DELEGATE: Vaishnavi Sarang Joshi

COUNTRY: Guyana

SCHOOL: Indian School Al Ghubra

TOPIC: A Venezuelan Threat of Annexation.

"Sanctions are an essential tool in preserving international order and preventing the unlawful annexation of sovereign territories by aggressive states." - ***Angela Merkel, Former Chancellor of Germany.***

When a country discovers oil resources, it typically follows one of two paths: an oil boom or an oil bust. The former leads to great levels of economic growth for the country, however the latter not so much, especially when it is a consequence of sanctions. For Venezuela, as oil production dropped from 3 million BPD in 2001 to 750K BPD in 2021, it proved to be a sanctioned oil bust. However, the Guyanese economy witnessed an oil boom in 2015 when it discovered a rich offshore oil field in its waters, namely the **Essequibo region**. However, this region which once assured Guyana of significant development, has now become a topic of controversy as its neighbor, Venezuela, plans to annex the oil-rich Essequibo region, and Guyana desires to impose sanctions on Venezuela for the same.

In 2022, Guyana recorded the highest real GDP growth rate due to discovery of 11billion barrels of oil resources, increasing its national output by 62.4%. However, development plans following this discovery were endangered when President Maduro of Venezuela announced a referendum in 2023 to annex the oil-rich Essequibo region. Guyana countered by raising this issue at the International Court of Justice (INJ) requesting provisional measures to stop the referendum from taking place, citing its 1899 Arbitral award which clearly states that the Essequibo region belongs to Guyana. The final verdict of the INJ, given on December 1, 2023, granted provisional measures to Guyana and prohibited Venezuela from holding the referendum. However, on December 3,2023, Maduro held the referendum wherein 95% of the voters approved of Venezuela’s territorial claim over the Essequibo region. This was a direct violation to the INJ verdict, but it **paved the way for Guyana to ask the UNSC to impose wide-ranging sanctions including economic & travel sanctions and military action against Venezuela.** However, despite Maduro deploying military to Guyana’s border and passing a law on April 4, 2024, to annex Essequibo, the UNSC has not made any significant efforts to ease tensions.

Guyana views Venezuela’s potential annexation of the Essequibo region as a threat to its territorial and political independence. Therefore, Guyana seeks **one of** **two potential solutions**, preferably the conflict-free solution. **Guyana invites Venezuela to manage this dispute with non-aggression and join them in demonstrating peaceful coexistence by making Essequibo “A Zone of Peace”. This would involve drawing up a consensus that fulfills the needs of both parties involved.** However, **in the case of non-compliance, Guyana would be compelled to impose sanctions on Venezuela to protect its most precious asset i.e., the Essequibo region, from unlawful annexation.**

1. <https://www.britannica.com/place/Guyana/Economy>

2. <https://www.statista.com/chart/31407/areas-claimed-by-venezuela-and-guyana-stabroek-essequibo/>

3. <https://www.icj-cij.org/sites/default/files/case-related/171/171-20231201-ord-01-00-en.pdf>

4. <https://demerarawaves.com/2023/12/05/guyana-will-ask-un-security-council-to-impose-sanctions-on-venezuela-if-icj-order-is-violated/>

5. <https://www.youtube.com/watch?v=YNbWBpJ8eIQ&t=251s>

6. <https://www.wsj.com/world/americas/venezuela-deploys-military-to-oil-rich-guyanas-border-06613730>

7. <https://gordoninstitute.fiu.edu/news-events/the-policy-spotlight/2023/as-venezuela-threatens-to-invade-oil-rich-guyana-u.s-worries-about-how-far-maduro-will-go.html>

8. <https://www.offshore-technology.com/features/explainer-the-venezuela-and-guyana-oil-dispute/>

9. <https://finance.gov.gy/guyanas-macroeconomic-context-continues-to-be-one-of-a-booming-economy-idb-quarterly-issue-on-caribbean-economics-states/>

10. <https://www.worldbank.org/en/country/guyana/overview#1>

11. <https://www.securitycouncilreport.org/whatsinblue/2024/04/private-meeting-on-the-territorial-dispute-between-guyana-and-venezuela.php>

12. [https://thesun.my/world/un-security-council-fears-open-conflict-between- venezuela-and-guyana-DD12333660#:~:text=Venezuela's%20President%20Nicol%C3%A1s%20Maduro%20recently,a%20controversial%20referendum%20in%20December](https://thesun.my/world/un-security-council-fears-open-conflict-between-%20%20venezuela-and-guyana-DD12333660#:~:text=Venezuela's%20President%20Nicol%C3%A1s%20Maduro%20recently,a%20controversial%20referendum%20in%20December).