



## CALENDAR OF KEY ECONOMIC EVENTS

September 2007

*This feature presents a summary of local events of economic interest covered in the two daily newspapers, Stabroek News and the Guyana Chronicle.*

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### **SEPTEMBER**

*Deputy Prime Minister of Barbados, Ms. Mia Motley is calling on CARICOM member states to unite as a single trading block to build on opportunities that will enable the achievement of their goals on the international market. She expressed this sentiment at a business seminar against the backdrop of Barbados's participation at this year's GUYEXPO pointing out that the event will strengthen bilateral relations and open the door for a future between the two countries.*

*AQUACULTURE pioneer in Guyana and Chairman of the National Aquaculture Association of Guyana (NAAG), Mr. Beni Sankar, has reported that his company has exported approximately 1,000 pounds of high-quality tilapia to a market in New York, United States. Before being shipped last month to grateful consumers, the superior red and Nile species tilapia were produced at Mr. Sankar's farm at Von Better, West Coast Berbice and processed and packaged at Guyana*

*Quality Seafoods on the East Bank Demerara.*

*The Seed Processing Plant of the Mahaica, Mahaicony, Abary Agricultural Development Authority (MMA/ADA) at Onverwagt West Coast Berbice is available to rice farmers needing this service for the current autumn crop.*

*THE National Agricultural Research Institute (NARI) and the University of Florida signed a cooperative agreement, earlier this week, to facilitate the exchange of academic and research information between the two institutions.*

*THE National Agricultural Research Institute (NARI) staged a field exercise Wednesday, during which it showed farmers, representatives of non-governmental organizations (NGOs) and senior functionaries in the financial sector a look at its newly created protected seedling production house constructed to ensure continuous*

production of vegetables for local and external markets.

*Exports of fresh fruits and vegetables* as well as processed products from Guyana to the Caribbean, North America and Europe have increased from a mere 1,900 tonnes in the early 1990s to more than 5,000 tonnes in 2006. With the continued introduction of new locally produced products and increased demand for existing commodities, a growing number of exporters are sending larger quantities of goods to markets in the region, as well as North America and Europe.

*Farmers in West Berbice* have expressed their willingness to venture into the cultivation of butter nut squash which has a lucrative market in North America. The venture is being supported by the United States Agency for International Development (USAID) in collaboration with the National Agricultural Research Institute (NARI).

*The Guyana Agricultural and General Workers Union (GAWU)* agreed to consult with its membership with respect to a 6.5% wage increase offered by GUYSUCO.

*FISHERMEN* who take on supplies and offload catch at the Little Abary outfall channel, East Mahaicony, are to benefit from a ramp that will make their operations much more efficient. The structure would be built shortly at a cost of \$12.38M.

*Farmers within the Mahaica Mahaicony Abary Agricultural Development Authority (MMA/ADA)* administered areas are to benefit from a waiver of rates and taxes totaling some \$40M.

*WITH Guyana* already facing an annual loss of \$7B as a result of price cuts, the decision now of European Union (EU) countries to no longer guarantee its duty-free market for sugar has been described by Guyana's Agriculture Minister as an "unkind act" and a "betrayal". Reacting to the EU's decision to "dump" its 32-year trading pact with Guyana and the rest of African, Caribbean and Pacific (ACP) states, Minister Robert Persaud said it was a "sad day" in the ACP's relationship with the EU. The EU is Guyana's largest market for sugar.

*The Guyana Agricultural and General Workers Union (GAWU)* and the Guyana Sugar Corporation (GUYSUCO) reached an agreement to pay piece-rate workers at Enmore Estate overtime from the period March 2006 in a partial resolution to the problem which led to industrial action on the Estate.

*HARVESTING of paddy* for the autumn rice crop has begun in all producing areas and, despite the less acreage cultivated, yields to date are in favourable comparison with those of the national average from the last harvest. A senior official in the industry confirmed that cultivation was approximately 50,000 acres less than targeted but said he was optimistic that high yields being reported might make up for the shortfall. The 122,000 acres currently being harvested represent about 72 per cent of the target, with the biggest reduction in Region Five (Mahaica/Berbice) where 31,500 acres less were planted. The Region Six (East Berbice/Corentyne) cultivation fell by 11,000 acres and the national target was 172,000 acres. Actual planting against what was projected in the five Regions was: Region Two (Pomeroon/Supenaam)

32,000 of 35,000 acres; Region Three (West Demerara/Essequibo Islands) 17,500 of 21,400; Region Four (Demerara/Mahaica) 6,800 of 7, 500; Region Five 36,000 of 68,000 and Region Six 29,000 of 40,000 acres.

*FARMERS*, miller exporters and other stakeholders gathered at Buddy's International Hotel, Providence, East Bank Demerara to discuss the changes necessary for strengthening the leadership of Guyana Rice Development Board (GRDB) within the industry. The participants also included regional officials in the rice producing Regions and members of the international donor community. The aim of the forum was to find ways to improve the efficiency and effectiveness of the GRDB, given the changing dynamics within the local, regional and international environment of the rice industry.

*Rice farmers* across the country are to benefit from the zero-rating of Value Added Tax (VAT) on combine and tractor spares as a means of relief from the adverse effects of the prolonged rainy season and increases in the prices of fuel and fertilizers. A release from the Ministry of Agriculture yesterday described the measure as temporary and effective from September 1, following the formulation of a mechanism for the relief with the Ministry of Finance.

*Government* will be spending approximately \$100M shortly to carry out major upgrading of the facilities at the Burma Rice Research Station in Region Five as part of its ongoing programme to encourage further growth in the local rice industry. At present, the administration is investing more than \$8B to revitalize and restructure this

critical sector, which contributes about 20 percent of agricultural Gross Domestic Product (GDP) and accounts for 12 percent of export earnings. The investments at Burma are intended to improve seed paddy production that will result in better rice yields, allowing farmers to earn more.

*Officials of the Guyana Forestry Commission (GFC)* have asserted that an investigation currently ongoing with respect to malpractices within the sector is as a result of their vigilance and control systems and not external pressure from national or international agencies

*Private sector* must increase role in investment drive--Deputy PM Mottley "There is no doubt that we cannot all continue to practice the form of agriculture that is based on traditional modes ... without relying on significant infusion of technology and capital so as to be able to improve productivity considerably, manage the product and product cycle, as well as reduce losses,"

*Several foreign investors* at this year's GUYEXPO have expressed an interest to set-up operations here pointing out that the country is abound with opportunities for investment favourable for the establishment of niche markets.

*Surinamese investor and President of RUDISA International of Suriname*, Rudi Sardjoe who started operations in Guyana several months ago as a distributor of Surinamese beer 'Parbo' and other beverages said he plans to expand into agro-processing. He has so far invested close to \$5 M US in property and will buy more to achieve the objective.

*GUYANA Manufacturing and Services Association (GMSA)*, in collaboration with the Private Sector Commission (PSC), started a five-day training programme partly funded by the European Union (EU). The focus for the duration of the 71,000 euros (G\$19.5M) initiative is on investment promotion and capacity building and it targets intermediary organizations, business associations and companies with the relevant expertise and tools to assist in attracting investments and partnerships between entities in Europe and the Caribbean. Forty-two per cent of the funding is an EU grant and the remainder was raised by GMSA with assistance from the private sector.

*EXECUTIVE Director of the Environmental Protection Agency (EPA)* confirmed that an interim environmental permit has been granted to the investors behind the proposed major US\$500M oil refinery at Crab Island in the Berbice River. The U.S.-based developers, led by Guyanese Mr. Romeo Cipriani, have been awaiting an assessment from the Environmental Assessment Board (EAB) and a permit from the EPA for quite sometime now.

*From January 2006 to June 2007*, there were seventy-two private sector investment projects in the Tourism Sector, mainly in preparation for the Cricket World Cup 2007. The overall total private sector investment was six billion five hundred and thirty-one million Guyana Dollars (G\$6,531,000,000) or thirty-two million six hundred and fifty-five thousand United States Dollars (US\$32,655,000) and one thousand and ninety (1,090) new direct jobs were created. There were 46 new private sector projects.

They are sixty-four percent (64%) of the total number of seventy-two (72) tourism projects that were implemented during that period of time. The other thirty-six percent (36%) [26 projects] are previously existing tourism hotels and resorts that upgraded and/or expanded their facilities. The breakdown of the 46 new private sector projects is as follows: 34 new hotels, 8 new resorts, 1 new foreign tour operator, a new Executive Departure Lounge at the Cheddi Jagan International Airport, 1 new jet boat service, and one new apartment complex. The total investment for the 46 new private sector projects is five billion nine hundred and sixty-eight million Guyana Dollars (G\$5,968,000,000) or twenty-nine million eight hundred and forty thousand United States Dollars (US\$29,840,000). One thousand and twenty-four (1,024) new direct jobs were created by the new projects.

*Representatives of the Guyana Geology and Mines Commission (GGMC)* and Geologists from the Czech Republic have signed a second Memorandum of Understanding (MOU) with respect to determining the economic potential of Guyana's silica (white sand) and kaolin (white clay). The Czechs are assisting Guyana by testing samples and conducting market studies aimed at finding value-added use for these resources. The second MOU focuses on the way forward with respect to this collaboration between the Czechs and Guyana.

*A vital piece of drilling equipment* to enhance the production capacity at Linden Quarry, Mazaruni River, has been acquired by its parent company-B.K. International Inc. It was purchased

in the U.S.A. through Associated Industries Limited (AINLIM), at US \$380,000.

*Guyana is a sleeping giant where minerals* apart from gold and diamonds are concerned and there is an increasing awareness of this potential at both the local and international levels. There have been decisions made to encourage exploitation of precious and semi-precious stones other than gold and diamonds to enhance the contribution of the mining sector to the national economy.

*Staffers of the Geology and Mines Commission (GGMC)* are on the brink of commencing explorations aimed at determining whether the so called non-conventional minerals (limestone, potassium and salt ) exist in Guyana in commercial quantities. A drill rig is currently being transferred to Rupununi to commence what he described as the “exciting search” for these minerals. Drilling is to commence within the next three weeks and the findings should be available by mid to late October.

*Government’s vision* for continued and advance social and physical infrastructural development throughout Guyana is being further highlighted with focus on improvements in other areas including Linden. Establishment of a core infrastructural network is intended to enhance citizens’ living standards by making communication and transportation access easier. Over the past 15 years, several major accomplishments have been made in the region while others are being pursued in accordance with the National Development and the Guyana Poverty Reduction Strategies. At present, \$20M

is available for road upgrading in Linden under Government’s Urban Road Programme.

*CONSTRUCTION works* on the spanking new roll-on-roll-off ferry stelling at Supenaam is moving apace. The \$500 million project might be completed before year-end. The new stelling (pier) is aimed at cutting the traveling time of the ferry between Parika and Adventure by as much as 90 minutes, and making the service more efficient.

A *CONTRACT* was signed for the construction of a new nursery school building at a cost of \$13.1M. It will be located in Lusignan Community Centre compound on East Coast Demerara, with funding by the Regional Democratic Council (RDC) of Region Four (Demerara/Mahaica).

*GUYANA Water Inc. (GWI)* is making a new borehole at the site of the existing one in Battery Road, Kingston, Georgetown. The work is being done on the basis of a previous assessment that indicated need for a replacement. The mechanism presently serves domestic customers and a number of businesses but is being replaced as it is close to ending its useful life.

*CABINET* has given its no objection to seven contracts, worth some \$368M, to be executed in Regions Three (West Demerara/Essequibo Islands); Four (Demerara/Mahaica) and Seven (Cuyuni/Mazaruni). Two in Region 3 (Essequibo Islands/West Demerara) are for upgrading roads at Parfaite/Harmonie, West Bank Demerara at the cost of \$36, 59M and \$34,86M to build roads, drains and structures at

Anna Catherina North, West Coast Demerara. In Region4 (Demerara/Mahaica), four for \$31,03M, \$56,55M, \$19,49M and \$52,20M, respectively, would pay for installation of pure water distribution networks at Blocks.

*IF there is oil in the delineated areas offshore Guyana set by the Guyana/Suriname Arbitral Tribunal, then this would open the way for the country to make a quantum leap in its development. These sentiments have been circulating around the country since the tribunal made public its award after three-and-a-half years of proceedings and analyses. These sentiments are well in order as the decision opens new vistas for Guyana's oil search.*

*THE 13 countries from this Region which participated in the recent second China/Caribbean Economic and Trade Forum reached a consensus with the Chinese Government to further promote cooperation in the areas of agriculture and fisheries. It was the result of fruitful discussions between representatives of both sides at a seminar.*

*President Bharrat Jagdeo will chair a meeting of the National Competitiveness Council to review progress on priority actions to stimulate greater investment, job creation and economic growth. Council members are expected to focus on several aspects on assisting entrepreneurs access affordable finance for setting up and expanding businesses, reducing red tape and inefficiencies for exporters, streamlining processes for establishing new businesses in Guyana, progressing corporate and income tax reform, improving corporate*

*governance, increasing the capacity of shipping facilities to facilitate increasing export volumes and expanding information and communication technology services, which were identified in Guyana's National Competitiveness Strategy as a key growth opportunity for Guyana's economy.*

*The Government of Guyana has signed a \$20M Yen (close to US\$3M) grant aid agreement on economic and technical cooperation with its Chinese counterpart for projects to be decided on by the two administrations.*

*With one year in the new term of the People's Progressive Party /Civic completed, the Administration is reviewing its policies and programmes of the country's main sectors during a two-day Cabinet retreat.*

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***Bureau of Statistics  
National Accounts Department  
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