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Finance • Macro-Financial Analysis • Market Intelligence • Political Economy

Fiscal & Investment Outlook (2026-2030)

Structural Transformation • Macro-Fiscal Signals • Investment Pipeline

MACRO & POLICY NOTE

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Executive Abstract

Guyana's Budget 2026 signals a decisive phase in the country's structural transformation, leveraging petroleum revenues to accelerate infrastructure, human capital development, institutional modernization, and private-sector scaling, while sustaining macroeconomic resilience. SphereX's integrated assessment finds that the macro-fiscal framework remains strong and stable, with debt sustainability risks contained, and that NRF withdrawals—while material—are being deployed strategically to expand productive capacity and diversify the economy rather than to fund structural recurrent imbalances. The non-oil economy has nearly doubled since oil production began in 2019 (≈1.96×; ~GYD 0.8tn to ~GYD 1.6tn) and non-oil revenue has more than doubled (≈2.13×; GYD 240bn to GYD 514bn) despite no new taxes, reinforcing that diversification is progressing alongside oil expansion. Scenario-based forecasts through 2030 remain positive, with the principal medium-term risks concentrated in absorption capacity and implementation constraints, which government is actively addressing through capacity development, digitization/ICT transformation, and public-sector efficiency reforms—supporting a constructive investment outlook across infrastructure-enabled sectors.

Key Insights

- **Oil-driven growth with diversification:** GDP grew at an annualized (CAGR) **39.2 %** between 2021 and 2025; non-oil GDP grew **12.9 %**. Oil production is expected to plateau around 2030, and non-oil sectors will continue expanding, causing the non-oil share of GDP to rise again after 2030.

- **Budget dependence on the NRF:** In 2026, NRF withdrawals will account for 46.4% of central-government revenue and 31.8% of expenditure. These withdrawals follow the NRF Act rules and are part of a planned strategy to support diversification; increasing non-oil revenue requires higher non-oil output.

- **Household income changes:** Wages rose to 33.8% of income (from 33.1% in 2010); remittances fell sharply from 52.6% to 11.4%; social-welfare transfers grew from over 2% to 45.3% by 2025. Total household income increased from GYD 119.7bn to GYD 790bn (2010–2025), not counting tax-free allowances or informal income (~30% of non-oil GDP).

- **Fiscal multipliers reflect gestation lags:** Capital expenditure surged from **GYD 104bn** in 2021 to **GYD 779bn** in 2026; the capital-expenditure multiplier increased but exhibits volatility (see chart below). Projects such as roads, bridges and energy plants have gestation periods; benefits accrue over several years later.

- **Monetary and savings behavior:** M2 velocity dropped from 5.8x (2010) to about 2.4x (2025). The average MPC was 0.61 and MPS was 0.39 (2025). Savings-to-consumption ratios rose, showing greater financial intermediation. Banks' loan-to-deposit ratio declined from 60% in 2014 to 45% in 2025, indicating excess liquidity.

- **Non-oil economy expansion:** Since oil production began in 2019, the non-oil economy has nearly doubled (~1.96×), rising from roughly **GYD 0.8tn** to **1.6tn** by 2025, demonstrating that diversification is happening alongside the oil boom.

- **Non-oil revenue gains without new taxes:** Non-oil tax revenue more than doubled between 2019 and 2025—GYD 240bn to 514bn (≈2.13×)—despite a ~GYD 200bn per-year reduction in tax rates via the expansionary fiscal agenda. The surge in non-oil revenue reflects broader economic activity rather than higher tax rates.

- **Debt sustainability:** Public-debt-to-GDP (21.6 %), external-debt-to-GDP (1.9 %), external-debt-to-exports (0.2 %) and debt-service-to-revenue (2.2 %) all fall within **low-risk** bands relative to IMF thresholds. Foreign reserves cover ≈ 6.1 months of imports, exceeding the three-month adequacy benchmark.

- **Investment themes:** High-priority themes include transport & logistics (deep-water harbours, cross-border bridges, economic zones), Agri-industrial value-chains, gas-to-energy & downstream petrochemicals, digital & fintech infrastructure, tourism & hospitality and social services (health, education, housing).

FOREWORD

Guyana has entered a historic phase of economic transition. The pace of change—driven by petroleum production, rapid fiscal expansion, and large-scale infrastructure investment—has placed the country on a development trajectory that is both promising and complex. The opportunities are significant, but so too are the risks, particularly those associated with execution capacity, governance maturity, macroeconomic overheating, and the challenge of converting resource revenues into long-term productive capital.

The **Investment Outlook 2026–2030** is published under SphereX Professional Services Inc.'s **Insights & Practice** series to provide institutional stakeholders with an evidence-based, decision-oriented assessment of Guyana's macro-fiscal direction and its implications for investment, strategic growth, and capital allocation. This report is not intended as promotional commentary. Rather, it is designed to support boards, investors, development finance institutions, policymakers, and strategic partners with structured insight into the evolving investment climate and the constraints that will shape outcomes.

The report integrates three critical layers of analysis. First, it evaluates macro-fiscal signals, including national budget priorities, fiscal stance, and structural policy direction. Second, it examines indicators of structural transformation, with emphasis on productivity, financial deepening, and the development of enabling infrastructure. Third, it maps sector-level investment themes and capital pipeline opportunities, focusing on areas where private capital can scale sustainably alongside public investment.

SphereX recognizes that forward-looking analysis is inherently uncertain—particularly in fast-transforming emerging markets. Accordingly, the outlook adopts a scenario-based framework and clearly distinguishes between verified data, stated policy intent, and assumption-driven projections. Where data gaps exist, estimates are used conservatively and limitations are disclosed to preserve analytical integrity.

Ultimately, this publication is grounded in a simple proposition: **Guyana's opportunity is real, but outcomes are not automatic.** The success of this decade will be determined by institutional discipline, quality of execution, and the ability to mobilize private investment into productive, non-oil sectors. It is in this context that SphereX offers this report as a contribution to informed investment decision-making and responsible national dialogue.

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Georgetown, Guyana | January 2026

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List of Acronyms

Acronym	Definition
CAGR	Compound Annual Growth Rate
DSA	Debt Sustainability Analysis
GDP	Gross Domestic Product
GYD	Guyanese Dollar
ICT	Information and Communication Technology
IMF	International Monetary Fund
MPC	Marginal Propensity to Consume
MPS	Marginal Propensity to Save
NRF	Natural Resource Fund
USD	United States Dollar

1. Introduction

Guyana is in the midst of an unprecedented economic transition—moving from a historically primary-sector economy to a value-added, tertiary-sector powerhouse. Major infrastructure projects—deep-water harbours; cross-border bridge across the Corentyne River linking Guyana and Suriname; fertilizer and natural-gas plant; a second gas-to-energy plant in Region Six; a new Berbice River Bridge; and a dedicated economic zone—are catalyzing industrial capacity, regional integration, and job creation.

This transformation aligns with development-economics theory: having progressed beyond the "traditional society" stage (1992–2015), Guyana is now in the "preconditions to take-off" stage (2020–2025), characterized by infrastructure expansion, entrepreneurship, and investment in education and technology. Looking ahead, the national agenda for 2025–2030 signals transition toward the third stage of development, with agriculture, manufacturing, energy, and services as the key growth poles.

Guyana's macro-fiscal landscape is being reshaped by the arrival of large-scale oil production and an aggressive public-investment programme. This publication integrates a review of the national budget 2026, the 2026 macro-economic framework, debt sustainability metrics and sectoral data to form a coherent outlook to 2030.

Guyana's 2026 national budget marks the first fiscal programme of the thirteenth Parliament and signals a new phase in the country's economic transformation. At GYD 1.558tn, it is the largest budget in Guyanese history and reflects both the windfall from petroleum revenues and the Government's determination to deploy those resources aggressively to accelerate growth and development. At the same time, it is among the smallest relative to GDP (20%). The budget projects central-government revenue of about GYD 1.066tn and current expenditure of GYD 740bn, while capital expenditure surges to nearly GYD 780bn; the resulting deficit widens sharply to GYD 488bn (about 6.2 % of GDP).

The fiscal programme emphasizes large investments in housing, infrastructure, health, education, digitalization, and targeted social support, underpinned by withdrawals from the Natural Resource Fund (NRF).

2. Macro & fiscal context

2.1 Revenue composition

Central-government revenue increased from GYD 267bn in 2021 to GYD 1 067bn in 2026. Non-oil revenue grew to GYD 514 bn, but NRF withdrawals contribute GYD 495 bn, or 46.4 % of revenue and 31.8 % of total expenditure. While critics argue this is “abusing” the NRF, the withdrawals follow a rule-based framework that caps annual transfers and allocates funds to capital projects. Without investing oil proceeds in infrastructure and productive sectors, non-oil revenue cannot expand. The fiscal strategy therefore uses oil revenues to diversify the economic base, not to fund recurrent spending. Table 1 summarizes revenue composition.

Table 1: Central gov't finances

Revenue/Expenditure item (2026)	Amount (GYD bn)	Share of total revenue	Share of total expenditure
Total revenue	**1 066.6**	**100.0%**	**68.6%**
Non-oil revenue	514.1	48.2 %	33.1 %
NRF withdrawals	495.0	46.4 %	31.8 %
Other transfers (GRIF, Carbon Credit)	57.6	5.4 %	3.7 %
Total expenditure	**1 554.1**	**145.7%**	**100.0%**

Note: Figures derive from the 2026 budget tables (values in GYDmn divided by 1 000).

2.2 Economic diversification and GDP composition

Oil development reshaped Guyana's economy. Non-oil GDP dropped from around 60% of total GDP at the start of oil production to about 30% by 2025, as the oil sector grew rapidly while the non-oil economy doubled in size. Non-oil GDP increased from GYD 879bn in 2015 to 1,600bn in 2025, showing diversification amid oil dominance. Agriculture and manufacturing shares stayed stable at roughly 22.5% and 6.3%, but services rose sharply, making up about 15.6% of non-oil GDP in 2025, compared to 7.2% in 2020.

Going forward, oil production is expected to plateau around 1.5 mn b/d by 2030. As oil output stabilizes and non-oil industries expand, the non-oil share of GDP will naturally increase. This trajectory addresses opposition claims that the budget is “over-dependent” on oil revenues; the only sustainable way to bolster non-oil revenue is by expanding non-oil output, which current NRF-funded investments in agriculture, manufacturing, digital infrastructure and services are designed to do.

2.3 Fiscal multipliers and the gestation lag

The fiscal multiplier (impact of government spending on GDP) and capital-expenditure multiplier capture how quickly spending translates into growth. The capital-expenditure multiplier rose sharply after 2019 because of large infrastructure projects. However, multiplier effects exhibit lags: roads, bridges, gas-to-energy plants and housing projects require time to complete. Until full benefits materialize, indicators such as vehicle registrations per kilometer of new road will show improvement. For example, official data show that from 2020–2024, 4 322 km of roads were constructed; as infrastructure accelerates, the ratio of new vehicles per kilometer of road is declining—from an estimated ≈ 247 vehicles/km in 2010 to ≈ 42 vehicles/km by 2024 calculated based on official data published by the Bureau of Statistics. This demonstrates that road construction is catching up with rapidly increasing vehicle ownership, a positive outcome of oil-financed investment.

Figure 1: Velocity of money

Figure 1: Velocity of Money (M2) has declined from 2.6 in 2010 to 1.7 in 2024 and increased to 2.4 in 2025, indicating deeper financial intermediation and greater monetization of deposits.

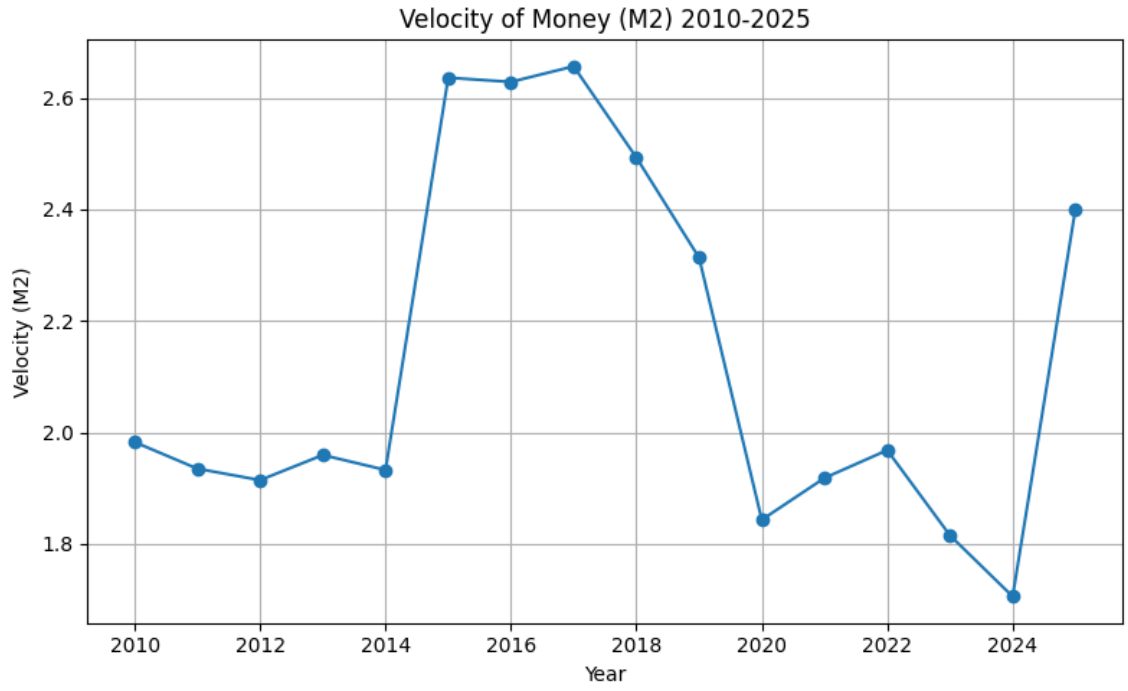


Figure 2: Marginal propensity to consume and save

Figure 2: Marginal Propensity to Consume (MPC) and Save (MPS) derived from consumption–savings ratios. The average MPC between 2010-2024 is 0.61, implying households save roughly 39 % of incremental income.

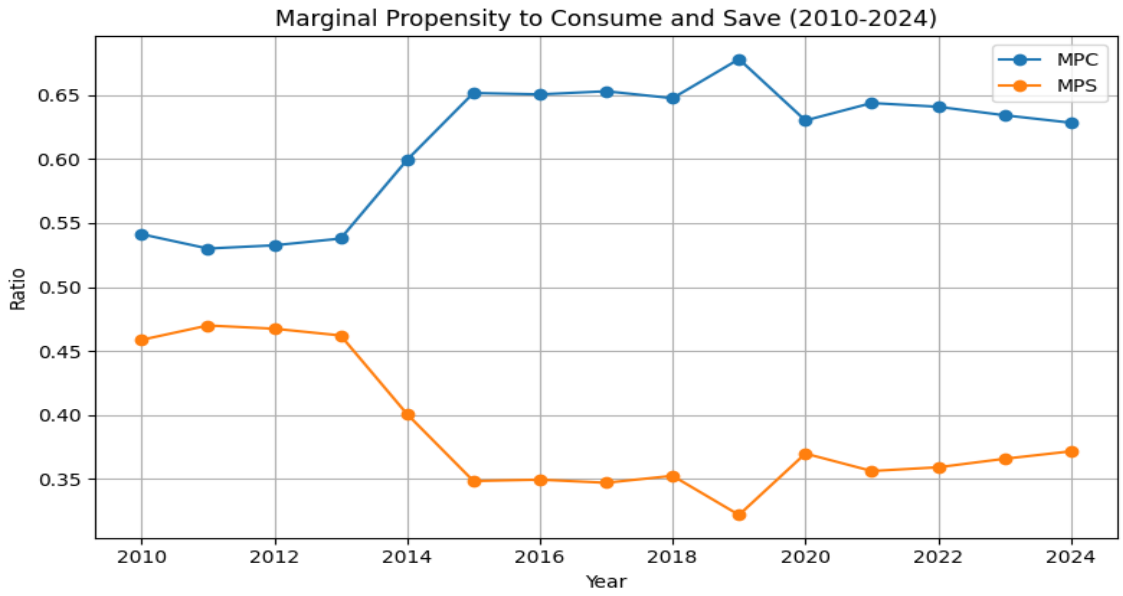
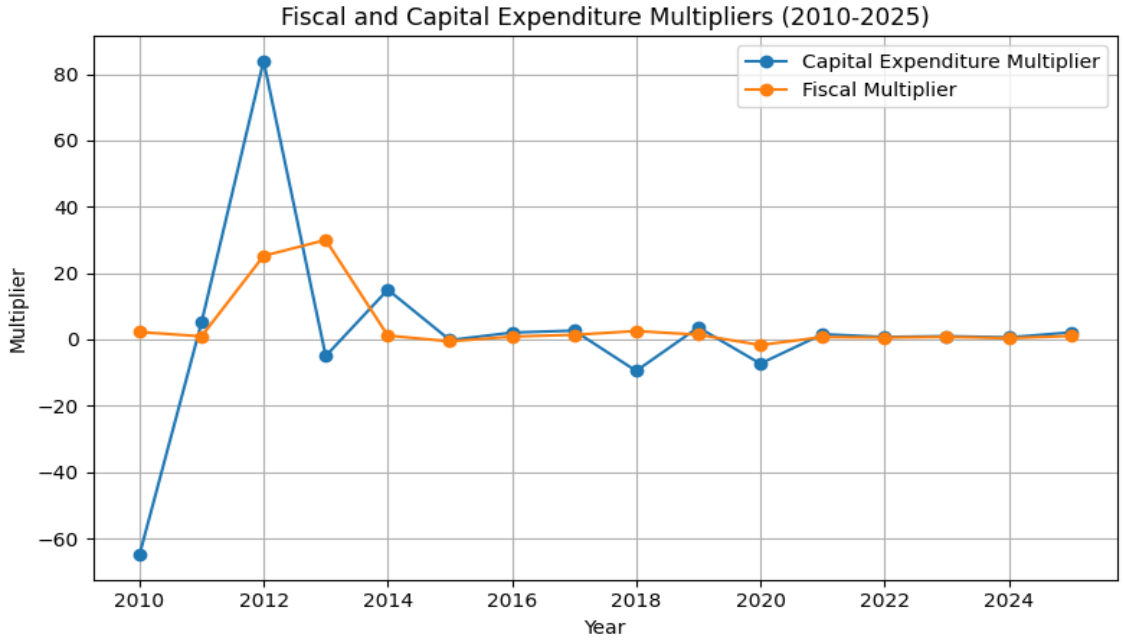


Figure 3: Fiscal multipliers

Figure 3: Fiscal and Capital-Expenditure Multipliers. The large swings reflect learning curves and gestation lags; multipliers stabilize above unity after 2020.

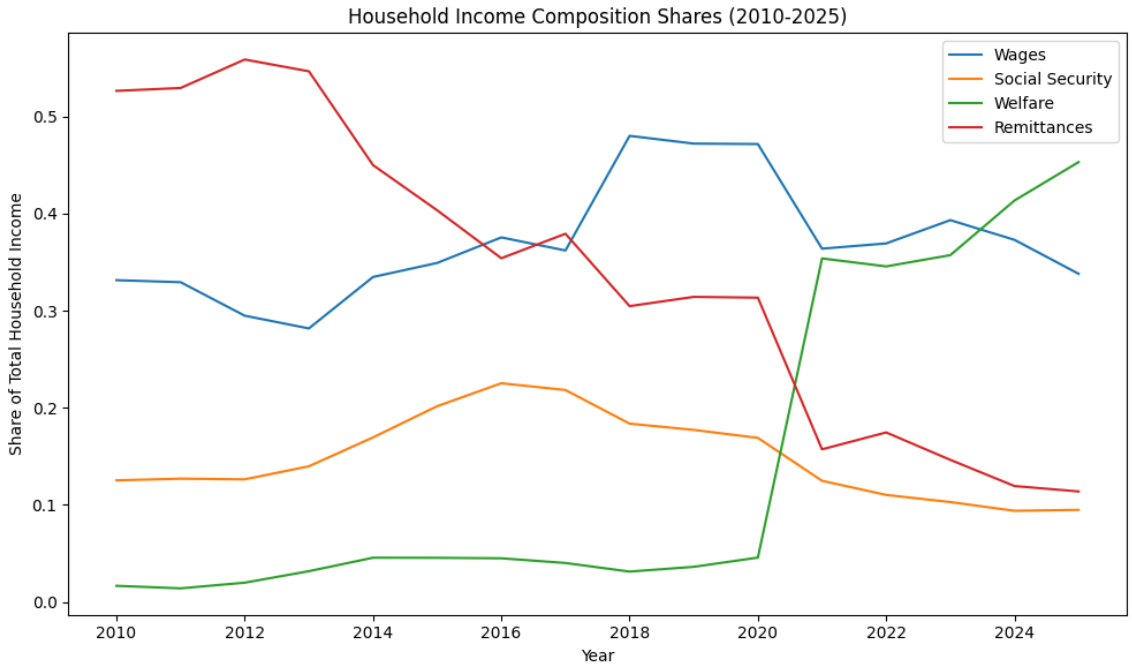


2.4 Household income transformation

Total household income (wages + social security + welfare support + remittances+ grants/subsidies) expanded from GYD 119.7bn to GYD 790.1 bn. The share of wages remained stable (~33–34 %), social security declined slightly (~12.5 % to 9.5 %), social welfare support (subsidies, cash grants) exploded from 1.7 % to 45.3 %, and remittances collapsed from 52.6 % to 11.4 %. Household income as a percentage of non-oil GDP rose from 39.8 % to 48.9 %. The underlying factors are: (1) improved wage employment as public-sector salaries and private-sector jobs grew; (2) massive scaling-up of government transfers; (3) reduced reliance on remittances as local incomes rise; and (4) broadened tax base. Note that our estimates understate household income because they exclude non-taxable allowances, fringe benefits, incomes below the tax threshold and the informal economy (≈ 30 % of non-oil GDP). Figure 4 presents the evolution of income shares.

Figure 4: Household income composition

Figure 4: Household income composition (2010–2025). There is a clear structural shift from remittances to wages and transfers, reflecting economic formalization and expansion of social programmes.



2.5 Debt sustainability analysis (DSA)

We assess debt sustainability using the IMF–World Bank Debt Sustainability Framework. The table below summarizes 2025 indicators and compares them to risk thresholds for countries with strong policy and institutional frameworks.

Table 2: DSA indicators

Indicator	Value (2025)	Risk band (strong policy)	Risk rating	Breach?	Interpretation
Debt/GDP	21.6 %	< 55 %	Low	No	Debt burden is modest relative to output.
External debt/GDP	1.9 %	< 30 %	Low	No	Very limited external borrowing; ample buffer.
External debt/exports	0.2 %	< 140 %	Low	No	Export receipts cover debt easily.
Interest/revenue	2.2 %	< 23 %	Low	No	Revenue can service debt with ease.
Reserves (months of imports)	≈ 6 months	> 3 months	Low	No	Reserve coverage exceeds conventional benchmark.

Debt sustainability is therefore strong. With oil revenues flowing into the NRF and prudent fiscal rules, the government has space to finance large infrastructure programmes while keeping debt ratios low. Nevertheless, long-term sustainability hinges on non-oil revenue growth once oil production plateaus.

3. Investment outlook and deal map

SphereX's investment thesis aligns with Guyana's rapid structural transformation. The economy is transitioning from a primary-sector base to a value-added, tertiary-sector powerhouse driven by infrastructure expansion, entrepreneurship and technology adoption. This narrative follows classic development-economics theory: after progressing through the "traditional society" stage (pre-2015), Guyana is now in the "preconditions to take-off" stage (2020-2025) and aims to enter the "take-off" stage (2025–2030). Major infrastructure projects—deep-water harbours; cross-border bridge across the Corentyne River; fertilizer and natural-gas plants; a second gas-to-energy plant; a new Berbice River Bridge; and dedicated economic zones—are catalyzing industrial capacity and regional integration. Private-sector resilience demands a cultural shift from traditional accounting to FP&A, liquidity-risk management and forward-looking analytics—capabilities the SphereX platform embeds.

Table 3: Strategic Investment Themes

Theme	Rationale & opportunities	Illustrative projects
Transport & logistics	Efficient trade corridors underpin diversification. A deep-water harbor and cross-border bridge will reduce shipping costs and connect Guyana to Suriname and Brazil. Dedicated economic zones can attract light manufacturing and logistics hubs.	• Deep-water harbor project (Phase 1, 2026–2029) • Corentyne River bridge (PPP, 2026–2028) • Economic zone with warehousing, cold storage and bonded facilities.
Agri-industry & food security	Guyana has vast arable land and water resources. Investing in agro-processing, climate-smart agriculture and fisheries reduces food imports and stabilizes prices.	• Rice and corn milling plant • Integrated aquaculture park • Agro-logistics centers near ports.
Energy & downstream petrochemicals	Gas-to-energy projects will provide baseload power and feedstock for fertilizers. This enables industrialization and reduces fuel imports.	• Second gas-to-energy plant (Region Six, 2026–2029) • Ammonia/urea fertilizer plant • LPG bottling and distribution.
Digital economy & fintech	Expanding broadband, e-commerce and payment systems supports services exports and financial inclusion.	• National fiber-optic backbone • Fintech platforms for SMEs • E-government and digital identity systems.
Tourism & hospitality	Eco-tourism and heritage tourism can create jobs and foreign exchange. Upgraded airports and hotels are needed.	• Hinterland eco-resorts • Expansion of Cheddi Jagan International Airport • Berbice River cruise & marina.
Social infrastructure	Human capital drives long-term growth. Investments in health, education and housing improve productivity and inclusion.	• Construction of 40 000 new homes • New regional hospitals and medical schools • TVET and tertiary education expansions.

3.1 Investment pipeline & quantified opportunities

SphereX is building an investable project pipeline and screening database. The indicative opportunities below are based on triangulation of national development plans, budget estimates, and market intelligence (pipeline values are indicative and subject to project origination and feasibility validation):

Table 4: Investment pipeline

Sector	Example projects & programmes	Indicative investment need (GYD bn)	Readiness	Financing structure
Transport & logistics	Deep-water harbor, port expansions, cross-border bridge, Ogle–Eccles highway extension	400–600	Feasibility/PPP tendering	Public–private partnerships, sovereign loans.
Energy & petrochemicals	Second gas-to-energy plant, ammonia/urea fertilizer facility, LPG distribution	300–450	Feasibility studies underway	Public equity via NRF + private investors.
Agri-industry	Rice milling and storage upgrade, aquaculture complex, agro-industrial parks	150–200	Pre-feasibility	Public grants, concessional loans, blended finance.
Digital & fintech	National fibre backbone, fintech platforms, data centers	40–80	Pilot projects	Public-private partnerships.
Housing & social services	Affordable housing programme (40 000 homes), new hospitals, TVET colleges	250–350	Implementation	Government budget, development banks, PPPs.
Tourism	Hinterland eco-resorts, Marina & cruise port, airport expansion	60–120	Concept	PPP and private equity.
Total:		**1200—1800**		

3.2 Risk register & mitigation

Table 5: Risk register and mitigation

Risk category	Description	Likelihood	Impact	Mitigation
Oil price volatility	Oil revenue funds over 40 % of the budget; price shocks could reduce NRF inflows.	Medium	High	Hedge revenue via forward contracts; maintain conservative NRF withdrawal rules; diversify into non-oil exports.
Project implementation delays	Capacity constraints in procurement, engineering and environmental approvals can delay infrastructure projects.	High	Medium	Strengthen project management units; engage reputable international contractors; enforce deadlines and penalties.
Debt-sustainability slippage	Rapid borrowing for megaprojects could push debt ratios above thresholds.	Low	Medium	Maintain debt ceilings; use concessional financing; link borrowing to revenue-generating projects.
Governance & transparency	Perceptions of NRF misuse or corruption could erode investor confidence.	Medium	High	Implement robust independent audits; publish NRF withdrawals and project outcomes; adopt Extractive Industries Transparency Initiative (EITI) standards.
Climate & environmental risks	Coastal flooding and extreme weather threaten infrastructure and agriculture.	Medium	Medium	Invest in resilient infrastructure; enforce environmental safeguards; create disaster-insurance pools.

4. Macro Forecasts (2026–2030) – Baseline, Upside & Downside Scenarios

To extend forecasts beyond 2026, we apply compound-annual-growth-rates (CAGR) calculated from the 2021–2025 period. The baseline growth rates are: GDP 38.9 %, non-oil GDP 12.9 %, total revenue 31.9 %, non-oil revenue 14.0 %, current expenditure 21.0 %, capital expenditure 50.0 %, public debt 22.3 %. The upside scenario assumes growth rates 25 % higher than baseline; the downside scenario assumes rates 25 % lower. Results are summarized below (values in GYD bn). Negative fiscal balances are shown with minus signs.

Table 6: Macro forecasts

Variable	2026 (base)	Baseline 2027	Baseline 2030	Upside 2030	Downside 2030
GDP	6 501	9 390	35 251	49 529	24 470
Non-oil GDP	1 600	1 825	2 967	3 343	2 629
Total revenue	1 066.6	1 406.8	3 228.3	4 082.7	2 515.5
Non-oil revenue	514.1	586.1	872.4	1 053.2	722.5
Current expenditure	739.8	895.2	1 594.0	1 889.5	1 345.9
Capital expenditure	779.6	1 169.4	3 835.4	7 809.6	1 801.8
Total expenditure	1 554.1	2 052.0	5 880.5	9 776.4	3 899.1
Fiscal balance	–487.6	–645.2	–2 652.2	–5 693.7	–1 383.6
Public debt stock	1 785.0 (2025)	2 184.0	3 997.0	5 932.6	2 715.1

Note: Baseline forecasts align with the budget's medium-term framework; upside scenarios assume higher oil prices and faster project execution; downside scenarios reflect delays and price shocks.

Figure 5: GDP vs Non-oil GDP trend

Figure 5: Historical and forecast GDP vs Non-oil GDP (2021–2030). Baseline forecasts show non-oil GDP growing steadily while overall GDP surges then moderates as oil output plateaus.

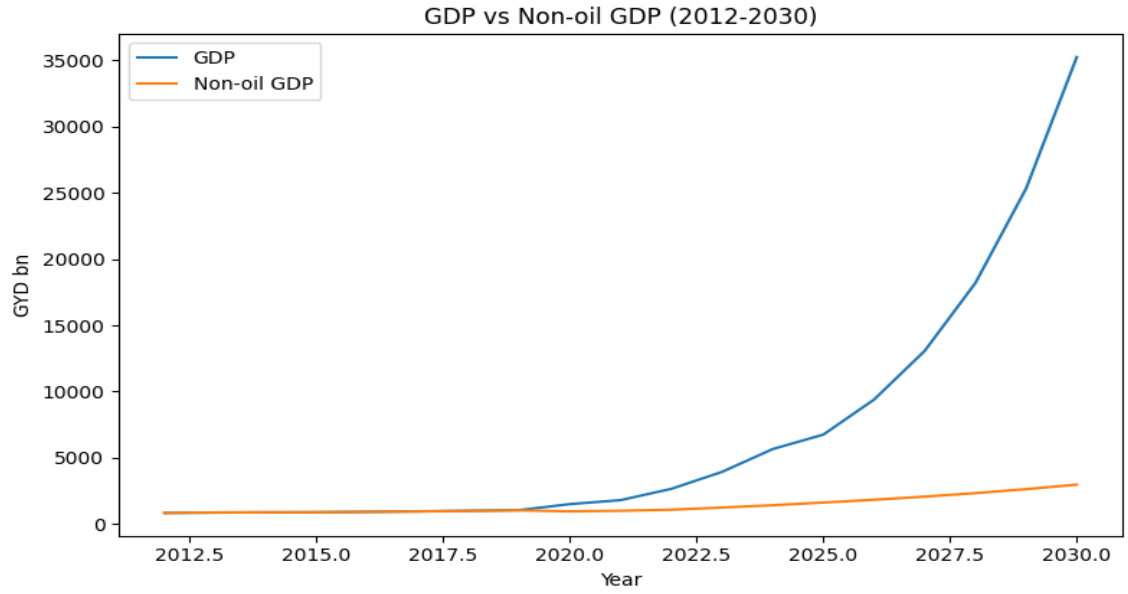


Figure 6: Revenue, expenditure and fiscal balance trend

Figure 6: Historical and forecast revenue, expenditure and fiscal balance. The fiscal deficit widens with rising capital expenditure but remains manageable given low debt and expected oil revenues.

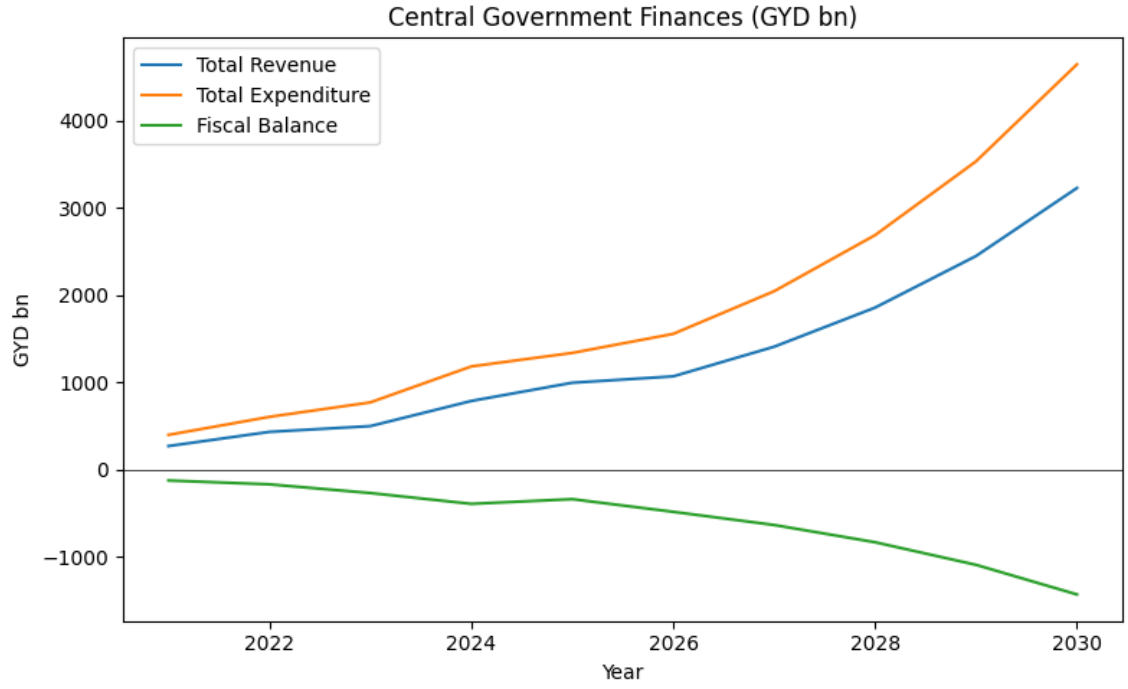
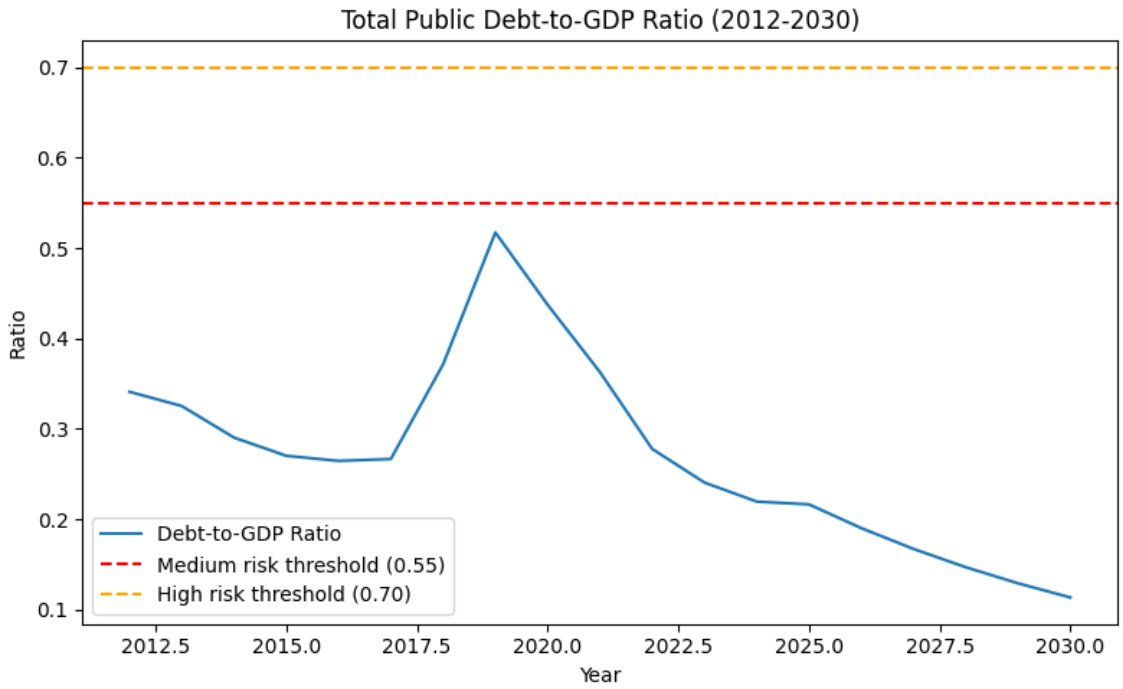


Figure 7: Debt to GDP trends

Figure 7: Public debt-to-GDP ratio (historical and forecast) relative to IMF risk thresholds. Even under downside scenarios, the ratio stays below the 55 % stress threshold.



5. SphereX verdict

Guyana's macro-fiscal outlook is robust yet complex. The country is experiencing one of the world's fastest economic expansions, driven by oil discoveries, but it is also investing heavily to diversify into agriculture, manufacturing, energy, digital services and tourism. Our analysis shows that using NRF withdrawals to fund capital projects is both strategic and necessary; without it, non-oil revenue cannot rise. Debt ratios are low and fiscal rules preserve sustainability. However, economic diversification is at a delicate stage: execution risk, oil-price volatility and governance challenges must be managed carefully.

The non-oil economy has nearly doubled since 2019 (from ~GYD 0.8tn to GYD 1.6tn), and non-oil tax revenue has more than doubled (GYD 240bn →514bn) with no new taxes—even as taxes were foregone by approximately GYD 200bn per year. This underscores that diversification is occurring and that oil revenue is being used to expand productive sectors and new industries rather than being consumed. Macro-economic stability—low inflation, a stable exchange rate, sustainable debt and excess reserves—remains strong and provides resilience against shocks. While the government is taking measured risks to invest in long-term sustainable growth, absorption capacity remains the main bottleneck: implementation constraints, technical skill deficits and bureaucratic processes can slow project execution.

The authorities are confronting these limitations through aggressive capacity development, training programmes, technology adoption and an ambitious digitalization/ICT strategy to transform public service delivery. Demographics also support the outlook—about 70 % of the population is aged 40 or younger, offering a substantial human-capital dividend.

SphereX recommends investors adopt a medium-to-long-term horizon and focus on sectors where public investment creates complementary opportunities (transport & logistics, agro-industry, energy and digital infrastructure). While upside returns are attractive, projects require rigorous due diligence, environmental and social safeguards, and risk-mitigation structures. SphereX stands ready to provide FP&A, liquidity-risk management, investment advisory, capital intermediation and analytics support to help enterprises navigate Guyana's transformation.

6. Conclusion & recommendations / Call to action

1. **Support diversification through investment:** Allocate capital to non-oil sectors—agriculture, manufacturing, services and technology—to ensure long-term sustainability as oil output plateaus.
2. **Leverage NRF prudently:** Continue adhering to the withdrawal rule; direct funds to projects that expand productive capacity rather than recurrent spending. Counter narratives of "NRF abuse" by communicating transparently and showcasing diversification outcomes.
3. **Strengthen project execution:** Build institutional capacity for project preparation, procurement and implementation. Engage experienced international partners to deliver complex infrastructure on time and within budget.
4. **Enhance financial intermediation:** Encourage banks to deploy excess liquidity into productive lending; develop capital markets to provide long-term financing.
5. **Embed FP&A and risk analytics:** Enterprises should move from historical bookkeeping to forward-looking budgeting, scenario analysis and liquidity management. The SphereX platform offers tools to institutionalize these practices.
6. **Support capacity development and digitalization:** Prioritize investments in human capital, training and technology to expand the implementation capacity of both government and private sectors. Leverage the country's youthful demographics (70 % of the population is ≤40) to foster innovation and productivity.

7. Methodology, limitations & use of report

7.1 Methodology and analytical approach

This report provides an integrated assessment of Guyana's Budget 2026 macro-fiscal framework and the medium-term investment outlook through 2030. The analysis combines fiscal aggregates, macroeconomic indicators, structural transformation metrics, banking and monetary indicators, and public finance diagnostics. Monetary values are presented in Guyana dollars (GYD) unless otherwise stated.

7.2 Forecasting framework (2026–2030)

Medium-term forecasts were extended to 2030 using the compound annual growth rate (CAGR) methodology embedded in the macroeconomic framework model. Baseline projections reflect the central assumptions already computed in the Excel model and are presented alongside scenario sensitivities. Forecast tables were produced for GDP (total and non-oil), revenue (total and non-oil), expenditure (current and capital), fiscal balance, and public debt trajectory, ensuring internal consistency between fiscal deficits and debt accumulation where data permitted.

7.3 Scenario analysis (baseline, upside, downside)

Scenario forecasts were developed using a structured sensitivity framework around three transmission channels: (i) oil output and price realizations, (ii) public investment execution and absorption capacity, and (iii) non-oil sector productivity response to infrastructure and human capital investments. The downside scenario assumes weaker implementation capacity, slower project delivery, delayed multiplier transmission, and slower private-sector crowding-in. The upside scenario assumes improved execution capacity, stronger capital productivity, faster diversification effects, and higher non-oil revenue buoyancy. These scenarios are intended as directional risk envelopes rather than point forecasts.

7.4 Debt sustainability analysis (DSA)

Debt sustainability indicators were computed using the public finance dataset and assessed against internationally applied prudential benchmarks commonly used in sovereign surveillance (including IMF/World Bank thresholds). Key indicators include debt-to-GDP, external debt-to-GDP, external debt-to-exports, interest-to-revenue, debt service-to-revenue (where available), reserve adequacy metrics, and current account balances (where available). Risk bands and breach flags are used as a diagnostic screen to interpret solvency, liquidity, and external vulnerability risks.

7.5 Structural interpretation: Oil vs Non-Oil Economy

The report distinguishes between total GDP and non-oil GDP for structural interpretation. The decline in the non-oil share of total GDP following the onset of petroleum production reflects a mechanical denominator effect from rapid oil-sector expansion rather than contraction of the non-oil economy. Non-oil performance is therefore evaluated using absolute growth metrics and within-non-oil sector composition.

The broadly stable sectoral composition of non-oil GDP across agriculture, manufacturing, construction, and services indicates relatively even growth across the non-oil economy, consistent with diversification dynamics that typically manifest over multi-year investment cycles.

7.6 NRF treatment and fiscal financing interpretation

NRF withdrawals are treated as rule-based fiscal financing flows supporting capital formation and national development priorities, rather than as recurrent revenue dependence. Analytical emphasis is placed on the quality and productivity of public spending, the pace of economic diversification, and the medium-term trajectory of non-oil revenue mobilization. In this framework, petroleum resources are assessed as a mechanism of capital conversion—transforming exhaustible wealth into long-lived productive assets that expand the non-oil tax base and strengthen fiscal sustainability over time.

7.7 Limitations and areas for further work

Key limitations relate to (i) incomplete availability of high-frequency inter-sector linkage datasets (input-output relationships), (ii) limited micro-level data to quantify distributional, employment, and social impacts of public investment at project level, and (iii) uncertainty inherent in medium-term forecasting during rapid structural transition. These limitations do not undermine the directional findings of the report but indicate priority areas for further analysis. Subsequent SphereX macro notes will progressively incorporate deeper evaluation of sectoral linkages, project-level economic impacts, and broader social outcomes as additional data becomes available.

7.8 Data Sources

- National Budget Estimates (2010-2026), Ministry of Finance[1]
- Bank of Guyana Annual Reports and Statistical Abstracts (2010 – 2026)[2]
- Natural Resource Fund Reports, Bank of Guyana[3]
- Guyana Revenue Authority, Annual Reports[4]
- National Insurance Scheme, Annual Reports[5]
- Guyana National Bureau of Statistics[6]

[1] https://finance.gov.gy/budget/budget-estimates/
[2] https://bankofguyana.org.gy/bog/publications/annual-reports/bog-reports
[3] https://bankofguyana.org.gy/bog/publications/natural-resource-fund/quarterly-reports
[4] https://www.gra.gov.gy/category/annual-reports/
[5] https://www.nis.org.gy/annual_reports
[6] https://statisticsguyana.gov.gy/

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