



Unit 4-107
Governors Square
23 Lime Tree Bay Ave.
West Bay Road
PO Box 1000
Grand Cayman KY1-1102
Cayman Islands

T 345 949 8090 F 345 949 0220
info@caymanchamber.ky
caymanchamber.ky
leadershipcayman.ky
chamberpension.ky
showmethemoney.ky

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 more than 700 businesses and associations from every major industry sector and have recently expanded our operations to include a Visitors Centre.

MINUTES OF THE 2nd MEETING OF THE 2012 COUNCIL ON 14th MARCH 2012 AT THE CHAMBER OF COMMERCE & VISITORS CENTRE BOARD ROOM, WEST BAY, GRAND CAYMAN, CAYMAN ISLANDS.

ATTENDING:

- Mr. David Kirkaldy, President and Chairman
- Mr. Chris Duggan, President-Elect
- Mr. Johann Moxam, Vice President
- Mr. Lendon Jackson, Secretary
- Mr. Wayne Cowan, Treasurer
- Mr. Barry Bodden, 3rd Year Councilor
- Mr. Shayne Howe, 3rd Year Councilor
- Mr. Kyle Broadhurst, 2nd Year Councilor
- Mrs. Natalie Urquhart, 1st Year Councilor
- Mr. Rory Mohammed, 1st Year Councilor
- Mr. Wil Pineau, CCE, Chief Executive Officer

1. Call to order

President David Kirkaldy called the meeting to order at 3:30 p.m. He confirmed the required quorum of 5 council members for the meeting. Chamber CEO Wil Pineau recorded the minutes.

2. Apologies

- Mr. James O'Neill, Immediate Past President (off island)
- Mr. Alan Brady, 1st year Councillor

3. Invited guests (Mr. Noel March and Kris Bergstrom, President, Cayman Contractors Association)

The Chairman welcomed Mr. Noel March, leader of a group of concerned merchants in George Town. Mr. March distributed two letters to the Council and shared some artist renderings of the proposed redevelopment of the George Town port. The undated first four page letter was addressed to the Premier and entitled "Proposed Cruise Berthing Facility". The letter was signed by 33 merchants and vendors in George Town. The business owners, many of whom are Chamber of Commerce members, expressed concern due to the "limited communication or lack thereof" regarding the cruise berthing facility project and about the "amount of proposed retail space because those spaces will at a minimum increase tenfold what is currently situated with the Royal Watler Terminal. This kind of proposal is frankly not sound long term planning because it can jeopardize Grand Cayman as a walking destination for our



cruise visitors. In essence it will corral them for the lack of a better phrase within the proposed Cruise Berthing facility, thus negatively impacting every merchant currently located along the downtown waterfront inclusive of those within walking distance of the waterfront." The letter also noted that the Chamber of Commerce's report on the trip to visit the China Harbour Engineering Company's (CHEC) Jamaican projects states that CHEC recommends closing the original North Terminal. We question how such a recommendation could be made that obviously shows no consideration to so many of us." The second letter, entitled "A Royal Few" and signed by more than 40 merchants and vendors in George Town, was released as a letter to the editor. It points out that there is an unfair distribution of the various cruise tenders which is impacting many merchants in George Town with some benefiting while others are struggling. "Equalizing tender distribution would send a clear message that our government is working for all and not just some of us! Whoever is making these decisions needs to realize the detrimental effects of this unequal distribution of cruise tenders are having on others. People have invested blood, sweat, tears and years into these businesses! Are these owners, employees and their families less important than those at the Royal Watler terminal? We all deserve a fair shot at a slice of the pie!" Mr. March distributed four artist renderings of the various proposed cruise berthing facilities that were proposed by GLF and now by CHEC. The new proposal calls for a substantial increase in retail space which concerns the merchants. It was noted that George Town MLA Ellio Solomon informed the Cayman Islands Tourism Association at a membership meeting that the retail space now being proposed is between 50-60,000 square feet. Mr. March expressed concern about the size and scale of the project compared to the original drawings done by GLF, the faulty procurement process for the project and the poor communication and information regarding the project. Mr. Bergstrom added that the Cayman Contractors Association met yesterday and has written a letter to the Government citing its concerns with the project as well. CCA cited three main points to Government regarding their negotiations with CHEC: 1. Enforce local CCA rates for labour; 2. Set a time period for the Chinese contractor to leave after the work is completed and 3. Require local purchasing of materials. Mr. Bergstrom said the association will be releasing its letter publicly if they do not receive a response from Government. CCA is also attempting to organize a meeting with Mr. Solomon for an update. Mr. March urged the Council to host a public discussion on the project. The President thanked the guests for attending and they left the meeting at 4:15 p.m. The Council discussed the matter and agreed that a meeting should be organized initially with George Town MLA Mr. Solomon to learn the latest information about the project.

ACTION ITEM: *Contact George Town MLA Ellio Solomon to arrange a meeting for an update on the CHEC negotiations.*

4. Review/Approval of draft minutes from the 8th February 2012 Council meeting

The draft minutes were distributed prior to the meeting for review. A motion to accept the draft minutes without amendment was moved by Mr. Duggan, seconded by Mr. Mohammed and approved unanimously. The President and Secretary will sign the approved minutes which are to be posted to the members section of the Chamber website.



5. Action items arising from the Minutes

a. **Request for proposal (RFP) for health insurance plan for Chamber members**

Treasurer Wayne, who chairs the committee, has called a meeting in April to review another proposal that had been requested by the committee. He will provide a report at the April Council meeting.

b. **Future of Cayman economic development initiative**

Replacement co-chairs have now been appointed for all driver groups. Meetings will commence this month. Future of Cayman Forum is scheduled for November. Planning meetings with a subcommittee of the Steering Committee will commence later this month.

ACTION ITEM: Write to Franz Manderson seeking his support for allowing Chief Officers to engage in the various driver groups.

c. **Review of Trade and Business Licensing Law**

Councilor Kyle said the review has gone quiet. There has been no reviewed draft released. The last meeting of the group took place in November. The Small Business Committee during a meeting on 13th March is requesting a copy of the proposed amendments so that they can review and offer comment.

d. **Cayman Brac Council trip**

The CEO contacted the Sister Islands Tourism Association (SITA) to confirm a date for the Chamber Council to meet with the SITA Board and is awaiting a response. He will advise the Council once received.

e. **Daylight Savings Time**

The CEO forwarded research information to President Elect Chris Duggan for review. This matter will be included in the agenda for the upcoming Council of Associations meeting on Thursday, 15th March.

f. **Term limit review committee**

IPP Jim offers his apologies for missing the Council meeting. He will submit an update in writing.

g. **Gender Equality Law members information**

Tammie Ebanks, Senior Policy Advisor for Gender Affairs in the Ministry of Community Affairs, Gender and Housing delivered an information presentation to the membership on Monday, 27th February at 3 p.m. at the Chamber conference room, Governors Square. More than 40 persons attended. A copy of the presentation is posted on the Chamber website. Another presentation is planned for later in the year.



h. Minimum Wage legislation

There is no update to report from last month's meeting.

i. Informational material on the UK Bribery Act 2010

The Cayman Islands Law Society have agreed to provide three presenters for the BE INFORMED session on 28th March from 3 – 5 p.m. at the Chamber. Promotional materials will be distributed this week to encourage participation. Members of the C.I. Law Society will also be invited to attend.

j. Tariff Harmonization Customs Codes

Councilor Barry Bodden and CEO Wil met with Deputy Collector of Customs Langley Powery and representatives from the Economics and Statistics Office on 20th February to discuss the new harmonized tariff coding system being proposed by Customs. The number of customs tariff codes will increase from 200 to 5,000 categories. There will be some modifications in customs tariff fees in several categories with some being adjusted but Mr. Powery did not believe there would be any major increases in fees. The Customs Department plans to introduce the TRIPS system for cargo processing July 1st. Further information is included in the CEO Report. Councilor Barry can respond to any questions at today's Council meeting.

ACTION ITEM: Set up some training courses in partnership with the Customs Department to educate members about the changes in the tariff codes.

k. Consultation request for proposed Third Parties Rights Bill

President David responded to the request from the Third Party Rights Subcommittee to provide comment on whether the Chamber would welcome the general application of the Bill to all businesses and not just to have it restricted to exempted companies and limited partnerships. The Bill was reviewed by Councilor Kyle. In the letter dated 29th February to Alasdair Robertson, chair of the subcommittee, President David submitted the Chamber's response. Details are included in the CEO report.

l. Chamber position statements

A position statement was prepared for the One Person One Vote meeting. This template will be used for the development of other position statements.

m. Port Improvement projects

Councillor Shayne provided the Council with an update on his meeting with the Cayman Contractors Association to develop a list of conditions that would be acceptable for the industry sector for the construction of port improvement projects that are being proposed by Government. This information was shared during Mr. Bergstrom's presentation to the Council.



n. Committee structure

SMALL BUSINESS COMMITTEE: Secretary Len held two meetings of the committee since the last Council meeting. The committee released a small business membership survey earlier this month and is in the process of developing a small business advocacy agenda based on the results of the survey. The committee also plans to review the Trade and Business Licensing Law and plan to review the work permit fees.

COUNCIL OF ASSOCIATIONS: The first meeting of the year takes place on Thursday, 15th March at 3:30 p.m. at the Chamber. PE Chris will chair the meeting.

MEMBERSHIP: President David met with VP Johann and Councilor Natalie to share some membership development ideas and strategies. The committee will now meet with the CEO to develop an action plan.

o. Representation on Government/Chamber Boards/Committees

Special Economic Zone Authority (SEZA): President David was appointed chairman earlier this year and has submitted the following report of the activities of the Authority to date. "The Law was passed, as were the regulations, and the SEZA has also developed in conjunction with the SEZA Secretariat a Licensing Process document. The SEZA has been having regular scheduled board meetings and one extraordinary meeting which have been very productive. A number of temporary Special Economic Zone premises have been approved and gazetted. A time limit on these has been noted. All SEZ specific application forms for Immigration, Customs, T&B, etc, have been completed and accepted. An intermediate (6 month) work around process related to the Caymanian Careers Development Bureau CCDB <http://www.caymanenterprisecity.com/cayman-benefits/community-outreach> job bank has been developed, with the full setup of the CCDB to be in effect by the end of six months from the start of operations of the Cayman Enterprise City (CEC). I would prefer any confirmation of numbers of companies / personnel that have been approved be disseminated by the Secretariat but can confirm that trade applications have been received and approved and there are several more to be handed in this week with a larger tranche ready to hand in shortly thereafter pending. I am unaware of Employment Certificates but this occurs after Trade approval so there will always be a lag there. The process and legal commitments in terms of days to process have been tested and work well."

Junior Achievement: Chamber Representatives, Secretary Len, PP Angelyn Hernandez and CEO Wil attended a JA Board meeting and an appreciation reception at the Chamber for the launch of the JA Caymanopoly game. PP Angelyn and CEO Wil also attended a thank you reception for the major donors programme launched this year. The Chamber was recognized for its commitment to the JA programme. JA is celebrating its 20th anniversary this year.



6. CEO Report (8th February – 9th March 2012)

The report was distributed to the Council prior to the meeting for review.

7. New Business

a. Results of the State of Business Survey

The Chamber office distributed the second Chamber of Commerce State of Business survey to the membership in February. There were 176 responses to the survey. The results were shared at the Council meeting and will be posted to the Chamber website.

b. Impact of Foreign Account Tax Compliance Act on the Cayman Islands

The Foreign Account Tax Compliance Act (FATCA) is an important development in U.S. efforts to improve tax compliance involving foreign financial assets and offshore accounts. Under FATCA, U.S. taxpayers with specified foreign financial assets that exceed certain thresholds must report those assets to the IRS. In addition, FATCA will require foreign financial institutions to report directly to the IRS information about financial accounts held by U.S. taxpayers, or held by foreign entities in which U.S. taxpayers hold a substantial ownership interest. The Council agreed to monitor developments and to provide regular reports to the membership.

8. Any other business

9. Next meeting: Wednesday, 11th April 2012, Chamber conference room, Governors Square, 3:30 p.m.

10. Adjournment

The meeting adjourned at 5:15 p.m.

Approved by:

David Kirkaldy
President & Chairman

Lendon Jackson
Secretary