Chinese Enterprises to Guyana

Profile of Guyana-China Timber Industry Economic & Trading Cooperation Park

Chu Wenze
Board Chairman of Heilongjiang Baishanlin Timber Industry Co., Ltd.

Profile

跨越国界 共赢未来
Across the International Boundaries, for the
Joint Victories of Future

11 Overseas Companies under China Forest Industry Group (Hong Kong):

1. Guyana Baishanlin International Forest Indsutry Development Co., Ltd. founded in 2005
2. Haimorakabra Logging Company Inc.
3. Demarara Timbers Limited
4. Karlam South American Timber (Guyana) Inc.
5. Wood Associated Industries Ltd.
6. Kwebanna Wood Products Inc.
7. Sherwood Forests Inc.
8. Baishanlin Mining Development Co., Ltd. in 2012
9. Baishanlin Real Estate Development Co., Ltd. in 2012
10. Baishanlin International Shipmaking Co., Ltd. in 2012
11. Baishanlin Guyana Chinese Products Mall in 2012

Profile of China Forest Industry Group (Hong Kong)

Domestic Companies

•Founded Beijing Baishanlin Wood Flooring Co., Ltd. in 2005

• Founded Heilongjiang Baishanlin Timber Industry Co., Ltd. in 2008

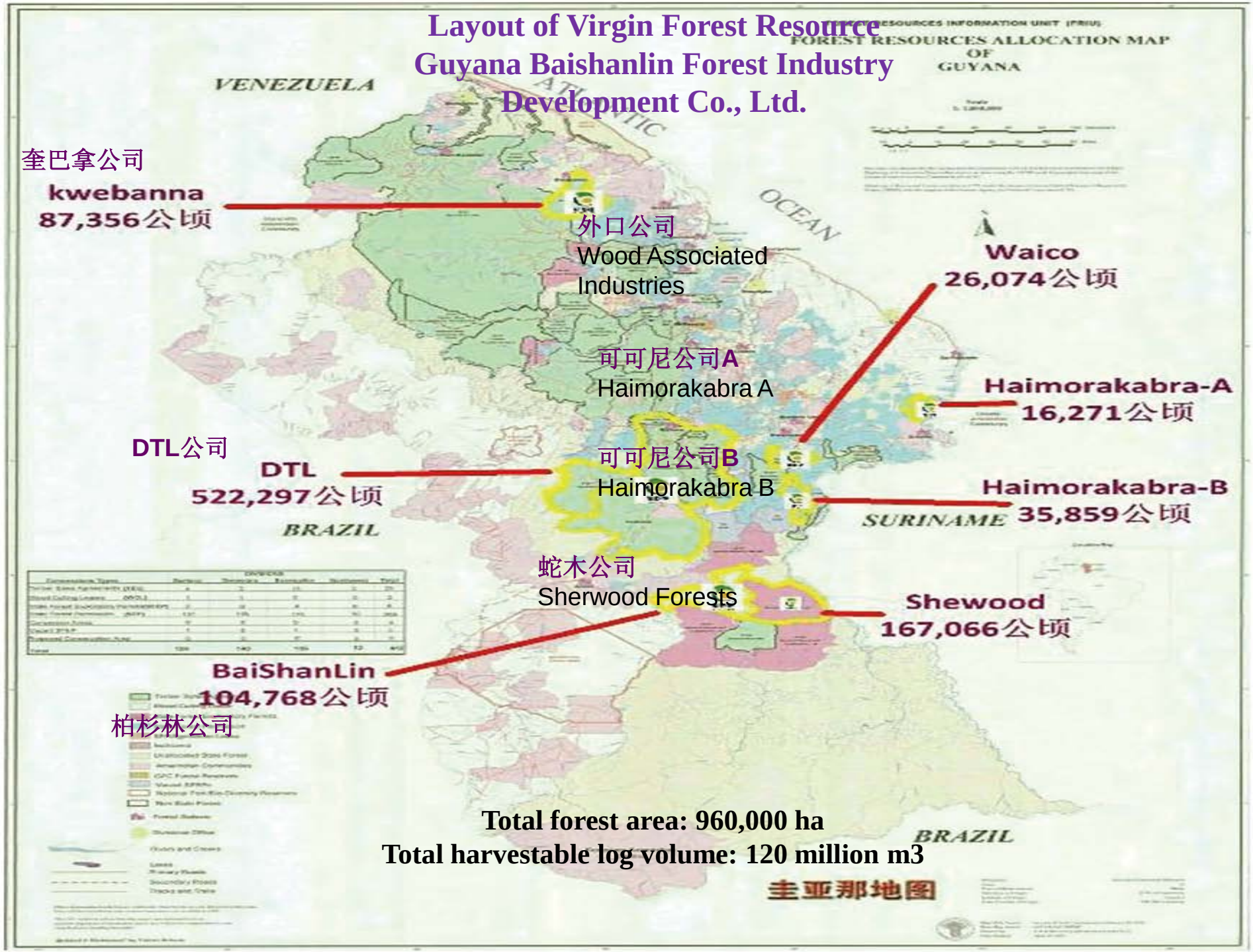
• Founded Heilongjiang Mingmuyuan Classical Furniture Co., Ltd. in 2010

• Founded Taicang Timber Processing Base in 2011

• Reorganized with the Great Khingan Forest Industry Group in 2011

Resources

Layout of Virgin Forest Resource
Guyana Baishanlin Forest Industry Development Co., Ltd.



Total forest area: 960,000 ha

Total harvestable log volume: 120 million m3

Resources in Guyana:

- 960,000 ha forest harvest concession
- 20 km river gold mining concession
- 5 km2 construction area for Guyana-China Timber Industry Economic & Trading Cooperation Park
- 400-acre land for real estate development

The Park

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Guyana-China Timber Industry Economic & Trading Cooperation Park

Total planned area 5 km2 for 3 construction stages: The 1st stage involves 1.21 km2, the 2nd stage involves 1.81 km2 and the 3rd stage involves 1.98 km2.

400-acre Land in Guyana for Baishanlin Real Estate Development Project

Bird Eye View of Guyana Baishanlin International Mall

Investment Proposal of Guyana-China Timber Industry Economic & Trading Cooperation Park

The Park is based on timber industry and planned to contain 50 enterprises.

Industrial Type in the Park

Industry / Stage	Timber industry	Shipmaking Plant	Wood Machine Processing and Manufacturing	Food and Sea Product Processing	Mining	School	Hospital	Total
I	10	1	1	1		1	1	15
II	10			1	1	1		13
III	20			2				22
Total	40	1	1	4	1	2	1	50

Timber Industry Base Cooperation Program

The Park is based on timber industry

Furniture

Flooring

Timber Drying Center

Wooden Villa

Wood-frame House Production

Root Carving

中方推进协调组

黑龙江省副省长
孙尧

黑龙江省商务厅厅长
孟祥君

黑龙江省林业厅
厅长 蔡炳华

大兴安岭地委书记
肖建春

大兴安岭地区行署专员
大兴安岭林业集团经理
单增庆

驻圭大使馆大使
于文哲

驻圭使馆经商参赞
欧阳俊

黑龙江省商务厅外资处
处长 姜保国

著名经济学家
省科顾委主任
陈永昌

黑龙江省原商务厅
厅长 叶晓峰

黑龙江省政府办公厅
处长 刘加林

中国木材与木制品
流通协会会长 刘能文

Chinese Project Promotion Team of Guyana-China Timber Industry Economic & Trading Cooperation Park

圭方推进协调组

圭亚那总统
萧纳德·拉莫塔

圭亚那总理
塞缪尔·海因斯

圭前任总统
巴拉特·贾格迪奥

圭亚那资源部部长
罗伯特·佩尔绍得

圭亚那投资部部长
戴斯蒙德·默罕默德

圭亚那森林局局长
辛格

圭亚那住建部部长
伊尔凡·阿里

圭亚那驻华大使
戴维·达比丁

Guyanese Project Promotion Team of Guyana-China Timber Industry Economic & Trading Cooperation Park

Services

An Investment Service Center for Guyana-China Timber Industry Economic & Trading Cooperation Park is to be established to:

- 1. Provide consultation on Guyanese policy and legal
- 2. Provide registration service for Guyanese enterprise
- 3. Provide customs and tax declaration for Guyanese enterprise
- 4. Set up a Guyana Investment Visa Service Center to provide Chinese investors with visa service to Guyana
- 5. Provide business services, such as exhibition negotiation in Guyana
- 6. Provide storage and transportation service in Guyana
- 7. Facilitate the coordination with Guyanese Government and relevant departments
- 8. Provide investors with security and guardian service

A joint guarantee company is to be established by enterprises in the Park:

It is planned to establish a joint guarantee company in the park as a consortium of all enterprises, providing loan or performance guarantee for investor enterprises in a collective manner, such as the assurance of financing loan, in order to support and promote the development of enterprises. Through collective guarantee, the company may prevent and decentralize risk, which is not only beneficial for enterprises in the park to obtain secured loan for their program, but also well-accepted by banks. Therefore, a joint guarantee company is to be established to provide quality service for Guyanese project on bank financing and loan.

Timber Harvest Cost and Profit in Guyana

Guyanese policy allows to harvest 20 m3/ha, and the FOB harvest cost per m3 is USD 120, average FOB price is USD 250, profit per m3 is USD 130 and minimum profit is no less than USD 100. On the basis of 20 m3 harvest according to relevant law, the harvest profit per ha is USD 2,000, the world market forest tenure price is no less than USD 500-1,000 per ha and the enterprises in the park are entitled to forest tenure purchase price of USD 200 per ha. On the basis of 20 m3 timber output per ha and forest tenure profit per ha of USD 1,800, the 2nd harvest is allowed in 25 years and a permanent forest management right can be obtained.

Guyana-China Economic & Trading Cooperation Park

- Guyana-China Economic & Trading Cooperation Park is a state-level park program in Guyana

- The project is supported with national subsidy for loan interest and the enterprises in the park are entitled with subsidy for carrying back resource.

- Guyana-China Timber Industry Economic & Trading Cooperation Park is a state-level park program in Guyana. Baishanlin provides preferential forest tenure, land price for plant construction, and the enterprises may also co-establish joint stock company with Baishanlin.

Investment

Mr. Chu Wenze and President Donald Ramotar

Guyanese Premier Interviewed Mr. Chu Wenze

Mr. Xiao Jianchun--the Secretary General of the Great Khingan Prefectural Party Committee, the Commissioner of the Great Khingan Prefectural Administration Office, Mr. Shan Zengqing--the General Manager of the Great Khingan Forest Industry Group, Mr. Bao Guorong—the Vice Commissioner of the Great Khingan Prefectural Administration Office and Mr. Chu Wenze—the Board Chairman of Baishanlin are discussing the investment program in Guyana with the National Development Bank in the Headquarter of Baishanlin in Beijing

China National Development Bank Provides Great Support for Baishanlin's Investment Program in Guyana as Its First Case of the Kind

Geographical Advantage of Guyana

Geographical advantage

Guyana, adjacent to South America and Caribbean area, is the only English-speaking country with easier market access, which has signed bi-lateral and multi-lateral trading agreements with US, Canada, EU, Venezuela, Columbia and Caribbean countries.

Guyana is neighboring Brazil and Venezuela, the two biggest economies in South America. With its advantageous geographical location, Guyana is an easy access to the 277 million consumers, the over 130 billion USD export market and over 2,000 billion USD buying power in total.

Map of Guyana

Policy Advantage in Guyana

China and Guyana have established a series of economic and trading cooperation mechanisms and signed a large number of cooperation agreements. Currently, the 3 bi-lateral agreements in execution are:

Sino-Guyana Visa Exemption Agreement signed on July 20th 1998

Sino-Guyana Governmental Trade Agreement signed in Georgetown on September 17th 2001

Sino-Guyana Agreement on Encouraging, Promoting and Protecting Investment signed in Beijing on March 27th 2003

The Guyana Parliament passed and published the first **Investment Decree** on December 15th 2004

Enterprises' imports of machinery, equipment, raw material, transportation means and office supplies for production use are exempted from import duty and excise tax;

New enterprise is exempted from corporate income tax in certain years;

Enterprises' product export is exempted from customs duty;

Investor enterprises' fixed assets, including machinery, equipment and workshop, are subject to accelerated appreciation;

Enterprises can open foreign exchange account in banks and can exchange their profits and dividends into foreign currency and transfer them out;

Timber processing is the priority and encouraged industry in Guyana;

Guyana allows arrival visa to US and some South American and European countries.

Thank You!