



Services

Investment Portfolio





Hon. Oneidge Walrond, Minister of Tourism, Industry and Commerce

Service Sector in Guyana

According to the Ministry of Finance, Budget Speech 2023 the following were highlighted:

Growth in the services sector in 2022 was estimated at **9%** and is projected to expand by **5.6%** in 2023



Construction industry is targeted to grow by **17%** in 2023.



Wholesale and retail trade and repairs are expected to grow by **7.8%**.



Transport and storage services are projected to grow by **7.4%**.



Administrative and support services are projected to grow by **6.5%**.



Real estate activities are estimated to grow by **5%**.

Guyana's Comparative Advantage

- **Competitive cost of labour:**
Guyana has one of the lowest manufacturing wage rates in the Caribbean and Central America. The workforce is highly diverse and trainable.
- **Access to local inputs:**
Guyana's natural resources provide manufacturers with an abundance of locally available and affordable inputs for value-added products within varied industries including agro-processing, forestry, construction and mining.
- **Availability of industrial parks:**
The Government of Guyana has invested in a number of industrial parks with installed infrastructure available at G\$1.00/US\$0.005 per square foot per annum and investment concessions for materials, vehicles, plant and machinery.
- **Internationalisation of the Economy:**
As the economy opens up to international investors, businesses and processes, greater standards and more efficient technologies will be introduced which will enhance the expansion of the country's economy.
- **Vast Reserve Capacity to improve Productivity:**
There are many infrastructural gaps within the service industry which provide equally as many opportunities to capitalise and create successful business ventures. Introduction of new technologies, improved management systems, catering for undeveloped markets, are ways in which gaps may be filled, productivity increased, and profit guaranteed.

Why Invest?

- **Strategic Placement:**
Guyana enjoys favorable geographic, economic and cultural linkages with the Caribbean and South American markets.
- **Competitive Labour Market:**
Economical wage rates and diverse, trainable labour force with enhanced strategies established for capacity building and human resource development.
- **Enabling Investment Environment:**
Guyana's leaders have declared Guyana 'open for business' and are taking steps to improve the investment climate.
- **Natural Resources:**
Rich mineral deposits, productive land, forests, seas and rivers which present robust and diverse investment opportunities.
- **Stability:**
A secure and stable socio-economic climate in which to do business.
- **Language:**
Predominantly English-speaking with Latin-American ties

Budget 2023 Tax Measures. (Ministry of Finance, Budget Speech 2023)

1. Maintaining Freight Charges

- The Budget allows for freight charges to remain at pre-pandemic levels. This measure was instituted in 2022 and will further last until Dec 31,2023.

2. Containing Cost of fuel

- The zero excise taxes on fuel will be maintained as long as fuel prices remain elevated.

3. Support Renewal of the Industrial and Commercial Fleet

- The removal of the 14 percent VAT on new electric motor vehicles (not hybrid)
- An increase in the writing down allowance applicable to all-electric motor vehicles to 50 % annually.
- Reduction of duty from 45% to 35% for the importation of new motor vehicles below 1500cc.
- Used Vehicles below 1500cc will incur a flat rate tax of \$800,000.



Investment Projects

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

***Note: Not all investment projects are eligible for fiscal concessions.**

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

Construction

Hotels, Factories, Warehouses, Infrastructure, Recreational Facilities.

Restaurants and Catering

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

Consultancy

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



Education (Schools, Universities Training Centers)

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

Finance

Insurance services to support risk, Financing and Investment activities for new ventures, Financial Assets (management and market), Taxation and Auditing services, and Digital payment services.

Entertainment

- Music and Film
- Fashion
- Sports
- Other Recreational facilities such as Spas, Outdoor facilities, Nightclubs.

Security Services

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

Machining and Rentals

Includes Fabricating, Welding, Machining and Rebuilding and/or renting of machines, equipment and parts.

Retail Services

Includes Supermarkets, Electronic Stores, Gas Stations, Furniture stores, etc.

Transportation and Logistics

- Includes Bus, Barge, Ferry and Trucking Services and other modes of transportation.
- Courier and Messenger Services.
- Air and Sea Port Facilities

Medical (No corporate Taxes)

Private Hospitals, Clinics and Medical Universities will be required to secure the health of the population and the vitality of the economy.



Environmental Services

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

Incentives

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

Medical Subsector

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

Education

- Medical Schools under this Subsector are offered exemption on Duty and VAT on all equipment and Material needed to establish and operate.
- VAT and Corporate Taxes removed on corporate educational facilities.

Dock Yard and Shipping Building

- Exemption of Duty and Taxes are available for the operation of Dry-Docking Facilities.

Recycling

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

Solid Waste Collector

- Waivers of Duty and taxes on Certain Vehicles and Equipment.

Funeral Homes

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

Machining

- Wavier of Duty and taxes on all Machinery and Equipment.

Recording Studios (Music)

- Waivers of Duty and Taxes on Equipment and Material.

Shore Base facilities

- Wavier of Duty and taxes on all Machinery and Equipment.

Machinery and Equipment

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



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

✉ invest@guyanainvest.gov.gy

🌐 www.guyanainvest.gov.gy

📘 [guyanainvest](#)

