ONE PEOPLE ONE NATION ONE DESTINY

GUYANA OFFICE FOR INVESTMENT
OFFICE OF THE PRESIDENT
GOVERNMENT OF GUYANA

Forestry
Investment Portfolio

ISO 9001 CERTIFIED
GCS.
MS-AZ1360

Hon. Vickram Bharrat, Minister of Natural Resources

Guyana's Forestry Sector

Guyana's forest covers 18,001,790 Hectares. It is the second-highest % of forest cover on Earth recorded in 2020.

Forest cover: about 18 million hectares (87% of Guyana's land area)

State forests:	12.5 million hectares
Allocated forest:	5.24 million hectares
Actual harvest:	25 - 35 percent
2022 Production:	441,500 m^3
2023 Projected Production:	460,000 m^3

The forest sector employs approximately 22,500 persons

2022 Production:	441,500 cubic meters
2023 Projected Production:	460,000 cubic meters
2022 Exports:	USD 34M
2023 Exports Projected:	USD38M

Summary of State Forest Classification

CLASSIFICATIONS	COUNT	Area (Hectares)	% Allocation
PRODUCTION LANDS ending June 2022			
Small concessions	535	2,295,940	43.8%
AL and ML	13	11,420	0.2%
State Exploratory Permits (SFEP)	2	138,850	4.6%
Large Concessions	22	2,872,442	51.1%
Total Production Area Allocated	571	5,314,652	100.0
PERMANENT RESEARCH AND RESERVES			
GFC Forest reserves	12	17,924.92	
Total Forest Allocated		5,314,652	
Unallocated State Forest		7,233,424	
Total State Forest		12,566,000	
Iwokrama	1	371,681.00	
Kaieteur National Park	1	61,091.34	
Other (Shell Beach, Kanuku)	2	730,300	
Total area size of Protected Area			

Robust Legislative, Policy and Procedural Framework for the Forest Sector

FOREST ACT 2009

GFC ACT 2007

FOREST REGULATIONS 2018

LOW CARBON DEVELOPMENT STRATEGY

NATIONAL FOREST POLICY 2018

NATIONAL FOREST PLAN 2018

CODES OF PRACTICE 2018

Clearly defined procedures for:

STATE FOREST ALLOCATION

STATE FOREST HARVESTING

PROCESSING OF FOREST PRODUCTS

DOMESTIC SALE/EXPORT OF FOREST

Forest harvesting/processing/export done in keeping with international SFM principles

- Chain of custody well developed
- Any log can be traced back to origin in the forest
- 30 Forest Stations strategically located
- GFC has passed all 3rd Party Independent forest monitoring audits
- Codes of Practices - Prescriptions for monitoring small/large concessions
- Guidelines for conversion/further processing; export

Some prescriptions of the Code of Practice Guidelines

- Low intensity selective logging
- GPS coordinates for every tree cut (Average of 1 tree/2 ha(5ac))
- Allowable cuts; minimum distances between felled trees-no large canopy openings; natural regeneration
- 100 % pre-harvest inventory done for LC > 8097 ha; analysed before harvesting
- Log tagging/GPS coordinates for every tree felled-bar coded tags/ electronic scanners

Use of the Log Tag

Log tagging - half of the tag is affixed to the stump; the other part bearing the same sequence of numbers as on the stump tag is affixed to the produce being conveyed.

Enabling Environment to Catalyze Forestry Sector

- Current local construction boom
- Collaboration with the Ministry of Housing to build low income wooden houses
- Increased Common External Tariff on Pine/Plywood/other imported timber
- Import license required to import timber
- Log export policy revised- easier to purchase/export logs/lumber
- Local companies now FSC FM and Chain of Custody Certified (independent)
- Guyana Low Carbon Development Strategy 2030 was launched in 2021
- Consolidated (Dimension stock yard) is a viable investment opportunity
- Incentives: no VAT on logs, sawn lumber, machinery; investment agreements
- Development of hinterlands infrastructure provided for in Budget 2022

Monitoring Forests in Guyana from 1990 to 2021

National Area Deforested 1990 to 2021

Reporting period	Year	Years	Satellite Image Resolution	Forest Area	Annualised Change	
				('000 ha)		(%)
Initial forest area 1990	1990		30 m	18,473.39		
Benchmark (Sept 2009)	2009	19.75	30 m	18,398.48	74.92	0.021
Year 1 (Sept 2010)	2010	1	30 m	18,388.19	10.28	0.056
Year 2	2011	1.25	30 m & 5 m	18,378.30	9.88	0.054
Year 3	2012	1	5 m	*18,487.88	14.65	0.079
Year 4	2013	1	5 m	18,475.14	12.73	0.068
Year 5	2014	1	5 m	*18,470.57	11.98	0.065
Year 6	2015-16	2	10 m & 5 m	18,452.16	9.20	0.050
year 7	2017	1	10 m & 5 m	18,442.96	8.85	0.048
Year 8	2018	1	10 m & 5 m	*18,070.08	9.22	0.051
Year 9	2019	1	10 m & 5 m	*18,019.35	12.74	0.071
Year 10	2020	1	10 m & 5 m	*18,001.79	10.23	0.057
Year 11	2021	1	10 m & 5 m	17,986.00	7.63	0.042

Incentives Available in the Forest Sector

- Duty and VAT free for most machinery and equipment used in logging and processing operation.
- Zero taxes on fuel
- Duty and tax exemption on various categories of 4x4 vehicles
- Duty and tax exemption on ATV's and haulage vehicles
- Government contribution to Infrastructure
- $ 900M Revolving Fund for the Forest Sector
- Expected to start issuing licenses in 2024/25
- Will guarantee legality of origin to consumers
- Concurrently engaged in Programme for the Endorsement of Forest Certification (PEFC)
- Will hopefully complete process in 2022
- Will guarantee sustainability of origin

Products

- Guyana Greenheart, Guyana Purpleheart, Guyana Cherry, Guyana Amberwood
- Best marine timber
- Sawn lumber for construction
- Decking
- Lus/decorative species
- Profiled construction lumber
- Shingles - Guyana wine wood (Wallaba)
- Prefab houses / precut houses
- Flooring banks
- Garden furniture
- Other household components
- Moudings, shutters, doors
- Pitles - General construction and marine application
- General construction
- Greenheart decking - new product
- Wallaba shingles
- Decorative
- Processed forest products



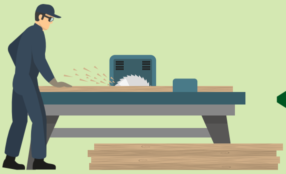
Products Supply Chain

< 1,000 **timber species** suited for:

local construction

value added

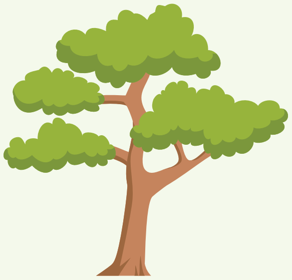
export



< 550 **small & mid-size producers**

22 **large scale operators**

< 300 **sawmills and lumber yards as sources of materials for local construction**



Prominent timber species for construction:

Greenheart | Purple Heart | Wallaba | Kabukalli
Mora Shibadan | Locust | Crabwood | Tauroniro
Hububalli | Wamara | Silverballi

Investment Opportunities

- Investment in Primary Extraction of Forestry Resources *(current extraction level is at 30% of sustainable maximum)*
- Investment in large scale downstream processing *(to include added value processing with supply chain integration; strengthen local capacity and offer investment opportunity)*
- *Prefab Houses (Affordable Prefab Houses)*
- High Abundance of Prime Added Value Species *(flooring, decking, prefab houses, furniture to target niche export markets)*
- Potential for Joint Venture Opportunities with existing forestry operators
- Partnering on broader Environmental Services *(including forest carbon services, biodiversity and other watersheds to align with global climate goals)*
- Equipment Rental Services*(trucking, transport to forest concessions to point of export)*
- Reforestation programs in forest degraded areas – in mined out areas, etc.(Approximately 200,000 hectares of lands for reforestation)
- Forest plantations – National Forest Policy requirement)*(Investment in pulp and paper industry using fast growing forest species)*
- Forest products consolidated marketing business *(buying and selling forest products on a large scale - consolidating hub)*
- Development Financing Window*(forest sector is capitalized with limited and high cost of capital)*
- Development of an Integrated Log Consolidation/Storage and Distribution Centre
- Small Business Development through Innovative Credit Line or Revolving Fund
- Expanded Use of Non Timber Forest Produce such as Kuffa and Nibbi into Furniture Making to fulfill a growing Hotel Industry
- Alternative Uses of Forest Produce such as supporting the Development of Small Industries (Decorative Products, Household and Garden Products etc.) including Wood Waste for Energy

GUYANA
OFFICE FOR INVESTMENT
OFFICE OF THE PRESIDENT
GOVERNMENT OF GUYANA

190 Camp & Church Streets, Georgetown, Guyana, South America
Tel: +592-225-0658, 227-0653 | Fax: +592 225 0655

invest@guyaninvest.gov.gy

www.guyanainvest.gov.gy

guyanainvest