MINISTRY OF BUSINESS´ STRATEGIC PLAN
2016-2020

Second Draft

July 15 of 2016
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### Abbreviations

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<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>BCAC</td>
<td>Business and Competitiveness Advisory Council</td>
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<td>BES</td>
<td>Business Environment Subcommittee</td>
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<td>BIT</td>
<td>Board of Industrial Training</td>
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<td>BSPU</td>
<td>Business Strategy and Policy Unit</td>
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<td>CARICOM</td>
<td>Caribbean Community and Common Market</td>
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<td>CCAC</td>
<td>Competition and Consumer Affairs Commission</td>
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<td>CEO</td>
<td>Chief Executive Officer</td>
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<td>DBI</td>
<td>Doing Business Index</td>
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<td>DPS</td>
<td>Deputy Permanent Secretary</td>
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<td>EPA</td>
<td>Environmental Protection Agency</td>
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<td>EU</td>
<td>European Union</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>FPDMC</td>
<td>Forest Products Development and Marketing Council</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GNAP</td>
<td>Guyana National Action Plan</td>
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<td>GNBS</td>
<td>Guyana National Bureau of Standards</td>
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<tr>
<td>GNI</td>
<td>Gross National Income</td>
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<td>GO-Invest</td>
<td>Guyana Office for Investment</td>
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<td>GPL</td>
<td>Guyana Power and Light</td>
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<td>GRA</td>
<td>Guyana Revenue Authority</td>
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<td>GuSuCo</td>
<td>Guyana Sugar Corporation</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>HIPC</td>
<td>Heavily Indebted Poor Countries</td>
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<td>IA</td>
<td>Investment Agreement</td>
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<td>IADB</td>
<td>Inter-American Development Bank</td>
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<td>ICT</td>
<td>Information and Communication Technology</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IPED</td>
<td>Institute for Private Enterprise Development</td>
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<td>ISO</td>
<td>International Standard Organization</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>LAC</td>
<td>Latin America and the Caribbean</td>
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<td>LPI</td>
<td>Logistics Performance Index</td>
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<td>MBA</td>
<td>Master of Business Administration</td>
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<td>MDRI</td>
<td>Multilateral Debt Relief Initiative</td>
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<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
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<td>MoF</td>
<td>Ministry of Finance</td>
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<td>MoB</td>
<td>Ministry of Business</td>
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<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
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<td>MSE</td>
<td>Micro and Small Enterprises</td>
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<td>MSED</td>
<td>Micro and Small Enterprise Development project</td>
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<td>MSME</td>
<td>Micro, Small and Medium Enterprises</td>
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<tr>
<td>NCTVET</td>
<td>National Council for Technical and Vocational Education and Training</td>
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<td>NewGMC</td>
<td>New Guyana Marketing Corporation</td>
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<td>NIS</td>
<td>National Insurance Scheme</td>
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<td>PPP</td>
<td>Public-Private Partnership</td>
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<td>PS</td>
<td>Permanent Secretary</td>
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<td>PSM</td>
<td>Public Service Ministry</td>
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<td>SAL</td>
<td>State of the Art Laboratory</td>
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<td>SBB</td>
<td>Small Business Bureau</td>
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<td>SBC</td>
<td>Small Business Council</td>
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<tr>
<td>SCP</td>
<td>Support for Competitiveness Program</td>
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<td>SME</td>
<td>Small and Medium Enterprises</td>
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<tr>
<td>UNCTAD</td>
<td>United Nations General Assembly dealing with trade, investment and development issues</td>
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<tr>
<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
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<tr>
<td>US</td>
<td>United States of America</td>
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<td>VAES</td>
<td>Value Added Export Strategy</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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<td>WBCSD</td>
<td>World Business Council for Sustainable Development</td>
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EXECUTIVE SUMMARY

Guyana Means Business

After national dialogue with private sector and key actors, this section will be finalized aiming to provide readers with a summary of key challenges, strategies and actions to make Guyana a place where doing business is easy and enhance its competitiveness as well as its capacities to produce and export more value-added products and services.
This section will provide the procedure and steps as well as the methodology used to design, consult, monitor and evaluate the Ministry of Business’ Strategic Plan 2016-2020.
This section provides the meaning of some economic terms used in the document.

| **Economic Inclusion Policy** | Economic inclusion policies refer to the affirmative efforts of governments aiming to provide equality of opportunity for all members of society to participate in the economic life of their country. Programs typically implemented to provide economic opportunities are: provision of training, access to finance and technology, as well as to public procurement and supply chain development programs. |
| **Industrial Policy** | The industrial policy of a country, sometimes denoted IP, is a policy oriented to encourage the development and growth of prioritized sectors of the economy; therefore, the instruments used are sector specific. According to Dani Rodrik¹, industrial policies are particular policies intended to improve the competitiveness and capabilities of domestic firms and to promote structural transformation. They involve producing new goods with new technologies and transferring resources from traditional activities to these new ones. According to the World Bank², the new industrial policy is "the process to foster restructuring and technological dynamics. It offers solutions that go beyond traditional focus on background conditions and improvement of business climate. It facilitates learning and self-discovery of private sector actors as well as diversification of the productive structure. Such processes of discovery involve fixed costs, which the private sector could not bear alone. Clusters and value chains are examples of mezzo-level structures which are underplayed by horizontal investment climate policies, but which are a central concern in the new industrial policy". |
| **Matching Grant Programs** | Programs where the government or a donor matches private sector funding for a specific purpose, for example the financing of export promotion, productivity or business enhancement activities, for which services are provided by expert or specialised firms. |


| **Value Chain Analysis** | When conducting a value chain analysis, each part of the process of making a product or service production process is identified as well as steps that can be eliminated or improvements that can be made. These improvements can result in either cost savings or improved productive capacity. According to Michael Porter\(^3\), “the value chain is made of primary activities and support activities. Primary involves inbound logistics, operation, outbound (distribution), marketing and sales, and services. The support functions are the firm infrastructure, human resources, procurement to buy goods at the right price”. He defines the value chain as “the whole series of activities that create and build value at every step. The total value delivered by the company is the sum total of the value built up all throughout the company”.

| **Business Cluster** | According to the business dictionary\(^4\), a business cluster is “a network of connected businesses, suppliers, and associates in a specific field that are all located in the same geographical area. Clusters are thought to provide increased efficiency and productivity, so businesses can compete at a national and a global scale”. Michael Porter\(^5\) claims that “clusters have the potential to affect competition in three ways: by increasing productivity for the companies in the cluster, by driving innovation in the field, and by stimulating new business in the field”.

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CHAPTER 1

1. Guyana’s Key Competitiveness Challenges and Opportunities

1.1 Advances

Booming investment activities and favourable terms of trade have underpinned economic progress in Guyana over the past five years. Due to this, the economy has expanded by an annual average of 4.3% during the period of 2008-15 according to the World Bank development indicators. Economic progress, however, was due mainly to high commodity prices, particularly the high price of gold, rather than a much-needed transformation into an easy place to do business. In addition, the timely introduction of a value-added tax (VAT), namely before lower prices of commodities impacted the economic outlook, and the general collection of taxes have reinforced the country’s macroeconomic performance. Similarly, the implementation of debt relief agreements under the Heavily Indebted Poor Countries Initiative (HIPC) and Multilateral Debt Relief Initiative (MDRI) has also been helpful.

Guyana has made considerable progress in reducing many dimensions of extreme poverty, and achieving most of its MDGs. As a matter of fact, according to the Human Development Report (2015) Guyana’s Human Development Index (HDI) in 2014 was 0.636, which put the country in the medium human development category. With this HDI Guyana ranks 124 out of 188 countries. Its major advances in the period 1980-2014 are: life expectancy at birth increased by 3.8 years, the mean years of schooling increased by 2.7 years and its GNI per capita increased by 76.8%, indicating a higher degree of inequality. Integrating remote areas in the hinterland through improvements in transportation, access to electricity, social services and agency banking can help to spread the benefits of growth and reduce poverty. In fact, Guyana adopted several reforms aimed at improving its performance in the World Bank's Doing Business Index. These measures include lowering the corporation tax rates, restructuring property registration fees, drafting amendments to the Companies Act, and establishing a credit reporting system.

According to a recent evaluation report on the performance of the Support for Competitiveness Program\(^7\), financed by an IADB loan, Guyana’s competitiveness has improved since 2006 in absolute terms. During the years 2007-2011, Guyana’s rank in the Global Competitiveness Index improved in relative terms in comparison with other countries, going from the 80th percentile to the 70th. Since 2011, Guyana’s relative rank has fallen as other countries improved at a greater speed. Particularly, progress has slowed in the areas of reduction of red tape and electronic governance processes.

1.2 CHALLENGES

1.2.1 COMPETITIVENESS, BUSINESS ENVIRONMENT, FINANCIAL BOTTLENECKS AND LOW LEVELS OF PRIVATE INVESTMENT

Guyana has an underdeveloped investment climate and a shallow financial infrastructure, which create serious challenges to attract private investments in order to diversify the economy away from natural resources. In addition, it is important to highlight the need for competitiveness within the country, since its internal market is very small, the export market is imperative for businesses that want to grow.

The World Bank’s 2016 Doing Business Report ranked Guyana 137th out of 189 countries in terms of ease of doing business, below LAC’s regional average of 104\(^8\). Guyana lags behind its regional peers, notably in access to electricity and credit, and resolving insolvencies. The 2015–16 World Economic Forum’s Global Competitiveness Report ranked Guyana 121st out of 140 countries in terms of competitiveness, noting weaknesses in transport infrastructure, electricity and telecommunications, institutional quality, information and communication technology (ICT), and innovation\(^9\).

The current public investment program can help relieve structural bottlenecks such as transportation and electricity that have long been identified as impediments to growth and economic diversification. In addition, an onerous regulatory environment for businesses affects micro and small enterprises in particular.


Infrastructure to support private sector growth is also underdeveloped, and hinders access to external markets. Transport infrastructure in Guyana remains deficient, with a lack of large deep-sea port facilities and insufficient and decaying road networks. The 3,995 km road network of Guyana consists of six main roads of two lanes each. Guyana has two international airports, and one general cargo seaport in Georgetown. Additionally, electricity production is highly inefficient, and is one of the most expensive in the region. Telecommunication services are better developed but still costly. Labour and entrepreneurial skills are behind countries with similar level of development. There is also scope for productivity-enhancing reforms in key sectors of the economy. For example, it is crucial to reduce costs of production in the sugar and rice sector given their high social impact and deteriorating market outlook.

Similarly, another factor crucial for competitiveness is access to finance, which in Guyana is very limited. The Credit Union sector serves individuals and MSMEs but is not well regulated. The Institute of Private Enterprise Development (IPED) is the oldest and largest microfinance institution in the country, registered as a non-profit limited liability company, it has financed in its three decades of existence more than 100,000 loans to both small and medium businesses valued at over GYD 30 billion\(^\text{10}\). An underdeveloped legal framework for the payment system along with financial infrastructure deficiencies present risks and are suppressing retail payment development. Lack of credit information depresses both credit risk monitoring by the relevant authorities and lending institutions, further restraining access to finance. If risks to the financial system are poorly managed, their materialization could lead to both fiscal losses and depressed economic activity.

Finally, it is important to understand why, despite efforts in providing incentives for export-oriented and job-creating investments, private sector investment remain low when compared to regional partners.

1.2.2 DIVERSIFICATION OF THE ECONOMY
The concentration of the economy on a small group of products makes Guyana vulnerable to commodity price downturn and volatility. According to the IMF, the exports of six commodities during 2015, i.e. sugar, gold, bauxite, shrimp, timber and rice, represent nearly 40% of the country’s GDP\(^\text{11}\).

\(^{10}\) “Microfinance and Empowerment”, Kaieteur News (April, 10 2016). Available at: http://www.kaieteurnewsonline.com/2016/04/10/micro-finance-and-empowerment/  

\(^{11}\) International Monetary Fund, \textit{Staff Report for the 2016 Article IV Consultation} (Washington: IMF, April 25, 2016), 24
The traditional sectors of sugar, rice and bauxite, which together accounted for 30% of GDP in 1993, have lost importance in comparison to the gold sector, which more than doubled in percentage of GDP during the last decade, from 5% to 12%. In 2015, the agriculture, forestry, fishing and mining industries accounted for 28% of total GDP, and bauxite, sugar, rice, gold and timber made up 83% of exports.

In 2014, notwithstanding some progress in economic diversification, the services sector (a significant portion of which is linked to the commodity sectors) contributed 67% to GDP, followed by the agriculture sector with 23%. The mining sector’s contribution, which has been falling since the recent decline in international commodity prices, accounted for 11% of GDP in 2014 versus 12% in 2013.

The contribution of the manufacturing sector (excluding sugar processing and rice milling) remains low at just below 4%.

There have been less favourable terms of trade and this has led to a slowdown in growth in 2014 and 2015. This pattern has also been observed in other commodity-exporting countries. Economic growth slowed from 5.2% in 2013 to 3.8% in 2014 and to 3% in 2015 because of the fluctuation of commodity prices as well as reduced fiscal stimulus. Strong growth in the transport and storage industry and in gold mining contributed to a 16.4% increase in declared gold production. Manufacturing output grew, principally reflecting higher rice and sugar yields. Counterbalancing these gains were substantial declines in construction and some declines in forestry and bauxite production.

1.2.3. Balancing Fiscal Prudence with Reducing Poverty and Investing in Infrastructure

The Government of Guyana does not have fiscal space to implement a countercyclical stimulus investment push strategy with a fiscal deficit of 4.1% of GDP at the end of 2015. The government faces the challenge of maintaining fiscal prudence to ensure debt sustainability while expanding public investment to reduce poverty and relieve infrastructure bottlenecks.

Public debt has grown since 2014, although the IMF’s debt sustainability analysis suggests that Guyana’s external and public debt remains sustainable. Public debt is estimated to have reached 48.2% in 2015.

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13 Staff Report for the 2016 Article IV Consultation, Washington: International Monetary Fund (April 25, 2016), 24
It is for this reason that private sector investment is crucial for the development of Guyana, particularly in areas such as infrastructure, which will also have a positive impact on reducing transaction costs and improving competitiveness. Furthermore, the Ministry of Business must work to eliminate bottlenecks and red tape as well as to implement a single electronic window trade transaction, to make Guyana an easy place to do business. In addition, it must foster the implementation of PPPs (private sector partnerships) that will allow the private sector to provide infrastructure services, such as electricity, telecommunication, transportation and the building and maintenance of roads.

1.2.4 TRANSFORMATION TO A GREEN ECONOMY AND BUILDING RESILIENCE TO CLIMATE CHANGE

Guyana is one of the most vulnerable countries to global climate change. Parts of the country are low-lying, with most of its coastal areas below mean sea level where a high percentage of the population and critical infrastructure are located. Rising sea levels will accelerate coastal erosion, increase flood risk, and lead to permanent loss of land in some areas. These challenges call for comprehensive measures to enhance resilience to climate change. Similarly, it is crucial to invest in the future of green technologies not only for energy provision, but also in the production of good and services. Greener business models will contribute in a significant manner to minimizing the impact of climate change.

The Government of Guyana is committed to transforming the Guyanese economy into a greener and knowledge-intensive one. This new paradigm can be achieved by using its natural resources (water, wind and sunlight) as the basis for renewable energy production, human capacity development for the new economy, as well as infrastructural improvements to attract investment to new sectors of the economy.

The role of the Ministry of Business in attracting sustainable investment in the extractive industries, using green technologies, is also very important for the overall economy. In order to achieve the goal of attracting sustainable investment in the extractive industries, the Ministry of Business should design a sustainable investment framework, which will be based on best practices. In addition, the Ministry of Business will collaborate with international organizations experienced in this area in order to develop jointly with GO-Invest and the Ministry of Natural Resources a sustainable investment strategy for the extractive industries in Guyana whilst establishing a monitoring information system for the entire business cycle.

Furthermore, the Ministry of Business along with Guyana’s environment authorities should work with the private sector to increase awareness of the importance of sustainable business models to achieve the relevant Sustainable Development Goals (e.g. no. 12 responsible production and consumption). In addition, work must continue in designing incentives for the private sector to adopt greener technologies and to foster the implementation of green business models and processes whilst replacing old machinery with eco-efficient ones.

However, incentives, awareness, and training to support a green economy are not enough, since the extent to which a host country benefits from FDI investments in the extractive industries depends heavily on the regulatory and legal framework governing the relationship between host
country and investor to find mutually satisfactory outcomes for both parties. The role of the environmental and natural resource authorities is crucial through the developing of SMART (simple, measurable, adaptable, relevant, and transparent) regulations that will enforce the compliance of environmental regulations.

1.3 OPPORTUNITIES

1.3.1 STRONG GOVERNMENT COMMITMENT TO AN INVESTMENT STRATEGY FOR ENVIRONMENTALLY SUSTAINABLE AND SOCIALLY INCLUSIVE GROWTH

The current government has an investment strategy for environmentally sustainable and socially inclusive growth. Improvements in transportation and telecommunication infrastructure and renewable energy projects aim to boost productivity, integrate remote regions, facilitate economic diversification, and ease key impediments to growth. The strong commitment of this Government to these pivotal improvements is a great opportunity to stimulate economic activity, provide a sustainable increase in competitiveness, and ensure that the benefits of growth are more broadly distributed.

A formal process of dialogue with the private sector, labour and other social organizations should match this political commitment in order to generate ownership by the various actors needed to shift the paradigm to a greener and inclusive economy. In addition, through dialogue and cooperation with the private sector, priorities and a course of action to public-private work could be defined, which will facilitate the implementation of reforms and necessary transformations. In the formulation of public policy, dialogue is the firm basis on which to tap into the knowledge and interest of the relevant sectors. In the case of business development policies, dialogue is even more crucial, since most information about private sector needs, bottlenecks, and cost structure are in their hands. In addition, sector and size matters, and specific knowledge is crucial in order to fit productive policy and instrument to particular needs.
1.3.2 Low Oil Price and Stable Forecast for Metal and Agriculture Commodities

The impact of the oil price on the Guyanese economy is very important since most of transport and energy use imported oil. In fact, the current account deficit fell to 4.6% of GDP in 2015, following a decade of deficits that ranged between 10-16% of GDP, due to a 39% decline in the oil imports bill.

Forecasts maintain the oil price in the range of USD 45-55, which is almost half of the average over the last few years, which will result in significant budgetary savings for Guyana. In addition, prices for metal and agriculture commodities are expected to stabilize and to experience a slow recovery. For example, according to the World Bank Commodity Price Database the price of gold increased to USD 1,181 during first quarter of 2016 compared to USD 1,107 for the last quarter of 2015. In addition, the price of rice stabilized and showed an upward trend: the quarterly price per metric ton of Jan-April 2016 was USD 379 compared to the Oct-Dec 2015 price of USD 368. Finally, the price for shrimp despite the sharp decline in 2015 has also stabilized at USD 10.83 vs. USD 10.50. The same pattern is expected for the timber price per cubic meter, which has increased to USD 261 during the first quarter of 2016 vs. USD 250 during the first quarter of 2015.

1.3.3 Extensive Renewable Energy Resources as an Opportunity to Achieve a Sustainable Reduction in Electricity Costs

One of the greatest hurdles to changing Guyana’s production matrix is the lack of access to energy, its low reliability and high costs. Therefore, the commitment of the Government in changing this reality represents a twofold opportunity for the private sector.

In the first place, reducing the cost of electricity, as well as increasing its reliability is crucial for Guyana’s growth and diversification of the economy. This can be achieved by connecting small green technology electricity generators to the grid in order to increase supply and reduce energy losses.

In the second place, the private sector could participate through the implementation of public and private partnerships in the provision of renewable energy, which can also contribute to the creation of new jobs and spillovers of technological capacities and other benefits that foreign direct investment can bring to the country.
1.3.4 Stable Growth Prospects of Trade Partners

Guyana is a small economy, and most of the investments come from the public sector, which is highly dependent on collecting rent from natural resources. Private sector trade is very concentrated on a few countries; therefore, the economic performance of key markets is crucial to the growth of overall exports. Growth in demand for exports is not expected to change significantly, as the main recipients of Guyanese exports, namely the US, Canada and the EU, are forecasted to have lower but steady growth\(^\text{14}\).

1.3.5 Responsibility for Tourism Returns to Ministry of Business

The Ministry of Business has been given the responsibility for the growth and development of the tourism sector in Guyana, effective from July 1, 2016. This new responsibility provides a great opportunity to consolidate the previous mandate of fostering value added sectors as the motor of sustainable development. Tourism as an export industry has tremendous potential for Guyana. Tourism provides employment, income and investment opportunities, generates foreign exchange earnings and tax revenue, and promotes and sustains the national culture, heritage and environment.

Guyana has a comparative advantage in a number of niche areas, such as nature tourism, birding tourism, sport fishing, small yacht tours, and community-based tourism. Also important are the sports tourism niches in activities such as cricket, motor racing and other spectator sports. The challenge resides in how to turn all of these natural comparative advantages into competitive and unique experiences, whilst building the right infrastructure and developing trained personnel for these sectors. Some of these innovations are already taking place and will be further enhanced by the full implementation of the strategic plan for tourism developed by the Ministry of Public Telecommunication which previously had responsibility for the sector.

CHAPTER TWO

2. MINISTRY OF BUSINESS´ STRATEGIC VISION

2.1. VISION
The vision for the Ministry of Business is:

*Increased living standards for all Guyanese in a diverse and green economy*

2.2. MISSION
The mission of the Ministry of Business is:

To create a business environment that fosters innovation, competitiveness, growth and diverse employment opportunities by improving the ease of doing business, attracting sustainable investment, promoting value-added exports and enhancing workforce skills through policy-making, advocacy and cooperation with the private sector.

2.3. OBJECTIVES
2.3.1 INCREASE SUSTAINABLE PRIVATE SECTOR INVESTMENT THROUGH THE DESIGN AND IMPLEMENTATION OF A NATIONAL INVESTMENT POLICY

DIAGNOSIS
According to the World Bank development indicators, the share of private investment (measured as private sector gross fixed capital formation as a share of GDP) reached 13.4 % of GDP in 2014, which remains low compared to the regional average of 15.5% of GDP for the same year. Nevertheless, it is important to notice that private sector investment has almost doubled over the last six years. It is noteworthy that private sector investment measured as gross capital formation grew by 84% over the period of 2004 (7.26%) to 2014.
Regarding the size of Guyanese businesses, the mining and agricultural sectors are characterized by large numbers of small private producers\(^\text{15}\). Gold, which makes up about 50% of Guyana's exports, is extracted by a large number of mining businesses that employ around 5-30 workers each. Investment decisions are heavily influenced by international gold prices, which have been high since 2007. The situation is similar in agriculture, where rice and sugarcane are the main export products. The expansion of the mining and agricultural sectors has a direct impact on aggregate demand in Guyana, owing to the fact that the income generated by exports stays in the country and is used for consumption and investment. Guyana's economic growth cycles are largely determined by investment decisions taken by domestic private companies.

Guyana's economic structure is also different from that of other regional countries, in that there are strong links between the main engines of growth (mining and agriculture) and other domestic sectors\(^\text{16}\). With the exception of the heavy machinery (and maintenance) required for the extraction of gold, which is imported, most goods (both tradable and non-tradable) and services are bought in the domestic market. These forward and backward links enhance the multiplier effect of investment and spending generated by the mining and agricultural sector.

With respect to FDI inflows, figure 2 shows the evolution of FDI as percentage of GDP and indicates that medium and long-term private capital inflows recorded a recent peak in 2012, but started to decrease in 2013. According to UNCTAD\(^\text{17}\), inflows of foreign direct investment (FDI) amounted to around USD 214 million in 2013, up from USD 164 million in 2009; no data on FDI outflows from Guyana were available. The most recent data shows that FDI in 2014 reached 8% of GDP.

Information provided by the WTO Trade Policy Review\(^\text{18}\) indicates that authorities have stated that inward FDIs were directed mainly to agriculture, tourism, information and communications, transport, education and other services, manufacturing (including wood products), and energy.

\(^{15}\) Elias, Carlos. *Private Sector Assessment of Guyana*, Inter-American Development Bank (October 10, 2014)

\(^{16}\) Elias, Carlos. *Private Sector Assessment of Guyana*, Inter-American Development Bank (October 10, 2014)


In reference to incentives for private sector investment, the Government provides general and sector-specific incentives. Among key general incentives are:

- Zero Import Tariff for industrial equipment, raw materials or packaging materials used in the production of goods by manufactures or small businesses.
- Unlimited carry-over of losses from previous years.
- Accelerated depreciation on plant and equipment
- Full and unrestricted repatriation of capital profits and dividends

Special incentives include income tax holidays, and tariff and value-added tax (VAT) exemption that are provided to firms exporting non-traditional products, as well as to other sectors such as agribusiness, manufacturing, tourism, fisheries, forestry, mining, housing and ICT.

To access incentives, investors need to sign an Investment Agreement (IA) with the Government represented by the Ministry of Finance; the process is as it follows:

- Investors approach GO-Invest with a proposal for discussion
- Proposal is forwarded by GO-Invest to relevant agencies (Mainly the Guyana Lands and Survey Commission and the Guyana Revenue Authority). Meetings are set up to discuss.
- Memorandum of Understanding is signed between investor and relevant agencies. Investment Agreement containing incentives is drafted and forwarded to GRA for review.
- Minister of Finance approves the IA.
According to the IADB\textsuperscript{39}, there is a perception that the process to sign IA contracts is slow and that there is some discretion in the way authorities apply incentives to different types of investments.

Major obstacles to business have been identified in a Compete Caribbean firm level survey from 2013. Table 1 gives an overview.

**TABLE 1 SNAPSHOT OF FIRM-LEVEL SURVEY (MAJOR & SEVERE OBSTACLES)**

<table>
<thead>
<tr>
<th>Area</th>
<th>All Countries</th>
<th>Guyana</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>40 %</td>
<td>62 %</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>14 %</td>
<td>55 %</td>
</tr>
<tr>
<td>Tax rates</td>
<td>43 %</td>
<td>54 %</td>
</tr>
<tr>
<td>Inadequately educated workforce</td>
<td>28 %</td>
<td>44 %</td>
</tr>
<tr>
<td>Crime, theft and disorder</td>
<td>31 %</td>
<td>42 %</td>
</tr>
<tr>
<td>Corruption</td>
<td>29 %</td>
<td>42 %</td>
</tr>
<tr>
<td>Political environment</td>
<td>11 %</td>
<td>41 %</td>
</tr>
<tr>
<td>Customs and Trade regulations</td>
<td>20 %</td>
<td>40 %</td>
</tr>
<tr>
<td>Tax administration</td>
<td>29 %</td>
<td>28 %</td>
</tr>
<tr>
<td>Transportation</td>
<td>21 %</td>
<td>28 %</td>
</tr>
<tr>
<td>Access to land</td>
<td>20 %</td>
<td>28 %</td>
</tr>
<tr>
<td>Practices of competitors</td>
<td>35 %</td>
<td>26 %</td>
</tr>
<tr>
<td>Business licensing and permits</td>
<td>14 %</td>
<td>20 %</td>
</tr>
<tr>
<td>Access to finance</td>
<td>40 %</td>
<td>19 %</td>
</tr>
<tr>
<td>Labour regulations</td>
<td>7 %</td>
<td>8 %</td>
</tr>
</tbody>
</table>


\textsuperscript{39} Elias, Carlos. *Private Sector Assessment of Guyana*, Inter-American Development Bank (October 10, 2014)
**Electricity, Transportation and Telecommunications**

Six out of ten enterprises in the survey mentioned infrastructure related barriers such as the lack of access and cost of electricity as well as telecommunications as the biggest obstacle to their business. The WTO Trade Policy Review finds that electricity production in Guyana is costly and highly reliant on imported fuel, but there is considerable potential for Guyana to increase hydroelectric generation. A strategy on how to foster public-private partnerships in the energy sector is therefore key.

Guyana depends heavily on imported oil for its power needs. The country’s installed power generation capacity is about 83% oil-based and 17% biomass (bagasse)-fuelled. This capacity translates into a generation mix that is almost entirely dominated by oil-based generators, which supply about 95% of the country’s power consumption.

High electricity costs and tariffs are a drag on competitiveness and growth. Oil price shocks increase the cost of power generation. These high cost are hindrance to development of the industrial sector and a constraint to investment in these sectors. Average retail electricity prices were among the highest in the region in 2014. GPL’s relatively high rates of technical and commercial losses also contribute to high electricity prices. Although the recent decline in oil prices has provided some respite, Guyana remains exposed to oil price corrections.

**Skills Gap**

Four out of ten enterprises in the above survey mentioned the need to enhance and upgrade workforce capabilities in order to compete. A crucial task therefore needs to be a very deep reform of the entire educational system, from elementary school through tertiary education as well as technical, vocational and on the job training.

By the same token, the Private Sector Commission and National Working Group on MDGs report on Manpower Needs concluded that the key challenges faced by private sector companies are: outdated curriculum training institutions, migration of skills, lack of literacy and communication skills, significant re-training cost, need to import skills and the lack of a national vision.

The technical and vocational institutions in Guyana (TVET) offer education and training to youths and adults in technical, commercial and scientific fields relevant to the needs of the economy. Their mandate is to work jointly with the private sector to coordinate plans to generate knowledge and skills needed for its development. The system is mainly financed by

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fiscal resources with small contributions by the participants in the form of enrolment and examinations fees. There have been recent initiatives to decentralize TVET, establishing a TVET for each for the 10 regions.

The TVET Bill of 2004 provides legislation for the establishment of a National Council for Technical and Vocational Education and Training (NCTVET). The NCTVET is a semiautonomous agency under the Ministry of Education and the Board of Industrial Training (BIT), which supervises training for the industrial sector.

**Security, Corruption and Political Stability**

Roughly 40% of enterprises surveyed were of the opinion that security and political issues, such as crime, need to be improved.

**Custom and Trade Regulations**

Four out of ten enterprises expressed that customs and trade regulations were cumbersome. Also according to the Doing Business Report 2016 Guyana performs low in this area: In the indicator Trading Across Borders, Guyana ranks 139 out of 189 economies. Among key reforms should be a Single Window for trade transactions, risk based inspections and electronic data interchange systems.

**Logistics**

In today’s globalized world, trading competitively is particularly key for economies that export basic commodities, as in the case of Guyana. Investing in infrastructure, such as roads, ports, and airports, is therefore key. Moreover, it is important to have efficient logistics in place, defining the process of planning, implementing and controlling the flow and storage of goods, services and related information services from point of production to point of consumption.

The World Bank calculates the logistics performance index (LPI), which is the weighted average of a country’s scores in six key dimensions: 1) efficiency of the clearance process, 2) quality of trade and transport related infrastructure, 3) ease of arranging competitively priced shipments, 4) competence and quality of logistic services, 5) ability to track and trace consignments, and 6) timelines of shipments in reaching destination with the scheduled or expected delivery time. With a score of 2.67 (4.23 is the highest), Guyana is in line with the average of countries at the same level of development but has plenty of room for improvement.

A factor not measured in this index is air connectivity and cost of airfreight, which was mentioned in interviews of business associations as a hindrance to foster tourism and export of value added products. Guyana’s airports are expensive for both passengers and airlines. The

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IADB finds that Guyana is not likely to become a hub soon because of its low volumes of origin and destination traffic and deficiencies in outbound services. They conclude that "all areas related to passenger processing areas, particularly for outbound passengers, present deficient conditions of facilitation, comfort and acceptable level of service". A recommendation from the IADB is that negotiations are held to connect the country to Colombia’s hub, one of the largest in South America, in order to enhance its connectivity within the Americas.

**Red Tape**

At the same level of priority, Guyanese executives see trade related red tape that needs to be streamlined. Most processes need to be complied by filling out paperwork, the use of ICT is at a very early stage, and legal as well as administrative reforms are required in order to accomplish substantial regulatory improvements. For instance, it currently takes around 1-2 weeks to obtain the title certificate after the transfer instrument is filed at the Land’s Registry.

Finally, enterprises mentioned the access of land, tax administration, transportation and anti-trust measurements to assure fair competition among all economic players. Another challenge is to enhance the access to finance in traditional sectors, as well as to create new instruments that can facilitate and spur investment in new sectors of the economy.

**KEY STRATEGIES**

1. **Address critical factors for investment attraction in collaboration with relevant public stakeholders**

   Incentives: Evaluate and improve current investment incentive framework
   
   - Conduct a study in collaboration with MoF to evaluate the current investment incentives framework, analysing the effectiveness of incentives and making recommendations for improving their use
   - Provide fast and efficient services to investors through the empowerment of GO-Invest. Transforming the agency into a One-Stop-Shop for investment in the country diminishes its dependence on GRA, which currently makes recommendations on a case-by-case basis, and the Ministry of Finance, which currently makes the final decision on which incentives are granted to an investor. In order to accomplish this, with the results of the analysis of the incentives for private investment, it is necessary that the Government of Guyana introduces regulation for its Investment Act, defining a clear, restrictions.

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23 Ricover, Andy. *Constraints to Regional Air Connectivity Between Countries of the Guyana Shield and South America*, Inter-American Development Bank (November, 2015)
predictable and transparent incentives framework with very few exceptions under external authorisation and providing the authority to GO-Invest to grant them.

Infrastructure: Increase private participation in provision of solar and mini hydroelectric projects

- Guyana has recently launched a comprehensive review of its power sector strategy. The government has tasked the Inter-American Development Bank (IADB) with a review of its optimal energy matrix. The IADB will assess the optimal power generation mix for the country, looking at a broad array of energy sources. The power sector strategy will draw upon the results of these studies; then the Ministry of Business could assess opportunities to design a strategy to enhance private sector participation.
- The government has also taken steps to increase the contribution of renewables to its power generation mix. A recently signed MoU with the International Pharmaceutical Agency (IPA) for the Hope Wind Farm Project provides an opportunity for the construction of a 25 MW wind farm. Therefore, the MoB should engage with public institutions responsible for drawing Guyana’s energy strategy in order to foster the participation of the private sector through public-private partnerships to promote the use of solar panels and mini hydro stations in remote communities without grid access. This will benefit particularly communities, micro, and small business in the rural area that are isolated and without access to electricity, Internet and other information technologies. By the same token, businesses everywhere in Guyana will benefit from access to more energy since overall capacity will increase if the private sector provides more energy in a decentralised manner to the grid. There can be large gains of productivity as new economic activities arise and as solar power is increasingly used by businesses to power their buildings and operations. In this respect, enabling green technology independent power producers to sell their excess power to the grid could reduce energy losses; increase supply, and lower tariffs.
- Develop a plan to enhance logistics to overcome bottlenecks with air and maritime freight in order to enhance overall connectivity, particularly by connecting to fast growing regional hubs.

Workforce Skills & Innovation

- Work jointly with the private sector in the assessment of priorities to enhance current workforce development
- Conduct a study on how to develop new skills for prioritised sectors

Access to Finance

- Work with Bank of Guyana, Ministry of Finance and Ministry of Legal Affairs to establish a modern and efficient secured transaction system to allow SMEs to use moveable property as collateral to access loans. This will require the establishment of a legal framework and collateral registry
2. **Design and Implement a National Sustainable Investment Strategy in Consultation with Private Sector, Aiming to Reap the Most Growth Benefits from Foreign and Domestic Investment**

- Define terms of reference for a consultancy to conduct benchmarking and competitiveness analyses of key prioritised sectors, to identify potential foreign investors and key investment messages and narrative, to make branding recommendations, and to develop detailed plan of activities to promote investment during 2017-2020

- With the results from such a consultancy and through consultations with relevant public agencies and the private sector develop a National Sustainable Investment Strategy and Action Plan

- Involve a network of embassies and consulates that can promote and attract investments

3. **Develop a Framework to Incentivise Sustainable and Eco-efficient Business Practices, and Communicate Regulations and Best Practices**

- Partner with multilateral cooperation, such as UNIDO or World Bank, and multi-sector organisations, such as the World Business Council for Sustainable Development (WBCSD), to acquire skills in sustainable practices policymaking skills

- In cooperation with donors and specialized institutes such as The Earth Institute or the Sustainable Development Centre at Columbia University, develop a framework for sustainable business practices and incentives, and communicate them through active participation of the private sector through learning workshops and seminars

- Analyse the possibility of trying some current incentives to enforce green regulations

- Explore the possibility of establishing a program to support industrial energy efficiency by replacing old machinery and equipment with eco-efficient ones, and by providing regulation and information regarding productivity and economic gains

4. **Establish a Section on the Ministry of Business's Website to Communicate**

- current regulations established by the Environmental Protection Agency,

- incentives to adopt greener processes, and

- best practices.
2.3.2 IMPROVE THE EASE OF DOING BUSINESS THROUGH THE DEVELOPMENT AND PRIORITIZATION OF KEY REFORMS AND STRUCTURED NATIONAL COLLABORATION

DIAGNOSIS
According the World Bank Doing Business Report 2016, Guyana fell five positions from the 132th in 2015 to the 137th position (out of 189 countries). In the following table, key areas of improvement are pointed out.

TABLE 2 BEST AND WORST AREAS IN DOING BUSINESS INDEX

<table>
<thead>
<tr>
<th>Distance to Frontier (100 is best)</th>
<th>Pillars of the Doing Business Index where Guyana is ranking within the range (2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-100</td>
<td>Starting a Business</td>
</tr>
<tr>
<td>60-80</td>
<td>Dealing with Construction Permits, Paying Taxes</td>
</tr>
<tr>
<td>40-60</td>
<td>Getting Electricity, Protecting Minority Investors, Registering Property, Trading Across Borders, Enforcing Contracts</td>
</tr>
<tr>
<td>20-40</td>
<td>Resolving Insolvency</td>
</tr>
<tr>
<td>0-20</td>
<td>Getting Credit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Relative Rank (1 is best)</th>
<th>Pillars of the Doing Business Index where Guyana is ranking within the range (2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50-99</td>
<td>Enforcing Contracts, Starting a Business, Protecting Minority Investors</td>
</tr>
<tr>
<td>100-149</td>
<td>Paying Taxes, Registering Property, Dealing with Construction Permits, Trading Across Borders</td>
</tr>
<tr>
<td>150-189</td>
<td>Resolving Insolvency, Getting Electricity, Getting Credit</td>
</tr>
</tbody>
</table>

Source: Elaborated by BSPU using data from the 2016 Doing Business Report

- All procedures in Guyana are only paper based and there is ample room to improve efficiency. A new legislation will be needed in order to establish the mandatory use of electronic means.

- There is a recognised need for interoperability among government agencies and collaborative leadership as well as modernisation of the ICT sector.

- Currently it takes around 1-2 weeks to obtain the title certificate after the transfer instrument and there is not an electronic registry of land and property.

- Currently, the High Court is the relevant court rule on land disputes between two companies. It takes more than 3 years to obtain a first-instance judgment from the court on such a dispute. A land court has been established in Guyana. However, disputes over land tenure between two local limited liability companies fall outside of the court's jurisdiction. It is recommended to expand the land court's jurisdiction to include such cases, as it is important for business to obtain faster judgments concerning their tenure rights. Moreover, statistics about the number of land disputes could be collected and published.
KEY STRATEGIES

1. IMPLEMEN A SINGLE WINDOW FOR TRADE TRANSACTIONS IN COLLABORATION WITH MEMBERS OF A TASK FORCE APPROVED BY CABINET

- Pass Single Windows bill and sign MOU between government agencies
- Review process mapping
- Determine scope/conceptual design of Single Window feasible in Guyana
- Review legislation and regulation proposed by a previous consultancy on a Single Window in Guyana undertaken in 2013 by Crown Agents and implement recommended changes
- Review organisational capacity, and business processes and procedures of all trade regulatory agencies as mapped out by Crown Agents and implement recommended changes
- Identify and fill gaps in IT software and hardware of stakeholders
- Standardise data capturing and harmonise its classification according to the Harmonised Commodity Description and Coding System (HS)
- Design and develop Single Window portal, integrating the TRIPS application
- Automate request, processing and approval process for permits and licenses, as well as inter-agency information exchange related to trade
- Design and implement a system that allows for the conversion, storage and retrieval of paper-based documents
- Develop and provide operating and system manuals and training
- Develop governance plan
- Develop a disaster recovery plan

2. ESTABLISH A SUBCOMMITTEE TO DESIGN AND IMPLEMENT BUSINESS ENVIRONMENT REFORMS THAT TRANSFORM GUYANA INTO A PLACE WHERE DOING BUSINESS IS EASY

Short Term

- Meet with the BES (Business Environment Subcommittee) of the Business and Competitiveness Advisory Council (BCAC), whose creation will be submitted to Cabinet for approval, in order to establish how to streamline processes to get on-line business registration; with those inputs, define a plan of action with clear responsibilities, budget and outcomes
Advocate for increasing public information about the land registry and its digitalisation.

In collaboration with the World Bank, develop and implement an action plan based on a memorandum of reforms to improve performance in the Doing Business Index.

Medium Term

- Work with BES to advocate for streamlining procedures and interconnecting agencies allowing the Lands Registry to check for tax compliance with the GRA on behalf of the customer. Digitising GRA records and creating a connected platform for both agencies would allow for compliance using an online system. In addition, the digitising of the registry and the cadastre are essential to provide a reliable land administration system as well as to increase operational efficiency.

- Work with BES to advocate for reducing the time to obtain a court decision on land disputes.

3. PROVIDE STATISTICS AND ANALYSIS FOR BUSINESSES

- Collect data to monitor the implementation of the actions outlined in this document.
- Provide information on business cycle activities on website.
- Work with GRA to obtain business data set.
- Publish quarterly reports on the growth of sales and exports by sector and industry.
- Develop yearly reports on the growth of exports, sector competitiveness, etc.

2.3.3. INCREASE VALUE ADDED PRODUCTION AND EXPORTS THROUGH THE DEVELOPMENT OF A NATIONAL EXPORT STRATEGY AND AN ENHANCED QUALITY INFRASTRUCTURE

DIAGNOSIS

Guyana suffers from a double export concentration problem in products and markets.

Despite the growth of exports by 32% over the period 2010-2014, exports of gold and mineral products continued to be 40% of exports in 2014, followed by 20% of exports of vegetables and 22% of exports of beverages. 82% of exports are concentrated in less than 10 products. Also, Guyanese exports are strongly concentrated on just four markets (United States, Canada, EU and Venezuela), which receive 70% of Guyana’s exports. It is important to notice that the direction of Guyana’s exports changed significantly between 2009 and 2014, mainly reflecting a substantial increase in the share of the United States from 12.3% in 2009 to 26.9% in 2014. Exports to Canada declined sharply from 33.9% of the total in 2009 to 8.4% in 2014. The EU’s share in Guyana’s total exports decreased from 27.8% in 2009 to 25.1% in 2014. The main market for Guyana’s exports in 2014 was the United States.
Guyana’s share of manufactured exports is low compared to countries with similar level of economic development.

Guyana’s manufactured exports make up 8.3% of total exports, having grown by 47.4% during the period 2010-2014 (table 4). This development was, mainly driven by the growth of rum exports, which reached USD 42.7 million in 2014 and grew at a rate of 118%, followed by the increase in exports of veneers and plywood that reached USD 19.1 million and grew at a rate of 72.2% over the same period. Other contributors with less value added are salted and smoked fish, which grew almost 3 times and reached a value of USD 8.2 million in 2014. Veterinary medicament grew at 43% and edible products and preparation at 21.8%.

Source: Bureau of Statistics, 2016

### TABLE 3 EVOLUTION OF EXPORTS WITH A VOLUME HIGHER THAN USD 500,000

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total of Exports</td>
<td>880,936,963</td>
<td>1,159,341,788</td>
<td>1,416,028,255</td>
<td>1,360,702,176</td>
<td>1,176,145,231</td>
<td>32.2</td>
</tr>
<tr>
<td>Gold</td>
<td>344,727,713</td>
<td>514,737,665</td>
<td>716,019,688</td>
<td>643,433,066</td>
<td>471,043,810</td>
<td>36.6</td>
</tr>
<tr>
<td>Rice</td>
<td>152,256,466</td>
<td>173,808,585</td>
<td>196,708,539</td>
<td>238,707,017</td>
<td>247,399,374</td>
<td>62.5</td>
</tr>
<tr>
<td>Sugar, Molasses, Honey</td>
<td>111,481,829</td>
<td>142,910,439</td>
<td>154,771,419</td>
<td>115,984,602</td>
<td>107,199,185</td>
<td>3.9</td>
</tr>
<tr>
<td>Aluminium Ores etc.</td>
<td>114,416,975</td>
<td>132,976,562</td>
<td>150,223,517</td>
<td>153,201,631</td>
<td>123,423,382</td>
<td>7.9</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
<td>19,583,396</td>
<td>35,471,695</td>
<td>42,490,998</td>
<td>44,048,573</td>
<td>42,798,631</td>
<td>118.5</td>
</tr>
<tr>
<td>Crustaceans and Molluscs</td>
<td>23,426,959</td>
<td>25,006,080</td>
<td>48,610,943</td>
<td>53,278,453</td>
<td>33,251,723</td>
<td>12.7</td>
</tr>
<tr>
<td>Fish, Fresh, Chilled, Frozen</td>
<td>17,503,134</td>
<td>23,844,629</td>
<td>25,338,277</td>
<td>30,855,252</td>
<td>31,818,699</td>
<td>81.8</td>
</tr>
<tr>
<td>Wood simply worked</td>
<td>26,079,092</td>
<td>36,086,609</td>
<td>24,780,082</td>
<td>22,110,520</td>
<td>25,432,816</td>
<td>2.5</td>
</tr>
<tr>
<td>Veneers, Plywood etc.</td>
<td>11,101,915</td>
<td>11,097,824</td>
<td>14,664,469</td>
<td>10,629,364</td>
<td>19,115,481</td>
<td>72.2</td>
</tr>
<tr>
<td>Pearls and Precious Stones</td>
<td>9,285,535</td>
<td>10,173,295</td>
<td>7,957,040</td>
<td>11,613,541</td>
<td>14,212,509</td>
<td>53.1</td>
</tr>
<tr>
<td>Fish Salted, Dried, Smoked</td>
<td>2,218,290</td>
<td>4,752,417</td>
<td>2,562,131</td>
<td>5,813,527</td>
<td>8,312,615</td>
<td>274.6</td>
</tr>
<tr>
<td>Wood in the rough</td>
<td>2,504,500</td>
<td>1,408,814</td>
<td>1,818,537</td>
<td>3,457,947</td>
<td>6,933,197</td>
<td>176.8</td>
</tr>
<tr>
<td>Fruits and Nuts Fresh/Dry</td>
<td>4,019,636</td>
<td>3,910,596</td>
<td>4,092,313</td>
<td>3,474,038</td>
<td>6,606,496</td>
<td>64.4</td>
</tr>
<tr>
<td>Edible Products and Preparations</td>
<td>2,995,304</td>
<td>3,285,867</td>
<td>3,282,483</td>
<td>5,975,655</td>
<td>3,647,262</td>
<td>21.8</td>
</tr>
<tr>
<td>Ferrous Waste and Scrap</td>
<td>4,121,711</td>
<td>2,793,038</td>
<td>5,619,823</td>
<td>3,357,961</td>
<td>3,644,889</td>
<td>-16.4</td>
</tr>
<tr>
<td>Medicaments, Including Veterinary Medicine</td>
<td>1,942,925</td>
<td>2,543,679</td>
<td>2,299,561</td>
<td>2,765,590</td>
<td>2,787,193</td>
<td>43.5</td>
</tr>
<tr>
<td>Fruits Prepared, Preserved</td>
<td>3,345,225</td>
<td>2,574,502</td>
<td>2,454,312</td>
<td>2,528,647</td>
<td>2,636,726</td>
<td>21.2</td>
</tr>
<tr>
<td>Wood manufactures n.e.s.</td>
<td>3,149,719</td>
<td>1,766,556</td>
<td>1,990,321</td>
<td>1,928,448</td>
<td>2,940,740</td>
<td>25.5</td>
</tr>
<tr>
<td>Non-Ferrous Metal/Scrap</td>
<td>741,952</td>
<td>2,357,138</td>
<td>2,382,791</td>
<td>2,065,315</td>
<td>178.4</td>
<td></td>
</tr>
<tr>
<td>Jewellery</td>
<td>3,930,816</td>
<td>2,757,031</td>
<td>46,471</td>
<td>2,057,134</td>
<td>2,198,056</td>
<td>44.1</td>
</tr>
<tr>
<td>Articles of Paper</td>
<td>1,754,594</td>
<td>1,638,277</td>
<td>1,050,225</td>
<td>1,735,081</td>
<td>1,866,554</td>
<td>8.4</td>
</tr>
<tr>
<td>Feeding Stuff, Animals</td>
<td>408,228</td>
<td>286,805</td>
<td>638,750</td>
<td>1,242,993</td>
<td>1,557,330</td>
<td>282.6</td>
</tr>
<tr>
<td>Live Animals for Food</td>
<td>949,945</td>
<td>822,982</td>
<td>1,001,644</td>
<td>1,233,967</td>
<td>1,347,164</td>
<td>41.8</td>
</tr>
<tr>
<td>Female Clothing Non-Knitted</td>
<td>1,933,358</td>
<td>1,624,483</td>
<td>1,098,759</td>
<td>1,445,772</td>
<td>1,174,567</td>
<td>39.2</td>
</tr>
<tr>
<td>Male Clothing Non-Knitted</td>
<td>2,527,207</td>
<td>4,305,525</td>
<td>2,120,089</td>
<td>4,013,937</td>
<td>1,541,089</td>
<td>54.8</td>
</tr>
<tr>
<td>Articles of Apparel n.e.s.</td>
<td>354,221</td>
<td>508,127</td>
<td>802,756</td>
<td>1,023,281</td>
<td>1,134,130</td>
<td>221.1</td>
</tr>
<tr>
<td>Fixed Vegetable Oils and Fats Non-Sof</td>
<td>838,578</td>
<td>1,104,904</td>
<td>1,271,947</td>
<td>448,510</td>
<td>598,045</td>
<td>14.2</td>
</tr>
<tr>
<td>Stone, Sand and Gravel</td>
<td>1,545,687</td>
<td>2,284,662</td>
<td>1,866,684</td>
<td>1,153,000</td>
<td>949,027</td>
<td>38.5</td>
</tr>
<tr>
<td>Margarine and Shortening</td>
<td>597,113</td>
<td>638,163</td>
<td>678,752</td>
<td>844,318</td>
<td>793,833</td>
<td>32.9</td>
</tr>
<tr>
<td>Vegetables Fresh/Knitted, Frozen, Dry</td>
<td>1,049,341</td>
<td>1,034,023</td>
<td>629,394</td>
<td>685,581</td>
<td>691,200</td>
<td>34.1</td>
</tr>
<tr>
<td>Meats, Flour, Wheat, Moin</td>
<td>4,661,037</td>
<td>1,136,965</td>
<td>930,790</td>
<td>899,642</td>
<td>685,204</td>
<td>85.3</td>
</tr>
<tr>
<td>Spices</td>
<td>496,677</td>
<td>421,555</td>
<td>428,979</td>
<td>547,672</td>
<td>584,785</td>
<td>25.3</td>
</tr>
<tr>
<td>Perfumery, Cosmetics</td>
<td>602,199</td>
<td>342,062</td>
<td>804,463</td>
<td>537,494</td>
<td>555,882</td>
<td>7.7</td>
</tr>
</tbody>
</table>
Guyana needs to enhance quality and reliability of its exports.

The production and trading of goods and services faces a number of non-compliance risks in both export and local markets with significant negative impact on competitiveness. The consultancy report on the implementation of a state-of-the-art laboratory for GNBS\textsuperscript{24} identifies these as: (1) rejection of products at border inspection points, (2) increased cost due to delays while inspections/tests are being done in overseas laboratories, (3) disruption in trade, loss of or inability to expand into new markets, (4) loss of revenue where inaccurate measurements and

\begin{table}[h]
  \centering
  \caption{Evolution of Manufactured Exports and Share of Total Exports}
  \begin{tabular}{lcccccc}
    \hline
    \hline
    Total of Exports & 889,936,961.0 & 1,159,341,788.3 & 1,416,026,252.1 & 1,360,702,176.5 & 1,176,145,231.0 & 32.2 \\
    Total of Manufactured Exports & 66,177,563.1 & 79,670,041.6 & 82,118,111.1 & 93,015,943.0 & 97,549,787.6 & 47.4 \\
    Total MfE/Total Exp & 7.4 & 6.9 & 5.8 & 6.8 & 8.3 & 0.0 \\
    Alcoholic Beverages & 19,583,396.7 & 35,471,695.0 & 42,490,998.2 & 44,048,573.4 & 42,798,631.5 & 118.5 \\
    Veneers, Plywood etc. & 11,101,913.5 & 11,297,824.4 & 34,664,469.6 & 10,629,364.9 & 19,115,481.1 & 72.2 \\
    Fish, Salted, Dried, Smoked & 2,218,920.8 & 4,752,417.9 & 2,562,131.1 & 5,181,527.9 & 8,512,681.5 & 274.6 \\
    Edible Products and Preparations & 2,995,304.0 & 3,285,867.5 & 3,282,489.3 & 5,975,055.3 & 3,647,262.7 & 21.8 \\
    Medicaments including Veterinary Medicine & 1,942,925.8 & 2,543,678.9 & 2,299,561.9 & 2,765,907.0 & 2,787,193.7 & 43.5 \\
    Fruits Prepared, Preserved & 3,345,225.3 & 2,574,502.4 & 2,454,312.3 & 2,328,647.1 & 2,636,726.2 & 72.2 \\
    Wood manufactures n.e.s. & 3,149,719.9 & 1,766,546.5 & 1,990,321.0 & 1,928,644.8 & 2,493,740.5 & 20.5 \\
    Jewellery & 3,939,818.6 & 2,757,031.9 & 46,471.3 & 2,057,134.6 & 2,398,055.6 & 44.1 \\
    Articles of Paper & 1,754,592.1 & 1,638,277.0 & 1,650,225.4 & 1,735,081.6 & 1,606,954.5 & 8.4 \\
    Feeding Stuff, Animals & 409,225.1 & 286,806.5 & 638,750.5 & 1,242,993.1 & 1,557,330.8 & 280.6 \\
    Female Clothing Non-Knitted & 1,938,358.5 & 1,624,483.0 & 1,098,795.4 & 1,445,772.0 & 1,174,568.7 & 39.2 \\
    Male Clothing Non-Knitted & 2,527,207.7 & 4,305,525.2 & 2,195,089.6 & 4,015,937.7 & 1,341,088.9 & 54.8 \\
    Articles of Apparel n.e.s & 551,221.4 & 508,127.8 & 302,756.7 & 1,023,283.6 & 1,134,130.0 & 221.1 \\
    Fats and Vegetable Oils & 838,678.3 & 1,104,904.9 & 1,271,984.7 & 484,510.1 & 958,045.5 & 14.2 \\
    Margarine and Shortening & 597,113.5 & 638,162.3 & 678,752.8 & 844,318.7 & 793,833.0 & 32.9 \\
    Vegetables Fresh/Chilled, Frozen, Dry & 1,049,341.1 & 1,034,022.3 & 629,394.9 & 685,581.1 & 691,700.3 & 34.1 \\
    Meat, Fish/Meat, Meat Substitutes & 4,661,036.6 & 1,136,965.5 & 930,790.3 & 989,642.6 & 685,202.4 & 85.5 \\
    Spices & 466,677.5 & 421,555.3 & 428,979.8 & 547,672.5 & 584,784.5 & 25.3 \\
    Perfumery, Cosmetics & 602,195.4 & 342,062.3 & 368,460.5 & 537,494.1 & 555,882.1 & 7.7 \\
    Cereal, Flour, Starch, Preparations & 550,431.8 & 463,496.8 & 428,669.9 & 480,127.5 & 483,315.3 & 12.2 \\
    Tubes, Pipes, Hoses of plastic & 55,078.6 & 43,502.0 & 82,463.3 & & & 698.4 \\
    Sugar Confectionary and Preparations & 348,167.4 & 465,667.0 & 347,866.7 & 337,853.7 & 413,682.7 & 18.8 \\
    Female Clothing Knitted & 103,644.4 & 228,380.4 & 178,225.6 & 296,125.1 & 288,755.2 & 178.6 \\
    Fuel wood and Charcoal & 244,688.2 & 216,806.6 & 387,243.0 & 324,148.7 & 270,343.0 & 10.5 \\
    Coffee and Coffee Substitutes & 38,469.8 & 34,352.4 & 110,579.4 & 741,119.8 & 247,345.1 & 543.0 \\
    Non-Alcoholic Beverages & 556,390.3 & 306,004.5 & 212,231.7 & 1,770,299.3 & 235,922.2 & 57.6 \\
    Soaps, Cleaning Preparations & 381,905.4 & 393,606.1 & 316,519.8 & 323,288.2 & 197,706.4 & 48.7 \\
    Furniture and Parts & 437,838.2 & 207,774.3 & 68,191.3 & 76,157.0 & 102,656.1 & 70.6 \\
    \hline
  \end{tabular}
  \par
  \textit{Source: Bureau of Statistics, 2016}
\end{table}

test results are used and (5) inability to command premium price where quality and safety products are not defined, among others identified in the report.

The report further summarizes the main qualitative description of constraints to Guyana's products and services in exports markets as: (1) negative perception of food quality and inconsistent availability, (2) detained and destroyed shipments, (3) past history of a product/country in meeting quality requirements, (4) poor packaging and product quality, and (5) poor sanitation of processed foods.

UNIDO's report on rejection levels at border points in the US and the EU\textsuperscript{25} ranks Guyana as having relatively low rejection rates from exports of food to the EU and medium rejection rates of exports to the USA. In 2010, Guyana encountered 0.2 rejections for every million USD worth of exports to the US. However, this figure is higher than the average of countries with similar income and is not competitive when compared with the two larger exporters of food in the CARICOM region (Jamaica and Trinidad and Tobago) to these markets.

Guyana's economic strategies of diversification and market expansion to increase competitiveness require the support of a national quality infrastructure with laboratory services that will allow for the certification of the quality of goods and services produced in Guyana for both national and international trade. There is a significant current demand for testing and metrology/calibration services – this demand is expected to increase over the next ten years to more than one hundred thousand tests and calibrations annually. The existing network of laboratories is not able to provide the quality of services required to meet market demands for accurate and reliable results, mainly because they do not provide an accredited service. The conditions with respect to building, personnel and equipment limit most of these laboratories (including the GNBS) from gaining accreditation without major upgrade investments\textsuperscript{26}.

Guyana's exports of sugar are losing preferential market access

In the past, Guyana's sugar exports benefited from a guaranteed access to the EU market. All sugar exports from Caribbean states were to enter the EU duty free and quota free up to 2012, subject to a special safeguard clause. A major change in the EU's import regime for sugar, which started in 2006 to gradually reduce quota import prices of sugar and reduce the guaranteed

\textsuperscript{25} Jetzkowitz, Marc. \textit{What Border rejections tell us about trade Standards Compliance in Developing Countries, Analysis of EU and US Data 2002 to 2008}, UNIDO Working Paper

purchase prices, has affected Guyana's sugar industry: Since 2012, production has been declining. In the face of these changes, Guyana has taken steps to restructure the sugar industry in order to become more competitive by inter alia lowering costs and adding value to core as well as by diversifying products. A National Action Plan (GNAP) was developed and submitted to the EU in March 2006. Based on the GNAP, eight financing agreements with the EU were signed during the period 2006-13, and since 2006, the Government has provided subsidies amounting to around EUR 158.8 million to GuySuCo. No conditions, such as what the fund can be used for, were attached to the subsidies, except in 2014, when GYD 6 billion was remitted for investments and capital expenditure. The Government has also waived USD 8 million per annum since 2009 from the repayment of the loan for the Skelton Sugar Modernisation Program.

KEY STRATEGIES

1. **Design and implement a National Value Added Export Strategy through collaboration with public and private sector**

   - Request Cabinet approval for the establishment of a sub-committee of the Business and Competitiveness Advisory Council to discuss strategies and priorities to diversify and increase value added exports.
   - In conjunction with GRA and the Ministry of Finance, conduct an analysis of the effectiveness of current incentives to foster exports in general and diversification in particular.
   - Conduct a value chain analysis in sectors with high potential for creating value added, identifying key bottlenecks for their growth as well as strategies to solve them.
   - Once value chain analyses have been conducted and key sectors/industries with potential for valued added identified, GO-Invest and the Department of Industry will develop a National Value Added Export Strategy (VAES) in collaboration with other institutions such as New GMC, the Forest Products Development & Marketing Council, and the Ministry of Foreign Affairs.
   - Based on the VAES provide inputs to the Ministry of Foreign Affairs in conjunction with the private sector to develop a strategy to improve export market access.
   - Conduct a study to propose a model to enhance effectiveness of industrial states and how to employ them as an effective instrument of industrial development with an emphasis on promoting value added exports.

2. **Improve quality standards by strengthening the National Quality Infrastructure**

   - Improve the competences of all national laboratories
   - Construct and equip a State of the Art Laboratory (SAL) to strengthen the network of local laboratories and to provide metrology/calibration and testing services in mass, temperature, force, pressure, length, static volume, electrical quantities (AC/DC), electrical energy, as well as testing services in soils and building materials, food and
environmental microbiology, food and industrial chemistry, general electrical and mechanical testing, energy efficiency and non-metallic materials testing.

- Design a model for the provision of services, which includes cooperation among, and use of services of other laboratories in the region, prioritizing services that can be carried out efficiently.
- Develop a human resource policy addressing recruitment, development and retention of staff. Such a policy for the State of the Art Laboratory is at the heart of its attainment of accreditation status. Accreditation of SAL in turn is necessary for the certifications it issues to be internally recognised.
- Develop and implement a pilot to co-finance middle-sized investments of local or returning citizens in prioritized sector that require international quality certification or involve creating new products.
- Develop and implement through the work of BCAC and based on the value chain analyses a pilot program to co-finance export activities of businesses producing value added products who want to grow their exports or want to produce and export new ones. The program will primarily support obtainment of certification necessary to access markets and product design and marketing.
- Define a manual of operation for the program.
- Implement the program, and establish indicators to measure increases in productivity or market access.

2.3.4. SUPPORT SMALL BUSINESS DEVELOPMENT THROUGH EFFECTIVELY IMPLEMENTING THE PROVISIONS OF THE SMALL BUSINESS ACT AND INTENSIFYING THE SERVICES OF THE SMALL BUSINESS BUREAU

DIAGNOSIS

As stated previously, Guyana’s economy is comprised of a large number of micro and small businesses with very low rates of productivity and levels of innovation. In order to fulfil the commitment to increase economic opportunities, create new jobs and increase overall rates of productivity, it is essential that the Ministry of Business enhances its internal capacities to support small business development. The SBB needs to design and implement policies and programs that will increase their access to public procurement finance, as well as to training for businesses to enhance their capabilities to grow and innovate.

The Ministry is responsible for the first government backed guarantee programme as well as a subsidised interest payment facility, which focuses on sector-specific clusters such as crafts and agro-processing. The SBB can take advantage of these clusters to obtain insight into their needs and then develop tailored support that will enable growth within these sectors. Besides allowing
the SBB to reach more micro enterprises, such an initiative can also act as a catalyst for networking between these businesses.

According to the SBB, there is an existing network as well as partnerships with both public and private sector organisations, including sister agencies, training providers, financial institutions, and Chambers of Commerce, that ensure the Bureau fulfils its mandate of delivering services to SMEs that foster their growth.

Despite all of these advances, there are several constraints and challenges that the SBB faces:

- The Bureau is currently without a Council and Chief Executive Officer. The Council is the oversight body of the SBB and provides strategic direction and guidance with respect to programmes and policy. The absence of these key authorities can negatively affect the agency's image coming out of a perceived lack of importance placed on its role to support MSE development).

- SBB's operation is centralised in the capital, where its only office is located. However, the Bureau's target market is spread across 10 administrative regions, which in some instances are accessible only by plane or boat. The absence of a presence in these far-flung areas limits extent and efficiency of service delivery. In addition, there is only one vehicle to be used by the three functional units. These units are working in the areas of access to finance, marketing and research, and training and business development.

- SBB lacks an appropriate mechanism and the relevant resources to effectively evaluate the impact of its various programmes at a broader level, such as contribution to GDP, revenue, and exports, and transfers of skills and knowledge. Currently, programme evaluation is largely at the level of stated outputs, such as the number of people trained, jobs sustained or interest subsidies granted per low carbon sector, region, and gender.

- The SBB is still in its formative years and as such has an opportunity to design innovative systems and processes that will aid in implementing Small Business Act effectively; for example, current Government procurement systems and legislation governing the same exclude MSEs from offering their goods and services in a fair and transparent manner.

- Inadequate funding is a major concern. In its attempt to carry out its mandate, the SBB is often forced to ‘water down’ its approach at the expense of appearing unproductive and invisible in the eyes of the private sector.

- There are opportunities for the SBB, as a non-profit governmental agency, to benefit from donor funds as proposals can be compiled in house. Once the MSED project is executed successfully, it is expected to provide a platform for additional finance from the Low Carbon Fund.

- The loss of key human resources to other organisations at the end of the MSED programme will depict a severe obstacle to the SBB. Seven key staff are funded by this programme.
KEY STRATEGIES

1. MICRO AND SMALL BUSINESS’ ACCESS TO PUBLIC AND PRIVATE MARKETS AND PROGRAMS

- Conduct research and analysis on the access of the micro and small enterprises to public procurement, identifying the difficulties these enterprises face in complying with current regulations. Propose solutions to current challenges and suggest legal changes if needed. Conduct a pilot to test and evaluate the reforms proposed before developing a national program.

- Revise current training programs and determine if they are fit to meet the challenges that micro and small enterprises face in accessing the public procurement system. Based on the findings, propose reforms or innovations to current training activities.

- Conduct a workshop with large and multinational companies to determine which of their currently imported intermediate goods could be procured locally from an existing supplier. These discussions will help to define a catalogue of demanded products and their quality and quantity specifications to be distributed to small and medium enterprises. If training or other business development activities are needed in order to have the demanded products fit the requirements of the buyers, and then use that information to develop relevant training programs.

2. MICRO AND SMALL BUSINESS ACCESS TO TRAINING AND INNOVATION ASSISTANCE

- Analyse and assess the relevance, effectiveness and coverage of current training programs conducted by the SBB, the Department of Industry, GO-Invest and others aimed at enhancing productivity, increasing market access and exports etc. With the information gathered, propose how training programs could be improved.

- Analyse the relevance, effectiveness and coverage of small grants offered by SBB and other departments of the Ministry. Map other public institutions offering grants to the same target group in order to provide recommendations on how to increase the impact of the Ministry’s interventions.

3. STRENGTHENING OF THE SBB

- Strengthen SBB through the provision of adequate financial and human resources.

- Prioritise valued added business initiatives in distributing grants.

- Increase the coverage of the SBB to all regions through collaboration with the Ministry of Communities and the e-Government Unit.

- Conduct an evaluation of the effectiveness of the SBB Guarantee and Grant Fund and recommend steps going forward.
2.4 Budget and Key Partners for the Successful Implementation of the Strategic Plan

The following tables (tables 5 and 6) summarize the 2015 and 2016 budget for the Ministry of Business. Key partners will be identified based on the national consultations.

TABLE 5 2016 Budget of the Ministry of Business

(In thousand USD)

<table>
<thead>
<tr>
<th>Detail</th>
<th>Budget 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriate Expenditure</td>
<td>5,836</td>
</tr>
<tr>
<td>Total Appropriate Current Expenditure</td>
<td>3,209</td>
</tr>
<tr>
<td>610 Total Employment Costs</td>
<td>450</td>
</tr>
<tr>
<td>610 Total Other Charges</td>
<td>2,759</td>
</tr>
<tr>
<td>Total Appropriate Capital Expenditure</td>
<td>2,627</td>
</tr>
<tr>
<td>Grand Total (appropriate and statutory)</td>
<td>5,836</td>
</tr>
</tbody>
</table>


TABLE 6 2016 Budget by Programme

(In thousand USD)

<table>
<thead>
<tr>
<th>Programme Code and Description</th>
<th>Employment</th>
<th>Other</th>
<th>Total Current</th>
<th>Capital</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>251 Policy Development and Administration</td>
<td>321</td>
<td>641</td>
<td>962</td>
<td>353</td>
<td>1,315</td>
</tr>
<tr>
<td>252 Business Development, Support and Promotion</td>
<td>94</td>
<td>1,854</td>
<td>1,948</td>
<td>2,264</td>
<td>4,211</td>
</tr>
<tr>
<td>253 Consumer Protection</td>
<td>35</td>
<td>264</td>
<td>299</td>
<td>10</td>
<td>310</td>
</tr>
<tr>
<td>Agency Total</td>
<td>450</td>
<td>2,759</td>
<td>3,209</td>
<td>2,627</td>
<td>5,836</td>
</tr>
</tbody>
</table>


Table 7 summarizes total capital and current expenditure by program. The numbers indicate that the current priorities of the Ministry of Business reside in the development of industrial states and rural enterprise development, which comprise almost 78% of total capital expenditure.
Similarly, if we analyse current expenditure we find that 64% of non-employment cost is transferred to local communities in the form of grants.

**TABLE 7 2016 CAPITAL AND CURRENT EXPENDITURE BY PROGRAM**

(In million USD)

<table>
<thead>
<tr>
<th>CAPITAL EXPENDITURE</th>
<th>2.64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Development and Administrative</td>
<td>0.35</td>
</tr>
<tr>
<td>Business Development</td>
<td>2.28</td>
</tr>
<tr>
<td>GO-Invest</td>
<td>0.13</td>
</tr>
<tr>
<td>Industrial States</td>
<td>1.02</td>
</tr>
<tr>
<td>Rural Enterprise Development</td>
<td>0.94</td>
</tr>
<tr>
<td>Consumer Protection</td>
<td>0.01</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CURRENT EXPENDITURE</th>
<th>3.23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Cost</td>
<td>0.45</td>
</tr>
<tr>
<td>Other Charges</td>
<td>2.78</td>
</tr>
<tr>
<td>Subsidies to local organizations</td>
<td>1.77</td>
</tr>
</tbody>
</table>

Source: *Budget Estimates Volume I, Ministry of Finance (2016)*

Table 8 summarises key strategies and actions that have not been considered in the current 2016 budget, with a projected cost for the period 2017-2020.

**TABLE 8 KEY STRATEGIES AND ACTIONS WITH NO 2016 BUDGET ALLOCATIONS**

<table>
<thead>
<tr>
<th>Strategic Action</th>
<th>Expected Outputs</th>
<th>Budget</th>
<th>Responsible</th>
<th>Type of Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>OBJECTIVE No.1:</td>
<td><strong>INCREASE SUSTAINABLE PRIVATE SECTOR INVESTMENT THROUGH THE DESIGN AND</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INVESTMENT</strong></td>
<td><strong>IMPLEMENTATION OF A NATIONAL INVESTMENT POLICY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop a National Investment Promotion Strategy</td>
<td>1. Benchmark FDI flows to prioritized value added sectors</td>
<td>USD 150,000</td>
<td>GO-Invest</td>
<td>International firm with local partners, or team of experts (international and locals)</td>
</tr>
<tr>
<td></td>
<td>2. Define key aspects that Investors are looking for in prioritized sectors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Map potential investors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Define key messages and narrative for FDI promotion</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. Propose country brand

6. Develop Investment Strategy/ Plan 2016-2020

**OBJECTIVE No. 2: IMPROVE THE EASE OF DOING BUSINESS THROUGH THE DEVELOPMENT & PRIORITIZATION OF KEY REFORMS AND STRUCTURED NATIONAL COLLABORATION**

| Implement a Single Window for trade transactions in order to facilitate trade at national, regional and international levels, as well as to enhance transparency and accountability | Intuitive integrated software solution for the full lifecycle of trade transactions and its implementation | USD 4 millions | Commerce | Contract Software Solution |

**OBJECTIVE No. 3: INCREASE VALUE ADDED PRODUCTION & EXPORTS THROUGH THE DEVELOPMENT OF A NATIONAL EXPORT STRATEGY AND AN ENHANCED QUALITY INFRASTRUCTURE.**

<table>
<thead>
<tr>
<th>1. Establish the Business and Competitiveness Advisory Council</th>
<th>The Ministry of Business through the departments of Commerce, Industry and the BSPU will act as the Secretariat of the council. This requires vacant positions to be filled.</th>
<th>To be determined</th>
<th>PS and DPS</th>
<th>Formally create BSPU and hire all vacant positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Develop a National Value Added Export Strategy</td>
<td>With the results of the value chain analyses prioritise strategic actions to be implemented</td>
<td>USD 50,000</td>
<td>GO-Invest</td>
<td>International expert to support GO-Invest</td>
</tr>
<tr>
<td>3. Strengthen national quality infrastructure through the improvement of the competences of all national laboratories, and the construction and equipment of an Art Laboratory (SAL)</td>
<td>1. Build a State of the Art Laboratory</td>
<td>USD 4 millions</td>
<td>GNBS</td>
<td>Contract for construction</td>
</tr>
<tr>
<td></td>
<td>2. Personnel hired and trained</td>
<td></td>
<td></td>
<td>Contract for equipment</td>
</tr>
<tr>
<td></td>
<td>3. Accreditation of new State of Art Laboratory</td>
<td></td>
<td></td>
<td>Contract for training</td>
</tr>
<tr>
<td></td>
<td>4. Increase in Quality Certifications</td>
<td></td>
<td></td>
<td>Contact of consultancy services</td>
</tr>
<tr>
<td>4. Design and implement a matching grant pilot to foster quality &amp; innovation for prioritised valued added export sectors</td>
<td>1. Select products for pilot (2-3)</td>
<td>USD 350,000</td>
<td>GO-Invest</td>
<td>International team of experts with local experts</td>
</tr>
<tr>
<td></td>
<td>2. Define criteria for businesses to participate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Accredit quality, market and other business development services providers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Define outcome and impact indicators</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Develop an operational</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. Carry out a study on how to improve effectiveness of industrial estates as an industrial development tool, which will seek to attract investment to value added sectors of the economy. The study will also present alternatives for the current operating model for the estates.

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description</th>
<th>Cost</th>
<th>Implementing Agency</th>
<th>Team of Experts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Assess the current situation of industrial states</td>
<td></td>
<td>USD 85,000</td>
<td>Department of Industry with participation of GO-Invest</td>
<td>Team of international and local experts</td>
</tr>
<tr>
<td>2. Analyse the current model of operation: subsidies, rents, collection, management of states, infrastructure, etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Propose alternative model of operations aiming to increase efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Recommend future use of industrial states as a tool for increasing value added production and exports in the economy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**OBJECTIVE No. 4 SUPPORT SMALL BUSINESS DEVELOPMENT IMPLEMENTING THE PROVISION OF THE SMALL BUSINESS ACT AND INTENSIFYING THE SERVICES OF THE SMALL BUSINESS BUREAU**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description</th>
<th>Cost</th>
<th>Implementing Agency</th>
<th>Team of Experts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Evaluate the effectiveness, efficiency and relevance of training and technical assistance programs and develop proposal on how to reform training and assistance programs</td>
<td></td>
<td>USD 60,000</td>
<td>SBB, BSPU, Department of Industry, GO-Invest</td>
<td>International and local experts</td>
</tr>
<tr>
<td>1. Map key training and technical assistance programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Analyse effectiveness, efficiency and coverage of existing programs</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3. Develop a proposal of reforms of current training and technical assistance as well as business model and financial options</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Evaluate the access of SMEs to public procurement and make recommendations</td>
<td></td>
<td>USD 60,000</td>
<td>SBB, BSPU</td>
<td>International and local experts</td>
</tr>
<tr>
<td>1. Assess the current access of SME’s to public procurement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Analyse the critical factors to enhance access of SMEs to public procurement as well as areas of public procurement that could be prioritised to increase access</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Propose policy, reforms and programs that could enhance access to public procurement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Establish indicators, define source of information and institutions responsible for monitoring implementation of policies, reforms &amp; programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Evaluate SBB Guarantee &amp; Grant Fund in order to design its phase II</td>
<td></td>
<td>USD 85,000</td>
<td>SBB &amp; BSPU</td>
<td>International &amp; local experts</td>
</tr>
<tr>
<td>1. Evaluate effectiveness of operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Evaluate the relevance of the program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Make recommendations for expansion of services and its coverage</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Table 9 lists key new actions that need to be financed for the period 2016-2020.

**TABLE 9 FINANCING NEEDS FOR 2016-2020**

(In thousand USD)

<table>
<thead>
<tr>
<th>TYPE OF EXPENDITURE</th>
<th>OBJECTIVE</th>
<th>AMOUNT</th>
<th>POTENTIAL DONOR OR FINANCING INSTITUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultancies</td>
<td>Policy Development</td>
<td>340</td>
<td>IADB, World Bank- New Loan</td>
</tr>
<tr>
<td>Infrastructure training</td>
<td>New State of the Art Lab</td>
<td>4,000</td>
<td>IADB- New Loan</td>
</tr>
<tr>
<td>Software, Hardware, Training</td>
<td>Single Window</td>
<td>4,000</td>
<td>Caribbean Development Bank</td>
</tr>
<tr>
<td>Export Innovation Matching Fund-</td>
<td>New Export Products</td>
<td>350</td>
<td>IADB (need to be requested if prioritized)</td>
</tr>
<tr>
<td>Enterprise Consultancies</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Ministry of Finance and Ministry of Business
3. MINISTRY OF BUSINESS’ ORGANISATIONAL STRUCTURE

3.1 ORGANISATIONAL STRUCTURE

The Ministry of Business’ mission was outlined in the extraordinary Official Gazette of June 6, 2015, which listed the Minister’s areas of responsibilities as follows:

- Investment promotion
- Sustainable development
- Work force enhancement
- Export Promotion

The Ministry inherited the departments of Commerce and Industry from the former Ministry of Tourism, Industry and Commerce of Guyana. Likewise, tourism falls again under the mandate of the Ministry of Business as of July 1, 2016. Given that this development has taken place only recently, it will still need to be accounted for in the Ministry’s organizational structure.

The Ministry of Business includes the following technical departments:

- Department of Industry
- Department of Commerce
- Business Strategy and Policy Unit
- Consumer Affairs Division

and the following semi-autonomous agencies

- Guyana Office for Investment (GO-Invest)
- Guyana National Bureau of Standards (GNBS)
- Small Business Bureau (SBB)
- Competition and Consumer Affairs Commission (CCAC)

The Minister of Business is part of the executive Government of Guyana and is accountable to Parliament for the leadership of the Ministry of Business. The Minister gives general policy direction to the three semi-autonomous agencies and appoints the GO-Invest Board, the Small Business Council, the Competition and Consumer Affairs Commission, and the National Standards Council. The Minister gives more detailed policy direction to the Ministry’s
departments through the Permanent Secretary. The Permanent Secretary (PS) is the non-political head of the Ministry of Business and is responsible for the Ministry’s actions and performance. This includes serving as accounting officer for all departments and agencies of the Ministry, and as Chair of the Ministry’s Management Committee.

Figure 3 shows the organisational chart of the Ministry of Business.

**FIGURE 2 ORGANISATIONAL STRUCTURE OF THE MINISTRY OF BUSINESS**

Source: BSPU (as of June 2016)

3.2 **MANDATES OF DEPARTMENTS AND AGENCIES AND THEIR CONTRIBUTION TO THE FULFILMENT OF THE STRATEGIC GOALS**

The Ministry of Business is comprised of other departments and agencies that will be assessed in the final version of this document.
3.2.1 DEPARTMENT OF COMMERCE

Mandate
The Department of Commerce’s mandate is to formulate policies to promote the attraction of sustainable investment and the ease of doing business, as well to provide insights into trade policy and to facilitate the provision of trade licenses in a timely manner.

Key Projects and Actions
- Implementation of the Single Window for trade transactions through leading the task force recently created.
- Development of a framework to attract sustainable investment in the country as well as to create awareness in the business community about the importance of implementing green sustainable business models.
- Trade policy and facilitation through the provision of policy recommendation regarding trade negotiations and by seeking business opportunities in current ones.
- Trade licensing in a timely and efficient manner.

3.2.2 DEPARTMENT OF INDUSTRY

Mandate
The mandate of the Industrial Development Department is to formulate industrial policy to promote economic diversification, growth of the manufacturing sector and exports of value added products.

Key Projects and Actions
- To provide industrial policy recommendations to the Ministry and to the BCAC in order to design and implement the National Value Added Export Strategy, which is oriented to enhance value added production and exports. Once the strategy is approved, the department will be responsible for monitoring its implementation.
- To formulate policy and recommendations on the use of industrial estates as an effective tool of industrial development; once policy and strategy have been approved, the department will also be responsible for its monitoring.
- To conduct and update value chain analyses in prioritized manufacturing sectors in order to recommend policies and action that will enhance sector competitiveness.

27 These sectors will be selected by the BCAC
• To design a framework for incentives to the manufacturing sector to adopt greener processes and eco-efficient machinery

3.2.3 BUSINESS STRATEGY AND POLICY UNIT

**MANDATE**

BSPU designs new strategies and policies in all areas covered by the Ministry, namely investment promotion, work force enhancement, sustainable development and export promotion.

**KEY PROJECTS AND ACTIONS**

• To develop policy proposals for new initiatives within the remit of the Ministry of Business (internal and external), and to provide recommendations and support for the development of national policy in the areas of business and investment

• To identify and implement reforms that address performance in the Doing Business Index and other broader challenges in this area

• To produce economic research that guides policy, programme and project development and informs the private sector

3.2.4 GO-INVEST

GO-Invest is a semi-autonomous body established in 1994 pursuant to the Public Corporations Act with the mission statement of contributing to Guyana’s economic development by promoting and facilitating local and foreign private-sector investment and exports in accordance with the country’s approved investment and export strategies.

As such, the agency functions as the primary interface between investing and exporting firms and government agencies.

**MANDATE**

To promote and facilitate the attraction of sustainable investment and exports with particular emphasis on value added ones.

**KEY PROJECTS AND ACTIONS**

• Development and implementation of the National Investment Strategy, which will provide priorities to target investment, an investment narrative, key events and branding

• Development and implementation of the Value Added Export Promotion Strategy through provision of training, advice, export promotion fairs, and information sharing, among others
• Design and implementation of a new matching grant program for exporters. The program is aimed at enhancing quality and innovation in emerging value added services by co-financing business development services.

3.2.5 GUYANA NATIONAL BUREAU OF STANDARDS
The Guyana National Bureau of Standards (GNBS) is a semi-autonomous organisation, which came into existence under the Standards Act #11 of 1984 and falls under the purview of the Ministry of Business.

Mandate
To improve the quality of goods and services in Guyana, by collaborating with government, consumers and industry through the process of standardisation, metrology and conformity assessment

Key Programs and Services
• Standards Development: Standards are developed, revised, adapted and adopted based on requests from stakeholders for national and regional standards.

• Consultancy Services: Provides technical assistance to companies that wish to implement a management system.

• Product Certification Services: The National Standards Mark is awarded to products that meet the requirements of National Standards.

• Laboratory Certification Services: Certifies medical and testing laboratories to the National Standard (GYS 170).

• Training Services: Conducts management systems training for local companies.

• Audit Services Programme: Executes audits for companies that have implemented management system meeting the requirements of international standards (ISO 9001, ISO 14001 and food safety).

• Legal Metrology Programme: GNBS inspectors conduct the verification of weighing and measuring devices used in commercial trade.

• Standards Compliance Programme: The Bureau monitors approximately 20 categories of commodities at the ports-of-entry and sales outlets to ensure compliance with labelling and quality standards. The Bureau also investigates complaints regarding commodities monitored.

• Laboratories Services: Industrial metrology services are provided to companies and laboratories by calibrating scales, masses, measures, measuring cylinders, callipers, pressure gauges, moisture meters, etc.
3.2.6 Small Business Bureau

The Small Business Bureau (SBB) is a semi-autonomous agency within the Ministry of Business established in 2010 and enacted by the Small Business Act of 2004.

Mandate

The Bureau is the secretariat of the Small Business Council (SBC). Its mandate consists of preparing small business policies and administrative reforms with respect to fiscal and other incentives. The Bureau furthermore is to develop appropriate frameworks to foster the access of small businesses to government procurement. In addition, it is required by law that the Bureau maintains a register of ‘approved’ small businesses, namely those appropriately registered and GRA and NIS compliant.

Key Programs and Actions

The main activities of the SBB with respect to fulfilling the above-mentioned responsibilities include:

- Advisory support: general business advice and guidance, assistance with business plans, preparation of financials for loan applications, review of proposals and submissions for credit

- Implementation and management of MSED project: The project addresses two of the major constraints to the development and survival of MSEs: access to finance and garnering the appropriate business skills. Access to finance is done through varied products dependent on needs and stage of business development (grants, loans, credit guarantees, and interest subsidies). Skills development is done through both business management and technical skills programmes

- Market support: facilitation of linkages to markets directly (primarily through NewGMC) wherever possible or directly through supporting exposure to local and overseas expositions, assistance with research required in this regard, assistance in development of promotional material (flyers, business cards, etc.)

- Liaison with major regulatory bodies, namely NIS and GRA: assistance with registering and matters related to these agencies. MOUs in this regard have been signed between the SBB and these two entities

- Development and implementation of a framework for Small Business Public Procurement, which will allow the fulfilment of the goal established in the Small Business Act that small business procurement reaches 20% of total public procurement
3.3 SWOT Analysis

Figure 4 is a SWOT analysis conducted internally with the purpose of understanding internal and external contexts within which the Ministry operates. For the internal environment we analysed strengths and weaknesses and for the external environment opportunities and threats.

**FIGURE 3 MINISTRY OF BUSINESS’ SWOT ANALYSIS**

<table>
<thead>
<tr>
<th>Strengths (S)</th>
<th>Weaknesses (W)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Committed &amp; experienced personnel</td>
<td>• Gaps in capability and need to fill up vacant professional posts</td>
</tr>
<tr>
<td>• Institution with an important mandate to</td>
<td>• Lack of clear responsibilities &amp; internal coordination as well inter-agency</td>
</tr>
<tr>
<td>transform Guyana’s economy</td>
<td>coordination (SBB, Go Invest, GNBS)</td>
</tr>
<tr>
<td></td>
<td>• Insufficient financial resources</td>
</tr>
<tr>
<td></td>
<td>• Absence of internal coordination mechanisms &amp; collaborative culture</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities (O)</th>
<th>Threats (T)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• National consensus on the need to</td>
<td>• Mandate with inter-sectorial scope which requires intense cooperation &amp;</td>
</tr>
<tr>
<td>diversify economy, increase value added</td>
<td>coordination</td>
</tr>
<tr>
<td>exports, foster ease of doing business &amp;</td>
<td>• Lack of formal institutional arrangements to foster public &amp; private</td>
</tr>
<tr>
<td>attract private investment</td>
<td>cooperation</td>
</tr>
<tr>
<td>• New leadership</td>
<td>• Need to show results short-term</td>
</tr>
<tr>
<td>• Online training</td>
<td>• Mistrust of private sector in government</td>
</tr>
<tr>
<td></td>
<td>• Paucity of data for decision-making</td>
</tr>
</tbody>
</table>

The Ministry of Business is an institution that was born inheriting existing structures and personnel from the former Ministry of Tourism, Industry and Commerce, and is working towards acquiring the competencies to fulfil its new mandate. Clarity needs to be established about roles and responsibilities, which this plan aims to resolve. Among the many opportunities the Ministry can seize is the broad consensus in the country on the need to improve the business environment and to diversify the economy towards value added production. With clarity of vision, internal competences built, and sufficient resources to implement key projects, the Ministry will be successful in the implementation of this strategic plan.
3.4 **INTERNAL COORDINATION MECHANISMS**

Like in many other institutions, departments and agencies of the Ministry of Business tend to act in a 'silo mode'. However, most of the Ministry’s responsibilities require strong cooperation and collaborative design of policies and solutions. To illustrate with an example: The Department of Industry is responsible for drafting industrial policy to increase value added exports; investment promotion, on the other hand, is undertaken by GO-invest. GO-Invest interacts with potential and current investors on a daily basis and can therefore provide important input to industrial policy based on the feedback they receive. Likewise, investor feedback about the business environment is crucial for the work of the Department of Commerce and BSPU. The same applies to quality issues, competitiveness, small business development, etc. Without coordination, key information could be missed and gaps in policy-making appear.

Currently, some efforts are duplicated because the leadership of the Ministry tends to delegate to those who respond more promptly. As an example, the Department of Commerce established a Help Desk to provide information to businesses whereas those activities would typically be handled either by SBB (in the case of small businesses) or GO-Invest (in the case of exporters or investors).

This plan aims to provide clarity about the mandate, key actions and projects of each department and agency. Nevertheless, frequent interaction is needed in order to coordinate and up-date actions and strategies.

To increase coordination and collaboration among departments and agencies, a task force lead by the PS and composed of Heads of departments and agencies will be created and meet monthly for the first six months and then quarterly. The task force will:

- Revise quarterly goals
- Identify synergies, particularly among the departments of Industry and Commerce, BSPU and GO-Invest, by discussing work plans, and reviewing terms of references and reports
- Discuss feedback from potential investors and current investors, who visit GO-Invest or one of the Ministry’s departments, that can be taken in consideration for industrial policy design
- Revise and propose topics to be considered for the agenda of the Business and Competitiveness Advisory Council
- Review policy proposals from departments or agencies
- Discuss bottlenecks and solutions in the implementation of the key strategic projects of the Ministry and its agencies.
3.5 Internal Strengthening Plan

As stated, there is a unique opportunity to work collaboratively with the private sector in order to facilitate diversification and to foster the generation of value added economic activities in the manufacturing and service sectors. Public sector investment to address infrastructure bottlenecks need to be paired with improvements in the business environment, fostering innovation and eliminating logistical bottlenecks. In order to seize this opportunity, the Ministry of Business needs to have the technical expertise necessary to collaborate effectively with the private sector in the generation of the National Value Added Export Strategy, as well as in setting the new National Investment Strategy and the implementation of programmes that arise from it.

The Ministry needs to strengthen its internal capacities in order to fulfil its mandate, vision and established strategic objectives. It should:

- Fill current vacant positions to reinforce its internal capacities to develop an industrial policy and to implement key projects such as the Single Window and the accredited State of the Art Laboratory
- Finalise the process of creating BSPU to jump start policy-making aimed at short-term results, to foster inter-government cooperation and collaboration, and to conduct monitoring and evaluation of the strategic plan. It is important that the unit has a director and at least four experts on economic and industrial policy, analysis and evaluation of data, investment and business promotion, economic inclusion, and export and supply chain analysis
- Prepare a training plan, with a focus on industrial policy, value chain and competitiveness analyses, research methods, and data analysis
- Create a task force under the leadership of the PS to stimulate cooperation for policy making that will include Heads of Departments and CEOs of agencies

It is important that necessary technical capabilities are created and retained internally. There have been incidents in the past where project units were externally financed and staff working in those units left at project end without transferring knowledge and experience to permanent staff. While the Ministry in the short-term depends on technical assistance from multilateral cooperations (e.g. the World Bank for Doing Business, IADB for export promotion, among others), it needs to fill at least the vacancies indicated in the next section.

3.5.1 Department of Commerce’s Challenges

The Department of Commerce is performing its current tasks efficiently. Nevertheless, the implementation of the Single Window will require specialised talent with experience in business processes optimisation:
• Junior Economist to act as a research assistance: will collect and classify data, assist in conducting consumer surveys, prepare replies to business complaints, liaise with relevant agencies, record data into database, prepare weekly/monthly/quarterly reports

• Law Officer for legislative and inter-governmental affairs: will oversee drafting and finalisation of relevant legislations, coordinate efforts between ministries to implement cross-cutting policies and the Single Window project

• Senior Information Technology Officer with experience in processes optimisation and software implementation: will lead the implementation of the Single Window project

• Junior Information Technology Officer: will assist the implementation of digital systems for Doing Business

• International Trade and International Development Specialist: will prepare trade policy memos and review trade policy negotiations

• Other vacant positions are also recommended to be filled

3.5.2 DEPARTMENT OF INDUSTRY’S CHALLENGES
The Department of Industry was for many years inadequately staffed and without relevant training. The department therefore requires technical support and retooling of current staff to effectively execute its functions. Staff should be trained in industrial policy-making as well as in conducting value chain analyses in order to be able to provide policy recommendations on value added activities.

The following additional positions need to be filled: Senior Economist or Business Graduate with experience in business or value chain analysis, competitiveness policies, and industrial policies. Furthermore, two Junior Economists with experience in data gathering and business analysis, acting as Industrial Development Analysts and a research assistant will be needed.

3.5.3 BSPU’S CHALLENGES
The BSPU has the advantage of being a new endeavour; therefore, there is an opportunity to attract the talent suitable for the tasks at hand. The unit needs at least one Senior Economist and two Junior Economists to start drafting policies and to monitor the implementation of this plan. It is also recommended that the unit have a Director with experience in the public sector and technical knowledge in how to draft and implement public policy. The unit will conduct dialogue with other institutions and will require internal coordination. The Director therefore needs to have leadership skills to conduct discussions, and experience to promote and to defend the Ministry’s positions.

Finally, the unit also requires a research assistant that will help to gather data and information for the monitoring of this plan, but also to provide information key to business in the area of trade and Doing Business.
3.5.4 GO-INVEST’S CHALLENGES
GO-Invest operates as a facilitator of investment, providing information to investors and coordinating with the Ministry of Finance and GRA the concession of incentives. In the area of export promotion, its activities are currently limited to creating awareness about the importance of exporting, providing information on potential markets and basic export training, as well as facilitating the participation in fairs.

The agency does not currently have capabilities to design policies or strategies to provide more value added services to exporters. Therefore, it is a priority that GO-Invest hires a Senior Policy Officer with experience in investment promotion and a Senior Export Promotion Officer. Also, at least two Junior Economists or Business Graduate are required to do export analysis in order to provide information and data on market and product potential.

GO-Invest also needs to reinforce its market intelligence and innovation services in order to upgrade its provision of services, now concentrated mainly in coaching and training.

3.5.5 SBB’S CHALLENGES
The Small Business Bureau needs to strengthen its capabilities in policy drafting to foster the growth of small businesses, as well as in monitoring and evaluating its own programs. Besides filling current vacancies, the SBB needs to hire an expert in the field of economic inclusion with experience in drafting policies to increase MSE access to finance, training and public procurement.

In addition, the SBB needs a junior professional with experience in design monitoring and evaluation mechanisms in order to implement a mechanism for evaluation that is currently not sufficiently efficient.

3.5.6 GNBS’ CHALLENGES
It is key that the GNBS is staffed with all the technical experts required to work in the State of the Art Lab in order to guarantee its international accreditation. Building infrastructure and acquire equipment will not work without the human talent and training needed to operate them. Also, there is need for a training program for existing labs in the country. GNBS has prepared a thorough training plan that requires strong support from the Ministry. Complying with quality norms and standards is crucial for the well-being of Guyanese citizens as well as for being able to export to key markets.
3.6 Training and Internal Strengthening Plan

The Ministry needs to annually prepare a technical and management training program. Consultations with the Public Service Ministry (PSM) revealed that there is currently no training program readily available that would fit the needs of the Ministry. PSM was open, however, to discuss needs and design a respective program.

Given the difficulty of finding local experts in the various fields related to the Ministry’s mandate, online courses also provide a great opportunity (see table 12 in the annex). All staff involved in policy-making should take a basic course in policy analysis and development to train and re-fresh their knowledge on: how to identify a problem, its roots and causes, and to find alternative courses of action and solutions. After finishing this basic course, departments and agencies can take specialised courses relevant to their area of work.

Furthermore, the Ministry can collaborate with the IADB or World Bank to conduct a series of training courses. This has particular relevance for the departments of Industry and BSPU, as well as SBB and GO-Invest.

Finally, it is important to incentivize a culture of excellence and collaboration. Communicating goals and creating ownership of this plan can help in this effort. It is important to acknowledge accomplishments and encourage innovation and empowerment of the different departments and agency.

3.7 Communication Plan

For any initiative, communication is important. For plans that require multi-sector stakeholder participation and engagement, communicating effectively is critical. Internal and external communication will be crucial for implementing this strategic plan.

Internal communication among key actors involved is paramount and the Ministry should provide feedback about progress and results. It will be useful for the Ministry to conduct semi-annual interviews with key actors in order to gauge if their priorities are being met. Dewhurst’s “BARROW” framework can help internal communication to be effective:

- Bridging statement: What they have asked for during the dialogue process
- Aim to ask questions that address private sector concerns.
- Reality: Try to understand why things might look different to them.
- Roadblocks: Ask questions to understand which obstacles might get in the way.
- Opportunities: Which actions or changes would make the fastest or most significant contributions to the aim?
- W is for whom and when: Identify who needs to know or do something to achieve the aim.
To keep this plan relevant, the Ministry should review on an annual basis previously identified enablers and outcomes, and ask stakeholders if they remain relevant or if there are new enablers to achieve desired outcomes. The results of this analysis will be mapped on an importance-success quadrant grid to identify elements that appear critical to improve or critical to maintain.

As in any external communication plan, the Ministry of Business will need to identify objectives and target audiences, design key messages, select communication methods and channels, plan for two-way communication, establish time-frames, monitor results and look for ways to improve.

External communication should aim to educate citizens about the Ministry of Business’s vision, mission and goals; this is particularly important since the Ministry was only created recently. External communication should reach out to different constituency groups. In order to be effective, the Ministry should develop a narrative and communicate messages that will resonate with different stakeholders, such as small businesses, medium sized enterprise, entrepreneurs, business development organisations, trade unions, labour unions, exporters, workers and the general public. One topic of crucial importance is the need for the ministry to create awareness for businesses to develop and implement sustainable business models and to embrace corporate social responsibility.

The Ministry needs to conduct broad communication efforts, highlighting the concrete benefits for the different stakeholder/audiences of the strategic plan. Entrepreneurial success stories should be praised in order to inspire the business community and to convey the importance of business for the development of Guyana’s economy. They can be communicated on the Ministry’s website, as well as social media platforms, such as the Ministry’s Facebook and twitter.
CHAPTER FOUR

4. PUBLIC-PRIVATE COOPERATION & INSTITUTIONAL ARRANGEMENTS

4.1 THE BUSINESS & COMPETITIVENESS ADVISORY COUNCIL (BCAC)

The BCAC’s is a Public-Private Dialogue body with the objective to discuss and recommend key policies, strategies and actions that will improve the ease of doing business and increase value added exports. The Ministry of Business will lead the council to provide policy coordination between relevant ministries and agencies, public-private cooperation and leadership.

The BCAC will be comprised of representatives from business organisations of manufacturing, services, and export sectors, as well as relevant ministries and agencies, in particular those related to agriculture, natural resources, and infrastructure.

The BCAC will focus on delivering competitiveness enhancing solutions leading to more quality jobs, more exports and more investments. It will have a maximum of 12 members from among public and private sector.

The main duties of the council will be:

- Propose policies, strategies, and actions for key crosscutting challenges of the private sector
- Propose sectorial or product-based strategies and actions to increase value added exports
- Revise terms of references for key studies and provide advice on how to improve final outcomes
- Revise and advise on drafts of white papers, policy memos or projects proposals
- Advocate key policies, strategies and actions to improve the ease of doing business and to increase value added exports
- Monitor the implementation of key policies, strategies, and actions approved by Cabinet

Meeting Frequency: Quarterly

Reporting: BCAC will report its recommendations to Cabinet.

The BCAC will start its operation through two sub-committees:
• **Business Environment Subcommittee (BES):**
  
  - Objective: to discuss, analyse, revise and advocate policy, strategies and actions that will enhance the ease of doing business in Guyana
  
  - Members: will be invited to sessions according to topic, may include Private Sector Commission, public sector institutions such as the Guyana Lands & Surveys Commission and the Ministry of Legal Affairs, among others
  
  - Key Results for 2017-2020:
    - Guyana is placed higher in the ranking of the World Bank Doing Business: in the short term at least an increase of 15 places
    - Implementation of the Single Window for trade transactions
    - Work with the Commercial Registry, Deeds Registry, GRA, and NIS to adopt a ‘single window’ approach for business registration, allowing a single body as the delegated authority to collect documents and fees on behalf of other agencies involved
    - Online business registration and electronic database for business details
    - Work with the Guyana Lands & Surveys Commission to streamline land lease allocation system and to digitalize their registry
    - Establishment of a modern and efficient secured transactions system to allow SMEs to use moveable property as collateral to access loans; this requires the drafting of a legal framework and the creation of a collateral registry.
    - Review of insolvency framework and proposed reforms.

• **Value Added Exports Subcommittee:**
  
  - Objective: to discuss, analyse, revise and advocate policy, strategies and actions that will increase value added exports
  
  - Members: will be invited to sessions according to topic, may include Ministry of Agriculture (NewGMC), Ministry of Natural Resources (FPDMC), among others
  
  - Key Results for 2017-2020:
    - Discussion and recommendation about value chain analysis of sectors that will be conducted by the Ministry of Business and GO-Invest, in order to prioritise five of them.
4.2 BCAC SECRETARIAT

The Ministry of Business will serve as the secretariat of the BCAC through its Department of Commerce, which will be responsible for coordinating the activities of the Business Environment Subcommittee, and through GO-Invest, which will coordinate activities of the Valued Added Exports Subcommittee. The recently created Business Strategy Policy Unit will act as the monitor and evaluation office and will also propose policies, strategies and solutions to both subcommittees.

To assure adequate levels of internal coordination among the various departments and agencies of the Ministry of Business, the PS will lead an internal task force comprising of the directors of departments and CEOs of agencies. The task force will coordinate actions and monitor advances of the current strategic plan.

4.2.1 DEPARTMENT OF COMMERCE’S ROLE

The Department of Commerce will be responsible for:

- Coordinating actions with the steering committee approved by the Cabinet to implement the Single Window for trade transactions
- Providing the operational leadership and implementation capacity of the trade component of the Single Window project
- Proposing agendas, writing policy notes and keeping record of the recommendations of the BES
- Reporting quarterly to the BCAC about advances in yearly goals

In order to comply with this role, the Department of Commerce will be strengthened and the positions requested should be hired.

4.2.2 GO-INVEST’S ROLE

GO-Invest, as the leader of the Value Added Exports Subcommittee will have the following responsibilities:
• Proposing agendas, writing policy notes and keeping record of the recommendations of the Value Added Exports Subcommittee

• Implementing key consultancies proposed, such as the value chain analyses and National Investment Strategy, to attract FDI to value added sectors

• Implementing key programs to enhance competitiveness of prioritised export sectors

• Providing staff support for the activities of the Value Added Exports Subcommittee

• Supporting the development of an Export Competitiveness Plan for each value chain prioritised

• Providing quarterly updates on the progress of the development of the Value Added Export Strategy

4.2.3 BSPU’S ROLE

The Business Strategy and Policy Unit will serve as the monitoring and evaluation office of the BCAC, as well as of this strategic plan. The unit will also provide key policy analysis necessary for the fulfilling BCAC’s and the Ministry’s objectives. It will have the following responsibilities:

• Acting as central point for policy formulation and coordination in order to implement recommendations made by BCAC relating to the Ministry of Business’ strategic plan 2016-2020

• Participating in and providing analysis for key policy drafting of other institutions related to competitiveness, value added production and business environment enhancement

• Participating in and providing analysis for the development of new legislation proposed by other agencies and evaluating the impact on competitiveness, private investment and value added production

• Providing a locus of innovation to support mind-set shift, systems thinking and continuous learning for those engaged in competitiveness and value added export policy-making

• Working closely with other agencies such as the GNBS and GO-Invest to enhance export quality and competitiveness policies

• Coordinating with GO-Invest, NewGMC and FPDMC to complement policy initiatives and avoid duplication of efforts

• Providing quarterly advances in key indicators established yearly for the activities of each subcommittee of the BCAC
4.2.4 Department of Industry’s Role
The role of the Department of Industry is key to the fulfilment of the mandate of the Ministry to increase value added production and exports. The department should be able to provide:

- Advice on designing an industrial policy and instruments to stimulate the growth of production and exports in the manufacturing sector
- Value chain analyses, benchmarking, and cost analyses
- Market and competitiveness analyses with focus on manufacturing sectors
- Drafts and proposals of regulations to provide incentives to the manufacturing sector to adopt higher quality standards and eco-efficient machinery and processes
- Design and implementation of training programs for the manufacturing sector
- Research and analysis on industrial market trends their effect and impact on Guyana’s manufacturing industry
# Chapter Five

5. Monitoring and Evaluation

5.1 Matrix of Strategies, Actions, Outcomes and Performance Indicators

<table>
<thead>
<tr>
<th>Objectives Strategies &amp; Responsible</th>
<th>Key Actions 2016-2017</th>
<th>Key Actions 2018-2020</th>
<th>Outcome Indicators</th>
<th>Impact Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective no. 1 Increase Sustainable Private Sector Investment Through the Design and Implementation of a National Investment Policy</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1.1 Address critical factors for investment attraction in collaboration with relevant public stakeholders</strong></td>
<td>Incentives</td>
<td>Workforce Skills &amp; Innovation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Evaluation of current incentive framework and analysis of how to foster more green and sustainable investments</td>
<td>Work jointly with the private sector in the assessment of priorities to enhance workforce development</td>
<td>Document of evaluation of current incentives framework. April 2017</td>
<td>4 new projects of private sector participation in provision of solar and mini hydroelectric</td>
</tr>
<tr>
<td></td>
<td><strong>Infrastructure</strong></td>
<td></td>
<td>Document of proposal of new incentives framework to attract sustainable investments. May 2017</td>
<td>Electricity reliability increase by XX%..............</td>
</tr>
<tr>
<td></td>
<td>Work jointly with all agencies involved to provide short-term solutions to energy cost and reliance problems though fostering participation of private sector in the provision of solar and mini hydroelectrically provision of energy</td>
<td>Once the export value chains studies have been conducted and investment promotion priorities taken, conduct a study in how to develop new skills for prioritised sectors.</td>
<td>Document of Energy Short-Medium Term Plan to Increase Private Sector Participation. December</td>
<td>Electricity cost declined by XX% .................</td>
</tr>
</tbody>
</table>


| 1.2 Design and Implement a National Investment Strategy aiming to reap the most growth benefits from foreign and domestic Investment Plan | Development of the Investment Plan & Strategy
The Cabinet approves regulations in how to apply and procedures to grant incentives on incentives.
Branding strategies: new narrative, presentations, materials, etc. are developed.
Key embassies and consulates are trained in investment promotion plan, strategies and tactics for each country.
Implementation of a yearly investment plan & strategy.
The CABINET approved regulations and procedures to apply and grant incentives.
Country Investment Brand developed and implemented. October 2017.
Network of Embassies |
| - Develop plan to enhance logistics to overcome bottlenecks with air and maritime freight |
| - Access to Finance
Work with Bank of Guyana, Ministry of Finance and Legal Affairs (revise if there are other institutions) to establish a modern and efficient secured transaction system to allow SMEs to use moveable property as collateral to access loans. |
| - 2016.
Strategy & legal framework to Enhance SME’s access to finance through use of moveable collateral done. End of 2017.
Analysis on skills & capabilities of key value added exports sectors conducted. Oct. 2017 |
| - New loans provided small businesses increased by XX%.......................... |
| - Increase in the share of loans granted to small business of total loans granted by XX%................. |
| Design and Implement a National Investment Strategy aiming to reap the most growth benefits from foreign and domestic Investment Plan | Define terms of reference for the consultancy to conduct benchmarking analysis, competitiveness of key prioritised sectors, identification of potential FDI investors, investment key messages and narrative, branding recommendations, detail plan of activities to promote investment 2017-2020, etc. Conduct a study in collaboration with MoF to evaluate current investment incentives framework | Implementation of the Investment Plan & Strategy
The Cabinet approves regulations in how to apply and procedures to grant incentives on incentives.
Branding strategies: new narrative, presentations, materials, etc. are developed.
Key embassies and consulates are trained in investment promotion plan, strategies and tactics for each country.
Implementation of a yearly investment plan & strategy.
The CABINET approved regulations and procedures to apply and grant incentives.
Country Investment Brand developed and implemented. October 2017.
Network of Embassies |
| BCAC- Subcommittee on Doing Business | analysing its effectiveness and making recommendations for improving the use of them to stimulate business. With results from consultancy and through consultations with relevant public agencies and private sector, develop a National Investment Strategy Plan. Implement a network of embassies and consulates that can promote and attract investments. | promotion plan with participation in events, fairs and other venues prioritised in the plan. Implementation of two events (2018-2019) in Guyana to attract investment in prioritised sectors Conduct a reverse investment missions (Guyanese private sector meets with potential investors in key international cities). | and Consulates trained on investment attractions strategies. Nov. 2017 Sectorial Plan and Strategies to attract investment are developed. Dec. 2017 Annual Investment and Promotion Participation Plan developed and approved by GO-Invest board. Dec. 2017 |
### 1.3 Develop a framework to incentivise sustainable and eco-efficiency practices and communicate regulations and best practices.

BSPU in collaboration with EPA and GNBS

<table>
<thead>
<tr>
<th>Action</th>
<th>Timeline</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborate with multilateral cooperation to acquire skills in sustainable practices policymaking skills. In cooperation with donor (Potential European Union) develop a framework for sustainable business practices and incentives, and communicate them through active participation of the private sectors through learning workshops and seminars. Analyse the possibility of tying some current incentives to fulfilment of green regulations. Conduct a survey to businesses about machinery and equipment’s tenure and eco-efficient practices implementation. Draft a white paper in the businesses use of eco-efficient practices and recommend policy actions. Explore the possibility to establish a program aimed to enhance industry energy efficiency in order to replace old machinery and equipment for eco-efficient ones, providing regulation and information regarding productivity and economic gains. Establish a section in the Ministry of Business’s page to communicate: a) current regulations established by the Environmental Authority, b) incentives to adopt greener processes, and c) best practices.</td>
<td>Personnel trained in sustainable business practices. June 2018 Businesses survey on eco-efficient practices implemented. June 2018 White paper on businesses eco-efficient practices published. January 2018 Sustainable Business Practices Framework developed and published in Ministry’s website. February 2018 Implemented a matching grant program to enhance energy efficiency in industries. March 2019</td>
<td>XX businesses adopted sustainable practices XX business change old machinery by new eco-efficient ones.</td>
</tr>
</tbody>
</table>

**Objective no. 2 Improve the Ease of Doing Business Through the Development and Prioritisation of Key Reforms and Structured**
### National Collaboration

#### 2.1 Implement the Single Window Automated Processing System for Trade Project in collaboration with the members of the task force approved by Cabinet.

<table>
<thead>
<tr>
<th>Department of Commerce</th>
<th>Pass Single Windows bill and sign MOU between government agencies (task force)</th>
<th>Work with DBS to advocate for a single online window for trade transactions</th>
<th>Single Window is designed and software acquired. Designed finished by Jun 2017, full implementation Jan 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Review process mapping (task force)</td>
<td>Work with the DBS to advocate linking all agencies to create an electronic single-window for trading. The Single-Window would connect agencies such as customs, security agents, port authorities, and banks to a common electronic platform. In the best case scenario, the system allows traders to file standard information and documents through a single entry point to fulfil all import, export and transit-related regulatory requirements, then shares relevant information with all parties involved in trade, including private participants such as banks and insurance companies, as well as public agencies such as immigration and vehicle registration authorities.</td>
<td>Software that allows all public offices to integrate procedures in one window is implemented. June 2018</td>
</tr>
<tr>
<td></td>
<td>Determine scope/conceptual design of Single Window feasible in Guyana (Steering Committee)</td>
<td>Automate request, processing and approval process for permits and licenses, as well as inter-agency information exchange related to trade</td>
<td>National Parliament signs Bill allowing electronic signature and use. Dec. 2018</td>
</tr>
<tr>
<td></td>
<td>Review legislation and regulation (Crown Agents) and implement recommended changes</td>
<td>Review organizational capacity, and business process and procedures of Trade Regulatory Agencies (Crown Agents) and implement recommended changes</td>
<td>All agencies are interconnected and clients can process their transactions electronically at once. April 2019</td>
</tr>
<tr>
<td></td>
<td>Identify and fill gaps in IT</td>
<td>Design and implement system that allows for the conversion, storage and retrieval of paper-based documents</td>
<td>XX% of trade licensees is processed electronically at one single place from total ones.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop and provide operating and system</td>
<td>%........ Of productivity gains because XX% ............reduction in time required to process trade permits.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Decrease in the distance to the frontier of the Doing Business Rank of XX%........ because of the Single Window implementation</td>
</tr>
<tr>
<td>Software and hardware of stakeholders</td>
<td>manuals and training</td>
<td>Proposal of Priorities to enhance Guyana’s business climate is presented to Cabinet. Dec. 2016</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>---------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>

### 2.2 Establish a subcommittee to design and implement business environment reforms that transform Guyana into a place where doing business is easy.

Meet with the DBS (Doing Business Subcommittee) of the Business Advisory Board which creation will be submitted to Cabinet for approval, in order to establish how to streamline processes to get on-line business registration, with those inputs define a plan of action, with clear responsibilities, budget and outcomes

Advocate for increase information about land registry and digitalization of the registry

Work with the DBS to establish priorities based on initial assessment made by the World Bank Doing Business team.

Work with the DBS to make online company registration fully operational to speed up and streamline business start-up.

Assess with DBS and private sector the need to reform business insolvency framework.

Proposal of Priorities to enhance Guyana’s business climate is presented to Cabinet. Dec. 2016


Implementation of Ease of Doing Business Plan. From 2017-2019

(On key strategies being prioritized and approved by Cabinet in 2016 IV, the plan needs to update)

Decrease in the distance to frontier of XX% in the registering business section of World Bank Doing Business Indicators

Increase of 20 positions in the overall rank of Doing Business Indicators.
| BCAC BES | 2.3 Build up the provision of information and data for business development through the strengthening of the collection and processing data capabilities of the ministry in coordination with other | Prioritise key data for policy analysis through workshops with private sector. Collect data to monitor Strategic Business Plan, starting with trade data. Provide information key to business such as: registering, licensing, finance, grants, quality standards, investment incentives (link to GO-Invest), export incentives and programs, etc. in The Ministry’s website | Train personnel in the SBPU and department of industry to conduct value chain analysis and to provide data on its competitiveness. Train personnel in the SBPU and department of industry in sectorial economic modelling. Work Jointly with GRA to obtain business data set (representative sample) to develop sectorial indicators in sales, exports, cost of production, margins, etc. Provide quarterly report on growth of sales and exports. Develop yearly reports on growth of exports, competitiveness of sectors, etc. | Key data is prioritised to collect and published. Jun 2017 Information relevant to business cycle activities are published in the website. Dec. 2017 Personnel are trained. During 2016 in key aspects of policy making and training continues yearly Key template reports on sales, exports, imports & competitiveness are developed in conjunction with GRA. Oct. 2017 Better public decisions are taken. Better private decisions are made. Increase of private sector investment. |
**Objective no. 3 Increase Value Added Production and Exports Through the Development of a National Export Strategy and an Enhanced Quality Infrastructure**

<table>
<thead>
<tr>
<th>3.1 Design and Implement a National Value Added Export Strategy through collaboration with public and private sector</th>
<th>Request Cabinet approval for the establishment of a Business and Competitiveness Advisory Council (BCAC) to discuss strategies and priorities to diversify and increase value added exports.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Once, studies on current investment incentives had been conducted and recommendations made, advocate to the MoF for regulations to implement them, so GO-Invest can apply them automatically, without approval for each contract, and leaving for approval exceptions which also will be regulated clearly. This will empower GO-Invest as one-stop investment agency.</td>
</tr>
<tr>
<td></td>
<td>Conduct a study to propose a model to enhance effectiveness of Industrial States and how to use it as an effective instrument of industrial development with emphasis in value added exports.</td>
</tr>
<tr>
<td></td>
<td>Once value chain analyses have been conducted and key sector with potential for value added have been clearly identify, GO-Invest and Department of</td>
</tr>
<tr>
<td></td>
<td>Cabinet approved establishment of BCAC. Dec. 2016</td>
</tr>
<tr>
<td></td>
<td>Regulations to implement Investment Act and authority to apply them are granted to GO-Invest. June 2017</td>
</tr>
<tr>
<td></td>
<td>Effectiveness of Incentives to Attract Investment and comply with sectorial, jobs, innovation transfer creation criteria is conducted. Oct. 2017</td>
</tr>
<tr>
<td></td>
<td>Increase of sales of manufacturing sectors (food processing, textile, and jewellery) of 6% yearly average).</td>
</tr>
<tr>
<td></td>
<td>Increase of value added export of 10% average 2017-2020.</td>
</tr>
<tr>
<td></td>
<td>Reduction of Trade deficit of 15% average in the 2017-2020 period.</td>
</tr>
<tr>
<td></td>
<td>New 5 exports products and</td>
</tr>
<tr>
<td>Value Added Exports</td>
<td>In conjunction with GRA and Ministry of Finance conduct an analysis in the effectiveness of current incentives to foster exports in general and diversification in particular. Conduct a value chain study in sectors with high potential for value added creation, identifying key bottlenecks for their growth as well as strategies to solve them.</td>
</tr>
</tbody>
</table>
| 3.2 Enhance Competitiveness of Guyanese products through improvements in quality standards and strengthening the National Quality Infrastructure | Strengthen National Quality Infrastructure through the improvement of the competences of all national laboratories.  
Design a business model that will allow laboratories to provide services and charge for them.  
Develop a Human Resource recruitment, development and retention policy for all laboratories in Guyana.  
Develop and implement a pilot to co-finance enhancement of international quality certification and creation of new products in prioritised export sectors (middle size investments) of local or returning citizens.  
Through the work of the Business Advisory Board with private sector and based on value chain analysis design a pilot program to co-finance business exporting value added | Constructing and equipping a State of the Art Laboratory (SAL) to strengthen the network of local laboratories and to provide metrology/calibration and testing services in: mass, temperature, force, pressure, length, static volume, electrical quantities (AC/DC), electrical energy; and testing services in: soils and building materials, food and environmental microbiology, food and industrial chemistry, general electrical and mechanical testing, energy efficiency and non-metallic materials testing  
Implementation of the recruitment, development and retention of staff for the State of the Art Laboratory  
Get accreditation status for SAL, which is a requirement for acceptance of test/calibration results.  
Design a co-financing program to foster innovation and export competitiveness to seek cooperation financing.  
Once financing has been granted, define a manual of operation for the co-finance of export innovation & quality program.  
Renovation of certain labs to be prioritised Jan. 2017  
Training and recruitment of new personnel to strengthen labs and the new SAL June 2017  
Construction of the SAL June 2018  
Manual of operation to implement a quality and innovation export program is developed. June 2018  
Plan to co-finance innovation and quality enhancement of export businesses is implemented. Jan. 2018  
Lessons learned from pilot are share with XX additional quality test is implemented. | Renovation of certain labs to be prioritised Jan. 2017  
Training and recruitment of new personnel to strengthen labs and the new SAL June 2017  
Construction of the SAL June 2018  
Manual of operation to implement a quality and innovation export program is developed. June 2018  
Plan to co-finance innovation and quality enhancement of export businesses is implemented. Jan. 2018  
Lessons learned from pilot are share with XX additional quality test is implemented. | Competitiveness of export measured by reduction of production cost of the following products: food processed, manufactured textiles, among others increase by 7%  
Exports to new markets increased by 5% 2017-2020  
Guyana complied with non-barriers to export to USA and Europe |
<table>
<thead>
<tr>
<th>Objective No. 4 Support Small Business Development Through Effectively Implementing the Provisions of the Small Business Act and Intensifying the Services of the Small Business Bureau</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4.1 Foster the increase of Access to Public and Private Markets Policies and Programs for small businesses</strong></td>
</tr>
<tr>
<td>Conduct of an effectiveness analysis of all current programs serving small businesses in the areas of finance, training, technical assistance, etc. In this context also analyse the relevance and effectiveness of the programs of SBB. Design of policy and programs that improve the access to finance, technical assistance and public procurement. This will include a pilot of procurement enhancement.</td>
</tr>
<tr>
<td>Work with private sector in order to establish the opportunities existing to design a supply chain program. Implement programs redesigned to enhance access of SME to public procurement, finance, training and technical assistance.</td>
</tr>
<tr>
<td><strong>4.2 Strengthen</strong></td>
</tr>
<tr>
<td>Strengthen SBB through the provision of enough financial and technical assistance and training in manufacturing sectors.</td>
</tr>
<tr>
<td>Once value chain analyses are conducted and skills needed detected, design a training program.</td>
</tr>
<tr>
<td>Personnel are recruited and vacant positions. Training in manufacturing sectors increase in ...............</td>
</tr>
<tr>
<td>Event</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Dec. 2016</td>
</tr>
<tr>
<td>June 2017</td>
</tr>
<tr>
<td>XX%</td>
</tr>
<tr>
<td>XX%</td>
</tr>
</tbody>
</table>

**Human Resources**

- Prioritize grants to valued added business initiatives and increase their coverage in all regions through collaboration with the Ministry of Communities and other government units.
- Prioritize training in clusters with value added export potential.

**Curriculum for Better Training Courses and Seminars**

- Define the new model of operations of the Guarantee fund that will increase its coverage and effectiveness.
- Conduct training seminars for current private sector training institutions in order to reinforce and create new capabilities for new curriculum for value added sectors.

**New Design of Guarantee Fund**

- XX% of SBB guarantee financing compared to total small business financing increase in ........XX%.
- Number of institutions providing financing to small businesses increased in ........XX%. 

**Functioning of the SBB and its Guarantee Fund**

- SBB & BSPU
5.2 Monitoring and Evaluation Mechanisms and System

The BSPU will be the unit responsible for monitoring the implementation of the Ministry of Business’ Strategic Plan.

The BSPU worked collaboratively with departments and agencies of the Ministry and developed a baseline of indicators as well as targets for the current year. Table 10 shows matrix of the key indicators.

**TABLE 10 M&E BASELINE INDICATORS 2016**

<table>
<thead>
<tr>
<th>Department/ Agency</th>
<th>Program or Activity</th>
<th>Indicator</th>
<th>Indicator type</th>
<th>Q1 2016</th>
<th>Target Q2 2016 (if applicable)</th>
<th>Annual target 2016 (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commerce</td>
<td>Licensing</td>
<td>Share of import/export licenses processed within 24h. in %</td>
<td>Outcome</td>
<td>90.0</td>
<td>95.0</td>
<td>99.0</td>
</tr>
<tr>
<td></td>
<td>Licensing</td>
<td>Share of computerised licensing system completed in %</td>
<td>Output</td>
<td>30.0</td>
<td>80.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Support to the Private Sector</td>
<td>Share of Help Desk for entrepreneurs and potential investors completed. in %</td>
<td>Output</td>
<td>80.0</td>
<td>85.0</td>
<td>100.0</td>
</tr>
<tr>
<td>BSPU</td>
<td># Of measures implemented that directly address DB performance</td>
<td>Output</td>
<td>0</td>
<td>3</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>GNBS</td>
<td>Conformity Assessment</td>
<td># of companies technical assistance was provided to</td>
<td>Output</td>
<td>8</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------</td>
<td>---------------------------------------------------</td>
<td>--------</td>
<td>---</td>
<td>----</td>
<td>----</td>
</tr>
</tbody>
</table>

**Goal 2: Increase Foreign Investment**

<table>
<thead>
<tr>
<th>GO-Invest</th>
<th>Investment facilitation</th>
<th>G$ value of foreign investment facilitated</th>
<th>Outcome</th>
<th>4,480,000,000</th>
<th>N/A</th>
<th>N/A</th>
</tr>
</thead>
</table>

**Goal 3: Develop Value-Added Industries and Export**

<table>
<thead>
<tr>
<th>Industry</th>
<th># of businesses on industrial estates in compliance with NIS &amp; GRA</th>
<th>Output</th>
<th>0</th>
<th>35</th>
<th>67</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of operational value-added businesses utilising industrial estates</td>
<td>Outcome</td>
<td>11</td>
<td>11</td>
<td>30</td>
</tr>
<tr>
<td>GO-Invest</td>
<td>Export Promotion</td>
<td># of businesses matched with overseas clients</td>
<td>Output</td>
<td>10</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Goal 4: Increase Economic Opportunities of Vulnerable Groups**

<table>
<thead>
<tr>
<th>SBB</th>
<th>Research &amp; Marketing</th>
<th># of new small businesses registered in database</th>
<th>Outcome</th>
<th>1,060</th>
<th>250</th>
<th>1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro Finance Project</td>
<td>Gs of small businesses receiving grants or loans</td>
<td>Outcome</td>
<td>32,828,001</td>
<td>55,000,020</td>
<td>220,000,080</td>
<td></td>
</tr>
</tbody>
</table>

**Goal 5: Expand Ministry Capacity**

| Commerce | Support to the Private Sector | Share of national database of service providers completed. in % | Output | 20.0 | 55.0 | 100.0 |

| Public Relations | # of newspaper articles mentioning the Minister/Ministry/Subvention Agencies | Output | 33 | N/A | N/A |

| Admin | Share of procurement contracts going to small business. in % | Outcome | - | - | - |

| Personnel | # of days of training attended | Output | 12 | N/A | N/A |

For the period 2017-2020 the following matrix will be used. The matrix is subject to revision based on the national consultation, which will also help to define targets (currently marked as “XX”).
<table>
<thead>
<tr>
<th>Objective No. 1: Increase Sustainable Private Sector Investment Through the Design and Implementation of a National Investment Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department/Agency</td>
</tr>
<tr>
<td>Commerce</td>
</tr>
<tr>
<td>Commerce</td>
</tr>
<tr>
<td>Commerce</td>
</tr>
<tr>
<td>GO-Invest</td>
</tr>
<tr>
<td>BCAC- subcommittee in DB</td>
</tr>
<tr>
<td>BSBU</td>
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<tr>
<td>BSBU</td>
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<tr>
<td>BSBU</td>
</tr>
<tr>
<td>BCAC- subcommittee in DB</td>
</tr>
<tr>
<td>BCAC- subcommittee in DB</td>
</tr>
</tbody>
</table>

**Objective No. 2: Design and Implement a National Sustainable Investment Strategy Aiming to Reap the Most Growth Benefits from Foreign and Domestic Investment in Consultation with Private Sector**

<p>| Department/Agency | Program or Activity | Indicator | Indicator Type | Data Source |
|---|
| BCAC- subcommittee in DB | Doing Business | # of Priorities taken to enhance Doing Business | Output | Internal records |
| Commerce | Single Trade Window | % of electronic trade transaction of total ones | Output | Internal records |
| SBPU | Single Trade Window | % of productivity gains because XX % reduction in time required to process trade permits | Impact | GRA businesses sample |
| BCAC- subcommittee in DB, SBPU | Online registering | Decrease of XX distance to frontier position in the Doing Business Rank Registering Business | Output | WBS DBI |
| SBPU | Single Trade Window | Decrease of XX to the distance to the frontier in the Doing Business Rank because of the SWOT implementation | Output | WBS DBI |</p>
<table>
<thead>
<tr>
<th>Department/Agency</th>
<th>Program or Activity</th>
<th>Indicator</th>
<th>Indicator type</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVE NO. 3. ENHANCE VALUE ADDED PRODUCTION AND EXPORTS THROUGH THE DEVELOPMENT OF A NATIONAL EXPORT STRATEGY AND AN ENHANCED QUALITY INFRASTRUCTURE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td>Industrial policy</td>
<td># of businesses on industrial estates in compliance with NIS &amp; GRA</td>
<td>Output</td>
<td>Internal records</td>
</tr>
<tr>
<td>GO-Invest</td>
<td>Export Promotion</td>
<td># of businesses matched with overseas clients</td>
<td>Output</td>
<td>Internal records</td>
</tr>
<tr>
<td>BCAC- Subcommittee in VAES, Go-Invest-Industry-SRBVU</td>
<td>Value Added Export Strategy</td>
<td>Increase of value added export of 10% average 2017-2020</td>
<td>Impact</td>
<td>BoF-G, Worldbank Indicators</td>
</tr>
<tr>
<td>BCAC- Subcommittee in VAES, Go-Invest-Industry-SRBVU</td>
<td>Value Added Export Strategy</td>
<td>Reduction of trade deficit of 15% average in the 2017-2020 period</td>
<td>Impact</td>
<td>BoF-G, Worldbank Indicators</td>
</tr>
<tr>
<td>BCAC- Subcommittee in VAES, Go-Invest-Industry-SRBVU</td>
<td>Value Added Export Strategy</td>
<td>Exports to new markets increased by 5% 2017-2020</td>
<td>Impact</td>
<td>BoF-G, Worldbank Indicators</td>
</tr>
<tr>
<td>BCAC- Subcommittee in VAES, Go-Invest-Industry-SRBVU</td>
<td>Value Added Export Strategy</td>
<td>Competitiveness of export measured by reduction of production cost of the following products: food processed, manufactured textiles, among others increase by 7%</td>
<td>Impact</td>
<td>GRA sample data of export businesses</td>
</tr>
<tr>
<td>GNBS</td>
<td>Conformity Assessment</td>
<td>Guyana complied with non-barriers to export to USA and Europe</td>
<td>Output</td>
<td>Internal records</td>
</tr>
<tr>
<td>GNBS</td>
<td>Conformity Assessment</td>
<td># of companies technical assistance was provided to</td>
<td>Output</td>
<td>Internal records</td>
</tr>
</tbody>
</table>

| **OBJECTIVE NO. 4. SUPPORT SMALL BUSINESS DEVELOPMENT IMPLEMENTING THE PROVISION OF THE SMALL BUSINESS ACT AND** |
|------------------|--------------------|-----------|----------------|-------------|
| SBB              | Research & Marketing | # of new small businesses registered in database | Output | Internal records |
| SBB              | Training           | Training in manufacturing sectors increase in XX%. | Output | Internal records |
| SBB              | Micro Finance      | Share of SBB guarantee financing compared to total small business financing increase in XX%. | Output | BoF-G |
| SBB              | Micro Finance      | % of small businesses receiving grants or loans | Output | Internal records |
| SBB              | Micro Finance      | Number of institutions providing financing to small businesses increased in XX%. | Outcome | Internal records |
| SBB              | Public Procurement | Access of small businesses to public procurement increases in XX% | Output | BoF-G |
| SBB              | Public Procurement | 20% of public procurement comes from SMEs | Outcome | BoF-G |
The monitoring and evaluation system of the Ministry of Business is twofold: internal and external. The internal M&E will be conducted by the BSPU and will be comprised of the below activities. Most of the recommendations included in this section are based on an analysis of evaluations of several competitiveness and innovations programs, in particular on the framework for evaluation developed by the Centre for Strategy and Evaluation Services28.

- Collecting and compiling data for the above indicators. A quarterly report will be published internally and shared with Minister and BCAC. An annual report will be published on the Ministry's website.

- Working jointly with GRA, the Bank of Guyana and the Ministry of Finance in order to construct the following indicators:
  - Quarterly sales of firms by size, sector, export, etc.
  - Quarterly cost of production of manufacturing and export sectors
  - Quarterly margin of firms in the manufacturing and export sectors
  - Quarterly investments of firms
  - New loans to small and medium firms
  - New loans to firms

- Conducting firm-level surveys in order to implement the Dewhurst's BARROW framework discussed previously in the Ministry of Business Communication Plan section of this document.

- Preparing quarterly analyses of budget implementation by departments and agency

- Presenting findings and recommendations based on the analysis of the indicators of the Ministry of Business Strategic Plan and additional studies conducted by the BSPU.

The BSPU will take into consideration the following principles and questions in order to implement the internal monitoring and evaluation component:

Relevance

28 Final Evaluation of the Competitiveness and Innovation Framework Programme, Strategy & Evaluation Services Centre (December 2011)
To what extent are the MoB’s objectives pertinent to the needs, problems and issues they were designed to address?

Have the policy areas targeted been appropriate?

**Effectiveness**

- To what extent has the strategic plan achieved its objectives and what are its main impacts?
- To what extent has the strategic plan contributed to the competitiveness and innovative capacity of the Guyanese society as an advanced knowledge society with sustainable development based on robust economic growth, growth of quality jobs and protection and improvement of the quality of the environment?
- To what extent has the strategic plan effectively fostered the competitiveness of enterprises in particular of SMEs?
- How do the various instruments used in the strategic plan compare in terms of their effectiveness?

**Efficiency**

- How well have the management processes operated and how has the funding available been allocated?
- How well are the results and impacts of the strategic plan monitored?
- To what extent have the desired effects been achieved at a reasonable cost (including the burden on participants, beneficiaries and stakeholders)?
- How effectively has information about the availability of the strategic plan’s instruments and the results and impacts of actions been transmitted to potential stakeholders and beneficiaries?

The BSPU will present quarterly an analysis of the execution of the budget by departments and agencies tying it to the key actions established in this Strategic Plan in order to detect early problems in the implementation of the MBSP.

With regards to the external component of the monitoring and evaluation System, it is important to acknowledge that the strategic plan will be financed by various donors. Therefore, external evaluations need to be coordinated ex-ante where possible. In addition, the Ministry should ask for the assistance of external funding organisations to conduct a mid-term evaluation of this plan in 2018 and a final evaluation in 2020. Special emphasis should be placed on pilot programs, such as the proposed matching grant programs, and the implementation of the VAES and National Investment Strategy. The results of the external mid-term evaluation in conjunction with the internal evaluations will provide feedback to the political levels of decision-making and allow for adjusting and amending the implementation of this plan.
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World Bank Development Indicators and Commodity Price Sheets.
CHAPTER SEVEN

7. ANNEXES

7.1. SECTORIAL POLICY FACT SHEETS

7.1.1 EXPORT PROMOTION

Export services should vary according to the firm’s development and experience in international business.
Evidence suggests that effects of export subsidies (in the form of direct subsidies, duty drawbacks and tax exemptions) are country specific.

Duty drawback and tax exemption schemes the evidence is more in favour of their positive effects.

World Demand % Product Mix: Success depends on the match between domestic comparative advantage (current or potential to reveal) and world demand composition

EPZ have effect in growth exports but not significant effects for technology transfer and knowledge spillovers.

One Stop Window Export Promotion Agency empowered to make decisions in key issues affecting development of exports and that offer targeted & tailored assistance and rely on continues evaluation (country specific, sector specific, firm specific)

Stimulate institutional development & consider institutional complementarities

Work to build country image in foreign markets (through marketing, information provision,
### INSTRUMENTS

<table>
<thead>
<tr>
<th>Hard - Vertical</th>
<th>Soft - Horizontal</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Tariffs</td>
<td>- Standards</td>
</tr>
<tr>
<td>- Tax breaks</td>
<td>- Export promotion</td>
</tr>
<tr>
<td>- Subsidies through the budget (including special programs, procurement)</td>
<td>- Infrastructure</td>
</tr>
<tr>
<td>- State enterprise pricing</td>
<td></td>
</tr>
<tr>
<td>- Subsidized credit programs</td>
<td></td>
</tr>
</tbody>
</table>

### BEST PRACTICES

- Develop and Set a Competitiveness Agenda with targeted strategies, instruments and activities.
- Align Macroeconomic & Trade Policies with Production Transformation & Competitiveness Agenda’s goals.
- Foster a Strategic Partnership between the State and the Private Sector (formal and informal arrangements, with clear goals).
- Set up performance control of targeted activities and associated support instruments.
- Develop State Technical and Management Capacity:
- Form task forces team to create "centres of excellence" for transformational energy & knowledge building.
- Design and implement Export & Competitiveness Sectorial (product) plans aiming to remove growth binding constrains.
- Evaluate constantly Incentives/Subsidies and focus to core objectives to policies (diversification, export, upgrading).
- Clear benchmark criteria for success or failure.
- Establish sunset clause (phase out subsidies after X years).
- Public-Private Risk Sharing.
- Foster Competition avoiding raising barriers to entry and import competition.
- Accountability, Transparency, Monitoring and External Evaluation of Results.
- Maintain Effective Channels of Communications with Private Sector.
7.1.3 Investment Promotion

It is important to prioritize why to attract FDI

Investment Promotion Cycle

Investment Promotion Services

- Information & Sales Packs
  - Investment plans
  - Policies and incentives
  - Global rankings
  - Progress and achievements
  - Create brand awareness

- Lead Generation and Targeting
  - Advertising and PR
  - Information & Marketing
  - Missions & Events
  - Company targeting
  - Company visits

- Information provision
  - Assistance with contacts
  - One-stop-shop services
  - Instruments and Incentives
  - Site visits

Aftercare and Policy Advocacy
- Continued “account executive” attention
- “Ombudsman” role and trouble-shooting function
- Follow-up on manpower, infrastructure, service needs

- Image Building
- Investor Servicing
- Facilitation (during setup phase): licenses & approvals
- Facilitation (during decision phase): provide business information
- Input into policy making
- Policy Advocacy: investment climate
- Country FDI promotion strategy
- Image building: sector branding
- Investor targeting
- Reinvestment: investor aftercare
- Increase competition
- Integration (in Global Value Chains)
- Increase capital
- Technology and know-how
- Increase tax incentives; reduce tax time
- Diversify the economy and increase exports

FDI
BEST PRACTICES

- Pick Incentives tailored to objectives, monitor and evaluate results.
- Establish One-Stop Window for investment services empower to advocate and with
- Authority to make decision once plans had been approved.
- Intelligence market skills are needed in order to target promotion is most effective
- Aftercare is critical but often neglected. Aftercare deals with high- level operational strategic requirements with a longer time horizon.
- IPA is more effective when has developed strong sectorial expertise with direct linkages to industry.
- Building a good investment promotion website.
- Policy advocacy as a Core IPA function
- Prioritizing building the human, structural (instruments, toolkits) & relational capital
- Accountability is central to effectiveness
7.2 SWOT ANALYSES

7.2.1 DEPARTMENT OF COMMERCE

Strengths

- Strong transparent and informed leadership
- Qualified, dedicated and enthusiastic staff
- Established team and team work
- Strong staff morale
- Great customer skills
- Keen knowledge of the Department’s roles and responsibilities (from existing structure)
- Good relationships with private sector (exporters and importers)
- Capacity to execute projects outside of the scope of the Department
- Efficient licensing section
- Involvement in the decision making processes of the Ministry
- Strong communication and relation with the PS/DPS

Weakness

- Limited number of human resources
- Limited space
- Limited exposure to training programmes
- Limited technological resources
- Lack of adequate communication within department
- Roles of Department is unclear given new dispensation (overlap with other Departments and agencies)
- Limited access to data and information
- Red tapers faced to complete simple tasks
- Limited financial resources
- No computerized system for recording licensing information

Opportunities

- Enhancing personal development (through training)
• Strengthening our network with other Departments, Ministries and the private sector
• Developing relationships with the private sector in all Regions to have a strong understanding of the economic situation
• Clearly outlined strategic plan and mandate of the Department to be able to utilize and exploit all staff capabilities
• Participation in trade fairs and expositions to build indispensable networks and relations
• Availability of external funding (to fund consultancies and other projects)

**Threats**

• Lack of computer security – back up system
• Further reduction in budgetary allocation
• Increase in red tapes
• Severance of critical work relations with other departments
• Force majeure
• Lack of clearly defined roles in relation to other Departments and agencies

7.2.2 **DEPARTMENT OF INDUSTRY**

**Strengths**

• Qualified and experienced technical staff
• High staff morale and relatively good working relationship
• Ability of staff to meet stakeholders' demand
• Ability to set SMART goals and to achieve over 65% of the Department’s annual objectives

**Weaknesses**

• Absence of Department’s Strategic Plan
• Staff constraints
• Limited interaction with relevant agencies and departments
• Absence of staff on relevant Boards/committees e.g. GO-Invest, GMSA to make decisions
• Underutilized skills
• Absence of programme to retool Industrial Development Analysts
• Inability to acquire strong management support for human resource development
Limited access to upgraded computer systems and programme

**Opportunities**

- Strategic alliance with other government departments and private organizations
- Supportive government policies
- Technological advancement
- Available land for expansion of industrial estates
- Framework to support industrial development

**Threats**

- New agencies/departments competing—providing similar services
- Assignment of the Department’s tasks to other agencies
- Loss of key staff to other Ministries or agencies
- Economic change in economy

7.2.3 BSPU

**Strengths**

- Motivated staff with degrees in economics
- Minister shows strong interest in BSPU
- Research is used to back any analysis produced
- Given that BSPU is new, structure and responsibilities can still be shaped to best fit needs

**Weakness**

- Internal reporting structures undefined
- Lack of mechanisms and channels to develop policy
- Limited practical knowledge/work experience of staff and
- Resources missing to support research (e.g. access to literature, statistical software), as well as insufficient number of staff
- Lack of prioritization of work
- Responsibilities of unit unclear
• Critical deadlines are not always communicated in a timely manner
• Work is often short-term driven

Opportunities

• Much attention is paid to the Doing Business Index in politics and the public
• Analysis and recommendations done by SCP (work needs to be made available)

Threats

• Budget was cut
• Lack of collaboration/channels of communication with other departments of MoB, agencies and other ministries
• Political priorities unclear
• Detailed and high-quality data (esp. about businesses) is often not produced or made available

7.2.4 GNBS

Strengths

• Existing legal infrastructure and framework for action in the form of GNBS & Weights & Measures Acts, Metrology Bill in draft form, technical regulation; national standards for processes, products, and services; and provision of international reference standards for traceability
• Semi-autonomous state agency with legal mandate under the laws of Guyana
• Sole authority for metrology; national standards for processes, products, and services; for certification of labs, medical and non-medical testing, and locally manufactured PVC pipes and gold jewellery
• Currently developing capacity for product certification of water and concrete blocks
• Key national institution for standardization, conformity assessment, and technical assistance for the implementation of management systems for ISO and other standards
• Five-Year Strategic Plan to guide operations of GNBS compiled by Consultant in March 2011

• Well documented policies and procedures

• GNBS recognized as the leading institution in the region with respect to metrology with experience in conducting legal metrology training for Caribbean counterparts

• Affiliation with regional and international bodies such as CROSQ, ISO, SIM, COPANT, ASTM, CODEX, WTO, ASQ and potential for enhanced partnership with these and other agencies

• High level of staff commitment and institutional memory with approximately 75% of staff having 10 years-plus service with GNBS; job security, salary guarantees, employee pension and medical scheme; accepted practice of staff involvement in interview and recruitment processes for new staff

• GNBS management accessible to staff and responsive to staff issues

• Existing pool of equipment for general office use, calibration, verification, and lab services

• Stakeholder awareness of existence and functions of GNBS, and respect for its work

• Skills and experience in promoting work of GNBS at expos, career fairs, with students, and others

• In-house experience with multi-stakeholder dialogue and practical engagement with regulatory bodies, private sector, and consumers

• Renewed sense of vision for GNBS 2020, clearly articulated mission and goals determined by a highly interactive and participatory strategic planning process involving representatives from all GNBS departments with an action planning framework for implementation

Opportunities

• Renewing, re-purposing, and strengthening existing committee system for staff development, including lateral and upward movement of staff

• Strengthening of in-house training staff, facilities, and system for ISO 9001; training in project management, technical and other report writing, risk management, root cause analysis, data analysis, public speaking, negotiation skills, first aid and other health-related matters, facilitation skills and training methodologies especially for training non-homogenous groups and English language low-literate participants

• Development of existing Information Services department to include materials on leadership, management, public policy development, monitoring and evaluation

• Follow up of staff evaluation/appraisal may be used to facilitate staff development for upward or lateral movement, review job descriptions, organizational chart; ensure adequate staffing for each department; inter-departmental familiarization so that each department understands the functions and operations of other departments; better
utilization of training, capacities, and skills of staff; development of formal Marketing & Communications Unit

- Demand for GNBS services by industry, companies, shopkeepers, vendors and others facilitates organization’s plan for expansion, growth, and development

- GNBS sensitization, awareness, and education work with policy makers in public and private sectors will result in a greater understanding of critical role of standards and standardization for national development

- GNBS sensitization sessions with science and technology students will raise awareness, shape career goals, and create a reservoir of potential recruits to metrology, standardization, conformity assessment, and laboratory departments of the organization

- Existing partnerships with local, national, regional, and international agencies will facilitate securing of the necessary certification and accreditation by International Standards Organization, external internships with similar agencies, training, and other necessary capacity building needs of GNBS; facilitate GNBS in generating revenue by providing expertise and technical assistance to counterparts, business and other organizations; and receive invitations to participate in expositions, exhibitions, and development initiatives

- Experience with existing GNBS regional facilities in Regions 2, 3, 4, 6, and 9 provides valuable insight for expansion into un-served and under-served regions in Guyana

- Product certification for water currently under consideration for development

- Good relationship with media will facilitate new initiatives for increasing awareness of importance of standards; GNBS website requires continual updating, better management, development of intranet to facilitate communication and marketing drive

- Strengthening of recognition and acceptance of GNBS certification for local, regional, and international markets

- Strengthening of GNBS capacity to provide calibration and other services for underserved sectors nationwide

- General purpose maintenance department for servicing and repair of equipment and vehicles

- Increased awareness of critical role of GNBS can facilitate timely approval of duty-free requests by Minister

- Consumer purchasing decisions based on price rather than quality present opportunity for awareness and education initiatives and positive messaging

- The new Council’s clarity in role and responsibilities and experience in managing meetings with GNBS effectively and efficiently will significantly improve decision making re standards development

- The recent developments in the oil extraction sector may open up significant opportunities for GNBS growth and development

- Recent changes in government and governance improve prospects for amended and new legislation, greater support and autonomy for GNBS in the period ahead
**Constraints**

- Negative attitudes and behaviours from vendors re compliance with Weights & Measures Act
- Risks for inspectors carrying out enforcement activities; security issues
- Vast hinterland regions pose obstacles for national implementation of standards
- National economic constraints and lack of high priority for GNBS function result in inadequate budget allocation
- Cost of implementing standards seen as ‘high’ leading to delays and non-implementation of standards regime; stakeholder reluctance to ‘pay’ for services
- Financial systems of some government agencies result in delayed payment or non-payment of services rendered by GNBS to the public sector
- High membership fees for key international organizations constrains GNBS from deriving significant benefits from full membership (GNBS does not have ‘full membership’ status in ISO; government not fully appreciative of benefits of overseas training

**7.2.5 SBB**

**Strengths**

- Highly motivated staff with the willingness to multi task which somewhat mitigates the effect of the size of staffing (small).
- The SBB is responsible for the first government backed guarantee programme as well as a subsidised interest payment facility and hence has developed capacity in these regards based on the experience garnered during implementation and management of such a programme.
- There is an existing network as well as partnerships with both public and private sector organisations – this includes sister agencies, training providers, financial institutions, Chambers of Commerce, among other entities; which largely provide the vehicle for ensuring the Bureau fulfils its mandate with regards to the delivery of programmes to foster the growth of MSEs.
- Because of the youthfulness and vibrancy of staff members, an approach to endeavours with effective use of technology is always at the forefront to deliver the Bureau’s mandate (use of social media, electronic media to communicate with clientele who cannot easily come into the office).
- Existing basic excel client database can be ‘spring board’ for additional programmes as well as provide data/information on the MSE sector, when the MIS currently being developed is complete. SBB currently draws from same for beneficiaries for both financial products as well as business development services (BDS) offered.

**Weaknesses**
The Bureau is currently without a Council and Chief Executive Officer. The Council is the oversight body of the SBB which provides strategic direction and guidance with respect to programmes and policies development and promoted by the SBB. The absence of these key authorities can negatively impact the image of the entity (in terms of the perceived lack of importance placed on the role of this agency with respect to the development of MSEs).

SBB has been occupying office space within the ‘Old GNCB Sports Club building’, since September 2014. A formal tenancy agreement has not been acquired to date which constrains planning of activities of long proposed programmes for expanded BDS to clients of the bureau, which includes the development of incubatory services as well as a Resource Centre.

SBB’s operation is centralised to the capital city where its only office is located. The Bureau’s target market is spread across 10 administrative regions which in some instances are accessible by plane, trail or boat. The absence of a presence in these far flung areas, limits service delivery and efficiency, against the background of only one (1) vehicle to be used by the 3 functional units – access to finance, marketing and research and training and business development.

The absence of a complete MIS system does not allow for effective planning of programmes based on data collected from requisite collections points – Training, Loans and Grants. This contract is currently ongoing however.

Staff currently lacks the requisite exposure and further, the complement is limited for the actual implementation and management of the proposed Incubatory and Resource Centres proposed over the next five years. The said centre is however, crucial to the nurturing of small businesses.

SBB lacks an appropriate mechanism and the relevant resources to effectively evaluate the impacts of its various programmes, as is it currently, programme evaluation is largely at the level of stated outputs (per low carbon sector, region, gender: # of persons trained, # of guarantees, # of interest subsidies, # of grants) and outcomes (# of jobs created/sustained).

SBB also lacks the relevant capacity with respect to designing and crafting appropriate policies for the development of the MSE sector.

SBB is still unknown to many sections of the public (particularly the far off regions); hence, there is the need to continue with current public awareness efforts in regions with little or no programme beneficiaries.

Opportunities

The Government of Guyana’s recent focus and mandate as it relates to the development of Micro and Small Enterprises through the slogan ‘Guyana means business’, fostering of innovative entrepreneurship, the creation of self-employment particularly among youth, among other initiatives, provides the required support and avenue for projects proposed in this regard.

The SBB is still in its formative years and as such has an opportunity to design innovative systems and processes that will aid the Council to carry out the mandate of the Small
Business Act effectively. For example, current Government procurement systems and legislation governing same, exclude MSEs from offering their goods and services in a fair and transparent manner.

- Opportunities also exist for the SBB as a non-profit governmental agency, to benefit from donor funds since proposals can be compiled in house. If the upcoming MSED project is executed successfully; this is expected to provide a platform for additional finance from the Low Carbon Fund, since the current commitment is expected to expire within a year at minimum.

- There are other funding sources (USA based organisations, among others) for initiatives focused at small business development. Once information on these can be garnered, steps can be taken to ensure programmes can be more sustainable and supplement subvention funding, while bridging any gaps which may occur with delayed implementation of proposed phase 2 of the MSED programme.

**Threats**

- Inadequate subvention funding from Ministry of Finance to even attempt to carry out part of the yearly projected mandate is a source for major concern; thus the Bureau often times may be forced to ‘water down’ its approach at the expense of appearing unproductive and invisible in the eyes of the private sector.

- The funds being accessed by the Bureau through the LCDS project is often perceived as all-encompassing and completely in harmony with SBB entire mandate as stipulated in the act; as such, may contribute to decisions to cut subventions since there is the feeling that the Bureau has a lot of money. This may in turn account for the cuts often experienced in subvention requests. Of note is the fact that the IADB managed MSED Project funds can only be spent on activities pre-approved by this donor agency.

- Loss of key human resources to other organisations at the end of the MSED Programme. Seven (7) of SBB’s key staff are funded by this programme

### 7.2.6 GO-INVEST

**Strengths**

- Renewed Investor leadership and vision
- Institutional knowledge of the sectors and incentives offered
- Rounded Board membership- for guidance / leadership?
- Sectorial knowledge of Guyana
- Firm political support
- Strategic direction?

**Weaknesses**

- Short on technical staff
- Inadequate pool of analytical capabilities
• Insufficient financial resources to carry-out mandate
• There is no standard format developed to evaluate the performance of the organisation
• Insufficient coordination from government agencies
• Less than appropriate facility to house organisation
• Interagency data collection is not readily available.

**Opportunities**

• Investment Targeting
• One-Stop-Shop Agency
• Increase engagement with the Business Community and Private Sector bodies
• Collective / Inter-Agency decision making with other Ministries, etc.
• New product / processes development
• Development of a "GO-Invest" brand
• Development of a ‘fast track system’ when dealing with FDI
• To work with new Municipalities/ NDC/RDC to explore investment opportunities.
• To assist in the development of sector clusters
• Opportunities to facilitate SMEs with concessions

**Threats**

• Lack of clear policy guidelines for some investment project activities
• Active promotion and emergence of competitors in the Region
• Lengthy restructuring process may send the wrong message on the investment climate
• FDI decision making favours already well-established destinations.
• Limited authority to approve projects, could result in reduce confidence of the organisation
• New process can deter new investors compared to past practices and other countries options.
## TABLE 12 ONLINE TRAINING RESOURCES

<table>
<thead>
<tr>
<th>AREAS OF POLICY</th>
<th>COMPETENCES</th>
<th>DEPARTMENTS &amp; AGENCIES</th>
<th>PROVIDER</th>
<th>ONLINE REFERENCE</th>
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</thead>
<tbody>
<tr>
<td>Policy Analysis</td>
<td>Conduct analysis of roots of collective problems to provide public policy solutions.</td>
<td>For all directors and Senior Policy Officers of all departments and agencies</td>
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<tr>
<td>How to develop a Position Paper or Policy Advice</td>
<td>Acquire skills in how to research and present an effective and persuasive position paper or policy advice</td>
<td>For all directors and Senior &amp; Junior Policy Officers of all departments and agencies</td>
<td>On line, novice level, free audit, certificate USD49</td>
<td><a href="https://www.coursera.org/learn/persuasive-writing/">https://www.coursera.org/learn/persuasive-writing/</a></td>
</tr>
<tr>
<td>Making Strategic Decisions</td>
<td>To learn how prioritize, and execute projects</td>
<td>Directors &amp; CEOs, Senior Policy Officers</td>
<td>On line provider</td>
<td><a href="http://instituteforstrategicclarity.org/2013/09/strategic-decision-making/">http://instituteforstrategicclarity.org/2013/09/strategic-decision-making/</a></td>
</tr>
<tr>
<td>Industrial Policy Analysis</td>
<td>To understand industrial policy instruments, effectiveness and different schemes for its implementation.</td>
<td>Director of Industry, Senior Policy Officer, SBPU officers</td>
<td>World Bank- Series of short videos and lectures</td>
<td><a href="https://olc.worldbank.org/content/industrial-policy-harnessing-industrial-policy">https://olc.worldbank.org/content/industrial-policy-harnessing-industrial-policy</a></td>
</tr>
<tr>
<td>Development Policy</td>
<td>To know about the latest thinking and approaches to development policy, to understand the engines of growth and competitiveness as well as addressing human and development issues.</td>
<td>For all directors and Senior Policy Officers of all departments and agencies</td>
<td>World Bank- Facilitated e-course, middle level</td>
<td><a href="https://olc.worldbank.org/content/frontiers-development-policy-facilitated">https://olc.worldbank.org/content/frontiers-development-policy-facilitated</a></td>
</tr>
<tr>
<td>Export Promotion</td>
<td>To understand what export promotion policies and strategies work more efficiently.</td>
<td>CEO of GO-Invest and Senior Policy Officers, Department of Industry Director and Senior Policy Officers, SBPU Director, Senior &amp; Junior Economists</td>
<td>CBI- Scholarships</td>
<td><a href="https://www.cbi.eu/About%20CBI/CBI%20services/Training%20Programmes/Export-Promotion/">https://www.cbi.eu/About%20CBI/CBI%20services/Training%20Programmes/Export-Promotion/</a></td>
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<tr>
<td>Setting an Export Promotion Strategy</td>
<td>To know how to set up an export promotion strategy</td>
<td>CEO of GO-Invest and Senior Policy Officers, Department of Industry Director and Senior Policy Officers, SBPU Director, Senior &amp; Junior Economists</td>
<td>ITC - On line COMING UP APRIL 25</td>
<td><a href="http://www.intracen.org/event/Setting-up-an-Export-Marketing-Strategy-25-April-2016/">http://www.intracen.org/event/Setting-up-an-Export-Marketing-Strategy-25-April-2016/</a></td>
</tr>
<tr>
<td>Investment Policy</td>
<td>Understand how FDI works and its role in development, new patterns and modalities of foreign investment, how PPP works, investment and trade policy relation, key elements of IIAs, business environments reforms, what incentives work and what not, mechanism to prevent disputes and increase investor’s confidence, etc.</td>
<td>Department of Commerce, GO-Invest, Industry and SBPU Director and Senior Officer</td>
<td>World Bank</td>
<td><a href="https://olc.worldbank.org/content/investment-policy-and-promotion-week">https://olc.worldbank.org/content/investment-policy-and-promotion-week</a></td>
</tr>
<tr>
<td>Trade Policy</td>
<td>Understanding how the mega regionals trade agreements work, agendas, contents and prospects</td>
<td>Department of Commerce, GO-Invest, Industry and SBPU Director and Senior Officer</td>
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<tr>
<td>Workforce Development Policies</td>
<td>A conceptual framework for understanding what matters in workforce development (WfD); to know how to use diagnostic tools and their application, who to Skills Measurement, what is effective in policy design issues in WfD, including governance and organization of WfD systems, financing, and quality assurance in WfD.</td>
<td>Department of Industry and SBPU directors, senior and junior officers</td>
<td>World Bank</td>
<td><a href="https://olc.worldbank.org/content/workforce-development-policies">https://olc.worldbank.org/content/workforce-development-policies</a></td>
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<td>Innovation Policy</td>
<td>To have a concrete understanding of innovation and the major components of innovation policy, and be able to make policy recommendations for innovation policy reform.</td>
<td>Department of Industry and SBPU directors, senior and junior officers</td>
<td>World Bank</td>
<td><a href="https://olc.worldbank.org/content/introduction-innovation-policy-developing-countries-self-paced">https://olc.worldbank.org/content/introduction-innovation-policy-developing-countries-self-paced</a></td>
</tr>
<tr>
<td>Industrial Policy</td>
<td>To conduct value chain analysis</td>
<td>Industry Department, SBPU policy analyst</td>
<td>UNIDO</td>
<td><a href="http://www.unido.org/fileadmin/user_media/UNIDO_Worldwide/LAC_Programme/3RGE/UNIDO%E2%80%99s%20agro-value%20chain%20training%20course.pdf">http://www.unido.org/fileadmin/user_media/UNIDO_Worldwide/LAC_Programme/3RGE/UNIDO%E2%80%99s%20agro-value%20chain%20training%20course.pdf</a></td>
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<td>USAID</td>
<td><a href="https://www.microlinks.org/training-group/learning-value-chain-basics">https://www.microlinks.org/training-group/learning-value-chain-basics</a></td>
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