

# **GEO**

## **Guyana Economic Opportunities**

### **Investor Roadmap**

### **Investment Fact Sheets**

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**June 2001**

# GO-Invest Fact-Sheets Index

The fact-sheets are designed to act as concise investment references. They are drawn from the Investor Roadmap, which offers more in-depth information on the fact-sheet topics (<http://www.sdn.org.gy/goinvest/roadmap>).

The *Business Processes* fact-sheets describe the investment process. In the broadest sense, this process can be segregated into four stages: business start-up, site selection, site development, and business operation.

*Investment-related Government Agency* fact-sheets provide a snapshot of how each agency fits within the investment process. These fact-sheets include contact information, required fees, and a brief description of the processes relating to the agency.

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# Business Start-up

## Foreign Entry

Immigration officers have the authority to issue a visa for up to three months at the time of entering Guyana provided the entrant has a valid passport, with at least six months to expiration, and a return ticket to the country of origin. Guyana's foreign missions can also issue entry visas for Guyana if such is required for that country.

### Travelers not requiring a visa to enter Guyana:

Antigua/ Barbuda	Japan
Australia	Korea
Bahamas	Luxembourg
Barbados	Monserrat
Belgium	Netherlands
Belize	New Zealand
Canada	Norway
Chile*	Portugal
Cuba**	Spain
Denmark	St. Chris. Nevis
Dominica	St. Lucia
Finland	St. Vinc. & Gren.
France	Surinam
Germany	Trinidad/Tobago
Greece	United Kingdom
Grenada	U.S.A.
India***	Venezuela**
Ireland	Sweden
Italy	South Africa
Jamaica	Switzerland

\* Holder of diplomatic and special passport only.

\*\* Holder of diplomatic passport only.

\*\*\* Letter from Ministry of Home Affairs required.

## Business Registration

### Proprietorship/Partnership

**Fees.** There is a registration fee of \$5,000.

**Estimated Processing Time**  
3 weeks

### Investment Related Procedures

If, upon submission of application to the Deeds Registry, the registered business does not conflict with others previously registered, a certificate is issued.

### Incorporated Companies

**Fees.** The fee is based on share capital (please see other side of fact-sheet).

**Estimated Processing Time**  
2-3 days

### Investment Related

**Procedures.** The procedure begins with the submission of the articles of incorporation. Once the registration fee is paid and the application is checked, a certificate may be collected.

### Foreign Firm

**Fees.** The fee is based on share capital (please see other side of fact-sheet).

**Estimated Processing Time**  
2-3 days

### Investment Related Procedure

Similar to that for incorporated companies, but a notice of registration must be gazetted.

## Intangible Property Registration (trade mark or patent)

### Fees

Filing	\$100
Certificate	\$200
Certificate Renewal	\$200
View Registered Trademarks	\$300
Change name and address	\$50
Filing UK registered mark	\$100

Certifying UK registered patent	\$500
Registering local patents	\$500

**Estimated Processing Time**  
6 months

### Investment Related Procedures

**Step I:** Five copies of the trade mark/patent should be submitted to the *Registry of Patents, Designs, and Trademarks*, one on the letter requesting registration of the trademark/patent and four on separate pieces of paper. If a law firm is representing the applicant, the package should include a power of attorney.

**Step II:** When no conflicts with the application are found, the trademark/patent request is gazetted. Conflicts can be settled by private negotiation, arbitration or court action.

**Step III:** If no opposition is filed or the conflict is resolved, the application receives a trademark certificate good for 7 years, renewable indefinitely every 14 years or a patent good for 16 years and renewable.

Trade marks and patents previously registered in the UK are gazetted immediately. The procedure then takes approximately one month.

**Company Registration Fees**

(as of October 2000)

<b>Company Registration</b>	
<i>Share capital fee - \$1 to \$500,000</i>	\$25,000
<i>- greater than \$500,000</i>	6 percent of share capital
<i>Duty on share capital</i>	0.5 percent of share capital
<i>Certificate of Incorporation</i>	\$30,000
<i>Notice of Directors</i>	\$800
<i>Notice of Secretary</i>	\$800
<i>Declaration of Compliance</i>	\$800
<i>Changes to any of the above</i>	\$800
<b>Changing Share Capital</b>	
<i>Share capital fee - up to \$10 million</i>	2 percent of additional share capital
<i>- greater than \$10 million</i>	1 percent of additional share capital
<i>Duty on share capital</i>	0.5 percent of additional share capital
<i>Certificate of increased capital</i>	\$800
<i>Resolution</i>	\$800
<b>Certified copies of any of the above</b>	\$350 each

With the above fee structure, an investor may find it financially advantageous to register an initial share capital of no more than \$500,000, and then later increase it as necessary. For example, a share capital of \$500,000 attracts a flat fee of \$25,000. To increase the capital, say, by \$8,000,000 would cost an additional two percent or \$160,000; for a total cost of \$185,000 (\$160,000 + \$25,000). To register an initial share capital of \$8,500,000 would cost six percent or \$510,000.

# Site Selection

There are four types of land in Guyana: state-owned, government-owned, private transported or titled, and industrial estates. The process for acquiring or leasing land depends on its classification. When acquiring or leasing land foreigner investors are treated the same as domestic investors.

## State- and Government owned Land

**Governing Acts.** The State Lands Act and the Land Department Act govern the acquisition/lease of State- or Government-owned land. Government-owned land is owned and administered by various government agencies. These agencies add another step in the approval process for Government-owned land.

**Fees.** At this time, the fee for a lease application is \$10. Though not required to initiate the process, a business registration is required by the time the lease is signed.

**Comments.** The investor initiates the lease or acquisition of State- or Government-owned land with a visit to the Lands & Surveys Division. This division is currently transitioning to a Commission, which will be structured as a quasi-public body. Once the Lands & Surveys Division transitions to a Commission, it is assumed that changes may occur in the process, including an increase in the fee for a lease application.

**Estimated Processing Time**  
1 year

## Private Land

**Governing Acts.** There are two types of private land in Guyana, transported and titled. The *Deeds Registry Act* governs the

former, the *Lands Registry Act* the latter.

## Purchasing Transported Property

**Fees.** In addition to attorney fees, the Registry charges a fee of .25 percent (0.0025) of the purchase price. In practice, the buyer and seller can negotiate their contributions towards any fees, taxes, and duties owed on the property.

**Estimated Processing Time**  
2-3 months

## Purchasing Titled Property

**Fees.** A transaction/ registration fee is charged at .25 percent (0.0025) of the valuation or the purchase price, whichever is higher.

**Estimated Processing Time**  
3 weeks

## Leasing Private Land

**Fees.** Long leases (those equal to or exceeding 21 years) or leases that are renewable at the will of the lessee must be registered. The fee is .25 percent (0.0025) of the value of the land, plus 1 percent of the value of the structures on the land, plus .25 percent (0.0025) of the total value.

**Estimated Processing Time**  
1-2 months

## Industrial Estate Land

National Industry and Commercial Investment Ltd.

(NICIL) holds and operates all industrial estates in Guyana. There are two operating industrial estates – Eccles and Colidgen – and three in development at Belvedere, New Amsterdam, and Lethem. GO-Invest accepts applications for all estates, but the Ministry of Trade, Tourism and Industry approves requests for allocation of estate sites for each estate but Eccles. Eccles applications are approved by GO-Invest. (There is discussion about bringing all industrial estate site approvals under the control of GO-Invest.)

**Costs.** Leases are initially for 25 years, renewable for an additional 25 years. The annual lease rate is \$5 per square foot paid in monthly installments to NICIL.

In addition to lease payments, the investor is responsible for reimbursing NICIL the costs of the estate's basic infrastructure; estimated currently at \$210 per square foot. One quarter of the amount owed (25 percent) must be paid prior to the issuance of a letter of confirmation, and this letter is required before a lease can be signed. The remaining 75 percent is paid in monthly installments over 23½ years at 10 percent interest, after a grace period of 18 months.

**Estimated Processing Time**  
Varies. target time is 3-4 weeks

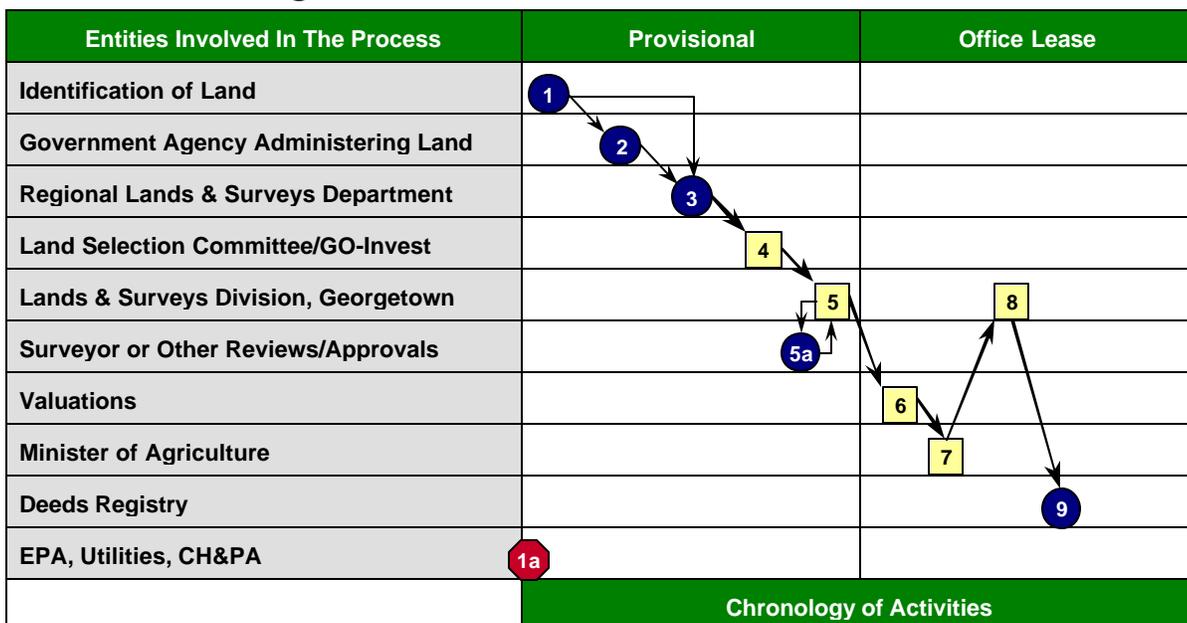
# State- & Government-Owned Land

Guyana is zoned and developed predominately along its Atlantic coast, while the interior is largely undeveloped and in many cases not surveyed. This undeveloped land, most of it owned by the State or controlled by the Government, provides investment opportunity. While there is a legal distinction between State and Government lands, it is possible to purchase either type; though far more common to lease. Government-owned land requires an additional approval step, as shown below.

**Fee.** At this time, the fee for a lease application is \$10. Though not required to initiate the process, a business registration is required by the time the lease is signed.

**Duration.** Approximately 1 year.

## Procedure for Leasing State or Government Land



- Investor initiated activity
- Agency initiated activity
- ⬢ Optional Agency Initiated Activity

1. Investor identifies site(s). It is advisable to identify several sites, as some may be unavailable. The Lands & Surveys office in the corresponding region is consulted to check availability of the parcel of land. The Lands & Survey office notifies the investor if the parcel has been surveyed.

1a. The zoning status of the land is needed so an investor may also consult with the Central Housing & Planning Authority (CHPA). The Lands & Survey Division may know if the land is zoned, but CHPA will have the official classification. There are other parallel activities that may be carried out at this stage of the investment process such as consulting various utilities, CHPA, and Environmental Protection Agency (EPA).

2. If Government-owned, the investor must obtain a letter from the Government agency approving the proposed lease.

3. After finding a desirable parcel of land the investor applies to the appropriate regional Lands & Surveys office.

4. The regional Lands & Surveys office passes the application to either the GO-Invest office or the regional Land Selection Committee, or in some areas to a District Land Selection Committee and then to the regional committee. The Land Selection Committee takes the decisions on the smaller local applications and GO-Invest is used for more novel or large-scale investment projects.
5. The Georgetown Lands & Surveys Division reviews the application.
  - 5a. In cases where the land is not surveyed, the investor may wait for a government surveyor or hire a government certified private surveyor to inspect the proposed site. (If the investor finds that the site is not surveyed, a surveyor can be contracted at the time that the application is submitted in order to speed up the process.)
6. If approved, the Lands & Surveys Division develops a lease and submits the application to the Valuation Division in the Ministry of Finance. The Valuation Officer is responsible for assigning an annual lease rate. However, the lease rate is only an advisory to the Lands & Surveys Division, which defines the final lease terms.
7. Once the Lands & Surveys Division has reviewed the application, it is passed to the Minister of Agriculture for formal approval. The Minister of Agriculture has set a target of one week to one month for approval. However, there frequently are delays.
8. When the lease is finalised the Commissioner of Lands & Surveys signs it.
9. Long-term leases must be registered with the Deeds and Lands Registrar by the investor. Other leases may be registered at the investor's option. Doing so, however, affords some protection should disputes arise.

**FYI:** The Lands & Survey division is transitioning to a Commission, a quasi-public body intended to streamline the process. It is assumed, once the Lands & Surveys Division transitions to a Commission, that changes may occur in the process and fees may increase.

# Private Land

There are two types of private land in Guyana, transported and titled. The former is governed by the *Deeds Registry Act*, the latter by the *Lands Registry Act*. The two types of land are similar though they have different historical and legal underpinnings. The government will move completely to a lands registry system over the next three to five years.

## Purchasing Transported Property

**Fees.** In addition to attorney fees, the Registry charges a fee of .25 percent (0.0025) of the purchase price. The act states that the person to whom the deed is passed is liable to pay fees, taxes, and duties. In practice, the buyer and seller can negotiate their contributions towards any fees, taxes, and duties.

**Procedure for purchasing transported property.** Once the details of the sale are worked out between buyer and seller, a request is sent to the Deeds Registry to advertise the intent of the parties, along with two affidavits, one each from the buyer and seller (It is important that the affidavits, which explain what is to transpire and the particulars of the sale/purchase, appear as mirror images of each other with respect to the facts of the transaction). An announcement regarding the sale is then placed in the official gazette, which is published at least weekly. The information for the announcement is taken from the affidavits.

Once gazetted, the public is allowed 14 days to register any opposition to the sale, and 10 days from notifying the Registrar in which to file a writ with the court. Once filed, the writ effectively acts as an injunction. If no protest is filed and the vendor/buyer respond quickly to any questions from the Deeds Registry, then officially passing the transport can occur in two months or less.

At any time during the process, the seller can furnish the required Certificate of Compliance from Inland Revenue. The transport can not be passed without this. Though the law does not require a Rates

and Taxes Compliance certificate, the Registry will ask to see either a compliance statement or simply a receipt for applicable rates and taxes from the pertinent Town Council. (Rates and taxes refers to municipal taxes.)

**Duration.** 2-3 months

## Purchasing Titled Property

**Fee.** A transaction/registration fee is charged at .25 percent of the valuation or the purchase price, whichever is higher.

In the regions of Demerara and Berbice a land registry system, governed by the *Land Registry Act*, is in use. In contrast to transported property, registered land is not gazetted as the onus is on those with claims against the seller to register those claims with the Registrar. If no encumbrances are on file, the title transfer process takes about three weeks. With registered land, title rather than a deed is transferred from seller to buyer.

The transfer process is similar to that for transported land. Both parties to the transaction submit sworn affidavits along with a transfer summary to the Lands Registry. The affidavits should be mirror images of each other and state the particulars of the transaction. The summary should be signed by both parties and summarise the affidavits. The transaction is not gazetted as it is the responsibility of a lender or anyone with a beneficial interest to file an encumbrance (e.g., that the land is mortgaged) or caveat on the property with the Lands Registry. A buyer would be advised to check with the Registry to ascertain if any claims are on file against the property in question. The Registry

will notify anyone who has filed a beneficial interest of any intent to sell the property. The party with such registered interest then has six weeks in which to file a writ in court. Before the sale can be consummated, the Registry must receive either a letter from the party filing the beneficial interest that all is settled and the claim can be removed, or a notice from the court stating that no writ was filed in the prescribed time.

As with transported land, the seller must submit a Certificate of Compliance from the Inland Revenue and a Rates and Taxes Compliance or receipt of payment from the appropriate Town Council. In addition, the Inland Revenue may ask the seller to provide an affidavit of valuation for the purpose of ensuring that the seller pays the proper amount of capital gains tax due. Only the Valuation Division of the Ministry of Finance can provide this affidavit.

**Duration.** 3 weeks

## Leasing Private Land

Long leases (those equal to or exceeding 21 years) or leases that are renewable at the will of the lessee need to be registered. The process of transferring long leases is the same as for passing the transport on deeded land.

**Fee.** The fee is .25 percent of the value of the land, plus 1 percent of the value of the structures on the land, plus .25 percent of the total value. All valuations are current market value as certified by the Valuations Division.

**Duration.** 1-2 months

# Industrial Estates

All industrial estates in Guyana are held and operated by the National Industry and Commercial Investment Ltd. (NICIL). There are two operating industrial estates in Guyana —Eccles and Coldigen — and three more in development at Lethem, New Amsterdam, and Belvedere. Coldigen has no plots available, while Eccles has only a few remaining sites as of September 2000.

Go-Invest can take applications for all estates, but the Ministry of Trade, Tourism, and Industry approves requests for allocation of estate sites for each estate but Eccles. GO-Invest is the agency responsible for approving lease requests at Eccles. There is discussion about bringing all industrial estate site approvals under the control of GO-Invest.

## Investment Related Procedures

An applicant must provide GO-Invest with an implementation schedule for the investment and a floor plan for the structure. GO-Invest will make a decision on the allocation of a plot within three to four weeks of receiving an application. In making its decision, GO-Invest considers, among other things, the nature and scope of the business, export potential, employment, use of domestic resources, level of investment, history of applicant, and ability to finance.

If approved, the investor receives a letter indicating the plot, payments, and any specifics as to what can and can not be undertaken at the site. When agreement is reached on the particulars, GO-Invest drafts a lease document for the signature of the estate holding company.

## Costs

Leases are initially for 25 years, renewable for an additional 25 years. The annual lease rate is \$5 per square foot paid in monthly installments to NICIL.

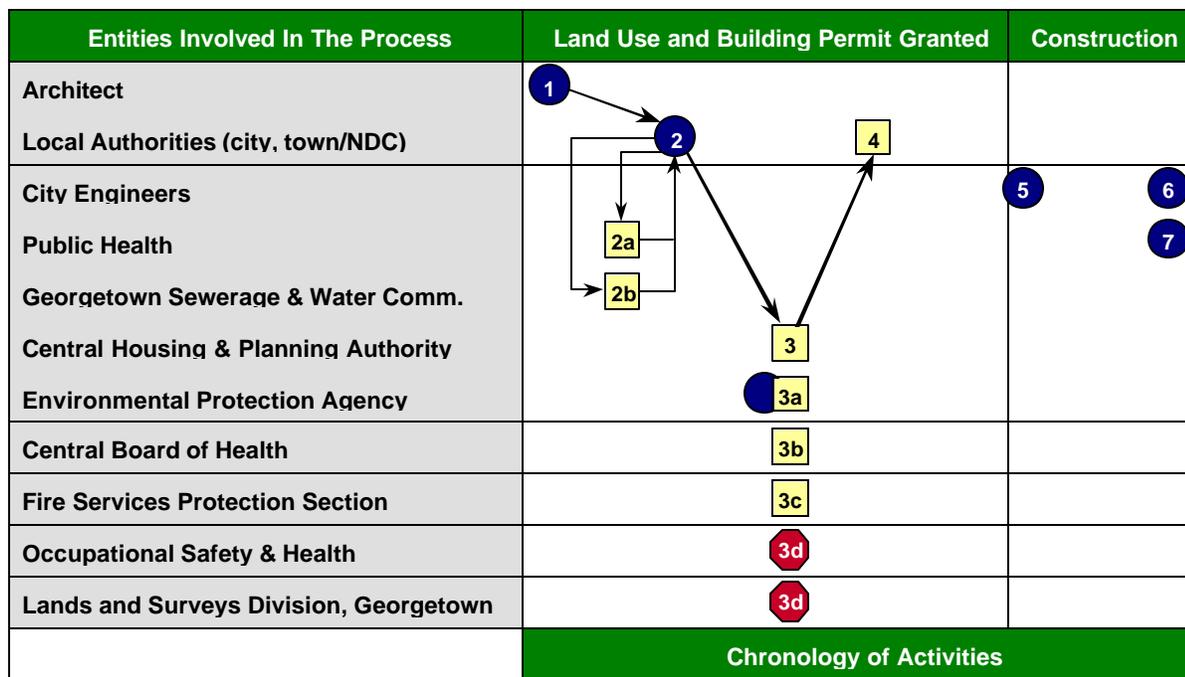
In addition to lease payments, the investor is responsible for reimbursing NICIL the costs of the estate's basic infrastructure; estimated currently at \$210 per square foot. One quarter of the amount owed (25 percent) must be paid prior to the issuance of a letter of confirmation, and this letter is required before a lease can be signed. The remaining 75 percent is paid in monthly installments over 23½ years at 10 percent interest after a grace period of 18 months. After signing the lease, and while awaiting building plan approval by the municipality or Neighborhood Democratic Council, the lessee can begin basic foundation work; however, this preliminary work is a potential risk to the investor if the building plan is not approved or is delayed for a significant amount of time.

# Site Development

Approval for the construction of residential buildings has been delegated to the various local authorities, with some restrictions depending on size, height and location. The Central Housing & Planning Authority must approve all other building development in Guyana.

Each village, township and the city of Georgetown is administered by a Local Authority which derives its authority from Chapter 28:01- The Municipal and District Councils Act, or in the cases of the townships and Georgetown, a Municipality.

The process for obtaining land use and building approval is similar from region to region and as compared to the process in Georgetown. It should be noted that Georgetown is the most developed of the Municipalities and Local Authorities. As such, variations occur in some regions due to resource issues. The typical process is illustrated on the following diagram.



● Investor initiated activity     
  Agency initiated activity     
 ⬮ Optional Agency Initiated Activity

1. The first step begins with the investor completing architectural drawings and an application from the Local Sanitation Authority within the relevant Local Authority or from the Municipality (if in urban areas) or from the City Engineers Department (if within the Georgetown area), which must recommend all new buildings as well as renovations. As various permits and approvals/ recommendations (e.g., building, land and space use, health, fire, etc.) depend on these drawings, an investor cannot begin the process without them.
2. Once the building plans are developed, the investor applies to the City Engineers Department, if the site to be developed is within the Georgetown area, or its equivalent within the respective Local Authority or Municipality. The City Engineers or its equivalent in other areas reviews the documents and the investor submitted application.
  - 2a. When an applicant submits the plans to a municipality, the Public Health officer (in some places referred to as Environmental Health officer) for that municipality must vet them. The officer will look for spacing, sanitary and disposal facilities, lighting, ventilation, drainage, and distances and boundaries. If the plan meets the regulations, the officer will recommend it to the municipality. Some municipalities lack staff so they may outsource this service. For example, Linden has retained outside expertise to review plans on a monthly basis.

- 2b. In the case of Old Georgetown, the City Engineers Department sends the application and proposal to the Georgetown Sewerage & Water Commission recommendations and approval. This additional step in the process is due to the increasingly stretched sewage capacity in Georgetown. As a consequence, an additional sewage line may be necessary for the building if the Sewerage & Water Commission determines a lack of capacity.
3. If the Local Authority approves the building plans and the Council agrees with the recommendations of the City Engineers, the Council then passes the application and proposal to CHPA. A municipal official, or in many cases the investor, delivers the plans to CHPA in Georgetown.

When it receives the file from the Council, CHPA will contact the applicant if the requisite number of copies is not enclosed and request that the CHPA be provided with multiple copies for distribution to the various permit and approval agencies as shown in the diagram, e.g., Central Board of Health, EPA, Fire Services, etc.

- 3a. If the land requires an environmental impact assessment (EIA) then CHPA will alert the EPA before any other agency of the investment activity. The EPA will conduct the review of the file and if an EIA is determined to be needed then the EPA procedures will be completed before the application is sent any further.
- 3b. If the land is not yet zoned or the intended use is for a noxious or offensive trade, then the CHPA will send the application to the Central Board of Health (CBH) for review and recommendation. CBH will consider the suitability of the site for the proposed business, likely nuisances, and the Public/Environmental Health officer's recommendation. This side step may add three months or more to the process. (CBH's participation in rezoning land, i.e., when land is zoned but not for the purpose intended by the applicant, is not clear and an investor is advised to explore this with both CHPA and CBH.)
- 3c/d After EPA and CBH approvals are received (if they are required at all), the CHPA will simultaneously send applications out to the Fire Services Prevention Section, Lands and Surveys Division, and Occupational Safety and Health Authority.
4. Except for the Fire Service and the EPA, CHPA does not have to send the plans to the other agencies for approval/positive recommendations. Approval may be granted by the CHPA, although in practice the CHPA does send the majority of the applications to the various permit agencies for approval/positive recommendations. After CHPA has received notification and approval/positive recommendations from the permit agencies, it approves the plans and returns them to the originating agency that notifies the investor of the issuance of a building permit. In some cases this notification might come from the City Engineers Department, and in others this notification might come from the Local Authority. (In some cases the Ministry of Public Works may need to recommend the plans where the development is along a major highway. In addition, if the development is to take place at a junction or area that is likely to create traffic problems, then approval from the traffic department may be required.)
5. Once construction has begun, the investor must notify the City Engineers Department, or its equivalent in the rural areas, within 30 days from the beginning of construction, and again once the structure is completed. This notification should come in the form of a letter. The City Engineers Department makes onsite visits and inspections during the construction process in order to ensure that revisions to the building plan are adhered to. Once notified that construction has commenced, the City Engineers notify the Fire Services Prevention Section, the Public Health Department, and the EPA. All three agencies may also make on site inspections during construction.
6. The investor must also notify the City Engineers Department, through a letter, 14 days prior to the completion of construction. Once again, the City Engineers Department may make a visit to the construction site to ensure compliance with building codes.
7. In the case of some buildings such as restaurants, the investor must also obtain a certificate of fitness from the public health authority, may be the Public Health Department or the Central Board of Health.

# Business Operations

## Accounting

The *Companies Act*, targeting incorporated businesses, and several income tax related acts require companies to keep and maintain proper books of accounts. These records must be kept at the registered office or another place so designated by the board of directors. If kept outside Guyana, the books must be returned periodically to permit the tabulation of annual financial statements.

The Institute of Chartered Accountants of Guyana is the "local accounting body" responsible for establishing auditing requirements for companies registered in Guyana. In this regard, the Institute has adopted the accounting principles and disclosures contained in the International Accounting Standards (IAS) 2000, except for IAS 19 - Employee Benefits and IAS 39 - Financial Instruments. Each company must complete an annual audit based on the principles of IAS 2000. The Inland Revenue Department also requires that a company submit annual audited statements.

Regulations under the *Income Tax Act* require every person carrying on a business, trade, profession or vocation (basically unincorporated businesses) to keep accounts and records showing an accurate view of the financial conduct of the business for any given tax year.

## Finance

### Taxes

All businesses, whether firms (unincorporated businesses including single ownerships and simple partnerships) or companies (incorporated businesses, including incorporated partnerships of individuals or companies), must have a taxpayer reference number. Firms register with and receive this number from the Revenue Authority. Usually, this process is immediate, though it can take up to two weeks.

Pertinent tax-related Acts include:

- Income Tax Act
- Income Tax (in the Aid of Industry) Act
- Corporation Tax Act
- Capital Gains Tax Act
- Property Tax Act
- Consumption Tax Act
- Pay As You Earn

### Foreign Currency Controls

The Dealers in Foreign Currency (Licensing) Act authorises the purchase of foreign currency dealers in person from any authorised dealer. There are approximately 25 authorised foreign currency dealers in Guyana, including all of the commercial banks.

The Foreign Exchange (Miscellaneous Provisions) Act requires Ministry of Finance approval before any person in Guyana, other than an authorised dealer, can lend or borrow foreign currency. Foreign currency loans, bank accounts are allowed, contingent on certain requirements.

## Labour

### Work Permits

To work in Guyana, foreign nationals must obtain a work permit from the Ministry of Home Affairs. Permits take two to three weeks to process, are valid for up to three years, and renewable.

### Employment Guidelines

While there is no national minimum wage, the Ministry of Labour may by law fix the minimum wage payable for any occupation in Guyana.

An employer is free to establish the work week, which runs between 37½ and 44 hours a week. Three 8-hour shifts are often followed in manufacturing. Overtime is paid at time and a half. Factory workers receive double pay for work on Sundays and any of six holidays, noted with an asterisk in the box on next page. Workers are entitled to a minimum of 12 paid leave days a year. It is against the law to employ anyone less than 15 years of age; while persons less than 17 years of age may not be employed for nighttime work.

### Termination/Redundancy

The *Termination of Employment and Severance Pay Act* governs employee dismissals and terminations.

### National Insurance Scheme

Both the employer and the employee are required to make monthly contributions to the Scheme. Every business must register with the National Insurance Scheme (NIS), listing the employees and their NIS numbers. The process takes approximately 1½ week.

## Customs

The Government of Guyana, under the Ministry of Finance, recently merged Customs and Inland Revenue under the Guyana Revenue Authority. The merger has brought together the two primary government sources of revenue. Now called the Customs and Trade Administration, the Customs office has embarked on a computerisation program that will eventually link Customs House with the numerous points of entry.

Though Guyana permits importers and exporters to act on their own behalf to clear goods, a good broker can save time and money.

### Imports

Some items, such as firearms or pharmaceuticals, require an import license, but most do not. The Ministry of Trade, Tourism, and Industry (MTTI) is the primary agency involved when a license is needed. A license costs \$1,500 and should be ready in approximately a week.

### Exports

Most goods do not incur any export duties, but an export license is required. MTTI issues the license, which may require the approval of other agencies. Customs officers are required to inspect goods during loading. Exporters seeking an on-site inspection for loading purposes should provide a 24-hour notice. The fee is \$120.

(The government has created a new ministry – the Ministry of Foreign Trade. Some of MTTI's functions may be passed to this new ministry, though not clear at this time.)

## Ministry of Trade – Import/Export Licenses

Ministry of Trade has a licensing division that issues import and export licenses. MTTI attempts to turn applications around in 48 hours in cases where only its signature is required and there are no questions. However, some exports and imports require other approvals as well, e.g., diamonds - Geology & Mines; chickens - FDD and Agriculture; two-way radios - National Frequency Board; among other examples. In cases where other ministries or agencies must approve, Trade is the last to sign.

## Annual Renewals

### Business Registration

Every year the business registration certificate must be renewed. If this is done during the open re-registration period, January 2 to 15, the cost is \$5. If this renewal is completed after January 15, the cost is \$5,000 and treated as a new business registration.

### Fire Services Prevention Section

The fire safety certificate issued by FSPS must be renewed annually. Renewals are usually handled during the first quarter of each year.

### Food and Drug Department

FDD's license to operate must be renewed annually at a cost of \$1,500, though an increase in the fee is likely. A business does not need to schedule an annual inspection as the Department performs regular planned visits during the first quarter of the year.

## Public Health Department

The Public Health Department makes annual inspections, making a recommendation to the relevant authority or issuing a certificate of fitness. The Department will issue a Food Handlers Certificate on behalf of FDD. The Public Health officer will monitor sanitary conditions, state of surrounding area, and condition of equipment and utensils.

### Occupational Safety & Health

OSH requires an annual renewal. The employer initiates the inspection with a letter to OSH requesting a visit by OSH. OSH will visit the premise and, if satisfied, will issue a new certificate, often within a week.

### City Engineers Department in Georgetown

Once a year the Building Permit must be renewed at a price of \$10,000. In order to renew the permit the investor must first obtain a soundness certificate from the Engineers Department. A letter from the investor initiates this process. Also, if changes in the structure occur, a building permit must be obtained.

### Guyana National Bureau of Standards

The Guyana National Bureau of Standards is responsible for establishing, in conjunction with responsible agencies, minimum quality standards for a variety of undertakings. Enforcement of these standards falls to FDD, Ministry of Agriculture (for plant and animal matters), and Veterinary Public Health Unit (for seafood and meats).

# Accounting

The *Companies Act*, which targets incorporated businesses, and several income tax-related acts require companies to keep and maintain proper books of accounts. These records must be kept at the registered office or another place so designated by the board of directors. If kept outside Guyana, the books must be returned periodically to permit the tabulation of annual financial statements.

The Institute of Chartered Accountants of Guyana is considered the "local accounting body" responsible for establishing auditing requirements for companies registered in Guyana. In this regard, the Institute has adopted the accounting principles and disclosures contained in the International Accounting Standards (IAS) 2000, except for IAS 19 - Employee Benefits and IAS 39 - Financial Instruments. Each company must complete an annual audit based on the principles of IAS 2000. The Inland Revenue Department also requires that a company submit annual audited statements.

The *Companies Act* provides guidance on the types of records and accounts a company must keep. Regulations under the *Income Tax Act* require every person carrying on a business, trade, profession or vocation (basically unincorporated businesses) to keep accounts and records showing an accurate view of the financial conduct of the business for any given tax year. Each business must submit, along with the income tax return for that business, a copy of the final accounts prepared on the accrual basis. The accounts and records that must be kept, include:

- Purchases;
- Gross receipts or gross sales;
- Transaction specific accounting of amounts received or expended;
- Allowances claimed;
- All accounts, including bank statements, held at any bank for the relevant period;
- All assets and liabilities including debtors and creditors;
- Payments made to any person not resident in Guyana;
- Shares held or owned by any person resident in Guyana;
- Shares held or owned by any person not resident in Guyana; and
- Results of annual stocktaking.

# Taxes

This fact-sheet provides a general description of taxes that an investor must pay in Guyana. For specific tax rates please contact the Revenue Authority. In addition, the Revenue Authority has in print several booklets to assist small businesses, including: [Guide to Income Tax](#), [Self-Employed Persons - A Tax Guide](#), [Guide to Capital Gains Tax](#), [Guide to the P.A.Y.E. System](#), and [Guide to Property Tax](#). These booklets are available at every office of the Revenue Authority.

## Taxpayer ID Number

All businesses, whether firms (unincorporated businesses, e.g., single ownerships and simple partnerships) or companies (incorporated businesses, e.g., incorporated partnerships of individuals or companies), must have a taxpayer reference number. Firms may receive a reference number from any Revenue Authority office by submitting a letter requesting such. Companies may only register with and receive their unique tax payer number from the Revenue Authority's head office in Georgetown. In addition to a letter requesting a number, companies must also submit certificate and articles of incorporation. In many cases a number is immediately issued, but it can take up to two weeks.

## Income Tax Act (81:01)

This act largely covers individuals, sole proprietorships, and partnerships, but some sections apply equally to companies. In the case of single ownerships and partnerships, the income earned by the business is considered passed on entirely to the owner or, in the case of partnerships, to the partners according to each partner's percentage rights.

The act permits losses to be carried forward indefinitely until the loss is completely recouped. There are some stipulations, however, that may limit the amount that can be applied to taxable income in any one-tax year.

The tax law permits deductions from income, including, interest on capital employed; rent paid; an obsolescence allowance in cases where equipment is replaced. The regulations allow for deductions due to wear and tear of plant and equipment employed in the production of income. Accelerated depreciation is permitted for certain businesses. Deduction of "head office expenses" (e.g., technical management, etc.) paid to a non-resident company or branch can not exceed one percent of annual turnover.

As an export incentive, the tax regulations include an allowance for non-traditional exports to non-CARICOM markets. Traditional Guyanese products, i.e., non-eligible items, include timber, lumber, rice, and shrimp. CARICOM market countries include countries of the Eastern Caribbean, Trinidad and Tobago, Belize, and Jamaica. The deduction is based on the value of eligible goods exported in relation to total sales.

It is the responsibility of the business, regardless of nature or status (e.g., sole proprietorship, partnership, or company, resident or non-resident) to keep proper accounts and records of income and expenditures, and to retain such records for any given tax year for a period of eight years. Each business is expected to make quarterly tax payments based on estimates of taxable income for the year. Taxable income estimates are typically determined by the proceeding year's tax obligation. Such quarterly payments are due April, July, and October 1<sup>st</sup> and December 31<sup>st</sup> for sole ownerships

and partnerships. For companies the quarterly payments dates are March, June, September, and December 15. The annual filing date for returns is April 30 for the preceding calendar year for firms and incorporated companies. All businesses have a calendar year tax year. Companies may apply to Inland Revenue for permission to use a fiscal year that is different than a calendar year.

If tax is paid in excess of the amount that is properly due upon final determination of annual tax liability, a refund will be issued. A claimant has seven years from the filing due date for the refund year in which to file for a refund. Guyana has double taxation treaties with Canada, the United Kingdom, and Northern Ireland, as well as members of CARICOM. The Commissioner of Inland Revenue may grant unilateral relief for taxes paid in countries with systems and legislation similar to Guyana.

## Income Tax (in the Aid of Industry) Act (81:02)

The act provides tax relief to a variety of industries, e.g., sugar; rum distillation; mining; manufacturing of glass, paper, nails, housewares, cement, refrigerators; fertilisers and a long list of other items; logging; breweries; hotels; canning; foundries; and more. However, it excludes gold, diamonds, and petroleum, which are eligible for other special allowances.

## Corporation Tax Act (81:03)

This act regulates the tax on profits of companies (i.e., incorporated or unincorporated but not partnerships or sole proprietorships). The act distinguishes between resident and non-resident companies, where the latter is a company in which the control and management are exercised outside Guyana. The act

also draws a distinction between commercial and non-commercial businesses, where the former derives at least 75 percent of its gross income from trading goods it does not manufacture.

The corporate tax rate is 45 percent for commercial companies and 35 percent for non-commercial companies. Commercial companies with a turnover in excess of \$1,200,000 are liable to Corporation Tax, but in no case should the tax paid for any year be less than 2 percent of the company's turnover for that year. This tax is referred to as the minimum tax. For calculating the minimum tax the entire turnover is applicable for resident companies, whereas for non-resident companies turnover for minimum tax computations includes income directly or indirectly arising from its operations in Guyana.

Where a company has paid a minimum tax, that portion of the tax that exceeds the corporate tax that would have been paid can be carried forward and set off against future company tax obligations to the extent that those future obligations are in excess of the minimum tax.

The act prescribes some requirements that are specific to a "close" company, i.e., one that is under the control of five or fewer participators or of participators who are directors. Non-resident companies are exempt from the definition of close companies. Among the regulations, limits are established as to the amount of individual director's fees that may be deducted as expenses. The act permits losses to be carried forward indefinitely until the loss is completely recouped. The application of loss relief may not reduce the actual tax paid to less than one-half of the amount payable before the relief was granted.

### **Capital Gains Tax Act (81:20)**

A capital gains tax of 20 percent is levied on net chargeable capital gains in excess of \$1,000. This tax

is applicable on assets held less than 25 years and exchanged at a gain above the original acquisition price less depreciation, provided such gains are not treated as profits for purposes of income tax computations under the *Income Tax Act*. (For assets acquired before January 1, 1991, the assets depreciable value is calculated as its market value on 1/1/91 plus any additions up to the date of disposal.)

The act permits the carry forward of net capital losses in excess of \$1,000. Such capital losses may be carried forward for 24 successive years and applied against the realised, annual net chargeable capital gains in those years.

### **Property Tax Act (81:21)**

Property is defined as movable and immovable. Net property, on which the tax is computed, means the amount by which the aggregate value of property is in excess of the aggregate value of all debts owed.

### **Consumption Tax Act (80:02)**

Consumption tax, or 'C' tax as it is also referred to, is charged on goods destined for domestic consumption whether manufactured in or outside Guyana. The rate of tax depends on the item and for most items varies between 0 percent and 30 percent, though the tax on some goods exceeds 30 percent. The tax is calculated on the products cost plus applicable insurance and freight charges or, if locally manufactured, the manufacturer's sales price. Some items may be exempt from 'C' tax as permitted by the Minister of Finance.

The Customs and Trade Administration is the agency responsible for collecting the consumption tax. It is the responsibility of the business to submit a report by the 15<sup>th</sup> of each month showing the tax calculations and payment for the preceding month. Customs will make periodic inspections of records to verify accuracy of payments.

### **Pay As You Earn (PAYE)**

Any business with one or more employees must deduct taxes from wage or salary payments, whether those payments are made daily, weekly, fortnightly, or monthly. For self-employed persons, it is not necessary to deduct PAYE. A business must register all its employees under the pay as you earn system with the proper branch office of Inland Revenue. Inland Revenue will provide each employee a unique file number.

Employers are responsible for deducting the PAYE tax from employees' earnings as they earn. These taxes are to be remitted no later the 14<sup>th</sup> of the month following the month in which the deductions were made. The employer must provide each employee with a statement showing gross pay for the period and the amount of PAYE withheld. In the event that no taxes are deducted, the employer must notify the Commissioner by letter.

In January of each year, an employer is required to provide each employee with an annual PAYE statement for the preceding year. By February 28 of each year, employers must submit to Inland Revenue an employer's return for persons employed, showing the annual gross earnings of each employee, the amount withheld, and the amount remitted to Inland Revenue.

# Labour

## Work Permits

To work in Guyana, foreign nationals must obtain a work permit from the Ministry of Home Affairs. Permits take two to three weeks to process, are valid for up to three years, and are renewable. To obtain a permit it is necessary to submit a passport that is valid beyond the period for which the work permit is sought, plus the following information: name, nationality, date of birth and age, passport number, marital status, profession, employer in country of origin, prospective employer in Guyana, and duration of stay.

## Employment Guidelines

While there is no national minimum wage, the Minister of Labour may by law fix the minimum wage payable for any occupation in Guyana. Minimum wages are in fact established for a number of occupations, but in reality private sector rates based on supply and demand typically exceed the minimum

An employer is free to establish the work week, which runs between 37½ and 44 hours a week. Three 8-hour shifts are often followed in manufacturing. Overtime is paid at time and a half. Factory workers receive double pay for work on Sundays and any of six holidays, noted with an asterisk in the box on next page. Workers are entitled to a minimum of 12 paid leave days a year. It is against the law to employ anyone less than 15 years of age; while persons less than 17 years of age may not be employed for night-time work.

## Termination/Redundancy

The *Termination of Employment and Severance Pay Act* provides guidance on continuity of employment, termination of employment, and severance or redundancy allowance. In general, employment may be terminated by mutual consent, on grounds of redundancy, or by either party for cause. An employer may summarily dismiss an employee guilty of serious misconduct, without notice or payment of severance or redundancy. However, before an employer may dismiss an employee for misconduct the employee must have been given adequate warning.

For relationships terminated for reasons other than cause, an employer must provide the recognised trade union or, if one does not exist, the employee and the Chief Labour Officer a notice to terminate. For those employed less than a year, the prescribed notice period is at least two weeks. For those employed more than a year, the period is a minimum of one month. (Those terminated while under a probationary period require no period of notification.) In addition, at least one month prior to termination, the employer must consult with the same people regarding any possible measures that could be taken to avert or mitigate the adverse effects of termination. Employees not dismissed for cause are eligible for severance as follows:

- 1 week's wages for each completed year of service for the first five years;

- 2 weeks' wages for each completed year of service after the fifth year and up to the tenth year;
- 3 weeks' wages for each completed year of service in excess of 10 years up to a maximum of 52 weeks.

## National Insurance Scheme

The *National Insurance and Social Security Act* establishes a system for the payment of various benefits, such as old age, invalid, survivor, sickness, maternity, and funeral. The Act also provides for a system of insurance against "injury or death caused by accident arising out of and in the course of employment or resulting from disease due to the nature of employment," and the establishment of a National Insurance Board. The Board provides oversight for the National Insurance Scheme (NIS).

NIS eligible persons are defined in general as those more than 16 years of age and less than 60 who are "gainfully employed in insurable employment." Both the employer and the employee are required to make monthly contributions to the Scheme. Currently, employers contribute 7.2 percent and employees 4.8 percent on the first \$76,000 of eligible monthly salaries. (Employees more than 60 and less than 16 years old contribute zero percent and the employer 1.53 percent. Self-employed persons pay 10.47 percent.) The employer's contribution is on top of the employee's salary, i.e., it may not be deducted from the employee's remuneration.

The employee's contribution is taken from the employee's wages. However, it is the responsibility of the employer to deduct the employee's NIS payment and submit both employer and employee contributions to NIS. Payments are due by the 15<sup>th</sup> of the following month. Late payments are charged bank overdraft rate plus one percent.

Every business must register with NIS, listing the employees and their NIS numbers and registering new employees. Employees should be registered by the name on their national identification card or passport, not by their 'call' or nicknames. After registering, an employer will receive a certificate of NIS registration bearing a unique number.

Employers must maintain records of wages showing the amount paid and deductions

from an employee's wages and the employer's contribution. These records are to be kept on site for at least five years (even if employees are paid out of a head office) and made available to the NIS upon request. NIS inspectors will randomly visit businesses to evaluate compliance. The frequency of such visits depends on the business' compliance history. The NIS can provide the necessary forms for the requisite record keeping. The NIS also has several guides of possible interest: Manual for Employers & NIS Clerks and NIS: A Guide to Self-employed Persons.

In addition, employers are responsible for keeping an accident register. (The register that OSH requires an employer to keep can serve this purpose.) Employers are also responsible for completing and submitting on behalf of employees NIS

benefit forms within 14 days of receiving a medical certificate. The NIS, for its part, endeavours to turn claims requests around in seven work days, though the average now is 14-21 days.

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### Additional Regulations

Other Acts related to Employer-employee relations include:

- Accidental Deaths & Workman's Injuries Compensation Act
- Employment of Young Persons & Children Act
- Equal Rights Act
- Factories (Hours & Holidays) Act
- Occupational Safety & Health Act
- Prevention of Discrimination Act
- Public Holidays Act
- Trade Union Recognition Act

### Guyana Holidays

- New Years Day — Jan. 1
- Republic Day/ Mashramani — Feb. 23
- Phagwah (Hindu) — follows lunar calendar\*
- Good Friday (Christian) — April\*
- Easter Monday (Christian) — April\*
- Labour Day — May 1\*
- Independence Day — May 26
- Eid-ul-Azha (Muslim) — follows lunar calendar\*
- CARICOM Day — July 1
- Emancipation Day — August 1
- Youman-Nabi (Muslim) — follows lunar calendar
- Deepavali (Hindu) — follows lunar calendar
- Christmas Day (Christian) — December 25\*
- Boxing Day — December 26

(\*double pay holidays)

# Customs

The procedure for clearing imports or inspecting exports is the same for businesses working through customs offices outside Georgetown, as it is for those working through the main office, Customs House, in Georgetown. Both importers and exporters must complete an Application for Registration, in duplicate, to begin the process. The applicant will receive a customs registration number in about a week. This number is used in completing all import and export documentation. Though Guyana permits importers and exporters to act on their own behalf to clear goods, a good broker can save time and money. Brokers in Guyana have to pass a licensing exam and put up a \$40,000 bond.

## Imports

Some items, such as firearms or pharmaceuticals, require an import license, but most items do not. A list of items requiring an import license is available from Customs, the Ministry of Trade, or any good customs broker. A stamp duty of \$1 per \$1,000 in cost-insurance-freight (CIF) value is also collected by Customs.

The Government has reduced tariffs on many imports to between 0 and 20 percent. In addition to whatever the applicable tariff is on the imported goods, a consumption tax is levied based on CIF value plus tariff. The consumption tax rate ranges from 0 to 30

percent, though some goods are higher.

The back of the fact-sheet illustrates the steps to follow for clearing goods at Customs. Improvements to the computer system, when complete, should reduce the clearance time by half a day, or from about 2½ - 3½ days on paper to 2 - 3 days.

## Exports

Most goods do not incur any export duties, but an export license is required. The Ministry of Trade, Tourism and Industry (MTTI) issues the license, which may require the approval of other agencies depending on the commodity being exported. MTTI can assist identify other signatures needed, if any. The exporter must complete a Commercial invoice and, if exporting to CARICOM, a CARICOM Invoice and CARICOM Certificate. MTTI and Customs must sign the certificate for each exported consignment. If exporting to the U.S., Schedule B must be completed. The CARICOM Certificate can be used in lieu of Schedule B.

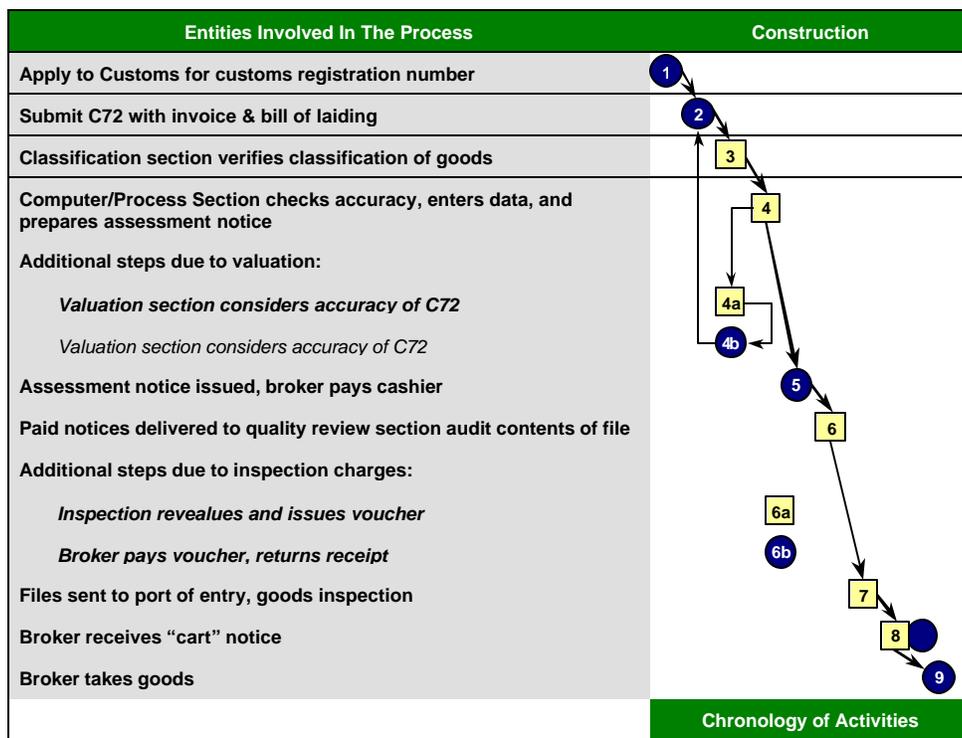
An exporter, or a broker acting on behalf of the exporter, follows much the same process as for importing, except there are no valuation section or inspection unit steps. A broker submits the same C72 form, plus a Customs Invoice. The exporter may include a company invoice but must still submit the Customs Invoice.

Most exporters will seek permission to load on-site, i.e., at their premise, which means that a Customs officer will come to the exporter's place of work to inspect goods during loading of the container. A 24-hour notice should be provided for on-site inspection. The cost is \$120. After the inspection, the container is sealed and the C72 form returned to the broker/exporter to deliver along with the shipment to the shipping company.

## Ministry of Trade - Import/Export Licenses

Ministry of Trade has a licensing division that issues import and export licenses. MTTI attempts to turn applications around in 48 hours in cases where only its signature is required and there are no questions. However, some exports and imports require other approvals as well. In cases where other ministries or agencies must approve, Trade is the last to sign.

(Note: The government has created a new ministry – the Ministry of Foreign Trade. Some of MTTI's functions may be passed to this new ministry, though not clear at this time.)



### Import Customs Clearance Process

- **Step 1:** The first step in the clearance process, depicted in the exhibit, is to obtain a Customs registration number and, if required, an import license.
- **Step 2:** To clear imported goods, a broker or the importer, if acting on own behalf, must complete [form C72](#) in quadruplicate and submit it to Customs, along with the original supplier invoice, bill of lading, and insurance form, if insured.
- **Step 3:** This file of forms is routed to the Classification section where the accuracy of the classification of goods in the documents is verified.

● Investor initiated activity    
  Agency initiated activity    
 ◐ Optional Agency Initiated Activity

- **Step 4:** The file is then delivered to the Computer/Processing section, where it is checked for completeness and accuracy and the data is entered. If everything is okay, an Assessment Notice indicating the amount of taxes to pay is issued to the broker and Custom's cashier, along with the C72 form.
- **Step 4a:** For commercial goods, except duty-free items, if a Customs officer believes the invoice value is not correct or the importer has a chequered history of under invoicing, the file may be routed to the valuation section. Here, the file is reviewed for accuracy and if the officer feels that the invoice is under valued, then the values may be increased for tax computation purposes.
- **Step 4b:** If revalued, the file is returned to the broker, who makes the necessary recalculations on form C72 and resubmits it. The file then goes to the Computer/Processing section again for entry and the issuance of an Assessment Notice. This retracing of steps may add another one to two days to the clearance process.
- **Step 5:** The broker takes the notice to the cashier and pays the indicated amount, receiving a copy of the C72 form as a receipt. Twice a day, the original, paid for C72s are picked up from the cashier and delivered to the Quality Review section at Customs House, with the last pick-up at or near noontime.
- **Step 6:** The Quality Review section then verifies once more the classifications used and the calculations.
- **Step 6a:** If an error is found, Quality Review will revalue and issue a new voucher.
- **Step 6b:** The broker must return to the cashier with the new voucher, pay the cashier, and return to Quality Review with a receipt and the C72. These side steps can add a half to one full day to the process.
- **Step 7:** If everything is okay, the file is delivered to the wharf or other point of entry; another half day of time. A broker takes the approved forms to the point of entry where it is matched with the original delivered from the inspection unit. The goods are then located and a physical inspection occurs. This inspection is usually based on a sampling, unless some discrepancies are found. In which case, the inspection may become 100 percent. Deliveries are made two to three times a day (at or about 9 a.m., late morning and early afternoon) from the Quality Review section to the wharf or other point of entry. As with the pick up from the cashier in step 5, if a broker misses the last delivery time, then the paper work can not move forward until the next day.
- **Step 8:** After the inspection, the broker takes the bill of lading to the port agent, who provides a cart note for permission to take the goods out.
- **Step 9:** The broker takes the goods.

# Annual Renewals

## Business Registration

Every year the business registration certificate must be renewed. If this is done during the open re-registration period, January 2 to 15, the cost is \$5. If this renewal is completed after January 15, the cost is \$5,000 and treated as a new business registration. In the past the Registrar would issue a new certificate. Starting with 2000, however, the office stamps the original certificate, so it is important to bring it when reregistering.

An incorporated company must file an annual return, which includes, among other documents delineated in the *Companies Act*, an audited statement. If a company fails to submit the documents annually, the Registrar's office will notify the company that it is in default and that it will be removed from the registry if not remedied in 28 days. If no response is forthcoming from the company, then the Registrar will place an announcement in the official Gazette that the company has been removed from the Registrar's records.

## Fire Services Prevention Section

The fire safety certificate issued by FSPS must be renewed annually. Renewals are usually handled during the first quarter of each year. Certain "high hazard" businesses, such as cinemas, hotels, discos, petrol stations, are subject to surprise inspections. FSPS can close a high hazard establishment immediately, but with other types of businesses FSPS must

take a non-complying business to the Fire Advisory Board. The Board will then rule to close the business or provide the owner more time to comply, if the Board is in agreement with FSPS' recommendations.

## Food & Drug Department

FDD's license to operate must be renewed annually at a cost of \$1,500, though an increase in the fee is likely. A business does not need to schedule an annual inspection as the Department performs regular planned visits during the first quarter of the year. In addition, the FDD will randomly sample covered products (whether imported or domestically produced) from retail shelves and investigate consumer complaints.

The FDD will monitor every consignment of imported finished goods and the imported inputs used by domestic processors of covered items via the customs documentation. The procedure begins with a review of the import forms submitted to Customs. If the goods imported are covered by FDD, the agent will stamp the form "for FDD approval." The importer or broker must then take the forms to FDD. The FDD should examine the foods at the port of entry, but this is generally not done because of manpower constraints. In most cases, unless there is a history of repeat offence, FDD will stamp the forms "release to warehouse. This FDD authorisation allows the importer to move the goods out of Customs before official FDD inspection, likely saving the

importer storage charges. Sometime over the next day or two, FDD will visit the importer's place to inspect the goods.

The FDD has no authority to shut down an operation for misconduct, though the Department can seal off non-compliant areas of an operation and/or remove non-compliant equipment, which can be just as effective. However, except for cases of high risk (i.e., where the safety of the food may be compromised) and the most egregious and repeat offenders, FDD prefers to provide a list of needed changes and a time frame in which to make them, revisiting the operation later to see that changes were indeed affected. In addition, as the fines under the existing, somewhat dated regulations are too low to deter misconduct, the FDD will, if necessary, place an announcement in the papers identifying offenders and the offence as a public service.

## Public Health Department

The Public Health Department will inspect annually and either make a recommendation to the relevant authority or issue a certificate of fitness. The Department will issue a Food Handlers Certificate on behalf of FDD. The Public Health officer will monitor sanitary conditions, state of surrounding area, and condition of equipment and utensils.

**Occupational Safety & Health**

OSH requires an annual renewal. The employer initiates the inspection with a letter to OSH requesting a visit by OSH. OSH will visit the premise and, if satisfied, will issue a new certificate, often within a week.

**City Engineers Department in Georgetown**

Once a year the Building Permit must be renewed at a price of \$10,000. In order to renew the permit the investor must first obtain a soundness certificate from the Engineers Department. A letter from the investor initiates this process. Also, if changes in the structure occur, a building permit must be obtained. This also applies to cases where the business changes focus (for example from a barbershop to a liquor shop).

**Guyana National Bureau of Standards**

The Guyana National Bureau of Standards is responsible for establishing, in conjunction with responsible agencies, minimum quality standards for a variety of undertakings. Enforcement of these standards falls to FDD, Ministry of Agriculture (for plant and animal matters), and Veterinary Public Health Unit (for seafood and meats).

The GNBS has created standards for 16 categories of imports. All imports within these categories must meet these minimum standards. Under the Import Quality Monitoring Program managed by GNBS, importers bringing in commercial quantities must register with GNBS. The annual fee is \$15,000. An application form must be submitted to GNBS along with the importer's business registration. A GNBS inspector is stationed at

Customs House and at the John Fernandes Ltd. and Guyana National Industrial Company (GNIC) wharves. The inspector must approve import documents for each shipment involving any of the 16 categories before the importer can take receipt of the items. In addition, if one of the three indicated units (FDD, Ministry of Agriculture, Veterinary Public Health Unit) does not already inspect the importer's premises annually, then GNBS will do so.

# Foreign Currency Controls

The *Dealers in Foreign Currency (Licensing) Act* authorises the purchase of foreign currency by any person from any authorised dealer. There are approximately 25 authorised foreign currency dealers in Guyana, including all of the commercial banks. (Licenses are granted on an annual basis. Previously licensed dealers must be re-licensed during the first quarter of each year.) The majority of authorised dealers are in and around Georgetown. Non-bank currency dealers will offer few other foreign exchange services. Those who sell to unlicensed dealers face a penalty of \$5,000 and one year in prison. Unlicensed buyers of foreign currency may be fined \$10,000 or more and sentenced to three years in prison.

The *Foreign Exchange (Miscellaneous Provisions) Act* requires Ministry of Finance approval before any person in Guyana, other than an authorised dealer, can lend or borrow foreign currency. Residents require permission from the Minister to operate foreign currency accounts in Guyana and must be able to prove to the Bank of Guyana (BOG or central bank) the need for the foreign currency and a stream of income in the requested currency.

Commercial banks are authorised to open foreign currency accounts for non-resident individuals and non-resident companies upon request. Proof of non-residential status is required in addition to the usual bank documentation. Accounts may be kept in US dollars, Canadian dollars, and British pounds.

Residents who export and receive their settlements in foreign currency may maintain foreign currency accounts, but prior approval of the BOG is required. The commercial bank holding the account would normally apply to the BOG on behalf of the client. Supporting documentation required to accompany the application, which is done by letter, includes proof of exports, cash flows (usually for 3 years) in the foreign currency, and approved licenses. These resident exporters accounts may be funded from export proceeds (in whole or part), foreign currency loan proceeds, and sometimes, though rarely, from credits approved by the Bank of Guyana. Foreign currency accounts may be used to meet any of the client's commitments.

The Guyana bank clearing system does not provide for banks clearing in a currency other than Guyana dollars. As such, some banks do not offer foreign currency current accounts. Most offer either direct deposit accounts or interest-bearing demand deposit accounts. However, as there are no restrictions to a resident or non-resident keeping an overseas, foreign bank account, some banks will offer selected clients the opportunity to draw US dollar checks on their overseas bank accounts, thus imitating the checking feature of current accounts.

Non-resident companies (those incorporated abroad or a locally incorporated business with majority shareholding offshore) must seek Bank of Guyana approval to borrow in Guyana dollars. The borrower should submit a letter to the Minister of Finance outlining the amount and purpose, and a copy of the letter to the Bank. The BOG will provide the Minister with an opinion on the loan request and a decision is made often within 72 hours.

In addition, companies must seek approval from the Bank of Guyana and the Minister of Finance to keep records and transact business or enter contractual obligations in a foreign currency. Also, currency in excess of US\$10,000 must be declared when entering or leaving Guyana.

# Central Housing & Planning Authority

**Contact:** Information Officer

**Address:**

Homestretch Ave.  
Durban Park, Georgetown

Tel: 227-7233

Fax: --

Email: --

**Regional Offices:** --

## Governing Act

*The Town and Country Act (20:01)*

## Estimated Processing Time

3 months to 1 year

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

The Central Housing and Planning Authority (CHPA) is a statutory body that derives its authority from Chapter 20:01- The Town and Country Act and is the body which is ultimately responsible for development control of all of Guyana. The Board of the CHPA meets regularly and is comprised of representatives of the permit agencies and the Regional Administrations among others.

Approval for the construction of residential buildings has been delegated to the various local authorities, with some restrictions depending on size, height and locations. All other building development in Guyana must be approved by the CHPA.

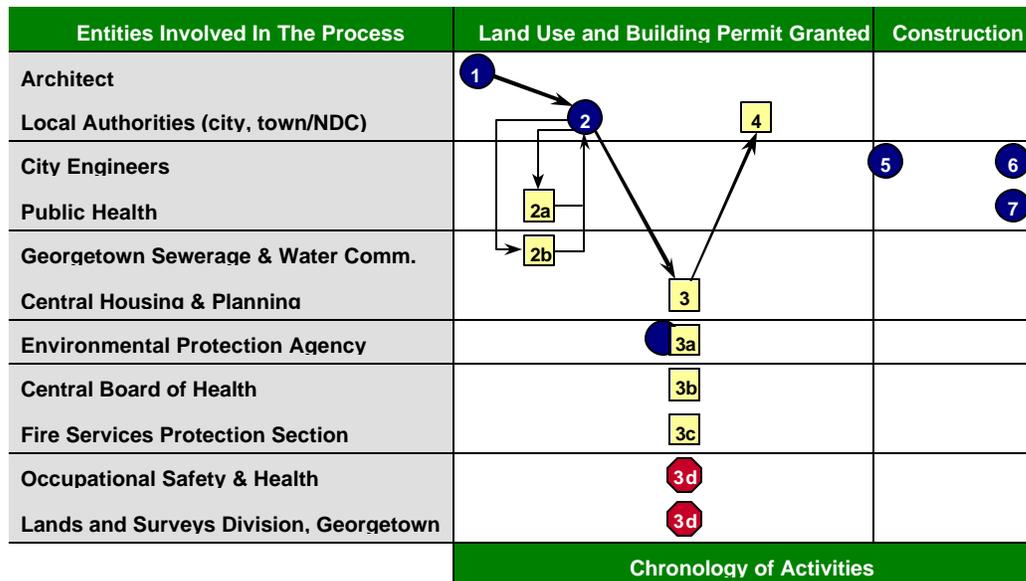
The procedure for constructing a non-residential building is displayed in the chart on the back of the factsheet. The steps involved are:

1. The first step begins with the investor completing architectural drawings and an application from the Local Sanitation Authority within the relevant Local Authority or from the Municipality (if in urban areas) or from the City Engineers Department (if within the Georgetown area), which must recommend all new buildings as well as renovations. As various permits and approvals/ recommendations (e.g., building, land and space use, health, fire, etc.) depend on these drawings, an investor cannot begin the process without them.
2. Once the building plans are developed, the investor applies to the City Engineers Department, if the site to be developed is within the Georgetown area, or its equivalent within the respective Local Authority or Municipality. The City Engineers or its equivalent in other areas reviews the documents and the investor submitted application.
  - 2a. When an applicant submits the plans to a municipality, the Public Health officer (in some places referred to as Environmental Health officer) for that municipality must vet them. The officer will look for spacing, sanitary and disposal facilities, lighting, ventilation, drainage, and distances and boundaries. If the plan meets the regulations, the officer will recommend it to the municipality. Some municipalities lack staff so they may outsource this service. For example, Linden has retained outside expertise to review plans on a monthly basis.
  - 2b. In the case of Old Georgetown, the City Engineers Department sends the application and proposal to the Georgetown Sewerage & Water Commission (GSWC) recommendations and approval. This additional step in the process is due to the increasingly stretched sewage capacity in Georgetown. As a consequence, an additional sewage line may be necessary for the building if the Sewage & Water Department determines a lack of capacity.
3. If the building plans are approved by the Local Authority and the Council agrees with the recommendations of the City Engineers, the Council then passes the application and proposal to CHPA. The plans are delivered to CHPA in Georgetown by a municipal official; however, in many cases the investor would deliver the documents.

When it receives the file from the Council, CHPA will contact the applicant if the requisite number of copies are not enclosed and request that the CHPA be provided with multiple copies for distribution to the various permit and approval agencies as shown in Exhibit III-1. (Collectively referred to here as the permit agencies, their individual review procedures are discussed in part B to follow.)

3a. If the land requires an environmental impact assessment (EIA) then CHPA will alert the EPA before any other agency of the investment activity. The EPA will conduct the review of the file and if an EIA is determined to be needed then the EPA procedures, as described in section B-3 to follow, will be completed before the application is sent any further.

3b. If the land is not yet zoned or the intended use is for a noxious or offensive trade, then the CHPA will send the application to the Central Board of Health (CBH) for review and recommendation. CBH will consider the suitability of the site for the proposed business, likely nuisances, and the Public/Environmental Health officer's recommendation. This side step may add three months or more to the process. (CBH's participation in rezoning land, i.e., when land is zoned but not for the purpose intended by the applicant, is not clear and an investor is advised to explore this with both CHPA and CBH.)



● Investor initiated activity      □ Agency initiated activity      ◐ Optional Agency Initiated Activity

After EPA and CBH approvals are received (if they are required at all), the CHPA will simultaneously send applications out to the Fire Services Prevention Section, Lands and Surveys Division, and Occupational Safety and Health Authority.

- Except for the Fire Service and the EPA, CHPA does not have to send the plans to the other agencies for approval/positive recommendations. Approval may be granted by the CHPA, although in practice the CHPA does send the majority of the applications to the various permit agencies for approval/positive recommendations. After CHPA has received notification and approval/positive recommendations from the permit agencies, it approves the plans and returns them to the originating agency that notifies the investor of the issuance of a building permit. In some cases this notification might come from the City Engineers Department, and in others this notification might come from the Local Authority. (In some cases the Ministry of Public Works may need to recommend the plans where the development is along a major highway. In addition, if the development is to take place at a junction or area that is likely to create traffic problems, then approval from the traffic department may be required.)
- Once construction has begun, the investor must notify the City Engineers Department, or its equivalent in the rural areas, within 30 days from the beginning of construction, and again once the structure is completed. This notification should come in the form of a letter. The City Engineers Department makes onsite visits and inspections during the construction process in order to ensure that revisions to the building plan are adhered to. Once notified that construction has commenced, the City Engineers notify the Fire Services Prevention Section, the Public Health Department, and the EPA. All three agencies may also make on site inspections during construction.
- The investor must also notify the City Engineers Department, through a letter, 14 days prior to the completion of construction. Once again, the City Engineers Department may make a visit to the construction site to ensure compliance with building codes.
- In the case of some buildings such as restaurants, the investor must also obtain a certificate of fitness from the public health authority, may be the Public Health Department or the Central Board of Health.

# Customs & Trade Administration

## Contact Information

**Contact:** Information Officer

**Address:**

Customs House  
34 Main & Hope Streets  
Georgetown

**Tel:** 225-6931, 225-6397

**Fax:** 226-2128

**Regional Offices:**

New Amsterdam 333-2513  
Timehri 261-2247

## Governing Act

## Fees

For exporters, an on-site loading inspection costs \$60. (A 2 hour notice is needed to schedule an inspection.)

For importers, the government has reduced tariffs on many imports to between 0 and 20 percent. In addition to whatever the applicable tariff is on the imported goods, a consumption tax is levied based on cost-insurance-freight value plus tariff. The consumption tax ranges from 0 to 30 percent, though some goods are higher.

## Estimated Processing Time

Clearing customs for imported goods take approximately 2-3 days.

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

The procedure for clearing imports or inspecting exports is the same for businesses working through customs offices outside Georgetown, as it is for those working through the main office, Customs House, in Georgetown. Both importers and exporters must complete an Application for Registration, in duplicate, to begin the process. The applicant will receive a customs registration number in about a week. This number is used in completing all import and export documentation. Though Guyana permits importers and exporters to act on their own behalf to clear goods, a good broker can save time and money.

## Imports

Some items, such as firearms or pharmaceuticals, require an import license, but most items do not. A list of items requiring an import license is available from Customs, the Ministry of Trade, or any good customs broker. A stamp duty of \$1 per \$1,000 in cost-insurance-freight (CIF) value is also collected by Customs. The back of the fact-sheet illustrates the steps to follow for clearing goods at Customs. Improvements to the computer system, when complete, should reduce the clearance time by half a day, or from about 2½ - 3½ days on paper to 2 - 3 days.

## Exports

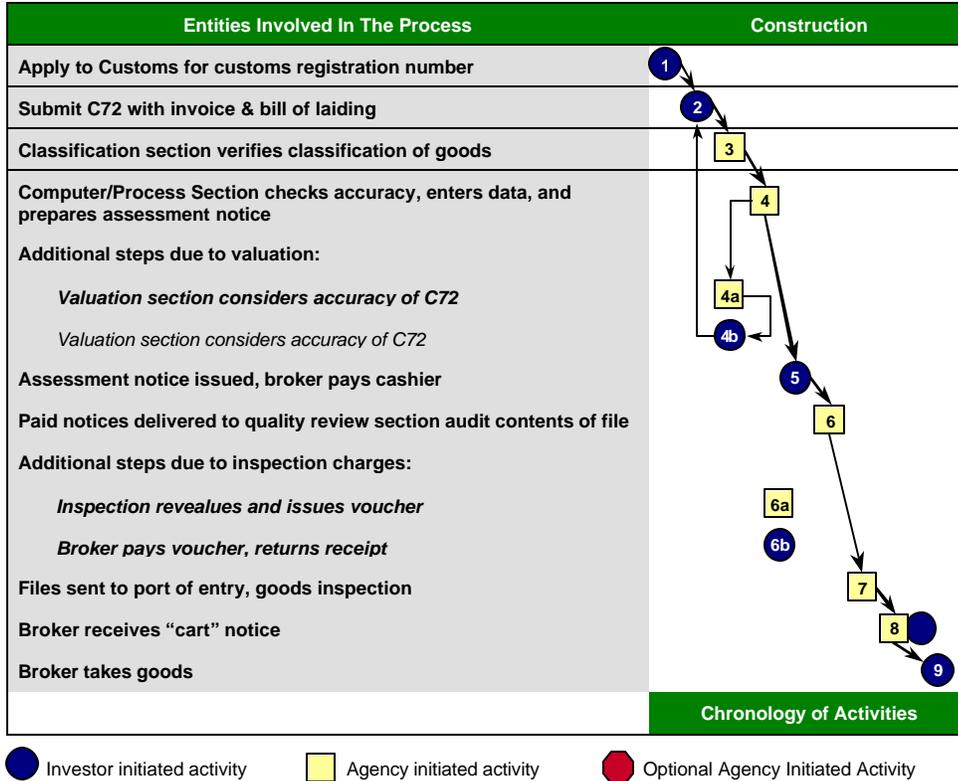
Most goods do not incur any export duties, but an export license is required. The Ministry of Trade, Tourism and Industry (MTTI) issues the license, which may require the approval of other agencies depending on the commodity being exported. Trade can assist identify other signatures that may be needed. The exporter must complete a Commercial invoice and, if exporting to CARICOM, a CARICOM Invoice and CARICOM Certificate. MTTI and Customs must sign the certificate for each exported consignment. If exporting to the U.S., Schedule B must be completed. The CARICOM Certificate can be used in lieu of Schedule B.

An exporter, or a broker acting on behalf of the exporter, follows much the same process as for importing, except there are no valuation section or inspection unit steps. A broker submits the same C72 form, plus a Customs Invoice. The exporter may include a company invoice but must still submit the Customs Invoice.

## Ministry of Trade - Import/Export Licenses

Ministry of Trade has a licensing division that issues import and export licenses. MTTI attempts to turn applications around in 48 hours in cases where only its signature is required and there are no questions. However, some exports and imports require other approvals as well. In cases where other ministries or agencies must approve, Trade is the last to sign. The government has created a new ministry – the Ministry of Foreign Trade. Some of MTTI's functions may be passed to this new ministry, though not clear at this time.)

### Import Customs Clearance Process



□ Step 1: Obtain Customs registration number and, if required, import license.

□ Step 2: Broker or the importer must complete form C72 in quadruplicate and submit it to Customs, along with the original supplier invoice, bill of lading, and insurance form, if insured.

□ Step 3: This file of forms is routed to the Classification section where the accuracy of the classification of goods in the documents is verified.

□ Step 4: File is delivered to the Computer/Processing section. It is checked for completeness/accuracy and data is entered. If everything okay, an Assessment Notice is issued to the broker and Custom's cashier, along with the C72 form.

– Step 4a: For commercial goods, except duty-free items, if a Customs

officer believes the invoice value is not correct or the importer has a chequered history of under invoicing, the file may be routed to the valuation section. Here, the file is reviewed for accuracy and if the officer feels that the invoice is under valued, then the values may be increased for tax computation purposes.

– Step 4b: If revalued, the file is returned to the broker, who makes the necessary recalculations on form C72 and resubmits it. The file then goes to the Computer/Processing section again for entry and the issuance of an Assessment Notice. This retracing of steps may add another one to two days to the clearance process.

□ Step 5: The broker takes the notice to the cashier and pays the indicated amount, receiving a copy of the C72 form as a receipt. Twice a day, the original, paid for C72s are picked up from the cashier and delivered to the Quality Review section at Customs House, with the last pick-up at or near noontime.

□ Step 6: The Quality Review section then verifies once more the classifications used and the calculations.

- Step 6a: If an error is found, Quality Review will revalue and issue a new voucher.
- Step 6b: The broker must return to the cashier with the new voucher, pay the cashier, and return to Quality Review with a receipt and the C72. These side steps can add a half to one full day to the process.

□ Step 7: If everything is okay, the file is delivered to the wharf or other point of entry; another half day of time. A broker takes the approved forms to the point of entry where it is matched with the original delivered from the inspection unit. The goods are then located and a physical inspection occurs. This inspection is usually based on a sampling, unless some discrepancies are found. In which case, the inspection may become 100 percent.

– Deliveries are made two to three times a day (at or about 9 a.m., late morning and early afternoon) from the Quality Review section to the wharf or other point of entry. As with the pick up from the cashier in step 5, if a broker misses the last delivery time, then the paper work can not move forward until the next day.

□ Step 8: After the inspection, the broker takes the bill of lading to the port agent, who provides a cart note for permission to take the goods out.

□ Step 9: The broker takes the goods.

# Deeds Registry

## Contact Information

**Contact:** Information Officer

**Address:**

Charlotte Street, Stabroek  
Georgetown

**Tel:** 225-1129, 225-3083, 226-8641

**Regional Offices:**

New Amsterdam: 333-3420  
Anna Regina (in 2001)

## Governing Acts

*Business Names Act (90:05)*  
*Partnership Act (89:02)*  
*Deeds Registry Act (5:01)*  
*Lands Registry Act (5:02)*  
*State Lands Act (14:04)*  
*Lands Development Act (59:01)*

## Fees & Estimated Processing Time

Purchasing transported land:  
Fee is 0.25% of the purchase price plus gazetting fees.  
(2-3 months)

Purchasing titled land:  
A transaction/registration fee of 0.25% of the higher of the purchase price or valuation.  
(3 weeks)

Leasing private land:  
Fee is 0.25% of the land value, 1% of the value of the structures on the land, and 0.25% of the total value.  
(1-2 months)

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

The Deeds and Lands Registry is involved in three processes of interest to the investor:

- Business registration and incorporation
- The purchase of private land
- The leasing of private land

## Business Registration and Incorporation

The process for registering a small business is simple relative to the registration of a company. The process begins with the completion of the Business Name Registration form [step 1], which is obtainable from the Deeds Registry. Upon submission, the Registry staff will check the particulars against other registered businesses and, if they do not conflict with previously registered entities, will register the business and issue a certificate [step 2]. There is a registration fee of \$5,000. Small businesses may be eligible for a waiver of the fee. Research and certificate issuance takes about three weeks, after which time, an applicant can return to pick up the certificate [step 3].

The process for registering an incorporated company is more involved than that for registering an unincorporated company. Engaging a competent lawyer to pull together the myriad particulars will be money well spent. The four-step company registration process begins with submission of the articles of incorporation, in duplicate, along with other statutory declarations, e.g., statements naming the first directors and secretary, notice of the company's registered address. Upon submission, the clerk will calculate the amount owned (see fact-sheet 1 for table of costs). Two to three days after payment the applicant can collect the company certificate.

(There is a regional Deeds Registry in New Amsterdam responsible for Berbice. The Berbice branch can register business names and sole ownerships or simple partnerships, but not incorporated companies. )

## Purchasing Land

There are two types of private land in Guyana, transported and titled. The former is governed by the *Deeds Registry Act*, the latter by the *Lands Registry Act*. (The government will move completely to a lands registry system over the next three to five years.) When purchasing transported land, the "deed" passes from seller to buyer. When purchasing registered land, the "title" passes. In both cases, much of the work will be carried out between the lawyers for the buyer and seller.

Transported Property. When the details of the sale are worked out between buyer and seller, a request is sent to the Deeds Registry to advertise the intent of the parties, along with two affidavits. Based on the affidavits, an announcement regarding the sale is then placed in the official gazette.

It is important that the affidavits, which explain what is to transpire and the particulars of the sale /purchase, appear as mirror images of each other with respect to the facts of the transaction.

Once gazetted, the public is allowed 14 days to register any opposition to the sale, and 10 days from notifying the Registrar in which to file a writ with the court. Once filed, the writ effectively acts as an injunction. Opposition in most cases would result from someone who claims that the seller owes them money and/or who otherwise has a lien on the property. The property does not have to be mortgaged to the individual for that person to file an opposition. If no protest is filed and the vendor/buyer respond quickly to any questions from the Deeds Registry, then officially passing the transport can occur in two months or less.

At any time during the process, the seller can furnish the required Certificate of Compliance from the Internal Revenue. (Inland Revenue's compliance section is located in the GPO Building, Robb Street, Georgetown.) The transport can not be passed without this. Though the law does not require a Rates and Taxes Compliance certificate, the Registry will ask to see either a compliance statement or a receipt for applicable rates and taxes from the pertinent Town Council. (Rates and taxes refer to municipal taxes.)

In addition to attorney fees, the Registry charges a fee of .25 percent of the purchase price. The act states that the person to whom the deed is passed is liable to pay fees, taxes, and duties. In practice, the government is concerned about collecting what it is owed, and not with whom actually pays. So the buyer and seller can negotiate their contributions towards any fees, taxes, and duties.

**Titled Property.** In the regions of Demerara and Berbice a land registry system governed by the *Land Registry Act*, is also in use. In contrast to transported property, registered land is not gazetted as the onus is on those with claims against the seller to register those claims with the Registry. If no encumbrances are on file, the title transfer process takes about three weeks. With registered land, title rather than a deed is transferred from seller to buyer.

The transfer process is similar to that for transported land. Both parties to the transaction submit sworn affidavits along with a transfer summary to the Lands Registry. The affidavits should be mirror images of each other and state the particulars of the transaction. The summary should be signed by both parties and summarise the affidavits. A transaction/registration fee is charged at .25 percent of the valuation or the purchase price, whichever is higher.

The transaction is not gazetted as it is the responsibility of a lender or anyone with a beneficial interest to file an encumbrance (e.g., that the land is mortgaged) or caveat on the property with the Lands Registry. A buyer would be advised to check with the Registry to ascertain if any claims are on file against the property in question. The Registry will notify anyone who has filed a beneficial interest of any intent to sell the property. The party with such registered interest then has six weeks in which to file a writ in court. Before the sale can be consummated, the Registry must receive either a letter from the party filing the beneficial interest that all is settled and the claim can be removed, or a notice from the court stating that no writ was filed in the prescribed time.

As with transported land, the seller must submit a Certificate of Compliance from Internal Revenue and a Rates and Taxes Compliance or receipt of payment from the appropriate Town Council. In addition, Inland Revenue may ask the seller to provide an affidavit of valuation for the purpose of ensuring that the seller pays the proper amount of capital gains tax due. Only the Valuation Division of the Ministry of Finance can provide this affidavit.

### **Leasing Private Land**

Long leases (those equal to or exceeding 21 years) or leases that are renewable at the will of the lessee need to be registered. The process of transferring long leases is the same as for passing the transport on deeded land. The fee is .25 percent of the value of the land, plus 1 percent of the value of the structures on the land, plus .25 percent of the total value. All valuations are current market value as certified by the Valuations Division.

# Environmental Protection Agency

## Contact Information

Contact: Information Officer

Address:  
IAST Bldg, University of Guyana  
Turkeyen Campus, Georgetown

Tel: 022-2277, 022-5784, 2231, 5785

Fax: 022-2442

Email: [epa@networksgy.com](mailto:epa@networksgy.com)

Regional Offices: --

## Governing Act

Environmental Protection Act of 1996

## Fees

Application:

Guyana equivalent of US \$40

Notification in the newspaper:

\$10,000.

Permit fee:

Guyana equivalent of US \$200, US \$700 and US \$1,600 for small, medium, and large size firms, respectively.

Additionally, the investor is responsible for all costs associated with public meetings and consultative fees for the EIA process.

## Duration

The EPA process has a target time of 60 days without an EIA and 180 days with an EIA.

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

The EPA is a relatively new agency in Guyana. As it is relatively new, the EPA is still developing its operational relationship with the regions. In one case, the EPA has signed a memorandum of understanding with the Ministry of Local Government that allows for basic monitoring by a designated regional representative. EPA has signed similar agreements with the GGMC and the Forestry Commission.

## Objective of the EPA

To coordinate the prevention and control of pollution, coordinate the conservation and sustainable use of natural resources, and promote environmental management.

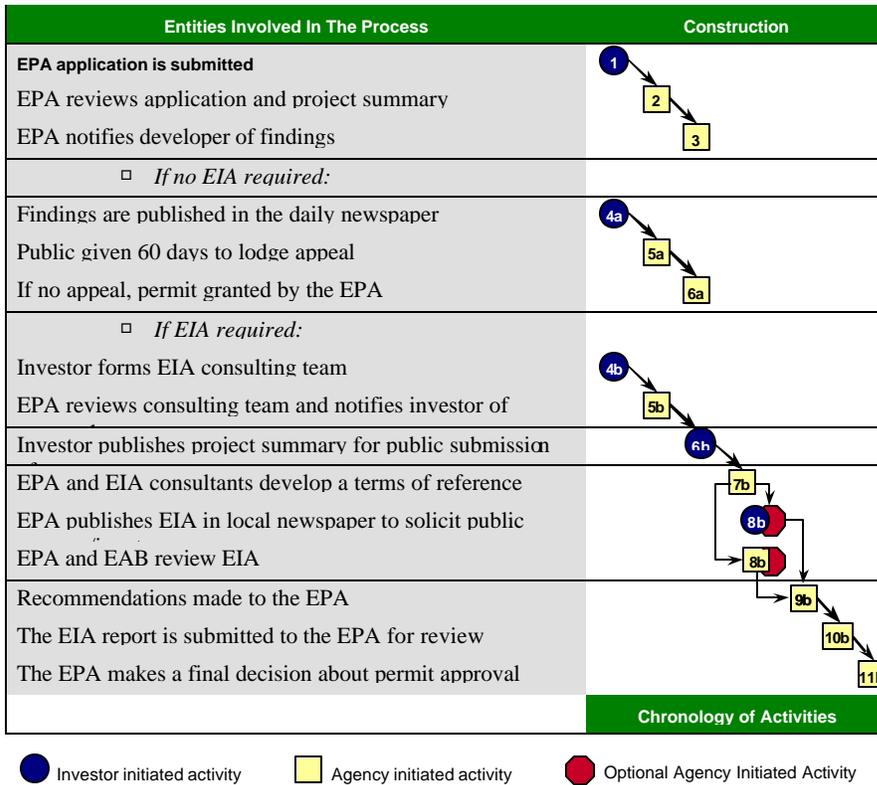
## Five principles of the EPA

- The polluter pays for the cost of damage to the environment.
- Precautionary measures are taken to avoid environmental damage.
- Strict liability penalties are imposed on those who cause environmental damage.
- Avoidance is best as it may be impossible or more costly to repair damage than prevent it.
- Technologies used to prevent and repair environmental damage will reflect the state of technology.

In accordance with the act, an investor must seek EPA approval before beginning to develop a site. For projects that may significantly affect the environment, an Environmental Impact Assessment (EIA) may be required. Annex B identifies those investment activities that require an EIA. In addition, the EPA has the discretion to require an EIA for any development activity based on a site visit and the EPA application. Depending on the outcome of the EIA, an environmental authorization may or may not be issued. In the case of existing business, an operations permit is issued and an environmental permit is issued for new investments. The exhibit on the next page, illustrates the EPA/EIA approval process.

If the investor does not initiate activity with the EPA, the agency has the same mechanism in place as OSH where CHPA passes along the application during the building approval stage of the process. The EPA is also alerted to investment activities through local authorities or sectoral agencies. (Many EIA type activities will actually be carried out by the sectoral agency in charge of investment activity in the sector. The EPA will then evaluate the sectoral agency's report.) It should be noted that it is an offense to proceed with building development without the necessary environmental authorization.

The EPA has a formal appeals process delineated by the *EPA Act*. However, the EIA process has yet to receive an appeal by an investor. Appeals go through a tribunal is comprised of senior political officers. Additionally, an Environmental Assessment Board has been established to review EIAs.



### EPA/EIA Approval Process

1-3.  
A summary of the project is submitted to EPA by the investor. However, EPA may be notified of investment activity from the sectoral agency involved in the process such as the Guyana Forestry Commission, GGMC, Ministry of Agriculture or the CHPA.

If a business changes its output or focus of production the EPA must be notified. The EPA will review the changes and may require an EIA if the change is significant. If the EPA decides that the production changes do not require an EIA, a simple change in the existing environmental management plan may suffice.

The submission of an application is not limited to leased land. However, with respect to leased land, often investors wait until a lease is granted before submitting an EPA project summary. The Lands & Surveys Division may issue a lease with the condition that environmental authorisation is obtained from the EPA before the land is accessed.

An investor takes a risk of spending money for an EIA on land that may not be leased if choosing to submit a project summary to EPA at the earliest possible date. However, if a lease is granted and an EIA has not been conducted the investor runs a converse risk of holding a lease on land where an EIA concludes that the proposed investment is not permissible. Therefore, an investor should factor in both time and monetary risk when choosing the stage of the investment process appropriate for EPA project summary submission.

- 4a-6a. If the EPA determines that no impact assessment is needed then a permit is given after 60 days. During those 60 days the EPA publishes the decision to grant a permit in order to allow for public appeal in accordance with the act.
- 4b. If the EPA determines that an EIA is required, the 9-step process will take, at a minimum, 180 days. The EIA process is summarised in Exhibit III-2, steps 4b-11b, on the previous page.
- 6b. The public has 28 days to express concern by letter to the EPA. Increasingly the EPA is holding meetings in both Georgetown and the locale of the investment as another means by which to give the public a chance to voice concerns.
- 8b. During the allocated 60-day public review period, the Environmental Assessment Board reviews the terms of reference and fields public concerns and input in order to develop a recommendation.
- 9b. The EPA receives recommendation from the Board. This can include requests to expand or revise the EIA to provide additional information.
- 10b. The EPA makes its decision based on its own review and the Board's recommendations. If a permit is granted it is accompanied by a set of conditions to allow for proper environmental management.

# Fire Services Prevention Section

## Contact Information

Contact: Information Officer

### Address:

Fire Services Headquarters  
11A Water St.  
Georgetown

Tel: 226-2411, 226-2413

### Regional Offices:

New Amsterdam  
Timore  
West Demarara

## Governing Act

Fire Prevention Act of 1957

## Fees

No charge

## Estimated Processing Time

FSPS tries to respond to CHPA within 30 calendar days of receipt of an application and building plan.

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

The Fire Services Prevention Section (FSPS) is an office under the Guyana Fire Service Department of the Ministry of Home Affairs. It is one of several authorities that must approve building plans. FSPS is working closely with the Guyana National Bureau of Standards to finalise a building code, which should soon be in force. The regional offices are not authorised to inspect and certify new buildings or renovations. Only an officer of FSPS from Georgetown can do this.

## Investment Related Procedures

When applying for a building permit, it is best to submit multiple copies, four or more as directed by City Engineers or the local authorities. These copies make their way to CHPA, of which one is sent to FSPS. FSPS is the authority on fire safety and must provide CHPA a fire safety opinion before CHPA can approve the plans.

FSPS tries to respond to CHPA within 30 calendar days of receipt of an application and building plan. The response most often takes the form of a letter stating FSPS' approval or the changes that are required. If changes are necessary, it is up to CHPA to contact the applicant. If it is obvious on the application how FSPS can contact the applicant directly, it will do so, enabling the applicant to address the problems immediately and directly with FSPS. FSPS can then send one letter to CHPA indicating approval along with the revised plans.

FSPS will often inspect a premise during construction. Post-construction, FSPS must inspect the premise before issuing a Fire Safety Certificate. An investor is best advised to notify FSPS directly rather than relying on another office, division or section to do so. The certificate must be renewed annually. In practice, renewals are done during the first quarter of the year.

If the business is located within an existing building, and the operator makes changes to the premise, then the same approval process is followed. If no changes are made, then only an annual inspection is required.

# Food & Drug Department

## Contact Information

Contact: Information Officer

### Address:

Mudlot, Kingston  
Georgetown

Tel: 263-4711, 226-8337

## Governing Act

Food & Drugs Act (1971) and regulations  
(1977)

## Fees

The FDD will issue a license to operate,  
which costs \$1,500

## Estimated Processing Time

Varies depending on location

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

Part of the Ministry of Health, the role of the Food and Drug Department (FDD) is defined in the *Food & Drugs Act* (1971) and regulations (1977). The Act and regulations are being revised, as many aspects of both are outdated and no longer applicable. In general, the department's focus is more on imports and locally processed items sold on the domestic market than on exports.

## Role of the Food & Drug Department

The FDD monitors the quality of locally processed and imported pharmaceuticals, food products, bottled water, cosmetics, medical devices, and the quality of inputs used in the domestic processing of these items, as well as the labeling of all such products.

## Investment Related Procedures

In order to obtain approval to import those categories of goods that fall under the purview of the FDD, the investor must have adequate facilities to store the goods and supply documentation from the country of origin certifying the safety of the foods being imported. All products must be date marked with all labels in English. When required by law (as for example for items containing alcohol), for duty calculation, or for an importer concerned about quality, the FDD will perform and issue certificates of analysis.

Domestic processors should contact the FDD for an inspection before they begin operation. The FDD requires about a week's notice and application on the prescribed form. Upon application, the investor is required to submit detailed documentation on the entire operation including flow diagrams of the expected processing, information on the product and an example of the labelling to be used. In addition to an examination of the physical premises and a review of the processing process, the FDD will need to have a pilot batch for testing. If the premises and the product meet the required standards, the FDD will issue a license to operate.

# Lands & Surveys Division

## Contact Information

### Main Office:

Contact: Information Officer

### Address:

22 Hadford Street, Lodge  
Georgetown

Tel: 226-0528, 226-0529, 226-4052

### Regional Offices:

Location	Tel:
Mabaruma	(592) 077-5068
Anna Regina	Essequibo 071-4393
	071-4392
Vergenoegen	060-2248
Crane	037-2124
	037-2269
Whim	037-2124
	037-2633
Black Bush Polder	039-2275
Corriverton	039-2308
New Amsterdam	03-4404
Bartica	05-2269
Lethem	072-2016
Wismar/Linden	04-2141

## Governing Act

*State Lands Act (62:01)*

*Land Development Act (59:01)*

## Fees

Application for Lease:

Guyana equivalent of US \$10

Map cost:

Maps are available to investors while identifying sites. The cost is approximately \$500.

## Estimated Processing Time

A provisional lease takes approximately 6 months.

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

The Lands & Surveys Division, currently under the Ministry of Agriculture, is transitioning to a Commission, which will be structured as a quasi-public body. The Government of Guyana will appoint the board that will govern the Commission, which is intended to streamline the leasing process. It is assumed that once the Lands & Surveys Division transitions to a Commission, many changes to the process will occur. One of these changes may be an increase in the fee for a lease application and the rates applied to leased land. For now though, the process consists of the steps illustrated on the reverse side of this fact-sheet.

## Role of the Lands & Surveys Division

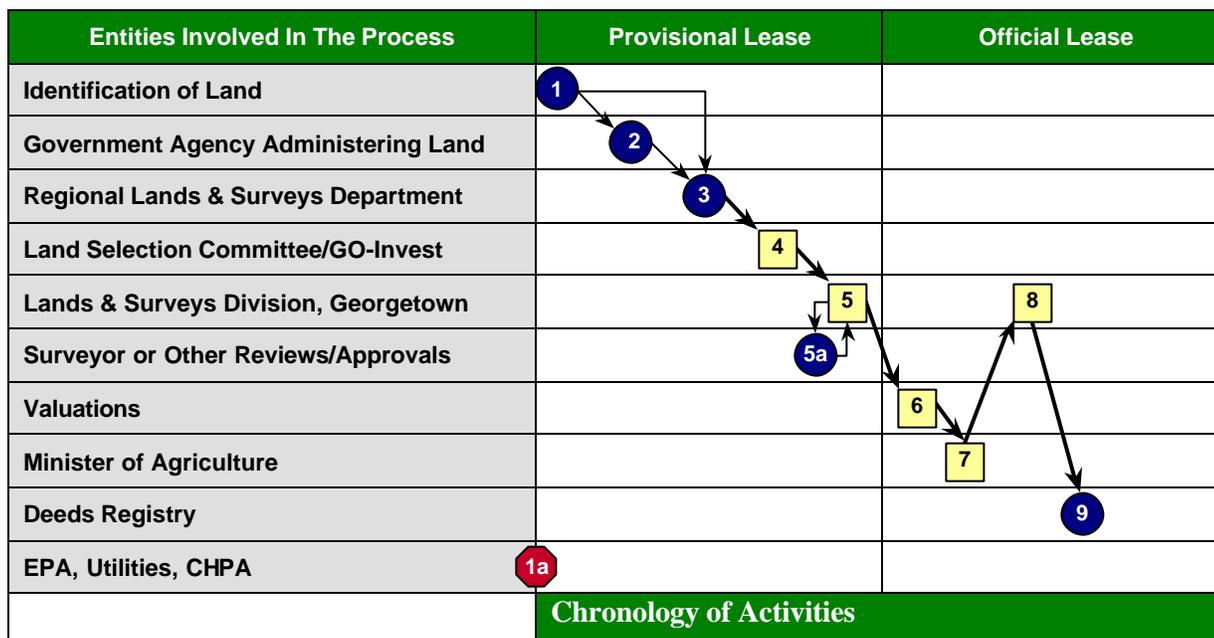
The role of the Lands & Surveys Division is to survey and map the land and water resources of Guyana, to be custodians of all public lands and administer these effectively in the national interest, and to provide land-based information to a broad range of public and private sector entities and interests.

## Investment Related Procedures

The investor is only involved with the Lands & Surveys Division if State- or Government-owned land is acquired or leased. (For an advisory concerning investment in privately held land please see GO-Invest Fact Sheet # 2b.)

Public land is governed by the *State Lands Act* and the *Land Development Act*. Government-owned land is administered by various Ministries, which adds a step to the lease approval process as illustrated on the reverse side of this fact-sheet.

At this time, the fee for a lease application is \$10. Though not required to initiate the process, a business registration is required by the time the lease is signed.



**Steps For Leasing State or Government Land**

1. Investor identifies site(s). It is advisable to identify several sites, as some may be unavailable. The Lands & Surveys office in the corresponding region is consulted to check availability of the parcel of land. The Lands & Survey office notifies the investor if the parcel has been surveyed.
  - 1a. The zoning status of the land is needed so an investor may also consult with the Central Housing & Planning Authority (CHPA). The Lands & Survey Division may know if the land is zoned, but CHPA will have the official classification. There are other parallel activities that may be carried out at this stage of the investment process such as consulting various utilities and Environmental Protection Agency (EPA).
2. If Government-owned, the investor must obtain a letter from the Government agency approving the proposed lease.
3. After finding a desirable parcel of land the investor applies to the appropriate regional Lands & Surveys office.
4. The regional Lands & Surveys office passes the application to either the GO-Invest office or the regional Land Selection Committee, or in some areas to a District Land Selection Committee and then to the regional committee. The Land Selection Committee takes the decisions on the smaller local applications and GO-Invest is used for more novel or large-scale investment projects.
5. The Georgetown Lands & Surveys Division reviews the application.
  - 5a. In cases where the land is not surveyed, the investor may wait for a government surveyor or hire a government certified private surveyor to inspect the proposed site. (If the investor finds that the site is not surveyed, a surveyor can be contracted at the time that the application is submitted in order to speed up the process.)
6. If approved, the Lands & Surveys Division develops a lease and submits the application to the Valuation Division in the Ministry of Finance. The Valuation Officer is responsible for assigning an annual lease rate. However, the lease rate is only an advisory to the Lands & Surveys Division, which defines the final lease terms.
7. Once the Lands & Surveys Division has reviewed the application, it is passed to the Minister of Agriculture for formal approval. The Minister of Agriculture has set a target of one week to one month for approval. However, there frequently are delays.
8. When the lease is finalised the Commissioner of Lands & Surveys signs it.
9. Long-term leases must be registered with the Deeds and Lands Registrar by the investor. Other leases may be registered at the investor's option. Doing so, however, affords some protection should disputes arise.

# Ministry of Home Affairs

## Contact Information

**Contact:** Head Immigration Support Services

**Address:**

6 Brickdam, Stabroek  
Georgetown

**Tel:** 226-1717, 226-2444, 226-2445

## Fees

## Estimated Processing Time

Varies depending on the process

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

## Foreign Entry

Immigration officers have the authority to issue a visa for up to three months at the time of entering Guyana provided the entrant has a valid passport, with at least six months to expiration, and a return ticket to the country of origin. Guyana's foreign missions can also issue entry visas for Guyana if such is required for that country.

## Travelers not requiring a visa to enter Guyana:

Antigua/ Barbuda	Japan
Australia	Korea
Bahamas	Luxembourg
Barbados	Montserrat
Belgium	Netherlands
Belize	New Zealand
Canada	Norway
Chile*	Portugal
Cuba**	Spain
Denmark	St. Christopher Nevis
Dominica	St. Lucia
Finland	St. Vincent & Grenadines
France	Surinam
Germany	Trinidad/Tobago
Greece	United Kingdom
Grenada	U.S.A.
India***	Venezuela**
Ireland	Sweden
Italy	South Africa
Jamaica	Switzerland

\* Holder of diplomatic and special passport only.

\*\* Holder of diplomatic passport only.

\*\*\* Letter from Ministry of Home Affairs required.

## Work Permits

To work in Guyana, foreign nationals must obtain a work permit from the Ministry of Home Affairs. Permits take two to three weeks to process, are valid for up to three years, and are renewable. To obtain a permit it is necessary to submit a passport that is valid beyond the period for which the work permit is sought, plus the following information: name, nationality, date of birth and age, passport number, marital status, profession, employer in country of origin, prospective employer in Guyana, and duration of stay.

# Ministry of Labour

## Contact Information

**Contact:** Chief Labour Officer

**Address:**

Homestretch Avenue, Durban Park  
Georgetown

**Tel:** 225-7302, 226-6997, 225-7510

**Fax:** 225-3477

**Regional Office:**

New Amsterdam 333-3327

## Selected Governing Acts

*Termination of Employment and Severance Pay Act (99:09)*

*National Insurance and Social Security Act, chapter (36:01)*

## Fees

Regarding the National Insurance Scheme, employers contribute 7.2 percent and employees 4.8 percent on the first \$76,000 of eligible monthly salaries. (Employees over 60 and under 16 years old contribute zero percent and the employer 1.53 percent. Self-employed persons pay 10.47 percent.)

## Estimated Processing Time

Varies depending on the process

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

## Work Permits

To work in Guyana, foreign nationals must obtain a work permit from the Ministry of Home Affairs. Permits take two to three weeks to process, are valid for up to three years, and are renewable.

## Employment Guidelines

While there is no national minimum wage, the Minister of Labour may by law fix the minimum wage payable for any occupation in Guyana. An employer is free to establish the work week, which runs between 37½ and 44 hours a week. Three 8-hour shifts are often followed in manufacturing. Overtime is paid at time and a half. Factory workers receive double pay for work on Sundays and holidays. Workers are entitled to a minimum of 12 paid leave days a year. It is against the law to employ anyone less than 15 years of age, and persons less than 17 years of age may not be employed for nighttime work.

## Termination/Redundancy

The *Termination of Employment and Severance Pay Act* provides guidance on continuity of employment, termination of employment, and severance or redundancy allowance. In general, employment may be terminated by mutual consent, on grounds of redundancy, or by either party for cause. An employer may summarily dismiss an employee guilty of serious misconduct, without notice or payment of severance or redundancy. However, before an employer may dismiss an employee for misconduct the employee must have been given adequate warning.

For relationships terminated for reasons other than cause, an employer must provide the recognised trade union or, if one does not exist, the employee and the Chief Labour Officer a notice to terminate. For those employed less than a year, the prescribed notice period is at least two weeks. For those employed more than a year, the period is a minimum of one month. Those terminated while under a probationary period require no notification period. In addition, at least one month prior to termination, the employer must consult with the same people regarding possible measures that could be taken to avert or mitigate the adverse effects of termination. Employees not dismissed for cause are eligible for severance as follows:

- 1 week's wages for each completed year of service for the first five years;
- 2 weeks' wages for each completed year of service after the fifth year and up to the tenth year;
- 3 weeks' wages for each completed year of service in excess of 10 years up to a maximum of 52 weeks.

## National Insurance Scheme

The *National Insurance and Social Security Act* establishes a system for the payment of various benefits, such as old age, invalid, survivor, sickness, maternity, and funeral. The act also provides for a system of insurance against "injury or death caused by accident arising out of and in the course of employment or resulting from disease due to the nature of employment," and the establishment of a National Insurance Board. The Board provides oversight for the National Insurance Scheme (NIS).

NIS eligible persons are defined in general as those more than 16 years of age and less than 60 who are "gainfully employed in insurable employment." Both the employer and the employee are required to make monthly contributions to the Scheme. Currently, employers contribute 7.2 percent and employees 4.8 percent on the first \$76,000 of eligible monthly salaries. (Employees more than 60 and less than 16 years old contribute zero percent and the employer 1.53 percent. Self-employed persons pay 10.47 percent.) The employer's contribution is on top of the employee's salary, i.e., it may not be deducted from the employee's remuneration. The employee's contribution is taken from the employee's wages. However, it is the responsibility of the employer to deduct the employee's NIS payment and submit both employer and employee contributions to NIS. Payments are due by the 15<sup>th</sup> of the following month. Late payments are charged bank overdraft rate plus one percent.

Every business must register with NIS, listing the employees and their NIS numbers and registering new employees. Employees should be registered by the name on their national identification card or passport, not by their 'call' or nicknames. After registering, an employer will receive a certificate of NIS registration bearing a unique number.

Employers must maintain records of wages showing the amount paid and deductions from an employee's wages and the employer's contribution. These records are to be kept on site for at least five years (even if employees are paid out of a head office) and made available to the NIS upon request. NIS inspectors will randomly visit businesses to evaluate compliance. The frequency of such visits depends on the business' compliance history. The NIS can provide the necessary forms for the requisite record keeping. The NIS also has several guides of possible interest: Manual for Employers & NIS Clerks and NIS: A Guide to Self-employed Persons.

In addition, employers are responsible for keeping an accident register. (The register that OSH requires an employer to keep can serve this purpose.) Employers are also responsible for completing and submitting on behalf of employees NIS benefit forms within 14 days of receiving a medical certificate. The NIS endeavours to turn claims requests around in seven workdays, though the average now is 14-21 days.

## Additional Regulations

Other Acts related to Employer-employee relations include:

- Accidental Deaths & Workman's Injuries Compensation Act
- Employment of Young Persons & Children Act
- Equal Rights Act
- Factories (Hours & Holidays) Act
- Occupational Safety & Health Act
- Prevention of Discrimination Act
- Public Holidays Act
- Trade Union Recognition Act

# Occupational Safety & Health

## Contact Information

**Contact:** Information Officer  
**Address:**  
 Homestretch Avenue, Durban Park  
 Georgetown  
**Tel:** 226-8739  
**Fax:** 225-3477  
**Email:** Mol-osh@sdnpp.org.gy  
**Regional Offices:**  
 New Amsterdam: 333-2689

## Governing Act

*Occupational Safety and Health Act (99:11)*

## Fees

None, though the investor may find it advantageous to hire private consultants to assist with various aspects of the process.

## Estimated Processing Time

2 weeks

## Additional Information

<http://www.sdnpp.org.gy/goinvest>  
 (Investor Roadmap Link)

The health and safety of the work place in Guyana is governed by *Occupational Safety and Health Act (99:11)*. Currently the government is working to establish the regulations to enforce the Act. For now, the *OSH Act* incorporates many of the regulations contained in the repealed *Factories Act* for oversight, enforcement, and monitoring purposes. In addition, OSH is currently working with the Guyana National Bureau of Standards to establish standards and guidelines for the workplace.

## Role of the Occupational Safety & Health Office

The role of the Occupational Safety and Health (OSH) office is to improve the working conditions and environment with an emphasis on preventative rather than curative measures. This prevention occurs through inspections, audits, investigation of accidents, and training.

## Investment Related Procedures

Though the OSH review process does not cost the investor directly, an applicant may find it advantageous to hire private consultants to assist with various aspects of the review. The parts of the process where OSH is involved are as follows:

- During the building approval stage, the investor submits the building plans for approval by OSH. However this does not occur in practice, so OSH has developed a system where the Central Housing & Planning Authority sends the plans to OSH for approval as described above.

If changes are required to the building plan, then OSH recommends alterations to CHPA and the applicant. The investor must then resubmit the revised plans to CHPA, which sends the new plans to OSH. This process is repeated until OSH is able to approve the building plan.

An investor could perhaps accelerate the approval process by submitting a copy of the plans with a letter outlining the project to OSH at the same time as CHPA. If changes were required, then the investor would save time by working directly with OSH to make the changes and then submitting the revised plan for final approval. Once OSH is satisfied with the building plan, it is approved and sent back to CHPA.

- The *Occupational Safety and Health Act* states "within 30 days after the industrial establishment commences to operate as such, in the case of a new industrial establishment...[it must] make application to the Authority in the prescribed form for the registration of such industrial establishment". The registration is done on "Factories Schedule Form 1, Application for Registration of a Factory, Factories Regulations, Reg. 2 (1)." Registration typically takes a week to process.

- Once a business is registered, OSH can make random and unannounced visits. If the plans were not submitted ahead of time and OSH makes an inspection that reveals structural problems then the business could be shut down until those issues are resolved. The registration has to be renewed every year.
- If a business has more than 20 employees, then it must create a safety and health committee. If there are more than five employees, then a safety and health representative must be appointed. OSH provides periodic training for these committees and representatives.
- If there is an accident in the workplace then a firm must submit a “First Schedule, Factories Act, (Notification Act), Notice of Accident” form. It should be noted that new forms are being developed by OSH and will be released soon.
- An appeal process exists on paper through the position of the Safety and Health Commissioner. This position, however, is not filled at the moment. If a party has a complaint an unofficial system of appeal exists with the Ministry of Labour and a formal system with the courts.
- In terms of regional co-ordination, OSH has an office in Berbice where an OSH representative has complete authority to make decisions and approvals. The other regions receive visits from an OSH representative from Georgetown on an as needed and available basis. It is through these visits that OSH makes its inspections and verifies information provided by investors on their application. (In some cases, OSH might use a Regional Executive Officer to verify applicant information.) Short of a visit from an OSH inspector, an investor in an outlying region must travel to Georgetown to meet with OSH representatives.

# Revenue Authority

## Contact Information

**Contact:** Information Officer

**Address:**  
GPO Building  
Robb Street  
Georgetown

### Regional Offices:

New Amsterdam  
Linden  
Anna Regina  
Springlands

Tel: 225-5587

## Governing Act

*Income Tax Act (81:01)*  
*Income Tax (in the Aid of Industry) Act (81:02)*  
*Corporation Tax Act (81:03)*  
*Capital Gains Tax Act (81:20)*  
*Property Tax Act (81:21)*  
*Consumption Tax Act (80:02)*

## Fees

There are no processing fees

## Estimated Processing Time

1-2 weeks

## Additional Information

<http://www.sdn.org.gy/goinvest>  
(Investor Roadmap Link)

All businesses, whether firms (unincorporated businesses including single ownerships and simple partnerships) or companies (incorporated businesses, including incorporated partnerships of individuals or companies), must have a taxpayer reference number. Firms may register with and receive a reference number from any Revenue Authority office by submitting a letter requesting such. Companies, in contrast, may only register with and receive their unique taxpayer number from the Revenue Authority's head office in Georgetown. In addition to a letter requesting a number, companies must also submit certificate and articles of incorporation.

Whether a firm or a company, every business can benefit from sound tax advice. The Revenue Authority has in print several booklets to assist small businesses, including: Guide to Income Tax, Self-Employed Persons - A Tax Guide, Guide to Capital Gains Tax, Guide to the P.A.Y.E. System, and Guide to Property Tax.

### Income Tax Act (81:01)

This act largely covers individuals, sole proprietorships, and partnerships, but some sections apply equally to companies. (Corporations/companies and external companies, i.e., foreign owned operations, are addressed in additional detail by the *Corporation Tax Act*.) In the case of single ownerships and partnerships, the income earned by the business is considered passed on entirely to the owner or, in the case of partnerships, to the partners according to each partner's percentage rights.

Guyana has double taxation treaties with Canada, the United Kingdom, and Northern Ireland, as well as members of CARICOM. The Commissioner of Inland Revenue may grant unilateral relief for taxes paid in countries with systems and legislation similar to Guyana.

### Income Tax (in the Aid of Industry) Act (81:02)

The act provides tax relief to a variety of industries, i.e. sugar; rum distillation; mining; manufacturing of glass, paper, nails, housewares, cement, refrigerators, fertilisers and other products; logging; breweries; hotels; canning; and foundries. However, it excludes gold, diamonds, and petroleum—which are eligible for other special allowances. Among the act's provisions:

- An initial allowance of 10 percent of the cost of constructing a building and structure for the purpose of operating an eligible activity in the year in which the capital expenditure is incurred. Thereafter, a deduction or annual allowance of 5 percent per annum is permitted.

- An initial depreciation allowance of 40 percent on the cost of machinery. The cost of altering an existing building to accommodate the new machinery may be added to the cost of the machinery for purposes of calculating the allowance.
- An initial allowance for capital expenditures on scientific research of 60 percent of the expenditure and an annual allowance equal to 10 percent of the expenditure for each of the next four years.

### **Corporation Tax Act (81:03)**

This act regulates the tax on profits of companies (i.e., incorporated or unincorporated, but not partnerships or sole proprietorships). There are two distinctions made: resident/non-resident (depending from where management and control is exercised) and commercial/non-commercial (a commercial company is one which derives at least 75 percent of its gross income from trading goods it does not manufacture).

The corporate tax rate is 45 percent for commercial companies and 35 percent for non-commercial companies. Commercial companies with a turnover in excess of \$1,200,000 are liable to Corporation Tax, but in no case should the tax paid for any year be less than 2 percent of the Company's turnover (arising from operations in Guyana) for that year. If this tax—called the minimum tax—exceeds the corporate tax that would have been paid, the difference can be carried forward and set off against future company tax obligations, if those future obligations are in excess of the minimum tax.

### **Capital Gains Tax Act (81:20)**

A capital gains tax of 20 percent is levied on net chargeable capital gains in excess of \$1,000. This tax is applicable on assets held less than 25 years and exchanged at a gain above the original acquisition price less depreciation, provided such gains are not treated as profits for purposes of income tax computations under the *Income Tax Act*.

### **Property Tax Act (81:21)**

Property is defined as movable and immovable. Net property, on which the tax is computed, means the amount by which the aggregate value of property is in excess of the aggregate value of all debts owed.

### **Consumption Tax Act (80:02)**

Consumption tax, or 'C' tax as it is also referred to, is charged on goods destined for domestic consumption whether manufactured in or outside Guyana. The rate of tax depends on the item and for most items varies between 0 percent and 30 percent, though the tax on some goods exceeds 30 percent. The Customs and Trade Administration is the agency responsible for collecting the consumption tax.

### **Pay As You Earn (PAYE)**

Any business with one or more employees must deduct taxes from employee wage or salary payments, whether those payments are made daily, weekly, fortnightly, or monthly. For self-employed persons, it is not necessary to deduct PAYE. A business must register all its employees under the PAYE system with the proper branch office of Inland Revenue.

# Directory of Resources

Agency	Contact Information
<b>Central Board of Health</b> (Reviews application during the site development process)	Ministry of Health & Labour Brickdam, Straboek Georgetown <b>Tel:</b> 226-7400, 226-5861, 226-5865 (ext. 31)
<b>Central Housing &amp; Planning Authority</b> (Ultimately responsible for control of building development throughout Guyana)	Homestretch Ave. Durban Park, Georgetown <b>Tel:</b> 227-7233
<b>Customs and Trade Administration</b> (Involved in the import and export of goods)	Customs House 34 Main & Hope Streets Georgetown <b>Tel:</b> 225-6931, 225-6937 <b>Fax:</b> 226-2128 <b>Regional Offices:</b> New Amsterdam: 333-2513 Timehri: 261-2247
<b>Deeds &amp; Lands Registry</b> (Involved in the registration of business partnerships/proprietorships, the purchase of private land, and the leasing of private land)	Charlotte Street, Stabroek Georgetown <b>Tel:</b> 225-1129, 225-3083, 226-8641 <b>Regional Offices:</b> New Amsterdam: 333-3420 Anna Regina (in 2001)
<b>Environmental Protection Agency (EPA)</b> (Reviews application during the site development process)	IAST Bldg, University of Guyana Turkeyen Campus Georgetown <b>Tel:</b> 222-2277, 222-5784, 222-2231, 222-5785 <b>Fax:</b> 222-2442 <b>E-mail:</b> epa@networksgy.com
<b>Fire Services Prevention Section</b> (Involved during the site development process)	Fire Services Headquarters 11A Water St. Georgetown <b>Tel:</b> 226-2411, 226-2413 <b>Regional Offices:</b> New Amsterdam Timore West Demarara
<b>Food &amp; Drug Department</b> (Monitors quality of related products)	Mudlot, Kingston Georgetown <b>Tel:</b> 263-4711, 226-8337
<b>Georgetown City Engineers Department</b> (Involved in site development process)	Homestrech Avenue Durban Park Georgetown <b>Tel:</b> 226-1332
<b>Guyana National Bureau of Standards (GNBS)</b> (Manages the Import Quality Monitoring Program)	Flat 15 Exhibition Complex Sophia Georgetown <b>Tel:</b> 455-9041, 455-6226, 455-9013 <b>Fax:</b> 455-7455 <b>E-mail:</b> gnbs@sdnp.org.gy <b>Regional Offices:</b> New Amsterdam: 333-4017 Springlands: 339-2308

<b>Industrial Estate Land (see GO-Invest)</b> (Involved in the leasing of industrial estate lands)	190 Camp Street (corner of Camp & Church streets) Georgetown <b>Tel:</b> 225-0654, 225-0658, 227-0653 <b>Fax:</b> 225-0655
<b>Internal Revenue</b> (Involved in tax collection)	GPO Building Robb Street Georgetown <b>Tel:</b> 225-5587 <b>Regional Offices:</b> New Amsterdam; Linden; Anna Regina; Springlands
<b>Land &amp; Surveys Division</b> (Involved in the leasing and acquisition of state- or government-owned land)	22 Hadford Street, Lodge Georgetown <b>Tel:</b> 226-0528, 226-0529, 226-4052
<b>Ministry of Home Affairs</b> (Involved in immigration and the issue of visas)	6 Brickdam, Stabroek Georgetown <b>Tel:</b> 226-1717, 226-2444, 226-2445
<b>Ministry of Labour</b> (Involved in the issue of work permits, the National Insurance Scheme, and employer-employee relations)	Homestretch Avenue, Durban Park Georgetown <b>Tel:</b> 225-7302, 226-6997, 225, 7510 <b>Fax:</b> 225-3477 <b>Regional Office:</b> New Amsterdam: 333-3327
<b>Ministry of Trade, Tourism, and Industry</b> (Involved in the export/import of goods, in conjunction with the Customs Trade and Administration)	Ministry of Trade, Tourism & Industry 229 South Road, Laceytown Georgetown <b>Tel:</b> 227-2718 <b>Fax:</b> 225-4310
<b>National Insurance Scheme</b> (A social insurance program under the Ministry of Labour)	Brickdam, Stabroek Georgetown <b>Tel:</b> 225-2793, 225-2793, 226-8376 <b>Fax:</b> 225-9377 <b>Regional Offices:</b> New Amsterdam: 333-3122 Linden: 444-6305 Bartica: 455-2326 Mahaicony: 221-2326 Corriverton: 339-2224 Pourderoyen: 264-2531 Anna Regina: 771-4107 Melanie Dameshana: 07-0122, 07-1227 Port Mourant: 337-2292, 337-2630 Mabaruma Leonara: 268-2285, 268-2275, 268-2278
<b>Occupational Safety and Health Commission</b> (Involved in the site development process and requires annual renewals)	Homestretch Avenue, Durban Park Georgetown <b>Tel:</b> 226-8739 <b>Fax:</b> 225-3477 <b>E-mail:</b> Mol-osh@sdpn.org.gy <b>Regional Office:</b> New Amsterdam: 333-2689
<b>Secretary to the Treasurer</b> (Involved in tax holidays and the import/export of goods)	Ministry of Finance Main Street, Kingston Georgetown <b>Tel:</b> 226-3371

# Utilities

Usually, an investor establishes utility services through one of the following entities:

**Phone, voice, data, Internet, cellular connections**

Guyana Telephone & Telegraph Company Ltd. (GT&T)

**Electricity.** Guyana Power and Light Inc. (GPL)

**Water service.** Guyana Water Authority (Guywa)

There are, however, several exceptions to these utility providers:

- In Old Georgetown, before a site can be developed, an investor must seek approval from the Sewage and Water Commission.
- In Linden, the Linden Power Company Inc. generates electricity and the Linden Mining Enterprises Ltd. manages water.
- In the Lethem area electricity is generated by Mocha-Mocha.
- In Berbice, in addition to GT&T, Caribbean Telecommunication Ltd., another privately owned company, also provides cellular service.

The availability of service from each utility varies depending on the location of the business. For instance, many outlying areas may not have access to one or all of the utilities. As noted in Fact sheet 2, during site selection an investor will want to determine the services available to the chosen site before acquiring it. This consideration should be a priority for an investor because many sites lack utility services, which may

be difficult and costly to obtain, if at all.

**Investment Related Procedures**

The process for obtaining utility services is similar for all three utilities.

1. The investor contacts the utility in question.
2. A survey is completed to determine availability of desired service in the area and the cost, if any, of extending the service if it is not presently available.
3. The utility will then provide an estimate of the cost and, if accepted, in some cases a temporary connection during construction or service extension.

Many of the regions have different conditions surrounding the availability and connection of utility services. It is recommended that an investor consult the local branch of each respective utility to obtain specific guidelines. The following descriptions of utility access contain case studies, which are meant to illustrate some of the different conditions that exist in the various regions.

**Guyana Water Authority**

The Guyana Water Authority is responsible for the supply of all potable water in Guyana, with the exception of Georgetown. Responsibility for potable water within the boundaries of Georgetown rests with the GSWC; however, this entity is expected to be absorbed into Guywa within the next 12 to 18 months. Additionally, Guywa is

currently in the process of taking over the water functions from Linmine in Linden.

As the provider of potable water in Guyana, Guywa monitors and regulates the quality of drinking water and approves the drilling of all wells. The approval of wells are evaluated by the capacity of the well to provide water, the need to control water usage and waste, and the need to protect Guyana's aquifer. Currently there are enough wells to meet expected demand. As a result, Guywa expects to propose downsizing their drilling department, and outsourcing some future drilling efforts. Additionally, Guywa is working to make the provision of water more efficient by closing some wells or linking them to others in the area. Also, Guywa will soon be moving toward "water factories" which will disinfect, filter, and chlorinate public water. These factories will soon be in operation in both industrial sites near Georgetown.

Procedures to follow for access to water for a business are:

**Georgetown.** During site development the plans for the site are sent to the Central Board of Health where Guywa has a representative. In order to be approved the building plan must have GSWC certification. In the event that GSWC isn't able to provide a water source, the investor can either include the construction of large storage tanks on the site or propose drilling a well on the site. The latter requires Guywa's input and approval.

**Outside of Georgetown.** Each region has some nuances for accessing water but the general procedure is that the investor will require a letter from Guywa certifying that water supply is available. If Guywa can not deliver water then a letter approving a new well is required before building plans can be approved. The general procedure for accessing water in the Regions includes the following:

- a. After site selection, the investor formally applies for a water connection using the designated form.
- b. Guywa has set a target of seven days to process the application. Once inspection has occurred a connection fee [and specifications] is determined.
- c. Service connection is usually made in less than 14 days after Guywa has received payment. The fee varies depending on the quantum of water the site will need. For example, a  $\frac{3}{4}$  inch connection is \$10,000 and a 2-inch connection is \$15,000.
- d. For all new constructions Guywa must approve the 'water system' as outlined by the building plans. This is usually done through the CHPA where Guywa has a representative, but Guywa recommends that the investor obtain pre-approval directly from Guywa in order to facilitate efficiently the building approval process.

- e. After construction and the service connection are completed, the investor will be metered. Bills are paid on a monthly basis and are based on actual readings.

#### **Guyana Power and Light Inc.**

If electricity is in the area, GPL will request an investigation fee of \$2,000. It will take about three to four weeks after payment to have GPL investigate and prepare an estimate for the client. This estimate is necessary since the client, even if near to the power source, may need relays or other technical equipment to ensure a constant and reliable source. The investigation provides an estimate of how far current lines are from site.

Another three to four weeks are necessary after the payment of the estimated costs, to source and install the equipment. During construction GPL will assess the workmen's needs and upon payment of the appropriate fee (will differ from case to case), will install a temporary line, which is not metered. After construction is completed the building has to be certified by the Government authorities before GPL will make the connection for the permanent supply of electricity. High demand customers' meters are read and billed monthly.

Of particular note:

#### **Region 6 – New Amsterdam.**

Responsible for all power supplied to the county of

Berbice. Clients should apply three to four months before service date. This may be done by letter, which should state all the technical details of the expected supply. If there is no power in the area, or it is uneconomical to the client to have GPL supply, the client can take steps to obtain his supply from a secondary source, e.g., generator.

**Region 10 – Linden.** Linden Power Company will only connect power to the building after the investor receives an Inspection Certificate from the appropriate department within the Ministry of Works in Georgetown. An investor should check with Linden Power Corporation regarding the procedure.

#### **Guyana Telephone and Telegraph Company Ltd.**

GT&T has worked to upgrade the Guyana telecom infrastructure in the last 10 years by upgrading existing technologies and introducing fibre optic systems, digital switching, and cellular and wireless service. This upgrade in infrastructure has been complimented with an effort to create broader and deeper services. By their own account, GT&T repairs 75 percent of all faults within 48 hours and the fault rate on lines has dropped.

Investors may obtain details from GT&T's Corporate Web site via their Guyana Online Home Pager at <http://www.gol.net.gy>.

# Investment Incentives

With minor exceptions, Guyana treats domestic and foreign investors alike with respect to investment incentives.

Incentives include, but are not limited to:

- Industrial estates
- Accelerated depreciation
- Flat business tax rate
- Export allowance
- Loss carryforward
- Construction allowance
- Research and development allowance
- Moderate capital gains tax

## **Duty-free Imports and Tax Holidays**

In addition to some specific advantages conferred on certain industries, e.g., tourism, fisheries, mining, exporters can access the preferential markets defined by CARICOM, Lome IV, CARIBCAN, and the Caribbean Basin Initiative. Guyana also offers duty free imports and tax holidays to investors. The process for obtaining either of these two incentives is the same, and begins with a letter to the Secretary to the Treasury.

A key factor in the determination of duty free status and consumption tax waiver is the domestic value added. The applicant should include a pro-forma invoice for the items to be imported, indication of the end market, expected sales price, and calculation of the value added in Guyana. A blanket approval will not be given. Instead, each import consignment must be reviewed on its own merits. When granted, the duty and consumption tax is often waived completely or lowered based on the industry and item. The approval process can take some time; however, the office of the Secretary to the Treasury has a target of a seven-day turnaround.

Value added and the nature of the business are two key considerations in extending a tax holiday. Inland Revenue and Cabinet may be consulted as well. The President must approve all tax holidays. As a result, the approval process is longer. Tax holidays are less likely than duty free status or consumption tax waiver. Tax holidays can range up to 10 years, or longer depending on the nature of the business.

## **Dispute Settlement**

Property may be expropriated for public purposes following international law principles of due process, adequate compensation, and transparency; however, Guyana has not expropriated property for some time. Guyana's Arbitration Act (1931) allows for the enforcement of international arbitration decisions. Guyana is a signatory to the Convention on the Settlement of Investment Disputes between States and Nationals of other States and a member of the International Centre for the Settlement of Investment Disputes.

# Glossary of Terms Used in the Fact-sheets

**Business Types:** The terms firm(s) and company(ies) have specific meanings defined by the Acts of Guyana, see below. In this document the words “business,” “entity,” and “enterprise,” and the like – are generic.

**Commercial Company:** A business that derives at least 75 percent of its gross income from trading goods it does not manufacture.

**Company(ies):** A business that is incorporated.

**Conversions:** All figures in Guyana dollars unless stated otherwise. As of June 2000, the rate of exchange was G\$187/US\$ and G\$259/UK£.

**External Company:** Incorporated or unincorporated entity formed under the laws of a country other than Guyana.

**Firm:** An unincorporated entity of two or more individuals and partnerships (including those with one or more incorporated companies), though most often a sole proprietorship.

**Gazette:** Refers to ‘The Official Gazette of Guyana,’ government's official weekly publication in which certain actions are listed for public notification.

**Intangible Property:** For purposes of the fact-sheets, refers to trade marks, copyrights, patents, designs, and intellectual property.

**Land - Deeded:** Land registered under the old Deeds Registry Act is transported land.

**Land - Titled.** Land registered under the new Land Registry Act is titled land.

**Land - Government-owned:** Land owned and administered by various Guyanese Ministries.

**Land - State-owned:** Land administered by the State.

**Old Georgetown:** for water defined as Atlantic Ville, Cummings Lodge to Agricola Village; for sewerage defined as Vlissengen Road to Six Heads Lewis Blvd.