

Guyana's Energy Transformation: Opportunities, Lessons, and Regional Collaboration



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The discovery and rapid development of Guyana's oil and gas resources have propelled the country onto the global stage as one of the fastest-growing economies in the world. In less than a decade, Guyana has moved from being a small, resource-dependent developing nation to a critical player in global energy security. This transformation is still in its early stages, but the trajectory is clear: oil and gas have redefined Guyana's economy, presented both opportunities and challenges, and opened new doors for regional collaboration, including with partners in Colombia.

Recent Developments in Guyana's Energy Sector

Guyana continues to make international headlines with the pace of oil discoveries and production. To date, more than 11 billion barrels of recoverable oil equivalent have been discovered, primarily in the prolific Stabroek Block operated by ExxonMobil, Hess, and CNOOC. Production has already surpassed 600,000 barrels per day, with projections indicating Guyana could produce over 1.2 million barrels per day by 2027; a remarkable feat for a country of fewer than 800,000 people.

In addition to Stabroek, exploration and appraisal drilling activities are ongoing in other offshore blocks, including Canje, Kaieteur, and Orinduik. This broadens the investment horizon and shows the world that Guyana is not a "single-block story" but a country with vast untapped offshore potential.

Onshore, the government is pursuing transformative projects to diversify the energy mix and improve domestic power generation. Notably, the Gas-to-Energy project, led by ExxonMobil and the Government of Guyana, will bring natural gas onshore to provide reliable, cheaper electricity, expected to lower energy costs by 50%. This is critical for stimulating manufacturing,

industrial development, and general competitiveness in the wider economy.

The Local Content Act of 2021 is another milestone. This legislation ensures that Guyanese businesses and workers participate meaningfully in the oil and gas value chain. Already, hundreds of local companies have registered as providers of goods and services, while training and certification programs are equipping our workforce with the necessary skills.

How Oil and Gas Has Transformed the Economy

Guyana is now officially the world's fastest-growing economy. In 2022, GDP grew by over 62%, and in 2023 by approximately 38%, fueled primarily by oil production. For context, Guyana's GDP has more than tripled in less than five years.

This economic boom has generated new revenue streams for the government, enabling historic levels of investment in infrastructure, healthcare, education, and housing. The Natural Resource Fund (NRF) provides a transparent mechanism for managing oil revenues, ensuring fiscal stability and sustainability.

Importantly, the ripple effects are being felt across sectors. Construction, services, logistics, and hospitality have all expanded rapidly to meet the needs of the industry and its growing expatriate workforce. Small and medium-sized enterprises (SMEs) now find opportunities in catering, transportation, training, and IT solutions.

Yet, the transformation is not just economic. Oil wealth has put Guyana in a position to reimagine

its development trajectory. From being one of the poorest countries in the hemisphere, Guyana is now able to plan long-term, diversify its economy, and invest in its people in ways previously unimaginable.

Public Perception of the Transformation

For the Guyanese people, the oil and gas sector represents both hope and caution. On one hand, there is immense pride in Guyana’s newfound status as a global energy player. Citizens are optimistic about job creation, improved infrastructure, and rising living standards. The government’s investments in housing, roads, bridges, hospitals, and schools are visible, tangible signs of the oil windfall at work.

On the other hand, there is awareness of the risks. Guyanese citizens frequently raise concerns about the “resource curse” and whether oil wealth will be managed prudently. Environmental concerns are also real; our people want development, but not at the cost of marine biodiversity or coastal safety.

What is clear, however, is that Guyana’s citizens expect accountability and transparency. The Local Content Act, the NRF legislation, and ongoing debates about revenue use reflect this demand for responsible governance. The population sees oil and gas as an opportunity to build a more equitable society, and they want to ensure this chance is not squandered.

Lessons for the Region

Guyana’s experience, though still young, already offers several

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lessons for other countries in Latin America and the Caribbean:

- 1. Transparency and Accountability Are Key:** Establishing the NRF early has created a framework for transparent management of revenues. This is essential to avoid mismanagement.
- 2. Local Content Must Be Prioritized:** By legislating local participation, Guyana is building capacity among its businesses and people, ensuring the benefits of oil are widely shared..
- 3. Invest in Diversification:** Oil wealth should not be an end in itself. Guyana is channeling revenues into power generation, agriculture, tourism, and manufacturing to build resilience.
- 4. Partnerships Are Critical:** Collaboration with international companies has accelerated Guyana’s development. Equally, South-South cooperation within the region; sharing knowledge and best practices—will ensure more inclusive benefits.

Opportunities for Collaboration with Colombian Companies

Guyana recognizes Colombia as a key regional partner with deep expertise in oil and gas. Colombian companies have decades of experience across the value chain—from upstream exploration and

production to downstream services and logistics. This positions them well to partner with Guyanese enterprises and support our growing industry.

Some immediate opportunities for collaboration include:

- **Engineering and Technical Services:** Colombian firms can provide expertise in drilling, reservoir management, and enhanced oil recovery.
- **Logistics and Transportation:** Guyana’s geography and offshore operations require efficient logistics networks, an area where Colombia has proven strengths.
- **Training and Human Capacity Development:** Colombia’s oil sector has a skilled workforce that can help train and transfer knowledge to Guyanese workers.
- **Supplies and Procurement:** From equipment manufacturing to safety gear, Colombian suppliers can integrate into Guyana’s oil and gas value chain.
- **Renewable Energy Collaboration:** Both Guyana and Colombia are pursuing low-carbon development. Colombian companies can explore partnerships in solar, wind, and bioenergy projects.

Guyana's oil and gas sector is not just about barrels and profits—it is about transforming a nation and redefining its place in the region and the world. The pace of development has been extraordinary, but so too are the expectations and responsibilities that come with it.

As we continue this journey, we remain committed to transparency, inclusivity, and regional collaboration. For Colombia and Guyana, the opportunity is ripe to work hand in hand; not only in oil and gas but in building a sustainable, diversified future that benefits both our peoples.

The Guyana Oil and Gas Energy Chamber (GOGEC) stands ready to facilitate these partnerships, deepen dialogue, and ensure that the opportunities of today translate into lasting prosperity for tomorrow.



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Photography: Exxon Mobil**