

Country Assistance Policy for the Republic of Guyana

March, 2013

1. Relevance of Assistance

(1) Relevance of Assistance to CARICOM (the Caribbean Community¹)

Guyana is a member state of CARICOM, which is comprised of a number of Caribbean countries. These countries have commonalities with Japan, such as frequent natural disasters, like hurricanes, earthquakes and tsunamis. Another commonality the CARICOM has with Japan is its focus on promoting the sustainable use of living marine resources.

These CARICOM countries are vulnerable to climate change and the above-mentioned natural disasters; they have small populations and economies; and, their economies are based on industries which are susceptible to external factors such as agriculture, fisheries and tourism.

To overcome common challenges faced in the Caribbean region, such as natural disasters, it is important that the CARICOM utilizes the experience and knowledge of Japan in order to promote socio-economic stability and sustainable growth across the region.

(2) Relevance of Assistance to Guyana

Guyana, located in the northern part of South America, is a country with low per capita income², second only to Haiti in the CARICOM member states. With its vast land area (215,000 square kilometers) compared to the other CARICOM member states, Guyana has achieved steady economic growth in recent years on the basis of abundant natural resources, such as gold and bauxite. Guyana has a high potential for growth in the future as well because it is expected to produce crude oil.

On the other hand, the deterioration of the urban environment due to rapid economic growth; lack of access to safe water; and, lack of access to adequate inland electricity, have become issues.

¹ CARICOM (Caribbean Community) was formed by dissolving developmentally CARIFTA (Caribbean Free Trade Association) for the purpose of economic integration of the Caribbean countries; coordination of foreign policy; the promotion of cooperation health-care and education, etc. in 1973. Secretariat is located in Georgetown, Guyana. Members are 14 States and 1 overseas territory.

² GNI per capita of Guyana is \$ 2,900 (World Bank 2010).

Furthermore, in terms of climate change measures, the flood control measures have become a challenge in Guyana due to the fact that 90% of the population (76 million people) is living in coastal lowlands. Thus, it is important that the Government of Japan utilizes its knowledge and expertise to support social and economic development in Guyana.

So far, the relations between Japan and Guyana in the international arena have been good. Support for initiatives aimed at the economic and social development of Guyana through ODA is expected to lead to further development of bilateral relations and the formation of the foundation of economic interaction and human exchange.

2. Basic Policy of Assistance : Overcoming Vulnerability (common to all CARICOM member countries)

On the basis of “Partnership for Peace, Development and Prosperity between Japan and the Member States of the Caribbean Community (CARICOM)³”, which was adopted in the 2nd CARICOM foreign ministers’ meeting in September 2010, the Government of Japan supports its environment-friendly sustainable social development efforts and disaster risk management efforts, in order to overcome the vulnerability of CARICOM member countries to climate change.

3. Priority Areas: Environment and Disaster Risk Management

From the viewpoint of promotion of urban environmental conservation, the Government of Japan provides support in the area of waste management including the promotion “three Rs (3R)” (Reduce, Reuse and Recycle).

In addition, since the majority of the population lives in coastal low-lying areas and measures are required in the field of climate change and disaster risk management, related to countermeasures against tidal waves and/or floods, the Government of Japan provides continual support.

Furthermore, in the field of water resources, improvement of water supply; treatment and coverage of sewers; and, reduction of non-revenue water are major challenges and the Government of Japan considers support to address

³ This partnership consists of six pillars which indicate the future direction of the Japan-CARICOM relationship i.e. "Overcoming Vulnerability and Promoting Human Security"; "Integration into the Global Economy"; "Environment and Climate Change"; "Assistance for the Reconstruction of Haiti"; "Cooperation in International Fora"; and "Dialogue and Exchange between Japan and the CARICOM".

these types of issues.

4. Points to be considered

(1) Guyana is abundant in natural resources, and the Government of Japan is attentive to the possibility of Japanese companies moving into Guyana with a focus on the field of oil and gas.

(2) The Government of Guyana is advancing policies in line with the “Poverty Reduction Strategy Paper (PRSP)”; for example, the introduction of alternative energy, improvement in communications and improvement in agricultural infrastructure. The Government of Japan is attentive to the status of the implementation of these policies.

(3) With its abundant forest resources, the Government of Guyana has formulated “A low-carbon development strategy (LCDS)”, which was presented in the international arena, with an aim to promote economic growth and achieve forest conservation through the use of clean energy. Guyana is advancing active efforts in this field.

Annex: Rolling Plan