Executive summary

Guyana's official name is the Cooperative Republic of Guyana where it is an independent republic and a member of the British Commonwealth. The country is located in the northeastern corner of South America and is identified as part of the Caribbean region with Georgetown as its main capital. Its neighbours are Suriname, Venezuela, and Brazil. Guyana is involved in a long-standing territorial dispute with Venezuela that dates back to 1899 over the Essequibo region, which is rich in gold, diamonds, timber and other natural resources. Guyana is a democracy subdivided into ten administrative regions. Region 4, where the capital (Georgetown) is, has the highest population density. Most rural settlements are along roads or riverbanks. The interior is very sparsely populated; Regions 1, 7, 8, and 9 have approximately 10.9% of the population.

Guyana is the only English-speaking country in South America given its long history under the colonisation of the British and Dutch countries. Guyana's people originate from various parts of the British empire. Asian Indians are the largest racial group, accounting for almost half of the country's population. The Indo-Guyanese make up 40% of the population whereas the smaller percentage of Portuguese, Chinese, Amerindians, and other Europeans complete Guyana's ethnic mix.

Guyana has a diverse economy, with a gross domestic product of US$4.28bn in 2019. The service sector contributes a 69% share to the country’s GDP, followed by the agriculture (16%) and industrial (15%) sectors. Since Guyana gained its independence in 1966, the country's chief economic assets have been its natural resources, mainly its pristine rainforests, sugarcane plantations, rice fields, bauxite, and gold reserves whereas major imports include manufactured goods, machinery, petroleum, and food. The country’s main trading partners are Canada, the United States, Jamaica, and the United Kingdom.

Economic activity in Guyana accelerated ahead of the commencement of commercial oil production in December 2019. The economy grew an estimated 4.7% in 2019, an increase from 4.1% in 2018 – driven mainly by agriculture and extractive industries. The increase in GDP also reflects the uptick in private investment from the construction sector, particularly in residential houses. The other sectors such as agriculture, fishery, and forestry are showing positive growth due to the strong rebound in the livestock sector. Despite the continued weakness in gold extraction, the mining industry is also seeing an upward trend due to an increase in bauxite and diamond production, underpinned by stable demand. Growth is expected to accelerate in the upcoming years.

Even though Guyana has reserves of petroleum in the Takutu Basin and exploration was conducted in the 1950s, the country has never engaged in a commercial level of production until recently. As a result, the country is dependent on imported oil products for its energy supply. The main sources of energy in Guyana are imported from petroleum products, bagasse, and fuelwood. According to Guyana Energy Agency (GEA), Guyana consumed approximately 1.8 million barrels of oil equivalent (boe) from a variety of energy sources in 2016. Among these were diesel, fuel, liquefied petroleum gas (LPG), fuelwood, charcoal, bagasse, rice husk and biogas. The total installed capacity in the country is 407MW (2019) where only approximately 12% of the generating capacity is from renewable sources.

Guyana has more than 8 billion barrels of proven oil.
Guyana has significant hydropower plant potential. In contrast to Suriname, however, Guyana has yet to tap this potential estimated at more than 5GW with 67 potential sites. The new administration has recently revived the 165MW Amaila Falls hydropower plant (more details in the State of Play section), which is expected to begin operations in 2026 onwards.

Solar energy has considerable potential, particularly in remote areas of the country where the current grid system is not available, and buildings are sparsely scattered. The same applies to wind power in the coastal regions. The Government of Guyana signed a memorandum of understanding (MoU) with a private developer to build a wind facility, which could potentially add another 10MW to the power grid. At the time of writing, the country does not have any large-scale solar and wind facilities installed. However, additional opportunities do exist in the solar and wind sectors but are yet to be fully explored by the government and the major renewable players.