

NATIONAL DEVELOPMENT STRATEGY COMMITTEE

Notes and Terms of Reference for the Sectoral Committees

1. Introduction

In September of this year a broadly representative national civic committee, now known as the National Development Strategy Committee or NDSC, was assembled to guide the task of producing a second and final draft of the National Development Strategy. Sectoral committees were convened shortly thereafter to undertake the work of developing new drafts of all the chapters. It cannot be too strongly emphasized at the outset that what is required is not merely an updating and revision of the original document published in 1996 but a thorough revisiting and re-writing, if considered necessary, of the various chapters. This might entail of course changes in philosophy, substance and thrust. Put in another way the entire strategy might have to be changed and the committees may wish to put forward entirely new versions.

The NDSC, whose members also participate in the sectoral committees, will review the drafts to ensure the overall consistency of the document.

The final document will be presented to Parliament, as an expression of national will and commitment, for its approval.

Needless to say, this is an undertaking of major importance for the future of Guyana. Its specific objectives may be expressed as follows:

- a) ***Development of an implementable final version of the document:*** A strategy that is rigorous and specific enough to be implemented by this and any future government should be produced.
- b) ***Strengthening the participation in the development of the Strategy by Guyanese civil society.*** Although many Guyanese experts contributed to the preparation of the first draft, the management of that project was not placed in the hands of Guyana's civil society and a number of well-qualified persons did not have the opportunity to participate.

2. Composition of the Sectoral Committees

As initially convened, the Sectoral Committees contained both members of the NDSC and other experts. These additional persons, selected for their knowledge of the topics at hand, are drawn from both civil society, on the one hand, and the Public Service and Public Corporations on the other. However, the Sectoral Committees are urged to co-opt relevant experts who may have been left off the initial lists, in order to enhance the knowledge base of the undertakings. The Sectoral Committees should select their own leaders or conveners, to co-ordinate their committee's work.

3. **Modus operandi:**

- (a) ***Preparation of new drafts*** . As has been emphasized earlier, there are no restrictions on the extent and substance of the changes of the chapters that the committees may wish to make. Each committee should meet as expeditiously and as regularly as possible and should decide on its own methods of working. It may be appropriate in some cases to arrange meetings among sectoral committees with regard to topics that are addressed in more than one chapter. The committees themselves are urged to take the initiative in this regard. They will be assisted, whenever necessary, by the co-chairpersons.
- b) ***Discussions***. A committee's complete new draft, along with a summary of its principal recommendations and significant changes made to the previous draft, will be presented in typed form to the NDSC for review. The NDSC will meet a week later to discuss it. For this purpose, the corresponding Sectoral Committee will form part of the NDSC. Each such meeting will commence with a brief verbal summary of the principal policy recommendations contained in the new draft and their justifications. These will be presented by a member or members of the Sectoral Committee. NDSC members may wish to propose modifications to the new draft. These will be adjusted if there is a consensus, or at least a majority, in support of making those changes. In the event of changes agreed at the level of the NDSC, the Sectoral Committee will be instructed to incorporate the revised elements into the text and produce a new draft for approval.
- c) ***Participation in subsequent discussions of the Strategy***. When Parliament is reviewing the new draft of the National Development Strategy, it may wish to convene selected Sectoral Committees to discuss certain aspects. In addition, Sectoral Committee members may be expected to participate in public discussions of the draft.
- d) ***The implementation process***. It is envisaged that the NDSC would have a role, yet to be defined, in the process of overseeing and monitoring the implementation of the Strategy. Logically, the Sectoral Committees could be called to participate in not only in such activities but also to help formulate responses to unforeseen problems that may arise in the course of implementation.

4. **Timing.**

The co-chairpersons of the NDSC will be meeting with individual Sectoral Committees in order to establish realistic deadlines for the completion of their tasks.

5. Work Format.

In order to facilitate the co-ordination of the entire project, certain requirements regarding the format of the work have been established. The prerequisites are as follows:

- the new or revised drafts must be made available in typed form (in WordPerfect or Word), on diskette as well as printed form. NDSC meetings will be scheduled a week after receipt of the drafts, so delivery of the drafts in written form, and on the agreed schedule, is vital;
- each draft of a chapter must carry a date on the first page. This trivial detail can become quite important, as there may eventually be multiple drafts of some chapters, and it is essential to avoid confusion;
- in order to produce a unified document, and to facilitate the task of the readers of the document, it is important to utilize the existing chapter structure by section in Roman numerals as far as possible. This structure also assists the process of identifying issues and corresponding solutions. However, sub-sections within those sections may be changed in any way deemed necessary; it is the Roman sections that are very nearly uniform across all chapters. Their basic structure is the following:

- I. Basic characteristics of the sector or topic
- II. Policies of the sector (past and current)
- III. Principal issue and constraints facing the sector
- IV. Sectoral objectives
- V. Policy recommendations and their technical justifications
- VI. Recommended legislative changes
- VII. Recommended investment programme

If desired, an additional section may be inserted between nos. IV and V, to describe policy options before dealing with the preferred policies. The section on sectoral objectives should be kept quite short.

It cannot be too strongly stressed, however, that these 'format' requirements are not cast in bronze. They may be altered to meet the specific and peculiar demands of a particular sector. The important point is that there should be a logical and sequential flow in the presentation.

6. Issues concerning the Framework of the Strategy

a) *The planning horizon*

There are two fundamental and contrasting considerations that bear on the determination of the planning horizon for a strategy. The first is that certain types of projects, particularly those in the infrastructure sectors, require a fairly long planning horizon, sometimes 25 years or more. The second consideration is that basic policy reform can influence decisively the country's long-run development path and yet the time horizon for policy planning is typically short.

Planning horizons may differ because of the characteristics of each sector. However, in formulating this strategy, it is recommended that the horizon be ten years. Quantitative economic projections (now contained in Chapter 16) will be made for the period 2000-2009, assuming that the Strategy will be formally adopted in 1999. There is always a lag in the compilation of macroeconomic and sectoral data, hence it is likely that, when the Strategy is issued, information for 1997 will still be estimates, and those for 1998 and 1999 will also represent projections. Nevertheless, the first decade of the new millennium is the basic reference period for the document. Sectoral Committees that require a longer planning horizon should not hesitate to look beyond 2009, but what should be achieved by 2009 should be clearly spelt out. In any event provision would be made in the overall strategy for regular reviews with a view to "rolling over" the proposals, as required.

b) *Multi-level planning considerations*

In a national strategic planning exercise of this nature, certain broad, national-level decisions effect the on planning in many sectors. In turn, the rate of development of key sectors can influence the macro economy. Not all of the linkages can be quantified. This does not however diminish their importance. For example, it is quite certain that improved educational attainments are a prerequisite for the rapid future growth of Guyana's economy. Although this relationship cannot be given a quantitative value, strengthening the quality of education must count as one of the Strategy's fundamental priorities.

There are four other kinds of multi-level linkages that must be explored and utilized in the development of the Strategy:

- i) ***The determinants of aggregate economic growth: supply vs. demand.*** Here the issue is whether our future growth prospects are limited by domestic demand growth (private and government spending) or rather by the ability of productive sectors to overcome their sector-specific constraints and to expand output. In Guyana's case, it is apparent that the latter factor is the limiting one: ***we are a supply-constrained economy.*** Our long-run prospects for growth depend on expanding production of rice, sugar, non-traditional agriculture, fisheries, timber and wood products, mineral products and manufactures, and other lines of production; on expanding considerably the services we provide; and on modernizing our whole approach to development.

In some of these cases, *external* demand constitutes a constraint that must be dealt with, e.g., the structure of international markets for sugar, and the temporary decline in world demand for wood products. Nonetheless, our success in overcoming these constraints and other impediments to supply will determine our overall growth prospects. This orientation will guide the development of the new aggregate economic projections for the Strategy.

- ii) The influence of infrastructure on sectoral and aggregate development.* Some classes of infrastructure impinge greatly on the development of particular sectors and the entire economy. For example, for years we have lived through a painful reminder of this truth in the form of the gross inadequacies of our electric power generation sector. Other kinds of infrastructure will also need to be developed rapidly if our economic aspirations are to be satisfied. For example there is a national consensus that finishing a high-quality all-weather road to Lethem is a *sine qua non* for our development. But is such a road to have multiple termini or only one? The way in which a road network emanates transversely from the road to Lethem, either along the coast or somewhat inland, will affect the development prospects of several sectors and the economy as a whole. Similarly, while undoubtedly our harbours need to accommodate vessels of deeper draft, the number and location of improved harbours will influence our development patterns. These are not easy questions and the answers must necessarily evolve in an iterative form, between infrastructure planners and the experts in other sectors, the activities of which would justify the expansion of infrastructure. The NDSC will convene special cross-sectoral working groups on such topics to define principal alternatives which would then be explored by the "user sectors," and iterations on the process would be carried out until satisfactory convergences on an infrastructure-cum-production plan are attained.
- iii) Relationships between pairs of sectors.* There are many instances in which sector planning responsibilities overlap or impinge on each other. For example, technical and vocational education must be dealt with by both the Education Policy Committee and the Committee on Labour and Employment Policy; and the committees for Rice Development and for Water Management and Flood Control must agree upon the location of the principal new rice lands. The examples abound. In these cases, as mentioned previously, the expectation is that the relevant Sectoral Committees would take the initiative to hold special bilateral (or multilateral) meetings. To the extent that differing approaches to the same issue emerge from different committees, the NDSC will be the vehicle for resolving differences, and moulding a consensus.
- iv) Fiscal consistency in investment programming.* It is important that the main public investment requirements be formulated for all sectors in which such investments are relevant. This implies identifying principal investment projects for each sector and assigning an approximate cost. This is one of the areas in which close coordination with the Ministry of Finance is essential, and arrangements are being made to

distribute the existing investment plans to the Sectoral Committees and to establish channels of liaison between the committees and the Ministry's investment planners. Ultimately, the proposed programme of investments which emerges from the work of the committees will be weighed against projections of available financial resources, in order to establish a feasible sequencing of the investments.

c) ***Broad Objectives of the Strategy***

The question of broad national objectives also is one which will be handled in an iterative fashion, between the NDSC and the Sectoral Committees. A relevant principle is that there should not be a welter of objectives. Positing too many broad objectives weakens the value of each of them and makes more difficult the task of relating recommended *means* (policy reforms, legislation, investments, etc.) to the objectives. Without intending to make definitive statements on the matter at this point, it is likely that the broad objectives will embrace at least the following goals:

Rapid economic growth. It is the principal source of employment creation and income distribution. Moreover, poverty cannot be substantially alleviated without it.

Poverty alleviation. Complementing a growth strategy with measures to ensure that the population's participation in economic growth is as widespread as possible, and putting special programmes in place to enable poor families to improve their lot through their own exertions.

Equitable distribution of economic activity. In addition to ensuring that the bulk of the population participates in economic growth, it is important, in a country with the demographics of Guyana, that provision be made for the equitable spread of economic activity throughout all regions of the nation.

Satisfaction of basic needs. There are many families above the poverty line, as well as the poor, who still do not have adequate access to safe drinking water and sanitation services. To these basic needs may be added housing and access to health care.

A more participatory economy. Fuller provision of economic opportunities to women, youths and Amerindians and a general breaking down of racial barriers in the economy.

Environmental sustainability. In order to improve the quality of life for our citizens and to ensure that present economic achievements may be enjoyed by future generations, environmental sustainability is essential.

The Sectoral Committees may wish to take these objectives into account in a preliminary way in their work, and to define more specific objectives for their sectors. The sectoral objectives would be designed with the dual aim of promoting the attainment of the broad objectives, and overcoming those sector-specific constraints that the committees would have identified.

Procedures will be developed for all participants in this process to contribute to a more complete and definitive statement of the broad goals of the Strategy.

7. Support for the Sectoral Committees

An NDS secretariat has been established to support the committees and to assist the co-chairs of the NDSC in their management of the process.

Brian Lewis of the National Development Strategy Secretariat is serving as Project Assistant for this work and he has a limited amount of office equipment and secretarial capabilities at his disposal, as well as a messenger and taxi services for delivering documents. If committees should find themselves short of meeting space, they may contact Mr. Lewis and make arrangements to use the small meeting room in the NDS secretariat at 156 Charlotte Street (A&S International Building), 3rd floor. The telephone numbers of the secretariat are 74096 and 55852, and the fax number is 55856.

Mr. Lewis can have snacks delivered to the site of any meeting, if he is notified 24 hours in advance of each session. In any case, we urge the Sectoral Committees to advise him of all their meeting plans, in the event that interested members of the NDSC or other committees wish to observe, and in order to facilitate the delivery of relevant documents.

Ms. Olga Luti, of the Ministry of Finance, has compiled a data base with all the public comments received on the previous draft, and is preparing that for distribution to the Sectoral Committees. She also has agreed to obtain for distribution descriptions of all externally-financed investment projects that are underway or in the pipeline.

All committee leaders and convenors should have received by now a complete set of the six volumes of the previous draft of the NDS, plus a diskette containing the previous draft of their own chapters. If that is not the case for some committees, please inform Mr. Lewis or the co-chairs. Efforts are being made also to supply the committees with other relevant background studies and materials, with sufficient copies for all committee members. In some cases, these materials include multiple copies of other chapters of the Strategy that are pertinent to a committee's own chapter. It is important that the committees assist this effort by identifying additional studies or documents of relevance and lending a copy of each one to Mr. Lewis, so that additional copies may be made.

The NDSC is working out procedures for reformulating chapters 1 to 5 of the previous draft of the NDS. It also intends to convene additional Sectoral Committees. In addition, it now seems obvious that Volume II will also have to be restructured. All steps in the process will be communicated to the committees.

Please convey to us, any thoughts or concerns you may have about the process itself. In closing, we should like to comment that we have been advised that it is very unlikely that any other country has undertaken the development of a national strategy, with this degree of comprehensiveness and policy specificity, under the management of its civil society. If we are

successful, our efforts may well be emulated not only by future Guyanese generations but also by other developing nations.

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<<< Co-Chairpersons, National Development Strategy Committee >>>