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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.

Good afternoon.

I would like to thank the membership for electing me to serve as President and placing your trust and confidence in my ability to lead the organisation in the year ahead. You have my commitment to serve in your best interests at all times and to become your focused and purposeful advocate on issues that matter most to your businesses, organisations and the public welfare.

On behalf of the Council and the entire membership, I would like to acknowledge the leadership of Immediate Past President Chris Duggan and thank him for his service to the organisation. It has been a challenging year with an election taking place in May and the transition to a new government. Chris met



regularly with the new government, the Royal Cayman Islands Police Service and the Governor's Office. He represented the Chamber and Cayman at several major international conferences and served as a spokesperson. I wish him a speedy recovery and look forward to working with him and the new Council in 2014.

As we embark on this new journey together it is also important to acknowledge one of the main strengths and drivers of the Chamber which is often taken for granted, misunderstood and, at times, under-appreciated - the Chamber staff. Chamber Councils may come and go but the consistency and reliability of a professional staff ensures the policies,



positions, programmes and services are well maintained and managed.

Collectively, the Chamber staff, led by CEO Wil Pineau, CCE, has more than two decades of experience in managing not-for-profit organisations. As the new Council begins its year of service, we would like to publicly acknowledge their many years of hard work and commitment to the Chamber membership and we look forward to working with them to achieve the Chamber's objectives.

I'd like to begin my acceptance address in the same manner that I intend to speak on your behalf – with honesty, candor and directness. Apparently there



are those in this room who are convinced, or at least are *concerned*, that I may use this high office to further a personal or political agenda. For the record, I respect this organisation far too much to use it for publicity or politics. I am aware that there have been the whispers of worry about what will I say or do and how will it impact the Chamber. A reporter even asked me about it.

Well, those of you thinking that way can find something else to worry about. I accept the privilege and the responsibility of Chamber President with a clear purpose - to advance the mission of the organisation in the best interest of its members and the Cayman Islands. I did not accept it to raise a public profile, to network with Government officials,



potential business partners or to become a tool for my employer's or my friends' agenda. If you know me, you know that when I accept a role such as this, I will put the organisation first and work together as a team.

The Chamber's agenda should never be based on the personal views or positions or popularity or the connections of the President. The founding fathers expected more and it is my intention to ensure that the voice of the Chamber is based on your views and not mine.

Collectively, the Chamber is a powerful advocacy body that supports, promotes and protects the membership and the public welfare. Each elected Council member is charged with the vital role and



responsibility of representing and addressing the concerns for their relevant industry sector. Our advocacy positions will be based on regular consultation with the drivers of industry through, research, analysis and facts – not emotion, personal belief or favour.

As advocates, ambassadors and catalysts for Cayman's success we must all work together to become a powerful and effective change agent for good. And that's what the newly elected Council and I will work diligently to achieve in 2014 with your help.

Founded in 1965, as a *not-for profit, non-partisan organisation*, the Chamber gives small and independent business owners in all industry sectors



a voice in shaping the public policy issues that affect their businesses. Operating in different industries, these Caymanian entrepreneurs serve as the crucial links in the vast and vital chain of small businesses that securely hold Cayman's economy together in good times and bad.

Article 3a and 3b of the Chamber's Constitution provide us with our marching orders: *to promote, protect and to consider, discuss and take action on questions affecting commerce and the public welfare in the Cayman Islands*. For me these objectives are the central core of the organisation and the very essence of my willingness to get involved. When we focus on them, we are working collectively in the best



interests of our members and in turn, our beloved Cayman Islands.

The Chamber expects the Legislative Assembly to listen closely and consider carefully the input of the Chamber, and we commit to offering the same respect, consideration and input of the Government. We expect the Government to value our input from our more than 650 members which represents thousands of jobs across multiple industries. The Chamber is a reliable barometer of the business community's views and priorities.

Moreover, many members will hail from the small business community and we know that small businesses are one of Cayman's most reliable job creators.



Chamber members make up a powerful network of grassroots activists that send their views to lawmakers through our unique members' only survey process, thus playing a critical role in supporting Cayman's free enterprise system. Once their surveys are tallied, the Chamber Council carries a unified message to our legislators, backed by the clout of more than 650 Chamber members.

In the year ahead, there is much that we can accomplish together with the still relatively new Government and other private sector groups.

With so much required of both the public and private sector to restore balance and fiscal discipline locally, with the urgent need to create a platform for



sustainable economic growth and the needs of our residents and our community as pressing now as ever before, our collective mission must be to avoid duplication of effort and waste of resources.

It is based on this premise that the Chamber intends to propose a formal Memorandum of Understanding and partnership with the Ministry of Commerce and the Department of Commerce and Investment. It is also our intention to meet regularly with the Ministry and the Department of Commerce and Investment and to develop a formal agenda that is actionable and measurable. In most cases, we are working on many of the same issues and it is only fitting that we agree on the terms of the partnership.



Assisting Government with public sector reform will become a top priority for the Chamber. The Chamber recently assisted the Deputy Governor's office by organising a series of focus groups with Chamber members as part of the next round of public sector reform initiatives.

Dubbed "Cutting Red Tape/Digital by Default" members from different industry sectors were invited to identify the best and the most difficult Government departments and agencies to conduct business and to offer some solutions so the Government could agree on the top areas for action.

It was a great learning experience for me. Like many others I had heard about the challenges that many



small businesses face, but when you sit through hours of feedback and discussion it re-affirms that the system is in need of urgent attention and reform.

There is no sense of criticizing, complaining or condemning without offering sensible solutions. The Chamber has actively participated in each step of the Government reform process to date which has led to millions of dollars in savings. It is a role that we embrace enthusiastically with the ultimate goal of reducing the operational cost and improving service and efficiencies so the Government can ultimately pass on the savings to the business sector by way of lower fees and duties.



One of our competitors, Bermuda, faced with much more serious budgetary challenges due to a bloated Government and mind-blowing deficits, commissioned a study known as the Sage Commission.

Released in early November, the report's recommendations focused on performance, streamline, measurement and metrics, privatization and outsourcing, pensions, pre-retirement packages and government employee health insurance. While the dynamics of Bermuda may be different, it may be a good exercise to determine if some of the strategies outlined in the report can be applied to the Cayman Islands.



So what is the way forward?

If we've learned anything during the ongoing economic downturn, it's that we cannot tax and spend our way to prosperity.

The best way is to rein in the massive costs of operating the Government, be prudent in taking on multiple capital intensive infrastructure projects and worsening our debt situation.

We need to facilitate in the private sector and contain and reduce the per capita cost of the public sector. By addressing both issues, we can revive free enterprise and move Cayman away from a debt-



driven economy and create much needed jobs for Caymanians.

Fostering a business environment that promotes and supports small business development and job growth must become a key strategy if we are to build a sustainable economy. An economic plan is only one of three primary components that we need for a National Development plan. We need a clear vision and plan that addresses the people, the environment and the economy.

So how do we get there?

Here is our suggested strategic path to a stronger, more financial stable and more resilient Cayman



1. Develop an updated National Strategic Plan – Vision 2020 or Vision 2025.

It is important to plan for our future or others will plan it for us. Five years have passed since the end of Vision 2008. It is now time to come together again as a community and to evaluate the Vision 2008 document and determine what changes need to be made. Our challenge would be to develop a National Strategic Plan that is assessed on the quadruple, not triple, bottom line.

Many of us are aware of the triple bottom line, loosely referred to as “people, planet and profit” or society, environment and economy.



In the quadruple bottom line framework, we need to add “purpose”. Why are we doing this?

Being clear about our purpose will add the navigation of important goals without compromising core values. And guess what, it is time that we revisit our core values and make sure that all who live, work or invest in Cayman know what our values are.

More importantly, they must be OUR values, not those of Singapore, England or the United States. If we are going to have a healthy, vibrant country, we need to agree on our values and our vision. The Chamber is willing to assist or even facilitate this process.



2. Privatize non-essential Government services and transfer the costs and obligations to the free enterprise market.

This is not as difficult as some would have us believe – it simply needs the business case, a pragmatic transition plan and then political fortitude to do the right thing.

Based on the current Government's first 6 months, it is clear they have the fortitude to effect difficult change. We hope this will continue to be a defining characteristic of their Government and ask only that they allow us more involvement in a collaborative process. The Chamber has been a strong advocate for privatisation, outsourcing and public-private partnerships. Each of these



areas should be explored with vigour and commitment.

3. Simplify and reduce government fees in key economic sectors.

Reducing fees will encourage businesses to invest more and create jobs right here at home. To assist in this process, we will meet with the leading industries and have a frank conversation about their long term future and what they would require to increase their investments in infrastructure and operations locally. We will share the results with the Government and outline the most harmful fees that are discouraging business growth and job creation.



4. Introduce more robust renewable energy reform in an effort to drive down operational costs for businesses and to spur local economic opportunities

The National Energy Policy has been adopted and now it is time to introduce an action plan that will drive real change and lead to turning the Cayman Islands into a green economy. There are many examples of successes in our region and it has proven to be a major job creator in many economies. Government must take a leadership role in this national transformation. The National Energy Policy will feature prominently in the Future of Cayman Infrastructure conference that is being planned



by the Chamber, in partnership with Government, in 2014.

5.Reduce the national debt and balance the budget

The Chamber applauds Government on their efforts thus far to address these topics. There is still much work to be done. Future generations will be faced with higher debt and interest payments, increased tax rates and fewer investment opportunities if policy measures to address the debt are not taken immediately.

Tomorrow's entrepreneurs deserve an economy that provides them with every opportunity to grow.



6. Support the development of a National Infrastructure Plan.

The Chamber's Future of Cayman Economic Development initiative, introduced in 2010, has identified five drivers for our future success.

We continue to promote the initiative and the drivers and, in 2014, we plan to host a National Infrastructure Conference in partnership with Government to evaluate our infrastructure with the ultimate goal of developing a national infrastructure plan.

The conference will follow on from the discussions that took place at the Future of Cayman Forum in November 2012. Part of this



discussion must be developing a solution for our landfill, the inglorious Mount Trashmore.

The solution must be practical, it must mandate reduction of waste generated per capita, introduce wide scale recycling and importantly, not burden the country with more debt. Solid waste management is another one of those national 'conversations' being held without resolution for more than 10 years.

We urge the current Government to work with urgency to develop a national solid waste policy and then with the same focus and fortitude as recently deployed with the National Conservation Law, go about addressing what is surely one of



the biggest environmental hazards impacting both the marine and terrestrial environments.

7. Develop a small business growth agenda.

Small businesses are the engines of growth but they have been ignored for far too long. Fees are at record levels. The cost of doing business continues to rise. Bureaucracy and red tape frustrates Caymanian business owners and investors are scratching their heads to understand the processes and procedures to invest. There must be an easier way for us to work together to succeed in today's global market place for capital and innovation.

The Chamber is prepared to work with Government to discuss these issues in greater



detail and to develop an action plan to assist this vital sector. The Chamber also plans to introduce a Business Excellence Awards programme in 2014 to celebrate the important role that business plays in the local economy.

The newly elected Chamber Council and I stand before you eager to get to work and ready to serve. We may create some working groups so your involvement is necessary and needed if we are to address the issues that confront us. For those of you who know me, I am an optimist at heart. I believe that by working together we can find the solutions and get to work to build a better Cayman.

In closing, I'd like to inform the membership that the Council wrote to Minister Panton today



congratulating him and the Government on passing the historic National Conservation Law. While we stand by our original request for a further three month review period to allow for more indepth consultation on the Bill, we appreciate the Government's willingness to introduce amendments. This is a good sign of change that we appreciate. We now stand ready and willing to assist the Ministry and the Department of Environment with providing information about the new law and its implementation.

Thank you for your support and I look forward to your active involvement in the year ahead.