



Statement of the IDB Governor for the Cooperative Republic of Guyana

The 43rd Annual Meeting of the IDB Board of Governors
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(English)

**H.E. Dr. Bandar M. H. Hajjar, President of the Islamic Development Bank,
Distinguished Governors,
Alternate Governors and Members of Delegation,
Distinguished Invited Guests,
Ladies and Gentlemen.**

I am honoured to address this 43rd Annual Meeting of the Board of Governors of the Islamic Development Bank. The Government and People of the Cooperative Republic of Guyana send you warm wishes for a successful meeting. I would like to thank the Republic of Tunisia for hosting this meeting, and for the warm welcome and gracious hospitality. I extend compliments, too, to the Islamic Development Bank for the excellent arrangements made and the successful organisation of this meeting.

This is my third opportunity to address this august gathering, since Guyana's formal induction into the Bank's fraternity, in 2016. I am doing so when there is cautious optimism about the outlook of the global economy.

According to the IMF's World Economic Outlook (*WEO*), *January 2018*, global economic activity continues to firm up. Global output is estimated to have grown by 3.7 percent, in 2017, slightly higher than in 2016. The increase in growth was broad based, with a notable upsurge in Europe and Asia. This improvement has allowed for the revision in the forecasts for 2018 and 2019, to 3.9 percent, an increase of 0.2 percentage points.

Guyana is strategically and geographically located within Latin America and the Caribbean, where recovery is expected to strengthen, with growth projections for 2018 and 2019 being revised upwards to 1.9 percent and 2.6 percent, respectively. Also projected is an 11.0 percent rise in Latin American exports coupled with price hikes of commodities like oil and minerals. These forecasts account for the improved economic scenarios for Chile, Brazil, Peru and Colombia, which are expected to see the biggest increase in growth across Latin America from 2017 to 2018. In spite of this improved outlook, the region still faces several challenges, including climate-related catastrophes, as was so horrifyingly demonstrated by Hurricane Irma, and a plethora of other tropical storms of increasing intensity, frequency and severity. So even while we are excited about the possibilities that can be realised from this outlook, we remain vigilant to any unexpected shocks.

Since its assumption to office, my Government has been steadfast in its resolve to ensure growth in the economy. That resolve has resulted in economic growth averaging about 3 percent, between 2015- 2017. This growth was achieved at a time when many of our neighbours were facing low or negative growth rates and reduced standards of living. Guyana continues to rise to the challenges by fostering conditions and creating opportunities for renewal and expansion in the economy, so that the "Good Life" can be secured for all Guyanese. It is what we promised to the people of Guyana and to our partners who expressed hope in our leadership; and it is what my Government has been pursuing, relentlessly, as its mandate.

My Government has and continues to concentrate on a number of key strategic approaches for the economic well-being of our country. These include:

- a. Strengthening national planning;
- b. Building a robust oil and gas industry;
- c. Consolidating the macroeconomic fundamentals;
- d. Fostering Economic diversification;
- e. Strengthening private sector capacity and its involvement in national development;
- f. Diversification of the agricultural sector;
- g. Investing in human and social development;
- h. Development of climate resilient infrastructure; and
- i. Pursuing equitable growth in a green development agenda.

Mr. Chairman, Guyana has embarked on the formulation of a Green State Development Strategy that will stand as a living example of our country's commitment to this planet we call Earth. Our Green State Development Strategy will ensure sustainable growth with equity that redounds to the economic well-being of every citizen. It could become, quite possibly, a model for other like-minded economies.

The Strategy is being fashioned through a collaborative and consultative process, and will be costed to inform future financing streams for the country. It will allow our people an opportunity to shape the scope and scale of our development priorities, given our existing and future resource flows. My Government will continue to assess the economic tides and employ timely policy measures to correct imbalances and mitigate negative effects that could stymie growth. In this regard, we aim to strengthen our analytical capability to determine the macroeconomic effects of various policies and interventions employed to grow our economy. Through the continued partnership with our multilateral partners and, specifically, with our growing engagement with the Islamic Development Bank, my Government is very enthusiastic about the full realization of our development agenda.

Mr. Chairman, Guyana has recently adopted a Public-Private Partnership (P3) Framework, which we recognize has the potential to expand the resource envelope for public sector investment in a prudent, efficient and effective manner. This Framework provides a structured platform for local and external private sectors to meaningfully engage with Government to achieve economic development.

Agriculture continues to be a major contributor to growth and expansion in our economy. In this regard, the Government has leveraged the inter-locking capacity of the Bank, and is currently in an advanced stage of designing a Reverse-Linkage Project with the Malaysia Agricultural Research and Development Institute (MARDI), which will assist in updating Guyana's expertise and technology in rice production. This project will support the introduction of innovative rice varieties that are more resilient and will significantly increase rice yields per acre. I would like to thank the Bank and the Government of Malaysia for the efforts being made to make this endeavour a success.

My Government continues to be proactive in the promotion of non-traditional agricultural products, new technologies and supporting infrastructure, with the ultimate goal of enhancing national production and productivity. These efforts will not only ensure national food security, but, also, substantially transform the cost structure and competitiveness of our agriculture sector.

With the Bank's continued support as a financing mechanism and provider of technical expertise, we are optimistic about the sector's growth.

Mr. Chairman, human capital development plays a critical role in long-term productivity and growth at both micro and macro levels of any nation. As a consequence, My Government, in partnership with the Bank, has programmed a project to improve national education at the primary and secondary levels. This project will embrace the Inquiry Based Science and Mathematics Education (IBSME) approach. It will also make use of UNESCO's Global Micro-Science Experiments programme and supporting mathematics kits and will lead to the integration of mathematics through science lessons. This effort will raise the level of scientific and mathematical literacy among teachers and students while supporting a learner-centered environment.

Mr. Chairman, another critical aspect of human development is that of harnessing, caring and paying homage to a nation's elderly populace. In 2017, the minimum standards for elderly residential care facilities were completed and enacted in Guyana. Concurrently, the Government approached the Bank for its support and assistance to design a project which will modernize and upgrade the facilities of the Palms Geriatric Facility. The project is expected to procure equipment and furniture. It will also result in the provision of enhanced medical care.

Such a "quick win" project, Mr. Chairman, is welcomed by the Government, not only for its demonstrative socio-economic impact and benefits, but, also, as evidence of the concretizing of the partnership between the Bank and our country. Indeed, since I last had the honor of addressing this forum, there has been notable progress in our relationship. The Bank fielded a programming mission, in December 2017, where a work programme for the three-year period, 2018-2020, was formalized. Financing and technical assistance, of about US\$900 million, will be directed to key development areas, including economic infrastructure, rural development, human development and trade and competitiveness.

Mr. Chairman, I'd like to conclude my address by reaffirming my country's resolve to further strengthen its cooperation with the Bank and fellow member countries. It is quite evident that our joint efforts can go a long way in bringing about socio-economic stability and prosperity in Guyana, which can redound to the benefit of the Latin American and Caribbean Region. Guyana remains hopeful for its future and grateful for the Bank's support.

I thank you!