GUYANA

Guyana The U.S. Government partners with Guyana to promote good governance and social stability by encouraging dialogue and consensus in the political process, as well as enhancing citizen participation in democratic practice. U.S. resources are also dedicated to increasing peace and security and improving the quality of life through economic growth and more equitable distribution of its benefits. Finally, significant U.S. assistance efforts are aimed at mitigating the impact of HIV/AIDS in Guyana.

FOREIGN RELATIONS

After independence in 1966, Guyana sought an influential role in international affairs, particularly among Third World and nonaligned nations. It served twice on the UN Security Council (1975-76 and 1982-83). Former Vice President, Deputy Prime Minister, and Attorney General Mohamed Shahabuddeen served a 9-year term on the International Court of Justice (1987-96).

Guyana has diplomatic relations with a wide range of nations. The European Union (EU), the Inter-American Development Bank (IDB), the UN Development Program (UNDP), the World Health Organization (WHO), the United Nations Children's Fund (UNICEF), the World Bank, the International Monetary Fund (IMF), and the Organization of American States (OAS) have offices in Georgetown. The Caribbean Community (CARICOM) has its Secretariat headquartered in Georgetown.

Guyana strongly supports the concept of regional integration. It played an important role in the founding of the Caribbean Community and Common Market (CARICOM), but its status as one of the organization's poorest members limits its ability to exert leadership in regional activities. Guyana has sought to keep foreign policy in close alignment with the consensus of CARICOM members, especially in voting in the UN, OAS, and other international organizations.

A longstanding maritime boundary dispute with Suriname was resolved largely in Guyana's favor in August 2007. The dispute had flared up in June 2000, when a Canadian company drilling for oil under a Guyanese concession was forced to cease operations by Surinamese military gunboats. After several failed attempts at negotiation, in 2004 Guyana took the dispute to the UN Law of the Sea tribunal, which unanimously determined that the vast majority of the area in contention belonged to Guyana. The resolution of this dispute will likely have significant ramifications for Guyana's economy in the long term, as the seabed is estimated to contain approximately 15 billion barrels of oil.

Another territorial disagreement remains unresolved, however. In 1962 Venezuela challenged a previously accepted 1899 international arbitration award, and claimed all of Guyana west of the Essequibo River--62% of Guyana's territory. At a meeting in Geneva in 1966, the two countries agreed to receive recommendations from a representative of the UN Secretary General on ways to settle the dispute peacefully. Diplomatic contacts between the two countries and the Secretary General's representative continue, with a quiet détente on the issue currently prevailing.

U.S.-GUYANESE RELATIONS

U.S. policy toward Guyana seeks to develop robust, sustainable democratic institutions, laws, and political practices; support economic growth and development; and promote stability and security. During the last years of his administration, President Hoyte sought to improve relations with the United States as part of a decision to move his country toward genuine political nonalignment. Relations also were

improved by Hoyte's efforts to invite international observers for the 1992 elections and reform electoral laws, which resulted in the election of Cheddi Jagan of the People's Progressive Party (PPP) as President. A few months after his death in 1997, Jagan's wife Janet, a former U.S. citizen, was elected President. She served until 1999, when due to ill health, she delegated her responsibilities to Bharrat Jagdeo. Jagdeo was first formally elected as President in 2001 and re-elected in 2006. This succession of democratic elections, and the first largely peaceful elections in 2006, as well as Guyana's close cooperation with the U.S. on the President's Emergency Plan for AIDS Relief (PEPFAR) program, have placed U.S.-Guyanese relations on an excellent footing.

In an effort to combat the spread of HIV/AIDS in Guyana, the U.S. Centers for Disease Control and Prevention (CDC) opened an office at the U.S. Embassy in 2002. In January 2003, Guyana was named as one of only two countries in the Western Hemisphere to be included in PEPFAR. CDC, in coordination with the U.S. Agency for International Development (USAID), is administering a multi-million dollar program of education, prevention, and treatment for those infected and affected by the disease. Guyana also benefits from a $6.7 million, two-year threshold country program under the U.S. Millennium Challenge Account developmental program.

U.S. military medical and engineering teams continue to conduct training exercises in Guyana, digging wells, building schools and clinics, and providing medical treatment. In 2007, medical personnel aboard the U.S. Navy hospital ship Comfort provided free health care services to more than 10,000 Guyanese at six sites along the coast. In 2008, more than 6,000 residents in the remote Region One received free medical services when the USS Kearsarge visited Guyana.

Peace and Security: U.S. assistance will support counter-narcotics and transnational crime operations, which are key national security challenges faced by Guyana. These activities are aimed at increasing the Guyana Defense Force's (GDF) capacity to patrol and control Guyana's long boundaries and vast interior spaces, better enabling the GDF to be an active partner in U.S. counter-smuggling efforts. U.S. assistance will promote bilateral, security-related goals and positive movement toward democratic consolidation in the Guyanese political-military sphere.

Governing Justly and Democratically: U.S. assistance has contributed to a variety of achievements in this sector: the professional capacity of media personnel has improved; civil society has been more engaged in the government's decision-making processes as a result of improved dialogue; and mediators also have been trained. However, limited engagement between the key political stakeholders has contributed to the lack of consensus on reform issues, particularly in the area of local governance. Consequently, long overdue local government elections were not held. Guyana's next scheduled national elections will be in 2011, making it important that the United States, in partnership with local stakeholders, continues to focus on the long-term objectives of improving democratic processes and governance, including transparency, responsiveness, inclusiveness, and participation. The United States will help key stakeholder reach consensus on issues of national interest. U.S. assistance will focus on building the capacity of civil society organizations and expanding civic education. U.S. assistance will also contribute to building public confidence in Guyana's electoral management body to produce an acceptable voters list.

Investing in People: Linkages with the President's Emergency Plan for AIDS Relief (PEPFAR): Guyana will receive significant support to build partnerships to provide integrated prevention, care, and treatment programs throughout the country and support orphans and vulnerable children

Economic Growth: Guyana has been unable to achieve sustainable economic growth despite its huge natural resource potential. The nation's performance has been suppressed by weak facilitating institutions, over-reliance on a small number of traditional exports, low productivity, and lack of competitiveness in

international markets. U.S. assistance in 2007 and 2008 laid the groundwork for an optimistic economic outlook, supporting a significant expansion of the non-traditional sector. Support focused on the forest products, agribusiness, aquaculture and birding tourism sub-sectors. Since then, the share of non-traditional to total exports has increased from approximately 19 percent to 21 percent. Therefore, U.S. assistance will continue to focus on improving the business environment and expanding the productive capacity of key sectors. U.S. assistance in FY 2010 will support economic and institutional reforms, improve the climate for private investment, support small and micro-business development, promote entrepreneurial talent, and improve Guyana's economic competitiveness. This support is critical to maintain and accelerate the gains that have been realized.

Linkages with the Millennium Challenge Corporation

Guyana signed an MCC Threshold Country Program bilateral agreement in August 2007. This program seeks to improve the management of the economy. The United States is collaborating with the Government of Guyana to enhance implementation of its new value-added tax system and develop ways to assist and educate taxpayers, while at the same time assisting the government to better plan and control spending. Assistance under this program also aims to reduce the number of days and costs associated with starting a business by modernizing and streamlining the process to register businesses and strengthening fiduciary oversight.