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TRADE POLICY REVIEW

Report by

GUYANA

Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by Guyana is attached.

Note: This report is subject to restricted circulation and press embargo until the end of the first session of the meeting of the Trade Policy Review Body on Guyana.

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I. INTRODUCTION

1. Guyana welcomes this second Trade Policy Review (TPR) by the Trade Policy Review Body. The Government of Guyana very much appreciated the fruitful consultations with WTO Secretariat staff during the preparations of the TPR.

2. Guyana is a very open economy and its support for a transparent, rules-based, multilateral trading system is unambiguous. As a small, vulnerable economy, Guyana currently relies heavily on the export of a narrow – but expanding – range of products, while a wider variety of products have to be imported. A significant share of the country's exports depend on preferential market access. The ongoing loss of value of such preferential access is a major concern, in particular for sugar which is the country's dominant export earner.

3. One of the major developments in Guyana's trade agenda during the period under review was the negotiation of a WTO-compatible Economic Partnership Agreement (EPA) between CARIFORUM member states (CARICOM and the Dominican Republic) and the European Communities during 2004-2007. That Agreement provides for substantial liberalization of market access for both goods and services and replaces the non-reciprocal preferential trade arrangements which existed previously under the LOME and Cotonou Conventions.

4. Regional integration in the Caribbean Community (CARICOM) also deepened since 2003 with the establishment of the CARICOM Single Market in 2006 and ongoing work towards the completion of the Single Economy by 2015. CARICOM established the Caribbean Court of Justice (CCJ) in 2006 and the CARICOM Competition Commission in 2008.

II. ECONOMIC POLICY ENVIRONMENT

5. Guyana's overall economic performance since the last review has been favourable. The Government continued measures to improve the overall business climate. Macroeconomic performance was also influenced by a generally favourable international environment and increased confidence by both local and international investors in the Guyanese economy. Average real growth was at 2.8% per year during the entire review period, though average growth would have been significantly higher absent the negative effects of major floods in the coastland areas in 2005. Guyana successfully hosted the 2007 Cricket World Cup and other major events, which also resulted in increased long-term investments, notably in the services and tourism sectors.

6. In 2006 the sugar industry commenced a major modernization programme to cope with reduced prices in the EU market and increased competition. While non-traditional agricultural exports – not including rice and sugar – play a relatively minor role in terms of economic contribution, these exports have seen high growth during the review period.

(i) Fiscal policy

7. The Government continues to apply a fiscal policy that is geared towards long-term stability and growth. The introduction of a value-added tax (VAT) in 2007 was a major step towards a more modern tax system. It helped to widen the tax base and resulted in higher revenues than initially expected. Although a significant fiscal deficit remains, there has been an overall downward trend. Since 2005, the fiscal deficit fell from 13.7% of GDP to 7.9% in 2008.¹

¹ National Budget 2009, p.16

8. A major achievement during the review period was a significant reduction of foreign debt, which can be attributed mainly to different debt relief schemes by the international community. External debt fell by 57% during the review period. The Government remains firm on the need for greater access to concessional financing as a key component of its strategy for debt management and sustainable financing of the country's development agenda.

9. The Central Bank has maintained a low inflation rate during the review period. Inflation only peaked in 2005 and 2007, mainly due to one-off events such as increased prices caused by the floods in 2005, and an overall increase in commodity prices on the world market in 2007, together with the introduction of the VAT. The exchange rate has remained relatively stable during the review period.

10. The Government continues its reform programme to improve the business environment of Guyana. One notable achievement is the "National Competitiveness Strategy", issued jointly by the Government of Guyana and the Private Sector Commission in 2006. As a partnership between the public and private sector, the aim of the strategy is to improve Guyana's competitiveness in a wide range of areas where improvements will be made over the next years.²

11. Additionally, Guyana is open to foreign investments. Guyana has consistently been ranked very high in UNCTAD's FDI performance index: For the period 2005-2007, Guyana was ranked 11th in the "Inward FDI Performance Index". The Government actively supports potential investors through the "Guyana Office for Investment" (GO-Invest).³ Significant investments have been made during the review period in all major sectors; however, the Government is seeking to widen the spread of investments in new areas such as agriculture, agro-industry, information technology and tourism development.

(ii) The global financial crisis

12. The current financial crisis will affect the economic performance of Guyana, even though the crisis wholly originated outside of Guyana. In an initial region-wide assessment it is estimated that the impact on the Caribbean as a whole could be very severe because of the high degree of insertion in the global economy, with an average trade/GDP ratio of 70% and a high dependency on foreign investment.⁴

13. The Guyanese economy will be impacted in various ways. A weaker economic performance in North America and the tourism sector in the Caribbean, can negatively affect remittances from overseas Guyanese. Prices for key commodity exports have also fallen since the beginning of the crisis, notably for rice and bauxite. There are indications that foreign investments into the bauxite sector may be postponed. On the other hand, the crisis has led to a reduced demand and therefore lower prices for certain imports, in particular oil products, which is favourable for Guyana.

14. Guyana's financial institutions have proven to be stable and have remained largely unaffected by the financial crisis, with a few exceptions. This can also be attributed to a number of policy initiatives that have been undertaken over the last years to modernize the financial sector. Stability and soundness of the financial system and an appropriate system of supervision by the authorities have always been the main priority for the Government.

² See <http://www.summit.org.gy/summit.html> for more information.

³ See <http://www.goinvest.gov.gy/> for more information.

⁴ See "Initial Assessment of the Impact on the Caribbean Community of the Global Economic and Financial Crisis" (CARICOM Secretariat, March 30, 2009) for more details.

(iii) Infrastructure development

15. The modernization and development of the country's infrastructure is key to transforming the landscape for economic development. The Government has emphasised the expansion of the country's physical infrastructure, including maintenance of newly upgraded infrastructure, both through public investment and strategic partnerships.

16. Major infrastructure projects have been completed during the review period, the most notable being the construction of the Berbice River bridge at a total cost of US\$40 million and funded through a public-private partnership. This represents the first time that private financing was mobilised to fund a large public infrastructure project in Guyana. It is a major national achievement given the critical infrastructure gap. The bridge improves links between Berbice, a major centre for agricultural production, and the rest of the country and can also facilitate trade and commerce with neighbouring Suriname. Also notable are the construction of the Providence Cricket Stadium.

17. In addition, trade ties with Brazil are expected to improve upon the upgrading of an all-weather road link from the mining town of Linden to Lethem which borders the Brazilian State of Roraima. Also, through collaboration and partnership with Guyana's southern neighbour, Brazil, a bridge across the Takutu River, linking the Guyanese border town Lethem with the Brazilian town Bonfim, has been completed and will be formally opened to Guyana-Brazil road traffic in 2009. Hinterland roads have been upgraded to improve access to and trade with communities.

18. Together, the Linden-Lethem road link, the Takutu Bridge, the Berbice River Bridge, and the Canawaima Ferry which connects Guyana and Suriname, substantially improve Guyana's transport infrastructure and interconnectivity with its mainland neighbours. They, thereby, further strengthen its continental integration process, and open new economic opportunities.

III. TRADE POLICY DEVELOPMENTS**(i) Trade policy**

19. Trade is very important for Guyana. With imports and exports accounting for around 170% of GDP, the importance of trade and trade policy cannot be overemphasised.

20. As a member of the Caribbean Community (CARICOM) Guyana's trade policy is underpinned by the country's rights and obligations under the Revised Treaty of Chaguaramas. In this regard also, Guyana's external trade policy is widely coordinated within CARICOM, including external trade negotiations with third countries.

21. Coordination of Guyana's trade policy is the responsibility of the Ministry of Foreign Affairs, Foreign Trade and International Cooperation.⁵ Despite budgetary constraints and a limited number of trade staff, the ministry has proven its capability to deal with complex trade policy matters, such as the recently concluded Economic Partnership Agreement with the European Union. The ministry leads a National Advisory Committee for External Negotiations (NACEN) which involves major public-private stakeholders and ensures their participation in trade policy matters. The NACEN is chaired by the Minister.

22. Guyana applies a liberal trade policy. Even though applied tariffs are relatively high when using a simple average (12%), and also relatively high for unprocessed products used as inputs in the

⁵ The Ministry of Foreign Affairs merged with the former Ministry of Foreign Trade and International Cooperation in early 2009.

industry, tariffs are significantly lower from a trade-weighted perspective. Also, Guyana as well as other CARICOM members have well-established mechanisms in place that allow for the waiver of tariff duties on inputs. Such waivers are granted on a very regular basis and the system is well-known and predictable for local producers. Therefore, taxation of inputs is in practice relatively low. Certain locally or regionally produced items do enjoy some amount of tariff protection from extra-regional imports, in particular agricultural products. Guyana only uses *ad-valorem* tariffs and does not use any import quotas, which demonstrates the country's commitment to having a trade policy that puts strong limits on trade-distorting measures.

23. Trade taxes are not a major source of revenue for the Government's budget, which also reflects Guyana's commitment to an open, market-based trade regime. Internal reforms such as the introduction of the VAT in 2007 have helped Guyana to significantly streamline tax administration, strengthen the tax base and reduce the reliance on border taxes.

(ii) Trade performance

24. Guyana has seen a strong export growth during the period under review. Expanded production of traditional and non-traditional products and favourable world market prices for key commodities are largely responsible for this performance. Imports have grown as well, and Guyana continues to have a significant trade deficit. This indeed also reflects a significant inflow of remittances from abroad and should not be seen as a problem per se.

25. Some diversification of export destinations has occurred in the last five years, with increased exports to non-traditional export markets, such as China. In the same way, more and more imports are sourced in new markets, notably China, India and Brazil. Expanding exports to new markets is a key priority for Guyana. Currently, most exports still go to a small number of countries and are often driven by preferential market access, as it is the case for sugar and rice.

26. There is still relatively little trade with Guyana's neighbouring countries, with the exception of oil imports from Venezuela. Further investments in physical infrastructure have to be made to enable trade on a larger scale.

(iii) Preferential market access and free trade agreements

27. Guyana is a founding member of the Caribbean Community and an active supporter of regional integration. Tariff-barriers for trade in goods within CARICOM have been widely abolished, to the benefit of regional production. A significant share of Guyana's imports and exports are with CARICOM states. The completion of the CARICOM Single Market and Economy (CSME) is a priority for both the Government of Guyana and its regional partners.

28. Market access is a key trade policy objective for Guyana, in view of the small domestic market size. As such, since the last review, Guyana has sought to strengthen its trade relationships with long-standing partners, as well as to explore new relationships. Guyana receives preferential market access in a number of markets, mainly in the European Union, the USA and Canada. A significant share of its exports does indeed depend on such preferences. Together with CARICOM, these countries are also Guyana's major trading partners.

29. The EU's preferential market for Guyana's exports of sugar, rice and rum has been crucial for the development of these sectors. As is widely known, the trade relationship with the EU is undergoing substantial changes. Trade relations with the EU entered a new phase with the conclusion of the CARIFORUM-EU Economic Partnership Agreement at the end of 2007. The agreement provides for asymmetric reciprocity. Implementation of the commitments in the EPA will

undoubtedly be challenging, especially given Guyana's limited resources. As such, Guyana places great emphasis on the timely and predictable delivery of resources to ensure seamless implementation.

30. The United States grants duty-free access for a wide range of products under the Caribbean Basin Initiative (CBI). The CBI has recently been extended by the US Congress and WTO members renewed a waiver until 2014. The United States is also the major source of non-oil imports for Guyana.

31. Canada extends to Guyana and other CARICOM countries non-reciprocal preferential access to the Canadian market for a wide range of products under the CARIBCAN Agreement. Gold and diamonds account for a significant share of Guyana's exports to Canada. CARICOM and Canada are currently preparing for negotiations for an enhanced Trade & Development Agreement that will further strengthen the trade and economic relationship between the parties.

32. CARICOM has signed FTAs with a number of Latin American countries, namely Cuba, the Dominican Republic, Costa Rica, Colombia and Venezuela. Guyana has also signed a bilateral Partial-Scope Agreement with Brazil. However, despite the geographic proximity trade between Guyana and these countries has until now been rather limited. One contributing factor is the limited transportation infrastructure between the parties.

33. A further expansion of trade relations through new or improved trade agreements is foreseen over the next years. Tariff barriers in potential export markets will become less important in the future, especially once the Doha round is successfully concluded. An increased effort will have to be made both by exporters to explore opportunities in new markets and by the Government in providing an enabling environment for the increased production and export of non-traditional exports and in improving trade infrastructure. The latter will be of major importance in facilitating Guyana's trade with Brazil and other countries on the South American mainland.

(iv) New and emerging sectors

34. Historically, the growth pillars of the Guyanese economy depended on the traditional industries – sugar, rice and bauxite. However, the traditional economic industries alone cannot provide a sufficient number of jobs and rapidly increase per capita income, which will be necessary for Guyana to achieve the Millennium Development Goals (MDGs) and reduce poverty significantly. Nor will they be sufficient to reduce the country's vulnerability to external shocks. While the traditional industries continue to grow and show great resilience, the Government places high priority on actively promoting accelerated diversification of the economy. In this regard, non-traditional agricultural sub-sectors, tourism, alternative energy and information technology are among future growth poles.

35. In the area of agriculture, several emerging sub-sectors continue to show formidable prospects for investment and growth, including fruits and vegetables, livestock and aquaculture. Special emphasis is placed on institutional strengthening, training, research and development, and increasing levels of production. The Agriculture Export Diversification Programme will provide institutional support to the National Dairy Development Programme (NDDP) and the National Agricultural Research Institute (NARI), including through the construction of new laboratories at NDDP and rehabilitation of the seed facility at NARI.

36. The Government is pursuing private investments in alternative energy in the areas of biofuels, hydropower, and solar power. In the area of hydropower, a major project is planned at Amalia Falls which, once completed, would lead to a significant improvement of electricity supply in Guyana. Petroleum exploration is currently ongoing on both offshore and onshore locations.

37. Also, in relation to non-traditional minerals, seismic surveys have indicated that prospecting for uranium is promising and may hold potential in the future. The Government will continue to facilitate and promote the activities of this sector, with a view to successful exploration and timely advancement into production.

IV. MULTILATERAL TRADE RELATIONS

(i) Doha Development Agenda (DDA)

38. Guyana supports an early and successful conclusion of the Doha Development Round with a balanced, development-oriented outcome.

39. Guyana's position in the current Doha round negotiations is closely aligned to those of its regional CARICOM partners and the Small and Vulnerable Economies (SVEs) group. Guyana has been an active participant in the negotiations, despite the fact that the country does not have permanent representation in Geneva.

40. Guyana's interests in the DDA negotiations on agriculture are guided by two main factors, (1) the need to provide adequate policy space for domestic and CARICOM agriculture, and (2) the importance of exports to traditional markets. In the first case, Guyana welcomes the fact that the proposals of the SVE group have gained wide acceptance among the membership and that these modalities will allow the country to continue providing a supportive trade environment to its agriculture. On the second – exports to traditional markets – there continue to be some critical concerns about the extent to which damaging preference erosion will occur for important products such as sugar, rice and rum.

41. While it is accepted that the overall thrust of the negotiations is towards liberalized markets, it is also essential that vulnerable economies are given sufficient opportunity and development space to adjust to a changing environment. Most of Guyana's exports are either raw materials with zero duties in major markets or products that depend on preferential market access. It is therefore essential that the modalities regarding preference erosion are settled in a manner that provides sufficient assurances to preference-dependent developing countries that they will not be pushed out of their traditional markets.

42. With regard to domestic support, Guyana is satisfied that the current flexibilities available to developing countries, such as those contained in Article 6.2 and Annex 2 of the Agreement on Agriculture will be maintained. Regarding export subsidies, Guyana recognizes the need for the continuation of genuine aid flows while at the same time wishes to guard against the penetration of its regional market by officially-supported supplies that are aimed only at increasing the market share of the producers in donor countries.

43. Guyana supports the position of the G33 for a Special Safeguard Mechanism (SSM) which would provide developing countries with effective protection against sudden import surges by being comprehensive in coverage, available on an indefinite basis and easy to implement.

44. Market access provisions for SVEs in NAMA need to provide for sufficient flexibilities. There is the need to provide adequate policy space for domestic and CARICOM producers. As such, throughout the negotiations, Guyana has advocated for tariff reduction modalities for developing countries, and SVEs in particular, that fully address these needs. Guyana welcomes the fact that the proposals of the Small and Vulnerable Economies (SVE) group have gained wide acceptance among the membership and that these modalities will allow the country to continue providing a supportive trade environment to its producers.

(ii) Aid for trade

45. Trade is a key priority for Guyana. The Government of Guyana welcomes the efforts of the international community to further support Guyana in improving its capacity in trade. Aid for Trade is important to enable Guyana to make maximum use of additional opportunities that may arise out of the Doha round and to counterbalance the negative effects of a changing trading environment, e.g. due to preference erosion.

46. Guyana is committed to actively engage with international donors to help make Aid for Trade work for development. It is crucial that Aid for Trade resources are provided in addition to existing aid programmes and remain flexible enough to fit into the needs of recipient countries. Capacity constraints of small developing economies have to be taken into consideration when designing such programmes. As outlined in Guyana's submission to the 2nd Global AFT Review (WTO/OECD AFT Questionnaire), such programmes should be synchronised with other aid programmes to avoid unnecessary duplications or additional burdens (capacity constraints) in terms of accounting, monitoring and evaluation.

47. The Government views Aid for Trade not merely as a mechanism of compensation for the short term costs associated with trade liberalization but rather as a critical tool in facilitating the adjustment and smooth integration of small developing economies in the global economy over the longer term. There is, however, an important and immediate need for assistance to avoid or minimize potential economic dislocations, associated with limited supply-side capacities to adjust rapidly and beneficially to policy-induced changes, arising from multilateral trade liberalization. In the case of Guyana, a loss of trade preferences coupled with the pressures of an increasingly competitive multilateral trading environment would definitely, in the short to medium term, not only impact severely on the capacity of the public sector to respond but also on the private sector to adjust to new market demands.

48. Guyana's integration in the world economy has deepened in recent years, with the trade to GDP ratio growing to reach 170% in 2007. Although domestic production diversified to an extent, exports are still concentrated on a few primary products, notably gold, sugar, bauxite and rice. The relevant and effective application of aid for trade in the context of the DDA, therefore, will need to be focused on support for trade-related economic adjustments, technical assistance, supply-side capacity building and the improvement of the country's economic infrastructure. For a sparsely populated country like Guyana, improving transport infrastructure is a key measure to connect local communities as well as facilitating links with regional neighbours.

49. Addressing the '*Economic Infrastructure*' as a whole is the Government of Guyana's top priority for trade expansion and integration into the world economy. In this regard the country's trade-related infrastructural needs extend beyond the national boundaries. Guyana, a member of the Caribbean Community (CARICOM), is also a mainland country in South America. As such, in the context of its economic infrastructure, it has to pursue trade strategies and physical integration projects that would enable it to expand trade and economic cooperation with its South American neighbours with which it shares borders, and at the same time foster inter-regional trade and investments linkages.

50. Targeted support would be needed at the enterprise and producer levels to enhance export-production capabilities and competitiveness in commodities, manufactures and services sectors with a strong potential, including through diversification into alternative exports, as well as to facilitate entry into new markets.

51. In the face of dwindling aid resources, the Government of Guyana believes that greater focus should be placed on the "Budget Support" means of delivery and implementation in order to achieve greater effectiveness of aid for trade.

V. FUTURE POLICY DIRECTIONS: OPPORTUNITIES AND CHALLENGES

52. Guyana, as other developing countries, faces great challenges in the next years, which is further aggravated by the current global financial crisis. Despite these challenges, the Government of Guyana has outlined clear policies aimed at making Guyana a better place for business and investments. Significant improvements in key areas such as electricity and road infrastructure are expected over the next years and will help to make Guyana more competitive. Further export diversification and more exports of value-added products, as well as services, can be seen already.

53. At the global level, the financial crisis and resulting economic crisis is projected to result in a decrease in export by 9% in volume terms in 2009.⁶ This coupled with possible reductions in remittances could have a significant socio-economic effect on the economy and threatens to reverse the gains achieved over the past several years. Consequently, care should be exercised to ensure that solutions crafted by the international community sufficiently take into account the interest of developing countries, especially small vulnerable economies.

54. Recent information emanating from the WTO suggests that several members have resorted to protectionist measures as a response to the ongoing crises. These include tariffs, quotas, import restrictions, administrative requirements, licensing requirements and export subsidies.⁷

Reforming traditional industries

55. A key challenge is the future of the sugar industry. The price cut of 36% by the European Union, which is the key export market for sugar, will be fully implemented by October 2009. Together with a relatively low sugar production in 2008 mainly due to extreme weather phenomena, the industry is recently facing difficulties. However, the ongoing modernization of the sugar industry, including the construction of a US\$181 million sugar factory, the increased use of mechanization and a focus on value-added products, such as packaged sugar, refined sugar and molasses is expected to bring substantial improvements to the industry.

56. The rice, rum and garment sectors will be affected by a substantial loss of the value of their preferences in the EU and US markets. Although these industries may be able to adapt to a changing trading environment, it is crucial that sufficient time and resources be provided to allow for the necessary transformation.

Competition policy

57. Another challenge is a lack of competition in some sectors. This is not unique to Guyana, but a typical problem for small countries, where usually only a few suppliers or importers compete. To address this, Guyana has adopted a new competition law, which, once fully implemented, will help to raise the level of competition and reduce anti-competitive practices. As can be seen in other world regions, a better regional integration, as is foreseen with the completion of the CSME, can also be a major step towards more competition in the local market.

⁶ As reported by the WTO Secretariat on 26th March 2009 (Job(09)/30).

⁷ Ibid.

Transport infrastructure

58. Better transport links to neighbouring Brazil are a major opportunity for Guyana in the years ahead. The planned upgrading of the Linden-Lethem highway to an all-weather road will not only provide better access to local markets for hinterland communities, but it would also allow the transshipment of goods from and to Brazil. Together with upgraded harbour infrastructure in Guyana, goods could be shipped much faster and at competitive freights from and to the Brazilian state of Roraima, rather than having to be shipped via Manaus and the Amazon River. Guyana could also profit from better and cheaper shipping connections due to better infrastructure and economies of scale. There is also a substantial potential for exports to that part of Brazil.

Energy

59. The supply of electricity in Guyana faces difficulties. Guyana relies on imported oil for its power supply, which makes it very vulnerable to price shocks on the oil market. However, several projects to exploit hydropower are underway, the most advanced being the Amalia Falls Hydro Project. There are also plans to use wind power, and the Government is addressing the demand side through increased efforts to reduce technical and commercial losses. It is therefore expected that power supply will see substantial improvements over the next years, which will also have a very positive effect on the competitiveness of the manufacturing sector. In the long run, Guyana's vast potential for the generation of hydropower could also be used to export energy to other countries in the region or for the production of aluminium.

Export diversification

60. A major challenge is the need to diversify exports. The bulk of Guyana's current exports consist of only a small number of products, which are mostly agricultural commodities and products of the mining industry (sugar, rice, gold, diamonds, bauxite and timber). This makes the Guyanese economy vulnerable to price shocks and the erosion of preferences for agricultural commodities is an additional challenge. But non-traditional exports are already on the rise. Examples are a variety of fruits and vegetables. Aquaculture is also seen as one of the sectors with a significant potential for increased production, given Guyana's abundance of water resources.

New technologies and ICT

61. New technologies also offer new opportunities for exports of services. In 2006, the Government launched its ICT strategy which when fully implemented will have a wide ranging impact on the economy.⁸ A number of call centres are already operating in Guyana. They are mainly catering for the North American market and have proven that Guyana can successfully compete in such new sectors. Tourism is also expected to become a more important sector of the economy. Guyana's abundance of unspoiled flora and fauna increasingly attracts eco-tourists, and the large Guyanese diaspora is also a significant market for that sector.

Climate change and environmental impact

62. Climate change could have a significant impact on Guyana's economy. Most of Guyana's coastland lies below sea level and a change in weather patterns could negatively affect the agricultural sector and thereby directly affect Guyana's exports. Guyana has already seen an increase in rainfall and floods over the last five years, which caused significant damage to livelihoods of people and agricultural production. These events have shown how vulnerable Guyana's economy is to the effects

⁸ See <http://www.ict4d.gov.gy/> for details on the ICT strategy.

of climate change. Therefore, the Government has put policies to combat climate change at the core of its program. Guyana is willing to play its part in the fight to mitigate the negative impacts of climate change and is ready to integrate its rainforest in a global carbon credit scheme within the United Nations Framework Convention on Climate Change (UNFCCC), specifically under the proposed REDD mechanism (Reducing Emissions from Deforestation and Degradation). In 2008, the Office of the President presented a detailed paper, laying down Guyana's position on avoided deforestation.⁹ In this regard, Guyana can become a significant provider of environmental services and such activities could help to secure revenue to allow addressing adaptation needs, such as improved sea defence and drainage, while creating other non-forestry related opportunities.

Public-private dialogue

63. The Government of Guyana places high priority on extensive public-private dialogue on policy matters, including trade-related policies. A good example is the institutionalised high-level inter-agency "National Advisory Committee on External Negotiations", established since 1997, in which senior members of the public and private sectors, academia and labour, consult on trade policy developments, including national preparation for and participation in external trade negotiations. Consultations with relevant stakeholders also extend to the implementation of trade agreements. As a matter of public policy and good governance, the Government is committed to the consultative process to enhance the understanding and appreciation of the Guyanese public of the benefits and impact of trade and trade liberalization. The Government of Guyana will continue this practice to ensure that the public is thoroughly involved and can provide input into crucial trade-policy matters.

⁹ The paper is available online at: <http://gina.gov.gy/booklet%20on%20avoided%20deforestationf.pdf>.