



**Address of His Excellency Dr Mohamed Irfaan Ali
President of the Co-operative Republic of Guyana
International Energy Conference and Expo Guyana
February 15, 2022**

In this room today, we are not here to see who is the best, we are here to forge partnerships, to build a team, and that is the reason we have this conference not to separate ourselves, but to realise our responsibility to bring our people together—to bring humanity together.

His Excellency Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana; His Excellency Chandrikapersad Santokhi, President of the Republic of Suriname; Her Excellency Mia Amor Mottley, President of the Republic of Barbados; Ministers of the Government; Members of the Diplomatic Corps; Special Invitees; Madam Chancellor; Speak of the National Assembly; Members of the media; Ladies and Gentlemen all.

Good morning and welcome to the Co-operative Republic of Guyana. A land of diversity, a land of peace, a land of love and a land of opportunity. Welcome to Guyana. I want to especially welcome my colleagues Heads of State and it is not an occasional visit, it is a real partnership working with Ghana, on developing our local content policy, on forging together a relationship that will share our experiences in the management of the oil and gas sector. But importantly, Prime Minister Mottley made the point, shall we today start a movement that is different, a movement among ourselves to promote our ideals and our ideas.

For a very long time, we were told what should be our ideals and our ideas. It is on occasions like these that we can seize that moment and create new momentum. President Santokhi and I and our two governments and people are working actively on the development of a new frontier—the Corentyne—that requires partnership, coordination and cooperation.

Prime Minister Mia Mottley is leading efforts in the Region to achieve food security; is leading efforts to build a resilient regional economy, but more importantly, we are working together with Barbados in removing barriers and in bringing our economies and people closer together in unity. And these are not only empty words, you will see, and we

are not saying here you may see, you will see the results and the results will be to the benefit of all the people of our countries.

I thank all of you for gracing this occasion. I also extend best wishes to numerous exhibitors, investors and other stakeholders who have joined us for this most important event. Thanks to the organisers: Mr Tony White, and your team for your untiring efforts in realising this grand event.

Today, I intend to focus on situating Guyana's energy development within the wider context of the country's development trajectory. So, that investors and stakeholders can appreciate that our energy plans are consistent and in conformity with our chosen development pathway. Collaboration is always achievable when stakeholders are in harmony.

But the question is why are we here? Why Guyana? An international journalist, and we're having a lot of international journalists becoming experts in Guyana and we welcome them—we're very welcoming to the media. You're part of our development story. But a journalist asked me recently why does Guyana, a country so strong in climate change and the environment, want to pursue this path of oil and gas? And I asked that journalist a very simple question. Guyana existed long before oil and gas was discovered. Answer me, why has your news outfit never recognised us?

The opportunities that we're talking about existed long before oil and gas. Why was there never a conversation? Because a developing country has made a strategic decision that we are going to aggressively pursue the oil and gas sector to bring about economic transformation and diversification to lead to sustainable growth and development.

The question as my dear brother President of Ghana posed, and President Santokhi said, why is it always a different conversation when a developing country is advancing a particular course? And we must contemplate this question because it's an important question. But importantly, we are humbled by this opportunity and we welcome investors.

Local content is not about not welcoming investors. We welcome every single investor, be it Exxon, be it the international investors, Hess, every single stakeholder whether your regional, international, we welcome you, but all we are saying is that that space for technological transformation, collaboration, local growth, and competitive and increased productivity must be built into the system to bring benefit to the people of the country.

So do not for a moment, try to misplace this conversation. Do not try to recreate your own narrative. And this is why we have this conference we are going to stay with the narrative. There is no need for any interpretation, this is the narrative—we are pursuing this path. We know of the responsibility I'm going to speak about. We welcome investors, but we believe that the private sector, every single Guyanese and regional stakeholders must be part of this prosperity and benefit from the prosperity.

It is true that this energy conference has brought us here, but why are we really here? And I want all the investors here to understand why primarily you are in business. You're in business to expand business opportunities; you're in business to invest in new areas, to diversify your portfolio and to widen your horizon. That is why you're in business. I want to offer to you, because I have a captive audience here, what Guyana can offer in widening your business portfolio.

It is in this context that Guyana's opportunity must be viewed as the multifaceted wide-ranging development strategy of the country, which unlocks immeasurable opportunities. These opportunities lay the foundation upon which our future will be built, supported by our geographic location and natural competitive advantages. That development strategy is built on a Low Carbon Development Strategy Pathway. We have not changed our commitment to the world.

The world faces many challenges, including climate change, food security, energy sustainability and water scarcity, among others. In each of these areas, Guyana is uniquely positioned to contribute to the global solution. We in this region and as developing countries must contribute to the global solution. We have the capacity; we have the capability and we must now work together to find our place and space in bringing global solutions.

Yes, we have a small population, but importantly, a growing population. We should not be narrow-minded in looking at the population because Guyana is connected to CARICOM. We are connected to Brazil; we are connected to Africa; we are connected to South America and in each of these connections, we have special arrangements that bring new opportunities and an expanded marketplace.

Why Guyana? Because we are a leader, a world leader on climate change, ecosystems and biodiversity. We are not only humbled by the opportunity to participate in the oil and gas sector; we are a world leader in climate change, ecosystem and biodiversity. Guyana presents 18.3 million hectares of standing forests covering 87% of our land area. I have not seen this headline in any of the international press as yet. But let me remind you Guyana presents 18.3 million hectares of standing forests covering 87% of our land area.

The forest stores 19.5 gigatons of carbon worth conservatively US\$195b. Further, it provides the world with freshwater; it contains 4% of all known plant species in the world, and because the United States is our strategic partner, I will do this analysis—more bird species than the entire United States of America and 3% of all known animal species. This is the forest this is part of the Guyana you are in today.

Further, our forestry sector has an estimated value of US\$500b. This presents tremendous opportunities for value-added. But more importantly, Guyana's Monitoring, Reporting and Verification System (MRVS) is one of the best globally with a deforestation rate of less than 0.05%. We can sustainably harvest one million cubic metres per year. At present, we harvest 400 thousand cubic metres valued at US\$80m per year.

The sector presents opportunities for large-scale downstream processing, prefab houses, prime value-added species for a niche market, partnering on environmental services reforestation programmes, and forest plantation all linked to new emerging and potential markets.

If we look at mining, 36% of Guyana or 76,600 sq. kilometres comprises highly mineralised crusts - the Greenstone belts. Gold mining has been at the artisanal mechanised scale with the declaration in a good year at approximately 500 000 ounces.

The potential value of our gold reserve, at the current rate, is approximately US\$35b.

Our total bauxite reserves of 314 million tonnes have a potential value close to US\$1b.

Our quarrying reserves are estimated at 28.9 million tonnes valued at approximately US\$1b. We have enormous potential in rare earth and base metals. Our diamond reserves are conservatively estimated at US\$750m.

Geochemical exploration is also an opportunity with the Guyana Geology & Mines Commission's estimated 7,000 square kilometres to be an area of commercial viability.

Our Silica sand reserves are estimated at 1.5 billion tonnes valued conservatively at G\$37.5b.

I'm just positioning this so you can understand the Guyana we are sitting in, and this has always been there. Today, with hard work, simplicity and humility, we have the ability to make that giant leap not only for Guyana, but for all of humanity, and we must do it.

Guyana, with its natural characteristics, presents a potent opportunity for investors in tackling global food security. Opportunities for investment in agriculture are vast. Our freshwater capacity is estimated at G\$4b per annum. In aquaculture—there is growing potential for shrimp and prawn production, processing facility and production facility with potential markets in the USA, Mexico, EU, and CARICOM.

The US imports of frozen shrimp and prawns are valued at US\$4.8 billion—that is the potential that exists.

Our comparative advantage is 2.15 times higher than any South American country's comparative advantage. We have 420 hectares of arable land for poultry, dairy, cattle and food production. CARICOM input for beef alone is US\$40.8m per annum. In mutton and mutton products, the value of that market is US\$18.9m.

Just imagine if you tap into 25% of that market. This has the potential for investors, and why am I mentioning all of this at this Energy Conference? Because this is what energy and the oil and gas sector will do for us. It gives us the opportunity, with the resources, to

diversify our economy, building it out to many new pillars so that we will be resilient, strong and sustainable.

Guyana is poised to offer a diverse tourism product, complementing the products of traditional Caribbean destinations. Guyana is strategically positioned to increase travel to its borders. Its neighbours include Brazil, circa 220 million people, and the Caribbean 44.2 million. Guyana will be pursuing aggressively market representation in the UK and EU markets and North America. Those are key source markets that have seen increases in visitors, year upon year. We are in discussion with Barbados to twin our tourism product and market Guyana and Barbados jointly. This is how we build competitiveness, this is how we build partnerships. This is how we build resilience. This is how we create a visionary approach for long-term development, not isolationary policies—that is not the way to go.

We hold the potential to engage in adventure tourism products, a market that has globally expanded over the last few years to an estimated value of US\$1.2 billion, upscale luxury eco-lodges and resorts, a market that has a value of US\$93 billion, golfing, a market with an estimated value of US\$4.8 billion and Guyana presents not just an opportunity, Guyana presents one of the most competitive and leading opportunity for investment in these areas, and we welcome investors in these areas.

Our development strategy is built on a low-carbon pathway. The core objective of this strategy aims at economic sustainability, diversifying the economy, investment in climate mitigation adaptation, carbon credit, enhanced livelihood biodiversity and ecosystem management systems and transitioning into a clean energy future. Our future framework of opportunities is built around solar, water, hydrocarbons, forests, hydrogen, hydropower and it is integrated into regional opportunities.

We're not only talking about national opportunities. With Suriname and Brazil, we are already exploring the development of a new energy corridor that we can fully support and participate in. Exxon and Guyana, we're working together on developing that natural gas strategy also, so that with Suriname and Guyana, we can effectively realise the importance of our strategic position in creating regional energy security.

We've already commenced the process by investing in 13 new solar farms, three mini hydros, one large hydro at Amaila Falls and natural gas project, all aimed at increasing our power generation to 500 megawatts by 2025.

Let me be clear on this: we will remain uncompetitive if we cannot address the cost of energy. We must address the costs of energy. Our private sector will not be able to grow if we cannot bring down the cost of energy, and we will bring down the cost of energy by 50% by 2024 and to do that, we must make strategic investments and bringing down the cost of energy is not only about bringing a pipeline or doing a hydro project or building solar energy, that is far from it. Bringing down the cost of energy is about creating the

space and opportunity for the development of a world-class manufacturing industrial and agro-processing sector. That is how real benefits come to the people, that is how real benefits come to the country, when we can invest and create the opportunity to improve competitiveness and expand business opportunity, and there shall be no turning back from this energy agenda in realising these opportunities.

Our country's extensive coastland, our elevated highlands, our network of waterfalls, rapids and rivers, organic waste from our massive agriculture system, sugar factories, natural gas and petroleum production give us the exciting prospect of creating a global energy mix that involves the use of natural gas, solar, wind, hydro and every other forms of renewable source. Are we going to pursue it? Believe it as I say to you today, it is the utmost priority on the agenda of the government of Guyana. You don't need to second guess us. You don't need to read between the lines. No, you don't need to do that. We are telling you as straight as it can be, the path we're pursuing, because it is a path that must bring prosperity as quickly as possible for our people.

The combination of which can be the solution to sustainable energy production along the Guiana Shield with our immediate neighbour, Brazil. We already recognise that the path we are pursuing would bring excessive energy. So we are already in talks with our neighbours to develop a pathway in which energy would become, and this is a mix that includes renewable energy, a major export earner for our countries and this is a path that we're not deviating from.

Locally, we have committed to reducing our dependency on fossil fuel by 70% by the year 2027 and 90% by the year 2030. We are not shying away from our global responsibility. We have made these commitments and we intend to keep them. While Guyana, therefore, is now an oil-producing state, our focus is fueled primarily by long-term sources of energy. Our development trajectory attempts to strike a balance between rapid economic development and the preservation and protection of our environment.

Guyana is also bolstering growth with human development. Nothing is possible without understanding the importance of human development. Our development trajectory prioritises people-centred development. We aspire to a Guyana which is free, prosperous, socially just, globally competitive, and which serves every citizen equitably.

Guyanese must be afforded a good education, decent work, be able to start their own businesses, raise and provide for a family, own their own homes, live in a safe and secure environment and retire with dignity. Every Guyanese must have access to comprehensive and quality health care and beginning this year, you will see that we are rolling out an aggressive agenda in achieving these. Clean water, being able to participate in sport and recreation and freely practice their religion and culture. These are fundamental values that shape us as a nation and will never change.

We must remain true to these and humble to our existence.

I want to assure our regional partners that when I speak about Guyanese, I'm speaking about all of us. We are all together, and when we build a world-class healthcare, and a world-class education system, and a world-class training institute, it is for all of us in the region, and we have already commenced those discussions.

Our development trajectory is being recalibrated towards increasing natural wealth building, creating economic resilience, expanding opportunities relating to the economy, enhancing social services and investing in our people. Our national wealth will not stem exclusively from oil and gas. We will invest in strengthening our competitiveness in existing sectors and creating an environment for new and emerging sectors. The wealth from oil and gas will be used to achieve these objectives and broaden the economic platform that drives the current and future growth of our country.

In this regard, agriculture, mining, forestry, fisheries, aquaculture, information communication technology, manufacturing, tourism, education and health services are key sectors of focus, and this is how the resources will be used. I promise you this morning that I will not in no way compete with the record of the Minister of Finance on a five-hour budget speech presentation.

Critical to the achievement of competitiveness is a focus on highly trained human resources, and this is a centerpiece of our development. We must provide our human resources with the best possible training through access, affordability and equity and we are investing to do this, beginning this year, with our strategic partners, together we are building out this capacity in giving the private sector, every Guyanese, the training to actively participate in the future development of our country.

To support the expansion and open access to land for industry and manufacturing, a transformative and ambitious infrastructure plan is being implemented. We have commenced the development of mega projects in housing, road transport and bridges, healthcare, education and river transport.

Let me be very clear one more time. We are welcoming capital, but the capital must come at the right price. So I'm giving an open invitation like we did before. Once the capital is below at least 2.5% APR, or are we're going lower now? We are negotiating very competitively. So you will have to come with growth rates and fixed term rates. So don't second guess us. Don't say you never had the opportunity. It's an open-door policy. We are welcoming capital. Don't complain if you don't make use of the opportunity.

We have committed ourselves to transparent governance. We are part of the EITI system. We have passed legislation for a natural resource fund. We have criminalised non-disclosure. If the Minister of Finance does not disclose the finances from oil and gas within a particular time, three months, then he can be convicted and sent behind bars for 10 years.

So we are building on these transparency measures. We are making it simple for every Guyanese in the world to understand how the money is being spent. No complicated macroeconomic formula, very simple calculations. Every Guyanese must be able to calculate for themselves the money that is coming in and how it is being used. Simplicity of policy is successful policy. Policymaking 101. Complexity in policymaking is a defense mechanism. When people can't understand what you're doing, then what really are you doing?

The investments are good at boosting productivity, improving connections with our communities and people, catalysing the opportunities and ultimately generating tens of thousands of jobs that are sustainable.

The opportunities in shore-based facilities, deep-water Harbour, a road link to Brazil, connecting Guyana and Suriname by bridging the Corentyne River are all actively being pursued through a partnership between countries and the private sector.

To reduce the difficulties many of you experience in finding rooms, we are currently supporting initiatives that will see at least six new international branded hotels in the short to medium term. Prime Minister Mottley has also offered to put on a special flight next time to connect Guyana and Barbados within the hour to support large-scale activities.

In supporting a modern architecture, we're also pursuing legislation to support the hemp industry, the establishment of a special Development Authority, the establishment of a special development zone for tax concessions and the development of a duty-free zone. Special incentives are given to the migration of businesses to Guyana targeting health, education, knowledge base sector, agrochemical, fertilizer, new innovative products and other facilities that will drive future demand and growth.

While we pursue these large initiatives, we're also supporting through public-private partnerships our local entrepreneurs, building their capacity and shortening their learning curve to be part of this new era of opportunities. A matrix governance system is targeted for implementation to reduce bureaucracy, eliminate red tape and create more direct access, enhance transparency, create a single-window permitting system, e-governance and a more digital mode of operation and to strengthen institutions and people-centred service delivery systems.

To achieve this, the focus will be on investing in our people, giving them the best possible education with free university education and the best possible health care with the State, ensuring second to non-primary health care services. Emphasis will be placed on equitable growth and shared prosperity.

We invest to ensure that all Guyana and our regional partners grow together with the rising tides. National unity and political stability are built on our 'One Guyana' that

celebrates our multicultural character and focuses on respect for diversity, rule of law, democracy, social harmony, building trust, national prosperity and singularity of vision as a people.

A democratic and prosperous Guyana with equal opportunities will not be constructed on the edifice of propaganda, misconceived perceptions, wishful thinking, arrogance, or political crassness. 'One Guyana' will emerge through hard work, people-centred politics, visionary thinking, a free-thinking society and, most of all, a humble country and humble people. Oil or nothing must change us; the character that builds us as a people must remain intact from generation to generation; humble people—that is who we are.

This is a pathway which we have chosen, and from which we shall not divert. Using construction terms we are building Guyana on a mat foundation, fully integrated a network but even distribution of weight instead of individual footing which is isolated, and closer to the most of you in oil and gas terms, think about integrity management programmes, in the context of the lifecycle of one project. In our case, it is systemic and covers the lifecycle of an entire country and its people. Our oil and gas potential is no longer an unwritten story. Crude oil reserves, which are currently estimated at 126.81 thousand barrels per day, have been ranked 17th in the world, and third in Latin America and the Caribbean region. Increased production of our medium sweet crude with low sulfur content has the potential of bolstering government revenues to a projected \$10 billion annually by the end of the decade.

In recent development, the government welcomes the positive news announced by CGX that it has struck oil at Kawa-1 in the Corentyne block. While we await the CGX end-of-well forecast, we are expecting a favourable outcome based on the advice and the press release of CGX.

Less than one week ago, the Liza Unity FPSO commenced its commercial production with first oil, and I take this opportunity to congratulate all those who are associated with that. The consortium is on target to produce 560,000 barrels daily. By the end of 2026, Guyana's oil production will be approximately 850,000 barrels per day, which will make this economy a significant world supplier of crude over the next few years.

The Guyanese economy is expected to strengthen its sustainable macro-economic development. The macroeconomic fundamentals of real growth, inflation, as well as fiscal and external balances are projected to improve significantly, and I have an entire section on the economy. I will want to save you from that section, but of course, we're open for you, if you want to listen. This, together with low imports, is projected to sustain the balance of payments surplus and contribute to high international reserves forecasted a US\$2.7b in 2025. The stability of the exchange rate will be further improved.

Our focus is building a stronger Guyana, fully integrated with the aspirations of our regional partners. Guyana's prosperity is linked to our region's prosperity, and this is why

I'm particularly pleased with my colleagues here today. Indeed, it is our shared vision and common approach that will ensure that all our people benefit from the prosperity any one of us realise.

I thank you, and God bless you. Have a great conference.