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SUPPORT. PROMOTE. PROTECT.

The Cayman Islands Chamber of Commerce was established in 1965 and is a non-profit organisation that exists to Support, Promote and Protect Cayman business and the wider community. We proudly represent nearly 700 businesses and associations from every major industry sector.

MINUTES OF THE 9th MEETING OF THE 2013 COUNCIL ON 9th OCTOBER 2013, CHAMBER OF COMMERCE CONFERENCE ROOM, GOVERNORS SQUARE, WEST BAY, GRAND CAYMAN, CAYMAN ISLANDS.

ATTENDING:

- Mr. Chris Duggan, President and Chairman
- Mr. Johann Moxam, President-Elect
- Mr. Barry Bodden, Vice President
- Mr. Wayne Cowan, Treasurer
- Mr. Paul Pearson, 1st Year Councilor
- Mrs. Katie O'Neill, 1st Year Councilor
- Mr. Roger Ponce, 1st Year Councilor
- Mr. Wil Pineau, CCE, Chief Executive Officer

1. Call to order

President Chris called to the meeting to order at 3:40 p.m. He confirmed the required forum of five Councilors. CEO Wil Pineau, CCE, recorded the minutes.

2. Apologies

- Mr. Lendon Jackson, Secretary
- Mr. David Kirkaldy, Immediate Past President
- Mr. Alan Brady, 2nd Year Councilor
- Mr. Natalie Urquhart, 2nd Year Councilor
- Mr. Rory Mohammed, 2nd Year Councilor

3. Review/Approval of draft minutes from the 11th September 2013 Council meeting

The draft minutes were distributed to the Council prior to the meeting for review. A motion to accept the draft minutes without amendment was moved by PE Johann, seconded by Councilor Paul and approved unanimously.

4. Action items arising from the Minutes

a. Employees' Handbook for Chamber members

There is no update since the last meeting. Councilor Alan is following up with Appleby for the final content for the booklet.

b. Council membership referrals

Two membership referrals – Burger King and Island Taste have been referred by Councilor Paul since the last meeting. To date, 39 new members have joined the Chamber. There are six new membership applications for processing.

c. Chamber committees



i. Future of Cayman – Shayne Howe, Steering Committee chair

President Chris provided an update on the initiative during the Chamber's Legislative Luncheon on the 26th September. The Premier endorsed the initiative at the luncheon and agreed to set a meeting when we can present the initiative to him and the PPM Caucus.

ii. Council of Associations – PE Johann Moxam

No update since the last meeting.

iii. Small Business – Secretary Len Jackson

The Business Excellence Awards are now scheduled for 14th May 2014. The committee is meeting regularly. The next meeting takes place on Tuesday, 29th October.

iv. Local Producers – Nelson Dilbert

No meeting has been scheduled since the last meeting. When they meet, the committee will address such issues as customs procedures and setting up an "Authentic Cayman" logo. All members of the committee are also being encouraged to participate in the CAYSHOP Business Expo in October.

v. Membership – VP Barry Bodden and Councilor Natalie Urquhart

No meeting took place since the last Council meeting.

vi. Finance – Treasurer Wayne Cowan

Hon. Audit firm, PKF, has completed their review of the 2012 Chamber accounts. The drafts will be reviewed at today's meeting.

vii. Benefits – Treasurer Wayne Cowan

A letter of intent for the Chamber International Health Insurance Plan with ASUIA was signed by President Chris and Treasurer Wayne in July. ASUIA submitted an application for approved insurer certification relating to the collateral materials for the plan that need to be approved by the Health Insurance Commission (HIC). The HIC considered the draft collateral materials at a meeting on 28th August. They ruled that "the current wording of the collateral materials does not meet the requirement of the Board and it is requested that the materials be amended in correspondence dated 13th June 2013, 20th November 2012 and 28th March 2012. The HIC also informed ASUIA that they were unable to find any company that was incorporated with the General Registry or had a Trade and Business License under the name of All Seasons Underwriting Insurance Agencies (ASUIA) Limited in the Cayman Islands. HIV advised that Lloyds of London is the licensed Class "A" insurer in the Cayman Islands and can be utilised in the collateral materials but ASUIA is not registered with CIMA or with the SHI. The Commission asked ASUIA to provide them with information to address these concerns.

ACTION ITEM: Treasurer Wayne will speak to Gordon Rowell, Head of Insurance Supervision with CIMA; President Chris will contact Roy Tatum to arrange a meeting with the Premier and Health Minister Osbourne Bodden and the CEO will contact Jennison Nunez from Jen International Insurance Brokers.

viii. Fundraising – James Bovell



The REMAX/Chamber Charity Golf Tournament is scheduled for 1st November at the North Sound Golf Course. The afternoon is sold out with 21 teams. There are 18 spots in the morning but only 5 teams registered as of 7th October. Nine sponsors confirmed of which three are prize sponsors. There is a need for two more major sponsors, one more hole sponsor, four supporting sponsors, an award sponsor; two more associate sponsors, a bar sponsor and a contest sponsor.

ACTION ITEM: Based on the poor registration for the morning spots, the Council decided to cancel the morning golf times and focus on the afternoon spots. The Staff confirmed with the golf pro at the North Sound Golf Club that the five teams that registered for the morning can be shifted to the afternoon, but the shotgun start will need to be changed to 12:30 p.m. instead of the 1 p.m. All golfers will be informed by staff. Catering for lunch will be cancelled which will save money and help to increase fundraising.

ix. 50th anniversary – President Chris Duggan

Councilor Katie and Communications Manager Tara Ebanks have developed and released a competition for members interested in submitting a logo design for the 50th anniversary. Digicel has agreed to provide the prizes for the competition. President Chris has written to Minister Hon. Wayne Panton seeking support for a special stamp issue for the 50th anniversary.

5. Chamber representation

a. Chamber Pension Plan – Eduardo D’Angelo P. Silva and PP Angelyn Hernandez

Chamber Pension Plan report is included in the CEO report.

b. UCCI Strategic Planning Steering Committee – Councilor Paul Pearson

The Individual groups met again in August to put action plans in place for the strategic goals. This was a particularly rough session as people joined who were not in previous meeting and tried to have new action plans added or ones they disagreed with disregarded. The outcome of this meeting was forwarded to the Chairpersons and they compiled the full report. All groups got together again on Sept 25th to go over the full strategic plan. It was a long meeting, yet a very productive one. The steering committee is to meet next Wednesday 9th October to make any small final changes to the plan and then the plan will be presented to the Board of Trustees on October 25th.

c. Special Economic Zone Authority – IPP David Kirkaldy

SEZA report is included in the CEO report.

ACTION ITEM: The Council is requesting more in-depth information about the jobs that are being created in the zone and whether these are new jobs or ones that are being repositioned into the zone from existing businesses.

d. Tourism Hospitality School Council – Councilor Rory Mohammed



Councilor Rory forwarded the minutes of the law meeting that took place on 25th September. Highlights from the meeting are as follows: The start date for the Hospitality School is September 2014. The curriculum for the orientation year will incorporate different work areas of hospitality operations including dive/watersports, spa, rooms division and front desk for two weeks at a time. The Council is to schedule a meeting to give an overview of Hospitality School to key stakeholders on October 18th. Upcoming meetings of the Council will take place on 25th October, 8th November, 22nd November and 6th December.

e. Port Authority – Gerry Kirkconnell, Deputy Chair

The newly appointed Port Authority Board held its second meeting on Thursday, 5th September. The Deputy Premier, Hon. Moses Kirkconnell, attended and outlined the Government's position on the piers, and advised that the Government had hired PWC to produce a business case regarding the building of the piers. Government's position is to build piers and not be involved in any upland construction. Once the PWC study is complete and reviewed by the Steering Committee and Cabinet, then the Port Authority will be briefed. Joseph Woods made a slide presentation regarding the various concerns that the Florida Caribbean Cruise Association had presented to the Minister. Some of the issues have already been addressed – one was requesting more shaded areas and more tents have been erected as a result. Another concern was the facility at Spotts Landing and the Board is looking at short term, medium term and long term solutions to the problems. Also the harassment of the cruise ship guests was another concern. The Board did a walk-through of the port and this issue will be discussed at the next board meeting (9th October). We hope to come up with solutions that not only make the visitor experience better, but will also help those providing the service and making a living from it. The Deputy Premier also wants us to look at the financial position of the Port and try to come up with revenue neutral solutions. The Board is now looking into and reviewing the expenses to see if there are ways of reducing them. We have visited the new Marina that is being built by Michael Ryan to address the concerns aired by the Stingray Tour Operators. The next meeting is scheduled for 9th October 2013.

f. Work Permit Process Review Committee – Councilor Alan Brady

The last meeting consisted of some lengthy debate between Immigration and the National Workforce Development Agency (NWDA). Both didn't want responsibility for granting waiver letters for work permits when a Caymanian couldn't be found. It seems the NWDA has been put in a position of power in the sense that Immigration will not grant a permit unless the role has been advertised and a waiver received from the NWDA. The NWDA's remit is not to give waivers but candidates. Much of the meeting was taken up with this debate. There was a discussion about advertising all temporary work permits with the NWDA, which would in effect ensure Caymanians were sourced, but would also result in a temporary express permit or normal permit taking six weeks or more to approve. This would again limit companies' ability to capitalise on opportunities by hiring in a speedy fashion. The overall sense was that Caymanians should see all roles advertised and still no agreement was reached as to who would be responsible to say there was no Caymanian available. The NWDA is going to increase its staffing levels and



this time they are seeing to hire qualified HR professionals. The Premier has instructed that nothing will move forward until the unemployment figure decreases. He essentially gave direction that the Immigration needs to fix unemployment. The same people that put together the Permanent Residency report are the same people around the table now trying to grapple with a new work permit system. New additions have joined the team, Vicki Hew from Walkers and Tasha Ebanks-Garcia. The overriding sense is that everyone realises there is a problem with unemployment for Caymanians. But they don't seem to grasp that a quick fix now will not address the lack of educational infrastructure. We should be using the immigration regulations to increase business flow, foreign direct investment, and make it easier for business to create opportunities not to fix unemployment through Immigration. There is a strong preference to move toward the company accreditation model, whereby those companies who are good corporate citizens are rewarded for their efforts by enjoying a strong relationship with Immigration, faster turnaround times no further issues with permits etc. The concept is acceptable but the implementation is a little skewed. The bulk of any economy is small businesses and looking at this model that was previously drawn up there does not appear to be equally weighted provision for small business. They are categorised but it does not go far enough to accommodate them. The bigger employers will essentially be able to buy their status, the little guys will have a tougher time. The preference seems to be moving towards this type of model. It is unsatisfactory to have the unemployment figure driving changes in immigration especially since the NWDA did a data cleanse last week and the figure of 2000 people unemployed on their database is actually 870. The figure is believed to be larger than that but is unlikely that the public will be made aware of this figure. If the Council has the opportunity please review the accreditation system.

ACTION ITEM: The Council decided to develop a comparative sheet listing the existing provisions of the law with the new immigration proposals. A comments section will then be inserted to recommend changes.

g. Cayman Turtle Farm Board – CEO Wil Pineau, CCE

The first meeting of the newly appointed board took place on 18th September at the Turtle Farm. Hon. Moses Kirkconnell, Minister with responsibility for Tourism and all tourism attractions attended the meeting and welcomed members of the new board. The new chairman is Mr. Brian Wight. Turtle Farm CEO Tim Adam provided the board with an overview of the operations of the farm and the park. He presented a detailed familiarization report and several background documents including the annual report, financial statements and audit, ownership agreement for 2013/14, Economic Impact Study from 2013, Memorandum and Articles of Association. The Directors also passed a resolution for a change of bank signatories. The CFO also provided a detailed update on the July and August monthly management accounts. The downturn in cruise passengers has really impacted the cash flow for visitors to the CTF during these months. This trend is expected to change as the winter season begins. The Minister also reported that there are some additional cruise ships that have confirmed for 2014 which should improve the medium term outlook for visitors to the attraction.



h. National Workforce Development Agency Review Task Force – Stephanie Wight

The first meeting of this task force will take place next week. The Chamber will assist with arranging a focus group to discuss the needs of small businesses and their interaction with the NWDA.

6. CEO Report (7th September – 4th October 2013)

The report was distributed to the Council prior to the meeting for review and are attached to the minutes.

7. Treasurer's Report – Wayne Cowan

The draft of the audited financial statements for 2012 prepared by Honourary Auditor PKF were distributed electronically to the Council prior to the meeting for review. Treasurer Wayne presented an overview of the accounts. Total income increased to \$892,904 in 2012 from \$814,997 in 2011. Total expenses increased from \$757,050 in 2011 to \$919,612 in 2012. The increases in income and expenses in 2012 were driven by the Panama Trade Mission and the Future of Cayman Forum. The Chamber ended the year with a loss of \$28,585 which was mainly caused by a decrease in income from membership functions and fundraising. A motion to accept the draft audited financial statements as prepared by PKF was moved by PE Johann, seconded by Councilor Paul and approved unanimously.

ACTION ITEM: Submit approved financial statements to PKF to issue final audited financial statements for 2012.

8. New Business

a. Government Budget/Throne Speech/Policy Statement

The Budget Address, Throne Speech and Policy Statement were distributed to the Council for review. The development of a public position statement on these items will be discussed at the meeting.

ACTION ITEM: A review of the budget and a high level bullet point outline with positions supported by the Chamber will be produced for review by the Council.

b. Trade Mission to Cuba

President Chris informed the Council that he is recommending that the proposed trade mission to Cuba is postponed due to the cholera outbreak in the country recently. The Council agreed with this recommendation.

c. Term Limit Policy update and Amended Points System for Permanent Residency

The Council discussed the proposals and the new points system for permanent residency. The CEO distributed a report summarizing the changes that was produced by the Premier's office. This report is being used as an outline for the district meetings. The Council agreed that there were mixed views on this subject being expressed by the membership.



ACTION ITEM: Develop a comparative chart and include a comments section to with suggested improvements to the proposals.

d. *Liquor Licensing Board review*

The government announced a two week public consultation. The membership has been informed of the consultation and has been encouraged to submit their views on the matter. The CEO has also reached out to some of the members involved in the industry for comment.

e. *Proposed establishment of new committees to address the Labour Law changes (to incorporate minimum wage), National Conservation Bill, Trade and Business Licensing Law and National Pensions Law and Regulations*

Past President Angelyn has agreed to chair the Employment Legislation Review committee. She was appointed in 2002/2003 to complete the Chamber's first report and again in 2011 to review proposed Labour Law amendments. PP Billy Adam has assisted with the development of the Chamber's review of the National Pensions Bill which was released by the past Government last year. A full committee is being proposed to review the last bill and regulations. Another committee is also being proposed to review the National Conservation Bill and to submit the Chamber's comments to Government and the Trade and Business Licencing Law.

This item was deferred until the next meeting.

f. *Data Protection Bill – submission from Cayman Islands Law Society (CILS) and Caymanian Bar Association (CBA)*

The final report from the working group of the CILS and CBA was distributed to the Council for review on June 26th. Mr. Alasdair Robertson, President of the CILS, encouraged the Chamber to the extent you are able," to engage with the Attorney General to ensure that comments of the Law Society are incorporated into any legislation... There are substantial and very important principles in relation to this legislation. In particular I am concerned that this legislation will create an unnecessary burden on business in Cayman and I would therefore be interested in members' views as to the cost benefit analysis in introducing this law with the other costs on business at present."

This item was deferred until the next meeting.

g. *Sponsorship request for UCCI conference – March 2014*

UCCI is requesting the Chamber's support for its upcoming conference on corruption in March 2014.

This item was deferred until the next meeting.

9. Any other business

a. Increase in violent crime



PE Johann expressed his concern about the escalating rate of violent crime and the lack of statements being made by Government officials.

10. Next meeting: Wednesday, 13th November 2013, Chamber conference room, Governors Square, 3:30 p.m.

11. Adjournment

The meeting adjourned at 5:30 p.m.

Ratified by:

Chris Duggan
President

Lendon Jackson
Secretary