



***Invest in
Guyana***

SERVICES

EXCITING NEW OPPORTUNITIES





Guyana Services Sector in 2022

- ✿ Growth in the services sector in 2021 was estimated at 11.9 percent and is projected to expand by 3.8 percent in 2022
- ✿ Construction industry is targeted to grow by 10.5 percent in 2022.
- ✿ Wholesale and retail trade and repairs are expected to grow by 6.5 percent.
- ✿ Transport and storage services are projected to grow by 7.8 percent.
- ✿ Financial and insurance activities are anticipated to grow by 3.9 percent.
- ✿ Administrative and support services are projected to grow by 2.5 percent.
- ✿ Real estate activities are estimated to grow by 2.3 percent.

Guyana's Comparative Advantage

Competitive Cost of Labour:

Guyana has one of the lowest manufacturing wage rates in the Caribbean and Central America. The workforce is highly diverse and trainable.

Access to Local Inputs:

Guyana's natural resources provide manufacturers with an abundance of locally available and affordable inputs for value-added products within varied industries including agro-processing, forestry, construction and mining.

Availability of Industrial Parks:

The Government of Guyana has invested in a number of industrial parks with installed infrastructure available at G\$1.00/US\$0.005 per square foot per annum and investment concessions for materials, vehicles, plant and machinery.

Internationalisation of the Economy:

As the economy opens up to international investors, businesses and processes, greater standards and more efficient technologies will be introduced which will enhance the expansion of the country's economy.

Vast Reserve Capacity to Improve Productivity:

There are many infrastructural gaps within the service industry which provide equally as many opportunities to capitalise and create successful business ventures. Introduction of new technologies, improved management systems, catering for undeveloped markets, are ways in which gaps may be filled, productivity increased, and profit guaranteed.



Why Invest?

Strategic Placement

Guyana enjoys favorable geographic, economic and cultural linkages with the Caribbean and South American markets.

Enabling Investment Environment

Guyana's leaders have declared Guyana 'open for business' and are taking steps to improve the investment climate.

Stability

A secure and stable socio-economic climate in which to do business.

Competitive Labour Market

Economical wage rates and diverse, trainable labour force with enhanced strategies established for capacity building and human resource development.

Natural Resources

Rich mineral deposits, productive land, forests, seas and rivers which present robust and diverse investment opportunities.

Language

Predominantly English-speaking with Latin-American ties

Investment Projects

Services industries globally play an increasingly important role in supporting their respective economies. Ranging from finance, communications, transportation, and logistics to professional services such as medicine, engineering, and law, a vibrant services sector supports and enhances all aspects of business growth and development.

Some of the areas for investment in Guyana's Services Sector include:

▪ Housing

Social Housing Projects, Real Estate and Private Property Development.

▪ Construction

Hotels, factories, warehouses, infrastructure, recreational facilities.

▪ Restaurants and Catering

Increasing demand for culinary and fine-dining experiences as well as catering services.

▪ Consultancy

Professional and consultancy services are required in all primary and secondary industries and become more important

▪ Education, Training and Certification

As the country progresses, improved skills and expertise will be needed, therefore academic and vocational institutions will be required to effectively equip the populace.



▪ Finance

Insurance services to support risk, financing and investment activities for new ventures, financial assets (management and market), taxation and auditing services, and digital payment services.

▪ Entertainment

- Music and film
- Fashion
- Sports
- Other Recreational facilities such as spas, outdoor facilities, nightclubs.

▪ Security Services

Security services are important components of safety assurances in public and private spaces such as schools, office buildings, factories, shopping malls, government ministries etc.

▪ Machine and Rentals

Includes fabricating, welding, machining and rebuilding and/or renting of machines, equipment and parts.

▪ Pharmaceuticals and Cosmetics

Producing medicines and cosmetics from natural herbs and vegetation found in Guyana.

▪ Retail Services

Includes supermarkets, electronic stores, gas stations, furniture stores, etc.

▪ Transportation and Logistics

- Bus, barge, ferry and trucking services and other modes of transportation
- Courier and messenger services
- Air and sea port facilities.

▪ Medical

Private hospitals, clinics and medical universities will be required to secure the health of the population and the vitality of the economy.

▪ Environmental Services

- Waste management and disposal and recycling services
- Environmental consultancies to provide guidance on sustainable management and legislative requirements such as licenses and permits.
- Quality assurance and quality control services

Incentives

Fiscal Incentives are available for some specific subsectors that fall under the Service Industry. These include:

▪ Medical Subsector

Exemption of Duty and Value Added Tax (VAT) on all equipment and material needed for building.

▪ Education

Medical schools under this subsector are offered exemption on Duty and VAT on all equipment and material needed to establish and operate.

VAT and Corporate Taxes removed on corporate educational institutions.

▪ Dock Yard and Ship Building

Exemption of Duty and Taxes are available for the operation of dry-docking facilities.

▪ Recycling

Exemption of Duty and VAT on all machinery and equipment used in Subsector.

▪ Solid Waste Collector

Waivers of Duty and taxes on certain vehicles and equipment.

▪ Funeral Homes

Such investments received a wavier on Duty and VAT on hearses.

▪ Machining

Wavier of Duty and taxes on all machinery and equipment.

▪ Recording Studios (Music)

Waivers of Duty and Taxes on equipment and material.

▪ Construction

- Modular kitchen unit
- Modular laundry units
- Sheet piling-materials for piling construction
- Pipe for piping
- 20'-56' office trailer
- Warehouse fabric (and all components for 10,000 square meter construction)
- Pre-engineering steel warehouse (all components for 20,000 square meter construction)

▪ Machinery and Equipment

- 30-50 T Rough terrain crane and spares
- 130-160 T Rough terrain crane and spares
- 160 T Crawler crane and spares
- 180 T Crawler R crane and spares



Budget 2022 Tax Measures

1. Parity in Tax Treatment for Local Content

- Ensuring that Guyanese business are not in a disadvantageous position relative to international counterparts in competing for contracts within the oil & gas sector.
- Ensuring Guyanese business can compete successfully under the new Local Content framework, improve competitiveness, secure business opportunities and create jobs for Guyanese nationals.

2. Support Renewal of the Industrial and Commercial Fleet

- Removal of the 10 percent excise tax as well as the 14 percent VAT on the importation of new motor trucks of any tonnage for transport.
- Removal of the VAT of 14 percent on the importation of new haulers for pulling containers or similar vehicles for pulling.
- Removal of 10% excise tax on the importation of new double-cab pickups below 2000 cc.
- Reduction of excise tax from 110% to 75% for new double-cab pickups between 2000 and 3000 cc.
- Removal of 10% excise tax on the importation of new single cab pickups below 3000 cc.

3. Reducing the Cost of Cranes, Safety Equipment, and Oil Spill Equipment

- Removal of the 14 percent VAT on cranes, safety equipment, and oil spill response equipment

4. Advance Tax on Resident Contractors

- Removal of the 2 percent withholding tax on resident contractors.



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