



GENERAL

ECLA/CARIB/G.84/4

31 December 1984

ORIGINAL: ENGLISH

ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN  
 Subregional Headquarters for the Caribbean  
 CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE

TRADE PROCEDURE GUIDE (PART XII)

GUYANA



**UNITED NATIONS**

ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN  
 Subregional Headquarters for the Caribbean

1944

1944

1944

## INDEX TO ENGLISH TRADE PROCEDURE GUIDES

---

### Contents of National Trade Operations Guides

---

1. IMPORT REGIME
  - 1.1. Customs duty policy
    - 1.1.1. Import tariffs
  - 1.2 Trade Requirements
    - 1.2.1. Foreign Exchange Regulations
    - 1.2.2. Import permit or license
    - 1.2.3. Invoices
      - i. commercial
      - ii. consular
      - iii. pro-forma invoice
      - iv. invoice of goods shipped
    - 1.2.4. Bill of Lading
    - 1.2.5. Certificates
      - of origin
      - of purity
      - of quality
      - animal and/or botanic health
      - of registration
      - of analysis
      - of insurance
      - of value
      - of weight
    - 1.2.6. Technical specifications
    - 1.2.7. Advertising material
    - 1.2.8. Labelling
    - 1.2.9. Brands or trademarks
    - 1.2.10. Packing
  - 1.3. Fines and Penalties - Port and Warehousing Procedures
  - 1.4. Specimens, Samples
  - 1.5. Shipment restrictions
  - 1.6. Distribution channels
    - 1.6.1. Agents or representatives
2. EXPORT REGIME
  - 2.1. Export procedures
  - 2.2 Exports subject to special requirements
    - 2.2.1. Export permit

---

Contents of National Trade Operations Guides

---

- 2.3 Export incentives
  - 2.3.1. Direct incentives
    - 2.3.1.1. Direct tariff incentives
      - tax exemptions or reductions
      - compensatory taxes
    - 2.3.1.2. Direct credit incentives
      - pre-shipping credit
      - post-shipping credit
    - 2.3.1.3. Certificates
      - tax refund certificate
      - tax guarantee or tax payment certificate
      - export increase certificate
      - tax compensation certificate
  - 2.3.2. Indirect incentives
    - "draw-back" schemes
    - preferential exchange rates
    - financial incentives
  - 2.3.3. Free zones (trade and industrial freeports)
- 3. MULTILATERAL AGREEMENTS AND INTEGRATION SCHEMES
  - 3.1. Bilateral
  - 3.2. Multilateral
  - 3.3. Integration schemes
- 4. AGENCIES AND INSTITUTIONS INVOLVED IN FOREIGN TRADE
- 5. NATIONAL AND INTERNATIONAL FAIRS
  - 5.1. Name and place
  - 5.2. Organizing institution
  - 5.3. Frequency and direction
- 6. CHAMBERS AND ASSOCIATIONS OF COMMERCE
  - 6.1. Membership to regional and international associations

## GUYANA

### 1. IMPORT REGIME

#### 1.1 Customs duty policy

Guyana, independent since 1966, is a member of CARICOM and as such adheres to the common market provisions.<sup>1/</sup> Guyana is also a signatory to the Lomé Convention II.<sup>2/</sup> Its tariff system is based on the Customs Co-operation Council Nomenclature (CCCN) system of classification. Since 1976, Guyana operates on the new single-tier Common External Tariff (CET) of CARICOM, which applies to all non-CARICOM countries. There is also a separate tariff schedule for duties applicable to some imports for other participating members of the Caribbean Common Market. Duties are paid in Guyana dollars, and are payable to the Customs and Excise Department at the time the goods clear customs.

Foreign trade is recognized as an instrument of national economic development. This policy has been given effect by:

- i. Legislation setting out import prohibitions and restrictions.
- ii. State trading.
- iii. Centralisation, rationalisation and standardisation of imports effected by the state trading agencies.

The enactments in respect of the import prohibitions and restrictions set out the legal parameters of the import licensing system which serves as a mechanism by which import substitution is promoted and export development and diversification encouraged. This is achieved through three inter-related economic objectives, namely:

- i. The conservation of foreign currency.
- ii. The support of local production.
- iii. The alteration of consumption patterns.

---

<sup>1/</sup> See Part I.

<sup>2/</sup> See Part II.

The import licensing system, however, does not cater for restrictions involving any type of quotas, e.g. those based on quantities, area of supply, brands or price ceiling.

#### 1.1.1 Import tariff

Customs duties under the laws of Guyana are as a percentage of a levied c.i.f. value, i.e. the price at which the importer would give for the goods on purchase, quantity or volume of the goods. Preferential treatment is given to goods from the CARICOM area. Ad valorem duties are levied as a percentage of the c.i.f. value and generally vary from duty free concessions on raw materials of the item delivered to the custom house of entry, to include the price for the right to use patents, designs and/or trademarks when such rights exist on the imported commodity. Specific duties goods are dutiable by weight or volume if such is marked on the container, or if the goods are normally reputed to be of a certain weight or volume. Duties are also levied on the basis of gross weight if the package is improperly labelled, i.e. the weight of the contents plus container and packaging.

Under the Lomé Convention II, Guyana receives preferential entry into the European Community, yet there is not a "reverse preference" to goods from this area, but extend to these countries equal "most-favoured-nation" treatment. Guyana ceased its Commonwealth preference in 1976. In accordance with Order No. 17 of 1970 (issued under the Consumption Tax Act, 1969) all locally produced products and imports, are subject to a Consumption Tax at various rates of duty depending on the article in question. However, goods under price control and selected imports of state-run corporations are exempted from this tax. The consumption tax is paid on the imports c.i.f. value plus the duty - the latter applicable to imports from nations not members of CARICOM.

Added to these taxes, a purchase tax is levied on automobiles and other motor vehicles, based on type and weight of vehicle with some exceptions. Importation of certain types is prohibited.

1.2 Trade requirements

1.2.1 Foreign exchange regulations

Exchange control authority is vested in the Ministry of Finance, which has authorized the Bank of Guyana to administer the regulations. The approved amount for current payments is then delegated to the commercial banks. Payment for authorized imports is subject to the availability of foreign exchange. Applications for foreign exchange must be accompanied by a deposit in domestic currency equal to the amount applied for. This deposit is forwarded to the Central Bank with the approved request, pending availability of convertible currency. In the meantime, these deposits or commercial arrears earn a 7% per annum interest, but not protected against movements in the interest rate. The rate of exchange is only valid on the day the Central Bank makes the foreign funds available.

1.2.2 Import permit or licensing

Effective 1974, Government prohibited the importation of all goods without a license. This license is obtainable from the Ministry of Trade and requires the endorsement of the Bank of Guyana for the conversion of currency. These licenses are usually valid for the remainder of the calendar year during which they are issued. Goods must arrive at destination within the validity period of the license.

The import licensing is operated to achieve some measure of centralisation, rationalisation and standardisation as under:

- (a) Import licenses are issued in respect of certain specified commodities only to that government corporation which has been identified to procure them centrally.
- (b) Where the responsibility of handling imports of any commodity has been given to a single government agency, with a view of eliminating duplication of ordering between such agencies, the relevant licenses are issued only to that government corporation.

- (c) A similar course of action is adopted where standardisation of commodities is involved.
- (d) As a general rule import licences are issued for the procurement of supplies for the retail and distributive sectors of the economy, only to government corporations, whose responsibility, then, is to order on a national rather than a local basis.
- (e) No grant of licenses is normally made to private sector concerns or individuals for goods to be disposed of by retail trade other than to dealers in spare parts. Goods for this trade are to be obtained through the relevant corporations.
- (f) Import licenses continue to be approved for specialized requirements of government and private concerns connected with sugar, bauxite, rice, timber and manufacturing industries, as the case may be.

Applications for import licenses are made in a statutory form. These documents are purchased from recognized stationary stores. Three completed forms are required for all transactions. The applicant may personally complete, sign and submit the application form himself. Alternatively he may arrange for some one to do it on his behalf. This person must, however, be properly authorised in writing to do so. The applicant or duly authorised agent completes the form by entering on it in writing all the required information, where appropriate, in respect of the transaction. He must also inscribe on the application form such declarations as regards the goods, which the Ministry may require and insert his signature in the place reserved for it.

Goods are to be fully described on the application form and specification where appropriate given. The customs tariff number i.e. the C.C.C.N. is to be stated against the description of the commodities. The f.o.b. value is to be shown separately even where the quotation is a c.i.f. one. Other components of the value are also to be specified under separate headings as follows:



- i. Carriage or inland freight;
- ii. Ocean freight;
- iii. Landing, shipping and delivery charges;
- iv. Commission.

The prevailing rate of exchange of the particular foreign currency and the equivalent Guyana dollars are to be stated. The expected time of arrival of the goods is to be recorded on the application form and copies of pro forma invoices, or indents for the goods should be attached to the import license application to substantiate the particulars of value. Other documentary evidence of value is also acceptable, e.g. relex quotation, price list, most recent invoices and prices set out in brochures and similar documents.

Approved application forms are forwarded to the Bank of Guyana for the recommendation of foreign currency and then to the Guyana National Trading Company (GNTC) Ltd.- Agencies Division, in respect of charges levied by that organisation. A licence is issued by the designated officer appending his signature to the appropriate section of the document. It is valid for an initial period of six months. A further extension of not more than six months may be granted upon submission of a written request by the applicant.

There are a number of exemptions from the general licensing requirements. An import license is therefore not necessary to cover the importation of the articles so affected. These are as follows:

- i. Baggage, household effects and personal effects of a passenger, settler or tourist.
- ii. Bona fide patterns and samples, the f.o.b. value of which does not exceed \$50.00 local currency in respect of each consignment.
- iii. Goods imported through parcel post by individuals, the f.o.b. value of which does not exceed \$250.00 local currency and which is not intended for sale or exchange.

iv. Gifts subjected to the following conditions:

- (a) The gift must be despatched to an individual, and its f.o.b. value is not to exceed \$500.00 Guyana currency.
- (b) It must be a genuine one and not intended as an article of trade or sent for such purpose. It should also not be intended for sale or commercial use.
- (c) It should be clearly marked as a gift.
- (d) Its gross weight should not exceed 22lbs.

### 1.2.3 Invoices

#### i. Commercial invoice

The commercial invoice required for goods imported into Guyana is the same as that required for goods imported into other CARICOM member states.

Two copies of the invoices are necessary showing all charges necessary to establish the c.i.f. value. Invoices for all goods should describe all merchandise thoroughly and accurately together with the tariff classification number (CCCN), including those exempt from import duty. It is a requisition to declare the origin of the goods. A declaration should be signed to attest to the accuracy of the information on the invoice. Under Guyanese law, no facsimile signatures are permitted. The importer must endorse the invoice with a declaration reading "It is hereby certified that this invoice shows the actual price of the goods described, that no other invoice has been or will be issued and that all particulars are true and correct".

#### ii. Consular invoice

Not required.

iii. Pro-forma invoice

May be required by the importer to substantiate license applications or as the first step in negotiating an import contract.

iv. Packing list

This is not a mandatory document. However, it facilitates the clearance of goods. Information on this document should be the same as the data on other documents.

1.2.4 Bill of Lading

There are no regulations specifying the form or number of bills of lading required for any particular shipment. If supplied, it should show the name of the shipper, name and address of consignee, port of destination, description of goods, listing of freight and other charges, the number of bills of lading in the full set, and the date and the signature of the carrier's official acknowledging receipt on board of the goods for shipment. This information should correspond with that shown on the invoices and packages. "To Order" bills are accepted.

The air waybill replaces the bill of lading on aircargo shipments with the number of copies issued based on requirements of the importer and of the airline used, subjected to IATA or ICAO rules covering shipment of dangerous and restricted goods.

Mail and parcel post shipments to Guyana require postal documentation in place of bill of lading. A green customs label i.e. Form 2976 - "Authority for Customs to Open International Mail", must be completed and placed by the sender on the address side of each letter or each letter package containing dutiable merchandise, each package of dutiable prints, and each small packet. A customs declaration C2 Form 2976-A "A Customs Declaration", is completed and enclosed inside the package. Dutiable merchandise is permitted in the letter

port of Guyana, subject to restrictions on weight and size.<sup>3/</sup> Insured packages must be sealed, having one Customs Declaration Form - 2966-A and one Despatch note, Form 2972.

1.2.5 Certificates

- Of origin

Shipments of CARICOM origins should be covered by a certificate of origin (see Part I, Section 1) to be given special Common Market Treatment.

In the case of imports from other countries, no certificate of origin is usually required. However, it may be requested by importer/bank/letter of credit clause. When required three copies are necessary (forms available from commercial printers) indicating the same data as on other documents. This certificate must be signed by a responsible member of the firm and certified by a Chamber of Commerce (usually one additional notarized file copy).

- Of insurance

Normal commercial practices prevail. Importers and/or insurance company's instructions should be followed.

- Special certificate

Special certificates, sanitary, policy to sanitary, are required for livestock, carcasses, poultry, bees, plants, fresh fruit and vegetable, foodstuff. Drugs must obtain approval from the Food and Drug Board prior to importation.

---

<sup>3/</sup> Weight: four (4) lbs. in letters and packages and printed matter in general; eleven (11) lbs. in books; and two (2) lbs. in small packets. Maximum weight is twenty-two (22) lbs. Greatest length is three (3) feet six (6) inches; greatest length and girth combined is six (6) feet.

The Food and Drugs Act of 1971 governs the sales of food, drugs, cosmetics and therapeutic devices. It is intended also to prohibit false and misleading advertisement and descriptions of foods, drugs, cosmetics and therapeutic devices and provide for the conditions of the sale of drugs, cosmetics and food.

Fresh and frozen meat products exported from the U.S. must be accompanied by a certificate that they meet the U.S. Department of Agriculture quality standards.

#### 1.2.6 Technical specifications

For most industries, compliance with the U.S. or British technical standards is acceptable.

Electric current is AC 50/60 cycles, 110/120 volts various. Electrical equipment imported into Guyana must be capable of operating at both 50 and 60 cycles per second.

For weights and measures, Guyana is presently switching over from the imperial system to the metric system.

#### 1.2.7 Advertising material

Printed books and pamphlets, advertising materials and samples of no commercial or marketable value may be imported free of customs duty. Commercial publicity material is dutiable. Trade patterns and samples of a value less than \$50.00 need no import license. Samples are allowed entry under bond if it enters as commercial traveller's baggage, but must be re-exported in three months.

#### 1.2.8 Labelling

Goods should be marked "Made in (name of country)" to avoid prohibited entry. As for garments a cloth label should be attached to each garment.

The Food and Drug Act of 1971, prohibits false and misleading advertisement and descriptions of food, drugs, cosmetics, and therapeutic devices. As such, the Food and Drug Regulations 1977 has set labelling requirements and standards for such commodities.

Supplies of spare parts for second-hand agricultural machinery such as combines, tractors, trucks and motor car equipment must indicate the name of manufacture, year of manufacture, model number, size and type of tyres, type of auxillary equipment such as winches or hydraulic linkages, when applicable, and type and make of hydraulic hoisting equipment, when applicable.

There are no special regulations which require shipping packages to be marked or numbered. The import of goods which do not bear an indication of the country where they were made or produced is prohibited.

Exporters to Guyana should ascertain whether or not this country is currently adhering to the U.N. recommendations for the labelling and packaging of hazardous and/or restricted goods.

#### 1.2.9 Brands or trademarks

There are no special regulations concerning the use of brands or trademarks.

#### 1.2.10 Packing

Except in the case of hazardous and/or restricted materials, where it should be ascertained whether Guyana is currently adhering to the U.N. recommendations on packing and marking, there are no specific regulations.

Goods of value should be packed in extra strong strapped cases.

1.3 Fines and penalties - Port and warehousing procedures

Importers of goods into Guyana without first obtaining an import license is liable to a fine of US\$500 - \$1,000 and imprisonment for three to twelve months. Second and subsequent violations are punishable by the maximum penalties cited above. Import restrictions under the CARIFTA provisions may be imposed by any member adversely affected by imports being dumped or subridged.

Goods must be entered within fourteen days (business) of arrival. After this they will be forwarded to a public warehouse and after three months such goods will be sold at public auctions.

If shipping documents do not accompany the goods, the customs authorities may allow the goods to be cleared upon deposit (usually) 50% of the estimated duty) which is refundable. Documentation must be completed within three months.

However, where all necessary requirements are met then merchandise may be warehoused by the importer for a period of up to two years, after which it must be cleared, exported or rewarehoused for an extended period.

1.4 Specimens, samples

Samples of no commercial value are admitted duty free, whereas trade patterns and samples of a value less than G\$50.00 need no import license. The importation of commercial publicity material is dutiable. Samples of commercial value may be brought in by commercial travellers' baggage and will be admitted temporarily under deposit or bond to cover the amount of the import duty. This must be re-exported within three months.

1.5 Shipment restrictions

Trade with South Africa is prohibited. Imports of goods which do not bear an indication of country of manufacture is prohibited.

Import prohibitions cover commodities in respect of the importation of which a virtual veto exists. They fall into three categories:

- (a) Those in relation to the economic objectives listed at 1.2 above.
- (b) Those relative to countries in respect of which a ban operates against all their commodities or goods in transit or re-exported therefrom. Currently the Union of South Africa is the only country to which this category of prohibitions applies.
- (c) Those concerned with the security of the State and the health of its citizens.

Import restrictions affect practically all other goods. Their importation can only be done under the authority of an import license granted by the competent authority, the official in the Ministry designated to undertake this and other duties. The grant of the license is subjected, in a large measure, to the availability of foreign currency. However, such approvals are on a relatively free, but priority, basis as under:

- i. Raw materials for the manufacture of essential items.
- ii. Essential items (stipulated).
- iii. Raw materials for manufacturers serving the export markets and the essential services in industry.
- iv. Equipment and materials for saw millers in the timber industry.
- v. Commodities for hatcheries.
- vi. Equipment, materials and inputs for agriculture.
- vii. Spare parts.
- viii. Petroleum products.
- ix. Drugs.
- x. Importations for international organisations.



1.6 Distribution channels

State trading

A number of agencies of the State are involved in trading transactions of one sort or another. Four major ones, however, undertake importations primarily for the retail and distributive sectors of the economy. They are: Guyana Stores Ltd., Guyana National Trading Corporation Ltd., Guyana National Engineering Corporation Ltd., and Guyana Pharmaceutical Corporation Ltd. They also service both private and public manufacturing concerns by the supply of the relevant imported inputs. Although each of them has the responsibility for the importation of specific commodities, the first two also deal in a common range of products e.g. machinery, hardware and textiles. The remaining two handle specialized lines, commensurate with their productive capacity. G.N.E.C. concentrates essentially on foundry products and heavy duty machinery and spares; while G.P.C. deals in industrial and agricultural chemicals, cosmetics, drugs and pharmaceuticals.

Most of the imports of essential items are handled through the Guyana State Corporation (GUYSTAC). The goods are then distributed through the relevant State Corporation responsible for specified items. In addition the Guyana National Trading Corporation (GNTC) has been charged with the responsibility "to organise and effect imports of commodities particularly for the purpose of securing a sufficiency of those commodities essential to the well-being of the community, their equitable distribution and their availability at fair prices".

Distribution of some imported goods is done by private traders who generally have their own distribution channels. Most of these goods are made available in state controlled stores and some small "retail shops". There are no free ports or free trade zones in Guyana.

1.7 Agents or representatives

All importers and distributors of items must place all their orders for these goods with the GNTC who, as agents will process them and forward them to the overseas supplier. Any commission normally due to the agent or importer will be paid by the suppliers to the GNTC itself.

2. EXPORT REGIME

2.1 Export procedures

Any Company or legal person in the country which makes export sales payable in foreign currency, is subject to the currency exchange controls which require the compulsory surrender of foreign currency to the Central Bank - Bank of Guyana. As a matter of export and industrial policy the government has deemed that an automatic allocation of a portion of export earnings will be placed on special foreign exchange accounts for the purchase of required inputs and needed spares.

A limited quantity of commodities are under export control. There is however no monitoring of such exports by the state agencies. Exporters, whether in the private or public sector, are required to submit their applications for export licences for the Ministry's consideration. Gold, however, can only be exported by the Guyana Gold Board; timber, through the Marketing Unit of the Guyana Forestry Commission; and diamonds, through a commercial bank.

For exports to members of the CARICOM member states, see Part I, Section 2. Exports to the EEC are subject to the second Lomé Convention, see Part II, Section 3.

Guyana has other bilateral export arrangements with some other countries, such as COMECON nations.

## 2.2 Exports subject to special requirements

Trade in gold is effected through the Guyana Gold Board and that in timber regulated by the Timber Export Board. Most other exports are handled either through GUYSTAC or directly by the Guyana National Trading Corporation.

There is some direct control on the export of rice, sugar, bauxite in order to meet specific quotas on the international market.

For exports of selected agricultural commodities, oils and fats and cane sugar, to other members of CARICOM, see Part I, see also restrictions under the second Lomé Convention (Part II, Section 4) for trade with the EEC.

Exports of hazardous, dangerous or restricted goods may be subject to the International Dangerous Goods Code.

## 2.3 Export incentives

As a member of the CARICOM and ACP countries, incentives provided under these agreements are applicable in this country, under the industrial and investment promotion scheme, see Parts I and II.

As part of the harmonization of the Caribbean Common Market, the main benefits which can be given to an exporter are exemption from income tax and relief from customs duties, over a stated number of years. The Common Market agreement sets out the maximum benefits which can be given under the scheme by any signatory government in respect of an approved product.

In order to boost export and provide manufacturers geared towards this end with the necessary raw materials, the Guyana Government has instituted a few schemes to achieve the desired objective, in keeping with the CARICOM scheme for harmonization of incentives:

1. Setting up an Export Development Fund
2. Establishing an Export Promotion Council
3. Expanding the Industrial Development Council
4. Implementing an Industrial Recovery Programme

2.3.1 Direct incentives

Incentives are regulated by the Industry Aid and Incentive Act, the Income Tax Act, the Customs Act and the Consumption Tax Act. The CARICOM scheme classifies enterprises into three groups for the award of benefits:

Group I. Enterprises whose local value added in respect of the approved products amounts to 50% or more of the value of the sales, ex factory of the product;

Group II. Enterprises whose local value added in respect of the approved products amounts to 25% or more but less than 50% of the receipts from sales ex factory; and

Group III. Enterprises whose local value added in respect of the approved product amounts to at least 10% or more but less than 25% of the receipts from sales ex factory.

The following table shows the maximum number of years for which any MDC government in CARICOM may grant relief from income tax and customs duties.

TABLE 1

<u>MAXIMUM PERIOD OF TAX CONCESSION ELIGIBILITY</u>	
<u>Enterprises Group</u>	<u>Maximum Number of Years</u>
I	9
II	7
III	5

The scheme permits highly capital intensive projects irrespective of their local value added to be granted tax holidays and customs relief up to the maximum permissible. The qualifications for such treatment are that the project must involve a capital investment of no less than EC\$50 million.

The following provisions, although not sanctioned by national legislation in Guyana, are part of the CARICOM Incentive Scheme.

Enterprises whose entire production of the approved product is sold to countries outside the CARICOM, referred to as enclave industries, have been made eligible for tax holidays and customs relief, without a reference to the quantity of their local value added. This is due mainly to their estimated large employment contribution.

The Common Market agreement does not prohibit the granting of duty free treatment of imports of raw materials to enclave enterprises after their tax holiday period has expired. It has been the general policy of all member countries of CARICOM to allow such enterprises this concession without limitations. In addition, there is a remission of the consumption taxes paid on imported inputs for production purposely for exports. There is a further relief to the export oriented manufacture, in that the ceiling on income and corporate tax is placed at 50% of annual earnings or profits of all enterprises engaged in these activities.

(a) Dividends tax exemption

Approved enterprises are granted exemption of income tax on the profits of the approved products. Equally important is the provision that the dividends paid from such products to shareholders of such enterprises may also be exempted from tax as long as the shareholders are residents of a CARICOM country.

A collective agreement exists between the MDCs and the LDCs to allow dividends earned in one MDC country to be transferred to an LDC to be exempted from taxation in the recipient's country of residence. Where, however, the shareholder is not resident in a CARICOM country, dividends will not be totally exempted from tax, but only from such tax in excess of what the recipient would normally pay in his country of residence.

Interest is not exempted from tax in the hands of the recipient.

(b) Compensatory taxes

(i) Carry forward of losses

If an approved enterprise makes a net loss on the production of the approved product, taking the total holiday period into account, the enterprise can carry forward such losses up to five years after the expiry of the tax holiday, setting them off against profits made later on the approved products.

The net loss on the approved product over the tax holiday period is calculated by summing up all losses made and subtracting all profits made in that period.

(c) Export allowances

Partial relief is granted to enterprises from the income tax chargeable on the profits earned from exports. This provision becomes operative after an enterprise's tax holiday period has expired.

The greater the share of an enterprise's profit which is derived from exports (as against its intra-CARICOM and domestic sales) of the product for which export allowance is given, the greater the relief afforded.

The following table gives the extent of maximum relief in terms of credit tax chargeable on the share of profits made from export sales outside the Common Market's area.

TABLE 2

---

MAXIMUM EXPORT ALLOWANCES GRANTED

---

<u>Share of profits from exports to third countries in total profits of approved product <sup>4/</sup></u>	<u>Maximum income tax relief of tax chargeable on the approved product (%)</u>
10 to less than 21	25
21 to less than 41	35
41 to less than 61	45
61 percent or more	50

---

<sup>4/</sup> As a general rule, the share of export on total sales is taken as the share of profits made.

A country is not permitted to grant this relief to an enterprise in respect of a traditional export product of that country. This export allowance should normally be given only for products to be exported outside of the Common Market. This provision was designed to encourage enterprises to increase the share of exports sales in their total sales and is intended in particular to promote the export of manufactures.

The export allowance will be granted to authorized enterprises, provided that:

- the enterprise has been enjoying such benefits only for the first five years after the expiry of the tax holiday or customs rebate period.
- the enterprise has not been granted any tax holiday or customs duty rebate only for the first five years of the life of the harmonisation agreement (effective since 1 February 1974).

#### 2.3.1.2 Direct credit incentives

No specific credit incentives on export financing facilities exist.

#### 2.3.1.3 Certificates

Customs tariff preferential treatment of exports to CARICOM members requires certification of origin (see Part I, Section 1(a) where specimen is provided).

The Lomé Convention also requires certification of origin for exports from ACP states into the EEC (see Part II, section 5). Same is required by the United States under the Generalized System of Preferences (GSP).

No tax refund certificate or tax compensation certificates are given.

### 2.3.2 Indirect incentives

In addition to the depreciation allowance to which enterprises are normally entitled, there are other allowances given to approved enterprises on the expiry of the tax holiday.

#### (a) Initial allowance

An initial allowance not exceeding 20% of any plant, equipment and machinery capital expenditure, incurred after the tax holiday has expired, can be deducted.

#### (b) Special bonus for using local labour

In order to encourage the greater use of local labour and to contribute to the relief of the serious unemployment, a tax holiday can be extended by increasing the measure of value added through a weight or bonus that measures the use of local labour (see Part I, Section 2(f) for measure of this bonus).

### 2.3.3 Free zones

Although no free ports or free trade zones exist, existing legislation for enclave industries provides such tax holidays comparable to conditions existing in a free zone.

## 3. MULTILATERAL AGREEMENTS AND INTEGRATION SCHEMES

### 3.1 Bilateral

Guyana has signed bilateral agreements with several Latin American countries, Canada and the United States and some centrally planned countries.

### 3.2 Multilateral

Guyana is a member of the Commonwealth of Nations, a signatory to the second Lomé Convention (see Part II) and a contracting party to the GATT. Guyana is a founding member of CARICOM (see Part I). This country is also a member of the Latin American Economic System (SELA).



Guyana has applied for formal association with the council for Mutual Economic Assistance/COMECON.

### 3.3 Integration schemes

In addition to being a member of CARICOM, Guyana is also a signatory to the Treaty of Amazonian Corporation ("Amazon Pact") since 1978.<sup>5/</sup> This Treaty was designed to develop and protect the Amazon Basin through a wide range of co-operative ventures. Guyana is an adherent to the formation of SELA.<sup>6/</sup>

## 4. AGENCIES AND INSTITUTIONS INVOLVED IN FOREIGN TRADE

Public corporations and companies owned by the Government are the major importers and exporters in Guyana. There are two Trading Groups of public trading entities falling under the umbrella of the Guyana State Trading Corporation (GUYSTAC). In addition, the Guyana National Trading Corporation, a part of GUYSTAC, as agents is charged with the responsibility of organising and effecting imports of specific commodities and their equitable distribution at fair prices.

Institutions also involved in foreign trade:

Bank of Guyana	Guyana Marketing Board
Ministry of Trade and Consumer Protection	Guyana Gold Board, Export Division
Ministry of Finance	Forest Commission
Bauxite Industrial Development Corporation	Guyana Rice Board
Guyana Sugar Corporation	

---

<sup>5/</sup> Amazon Pact - Established in July 1978 with specific areas of establishing closer co-operation among the eight Latin American countries within the Amazonian areas in order to promote their development. Members are: Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname, Venezuela.

<sup>6/</sup> The Latin American Economic System (SELA) was created in 1975 as an effort to form a common front involving key economic trade and investment problems of Latin American member countries vis-à-vis other regions, blocs and integration systems.

5. CHAMBERS AND ASSOCIATIONS OF COMMERCE

1. The Georgetown Chamber of Commerce  
156 Waterloo Street  
Georgetown
2. Guyana Industrial Development Corporation  
P.O Box 708  
Georgetown
3. Berbice Chamber of Commerce and Development Association  
Strand  
New Amsterdam  
Berbice
4. Consultative Association of Guyanese Industries Ltd.  
201 Camp Street  
Georgetown
5. Guyana Manufacturers' Association  
Bank of Guyana Building  
Avenue of the Republic  
Georgetown
6. Guyana Commission Agents Association  
39 Main Street  
Georgetown
7. Upper Corentyne Chamber of Commerce  
Corentyne

5.1 Membership to regional and international associations

Guyana is a member of the Caribbean Association of Industry and Commerce.