

Roadmap for Guyana Post COVID-19 Pandemic

Proposed by the Private Sector Commission

June 2020

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Background

As Guyana recorded its first case of COVID-19, a number of unverified claims reported in the media of businesses inflating the prices of necessities needed to combat the Coronavirus Disease. In this regard, a press statement was release condemning these actions. The Private Sector Commission prepared an economic proposal designed to cushion to economic effects of COVID-19 which was the submitted to the National Task Force for consideration.

As the threat of the Coronavirus (COVID-19) induces public panic, resulting in the closure of several businesses, the PSC has noted with concern the very real possibility that a large number of persons may be without employment resulting in financial constraints. As such, the PSC took the initiative of establish a COVID-19 Relief/Assistance fund. This fund will be used to lend assistance to persons experiencing financial hardships. The bank account was established at Demerara Bank. The PSC is currently working to establish accounts at other local banks.

To apply for the aforementioned assistance, persons are asked to fill out a brief application form after which it will be reviewed for approval. The PSC has been conducting daily briefings to facilitate discussions on matters regarding the effect COVID-19 may have on Guyana's economy. At these briefings, a number of strategic proposals are made to enhance Guyana's health sector's ability to combat the virus. Attendees include Executives of the various Chambers, medical personnel and other key stakeholders. Recommendations were put forward by the PSC on the economic measures were implemented by the Ministry of Finance in terms of waiver VAT on medical items.

Discussions were also held with the Mayor of the City Council to implement a curfew and close, temporarily the market areas. These so far have been heeded to. The President also issued a comprehensive set of measures, which are fully endorsed by the PSC.

Guyana's Context

In light of the current political crisis (the elections fiasco) coupled with the COVID-19 pandemic, Guyana is now grappling with the effects – more so the economic impact on the economy. Businesses are shutting down; employees have been halved in some cases and the crisis would only worsen without a proper government in place to address these issues. Economic stimulus measures have been forthcoming by the Central Bank on the monetary side, while little has been implemented on the fiscal side. In these respects, the next nine months, Guyana is likely to experience its worst economic recession for the first time over the last two or three decades. As such, tremendous uncertainty lies ahead for the remainder of 2020 – also these events have only been compounded with a sharp dip in oil prices which means that the projected oil revenues for 2020 will drop from US\$300 million to under US\$100 million.

Countries around the world have responded to the crises engendered by the global pandemic – COVID-19, with appropriate economic rescue packages both on the monetary and fiscal side. The U.S government for example, recently approved a massive US\$ 2 trillion stimulus package to address the impacts on the economy.

In Guyana, the Central Bank has instituted regulatory relaxed measures to encourage the commercial banks to reduce interest rates on loans, defer loan payments for customers with good standing, waive and reduce fees and penalties, and restructuring of credit facilities. The Finance Ministry also instituted a few measures aimed at lending some amount of relief.

The question remains, however, are these measures sufficient to cushion the impacts of a crisis and for how long given the potential gravity of these crises. With this notion in mind, it is noteworthy to examine key economic indicators and contextualize some numbers under a few given scenarios. Assuming that Covid-19 is brought under some control over the next six to nine months and the political crisis is resolved within this time frame, the banking sector as of January 2020 has total liquid assets of \$163 billion of which \$93 billion represents the total reserves in the banking sector and \$40 billion of this sum constitute excess reserves.

Though the central bank has issued directive to the financial institutions to not classify loans during this period as non-performing, the current state of the non-performing portfolio is close to some \$30 billion. It goes without saying, therefore, that the existing portion of non-performing loans will only increase in value during a period of prolonged crisis. This \$30 billion then, already eats into the \$40 billion excess reserve – that is to say, the excess reserves in the banking system will evaporate in a period of nine months if the crisis period deepens. Another good indicator to examine the liquidity strength of the banking sector is the loan to deposit ratio.

This ratio shows a bank's ability to cover loan losses and withdrawals by its customers. It also indicates whether the bank has adequate liquidity to cover loans in the event of an economic downturn resulting in loan defaults. The loan to deposit ratio currently stands at 56% (total loans of \$254B / total deposits of \$457 B). An ideal ratio is about 80 – 90 % which means, if the local banking sector were to up this ratio to 90% - this will only translate to about \$155 billion, provided that all things remain equal, to inject into the economy in the form of loans to cushion and /or stimulate spending and investment in the economy.

State of the Economy

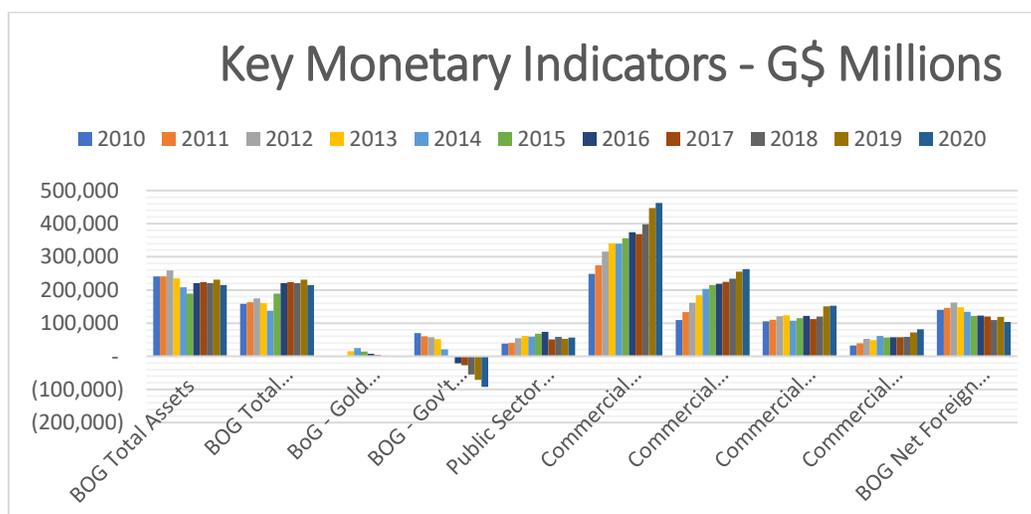
The economy recorded growth in real Gross Domestic Product (GDP) of 4.7 percent at the end of 2019. This growth rate was driven by increased production in gold, rice, other crops and enhanced construction and services activities. Conversely, there were lower production output of sugar, fishing, livestock, forestry and bauxite. The inflation rate increased to 2.1 percent at the end of 2019 on account of higher food prices from less than 2 percent in the previous year, while the exchange rate remained relatively stable at GY\$208.5 / US\$1.

In 2015 the Government's total deposit in the Central Bank stood at a surplus of \$15 billion, total public sector deposits in the commercial banks stood at \$68.2 billion giving rise to total Government deposit \$84 billion surplus in the banking system. The Bank of Guyana International Reserves stood at US\$595 million which represented almost five months' worth of import cover in reserves; at the end of 2014 total public debt stood at \$330 billion which includes external debt; and the overdraft on the Consolidated Fund (CF) at the end of 2014 stood at \$77 billion.

As at April 2020 the Government's deposit accounts at the Central Bank stood at a whopping \$92.4 billion as a negative/deficit balance from a surplus of \$15 billion in 2015. While bearing in mind that these deposit accounts over the last two decades had always recorded surplus balances as high as \$70 billion surplus in 2010. The public sector total deposits in the commercial banks stood at \$55.4 billion which would give rise – when taken together with the balance at the central bank to a deficit of \$37 billion or US\$177 million, compared to a surplus position in 2015 of \$84 billion or US\$403 million. The international reserves as at the end of February 2020 stood at US\$548 million which is equivalent to less than 2.5 months' worth of import cover – thus an indicator of a weaker position from almost 5 months equivalent in 2015.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
BOG Total Assets	240,418	240,564	259,487	234,655	207,977	188,778	220,375	223,632	220,258	230,817	214,694
BOG Total Foreign Assets	158,740	162,659	174,659	160,196	137,486	188,778	220,375	223,632	220,258	230,817	214,694
BoG - Gold Reserve	-	-	-	14,868	25,012	14,258	7,420	4,015	2,137	635	716
BOG - Gov't Deposit Accounts	69,718	60,785	57,279	52,146	21,417	(2,339)	(21,307)	(26,471)	(35,183)	(70,688)	(92,040)
Public Sector Deposits -Commercial Banks	38,350	40,401	55,118	61,244	59,667	68,179	73,409	50,679	58,782	52,891	56,360
Commercial Banks Total Deposits	248,129	274,121	315,716	340,461	339,308	356,411	374,346	368,739	398,593	447,308	462,325
Commercial Banks Total Loans & Advances	109,689	138,355	160,691	184,172	203,457	214,489	219,136	224,633	234,009	254,822	262,664
Commercial Banks Liquid Assets	105,036	109,980	121,094	124,030	107,163	114,813	121,602	111,929	120,265	150,582	152,627
Commercial Banks Net Foreign Assets	32,757	39,217	52,656	49,220	61,212	56,325	57,431	57,102	58,644	71,642	81,114
BOG Net Foreign Assets	140,363	145,695	161,675	147,805	133,965	122,080	122,502	119,887	109,460	119,556	103,772

Source: Bank of Guyana Reports

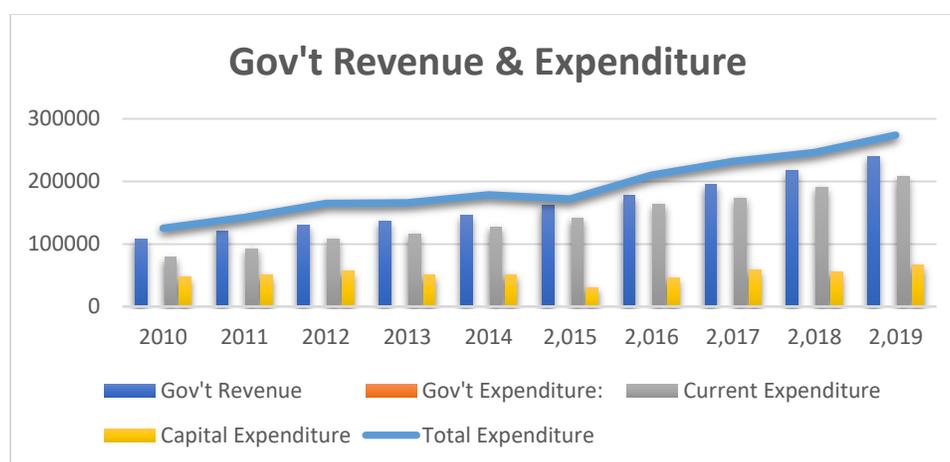


Source: Bank of Guyana Reports

Total public debt stood at \$354 billion by the end of 2018 representing an increase of \$24 billion from 2014, while the balance on the Consolidated Fund (CF) as of 2017 (the most recent publicly available data) stood at \$137 billion deficit from a position of \$77 billion in 2014 representing an increase of its deficit/overdrawn position by \$60 billion.

Government Revenue and Expenditure

Government revenue grew by \$133 billion or 125% over the last ten years (2010-2019) from a position of \$108 billion in 2010 to reach over \$240 billion by end of 2019. Government total expenditure grew by \$149 billion or 119 % from a position of \$125 billion in 2010 to reach \$274 billion by end of 2019. However, capital expenditure contracted over the last five years when compared to the previous five years (2010-2015), wherein, capital expenditure only increased by 42% or \$19.6 billion over the last ten years while current expenditure increased exponentially to reach \$207.6 billion from \$78 billion in 2010 or by \$129.2 billion, representing an increase of 165%. In 2010, capital expenditure accounted for approximately 40% of total Government expenditure and by the end of 2019, capital expenditure accounted for less than 25% of total Government expenditure.



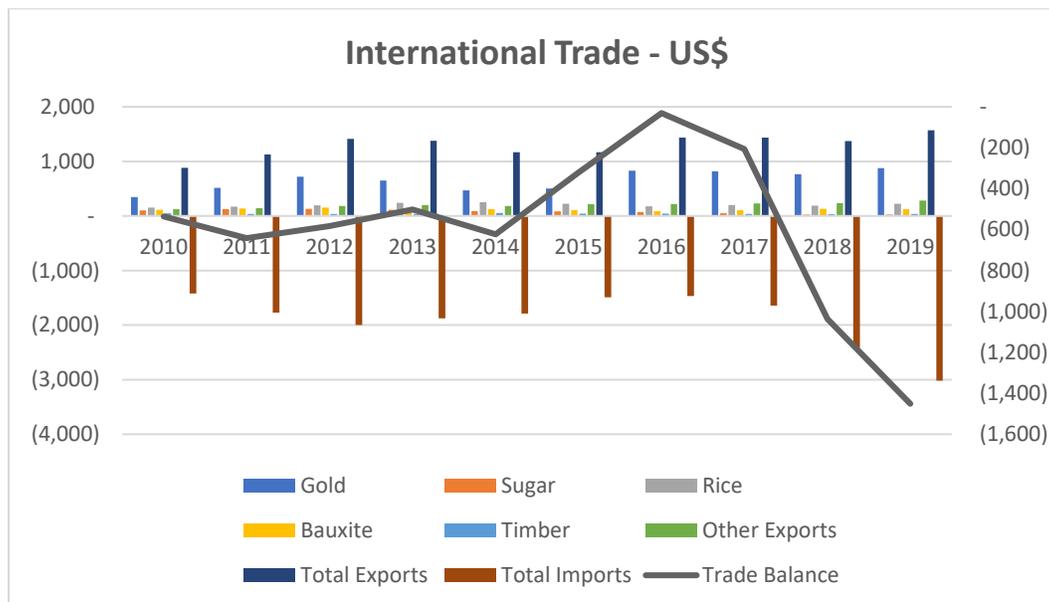
Source: Bank of Guyana Reports

International Trade

Over the last ten years, international trade balance expanded from a deficit position of US\$536 million to US\$1.4 billion by the end of 2019, representing an increase of US\$900 million or 171% from 2010 to 2019. This level of increase is attributed to Gold exports which grew by US\$531 million or 153 %; rice accounted for an increase of US\$72 million or 48%; bauxite accounted for US\$13 million or 11%; and other exports accounted for US\$156 million or 127%. Conversely, export earnings from sugar declined by US\$73 million or 72% over the last ten years; and timber declined by US\$14 million or 29%.

US\$ Millions												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Variance	%
Gold	346	517	717	649	470	501	831	818	767	877	531	153.47
Sugar	101	123	132	114	88	81	73	49	27	28	(73)	(72.28)
Rice	151	173	196	240	250	221	179	201	186	223	72	47.68
Bauxite	114	133	151	135	125	104	92	105	128	127	13	11.40
Timber	48	39	39	39	53	44	40	36	33	34	(14)	(29.17)
Other Exports	123	143	180	199	182	219	219	230	232	279	156	126.88
Total Exports	883	1,128	1,415	1,376	1,168	1,170	1,434	1,438	1,374	1,568	685	77.58
Total Imports	(1,419)	(1,770)	(1,998)	(1,878)	(1,791)	(1,492)	(1,465)	(1,644)	(2,410)	(3,019)	(1,600)	112.76
Trade Balance	(536)	(642)	(583)	(502)	(623)	(322)	(21)	(206)	(1,037)	(1,451)	(915)	170.71

Source: Bank of Guyana Reports

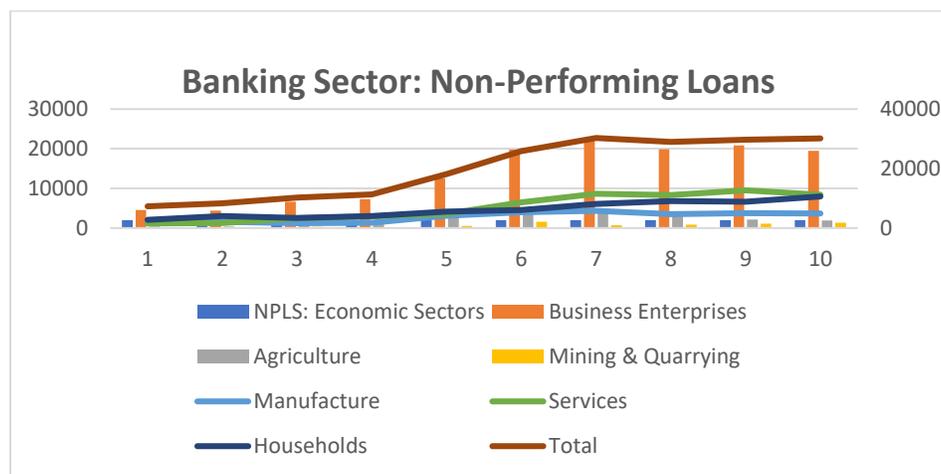


Source: Bank of Guyana Reports, various.

The large growth in the trade deficit balance over the last ten years, however, was driven by exponential increases in imports, particularly for capital items, from a position of US\$1.4 billion in 2010 to over US\$3 billion by the end of 2019, representing an increase of US\$1.6 billion or 113%, while total exports increased by US\$685 million or 78%. Notably, this huge balloon in the country's total import bill is driven by capital goods for the oil and gas related activities in the economy.

Non-performing loans in the banking sector

An examination of the total non-performing loans (NPLs) in the banking sector over the last ten years (2010 – 2019) revealed that NPLs have grown from a position of \$7.3 billion in 2010 to reach over \$30 billion at the end of 2019 or by 312%.



Source: Bank of Guyana Reports

By examining the trend over the years, from 2010 – 2013, NPLs increased by just over \$1 billion each year until 2014 through 2019, NPLs grew at an alarming rate of over \$8 billion on two occasions when compared to previous year's performance during this period, thus bringing the total increase for the period under review by over \$22 billion.

GY\$ Millions										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Economic Sectors										
Business Enterprises	4545	4369	6618	7304	12591	19,798	22,210	19,863	20,875	19,495
Agriculture	355	413	1409	1397	3110	4,214	4,191	3,134	2,127	1,939
Mining & Quarrying	145	136	292	184	518	1,575	673	855	1,075	1,381
Manufacture	2495	2137	1630	1751	4157	5,561	5,781	4,729	4,997	4,941
Services	1552	1633	3237	3972	4806	8,648	11,565	11,145	12,676	11,234
Households	2762	3984	3387	4032	5534	6,076	8,076	9,107	8,862	10,619
Total	7307	8353	10205	11336	18125	25,874	30,286	28,970	29,737	30,114
Gov't Revenue	107875	120915	130228	136494	145727	161,710	177,322	195,060	217,016	240,366
Gov't Expenditure:										
Current Expenditure	78506	92546	108379	115947	127494	141,152	163,425	173,373	191,101	207,683
Capital Expenditure	46658	50116	56441	50144	51013	30,664	46,618	58,618	55,019	66,262
Total Expenditure	125164	142662	164820	166091	178507	171816	210043	231991	246120	273945
Current Exp % of total Exp	62.72	64.87	65.76	69.81	71.42	82.13	77.81	74.73	77.65	75.81
Cap. Exp % of total Exp	37.28	35.13	34.24	30.19	28.58	17.85	22.19	25.27	22.35	24.19

Source: Bank of Guyana Reports

The business enterprise sector accounted for \$15 billion of this increase of which the service sector accounted for the highest of \$9.6 billion compared to the other business sectors such as mining and quarrying, manufacturing and agriculture which accounted for \$5.2 billion. Notably, the household sector was also badly affected, accounting for \$7.8 billion increase or 282% from a position of \$2.7 billion in 2010 to \$10.6 billion at the end of 2019.

Sectoral impacts attributed to COVID-19 restrictions

The Trade & Investment Sub-Committee conducted an informal survey, inter alia, interviews with key operators and business leaders in all the various economic sectors to determine the economic impact as a result of the pandemic. This report, therefore, summarizes the findings of this exercise.

Agro-processing

It noted that an increase in production is expected provided that persons turn out back to work. Price gouging is reportedly affecting the industry – procurement of goods and food supplies – that is while there is a general concern of maintaining existing level of activities due to logistics constraints, price constraints and concerns about movement. However, it was expressed that production has not yet been significantly affected and the industry continue to monitor the developments while being cautious.

The sector is so far largely unaffected because of the nature – food production which is an essential consumable goods. Main products may not go below the pre COVID-19 state while for the rest of the year, high production is expected. This can be achieved because there are sufficient raw materials in stock to last year.

Supply chain disruption, delay in shipping directly from the suppliers was reported, notwithstanding the foregoing. Disruptions in logistics: as such, companies could run into supply issues in the next two months owing to supply chain disruption (stockpiling of raw materials) while non-essential products declined expenditure has increased.

Trucking

It was reported that the heavy-duty trucking is down by over 70 percent. However, this is unrelated to COVID-19 restrictions. It was highlighted that a Trinidadian trucking company has entered the market and is serving the oil and gas sector, but also ventured out into the other streams of trucking business thus ramping up competition. It was noted that the Trinidadian company might be benefiting from fuel concessions which would enable the company to compete at lower prices.

Bauxite

In the bauxite industry, it was reported that production has not been significantly affected. This is despite one company has had to lay off about 30 employees and continue to operate up to half days.

Gold

Gold mining activities have not been significantly affected though COVID-19 restrictions have been imposed on workers.

Hardware and retail sector

The hardware and retail sector has been negatively impacted especially the restaurant businesses. These businesses are estimated to be down by 40 – 50 percent - the construction sector is also down by an average of 40 – 50 percent.

Agriculture

Sugar

It was reported that the social distancing affected workforce turnout, therefore, the production was affected negatively owing to poor turn out largely because this is a labour intensive sector. The overall quality of the sugar cane deteriorated as well and factory costs also increased significantly.

Rice

This sector was not affected in any significant manner due to it being a mechanized industry.

Other crops

- Fall in demand owing to people not having enough disposable income
- Food consumption declined
- Cash crop significantly affected

Recommendation for other crops

Government could consider purchasing same to support farmers and distribute to persons who don't have money and need food.

Fishing

This sector is in operation and export market remained unaffected to date.

Food Production:

Flour

This sector is not significantly affected. Orders were placed long ahead of time for raw materials. There were no disruptions in terms of clearing of shipment. However, these supplies are only sufficient for the next 2 to 3 months.

Oil and gas support

Production so far remains unaffected. From a permitting standpoint, this is the only issue – and if this continue for the next six months then there can be a negative impact on the industry. However, all the projects that have already been approved for the year are in progress and unhindered and as such, the COVID-19 restrictions haven't affected the industry.

Shipping

The shipping industry has so far not been affected significantly. Shipping companies continue to operate at normal levels. However, it is estimated that international trade may decline over the next six to nine months which would be attributed to the pandemic globally and the closure of ports. This in turn, would negatively impact the industry over the medium term.

Tourism

The tourism industry is the most negatively impacted industry due to closure of the international airports; the entertainment industry is also negatively impacted owing to COVID restrictions – that is, social distancing and the imposed curfew.

Insurance

The three largest insurance company total premium income for general insurance is about 4.5 billion per year and an average of another one billion from the small players. The industry is experiencing a 25 -35 percent decline in premiums.

At this stage the Bank of Guyana is seeking information from the companies on how they are impacted. I figure they would use that info to decide what they can do to help. It was suggested that the Government can consider reducing premium tax during the period of the virus.

Banking

The Banking industry is also badly affected owing to reducing commercial activities in the economy which necessitated curtailment of lending activities. Business has declined significantly while there is a notable increase in online banking transactions.

Transportation sector – land

Minibus and taxi operators have been complying to some extent with the covid-19 restrictions. While there is notable reduction in commuters on a daily basis, these operators are also benefiting from low fuel prices which helps to offset some of the loss in income.

COVID-19 Responses in other countries: global and regional impact

According to a report by the International Labour Organization (ILO), the COVID-19 pandemic has already infected over 170,000 people in 148 countries, resulting in more than 6,500 deaths. Some estimates suggest that 40-70 percent of the world population can become infected. The crisis has induced an economic and labour market shock, thereby impacting both supply and demand for goods and services (production of goods and services; and consumption and investment).

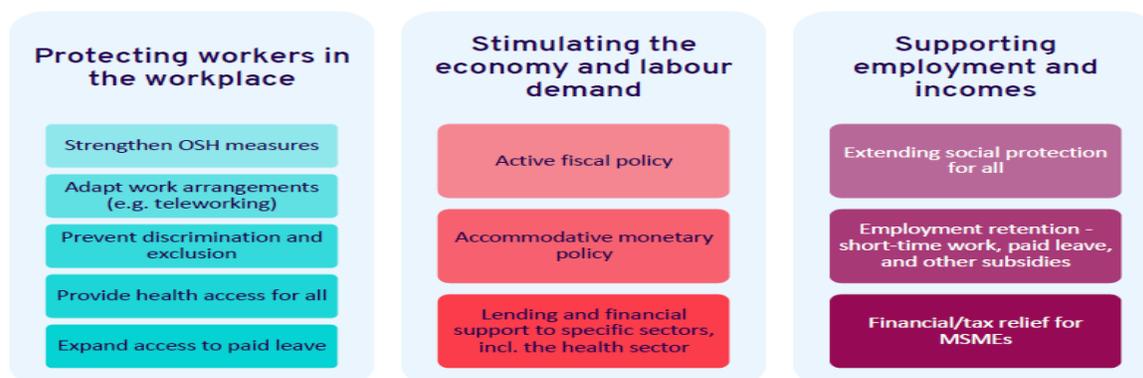
Prospects for the economy and the quantity and quality of employment are deteriorating rapidly. Swift and coordinated policy responses are needed at national and global levels with strong multilateral leadership, to limit the direct health effects of COVID-19 on workers and their families, while mitigating the indirect economic fallout across the global economy (ILO, 2020).

To that end, the protection of workers and their families from risk of the infection should be a top priority. It follows, therefore, that income protection mitigates the disincentives against disclosing potential infections, especially amongst low-income families and other disadvantaged groups of workers. In so doing, tripartite social dialogue between Governments and workers and employers' organizations is a key tool for developing and implementing sustainable solutions, from the community level to the global level. This would require strong, independent and democratic social partner organizations.

The impact on global unemployment and underemployment

Initial ILO estimates point to a significant rise in unemployment and underemployment in the wake of the virus. Based on different scenarios for the impact of COVID-19 on global GDP growth, preliminary ILO estimates indicate a rise in global unemployment of between 5.3 million (low scenario) and 24.7 million (high scenario) from a base level of 188 million in 2019.

Policy framework: three key pillars to fight COVID-19 based on international labour standards



Source: International Labour Organization, March 2020 edition.

Protect employment and incomes for enterprises and workers negatively affected by the indirect effects such as factory closures, disruption to supply chains, travel bans, cancellation of public events etc.,

- Social protection through existing schemes and / or ad-hoc payments for workers, including informal casual, seasonal and migrant workers, and the self-employed (e.g. through access to unemployment benefits, social assistance, and public employment programmes);
- Employment retention schemes, including short-time work arrangements / partial unemployment benefits and other time-bound support for enterprises, such as wage subsidies, and temporary cuts to payroll tax/exemptions from social security contributions, provision of paid leave and extension of existing entitlements to workers, grants and related schemes.
- Time – bound financial/tax relief and income smoothing measures to support business continuity, especially small and medium sized enterprises and the self-employed (example, subsidies, credit mediation, refinancing to overcome liquidity constraints).

According to the United Nations Special Report on Latin America and the Caribbean on the economic impacts of COVID-19, the region is facing the pandemic from a weaker position compared to the rest of the world. Prior to the pandemic, it was projected that the region would grow by a maximum of 1.3% in 2020. This forecast has now been revised in view of the effects of the crisis where GDP is now expected to fall by 1.8%. Notwithstanding, the report acknowledged that the final economic impact will depend on the actions taken at the national, regional and global levels. The report highlighted that the region has been affected through five external transmission channels:

- (i) **The decline in economic activity of the region’s main trading partners and the effects of that.** The region is heavily dependent on exports, the volume and value of which will be reduced by the global recession. The full extent of this depends on the sectoral structure of each country.
- (ii) **The drop in commodity prices.** The sharp decline in these prices and the deterioration in the terms of trade will have a strong negative impact on the income levels of Latin American economies that depend on those exports, although with significant differences among them. The contraction in global demand will play a major role in the decrease in commodity prices. Further, the geopolitical crisis in the oil market led to a 24% reduction in prices in less than a week early March.
- (iii) **The interruption of global value chains.** The disruption of supply chains starting with Chinese suppliers followed by producers in Europe and the United States, would mainly affect Mexico and Brazil, whose manufacturing sector are the largest in the region.
- (iv) Lower demand for tourism services. Caribbean small island developing states (SIDS) in particular, may be severely affected.

- (v) **Greater risk aversion and worsening global financial conditions.** This leads to higher demand for safe assets (for example, rates of return for on United States Securities have reached historically low levels), lower demand for the region's financial assets and significant depreciation of its countries' currencies, as is currently the case.

Economic relief measures proposed by the PSC

To cushion employees/citizens

1. Immediately raise the threshold to accommodate no taxation for employees in vulnerable sectors that were sent off the job from 65,000 to 100,000.
2. Removal of mortgage interests and payments for the period.
3. Reduce the spread at Commercial Banks. That is the difference between the lending rate and the savings rate of interest.
4. Removal of VAT from all food items.
5. Removal of VAT detergents and all household and medical and other cleansers.
6. Removal of VAT from essential services including data.
7. Temporarily remove the requirement to pay income and corporation taxes up front.
8. Emergency funding for small businesses at risk of closure.
9. Extend the time to pay utility bills and hire purchase debts.
10. Reduce the excise taxes on fuel.

Support measures for businesses

1. 100% deduction of taxes for items given to the national effort.
2. Rescheduling of loans and mortgages.
3. Relaxing of overdraft facilities.
4. Relaxing of regulations to classify loan as non-performing.

Other measures

1. Remove taxes on personal protection equipment (masks, gowns, gloves etc.)
2. Allow hospitals to bring in Ventilators without taxes
3. Allow labs to bring in test kits and PCR machines without taxes
4. MOF consider offering the GBA a tax rebate in part of full for interest lost as a result of the Banks lowering their interstates
5. Reduction in fuel prices by removing the tax component so that the public transportation can benefit also with a corresponding reduction on fares
6. Utility companies should defer payments
7. Tools from BCCI/ Harbour bridge transport and Harbour reductions. These measures would touch the mass of our population instantly.

8. Filing of Income & Corporation Taxes until September 30, 2020 provided that the current COVID-19 situation is brought under control by then.
9. Direct payment to citizens – unemployment payments or payroll subsidy
10. Liquidity support for banks – interest subsidy
11. Loans and financing for businesses administrative relief on statutory obligations
12. Incentives for the promotion of the use of technology
13. Tax measures to lower material cost for sanitization and food
14. Measures for job creation
15. Encourage the private importation of masks test kits and ventilators

COVID -19 Emergency measures implemented by the Government

1. **Restriction on social activities:** No person shall host, attend or visit;
 - (i) A private party;
 - (ii) A recreational or competitive sporting event;
 - (iii) A wedding, other than the bride, the bridegroom, official witnesses and the marriage officer;
 - (iv) A banquet, ball or reception;
 - (v) A bar or rum shop;
 - (vi) The seawall;
 - (vii) A pool;
 - (viii) A creek, beach or river except if the person is residing or working there;
 - (ix) A wake or vigil;
 - (x) A gym;
 - (xi) A beauty salon or spa;
 - (xii) A club or discotheque;
 - (xiii) A meeting of a fraternal society, private or social, club or civic organization;
 - (xiv) Or any other social activity
2. No water sports or recreational activities shall be allowed on any river, creek, beach and internal waters.
3. No more than ten mourners, one officiant and the funeral director and the necessary staff shall attend a funeral.
4. **Restriction on visitation:** no person shall visit or be permitted to visit:
 - (i) Any place of quarantine or an isolation facility;
 - (ii) A prison or correctional facility;
 - (iii) A patient in a hospital, nursing home, senior citizens' home or any other care facility.

5. Curfew

A curfew is hereby imposed throughout Guyana from April 9, 2020 – May 3, 2020, between the hours of 18:00 hrs., and 6:00 hrs., which has been extended to July 2, 2020.

6. Public Service, Statutory Bodies and State-Owned Enterprises

All persons employed within the Public Service, a statutory body or State-owned enterprise shall work remotely from home, except as may otherwise be directed by the Minister of Public Health acting on the advice of the responsible Minister or Head of agency.

7. Essential Services

All other services shall remain closed except for the following essential services which may carry on operations for 24 hours each day –

- (i) Hospitals, healthcare and medical services including pharmacies, drug stores and private veterinary services;
- (ii) Nursing homes, orphanages, shelters and other related care centres;
- (iii) Immigration;
the judiciary;
- (iv) the Parliament;
- (v) the Diplomatic Corps;
- (vi) the Revenue Authority;
- (vii) the Maritime Administration Department;
- (viii) the National Emergency Operations Centre;
- (ix) water supply services including the collection, storage, purification and distribution of water for public use;
- (x) the disciplined forces;
- (xi) prison services;
- (xii) solid waste management, sewerage and janitorial services including live-in domestic workers;
- (xiii) air traffic control;
- (xiv) Demerara Harbour Bridge and Berbice Bridge;
- (xv) Hotels and accommodation;
- (xvi) Electricity and energy services including the oil and gas sector and those who provide services to the oil and gas sector;
- (xvii) Businesses that ensure global continuity of supply of mining and petroleum materials and products (e.g., metals, minerals such as gold, bauxite and diamonds);
- (xviii) Mining and petroleum development operations, production and processing;
- (xix) Mineral and petroleum exploration and development;
- (xx) Mining and petroleum supply services that support supply chains in the mining and petroleum industries;
- (xxi) Businesses and operations that engage in the cutting, processing and preparation of trees into lumber and ensure continuity of supply of forestry products;

- (xxii) Security services including private security;
- (xxiii) Telecommunications providers including internet, telephone and call center operators, media houses, broadcasting and the Guyana National Printers Ltd;
- (xxiv) Port operations limited to bulk marking operations and loading and offloading only, of marine vessels, petroleum vessels, ships, bulk and containerized vessels;
- (xxv) Port services, logistics and freight services, including transportation and delivery services to and from wharves, terminals and ports;
- (xxvi) Transportation of dry goods and beverages for wholesale delivery;
- (xxvii) Construction of healthcare facilities;
- (xxviii) Factories, manufacturers or distributors of food supplies (particularly producers or processors of rice, sugar, poultry and fish) and essential medical supplies where the Minister of Public Health has determined that the continuation of these operations do not pose a risk to public health;
- (xxix) Workers necessary to keep furnaces and kilns operating safely in manufacturing operations that are not listed as essential.

8. The following services may be opened between 6:00 hrs., and 17:00 hrs., each day:

- (i) Banks and other financial institutions defined in the Financial Institutions Act, remittance services, and their support services;
- (ii) Markets, supermarkets, fruit and vegetable stalls, bulk food stores and neighborhood grocery shops;
- (iii) Food services and restaurants only for delivery, drive thru and take away services;
- (iv) Gas stations;
- (v) Postal and shipping services;
- (vi) Funeral homes;
- (vii) Operation, inspection, repair and maintenance of essential services including vehicles, vessels and aircraft, and traffic signal maintenance;
- (viii) Automotive repair and maintenance facilities that provide direct support to essential businesses;
- (ix) Services necessary for the maintenance of residences including plumbing, electrical and extermination services.

9. Where a Village Council, as defined in the Amerindian Act, Cap. 29:01, has determined that a public health threat exists in relation to any mining or forestry operation, the Village Council shall recommend to the Minister of Public Health that the operation be discontinued.

10. Social distancing and physical distancing protocols.

Any service mentioned herein shall make the necessary arrangements to facilitate social and physical distancing and shall –

- (a) Require persons to wear a mask when inside of the establishment;
- (b) Ensure that all staff and other persons maintain a physical distance of at least six feet in or outside of their establishment, if in a line to enter the establishment;
- (c) Determine the number of persons that may be permitted in the establishment at any one time

11. Religious worship

- (i) Except for the conduct of funeral services and weddings, all churches and places of religious worship including mosques and temples shall be closed.

12. Domestic Travel

- (i) Any person who provides transport within Guyana whether by land, water or air, shall not carry in that transport more than half the number of passengers which the motor vehicle, vessel or aircraft is licensed to carry and the other operators and passengers of any motor vehicle, vessel or aircraft shall have personal protective equipment;
- (ii) A motor vehicle, vessel or aircraft shall not be used for a purpose other than a purpose related to a service under paragraphs 5 and 6;
- (iii) Medical evacuation flights shall be allowed with only the patient, one health official and, where necessary, one family member.
- (iv) The Kurupukari crossing shall be closed except during the hours of 6:00 hrs., to 17:00hrs., and only to facilitate the passage of essential services and supplies.
- (v) The Police Force shall have powers to stop any motor vehicle, vessel or aircraft and inquire as to the purposes for which that motor vehicle, vessel or aircraft is being utilized, and may arrest anyone found in violation of this paragraph.

13. International Air Travel

The Cheddi Jagan International and Eugene F. Correia International Airports shall remain closed to all international flights except for outgoing flights, cargo flights, medical evacuation flights, technical stops for fuel only and special authorized flights.

Proposal for a carefully planned phased reopening of the economy

Adopting workplace protocols for safe return to work

The PSC recognizes that many businesses have proactively developed protocols based on the guidelines issued by the Ministry of Public Health and the Pan American Health Organization (PAHO/WHO). The PSC, therefore, encourages and recommends that this practice be adopted across all sectors, business, state agencies and organizations, given the uncertainty of COVID-19 in terms of when this pandemic will come to an end. As such, it becomes paramount that businesses and all other organizations, and the country as a whole, recognize the need to find sustainable ways to co-exist with the pandemic and redefine a new normal in society.

Sustaining people's livelihood also require that the Social Safety Net efficiently reach out to all who have been significantly distressed by the pandemic. This requires an increase outlay on social services.

Reviving the Construction Sector

The Construction sector can be considered to be critical in reviving the economy once the COVID-19 health restrictions are lifted. The immediate focus should be on boosting activities through an accelerated work Programme that is driven by increased spending on the part of the Government and the private sector. For example, Government infrastructural projects will help to kick start this sector and the entire supply chain and value chain connected to the Construction sector. Other recommendations include:

Providing appropriate relief to Business Enterprises particularly small and medium sized enterprises

- Government can consider introducing liquidity support at preferential rates through commercial banks primarily for wages, rent and working capital to ensure business continuity and employment sustainability.
- Provide a moratorium on principal payments on liquidity support of Government loans for at least six months in order to provide working capital support to SMEs without significantly incurring further debt commitments. In so doing, this will allow time for the business to recover from loss of revenues.
- Provide incentives for new business ideas and innovation with priority given to technology, health, food security and education.

Expanding Agricultural activity

- Explore new and innovative farming techniques such as aquaculture, to achieve increased food production.

- Increase and improve Agro-processing facilities to add value to primary agricultural products.
- Encourage PPPs (Public Private Partnerships) in the development of the agriculture sector utilizing state assets.

Boosting Local Tourism

- Promote a Local Tourism Campaign aimed at stimulating economic activity and promoting local expenditure through firstly a "staycation" campaign, focused on packaged deals for Guyanese and one that is focused on the diaspora.

Relief measures in developing economies context that can be adopted

- In the face of COVID-19, the priority of public policy should be geared towards implementing pragmatic and realistic public health measures (WHO 2020d). Economic policy should therefore accompany these public health measures making them financially feasible through health care funding and socially acceptable, inter alia, compensatory measures for people and businesses.
- One of the first measures should be to increase public expenditure to increase the capacity of the health care system and to provide free or subsidized medical attention for preventative and curative purposes (ECDC 2020b; WHO, 2017).
- Secondly, provide direct income support to vulnerable populations through cash transfer instruments especially during containment measures being in place. This ought to be done quickly to mitigate householders suffering severe financial constraints. The third measure need to be directed towards affected productive sectors and firms – assistance that is, in the form of temporary tax cuts, moratoriums on debt payments and temporary credit lines.

Some countries have successfully responded to the COVID-19 imposed economic challenges by administering a special fiscal budget allocation centered around three main categories:

- Where 10% of the budget is for disease prevention and treatment which includes funding for treatment and isolation, testing, and quarantine; purchase of medical equipment; and loans to hospitals; (2) 25% support for households and young adults, through such means as cash vouchers for low income families, childcare subsidies, and an expansion of existing employment support package for young adults; and (3) 65% to support small and medium sized enterprises and local economies through loans and guarantees, as well as wage subsidies to preserve employment (World Bank, 2020).

Phased re-opening of Economy proposed by National Task Force

<p>Phase 1 – from June 17, 2020</p>	<ul style="list-style-type: none"> • The current curfew of 6pm – to 6am will remain in effect for Phase 1 in all administrative regions. The non-curfew measures will be lifted in Region 5 and 8 which, to date, have not been affected by COVID-19. • All food establishments (including street vendors) will be permitted to operate takeout and delivery services from 6a, - 5pm. • No dine-in services will be permitted at these locations • Hardware, plumbing and electrical stores will be allowed to operate from 6 am to 5pm. • Ninety (90) minutes of exercise is allowed for citizens, Monday to Friday from 6am to 6pm in open public spaces. • Public transport will be permitted to continue to operate at 50% passenger capacity. • Social distancing rules and the wearing of face masks must be maintained. • Bars are to be remained closed. • No contact or team sport is allowed. • Gatherings of more than five persons remain prohibited. • Stay -at-home order remains in effect. Persons are only permitted to leave home if they are essential workers, for essential services, emergency medical care for 90-minute daily exercise allowance.
<p>Phase 2 – July 3, 2020</p>	<ul style="list-style-type: none"> • Resume business operations in regions with no cases of COVID-19. • Reopen the entire manufacturing sector and recommencing of public sector construction. This however, is contingent on their being little or no change to our COVID-19 status.
<p>Phase 3 – July 17, 2020</p>	<ul style="list-style-type: none"> • Entire Public Service returning to work, but flexi-time and staggering of hours will be encouraged. • Private sector construction will restart • Domestic travels to commence with strict screening protocols
<p>Phase 4 – July 31, 2020</p>	<ul style="list-style-type: none"> • Reopening of hair salons, spa, nail salons and barber shops • Taxis and buses will be allowed to increase passenger capacity to 75%.
<p>Phase 5 – August 14, 2020</p>	<ul style="list-style-type: none"> • Opening of: • Malls, theatres, cultural facilities, gyms.
<p>Phase 6 – August 28, 2020</p>	<ul style="list-style-type: none"> • The government will address the reopening of Guyana's international airports, seaports, water and land points of entry. • Hotel industry will resume operations with strict safety protocols • Tourism and transportation related business resume with safety protocols • Tourism and transportation related business resume with safety protocols

	<ul style="list-style-type: none">• Schools will remain closed until September.• Parents are required to take responsibility for their children. CSEC and CAPE will take place in July.• Restrictions lifted on movement of the population.
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Concluding Remarks

The proposals contained herein is limited owing to lack of wide consultation with all stakeholders involved in all the various business sectors. This proposal, therefore, should be treated as a framework to be developed upon into a more comprehensive set of recommendations for a phased reopening of the economy and economic stimuli subject to wide consultation of all civil society and business support organizations.