Guyana Payments System Project (P159512)

Key Dates

Key Project Dates

Bank Approval Date: 31-Mar-2017
Effectiveness Date: 08-Sep-2017
Planned Mid Term Review Date: 09-Dec-2019
Actual Mid-Term Review Date: 
Original Closing Date: 31-Mar-2021
Revised Closing Date: 31-Mar-2021

Project Development Objectives

Project Development Objective (from Project Appraisal Document)
The project development objective is to improve Guyana's national payments system by enhancing safety and efficiency of payments.

Has the Project Development Objective been changed since Board Approval of the Project Objective?
No

Components

Name

Developing Payments System Infrastructure (Cost $4.30 M)
Capacity Building of Bank of Guyana (Cost $1.38 M)
Project Implementation Unit (Cost $0.32 M)

Overall Ratings

Name | Previous Rating | Current Rating
--- | --- | ---
Progress towards achievement of PDO | Moderately Satisfactory | Moderately Satisfactory
Overall Implementation Progress (IP) | Moderately Satisfactory | Moderately Satisfactory
Overall Risk Rating | Moderate | Moderate

Implementation Status and Key Decisions

Project Progress: 3 key activities have shown significant progress in the last few months: i) the implementation phase to connect the national payments system direct participants and BOG was completed successfully, ii) the contract with the consultancy firm to support the BOG in the procurement and implementation of RTGS and
CSD systems was signed and the firm has been supporting BoG since August 26, 2019 with the evaluation of the bidders for the supply of the RTGS and CSD systems, and iii) the procurement process for the RTGS and CSD systems is close to be completed.

**Risks**

**Systematic Operations Risk-rating Tool**

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Rating at Approval</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political and Governance</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Substantial</td>
</tr>
<tr>
<td>Macroeconomic</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
</tr>
<tr>
<td>Sector Strategies and Policies</td>
<td>◯ Low</td>
<td>◯ Low</td>
<td>◯ Low</td>
</tr>
<tr>
<td>Technical Design of Project or Program</td>
<td>◯ Low</td>
<td>◯ Low</td>
<td>◯ Low</td>
</tr>
<tr>
<td>Institutional Capacity for Implementation and Sustainability</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
</tr>
<tr>
<td>Fiduciary</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
</tr>
<tr>
<td>Environment and Social</td>
<td>◯ Low</td>
<td>◯ Low</td>
<td>◯ Low</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
</tr>
<tr>
<td>Other</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
</tr>
<tr>
<td>Overall</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
<td>◯ Moderate</td>
</tr>
</tbody>
</table>

**Results**

**PDO Indicators by Objectives / Outcomes**

**Improve Guyana’s national payments system by enhancing safety and efficiency of payments.**

- **Percentage of large-value payments processed through the RTGS (Turnover of GDP) (Percentage, Custom)**

<table>
<thead>
<tr>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>120.00</td>
</tr>
</tbody>
</table>

  **Comments:** Total value settled in RTGS/Value of GDP = Turnover of GDP. The number of times an amount equivalent to the value the GDP is settled in a year by the Real-Time Gross Settlement System.

- **New system observes or broadly observes all applicable PFMI (Text, Custom)**

<table>
<thead>
<tr>
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<th>Actual (Previous)</th>
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<th>End Target</th>
</tr>
</thead>
</table>
Overall Comments

The procurement process of the Real-time gross settlement system is close to be completed. The RTGS is expected to be processing large-value payments, observing the principles for financial market infrastructures (PFMI), in approximately 15 months.

Intermediate Results Indicators by Components

### Developing Payments System Infrastructure

<table>
<thead>
<tr>
<th>Real-Time Gross Settlement System is Operational (Yes/No, Custom)</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Comments</td>
<td>This indicator will measure the conversion rate of Guyanese consumers from cash payments to fully electronic credit transfers using the new and modern national payments system.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Central Securities Depository is Operational (Yes/No, Custom)</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Comments</td>
<td>This indicator will measure the conversion rate of government agencies from cash payments to fully electronic credit transfers using the new and modern national payments system.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Treasury/Ministry of Finance is connected to the RTGS, ACH and CSD platform. (Yes/No, Custom)</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Comments</td>
<td>Treasury/Ministry of Finance is connected to the Real-Time Gross Settlement System (RTGS), an Automated Clearinghouse (ACH), and a Central Securities Depository (CSD).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Guyana Revenue Authority is connected to the RTGS and ACH platform (Yes/No, Custom)</th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Comments</td>
<td>Guyana Revenue Authority is connected to the Real-Time Gross Settlement System (RTGS), an Automated Clearinghouse (ACH), and a Central Securities Depository (CSD).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Baseline</td>
<td>Actual (Previous)</td>
<td>Actual (Current)</td>
<td>End Target</td>
<td></td>
</tr>
<tr>
<td>----------</td>
<td>------------------</td>
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<td>------------</td>
<td></td>
</tr>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Comments:</td>
<td>Guyana Revenue Authority is connected to the Real-Time Gross Settlement System (RTGS) and the Automated Clearinghouse (ACH).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

National Insurance Scheme is connected to the RTGS and ACH platform (Yes/No, Custom)

<table>
<thead>
<tr>
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<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Comments:</td>
<td>National Insurance Scheme (NIS) is connected to the Real-Time Gross Settlement System (RTGS) and the Automated Clearinghouse (ACH).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Government payments channeled through the ACH or RTGS (# of payments) (Percentage, Custom)

<table>
<thead>
<tr>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Comments:</td>
<td>Percentage of Government payments channeled through the ACH or RTGS (# of payments). Government payments from Treasury, Guyana Revenue Authority, and the National Insurance Scheme.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Capacity Building of Bank of Guyana

Organizational unit focused on payments systems and staff with trained personnel at the Bank of Guyana established and functioning (Yes/No, Custom)

<table>
<thead>
<tr>
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<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Comments:</td>
<td>Organizational unit focused on payments systems and staff with trained personnel at the Bank of Guyana established and functioning.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Overall Comments

It is expected that the procurement process of the RTGS and CSD systems will be completed in October 2019. Afterwards, the implementation phase will take about 12 months. In addition, in about 18 weeks, after the RTGS and CSD hardware is tested and accepted, BoG will start the procurement processes for all three platforms: Treasury, Guyana Revenue Authority and the National Insurance Scheme. It is expected that in about 15 months the National Payments System will be operating under the new technical infrastructure.

Regarding the capacity building of BOG, their staff has conducted study tours to peer countries, currently is receiving support from an experienced consulting firm that will accompany BOG during the implementation of the Payments System infrastructure, and they are developing a capacity building plan that will be supported by component 2.
Data on Financial Performance

Disbursements (by loan)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P159512</td>
<td>IDA-59660</td>
<td>Effective</td>
<td>USD</td>
<td>6.00</td>
<td>6.00</td>
<td>0.00</td>
<td>0.85</td>
<td>5.40</td>
<td>14%</td>
</tr>
</tbody>
</table>

Key Dates (by loan)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Orig. Closing Date</th>
<th>Rev. Closing Date</th>
</tr>
</thead>
</table>

Cumulative Disbursements

![Graph showing cumulative disbursements over time]
Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.