

U4 Expert Answer



Overview of corruption and anti-corruption in Guyana, with reference to natural resource sectors

Query

We would like to learn more about the situation of corruption and anti-corruption in Guyana. With respect to corruption: What kind of corruption takes place in the country, which sectors are especially prone and who are the major actors? Our primary interest is in natural resource sectors, in particular forest and mining. With respect to anti-corruption: What are the major anti-corruption activities taking place now, what are the major programmes, who are the major actors? Finally, what are donors doing on anti-corruption in Guyana?

Purpose

We have entered into cooperation with Guyana on REDD (Reducing Emissions from Deforestation and Forest Degradation). My agency has specifically been asked to undertake a risk assessment of the cooperation. Our knowledge on corruption and governance issues in general in Guyana needs to be strengthened.

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Summary

In Guyana, economic hardship, institutional weaknesses, criminal justice inefficiencies, as well as racial fractures in society provide fertile grounds for corruption. Although there is little data and research available on the country's state of governance and on corruption, all major governance indicators suggest high and deteriorating levels of perceived corruption in the country and the prevalence of both bureaucratic and political forms of corruption.

The scale of the informal and illegal economy is particularly notable, as it breeds criminal activities such as drug and human trafficking or illegal logging that are strongly associated with corruption and coercion.

While a series of laws and institutions have been established to tackle corruption, they face major implementation challenges due to lack of capacity, resources and trained staff. There is also little evidence of strong political will to effectively tackle corruption. Major bilateral and multilateral donors are present in Guyana, working particularly in the field of democratic governance.

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Date: 26 February 2010 **Number:** 234

Caveat

There are very few publicly available sources of information about corruption and anti-corruption in Guyana, beyond the major international governance indicators. This answer is mainly based on anecdotal evidence, reports and media articles that mention corruption in very general terms. A comprehensive risk assessment of corruption risks would require more in-depth research and in-country data collection.

1 Overview of corruption in Guyana

Background on Guyana:

Guyana (formerly known as British Guiana) is a small country of approximately 770,000 people, mostly composed of the descendants of immigrants who came to the country from India and Africa (either as enslaved or indentured labourers) and a minority of indigenous people. The country achieved independence from the UK in 1966 and became a republic in 1970, remaining a member of the commonwealth. The two major political parties – the People's Progressive Party (PPP) and the People National Congress (PNC) - are ethnically and racially polarised. In 1992, Cheddi Jagan was elected president in what is considered the country's first free and fair election since independence. The current president, Bharrat Jagdeo was elected in 1999 after the resignation of President Janet Jagan and re-elected in 2006. The country is one of the poorest in the world in terms of GDP per capita, with a state-dominated economy mainly based on agriculture and mining. The country's economic development has been challenged by a shortage of skilled labour, infrastructure deficiencies and, until recently, sizable external debt.

Extent of corruption

Very little is known about the extent, patterns and actors of corruption in Guyana beyond data provided by the major international governance indicators and indices, and anecdotal evidence.

All major governance indicators identify corruption as widespread, permeating all sectors of Guyanese society. Guyana scored 2,6 on a scale of 0 (highly corrupt) to 10 (highly clean) in Transparency International's 2009 Corruption Perceptions Index (CPI), ranking 126 out of the 180 countries assessed, suggesting widespread and endemic forms of public sector corruption.

The World Bank's **Worldwide Governance Indicators** confirm this picture to some extent: Guyana performs below average in terms of control of corruption, with a score of 37,2 in 2008 compared to 42,2 in 2003. Except for government effectiveness, which has remained stable with a score of 49,3 in the last few years, the country's performance has declined in all other areas of governance measured by the World Bank, especially on indicators of rule of law (27,8 in 2008 against 37,2 in 2003), regulatory quality (31,9 compared to 45,4 in 2003), political stability (26,3 compared to 33,2 in 2003) and voice and accountability (53,8 compared to 67,3 in 2003). Guyana also scores relatively poorly in the World Bank **2009 Ease of Doing Business Survey**, where it is ranked 101 of 183 nations.

The Heritage Foundation's **2010 Index of Economic Freedom** ranks the Guyanese economy 153rd freest in 2010, and 27th of 29 countries assessed in South and Central America, with a score of 48,4%. The country performs well below the world and regional averages in terms of freedom from corruption (26), and the Heritage Foundation's country report refers to weak rule of law and widespread corruption in all areas of law enforcement and government.

The **US Department of State 2009 Investment Climate Statement** also refers to corruption as widespread and to little evidence of political will to implement legislation passed on procurement or asset declaration. The **US State Department's Human Rights 2009 report** for Guyana confirms this view by stating that although the law provides for criminal penalties for official corruption, the government does not implement the law effectively. The report also reports a widespread public perception of serious corruption in the government, including in the law enforcement and the judicial system.

The World Economic Forum's **Global Competitiveness Report 2008-2009** ranks Guyana 115 out of 134. The report identifies corruption as one of the major obstacles for doing business in the country along with crime and theft, tax rates, inefficient government bureaucracy, untrained workforce and lack of access to affordable financing.

Guyana is not ranked in the Milken Institute Capital Access Index, the Bertelsmann Transformation Index or the Failed State Index compiled by Foreign Policy Magazine and the Fund for Peace.

Forms of corruption

Corruption in Guyana occurs in a general context of economic hardship, institutional weakness, criminal justice inefficiencies, and racial fractionalisation of society. Guyana belongs to one of the poorest countries in the region, with an economy mainly based on agriculture and mining. Sugar, bauxite, rice and gold account for 70–75% of export earnings. Falling sugar cane prices and a need for greater foreign investment have led the government to pursue economic development of forests, leading to widespread deforestation and pollution in some areas.

Bureaucratic corruption

In spite of above-mentioned high levels of perceived corruption, the Helpdesk has not found many reports or studies documenting the scale of petty and bureaucratic corruption in Guyana. Some reports and surveys mention that low-wage public servants are vulnerable to corruption and are easy targets for bribery. However, while civil servants are known to be underpaid in Guyana, with public sector salaries typically lower than those in the private sector, no recent figures or empirical data supports this statement.

In 2000, a **World Bank public officials' survey** confirmed that 82% of officials found that their salaries were not sufficient to pay their living expenses. As a result, they tend to rely on other sources of income to sustain their living standards, such as remittances from relatives abroad, or small parallel business ventures. Corruption was not excluded by the survey findings as a possible source of additional income. Moreover, risks associated with indulging in corruption seem to be rather low. While 92% of all surveyed officials believed that corruption was significant in the public sector, only 9% reported having known of any official being disciplined for embezzlement.

Officials in regulatory agencies (such as the Land Registry, the Supreme Court Registry, Customs and Excise, the Births and Deaths Registry and licensing agencies) were perceived to have more opportunities for corruption than those in service delivery agencies (such as hospitals, educational institutions) or in public procurement positions. Public officials also believed that corruption was more likely to be prevalent to evade taxes and customs duties, and avoid harassment by police or regulatory bodies (World Bank, 2000).

In spite of rather poor and declining performance in the **World Bank and IFC Doing Business Survey 2009** (ranked 101st out of 183 economies), Guyana tends to

score better than the regional average in terms of its regulatory environment. The **World Bank's 2004 Enterprise Survey** also suggests that, while 20% of firms report being expected to make informal payments to public officials to get things done, significantly fewer report being expected to give gifts to get an operating licence, secure a government contract or when meeting with tax officials.

Political corruption

The Guyanese media occasionally denounces rampant corruption in the highest spheres of the political and administrative systems, suggesting widespread forms of political corruption. But evidence of specific cases has proved challenging to unearth within the timeframe of this query. An article published in August 2009 reports that the return of electoral democracy in the country has been accompanied by persistent charges of official corruption, with government involved in various forms of corrupt practices, such as misappropriation of public funds, steering of government contracts to party supporters or underground involvement with criminal groups (Stabroek News, Hinds D., Westmaas N and Trotz A., 2009).

While this article does not provide specific examples to substantiate this statement, the WEF's Global Competitiveness Report 2008-2009's indicators seem to corroborate this view by reporting on favouritism in official decisions and on undue influence undermining public trust of politicians.

The Helpdesk has not found evidence of political corruption in the form of vote buying or political finance scandals. In the last election, conducted on August 28, 2006, President Jagdeo won 54.6% of the vote through an election that was deemed to be free and fair. Freedom House classifies Guyana as "free" and an electoral democracy, (Freedom House 2009 a).

However, the Freedom House's 2006 country report also mentions that, in the absence of public financing, the issue of campaign financing remains largely contentious in the country. Candidates routinely raise funds from individuals, corporations and interest groups that expect to benefit from government favours or influence policies in their favour. Drug money is also apparently becoming an increasing source of funding for political parties and leaders in the country (Freedom House, 2006).

Sectors most affected by corruption

Financial management and public procurement

While the budget process is open to legislative review, government contracts and the management of foreign aid lack transparency and efficiency. In December 2004, transparency improved when amendments to the Parliamentary Standing order allowed meetings of the public account committees to be opened to the public (Freedom House, 2006).

In terms of financial management, Guyana's national audit reports point to numerous irregularities and unaccounted-for payments. These include several million paid for medical supplies that hospitals could not account for or for arms that have not been delivered, overpayments on various contracts, opaque bidding processes, and irregularities committed by staff from the Guyana Revenue Authority. This evidence suggests regular instances of petty and grand forms of corruption in the management of public resources.

The World Bank's 2004 Enterprise survey found that "only" 8,3% of firms were expected to give gifts in order to secure a government contract (compared to a regional average of about 15%). However, corruption in public procurement is believed to be common practice and is mentioned in most reports as a major concern in the country. The latest published audit report refers to several cases of questionable procurement processes, resulting in uncompetitive bidding or delivery of substandard equipment.

Judicial corruption

The law provides for an independent judiciary and the 2008 US Department of State Human Rights report estimates that the government generally respects this provision in practice. However, the report also mentions occasional allegations of bribery.

The 2010 Index of Economic Freedom confirms that the Guyana judiciary is characterised by a shortage of trained court personnel and magistrates, inadequate resources and persistent bribery, which result in a backlog of cases, delays and inefficiencies, poor tracking of cases, etc.

Although judicial independence seems to be the norm, Freedom House 2006 reports that credible allegations of interference from the executive into judicial decisions have surfaced in recent years.

The informal economy

Levels of both petty and grand forms of corruption are likely to be greatly influenced by the size of the informal economy in the country, which is estimated at between 30 and 50% of GDP by the US State Department. Other sources such as Freedom House consider that it could be as high as 50 to 60% of GDP. In addition, the country has no capacity to effectively regulate its land borders, facilitating the smuggling of illegal goods.

According to the US Department of State's 2009 International Narcotics Report, Guyana is a **transit centre for cocaine** destined for North America, Europe, and the Caribbean. Weak border controls, inadequate resources for law enforcement, poor coordination among law enforcement agencies, and an overburdened and inefficient judiciary have made the country an attractive target for drug traffickers. The report further states that allegations of corruption are widespread, with the media routinely reporting of instances of corruption reaching to high levels of government that remain un-investigated. However, the report further mentions that no conclusive evidence is available to substantiate these claims. Similarly, while analysts believe that drug traffickers elude law enforcement agencies through bribes and coercion, substantive information remains anecdotal at best.

Other sources also report that **diamond smuggling** is another form of illicit activity in Guyana, with illegal diamonds flowing from Venezuela and Brazil into the country. In June 2008, the Kimberley Process Certificate Scheme that monitors the trade in and certifies the origin of rough diamonds called for Venezuela's immediate expulsion from the 75-nation government system because of evidence of widespread smuggling of diamonds into Guyana. (Estandard Forum, 2008).

Guyana was placed in 2008 on the US Department of State's Tier 2 Watch List for **Trafficking in Persons**. The report states that while government has taken measures to promote public awareness on human trafficking and established an anti-trafficking hotline, greater victim assistance needs to be provided along with other measures.

2 Overview of corruption in natural resource management

Traditionally reliant on sugar cane, the country's economy has recently turned to the extraction of primary resources including timber, mineral and metals to compensate from falling sugar prices.

Corruption in the mining industry

Mining is taking an increasingly significant role in Guyana's economy, with bauxite and gold mining counting among the major industries. A 2007 report on gold mining indicates that weaknesses in the political and judicial systems, resource constraints and gaps in mining regulations create major enforcement challenges and contribute to high levels of corruption and poor revenue collection (International Human Right Clinic, 2007).

The report indicates that the regulatory system for mining relies on the work of a handful of underpaid mine officers for the inspection and administration of thousands of mining operations. Low wages and heavy responsibilities make these officers highly vulnerable to corruption. A general lack of resources and capacity further compromises the effective oversight of small and medium scale activities that represent the vast majority of mining operations in the country. As a result, it is estimated that 30 to 80% of gold revenues escape the country without being taxed, largely due to underreporting of income from these small and medium scale operations.

Illegal logging

Guyana is scarcely populated and mainly covered by forest upon which it increasingly relies for economic development. Corruption is widespread in the forestry sector and illegal logging is known to be a major cause of deforestation. In December 2009, Global Witness declared Guyana a "high risk" country for corruption and called it to tackle corruption effectively if the Low Carbon Development Strategy pursued by President Jagdeo is to succeed. Guyana recently signed an

agreement with Norway worth up to USD 250 million over the next five years.¹

The magnitude of illegal logging in Guyana is difficult to assess because little information is in the public domain. In 2006, the World Bank conducted a rapid assessment of law compliance and control of illegal activities in the forestry sector in Guyana and concluded that illegal logging and non-compliance do occur in the country, apparently perpetrated by small operators from rural communities to counteract poverty (World Bank, Clarke G., 2006). The report mentions that the legislative, policy and regulatory frameworks are considered to be well developed and effective in encouraging legality and best practices. However, it also notes a lack of resources among regulatory agencies to fully enforce the law.

Other analysts, however, argue that the state allows the forestry management regulation to be ignored or to be used selectively against loggers who lack political influence. Fieldwork conducted in Guyana in June and July 2006 exposed widespread failures and extensive corruption in the sector, while President Jagdeo was claiming in October 2007 that "*Guyana's log harvesting procedures are among the best in the world*" (Chatham House, Bulkan J. and Palmer J. 2006 and 2007). The report lists doubtful or illegal practices as well as inadequate policies and procedures that compromise effective and transparent forestry management.

According to the author², the Guyanese Forestry Commission misuses procedures to impose fines which are negligible for large-scale loggers and can be crippling for small scale loggers. In addition, weaknesses among the judiciary and law enforcement authorities make the chances of detection, prosecution and conviction very low. At the time of the report, there had been no open-court, cross-examined prosecutions for illegal logging and other forest crimes in several years.

The logging industry in Guyana is dominated by large firms, including multinationals such as the Korean/Malaysian Barama Company, which owns the largest number of timber concessions. This company

¹ Norway will provide financial support to Guyana in proportion to the country's success in limiting emissions from deforestation and forest degradation.

² Interview with Janette Bulkan:
<http://rainforestsofnewyork.net/city-projects/greenheart>

has earned a reputation for alleged corruption, crime and human right violations.³ In 1991, Barama was granted by the government a 50-year 1.7 million ha concession, which was encouraged by both the World Bank and IMF. The company (followed by other logging firms) benefited from extremely favourable conditions in terms of tax and royalties and was granted the right to log lands that had been inhabited by indigenous communities. At the same time, illegal chainsaw logging saw a rapid expansion and the government effectively lost control over the forestry sector (taken from [Illegal Logging info's website](#)).

Over the past 10 years, there have been efforts to address this situation and tackle environmental and forestry issues in the country. For example, the current law makes provisions to compensate timber companies for leaving an area of forest untouched by logging. The rates of harvesting and deforestation in Guyana have allegedly decreased and logging companies claim to be operating sustainable forest management. However, there are continuing allegations of underhand dealings and financial irregularities by mainly Asian logging companies (such as Barama) and the forestry authorities.

In 2007, the Barama's certificate for quality forest management was suspended by the conformity assessment body, SGS Qualifor. A second 2008 conformity assessment concluded that the company was still far from certification. In October 2007, after years of denial, the Guyana Forestry Commission was forced by the president to impose a fine on the company for a series of forest crimes, including misuse of timber tags. The company's monthly illegal earnings were believed to reach USD 3-5 million through mis-declaration of log exports. In spite of repeatedly failing to operate at the standards required for responsible forest stewardship, the company was endorsed both in 2007 and 2009 by the Guyana Forestry Commission.⁴

³ Interview with Janette Bulkan:

<http://rainforestsofnewyork.net/city-projects/greenheart>

⁴ *Guyana government gives full support to its largest most corrupt logging corporation:*

<http://forestpolicyresearch.org/2009/01/21/guyana-gov-gives-full-support-to-its-largest-most-corrupt-logging-corporation/>

3 Anti-corruption efforts in Guyana

Public initiatives against corruption

General background

The country's political context remains characterised by tense relations between the ruling PPP and the opposition, as well as a rising crime rate that undermines the security situation.

In spite of this fragile political climate, the government largely respects freedom of the press. Several independent newspapers operate freely, including the daily *Stabroek News*. There are three privately owned television stations, though the government operates the only radio station. Freedom House classifies Guyana as "free" and an electoral democracy. Freedom of religion, assembly and association are also respected. Workers are allowed to form and join labour unions. The primacy of the rule of law in civil and criminal matters is also largely respected (Freedom House, 2009).

Anti-corruption legal framework

The law provides for **criminal penalties for official corruption**. Several laws cover various aspects of corruption, including the Integrity Commission Act, the Fiscal Management and Accountability Act, the Audit Act, and the Criminal Law Enforcement Act. Implementation of these laws is reported to be uneven due to institutional weaknesses, criminal justice inefficiencies, and a lack of resources, capacity and political will.

A **Public Procurement Act 2003** regulates public procurement. However, an assessment commissioned in 2007 by the Ethnic Relations Commission found that openness and transparency could be improved. Areas that require particular attention included: the process for awarding contracts, the composition of the Bid Protest Committee, the lack of operational rules or mandatory guidelines in terms of documentation, and technical specifications and processes. Gaps have also been identified with regard to provisions regulating conflict of interests and declarations of interest made by procurement officials (Ethnic Relations Commission, 2007).

Public officials are subject to **financial disclosure laws** and are required to submit information about personal assets to the Integrity Commission. But compliance has

been uneven and the commission lacks resources to effectively enforce asset declaration provisions.

The law does not provide for **public access to government information**. Government officials usually fear to provide public information without approval from senior administration officials.

In terms of **money laundering provisions**, the Money Laundering Prevention Act 2000 designates entities with specific anti-money laundering and reporting obligations. A recent Anti-Money Laundering and Countering of Terrorism Act 2009, assented to by the president, included lawyers in this list. Additionally, the Act also designates the Financial Intelligence Unit (FIU), which operates within the Ministry of Finance, as the primary authority responsible for handling suspicious reports.

Guyana is a state party of the Inter-American Convention against Corruption, United Nations Convention against Transnational Organized Crime, and a recent signatory of the United Nations Convention against Corruption. Guyana is also a member of the Caribbean Community (CARICOM), an organisation of Caribbean nations whose main purpose is to promote economic integration and cooperation among its members, including the coordination of economic policies and development planning.

The first and second round reviews of the implementation of the Inter-American Convention against Corruption made a few recommendations to improve the legal anti-corruption framework, including strengthening the implementation of provisions on assets and income declaration, conflicts of interest, public officials' corruption reporting obligations, and approving legal provisions supporting access to information. While some corrective action has been taken, there is still some way to go in addressing these issues (Committee of Experts on the Follow up to the Implementation of the Inter-American Convention against Corruption, 2009).

The anti-corruption institutional framework

The government's efforts to promote greater accountability in the management of public resources have mainly consisted in having annual audits of government accounts conducted by the Office of the Auditor-General and in establishing an Integrity Commission.

The **Office of the Auditor** general conducts audits of public accounts, entities and projects assigned by the Audit Act. Reports are examined by the parliaments' Public Account Committees and ultimately published on the Auditor General's website.

The **Integrity Commission** was created in 1997 with the specific mandate of fighting corruption. In particular, the Integrity Commission is the body designated to receive public officials' asset declarations. However, its establishment was long delayed and, according to the Guyana Fiduciary Oversight Project, the commission still lacks resources to operate effectively. It is reported to be largely ignored by many public officials, as indicated by challenges met by the commission in enforcing the asset declaration regime. Some concerns have recently been expressed with regard to its independence (Stabroek News, 25.01.09).

The **Office of the Ombudsman** is provided for in the country's constitution. When the former Ombudsman left office in 2005, the position remained vacant for more than three years. An investigation into the matter found the government had nevertheless continued its budgetary allocation to the office of the Ombudsman during this time, spending over USD 42 million (Stabroek News, 2008). The Helpdesk has not found recent information on the current state of affairs on this matter.

The **National Procurement and Tender Administration Board (NPTAB)** has been established by the Procurement Act 2003. The NPTAB is responsible for exercising jurisdiction over procurement matters. Members of this board are appointed by the Minister of Finance. The Constitution of Guyana also provides for the establishment of a Public Procurement Commission to oversee the NPTAB in order to ensure procurements that are fair, transparent, competitive and cost effective. However, according to the US Department of State 2009 Investment Climate Statement, this has still not been established by parliament.

As part of anti-money laundering institutions, a **Financial Intelligence Unit** has been established in the Ministry of Finance as the primary authority responsible for handling suspicious reports. It consists of a Director who is the chief executive officer and also includes an attorney-at-law, an accountant and other personnel trained in financial investigation. The functions of the Financial Intelligence Unit include the powers to request, receive, analyze and assess reports

of suspicious transactions and other information issued by reporting entities. The FIU is also given awareness-raising and education functions. The FIU is empowered to issue anti-money laundering guidelines to reporting entities and to impose a range of civil sanctions for entities that breach their AML obligations.

Civil society participation

The first round of review of Guyana's implementation of the OAS Convention against Corruption specifically recommended that Guyana develop standards, procedures and mechanisms supporting more systematic consultation and participation of civil society in public administration (Committee of Experts on the Follow up to the Implementation of the Inter-American Convention against Corruption, 2009). Judging by Guyana's 2009 progress report on the implementation of these recommendations, no specific measures have been taken in this direction. The Helpdesk has not found evidence of special civil society driven anti-corruption interventions.

In the environmental sector, civil society faces similar challenges of participation. A 2006 report on citizen participation in the environmental impact assessment process in Guyana concludes that, although the Environmental Protection Act is explicit with regards to citizen participation, the modalities by which they can effectively participate operate less than optimally (Bynor, M.L., 2006).

The United Nations' Public Administration country profile mentions potential social partners that could be involved in future anti-corruption activities, including:

- a non-partisan, multiracial lobby group consisting of leaders of the **Guyana Bar Association** (GBA),
- the **Private Sector Commission** (PSC)
- the **Guyana Trades Union Congress** (GTUC),

These actors have consistently called on politicians and parties to focus primarily on issues of economic and social development. They have also drawn the main political parties into compromise and encouraged them to make room for civil society in political debate and economic policy-making.

The **Guyana Human Rights Association** (GHRA) is another key body in the defence of human rights, well known for its monitoring of action by the government

and political parties, and also for its human rights-focused public education work (United Nations, 2004).

Donor anti-corruption initiatives

Though few specific interventions are extensively documented, many multilateral and bilateral donors are present in Guyana and are active in the field of democratic governance. This potentially provides future entry points for specific governance and anti-corruption programmes. Examples of donors' priority areas of action in Guyana are described below. The World Bank endorsed in May 2009 a new Country Assistance Strategy (CAS) for Guyana that identifies two main strategic areas:

- Strengthening environmental resilience and sustainability by helping to establish pilot forest areas that are protected and sustainably managed by local communities;
- Improving education quality and social safety nets through reform of teacher training and better service delivery.

For more information on the World Bank's CAS, please see the [World Bank's website](#).

UNDP Guyana

Democratic governance is one of the thematic areas in which UNDP Guyana engages, with interventions aimed at supporting national and regional elections in partnership with the Guyana Election Commission, a Parliamentary Resource Centre in partnership with the Parliament Office and various community livelihood projects through local government bodies. Currently, UNDP supports media monitoring activities with a view to raising professional standards and promoting the implementation of the 2006 media code of conduct. Another "Community Youth in Governance Enhancement" project aims at strengthening core institutions of democratic governance at the local level by supporting youth participation in democratic processes. The "Enhanced Public Trust, Security and Inclusion" project aims at reducing social tensions by promoting participatory processes involving political leaders, civil society, government and international partners. For more information on UNDP's programs in Guyana, please see the [UNDP Guyana](#) website.

European Union

The EU Country Strategy Paper for the period 2008/2013 is aligned to the seven strategic

interventions expressed in the Guyana Poverty Reduction Strategy including:

- A sound macro-economic, trade, investment and business environment;
- Environmental protection;
- Stronger and better governance;
- Investment in human capital (with emphasis on basic education and primary health);
- Investment in physical capital (with emphasis on safe water and sanitation);
- Improved safety nets;
- Special intervention programs in high level poverty areas. (EU, 2008)

The Millennium Challenge Corporation

The Millennium Challenge Corporation (MCC) is supporting the country to develop and implement sound fiscal policies. In 2007, Guyana signed an agreement with MCC of USD 6.7 million for a program focused on reducing Guyana's fiscal deficit by improving its ability to collect revenue and better manage its budget. In particular, the program includes interventions aimed at increasing transparency and efficiency in public procurement processes, increasing Parliament's fiduciary oversight, supporting the Guyana Revenue Authority to deter tax evasion, etc. For more information on the program components, please see the [MCC's fact sheet](#).

USAID

The USAID Country Strategy for Guyana for 2009/2013 is centered on three key challenges: 1) stopping the spread of HIV/AIDS; 2) preventing visa fraud and illegal migration; 3) encouraging market-directed socially responsible growth; and 4) blocking the drift towards democratically sanctioned autocracy.

In the area of democracy and governance, the country strategy's objective is to consolidate democratic governance by promoting greater consensus among key stakeholders on issues of national interest, supporting an enabling environment for interaction among political parties, the private sector and civil society, and increasing the visibility of civil society.

CIDA

CIDA is also supporting the Guyanese government in introducing fiscal reforms, improving expenditure management systems and increasing its revenue collection capacity. For more information on CIDA's

strategy in the Caribbean region, please see the [agency's website](#).

NORAD

The major recent development in Norwegian development cooperation in Guyana is the partnership agreement signed by President Jagdeo and Norway's Minister of the Environment and International Development. Under this partnership, Guyana commits to accelerate its efforts to limit forest-based greenhouse gas emissions and protect its rainforest as a global asset. Norway will provide financial support in proportion to Guyana's success in limiting emissions. This is expected to enable Guyana to implement its low carbon development strategy at scale. Financial support from Norway will be channeled through a new fund, the Guyana REDD + Investment Fund (GRIF). Guyana's Ministry of Finance will be responsible for the GRIF's operations and an international financial institution will manage the funds in order to ensure national and international oversight of financial flows. (Norway Ministry of Environment, 2009).

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