

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

GUYANA

SUPPORT TO THE EXECUTION OF TRANSPORT SECTOR PROJECTS IN GUYANA

(GY-T1208)

PROJECT DOCUMENT

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PROJECT SUMMARY

Operation Type:	Technical Cooperation
Sector:	TRANSPORT
Subsector:	MAJOR HIGHWAYS
TC Taxonomy:	Operational Support
Project Number under the Operational Support Taxonomy:	GY-L1081
Technical Responsible Unit:	INE/TSP-Transport
Unit with Disbursement Responsibility (UDR):	CCB/CGY-Country Office Guyana
Executing Agency:	Inter-American Development Bank

PROJECT OBJECTIVE

The objective of this TC is to support the development and implementation of social, environmental, and technical practices in transport projects in Guyana, in particular for the construction of the East Bank Public Road in Georgetown, to ensure the safety of its users and the resilience of the project. Specific activities may include technical support for the implementation of the Livelihood Restoration Plan (LRP), collection and analysis of data related to urban transport in Georgetown, raising awareness of road safety and enhancing knowledge and skills in the use of BIM technology for stakeholders involved in construction and infrastructure projects.

FINANCIAL INFORMATION

Financing Type	Fund	Amount in US\$
TCN - Nonreimbursable	W2B - OC SDP Window 2 - Infrastructure	200,000
Total IDB Financing		200,000
Counterpart Financing		0
Total Project Budget		200,000
Donors:	N/A	
Disbursement Period:	24 months	
Execution Period:	24 months	

ADDITIONAL FINANCIAL INFORMATION

N/A

I. JUSTIFICATION AND OBJECTIVE

- 1.1 **Justification.** Since the discovery of offshore oil and gas, there has been dramatic economic growth and transformation in Guyana with the country's Gross Domestic Product (GDP) increasing from US\$6.6 billion in 2019 to US\$9.37 billion in 2021. Between 2020 and 2024, the Guyana economy grew by an average of 40.8% per year, underpinned by growth of 63.3% in 2022. In 2023, economic expansion was 33.8% and 43.6% in 2024. The GDP is forecast to grow by 10.3% in 2025 and is expected to average 13.4% between 2025 and 2030. This phenomenon allows the Government of Guyana (GoG) to embark on an investment effort to expand, upgrade, and revamp infrastructure, which in the case of transport consists of interventions in critical coverage, capacity, and quality upgrades of its road and water network, including rehabilitation, improvement, maintenance, as well as strengthening the capacities of the authorities. Positive outcome of the economy has manifested in a marked increase in new projects including an unprecedented construction boom.
- 1.2 According to the Global Competitiveness Index (GCI), out of 140 economies, Guyana ranks 104th in road infrastructure, 87th in port infrastructure, and 93rd in air transport infrastructure. Potential economic synergies with its neighbors are unexploited in part because the existing infrastructure network does not adequately connect with neighboring economies. This also affects Guyana's sales to its main export destinations because the costs of shipping goods out and into the country are high relative to other countries of the Caribbean.
- 1.3 Guyana also has one of the sparsest road networks in South America with 3,995 km of roads serving a country with 214,970 km² resulting in a road network density of 18.5 km per 1,000 km². The national paved road network, with an extension of 410 km, consists of six main roads, representing 10% of the country's road total network. Recent evidence indicates that only 30% of people living in rural areas have access to all-weather roads. According to the road index developed by the IDB, the small percentage of paved roads and the low-road density are the two factors most strongly influencing its low position in the ranking.
- 1.4 IDB's commissioned State of Guyana's Infrastructure also identifies the need to increase land connections between rural communities, and between coastal areas and the interior of the country, including comprehensive climate-resilient infrastructure. The report calls for the country to develop its aging infrastructure so it can improve the standard of living and mitigate the increasing risks associated with climate change. According to the World Bank, an expenditure equivalent to Guyana's 104% of GDP over the next 20 years will be needed to achieve adequate transport infrastructure coverage.
- 1.5 Despite historically low road coverage, recent data show Guyana's road-traffic burden remains a serious concern. WHO's country estimates put Guyana's road-traffic mortality at about 15.2 deaths per 100,000 population (WHO, 2021). Over the last five years (2019–2023) Guyana recorded more than 110,000 newly registered motor vehicles (14,317 in 2019; 15,466 in 2020; 22,696 in 2021; 22,623 in 2022; 35,582 in 2023), according to the Bureau of Statistics — a rapid increase in the national vehicle fleet that has added pressure to already constrained road infrastructure. This sharp increase in the national vehicle fleet has added pressure

- to an already constrained road infrastructure, resulting in more frequent incidents, roads becoming congested and is exacerbated by an increase in the number of major infrastructure-works underway in the country.
- 1.6 Other issues include encroachment by vendors on the right of way and unsafe driving practices by public passenger vehicles.¹⁴ Lack of adequate street lighting along the roadway leads to low visibility from motorists both to pedestrian and other motor vehicles. Adequate streetlight improves visibility, reducing crashes up to 42% for nighttime injury pedestrian crashes at intersections, and 28% nighttime injury crashes on roadways.
 - 1.7 The GoG has embarked on a large investment effort to upgrade and revamp infrastructure in the country, which consists of interventions in the case of transport of critical coverage, capacity, and quality upgrades of its road network, which include actions for rehabilitation, improvement, conservation, as well as strengthening the capacities of the authorities. As part of this investment, the GOG with the support of the Bank, through the Program to Support Climate Resilient Regional Road Infrastructure Development (GY-L1081), is in the execution phase of the East Bank Demerara Road Improvement project, which aims to upgrade approximately 23.5km of roadway from Good Success to Timehri. This TC aims to support project execution by providing technical assistance with social and environmental activities, by improving project management through the use of BIM, and supporting safer roads initiatives. The TC will also support the GOGs agenda to improve connectivity between communities through data collection and analysis of the current urban transport system.
 - 1.8 **Objective.** The objective of this TC is to support the development and implementation of social, environmental, and technical practices in transport projects in Guyana, in particular, for the construction of the East Bank Public Road (from Good Success to Timehri) in Georgetown, to ensure the safety of its users and the resilience of the project. Specific activities will include technical support for the implementation of the Livelihood Restoration Plan (LRP), collection and analysis of data related to urban transport in Georgetown, raising awareness of road safety and enhancing knowledge and skills in the use of BIM technology for stakeholders involved in construction and infrastructure projects.
 - 1.9 **Description of the associated Loan.** This Technical Cooperation (TC) will give support to the execution of the Program to Support Climate Resilient Regional Road Infrastructure Development (GY-L1081), approved in October 2022 and eligible in March 2023¹. The general objective of this Program is to advance Guyana's safe, efficient, and climate-resilient road and water infrastructure. The project-specific objectives of this Program are to: (i) reduce transportation costs and travel time along the Good Success-Timehri corridor; (ii) reduce water losses along the Good Success – Timehri corridor. This will reduce the infrastructure gap while increasing sustainability through the incorporation of climate resilience to the road and drainage design.

¹ To this date, 83.8% of the budget of this Investment Loan (US\$117M, with US\$100M funded by IDB and US\$17M funded by local counterpart) has been committed.

- 1.10 The improved accessibility and connectivity that this program will bring is expected to result in benefits such as improving access to educational and employment opportunities, reduction in economic cost for businesses, increased economic integration and reduced travel times and costs. The direct beneficiaries of this operation are the users of the road from Good Success to Timehri including motorists, pedestrians, and travelers to and from Georgetown. The indirect beneficiaries will be residents from the communities in Region 4. Additionally, commercial trades and other activities such as timber, mining, oil and gas, and agricultural products utilize the road to access destinations and markets
- 1.11 **Strategic Alignment.** This TC is aligned with [Guyana's Country Strategy 2023-2026](#), specifically targeting two strategic areas: A. Resilient Infrastructure Development, as project aims to ensure the resilience of the transport projects in the country; and C. Strengthening Institutional Capacity, as the project aims to enhance government officials' knowledge and skills in ESG and technical practices, urban transport data collection and analysis, and the use of BIM technology.
- 1.12 It is also aligned with the objectives and operational focus areas of the latest [Institutional Strategy](#). As per the objectives, the TC contributes (i) to addressing climate change by strengthening resilience and adaptive capacity; and (ii) to bolstering sustainable regional growth by contributing to climate-resilient infrastructure. Regarding the focus areas, it will support: (i) Biodiversity, Natural Capital, and Climate Action, by supporting climate-resilient transport projects and enhancing ESG practices; (ii) Institutional Capacity, Rule of Law, and Citizen Security, by improving public sector management through better technical and ESG practices in projects, and promoting the use of digital tools like BIM technology; and (iii) Sustainable, Resilient, and Inclusive Infrastructure with an Emphasis on Regional Integration, by ensuring the resilience of the country's transport projects.
- 1.13 The TC is also consistent with Bank's Vision 2025, specifically, with the strategic goals: (i) Productivity and Innovation, by accelerating digitalization; (ii) Economic Integration, by improving the quality of road and water infrastructure; (iii) Social Inclusion and Equality, by promoting universal design in roads and skills development; and (iv) Climate Change, by encouraging green and resilient infrastructure.
- 1.14 The TC is also consistent with the Ordinary Capital Strategic Development Program – Window 2 Sustainable infrastructure (OC SDP W2B) ([GN-2819-14](#)), with its priority areas: (i) CC and environmental sustainability; (ii) sustainable and resilient infrastructure; and (iii) competitive global and regional integration.

II. COMPONENTS

- 2.1 **Component I. Technical and socio-environmental support to ensure works are implemented are technically sound and socially responsible (US\$150,000).** Includes: (i) technical support for the implementation of the Livelihood Restoration Plan (LRP) along the East Bank Public Road corridor to mitigate socio-economic impacts on affected households, (ii) technical support for the works management of the EBPR corridor, and (iii) road safety audit of the proposed intervention in the EBPR corridor to identify risks and recommend measures to reduce traffic-related injuries and fatalities. The expected outputs include LRP implementation reports and monitoring framework, strengthened technical capacity, and a road safety audit report with actionable recommendations.
- 2.2 **Component II. Strengthening planning and investment (US\$25,000).** The activities to be financed are: (i) data collection and analysis of the urban transport system in Georgetown, including gender-disaggregated data to inform inclusive planning, and (ii) supplementary data analysis of the country's road system and transport sector policy proposals to support strategic investment decisions. The expected outputs include a comprehensive urban transport dataset and analysis inclusive of gender-sensitive indicators, and an analytical report on the country's road system performance and policy recommendations.
- 2.3 **Component III. Dissemination and knowledge (US\$25,000).** The following activities will be financed: (i) enhancing knowledge and skills in the use of BIM technology for stakeholders involved in construction and infrastructure projects, and (ii) continued support of road safety awareness activities targeting communities, schools, and drivers. The expected outputs include training sessions for public sector stakeholders, and road safety awareness outreach activities and learning materials.
- 2.4 The expected development results include: (i) improved LRP implementation and reduced impact of the road works on households located along the Good Success to Timerhi road corridor, (ii) safer road conditions, reducing the risk of accidents and fatalities (iii) improved institutional and technical capacity in modern construction methods, leading to greater efficiency in delivering transport infrastructure delivery, (iv) greater evidence based inclusive transport planning and investment, and (v) improved road safety awareness within communities, schools, and drives.
- 2.5 **Beneficiaries of the ongoing program (GY-L1081),** that will be supported by this TC, are the 175,262 daily vehicles and passengers travelling on the EBD road from Grove to Timehri, including motorists and travelers to and from Guyana's international airport. Within the project area, some 7,235 customers of GWI are located including residential and non-residential accounts that will be the primary beneficiaries of the replacement of the water networks with reduced water breakages and enhanced water service. The indirect beneficiaries will be the 34,248 inhabitants of the communities living in Region 4 Demerara. Additionally, commercial traders and other transport-intensive activities such as timber, mining,

oil and gas, and agricultural products that utilize the road to access destinations and markets will benefit from improved road conditions.

III. BUDGET

- 3.1 **Budget.** The indicative budget of the TC will be US\$200,000.00, that will be entirely financed by the Window 2 of the Strategic Development Program financed with the Bank's Ordinary Capital OC-SDP-W2B (GN-2819-14). There will be no counterpart. The TC budget is presented in the following table.

Components	IDB/ W2B Fund	Total
Component I: Technical and socio-environmental support	150,000	150,000
Component II: Strengthening planning and investment	25,000	25,000
Component III: Dissemination and knowledge	25,000	25,000
Total	200,000	200,000

IV. EXECUTION STRUCTURE

- 4.1 **The IDB as Executing Agency for CS and OS TC.** The TC will be executed by the Inter-American Development Bank (IDB), based on a request by the beneficiaries, in accordance with the Bank's Technical Cooperation Policy (GN-2470-2) and the Procedures for the Processing of Technical Cooperation Operations and Related Matters (OP-619-4), through the Unit of Transport Division (INE/TSP). The UDR will be located in CCB/CGY for the management of the related contracts.
- 4.2 This execution mechanism is justified by the Bank's experience with the preparation and development of the operational and technical instruments proposed and to better coordinate with other activities for project implementation of GY-L1081. The TC will be executed by the Bank through the hiring of consultants to carry out each study. In this sense, the Bank will be responsible for: (i) identifying the studies and technical work necessary to structure the project; (ii) select and hire consultants to provide the necessary services; and (iii) manage the execution and delivery of consulting services. The activities will be carried out in coordination with the Beneficiary.
- 4.3 **Procurement.** The Bank will contract the services of individual consultants, consulting firms and non-consulting services in accordance with the policies and procedures in force at the Bank. The activities to be executed under this operation are included in the Procurement Plan (Annex IV) and will be executed in accordance with the Bank's established procurement methods, namely: (i) hiring of individual consultants, as established in the [AM-650 Complimentary Workforce](#); (ii) contracting of consulting firms for services of an intellectual nature in accordance with [GN-2303-33](#) and its associated operational guidelines.

- 4.4 Any knowledge products generated within the framework of this technical cooperation will be the property of the Bank and may be made available to the public under a creative commons license. However, upon request of the beneficiary, the intellectual property of said products may also be licensed and/or transferred to the beneficiary through specific agreements.

V. POTENTIAL RISKS

- 5.1 Some risks are identified in the context of this TC. Even though there is a need to improve mobility and institutional capacities in Guyana, there is a risk of low involvement from public officials and stakeholders. To mitigate this risk, coordination mechanisms will be put in place in close coordination between project team and high-level technical authorities to make sure the relevant stakeholders get involved in the activities and studies of the TC. Additionally, failure to adequately implement the Livelihood Restoration Plan (LRP) can lead to high levels of stakeholder dissatisfaction and increased grievances, which can affect the overall timely completion of the road construction works financed by Program GY-L1081. To reduce the possibility of this, adequate technical support to the Executing Agency and Engineer/Supervision firm is required to ensure that the LRP is implemented in accordance with the social safeguards and policies of the Bank. Finally, if there is a failure to obtain data and complete the analysis of the transportation system, it can affect the completion of an evidence based and gender inclusive National Infrastructure Master Plan, under Component II of the GY-L1081 Program. To mitigate this risk, close coordination is required between public sector organizations having responsibility in the transport sector, civil society organizations and data collectors.

VI. EXCEPTIONS TO BANK POLICIES

- 6.1 No exemption to the Bank is considered.

VII. ENVIRONMENTAL AND SOCIAL ASPECTS

- 7.1 This Technical Cooperation is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

REQUIRED ANNEXES:

- Annex I: [Request from Client](#)
- Annex II: [Results Matrix](#)
- Annex III: [Terms of Reference](#)
- Annex IV: [Procurement Plan](#)
- Annex V: [Gender and Diversity Checklist](#)