

## CALENDAR OF KEY ECONOMIC EVENTS

### July 2006

*This feature presents a summary of local events of economic interest covered in the two daily newspapers, Stabroek News and the Guyana Chronicle.*

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#### ***JULY***

*Essequibo Coast rice farmers expect to surpass target.* The rice crop on Essequibo Coast is growing rapidly due to the May/June rainfall, according to farmers who cultivated it. A total of 32,500 acres are under cultivation and the planters, anticipating a bumper harvest, said they expect to surpass the one million bags target. They said they invested in fertiliser and insecticides and the Government recently gave them financial assistance of \$5,000 per acre, for up to a maximum of 20 acres each, as relief after the flooding they experienced earlier in the year.

*Jagdeo Initiative will ensure sustainable agriculture sector.* The policies and programmes for the agriculture sector in the Caribbean Community, as set out in the Jagdeo Initiative, will ensure that the Region's agriculture sector is given priority in order for it to become sustainable. President Bharrat Jagdeo, recognised that there were several critical elements that must be understood if agriculture was to be sustained as a viable economic sector in the Community. These critical elements are: agriculture is a business; agriculture is holistic, spanning the entire agri-product chain and with organic links to other productive sectors; the increasing importance of value-added food products and non-food products must be recognised; emphasis on national activities with sub-regional and regional activities included when they add value to national initiatives; the Initiative must build on existing actions to reduce duplication and be the Caribbean's

response to the mandates onto which countries have signed.

*IDB-funded lab to boost agriculture* "We believe in Guyana. It has great potential", IDB Representative, Mr. Sergio Varas Oleo declared at a ceremony for the start of work on a laboratory to better monitor the quality of imported agricultural chemicals. He alluded to several other schemes in the agriculture sector for which the IDB has been providing funds, including one costing US\$10M, to help diversification.

*With EU funding GRDB teaching farmers line sowing in competitiveness project.* The line sowing method for producing seed paddy is being demonstrated to farmers at Champagne, Mahaicony, East Coast Demerara, through a Guyana Rice Development Board (GRDB) project that would continue through the current crop. The aim is to increase grain yields per acre and improve competitiveness in the industry, GRDB General Manager, Mr. Jagnarine Singh said recently.

*Latin America-CARICOM relations:* President Michelle Bachelet's visit to Jamaica on June 9 demonstrates Chile's increasing interest in promoting closer political and economic relations with CARICOM countries. During her meeting with the new Jamaican Prime Minister, Mrs. Portia Simpson Miller, the two leaders examined a range of regional and hemispheric issues. They also underlined the importance of promoting greater regional integration, through fostering greater

cooperation between Chile and CARICOM member states, as well as between the South American and Caribbean sub-regions generally.

*Widening free movement in CARICOM-BASSETERRE* -- In a determined push to accelerate labour mobility within the Caribbean Community, teachers and registered nurses are to be added with haste to the categories of CARICOM nationals free to live and work in any of the participating 15 member countries. This announcement came at a media briefing jointly shared by the Prime Ministers of Barbados (Owen Arthur) and Dominica (Roosevelt Skerrit), as their colleagues were winding up a closing plenary session to take to yesterday's retreat a range of key agenda issues for the current 27th summit that concludes today.

*Guyana to get US\$322M debt relief* –The World Bank has announced that starting today it will cancel the International Development Association (IDA) debt of Guyana under the Multilateral Debt Relief Initiative (MDRI). Guyana will receive US\$322M, which is the total amount of additional IDA debt relief provided under the MDRI and the IDA portion of debt relief already committed under the Heavily Indebted Poor Countries Initiative (HIPC).

*SMALL and micro-enterprises in Guyana* are most likely to be among the beneficiaries of the Regional Development Fund being set up by the Caribbean Community (CARICOM). Deputy Secretary-General of CARICOM, Ambassador Lolita Applewhaite, in her keynote address at the 3rd Annual General Meeting of the Small Business Development Finance (SBDF) Trust yesterday, said Guyana has already been identified as one of the disadvantaged countries to benefit from the fund. The AGM was held at the Tower Hotel, Georgetown. The fund becomes operational

on a date to be decided by Finance Ministers of the region at a meeting to be held early this month.

*Loans from the Small Business Development Finance (SBDF)* coupled with the passion to succeed are the ingredients helping to make big differences in the everyday lives of some Guyanese. The SBDF is a non-governmental organisation established to give small entrepreneurs the chance to apply their skills to tackle poverty and build their future. The loans that they offer are retail micro lending, housing loans and consumer loans. The economic activities that they cover are retail trading, services, tourism, export finance, aquaculture fish development and craft.

*President Bharrat Jagdeo* has announced that \$100M would be allocated to upgrade the roads linking Regions Eight (Potaro/Siparuni), Nine (Upper Takutu/Upper Essequibo) and 10 (Upper Demerara/Berbice) and make life easier for the hinterland population.

*Health care in Region One* (Barima/Waini) will be significantly improved with the expansion of the Mabaruma District Hospital to the tune of \$98.3M. The contract for the new facility, which will include four expanded wards with 36 beds for in-patients, an X-ray department, operating theatre, delivery room and other supporting departments, was signed yesterday at the Ministry of Health, Brickdam, Georgetown.

*President Bharrat Jagdeo* has announced the establishment of a \$40M revolving loan fund for teachers countrywide. The Government Information Agency (GINA) said he made the announcement while addressing teachers Friday at the Kuru Kururu Primary School during a Cabinet Outreach to Region Four (Demerara/Mahaica). According to the agency, Mr. Jagdeo said the decision was

made following discussions with officials of the Guyana Teachers Union (GTU) and the Ministry of Education.

*The East Bank of Demerara will have its first town when developmental projects are completed in the new housing schemes of Diamond, Grove and Kaneville. This announcement was made yesterday by President Bharrat Jagdeo during the Cabinet Outreach to East Bank Demerara, Region Four. The President visited Kaneville and Grove. “I am very excited about the development in this area: the new Diamond housing scheme, Kaneville and Grove. This area is going to grow into a township. We are spending about \$2B in this area,” he told residents at the community meeting at Kaneville.*

*The government has allocated \$200M to fund significant repairs to the road and bridges along the Linden to Lethem route, although a private company has the contract to maintain the access from Region 10 (Upper Demerara/Berbice) to Region Nine (Upper Takutu/Upper Essequibo).*

*Final works are under way on the bypass route at Drill along the East Coast Demerara Public Road at Mahaicony, the Government Information Agency (GINA) reported yesterday. Paving the surface is finished as stipulated in a US\$2.1M contract, which is part of the US\$22M Mahaica to Rosignol Road Rehabilitation Project.*

*Progress on the Skeldon Sugar Modernisation Project (SSMP) at Corentyne, Berbice, is on schedule for the start of electrical generation next year and commercial production of the grains in the first 2008 crop, the Government Information Agency (GINA) has reported. At least 300 Guyanese and Chinese nationals are employed in the SSMP construction which is being executed by the Government at a cost of US\$110M.*

*The Government of Guyana, Guyana Power and Light Inc. (GPL) and U.S.-based Synergy Holdings Inc., are moving closer to realising a “national aspiration” which entails development of a multi-billion-dollar, 100 MW hydro-power station at Amaila Falls. This development of the Amaila Falls Hydropower Project, located in the West Central interior of Guyana, is estimated to cost more than US\$300M. The price for diesel has skyrocketed from US\$35 per barrel in 2003 to US\$91 per barrel in 2006, President Jagdeo said. Noting that at present, petroleum products form the primary source of energy in Guyana, he recalled that in 1994, petroleum imports accounted for some 16% of Guyana’s Gross Domestic Product (GDP) and this figure escalated to 25% of GDP in 2004.*

*Guyana and Japan yesterday formalised an agreement for some US\$5.6M (more than G\$1B) expected to ease current water woes especially by residents of Corriverton, Berbice. Foreign Trade and International Cooperation Minister, Mr. Clement Rohee and Charge d’ Affaires of Japan in Port of Spain, Trinidad, Mr. Kaoru Tsurita, signed the documents to formalise the grant agreement at a simple but significant ceremony in the main conference room at Takuba Lodge, Georgetown.*

*A Contract for the construction of a new \$1.3 billion Linden Hospital complex was signed yesterday, the Government Information Agency (GINA) reported. The project will replace the existing 80-year old structure and enhance health care delivery throughout the mining town and the rest of Region 10 (Upper Demerara/Berbice), the agency said. The signing ceremony was attended by senior Government and health sector functionaries, including Prime Minister Samuel Hinds.*

*More funding for the Guyana Elections Commission (GECOM) has been approved*

by Cabinet in the run-up to the August 28 voting. At its Monday meeting, Head of the Presidential Secretariat and Secretary, Dr Roger Luncheon said Cabinet gave its ‘no objection’ for \$226,891,375 to be expended for the general elections, the Government Information Agency (GINA) reported.

*Returning Guyana to economic viability*, after taking over the reigns in 1992 when the Guyanese economy had virtually collapsed and in a state of bankruptcy, is probably the single biggest achievement of the People’s Progressive Party/Civic (PPP/C) administration over the past 14 years, according to President Bharrat Jagdeo. “That is a big success story (but) we don’t pay enough attention to it...it is probably the biggest success story of the PPP – restoring the country to economic viability,” the President told a news conference yesterday at the PPP/C’s Freedom House headquarters. “For the first 10 years of the years that we have been in office we were paying more in debt servicing than we were receiving in loans and grants combined, so we basically in the first 10 years managed the country on our own resources,” the Guyanese Head of State said.

*The government is expecting that the prices being paid for cement will be significantly reduced*, shortly, following a response from Venezuela to a Guyana request for a supply of the commodity. Cement should be retailed presently for about \$1,300 a sack, President Jagdeo said, noting that the shortage, which has been fluctuating for a long time, is causing significant delays in many Government projects.

*The Guyana Bureau of Statistics has reported that the downward trend in the movement of prices in April this year continued into the month of May which recorded a 0.1% decrease in the level of prices of consumer items monitored in the*

Urban (Georgetown) Consumer Price Index (CPI) basket of goods and services. The price index value accordingly moved from 215.8 in April to 215.5 in May, the Bureau of Statistics said.

*Chief Executive Officer (CEO) of GO-Invest*, Mr. Geoffrey Da Silva has found that Berbice businesses have moved to a higher level of competitiveness. Making the pronouncement last Friday, at the opening of the Berbice Exposition and Trade Fair 2006, he said the event was a signal of such an achievement. Da Silva added that national trade fairs and expositions staged here and abroad, over the past four years, proved to be outstanding successes in attracting investment and promoting more exports.

*Acting Agriculture Minister, Mr Harripersaud Nokta* has announced that the Government has received a grant of 2.7 million euros (G\$5 billion) from the European Union to help bolster the competitiveness of the local rice industry. He told scores of rice farmers at Anna Regina on Essequibo Coast that the funding was made available after generous consideration, on the basis of good management of the country.

*The way forward on the installation of a sugar refinery in Guyana was discussed last week at a Cabinet sub-committee meeting*, according to Minister of Foreign Trade and International Cooperation, Mr. Clement Rohee. Among those present at the meeting last Tuesday were President Bharrat Jagdeo and Chief Executive Officer of the Guyana Sugar Corporation (GUYSUCO), Mr. Nick Jackson. Rohee stressed that sugar, despite the many constraints and challenges it faces both internally and externally, still has a bright future in Guyana.

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***Bureau of Statistics  
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