.558
10.2	Non- Specific	706.975	851.500	207.682	256.337
11.0	<b>Education</b>	<b>3,384.823</b>	<b>2,821.205</b>	<b>976.522</b>	<b>1,290.490</b>
11.1	Specific	1,943.444	1,218.000	526.640	556.934
11.2	Non- Specific	1,441.379	1,603.205	449.882	733.556
12.0	<b>Health</b>	<b>2,774.106</b>	<b>2,005.949</b>	<b>1,280.247</b>	<b>481.639</b>
12.1	Specific	2,107.329	1,312.000	1,060.952	343.287
12.2	Non- Specific	666.777	693.949	219.295	138.352
13.0	<b>Culture/Youth</b>	<b>234.628</b>	<b>511.480</b>	<b>56.915</b>	<b>234.740</b>
13.1	Specific	0.000	0.000	-	-
13.2	Non -Specific	234.628	511.480	56.915	234.740
14.0	<b>National Security and Defence</b>	<b>516.142</b>	<b>405.000</b>	<b>134.163</b>	<b>71.127</b>
14.1	Specific	-	-	-	-
14.2	Non -Specific	516.142	405.000	134.163	71.127



## APPENDIX E6

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### MID YEAR CENTRAL GOVERNMENT SUMMARY OF CAPITAL EXPENDITURE BY SECTOR AND TYPE OF FINANCING

SECTOR AND SOURCE		2009 ACTUAL	2010 BUDGET	2009 H1	2010 H1
<b>15.0</b>	<b>Public Safety</b>	<b>1,795.500</b>	<b>2,309.141</b>	<b>699.101</b>	<b>432.387</b>
15.1	Specific	759.187	1,490.000	334.380	304.534
15.2	Non -Specific	1,036.312	819.141	364.721	127.853
<b>16.0</b>	<b>Tourist Development</b>	<b>5.430</b>	<b>75.800</b>	-	<b>0.100</b>
16.1	Specific	-	60.000	-	-
16.2	Non -Specific	5.430	15.800	-	0.100
<b>17.0</b>	<b>Administration</b>	<b>2,047.717</b>	<b>2,168.596</b>	<b>278.432</b>	<b>244.367</b>
17.1	Specific	1,023.791	317.000	114.342	39.544
17.2	Non -Specific	1,023.925	1,851.596	164.090	204.823
<b>18.0</b>	<b>Financial Transfers</b>	<b>3,809.585</b>	<b>2,113.940</b>	<b>1,053.359</b>	<b>1,578.279</b>
18.1	Specific	709.000	2,006.000	607.000	1,537.000
18.2	Non -Specific	3,100.585	107.940	446.359	41.279
<b>19.0</b>	<b>Social Welfare</b>	<b>1,701.933</b>	<b>2,503.213</b>	<b>431.458</b>	<b>607.123</b>
19.1	Specific	657.998	559.000	170.287	399.055
19.2	Non -Specific	1,043.934	1,944.213	261.171	208.068
<b>20.0</b>	<b>Overall Total</b>	<b>46,990.263</b>	<b>48,974.572</b>	<b>11,204.956</b>	<b>13,681.378</b>
20.1	Specific	21,106.704	25,122.572	6,451.168	7,278.281
20.2	Non -Specific	25,883.559	23,852.000	4,753.788	6,403.098



## APPENDIX F1

### MID-YEAR EXTERNAL DEBT STOCK SUMMARY

ITEM	2009 ACTUAL	2010 BUDGET	2009 H1	2010 H1	2010 REVISED
<b>TOTAL EXTERNAL DEBT</b>	<b>933.039</b>	<b>1,069.80</b>	<b>861.50</b>	<b>966.155</b>	<b>1,069.80</b>
<b>1.0 Multilateral</b>	<b>536.99</b>	<b>571.46</b>	<b>489.83</b>	<b>543.745</b>	<b>571.46</b>
IBRD	0.00	0.00	0.00	0.000	0.00
IDA	9.71	8.37	9.68	9.100	8.37
IADB	259.34	328.09	210.68	274.357	328.09
CDB	130.99	132.84	131.49	130.396	132.84
CMCF	31.10	0.00	31.10	31.103	0.00
IMF	58.10	56.24	57.53	54.808	56.24
IFAD	9.68	10.20	9.66	9.044	10.20
Others 2/	38.08	35.73	39.68	34.936	35.73
<b>2.0 Bilateral</b>	<b>375.22</b>	<b>477.79</b>	<b>350.70</b>	<b>401.938</b>	<b>477.79</b>
<b>2.1 Paris Club Creditors:</b>	<b>54.78</b>	<b>51.96</b>	<b>55.87</b>	<b>52.855</b>	<b>51.96</b>
USA	0.96	0.91	1.01	0.963	0.91
-PL 480	0.96	0.91	1.01	0.963	0.91
UK	0.00	0.00	0.00	0.000	0.00
Canada	0.00	0.00	0.00	0.000	0.00
Germany	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.000</b>	<b>0.00</b>
-KFW	0.00	0.00	0.00	0.000	0.00
Netherlands	0.00	0.00	0.00	0.000	0.00
Denmark	0.00	0.00	0.00	0.000	0.00
Norway	0.00	0.00	0.00	0.000	0.00
Sweden	0.00	0.00	0.00	0.000	0.00
France	0.00	0.00	0.00	0.000	0.00
Japan	0.00	0.00	0.00	0.000	0.00
T&T	49.03	46.39	50.19	47.765	46.39
Russia	0.28	0.00	0.28	0.276	0.00
Italy	4.51	4.66	4.39	3.851	4.66
Others 2/	0.00	0.00	0.00	0.000	0.00
<b>2.2 Non-Paris Club Creditors:</b>	<b>320.44</b>	<b>425.83</b>	<b>294.82</b>	<b>349.083</b>	<b>425.83</b>
Venezuela	143.04	225.58	121.29	163.552	225.58
Argentina	12.51	12.85	12.34	12.677	12.85
Kuwait	61.93	64.09	60.74	62.026	64.09
Libya	38.63	39.02	38.56	41.137	39.02
China	32.37	49.30	30.04	38.102	49.30
India	21.33	23.99	21.33	20.705	23.99
UAE	6.87	7.00	6.87	7.001	7.00
Others 4/	3.77	4.00	3.66	3.883	4.00
<b>3.0 Private Creditors</b>	<b>20.82</b>	<b>20.55</b>	<b>20.98</b>	<b>20.473</b>	<b>20.55</b>
3.1 Suppliers 5/	13.44	13.46	13.43	13.451	13.46
3.2 Financial Markets/Bonds 6/	7.38	7.08	7.55	7.022	7.08

**Notes:**

1/ Takes into account debt relief granted under the Enhanced HIPC initiative and the Multilateral Debt Relief initiative.

2/ Includes EEC, EIB, OPEC FUND and IFC Loans.

3/ Includes CDC Loans.

4/ Includes DPRK, Brazil, Bulgaria and Serbia (ex-Yugoslavia) Loans.

5/ Includes ITT, Caterpillar Americas, Nissho Iwai/Komatsu, Boskalis, GPL (Banco de Credito, Panama) and EPDS debts.

6/ Includes Booker plc, Bonds, Bank of Nova Scotia, Lloyds Bank (O/Draft), GPL (NBIC/RBTT Debenture) and Barclays Bank

**Figures: US \$ m**

**Mid-Year 2010**

**Source: Ministry of Finance**

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**External Debt Stock**



## APPENDIX G1

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### MID-YEAR EXPENDITURE OF KEY SECTORS

SECTOR	2009 Actual	2010 Budget	2009 H1	2010 H1
Education	20,285,869,576	21,365,838,630	8,164,569,578	9,516,735,362
Health	12,758,020,000	13,258,693,155	6,249,251,630	5,421,073,706
Agriculture	7,819,603,452	9,851,639,000	2,411,752,459	2,959,401,652
Infrastructure	11,986,983,343	14,819,209,000	2,825,879,117	3,964,682,856
Housing and Water	11,200,927,430	5,623,524,000	1,850,531,637	2,471,611,878

Figures: G \$

Mid-Year 2010

Source: Ministry of Finance

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Expenditure of Key Sectors