NEW ZEALAND
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Manatū Aorere

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Guyana: Economic Outlook and Opportunities for New Zealand

MARKET INTELLIGENCE REPORT

Summary

- English-speaking, located on the South American mainland, politically and economically integrated with the Caribbean as a member of the Caribbean Community (CARICOM), and with a population approaching one million, Guyana has emerged as one of the world's fastest-growing economies, driven by offshore oil production, large-scale public investment and strong non-oil sector output.

- Guyana recorded the highest real GDP growth of any economy in the world between 2022 and 2024, averaging 47 percent per annum. The International Monetary Fund (IMF) forecasts growth to remain strong at around 14 percent per year over the next five years.

- An emergent petrostate, Guyana is expected to be a significant contributor to non-OPEC oil supply growth over the next decade, according to the International Energy Agency (IEA).

- The Government of Guyana is actively pursuing economic diversification under its Low Carbon Development Strategy (LCDS) 2030, with priority investment directed toward renewable energy, agriculture, infrastructure and sustainable mining.

- There are commercial opportunities for New Zealand in Guyana, particularly in support of Guyana's agricultural ambitions and potentially in the oil and mining adjacent ecosystems. These opportunities should be weighed against a complex operating environment, which can be difficult to navigate without established in-country presence and strong local relationships.

- New Zealand maintains diplomatic relations with the Caribbean, including Guyana, through a non-resident accreditation with a High Commissioner based in Wellington in the MFAT Americas Division. New Zealand Trade and Enterprise (NZTE) do not have established networks in or in-depth market knowledge of the Caribbean. While not actively engaged in the region, it nominally covers the Caribbean from its office co-located with the New Zealand Embassy in Mexico City. The non-resident High Commissioner supports New Zealand business engagement through facilitating contacts and giving visibility to potential opportunities.

Report

Economic Outlook

Once among the poorest countries in Latin America and the Caribbean, Guyana is undergoing a rapid and dramatic economic transformation. Between 2022 and 2024, Guyana recorded the world's fastest growing real GDP, averaging 47 percent per year. Commercial oil production began in December 2019 and has driven much of this growth following the discovery of exploitable offshore resources in 2015.

Oil output averaged more than 600,000 barrels per day in 2025. Further production increases are expected as new projects come online and as operations become more efficient. High global oil prices, coupled with volatility in global energy markets, are expected to support Guyana's exports and investments. The International Energy Agency (IEA) anticipates that Guyana will account for a significant share of non-OPEC supply growth over the next ten years, with Guyana's proven oil reserves estimated at approximately 11 billion barrels, placing it among the top 20 oil reserve holders globally.

Guyana produces light to medium sweet crude, which is easier to refine into petrol and diesel. The crude is primarily exported to the US, Panama, Europe and Asia. Guyana is considering partnering with neighbouring Trinidad and Tobago, which is looking to reopen its formerly state-owned Pointe-à-Pierre refinery which closed in 2018. It is also evaluating a domestic refining option.

Offshore oil production in the Stabroek Block is governed by a 2016 Production Sharing Agreement (PSA) between the Government of Guyana and an ExxonMobil-led consortium comprising ExxonMobil, Hess and CNOOC. Under this agreement, contractors may recover up to 75 percent of petroleum revenues as “cost oil”, with the remaining “profit oil” shared equally between the Government of Guyana and the consortium. The PSA also provides for a 2 percent royalty payable to the Government.

Guyana's most recent offshore licensing round was launched in 2022 and concluded in 2023, resulting in the award of eight offshore blocks to six bidding groups. These newly awarded blocks are governed by a revised model Production Sharing Agreement with updated fiscal terms, including a 10 percent royalty payable to the Government, a 65 percent cost-recovery ceiling, a 10 percent corporate tax, and a 50:50 profit oil split after cost recovery. The successful bidders include consortia involving TotalEnergies, QatarEnergy, PETRONAS, Cybele Energy, and, in certain blocks, ExxonMobil, Hess and CNOOC. These revised terms apply only to the newly awarded blocks and do not affect the existing Stabroek Block PSA. Petroleum revenues received by the Government of

Guyana are paid into the Natural Resource Fund, a sovereign wealth fund established in 2019.

In addition to oil, Guyana has an estimated 16 trillion cubic feet of proven natural gas reserves. Gas infrastructure is being developed through a national gas-to-energy project, a major initiative intended to utilise natural gas from the Stabroek Block. The project includes an offshore and onshore pipeline system, an integrated natural gas liquids (NGL) processing facility, and a 300-megawatt gas-fired power plant. The offshore pipeline has been completed, and the power plant is expected to be completed by the end of 2026.

The second phase of the gas-to-energy initiative commenced in 2026 and is intended to expand gas-processing capacity and add a further 300 megawatts of generating capacity. The Government is seeking private-sector partners for complementary infrastructure, including a marine offloading facility to support the handling and export of natural gas liquids.

The IMF assesses Guyana's economic outlook as highly favourable and projects average GDP growth of approximately 14 percent per year over the next five years, driven by continued expansion in oil production and strong growth in the non-oil economy. The IMF has also identified risks associated with economic overheating, including inflationary pressures and real exchange-rate appreciation.

Geopolitical tensions related to Venezuela’s historical territorial claim over the Essequibo region, which comprises around two-thirds of Guyana’s territory, remain a feature of Guyana’s political and economic operating environment. Almost all of Guyana’s discovered and producing oil fields are found offshore the Essequibo region, within Guyana’s Exclusive Economic Zone (EEZ) in the Atlantic Ocean. The dispute is currently before the International Court of Justice (ICJ).

What makes Guyana interesting for New Zealand businesses?

The direction of Guyana’s economy in the period to 2030 centres on the Government’s Low Carbon Development Strategy (LCDS), which was first published in 2009 and last updated in 2021. Considered internationally forward-looking upon first publication, the strategy seeks to integrate Guyana’s rapid economic growth with environmental protection. It highlights the role of Guyana’s non-oil industries in sustaining economic activity following peak oil production. Investment in public services and State-Owned Enterprises is central to the strategy, as are carbon credit mechanisms which utilise Guyana’s tropical rainforests (covering 85 percent of the country’s land area).

In the energy sector, Guyana’s rapidly expanding oil and gas industry, particularly continued offshore oil development and gas-to-energy infrastructure, alongside growing investments in solar and hydropower, have generated opportunities spanning engineering and professional advisory services. Demand is reportedly strongest for technical services, project design, environmental and safety advisory, and governance support, particularly where local skills shortages persist. These opportunities complement Guyana's wider public infrastructure programme, which has driven demand for engineering consultancy, project management, construction oversight, and climate-resilience planning.

Guyana is invested in its non-oil sectors including agriculture; gold and bauxite mining (historically and presently subject to illegal mining); renewable energy (primarily solar and hydropower); and infrastructure. Its ambitions for the agricultural sector are particularly aligned with New Zealand capability and expertise. With more than 200,000 hectares of arable land and year-round production potential, investment has targeted training, research services, climate-smart agri-tech and infrastructure development. Beyond traditional crops like rice and sugar, the Government is pursuing higher value production, including corn, soya, spices, fruits and vegetables, livestock, aquaculture, and dairy. Guyana's first modern private dairy operation is expected to commence large-scale fresh milk production by late-2026.

Investment in agriculture is seen as supportive of Guyana's ambition to become a regional food hub. Guyana takes a leading role within the Caribbean Community (CARICOM) on food security, whose leaders have committed to reducing the region's food import bill by 25 percent by 2030. Acknowledging differences in Guyana's agricultural systems and contexts, New Zealand expertise and advisory services are relevant, and there is potential to do more in the market.

Climate-smart agriculture is a priority area for the Government of Guyana, given Guyana's exposure to flooding and drought in low-lying coastal agricultural zones. New Zealand is recognised for its agricultural expertise, having supported Guyana under the New Zealand Government Climate Smart Agriculture Initiative. There is opportunity to build on this recognition through the provision of agri-tech, advisory services, and systems that support Guyana's agricultural resilience to climate change.

Opportunities also extend along the food value chain, including agro-processing, cold chain technology, logistics, and quality assurance. New Zealand companies with expertise in these areas may be positioned to engage as Guyana expands its regional export profile.

Challenges and Considerations

Alongside opportunities created by Guyana's rapid economic growth, there are challenges which foreign companies must consider.

Guyana's Local Content Act 2021 is an important consideration for companies seeking to participate in the country's oil and gas industry. The Act establishes minimum participation requirements for Guyanese nationals and Guyanese-owned firms across a range of goods and service categories and is supported by a certification and compliance regime administered by the Local Content Secretariat. Foreign companies operating in the sector may need to establish joint ventures, or subcontracting arrangements that support local participation, skills transfer, and domestic value creation.

Although the Act is specific to the petroleum sector, the Government is placing stronger emphasis on local participation and capability development more broadly. Companies operating in Guyana may therefore encounter expectations regarding local partnerships, employment, and skills development across a range of sectors.

The rapid pace of Guyana’s economic growth has placed strain on institutional capacity, public services, and infrastructure. Without established in-country presence and networks, companies may find it challenging to navigate these dynamics. Local legal, commercial, and partnership support are critical to mitigating risks.

At the macroeconomic level, the IMF has cautioned that Guyana’s rapid expansion carries risks of economic overheating, including inflationary pressures and real exchange-rate appreciation if fiscal and monetary policies are not carefully calibrated. Exposure to commodity price volatility, combined with climate change shocks – particularly flooding in low-lying coastal areas where most economic activity is concentrated – pose additional risk.

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