



BUDGET COMMUNICATION 2021

BY HON. ELSWORTH JOHNSON, MP

**MINISTER OF FINANCIAL SERVICES, TRADE AND
INDUSTRY AND IMMIGRATION**

THURSDAY JUNE 10, 2021

INTRODUCTION

MR. SPEAKER,

BEFORE I BEGIN MY CONTRIBUTION TO THE 2021/2022 BUDGET DEBATE, I WOULD FIRST LIKE TO THANK GOD FOR THE COUNTLESS BLESSINGS THAT HE HAS BESTOWED UPON ME AND MY FAMILY, AND FOR THE PRIVILEGE HE HAS GIVEN ME TO SERVE MY COUNTRY IN SUCH A PROFOUND AND MEANINGFUL WAY.

I WOULD LIKE TO EXPRESS MY GRATITUDE AND HEARTFELT APPRECIATION TO THE WONDERFUL PEOPLE OF YAMACRAW. THEY HAVE SUPPORTED AND CONTINUE TO SUPPORT THE WORK THAT I DO IN OUR GREAT CONSTITUENCY.

THEY CONTINUE TO ALLOW ME INTO THEIR HOMES. THEY CONTINUE TO PARTICIPATE IN OUR COMMUNITY EVENTS AND TO SUPPORT OUR CONSTITUENCY INITIATIVES. IT IS ON BEHALF OF THE PEOPLE OF YAMACRAW AND THE WIDER BAHAMIAN COMMUNITY THAT I RISE TO CONTRIBUTE TO THIS BUDGET. AND FOR THIS OPPORTUNITY I WILL BE FOREVER GRATEFUL.

(I WOULD LIKE TO BRIEFLY MENTION THE CAT ISLAND BUSINESS OUTLOOK HAPPENING JUNE 11 2021 WHERE I WILL BE MAKING THE KEY NOTE ADDRESS. I AM DELIGHTED, OVERJOYED AND HONOURED TO BE GIVING THE KEY NOTE ADDRESS AT THE FIRST EVER CAT ISLAND BUSINESS OUTLOOK TOMORROW MORNING SO WE CAN DISCUSS THE SUSTAINABLE, RESILIENT, DIVERSIFIED, SUSTAINABLE ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT OF CAT ISLAND. WE HAVE A BRILLIANT SLATE OF SPEAKERS AND I ENCOURAGE ALL BAHAMIANS, NOT JUST CAT ISLANDERS TO PARTICIPATE IN THE SOCIO-ECONOMIC AND CULTURAL EXPANSION OF CAT ISLAND....)

MR. SPEAKER,

THIS GOVERNMENT IS TASKED WITH PRESENTING A NATIONAL BUDGET DURING ONE OF THE MOST UNCERTAIN AND UNPRECEDENTED TIMES IN OUR NATION'S HISTORY.

NOT EVEN A YEAR AFTER THE LANDFALL OF THE MOST DEVASTATING HURRICANE TO REACH OUR SHORES, WE FOUND OURSELVES BATTLING A GLOBAL PANDEMIC.

IN RAPID SUCCESSION, HURRICANE DORIAN AND THE COVID-19 PANDEMIC WREAKED HAVOC ON THE LIVES AND LIVELIHOODS OF BAHAMIANS.

NONE OF US WERE LEFT UNAFFECTED, IN ONE WAY OR ANOTHER.

UNPRECEDENTED LOSS OF LIFE, THE DESTRUCTION OF HOMES AND COMMERCIAL PROPERTIES, BUSINESS CLOSURES, AND UNEMPLOYMENT ALL CONVERGED ON OUR LITTLE ISLAND NATION.

MR. SPEAKER,

NO GOVERNMENT HAS HAD TO CONTEND WITH SUCH DIRE, DRASTIC CIRCUMSTANCES. YET, HERE WE ARE.

WE FACED DOWN THE TERRIFYING HURRICANE DORIAN, MR. SPEAKER.

WE NAVIGATED A ONCE-IN-A-CENTURY PANDEMIC, MR. SPEAKER.

AND DESPITE THESE CHALLENGES, WE HAVE RETURNED TO THIS HONORABLE HOUSE TO CARRY OUT OUR MANDATE AND IMPLEMENT OUR PLAN AND VISION FOR THIS NATION.

AS THE MEMBER FOR KILLARNEY SAID LAST WEEK, WE DID NOT DO THIS ALONE.

OUR EFFORTS TO IMPLEMENT A TRANSFORMATIVE AGENDA HAVE ALWAYS BEEN INSPIRED BY THE RESILIENCE OF THE BAHAMIAN PEOPLE.

THEY ARE THE REASON WE ARE HERE.

MR. SPEAKER,

EVERYTHING WE HAVE DONE WAS TO SET THIS COUNTRY ON FIRMER, MORE FERTILE GROUND.

WE WORK SO THAT THE INHERENT POTENTIAL OF THE BAHAMIAN PEOPLE CAN GROW WITHOUT RESTRAINT.

DURING LAST YEAR'S BUDGET, THIS GOVERNMENT PRESENTED THE RESILIENT BAHAMAS PLAN.

THIS WAS OUR IMMEDIATE RESPONSE TO THE UNANTICIPATED CRISES WE FACED.

THAT RESPONSE WAS CHARACTERIZED BY THOUGHTFUL, TARGETED, AND PEOPLE-FOCUSED SUPPORT FOR THOSE MOST IMPACTED BY HURRICANE DORIAN AND THE GLOBAL PANDEMIC.

IT WAS A GREAT PLAN.

THROUGH OUR EXPENDITURES, WE FED TENS OF THOUSANDS OF HOUSEHOLDS, SUPPORTED THE UNEMPLOYED, AND SHORED UP OUR HEALTHCARE INFRASTRUCTURE.

WE ALSO WORKED TO PLANT THE SEEDS FOR AN ACCELERATED RECOVERY BY HELPING BUSINESSES TO SUSTAIN EMPLOYMENT AND BY PROVIDING SMALL AND MEDIUM-SIZED ENTERPRISES WITH CONTINUITY LOANS AND GRANTS.

NOW, MR. SPEAKER, WE ARE TRANSITIONING TO ANOTHER PHASE IN OUR RECOVERY EFFORT—PIVOTING FROM RESTORATION TO GROWTH THROUGH THE *ACCELERATED BAHAMAS RECOVERY PLAN*.

WHEN I PRESENTED DURING LAST YEAR'S BUDGET DEBATE, I SPOKE TO THE RESILIENT BAHAMAS PLAN'S FOCUS ON DIGITIZATION AS ONE WAY TO PLANT TO SEEDS FOR AN ACCELERATED RECOVERY.

I ALSO NOTED THAT WE WOULD HAVE A BETTER SENSE OF OUR GROWTH AGENDA AFTER THE DELIBERATIONS OF THE ECONOMIC RECOVERY COMMITTEE.

TODAY, I WILL REPORT ON HOW MY MINISTRY HAS SUCCESSFULLY SUPPORTED THE IMPLEMENTATION OF THE RESILIENT BAHAMAS PLAN.

I WILL ALSO LAY OUT THE MINISTRY'S AGENDA FOR THE YEAR AHEAD, AND SPECIFICALLY HOW WE ARE CONTRIBUTING TO THE ACCELERATED BAHAMAS RECOVERY PLAN. AND ADOPTING THE RECOMMENDATIONS OF THE ECONOMIC RECOVERY COMMITTEE.

TOGETHER, MR. SPEAKER, MY MINISTRY IS WORKING WITH ITS COUNTERPART AGENCIES TO REALIZE THE ECONOMIC VISION OF THIS GOVERNMENT.

WE ARE DOING OUR PART TO BUILD A DYNAMIC, RESILIENT, INCLUSIVE, AND SUSTAINABLE ECONOMY FOR ALL BAHAMIANS.

FINANCIAL SERVICES

MR. SPEAKER,

OUR FINANCIAL SERVICES SECTOR REMAINS THE SECOND-LARGEST CONTRIBUTOR TO THE BAHAMAS' GDP,

AND THE SECTOR HAS TRULY BEEN RESILIENT IN THE WAKE OF THE COVID-19 PANDEMIC.

MAKE NO MISTAKE ABOUT IT, THE BAHAMAS FINANCIAL SERVICES SECTOR IS OPEN FOR BUSINESS.

I CAN ATTEST THAT THE INDUSTRY RESPONDED TO COVID-19 VERY WELL.

IT NEVER STOPPED SERVICING CLIENTS, AND THANKS TO STRONG BUSINESS CONTINUITY PLANS, OUR JURISDICTION FAIRED WELL.

ONCE AGAIN, I WANT TO COMMEND INDUSTRY STAKEHOLDERS FOR NOT JUST HOLDING THE LINE, BUT LEVERAGING THE OPPORTUNITIES THAT THE COVID-19 CRISIS BROUGHT WITH IT.

FOR EXAMPLE, MR. SPEAKER, WE HAVE SEEN THE NUMBER OF FAMILY OFFICES GROW AS PEOPLE CHOSE TO LIVE, WORK AND PLAY IN THE BAHAMAS.

WE ALSO SAW AN INCREASE IN DEMAND FOR ECONOMIC PERMANENT RESIDENCY. THIS WAS MET BY THE IMPROVED PROCESSING OF APPLICATIONS IN THE DEPARTMENT OF IMMIGRATION. I WILL SPEAK ABOUT OUR EFFORTS IN THIS AREA LATER ON.

MR. SPEAKER,

WHEN IT COMES TO FINANCIAL SERVICES, THE GOVERNMENT DID NOT SIT IDLY BY DURING THE PANDEMIC EITHER.

MY MINISTRY, IN COLLABORATION WITH THE PRIVATE SECTOR, IS CONSTANTLY REIMAGINING OUR FINANCIAL

SERVICES TO MAKE THEM STRONGER AND MORE RESILIENT.

WE HAVE PUSHED BEYOND THE STATUS QUO TO ESTABLISH NEW AND INNOVATIVE PRODUCTS AND SERVICES TO MAKE OUR FINANCIAL SERVICES NOT ONLY MORE INCLUSIVE BUT TO EXPAND JOB GROWTH AND OPPORTUNITIES FOR BAHAMIANS, ESPECIALLY AMONG OUR WOMEN AND YOUTH.

WE IMPLEMENTED A NEW INVESTMENT FUNDS REGIME AND PASSED THE DIGITAL ASSETS AND REGISTERED EXCHANGES OR DARE LEGISLATION, POSITIONING THE BAHAMAS AT THE VANGUARD OF THIS EMERGING AREA THAT IS THE FUTURE OF FINANCIAL SERVICES.

I ENCOURAGE ALL BAHAMIANS TO LEARN MORE ABOUT THE DEVELOPMENT IN FINANCIAL TECHNOLOGY AND THE FINTECH HUB AT THE SECURITIES COMMISSION OF THE BAHAMAS.

SCB FITLINK IS THE CENTRAL POINT OF CONTACT FOR THE COMMISSION'S ENGAGEMENT WITH THE PUBLIC ON EVERYTHING FINTECH, INCLUDING VIRTUAL ASSET BUSINESSES, CROWDFUNDING, DISTRIBUTED LEDGER TECHNOLOGY, ARTIFICIAL INTELLIGENCE, AND VIRTUAL INITIAL OFFERINGS.

WE HAVE A SOPHISTICATED AND PROGRESSIVE REGULATORY ENVIRONMENT AND I WANT TO PARTICULARLY CONGRATULATE THE EXECUTIVE DIRECTOR CHRISTINA ROLLE AND HER TEAM AT THE SECURITIES COMMISSION FOR ALL THE GREAT WORK THEY ARE DOING AND WILL CONTINUE TO DO.

BUILDING OFF THE SUCCESSFUL ROLLOUT OF THE SAND DOLLAR AND THE INTRODUCTION OF THE DARE ACT, MY MINISTRY ALONG WITH OUR PRIVATE SECTOR AND REGULATORY PARTNERS ARE POSITIONING THE BAHAMAS AS THE PREDOMINANT FINTECH HUB IN THE REGION ATTRACTING NUMEROUS DOMESTIC AND INTERNATIONAL PARTICIPANTS IN THIS SPACE AND THUS CREATING MORE JOB OPPORTUNITIES.

WE HAVE A PLAN.

IN SUPPORT OF THE RESILIENT BAHAMAS PLAN, I STATED THAT THE MINISTRY OF FINANCIAL SERVICES WOULD ALSO LEAN INTO THE OPPORTUNITIES THE PANDEMIC BROUGHT, JUST LIKE OUR PARTNERS IN THE INDUSTRY. OVER THE LAST YEAR WE DID THIS BY:

- 1. IMPROVING ENGAGEMENT WITH STAKEHOLDERS**
- 2. COLLABORATING ACROSS GOVERNMENT AND WITH INDUSTRY**
- 3. INITIATING STRATEGIC PLANNING TO SET THE STAGE FOR THE INDUSTRY'S FUTURE**
- 4. IMPLEMENTING AN AGGRESSIVE LEGISLATIVE AND REGULATORY AGENDA, AND**
- 5. CONTINUING OUR MARKETING AND PROMOTION EFFORTS.**

STAKEHOLDER ENGAGEMENT AND COLLABORATION

MR. SPEAKER,

IN RESPONSE TO THE DISRUPTION OF THE COVID-19 PANDEMIC, MY MINISTRY INTENTIONALLY INCREASED FOCUS AND ATTENTION ON ENHANCING AND STRENGTHENING ITS STAKEHOLDER ENGAGEMENTS.

WE REALIZED THAT WE COULD NOT STOP COMMUNICATING WITH OUR STAKEHOLDERS DURING A CRISIS. IT WAS OUR JOB TO KEEP THEM ENGAGED AND INFORMED, EVEN IF WE COULD NOT BE IN THE SAME ROOM.

WE HAVE CONTINUED OUR ONE-ON-ONE AND SMALL GROUP STAKEHOLDER MEETINGS WITH PROFESSIONAL ORGANIZATIONS AND PRIVATE ENTITIES THAT MAKE UP THE FINANCIAL SERVICES SECTOR. WE CONTINUE TO LISTEN AND DETERMINE THE MAJOR ISSUES AND CONCERNS OF THESE IMPORTANT COLLABORATORS.

MY MINISTRY HAS ALSO ENGAGED IN VIRTUAL PUBLIC EVENTS.

TO SUPPORT PUBLIC EDUCATION EFFORTS AROUND THE DARE LEGISLATION, ON MARCH 4TH 2021, MY MINISTRY HOSTED A VIRTUAL SYMPOSIUM FOR 550 ATTENDEES UNDER THE THEME “FINTECH AND DIGITAL ASSETS: LEGISLATION, REGULATION, AND PRACTICE IN THE BAHAMAS”.

THE OBJECTIVE OF THE SYMPOSIUM WAS TO INFORM AND EDUCATE KEY STAKEHOLDERS AND THE PUBLIC ABOUT OPPORTUNITIES PRESENTED BY THE PASSING OF THE DARE LEGISLATION.

THE DIGITAL SYMPOSIUM GATHERED LEGAL AND REGULATORY EXPERTS, ALONG WITH PRACTITIONERS TO REVIEW LEGISLATIVE AND REGULATORY CHANGES.

ADDITIONALLY, THE MINISTRY INTENDED TO DEMONSTRATE THE EMPLOYMENT AND ENTREPRENEURIAL OPPORTUNITIES AVAILABLE IN THE FINTECH AND DIGITAL ASSETS SPACE.

THE EVENT FEATURED BAHAMIAN PROFESSIONALS AND PRACTITIONERS WHO ARE LEADERS BOTH LOCALLY AND ABROAD.

PERHAPS THE MOST IMPORTANT STAKEHOLDER ENGAGEMENT EVENT THAT WE HAVE PARTNERED ON IN THE LAST YEAR WAS THE “2021 INTERNATIONAL FINANCIAL SERVICES VIRTUAL POLICY ACTION SUMMIT.”

THIS PAST APRIL, ALONG WITH THE BAHAMAS FINANCIAL SERVICES BOARD (BFSB), WE FOCUSED OUR ENGAGEMENT EFFORTS ON THE STRATEGIC PLANNING OF THE INDUSTRY.

THIS HALF-DAY VIRTUAL SUMMIT BROUGHT TOGETHER PUBLIC AND PRIVATE SECTOR STAKEHOLDERS TO DEVELOP CONCRETE, REALISTIC IMPLEMENTATION PLANS.

MR. SPEAKER,

WE ARE PREPARING TO REPOSITION THE FINANCIAL SERVICES SECTOR FOR GROWTH AND INNOVATION.

MINISTRIES, REGULATORS, AND SENIOR INDUSTRY LEADERS ARE ENGAGED IN PRODUCTIVE DIALOGUE TO DISCUSS STRATEGIES FOR THE FINANCIAL SERVICES SECTOR AND TO ENSURE ITS SUSTAINABILITY FOR THE LONG TERM.

WITH THE ONGOING ECONOMIC IMPACT OF THE COVID-19 PANDEMIC, AND THE SECTOR STILL UNDER THREAT BY NEW AND EVER-CHANGING INTERNATIONAL REGULATIONS, MY MINISTRY AND INDUSTRY IS MORE DETERMINED THAN EVER TO DEVELOP COMPREHENSIVE

POLICY RECOMMENDATIONS AND DELIVERABLES WITH SET TIMELINES AND CLEAR ACCOUNTABILITY. WE ARE BEING INTENTIONAL ABOUT PIVOTING FROM MERE PLANNING TO EXECUTION. WE ARE BEING INTENTIONAL ABOUT THE GROWTH OF THE SECTOR.

SEVERAL ISSUES AROSE DURING THE EVENT, INCLUDING:

- 1. THE EASE OF DOING BUSINESS AND DIGITAL TRANSFORMATION—ONE OF THE 7 PILLARS OF ACCELERATE BAHAMAS**
- 2. THE COMPLETE OVERHAUL OF THE REGISTRAR GENERAL'S DEPARTMENT**
- 3. A FOCUS ON JURISDICTIONAL BRANDING AND THE EXECUTION OF AN INTERNATIONAL PUBLIC RELATIONS CAMPAIGN**
- 4. THE EXPANSION OF THE GROUNDS FOR ECONOMIC PERMANENT RESIDENCY, AS RECOMMENDED BY THE ERC. NEW LEGISLATION HAS ALREADY BEEN TABLED IN THE HOUSE FOR THIS, AND**
- 5. THE CONTROLLED LIBERALIZATION OF THE BAR IN SPECIALIST AREAS SUCH AS TAX LAW**

MR. SPEAKER,

A COMPREHENSIVE REPORT IS BEING PREPARED WITH AN ACTION PLAN AND STEPS TO ACHIEVE DESIRED OUTCOMES.

IT IS THE INTENTION THAT THE FINAL REPORT WILL BE PRESENTED TO THE CABINET FOR APPROVAL AND TABLED IN THE HOUSE FOR ALL TO SEE.

ALONG WITH THE RECOMMENDATIONS OF THE ERC, THIS REPORT WILL FORM THE BASIS OF OUR AGENDA FOR THE ADVANCEMENT OF THE FINANCIAL SERVICES INDUSTRY.

MR. SPEAKER,

WE HAVE A PLAN.

MR. SPEAKER,

ONE OF MY MINISTRY'S MANDATES IS TO FACILITATE CHANGES IN REGULATIONS AND LEGISLATION TO IMPROVE THE EASE OF DOING BUSINESS AND FOSTER THE GROWTH OF THE FINANCIAL SERVICES SECTOR.

IN THIS VEIN, A COMPENDIUM OF LEGISLATIVE AMENDMENTS THAT THE INDUSTRY HAS BEEN SEEKING TO HAVE FINALIZED SINCE BEFORE THIS ADMINISTRATION CAME TO OFFICE WERE FINALLY PASSED IN SEPTEMBER, 2020.

THESE AMENDMENTS CONTRIBUTE TO IMPROVED "EASE OF DOING BUSINESS" FROM AND WITHIN THE BAHAMAS BY CREATING MORE FLEXIBLE, STREAMLINED PROCESSES THAT DECREASE NEEDLESS BUREAUCRACY AND REQUIREMENTS AND IMPROVE THE OVERALL EXPERIENCE.

MEMBERS MIGHT RECALL THE COMPENDIUM OF LEGISLATIONS WHICH INCLUDED AMENDMENTS TO THE:

- THE COMPANIES ACT**
- THE INTERNATIONAL BUSINESS COMPANIES ACT**
- THE PROPERTY (EXECUTION OF DEEDS AND DOCUMENTS) ACT**
- THE RULE AGAINST PERPETUITIES (ABOLITION) ACT,**
- THE FOUNDATIONS ACT**

- **SECURITIES INDUSTRY (AMENDMENT) REGULATIONS, 2020, THE SECURITIES INDUSTRY (TAKE-OVER) (AMENDMENT) RULES, 2020, AND**
- **THE SECURITIES INDUSTRY (CORPORATE GOVERNANCE)(AMENDMENT) RULES, 2020**

MR. SPEAKER,

ACCESS TO FINANCIAL SERVICES AND INSTITUTIONS UNDERPINS THE WHOLE ECONOMY AND WILL HELP DRIVE OUR ACCELERATED GROWTH RECOVERY PLAN.

WE CANNOT REALIZE THE FULL GROWTH POTENTIAL OF AN INCLUSIVE, SUSTAINABLE AND RESILIENT ECONOMY UNTIL WE DEAL WITH THE ISSUE OF FINANCIAL INCLUSION, ACCESS, AND LITERACY, WHICH ARE ALSO COMPONENTS OF THE UN'S 2030 SUSTAINABLE DEVELOPMENT GOALS.

WIDER DOMESTIC PARTICIPATION IN OUR FINANCIAL SERVICES SHOULD BE JUST AS ENCOURAGED AS FOREIGN PARTICIPATION.

WE ALL KNOW ACCESS TO FINANCING OR CREDIT IS BECOMING INCREASINGLY MORE DIFFICULT. FINTECH IS NOW ALLOWING FOR UNLIMITED POSSIBILITIES IN TERMS OF FINANCIAL ACCESS AND INCLUSION. THERE ARE NOW SUSTAINABLE, AFFORDABLE, AND INCLUSIVE FINANCING AND CREDIT OPTIONS LIKE PEER-TO-PEER MICROLOANS OR MICROFINANCING AND THE PREVIOUSLY MENTIONED CROWDFUNDING.

I AM OPTIMISTIC THAT THERE WILL VERY SOON BE WIDER ADOPTION OF THESE NEW FINANCIAL TOOLS AND SERVICES.

MY MINISTRY WILL PARTNER WITH THE ALREADY ESTABLISHED INITIATIVES BY THE PRIVATE SECTOR AND OUR REGULATORS IN THIS LONG-TERM EFFORT FOR THE ADVANCEMENT AND EXPANSION OF FINANCIAL LITERACY AND FINANCIAL INCLUSION.

MARKETING AND PROMOTION INITIATIVES

MR. SPEAKER,

DESPITE THE NECESSARY RESTRICTIONS ON MOVEMENT AND GATHERINGS IN RESPONSE TO THE COVID-19 PANDEMIC, BFSB HAS CONTINUED THE WORK OF PROMOTING THE BAHAMIAN FINANCIAL SERVICES SECTOR AROUND THE WORLD.

I WANT TO COMMEND THE BOARD FOR ITS ADAPTABILITY AND STRATEGIC APPROACH IN ADVOCATING FOR THE BAHAMAS AS THE CLEAR CHOICE FOR FINANCIAL SERVICES.

BFSB SPONSORED A SERIES OF VIRTUAL EVENTS DURING THIS FISCAL PERIOD INCLUDING:

- **LATIN AMERICA WEALTH MANAGEMENT SUMMIT**
- **STEP LATAM VIRTUAL EVENT ON TRUST AND FIDUCIARY SERVICES**
- **VIRTUAL WORLD CAPTIVE FORUM ON CAPTIVE INSURANCE**
- **BAHAMAS VIRTUAL LANDFALL SERIES**
- **RIMS LIVE 2021 THE MOST COMPREHENSIVE GLOBAL RISK MANAGEMENT EVENT**
- **FAMILY OFFICES LATAM EVENT**
- **BAHAMAS BUSINESS VIRTUAL TRADE SHOW**
- **STEP MIAMI SUMMIT SERIES, AND**

- **OPALESQUE ROUNDTABLE SERIES UNDER THE THEME “RESILIENCE AND INNOVATION”.**

BFSB HAS ALSO ARRANGED FOR THE BAHAMAS TO BE FEATURE IN SEVERAL INTERNATIONAL PUBLICATIONS INCLUDING:

- 1. STEP LATAM NEWSLETTER**
- 2. STEP JOURNAL ADVERTORIALS**
- 3. STEP JOURNAL BYLINED ARTICLE**
- 4. STEP JOURNAL ADVERTISING**
- 5. INTERNATIONAL INVESTMENT, AND**
- 6. IFC CARIBBEAN 2021**

MY MINISTRY IS ALSO WORKING WITH BFSB TO CONTINUE THE GLOBAL PROMOTION OF THE INDUSTRY THROUGH OUR SPONSORSHIP AND REPRESENTATION AT SEVERAL EVENTS INCLUDING:

- 1. STEP LATAM AND**
- 2. ASSOCIATION OF BANKS AND TRUST COMPANIES “NASSAU CONFERENCE” IN SEPTEMBER**
- 3. PRIVATE WEALTH: LATIN AMERICA & CARIBBEAN FORUM (MARKETS GROUP) IN OCTOBER, AND**
- 4. FORUM FOR IMPACT AMERICAS IN NOVEMBER**

MR. SPEAKER,

I WANTED TO QUICKLY ADDRESS THE RECENT G7 POSITION ON CORPORATE TAX AND AS THE MINISTRY OF FINANCE HAS STATED WE ARE A SOVEREIGN NATION AND MY MINISTRY ALONG WITH THE MINISTRY OF FINANCE WILL CONTINUE TO CONSULT AND ENGAGE WITH THE PRIVATE SECTOR BEFORE ANY DECISIONS ARE MADE WITH RESPECT OF A CORPORATE TAX, IN THE BEST INTEREST OF ALL BAHAMIANS.

TRADE & INDUSTRY

MR SPEAKER,

I NOW TURN MY ATTENTION TO THE EXTRAORDINARY WORK OF THE TRADE AND INDUSTRY UNIT.

DURING HIS BUDGET DEBATE CONTRIBUTION LAST WEEK, THE MEMBER FOR KILLARNEY INDICATED THAT A VITAL COMPONENT OF THE SMALL BUSINESS DEVELOPMENT PILLAR IN *ACCELERATE BAHAMAS* WILL BE HOW WE LEVERAGE TRADE AGREEMENTS, IN PARTICULAR, THE CARIFORUM-EUROPEAN UNION AND CARIFORUM-UNITED KINGDOM ECONOMIC PARTNERSHIP AGREEMENTS (EPA'S) TO SUPPORT DIVERSIFICATION.

INDEED, MR. SPEAKER, THE UNIT HAS BEEN WORKING DILIGENTLY OVER THE LAST YEAR TO INCREASE AWARENESS OF TRADE AND INDUSTRY OPPORTUNITIES AVAILABLE FOR BAHAMIANS.

AS THE MINISTER FOR TRADE & INDUSTRY, OUR GOAL IS TO ENSURE THE GROWTH OF SMEs IN THE BAHAMAS. THIS MEANS THAT WE WILL HAVE TO LOOK BEYOND OUR BORDERS AND INCREASE OUR PARTICIPATION IN INTERNATIONAL TRADE MARKETS. UTILIZING ECONOMIC PARTNERSHIP AGREEMENTS AS A CHANNEL FOR THIS NECESSARY EXPANSION IS JUST ONE WAY WE ARE DRIVING SMALL BUSINESS DEVELOPMENT AND GROWTH.

WE WILL THEREFORE SEEK TO DEVELOP AN INTERNATIONAL TRADE STRATEGY, NOT JUST TALK ABOUT ONE.

THE TRADE & INDUSTRY UNIT EXECUTED A STRATEGY WITH THREE PRIORITIES FOR THE 2020-21 FISCAL PERIOD: FIRST, INCREASING AWARENESS AMONG BUSINESSES AND CIVIL SOCIETY ON TRADE AGREEMENTS THAT THE BAHAMAS IS PARTY TO;

SECOND, PROVIDING MARKET INTELLIGENCE REPORTS TO BUSINESS SUPPORT ORGANIZATIONS ON EXPORT OPPORTUNITIES; AND

FINALLY, FACILITATING LINKAGES BETWEEN THE INDUSTRIES ENCOURAGEMENT ACT AND MICRO, SMALL, AND MEDIUM ENTERPRISES INVOLVED IN THE GREEN, BLUE AND ORANGE ECONOMIES.

WE SAW THESE ACTIVITIES AS NECESSARY FOR PREPARING THE BAHAMIAN ECONOMY FOR ACCELERATED GROWTH AS WE EMERGED FROM THE COVID-19 PANDEMIC.

OVER THE LAST YEAR, MR. SPEAKER, THE TRADE AND INDUSTRY UNIT HAS MADE REMARKABLE PROGRESS ON ITS PRIORITIES.

INCREASING AWARENESS ON TRADE AGREEMENTS

IN AUGUST 2020, A SURVEY OF BAHAMIAN BUSINESSES SHOWED THAT THEY DID NOT HAVE SUFFICIENT INFORMATION ON THE TRADE AGREEMENTS TO WHICH THE BAHAMAS WAS A PARTY.

MR. SPEAKER,

THIS LACK OF AWARENESS WAS CONCERNING, ESPECIALLY BECAUSE THE BAHAMAS HAS TRADE AGREEMENTS WITH THE MAJOR DEVELOPED COUNTRIES THAT INCLUDES:

- **THE UNITED STATES OF AMERICA**
- **CANADA**
- **AND THE EPAS WITH THE EUROPEAN UNION, AND SINCE JANUARY 2021,**
- **THE UNITED KINGDOM.**

THESE AGREEMENTS PROVIDE SIGNIFICANT BENEFITS TO BAHAMIAN EXPORTERS SINCE 90% OF GOODS EXPORTED TO THESE MARKETS, ENTER WITHOUT THE PAYMENT OF IMPORT DUTIES!

BECAUSE OF THESE AGREEMENTS, BAHAMIAN BUSINESSES HAVE A COMPETITIVE ADVANTAGE WHEN EXPORTING PRODUCTS LIKE SEAFOOD, CHEMICALS, MINERAL PRODUCTS, AND SALT.

SOME BAHAMIAN BUSINESSES ARE ALREADY TAKING ADVANTAGE OF THESE OPPORTUNITIES. ADDITIONALLY, SMALLER ENTERPRISES HAVE BECOME INVOLVED IN THE EXPORT SECTOR SELLING JEWELRY, HANDBAGS, ART, PROCESSED FOOD PRODUCTS.

IN DECEMBER 2020, THE TRADE AND INDUSTRY UNIT BEGAN PUBLISHING A MONTHLY NEWSLETTER THAT PROVIDED INFORMATION ON TRADE BY HIGHLIGHTING BAHAMIAN-OWNED BUSINESSES THAT WERE INVOLVED IN THE EXPORT SECTOR.

MR. SPEAKER,

I AM TALKING ABOUT COMPANY'S LIKE "NATURALLY BAHAMIAN," A BUSINESS THAT PRODUCES JUICES, TEAS,

SYRUPS, JAMS, JELLIES, BATH PRODUCTS, AND MANY OTHERS THAT ARE MADE FROM LOCALLY SOURCED INGREDIENTS.

IN OUR TRADE AND INDUSTRY NEWSLETTER, THE OWNER, DENISE WORRELL, DETAILED HOW COVID-19 HAS IMPACTED GLOBAL TRANSPORT.

WHILE HER INTERNATIONAL DISTRIBUTION HAS BEEN SOMEWHAT IMPEDED, THE BUSINESS IS DOING ITS BEST TO FULFILL ORDERS FOR AN INTERNATIONAL CLIENTELE WHO CANNOT GET ENOUGH OF HER PRODUCTS.

WHAT MAKES THESE PRODUCTS SPECIAL, SHE SAYS, IS THAT THEY ARE UNIQUELY BAHAMIAN.

ANOTHER, ENTREPRENEUR KENTISHA WARD, A MANUFACTURER OF GOURMET POPSICLES HAS RECEIVED INTERNATIONAL INTEREST IN HER PRODUCTS.

ONASSIS NOTTAGE OF GOLD COLLAR PROVIDES WEB AND APP DEVELOPMENT SERVICES TO COMPANIES INTERESTED IN THE EXPORT MARKET.

IMAGINE, MR. SPEAKER, HOW MANY OTHER BAHAMIAN BUSINESSES CAN TAKE ADVANTAGE OF THESE BENEFICIAL TRADE ARRANGEMENTS NOW THAT WE ARE SPREADING THE WORD ABOUT THE OPPORTUNITIES THEY PRESENT.

IMAGINE HOW MANY LOCALLY SOURCED PRODUCTS CAN REACH NEW MARKETS. THE ECONOMIC IMPACT OF THIS KIND OF BUSINESS EXPANSION IS BROAD.

THE ENTIRE PRODUCT VALUE CHAIN IS POISED TO EXPAND, NOT JUST TO BENEFIT THE SELLER, BUT ALSO THE SUPPLIER OF THE SOURCE RAW MATERIALS AND OTHER SERVICE SUPPLIES LIKE LOGISTICS AND TRANSPORTATION. THIS IS HOW YOU ENCOURAGE AND SUPPORT SMALL BUSINESS DEVELOPMENT.

MR. SPEAKER,

THE FINAL EDITION OF THE TRADE & INDUSTRY NEWSLETTER WILL BE PUBLISHED AT THE END OF JUNE 2021.

IT HAS BEEN SUCH A SUCCESS THAT WE WILL BE EXPANDING IT TO INCLUDE INFORMATION ON FINANCIAL SERVICES AND ARBITRATION.

FOR THOSE WHO ARE WATCHING OR LISTENING, AND MAY BE INTERESTED IN READING PAST EDITIONS, YOU CAN FIND ALL THE EDITIONS AVAILABLE ON THE MINISTRY'S WEBSITE: WWW.MOFSTII.GOV.BS AND OUR FACEBOOK AND TWITTER PAGES.

WE ALSO WELCOME FEEDBACK FROM THE PUBLIC ON HOW THE NEWSLETTER COULD BE IMPROVED. READERS CAN SEND THEIR COMMENTS TO TRADE@BAHAMAS.GOV.BS.

CARIFORUM-EU ECONOMIC PARTNERSHIP AGREEMENT

MR. SPEAKER,

AS IT RELATES TO THE CARIFORUM-EU EPA SPECIFICALLY, THE BAHAMAS IS AMONG SEVERAL CARIFORUM COUNTRIES THAT WILL BENEFIT FROM A

CALL FOR PROPOSALS FOR SME GRANT FUNDING BY THE EUROPEAN UNION.

GRANTS WILL RANGE FROM 5,000 TO 15,000 EUROS AND CAN BE USED BY BUSINESSES TO:

- **CAPITALIZE ON THE BENEFITS OF THE CARIFORUM-EU EPA**
- **INCREASE EXPORTS TO THE CARIBBEAN OR INTERNATIONAL MARKETS, AND**
- **FACILITATE THE DIGITAL TRANSFORMATION OF SMALL BUSINESSES.**

MEMBERS MAY RECALL THAT AS PART OF *ACCELERATE BAHAMAS*' DIGITIZATION AND INNOVATION PILLAR, THE GOVERNMENT HAS ELIMINATED DUTIES ON DIGITAL TRANSFORMATION HARDWARE, SOFTWARE, AND SERVICES.

THE GLOBAL MARKETPLACE HAS BECOME EVEN MORE INTERCONNECTED THROUGH TECHNOLOGICAL AND DIGITAL ADVANCEMENTS, E-COMMERCE, AND INTERNET MARKETING WHICH NUMEROUS BAHAMIAN MICRO-ENTERPRISES TAKING FULL ADVANTAGE OF.

DIGITAL TRANSFORMATION ENABLES GREATER EASE OF ACCESS WHEN IT COMES TO FACILITATING LOCAL AND INTERNATIONAL TRADE.

WE MUST SEIZE THE OPPORTUNITIES FOR EXPANSION IN THESE SECTORS WITH MORE AND MORE OF THE GOODS AND SERVICES GLOBALLY BEING SOLD ONLINE.

THE AVAILABILITY OF THIS ADDITIONAL GRANT FUNDING THROUGH THE EPA, COUPLED WITH DIGITAL TRANSFORMATION INCENTIVES IN *ACCELERATE*

BAHAMAS, COULD LEAD TO REMARKABLE INNOVATION AND EXPANSION FOR BAHAMIAN SME'S.

MR. SPEAKER,

WE HAVE A PLAN.

THE CALL IS OPEN TO BUSINESSES IN THE AREAS OF AGRICULTURE, TOURISM, PROCESSING, MANUFACTURING, CREATIVE INDUSTRIES, HEALTH AND WELLNESS, AND ENVIRONMENTAL MANAGEMENT.

IN 2020, THREE BAHAMIAN BUSINESSES:

- 1. KAIROS MARITIME SERVICES LIMITED**
- 2. ONE ELEUTHERA FOUNDATION, AND**
- 3. THE COCONUT FACTORY WERE BENEFICIARIES OF THE GRANT**

THE CALL FOR THESE PROPOSALS OPENED IN MAY AND WILL CLOSE IN JULY. ADDITIONAL INFORMATION CAN BE FOUND ON THE CARIBBEAN EXPORT WEBSITE.

ADDITIONALLY, MR. SPEAKER, THE BAHAMAS IS PARTICIPATING IN THE CREATION OF THE CARIBBEAN EXPORT 2021-2024 STRATEGIC PLAN FUNDED BY THE EUROPEAN UNION THAT WILL FOCUS ON:

- 1. EXPORT DEVELOPMENT AND PROMOTION TO INCREASE PRIVATE SECTOR COMPETITIVENESS, AND**
- 2. SUPPORT THE SERVICES SECTOR, WHICH IS THE NEXT FRONTIER FOR EXPANDING TRADE.**

THE CARIFORUM-EU EPA ALSO CONTAINS A CULTURAL PROTOCOL THAT FACILITATES THE EXPORT OF CULTURAL PRODUCTS AND SERVICES TO THE EU.

AN INITIAL MEETING WAS HELD IN APRIL BETWEEN REPRESENTATIVES OF THE LOCAL CREATIVE SECTOR AND CARIBBEAN EXPORT, FACILITATED BY THE EMBASSY IN BRUSSELS TO BEGIN ENGAGEMENT ON THE PROMOTION OF JUNKANOO AND OTHER CULTURAL PRODUCTS AND SERVICES.

AGAIN, MR. SPEAKER, THROUGH THE WORK OF THE TRADE & INDUSTRY UNIT, CREATIVE INDUSTRY LEADERS ARE LEARNING ABOUT AND TAKING ADVANTAGE OF OPPORTUNITIES TO EXPORT AUTHENTIC BAHAMIAN CULTURE ACROSS THE GLOBE.

IN CONJUNCTION WITH THIS CULTURAL FOCUS, THE CARIFORUM-EU EPA, THROUGH THE EUROPEAN DEVELOPMENT FUND, IS ALSO IMPLEMENTING A REGIONAL PROJECT, CARIFI, TO SUPPORT THE ENABLING FRAMEWORK FOR INNOVATION AND COMPETITIVENESS IN THE PRIVATE SECTOR.

THE SPECIFIC OBJECTIVES OF THE PROJECT ARE TO:

- a) INCREASE AWARENESS OF THE VALUE AND CONTRIBUTION OF INNOVATION AND INTELLECTUAL PROPERTY RIGHTS TO ECONOMIC AND SOCIAL DEVELOPMENT**
- b) DEVELOP A NETWORK OF STRENGTHENED AND MORE EFFICIENT INTELLECTUAL PROPERTY INSTITUTIONS FOR THE BENEFIT FOR SMES, IN PARTICULAR.**
- c) ENHANCE THE LEGAL AND POLICY FRAMEWORKS IN THE AREA OF TRADEMARKS, DESIGNS, AND GEOGRAPHICAL INDICATORS; AND**
- d) IMPROVE THE CAPACITY OF THE PRODUCTIVE SECTOR TO CREATE, PROTECT, UTILIZE, COMMERCIALIZE AND**

ENFORCE THEIR IP RIGHTS, THUS STIMULATING INNOVATION AND NEW BUSINESS MODELS.

MR. SPEAKER,

IN ADDITION TO PROVIDING SUPPORT TO BUSINESSES, ARTICLE 5 OF THE CARIFORUM-EU ECONOMIC PARTNERSHIP AGREEMENT CONTAINS A MECHANISM TO MONITOR THE AGREEMENT EVERY FIVE YEARS TO ENSURE THAT IT IS BEING PROPERLY IMPLEMENTED AND THAT THE BENEFITS ARE IMPACTING MEN, WOMEN, YOUNG PEOPLE, AND CHILDREN.

FOR EXAMPLE, ONE OF THE EXPECTED BENEFITS OF THE EPA WHEN IT WAS SIGNED IN 2008 WAS TO REDUCE POVERTY AND SUPPORT DEVELOPMENT AMONGST OTHER OBJECTIVES.

THE FIRST REVIEW OF THE EPA TOOK PLACE IN 2015. THE SECOND REVIEW IS SCHEDULED TO TAKE PLACE DURING THE THIRD QUARTER OF THIS YEAR.

THE TRADE UNIT IS LIAISING WITH RELEVANT MINISTRIES INCLUDING THE CUSTOMS DEPARTMENT, MINISTRY OF FINANCE, AND OFFICE OF THE ATTORNEY GENERAL AMONGST OTHERS TO GATHER INPUTS ON THE IMPACT OF THE CARIFORUM-EU EPA USING QUANTITATIVE AND QUALITATIVE INDICATORS.

MR. SPEAKER,

WE AREN'T JUST EDUCATING THE PUBLIC ON THESE EPA'S, MY MINISTRY HAS WORKED OVER THE LAST YEAR TO ENSURE THAT THESE TRADE AGREEMENTS AND THE BENEFITS THEY COME WITH REMAIN IN PLACE.

THE BAHAMAS DEPOSITED INSTRUMENTS, ALONG WITH THE CARIFORUM STATES, TO CONTINUE DUTY-FREE, QUOTA-FREE TRADE WITH THE UNITED KINGDOM AND NORTHERN IRELAND ON 1 JANUARY 2021, FOLLOWING THE EXIT OF THE UNITED KINGDOM FROM THE EUROPEAN UNION.

IN APRIL 2021, IN COLLABORATION WITH THE CHAMBER OF COMMERCE AND THE UNITED KINGDOM HIGH COMMISSION, THE MINISTRY TOOK PART IN THE BAHAMAS-UNITED KINGDOM TRADE EVENT TO DISCUSS ELEMENTS OF THE UK EPA AND ITS BENEFITS FOR BAHAMIAN BUSINESSES.

MR. SPEAKER,

OUR DATA SUGGESTS THAT THERE ARE OPPORTUNITIES IN THE UK MARKET THAT BAHAMIAN-BASED BUSINESSES CAN TAKE ADVANTAGE OF.

A MARKET STUDY REPORT RELEASED IN 2020 ON THE PROFILE OF UK CUSTOMERS INDICATED THAT THEY:

- SHOPPED ONLINE**
- WERE INTERESTED IN HEALTH AND WELLNESS DIETS**
- HAD FLEXITARIAN DIETS AND PURCHASED VEGAN FOODS**
- SUPPORTED SUSTAINABLE PRODUCTS AND PRODUCTS THAT ALIGN WITH THESE VALUES**

THIS CONSUMER BEHAVIOR SUGGESTS THAT THERE ARE NICHE MARKETS FOR SMALL BAHAMIAN PRODUCERS WHO USE NATURAL MATERIALS SOURCED IN SUSTAINABLE WAYS.

MR. SPEAKER,

IN THE YEAR AHEAD, THE BAHAMIAN PUBLIC CAN EXPECT US TO CONTINUE PROVIDING EASILY DIGESTIBLE BRIEFS ON INTERNATIONAL TRADE AND OPPORTUNITIES FOR THEIR BUSINESSES THROUGH SEVERAL CHANNELS.

AND, BASED ON THE RECOMMENDATION IN THE ERC REPORT, THE TRADE AND INDUSTRY UNIT WILL BE WORKING IN COLLABORATION WITH THE INTERNATIONAL TRADE CENTRE TO DEVELOP A COMPREHENSIVE TRADE STRATEGY FOR THE BAHAMAS.

THE REPORT WILL LOOK AT FIVE ISSUES:

1. SHORT AND MEDIUM-TERM TRADE POLICIES THAT CAN SUPPORT POST-COVID 19 ECONOMIC RECOVERY AND LONGER-TERM POLICIES AIMED AT EXPORT AND ECONOMIC DIVERSIFICATION;

2. LEGISLATIVE AND OTHER MEASURES AIMED AT EXPANDING THE EXPORTS OF GOODS AND SERVICES TO ENHANCE THE COMPETITIVENESS OF DOMESTIC BUSINESSES TAKING INTO ACCOUNT THE BAHAMAS' HIGH RANKING IN MOBILE CONNECTIVITY;

3. MEASURES AIMED AT ADDRESSING AND FACILITATING TRADE IN GOODS AND SERVICES;

4. PARTICIPATION OF THE BAHAMAS IN BILATERAL, REGIONAL, AND MULTILATERAL TRADING ARRANGEMENTS; AND

5. THE BUDGETARY AND INSTITUTIONAL MECHANISMS REQUIRED FOR THE IMPLEMENTATION OF A NATIONAL TRADE POLICY.

THIS PROJECT IS EXPECTED TO BE COMPLETED BY JANUARY 2022.

WE HAVE A PLAN, MR SPEAKER.

PROVIDING MARKET INTELLIGENCE REPORTS

MR. SPEAKER,

BUSINESSES HAVE AN ONGOING NEED FOR RELIABLE INFORMATION TO MAKE DECISIONS THAT WILL SUPPORT THEIR GROWTH STRATEGY IN THE DOMESTIC AND EXPORT MARKETS.

THIS BUDGET IS GROWTH-FOCUSED SO THE TRADE & INDUSTRY UNIT'S STRATEGIC PRIORITY TO PROVIDE BUSINESSES WITH DATA AND STATISTICS IN A MANNER THAT CAN BE READILY USED TO INFORM BUSINESS DECISIONS IS CRUCIAL.

MR. SPEAKER,

THIS YEAR, RECOGNIZING THE UNIQUE OPPORTUNITIES IN THE DOMESTIC AND EXPORT MARKET FOR FRESH AND PROCESSED PINEAPPLE, WE WORKED TO IMPROVE MARKET INTELLIGENCE FOR BUSINESSES IN THIS SECTOR.

THE MINISTRY, IN COLLABORATION WITH THE SMALL BUSINESS DEVELOPMENT CENTRE, THE BAHAMAS AGRICULTURAL AND INDUSTRIAL CORPORATION, AND THE BAHAMAS DEVELOPMENT BANK, ALONG WITH THE MINISTRY OF AGRICULTURE AND MARINE RESOURCES, HAVE ENGAGED A CONSULTATION TO UNDERTAKE A STUDY ON THE PINEAPPLE SECTOR ON ELEUTHERA.

THE RESULTS OF THIS STUDY WILL ASSIST THESE BUSINESS SUPPORT ORGANIZATIONS WITH THE INFORMATION NEEDED TO STRATEGICALLY SUPPORT THE PINEAPPLE SECTOR, IMPROVE LINKAGES TO THE DOMESTIC ECONOMY AND PRODUCE A FRAMEWORK FOR EXPORTS.

GIVEN THAT THE BAHAMAS IS MAINLY A SERVICES-BASED ECONOMY, AN INITIAL CARIFORUM STUDY INDICATED THAT THERE WERE OPPORTUNITIES FOR SERVICES SUPPLIERS TO ACCESS MARKETS IN THE EU AND THE UK. THIS ACCESS WAS CREATED BY PROVISIONS IN THE ECONOMIC PARTNERSHIP AGREEMENTS.

CONSULTATIONS WITH SOME PROFESSIONAL SERVICE ORGANIZATIONS, MOST NOTABLY THE ENGINEERS AND ARCHITECTS, INDICATED THAT THE REPORT WAS NOT DETAILED ENOUGH TO ALLOW THEM TO MAKE BUSINESS DECISIONS ABOUT ENTERING THE EXPORT MARKET AS INDEPENDENT PROFESSIONALS OR AS CONTRACTUAL SERVICE PROVIDERS.

DURING THE 2021-22 BUDGET PERIOD, A CONSULTANT WILL BE ENGAGED TO PROVIDE INFORMATION ON TARGETED EUROPEAN UNION MARKETS FOR PROFESSIONAL SERVICE PROVIDERS.

ONE OF THE REPORTS OF THE 5-YEAR REVIEW CONCLUDED THAT THE BAHAMAS IS ONE OF VERY FEW CARIFORUM STATES THAT ACHIEVED CONSISTENT GROWTH IN SERVICE EXPORTS TO THE EU AND IN ESTABLISHING SUCCESSFUL TRADE WITH A WIDER SUBSET OF EU MEMBERS, POINTING TO A MORE DIVERSIFIED GEOGRAPHIC EXPORT STRATEGY.

BUT WE MUST DO MORE.

MR. SPEAKER,

WE WANT TO GIVE OUR PROFESSIONAL SERVICE PROVIDERS, ENGINEERS, LAWYERS, ACCOUNTANTS, ARCHITECTS, DOCTORS JUST TO NAME A FEW ALL THE TOOLS THEY NEED TO EXPAND INTO NEW MARKETS AND REALIZE THEIR FULL POTENTIAL.

MR SPEAKER,

EXPANDING MARKET ACCESS OPPORTUNITIES, ESPECIALLY CONCERNING SERVICES, IS A KEY PLANK FOR A WELL-BALANCED POST-PANDEMIC RECOVERY.

WE HAVE A PLAN.

THE INDUSTRIES ENCOURAGEMENT ACT AND GREEN, BLUE AND ORANGE ECONOMY GROWTH

MR. SPEAKER,

THE COVID-19 PANDEMIC HAS HAD A DEVASTATING IMPACT ON THE ECONOMY. ACCORDING TO RECENT DATA FROM THE DEPARTMENT OF STATISTICS, THE MANUFACTURING SECTOR CONTRACTED FROM 102 MILLION IN 2019 TO 81 MILLION IN 2020. IN LIGHT OF THIS, MY MINISTRY IS ENCOURAGING ENTREPRENEURS TO EXPLORE OPPORTUNITIES IN MANUFACTURING THAT ARE LINKED TO THE GREEN, BLUE, AND ORANGE ECONOMIES.

THE TRADE & INDUSTRY UNIT, IN COLLABORATION WITH THE MINISTRY OF FINANCE, MINISTRY OF AGRICULTURE AND MARINE RESOURCES, AND THE CUSTOMS

DEPARTMENT HELD A WEBINAR IN MARCH ON THE CONCESSIONS AVAILABLE UNDER VARIOUS PIECES OF INCENTIVE LEGISLATION, INCLUDING THE *INDUSTRIES ENCOURAGEMENT ACT*.

APPROXIMATELY 700 PARTICIPANTS FROM ACROSS THE ARCHIPELAGO ATTENDED THIS EVENT TO LEARN ABOUT THE AVAILABLE CONCESSIONS AND THE CUSTOMS PROCEDURES AND REQUIREMENTS FOR THE ENTRY OF GOODS IMPORTED UNDER INCENTIVE LEGISLATION.

TO IMPROVE ACCESS TO THE INDUSTRIES ENCOURAGEMENT ACT, LAST YEAR THE UNIT DIGITIZED THE APPLICATION PROCESS. THE ONLINE APPLICATION CAN BE FOUND ON OUR MINISTRY'S WEBSITE.

DURING THE BUDGET YEAR 2020-2021, SIX BAHAMIAN-OWNED BUSINESSES LOCATED IN NEW PROVIDENCE, GRAND BAHAMA, ELEUTHERA, AND ABACO RECEIVED APPROVAL TO BE REGISTERED UNDER THE INDUSTRIES ENCOURAGEMENT ACT. THESE BUSINESSES PRODUCE MANUFACTURED PRODUCTS RANGING FROM DISPOSABLE SERVICE PRODUCTS AND FURNITURE TO THE MANUFACTURE OF CANVAS SAILS AND BAGS.

DURING THE UPCOMING BUDGET PERIOD, FOCUS WILL BE GIVEN TO ALLOWING THE PAYMENT OF INDUSTRIES ENCOURAGEMENT ACT APPLICATIONS THROUGH THE WEB PORTAL, MAKING THE PROCESS ENTIRELY DIGITAL.

THE INDUSTRY UNIT WILL ALSO CONTINUE TO COLLABORATE WITH GOVERNMENT MINISTRIES AND AGENCIES TO SUPPORT AND ENCOURAGE ENTREPRENEURS AND BUSINESSES INTERESTED IN THE MANUFACTURING SECTOR.

ALTERNATE DISPUTE RESOLUTION UNIT (ADR)

MR. SPEAKER,

AS PART OF THE RECOMMENDATIONS FOR GROWTH IN THE INTERNATIONAL BANKING SECTOR, THE ERC RECOMMENDED ESTABLISHING THE BAHAMAS AS AN INTERNATIONAL COMMERCIAL ARBITRATION HUB.

IN TANDEM, THE ERC ALSO RECOMMENDED THE FINALIZATION AND PASSAGE OF THE INTERNATIONAL COMMERCIAL ARBITRATION BILL.

EVEN BEFORE THE RELEASE OF THE ERC'S SUMMARY REPORT, IN MID-AUGUST OF 2020, THE ADR UNIT IN MY MINISTRY WAS FORMED.

IN THE SIX MONTHS AFTER ITS INCEPTION, THE ADR UNIT HAS DEVELOPED A COMPREHENSIVE TWO-YEAR STRATEGIC PLAN THAT SETS OUT ITS QUARTERLY GOALS AND OBJECTIVES AND HOSTED A VIRTUAL ADR SYMPOSIUM TO INTRODUCE KEY ASPECTS OF THE STRATEGY.

THIS IS NOT THE FIRST TIME I HAVE ADDRESSED THIS HONORABLE HOUSE ABOUT OUR ADR STRATEGIC PLAN. DURING THE MID-TERM BUDGET DEBATE, I DETAILED IT IN FULL.

I ALSO RECOUNTED THE SUCCESS OF THE ADR UNIT'S VIRTUAL SYMPOSIUM, "ALTERNATIVE DISPUTE RESOLUTION AND THE BAHAMAS: CHARTING A NEW COURSE."

SINCE THEN, MR. SPEAKER, I AM HAPPY TO REPORT THAT WE HAVE MADE SIGNIFICANT PROGRESS TOWARD MAKING THE BAHAMAS AN INTERNATIONAL ARBITRATION HUB.

IN EARLY 2021, A RECOMMENDATION WAS MADE TO THE CABINET FOR THE APPOINTMENT OF MEMBERS OF THE COURT OF THE PERMANENT COURT OF ARBITRATION.

THE CABINET OF THE GOVERNMENT OF THE BAHAMAS HAS CONFIRMED THAT IT WILL APPOINT MEMBERS OF THE COURT OF THE PERMANENT COURT OF ARBITRATION IN 2021 AND IT IS EXPECTED THAT THE APPOINTMENTS WILL BE ANNOUNCED SHORTLY.

IN KEEPING WITH THE ERC'S RECOMMENDATIONS, THE ADR UNIT HAS ALSO FINALIZED ITS RECOMMENDATIONS TO AMEND THE INTERNATIONAL COMMERCIAL ARBITRATION BILL, 2018, AND THOSE RECOMMENDATIONS HAVE BEEN PROVIDED TO THE LAW REFORM AND REVISION COMMISSION FOR THE RELEVANT AMENDMENTS TO BE MADE.

WE EXPECT THAT THIS BILL WILL BE ENACTED BY JULY 2021, AFTER A SHORT CONSULTATION PERIOD.

THE ADR UNIT IS NOW FOCUSING ON ITS PROPOSED AMENDMENTS TO THE ARBITRATION ACT 2009 AND HAS ALREADY MET WITH SOME INDUSTRY STAKEHOLDERS WITH INTENTIONS TO CONTINUE THESE DISCUSSIONS.

I EXPECT THAT THE ADR UNIT WILL FINALIZE ITS RECOMMENDATIONS BY FALL 2021 FOR SUBMISSION TO THE LAW REFORM AND REVISION COMMISSION.

MR. SPEAKER,

REGARDING OTHER LEGISLATION AND POLICY INITIATIVES-- THE ADR UNIT INTENDS TO ALSO FOCUS ON A COMPENDIUM OF DRAFT BILLS THAT FURTHER SUPPORT THE DEVELOPMENT OF ADR IN THE BAHAMAS, INCLUDING:

- 1. THE BAHAMAS' POSITION CONCERNING INVESTMENT PROTECTION TREATIES AND PROPOSED REFORMS TO INVESTOR-STATE DISPUTE SETTLEMENT**
- 2. DRAFT INTERNATIONAL AND DOMESTIC MEDIATION BILLS THAT WOULD BE CONSISTENT WITH THE PRINCIPLES OF THE SINGAPORE CONVENTION ON MEDIATION,**
- 3. THE DRAFT CONSTRUCTION ADJUDICATION BILL AND,**
- 4. THE CREATION OF A LEGISLATIVE FRAMEWORK TO SUPPORT THE ESTABLISHMENT OF A PHYSICAL LOCATION FOR INTERNATIONAL ARBITRATION AND ADR THAT WOULD BE A PUBLIC-PRIVATE PARTNERSHIP.**

BESIDES ITS LEGISLATIVE AND POLICY EFFORTS, THE ADR UNIT IS IN THE PROCESS OF RE-INTRODUCING THE FORMER INTERNATIONAL COMMERCIAL EXECUTIVE COUNCIL AS THE ALTERNATIVE DISPUTE RESOLUTION COUNCIL.

THIS ADR COUNCIL WILL ACT AS DIRECT SUPPORT TO THE ADR UNIT IN MY MINISTRY AND WILL HAVE REPRESENTATIVES FROM BOTH THE PUBLIC AND THE PRIVATE SECTOR WHO ARE INVOLVED IN THE BUSINESS AND LEGAL COMMUNITY.

WE BELIEVE THAT THAT THROUGH THE ADR COUNCIL, THE BAHAMAS CAN EFFECTIVELY PROMOTE ITSELF AS A LEADING JURISDICTION FOR INTERNATIONAL ARBITRATION AND ADR.

MR. SPEAKER,

THE WORK OF THE ADR UNIT AND ITS STRATEGIC PLAN WE BELIEVE WILL INCREASE ECONOMIC GROWTH THROUGH FOREIGN DIRECT AND PRIVATE SECTOR INVESTMENT, EXPANDED JOB OPPORTUNITIES FOR BAHAMIANS, AND A MORE EFFICIENT JUDICIAL SYSTEM.

WE HAVE A PLAN.

MR. SPEAKER,

THE ADR UNIT HAS MADE SIGNIFICANT PROGRESS IN LESS THAN A YEAR AND HAS TAKEN AN AMBITIOUS AND AGGRESSIVE APPROACH TO THE DEVELOPMENT OF ADR IN THE BAHAMAS.

NOTWITHSTANDING THE ONSET OF THE GLOBAL COVID-19 PANDEMIC, THE ADR UNIT HAS CONTINUED ITS WORK WITHOUT INTERRUPTION AND IT IS ANTICIPATED THAT THIS MOMENTUM WILL CONTINUE DURING 2021-2022.

THE DEPARTMENT OF IMMIGRATION

MR. SPEAKER,

I WILL NOW TURN TO AN UPDATE ON THE DEPARTMENT OF IMMIGRATION.

WE SEE IMMIGRATION PLAYING A VITAL ROLE IN THIS BUDGET'S *ACCELERATED BAHAMAS RECOVERY PLAN* IN TWO WAYS:

- 1. AS A MECHANISM TO CHANNEL PRIVATE INVESTMENT, AND SPECIFICALLY QUALITY FOREIGN DIRECT INVESTMENT, FOR ECONOMIC STIMULUS, AND**
- 2. AS A KEY CONTRIBUTOR TO THE DIGITIZATION AND INNOVATION PUSH THAT WILL MAKE PUBLIC SERVICES MORE EFFICIENT AND ACCESSIBLE TO ALL.**

MR. SPEAKER,

FIRSTLY I WOULD LIKE TO BRIEFLY COMMENT ON THE VISIT BY THE UNITED NATIONS TO OUR DETENTION CENTRE IN NEW PROVIDENCE AS WELL AS THE SHANTY TOWN COMMUNITIES WHERE WE HAVE DEMONSTRATED THAT WE HAVE NOTHING TO HIDE AND WE ARE DEALING WITH PERSONS HUMANELY...

PRIVATE INVESTMENT AND IMMIGRATION

MR. SPEAKER,

LAST YEAR, THE ERC HIGHLIGHTED THE NEED FOR THE GOVERNMENT TO ACCELERATE RESIDENCY AND IMMIGRATION POLICY AND PROCESS REFORMS TO REALIZE THE REVENUE-GENERATING POTENTIAL OF IMMIGRATION AND TO IMPROVE DEPARTMENTAL EFFICIENCY.

THE COMMITTEE BELIEVED WE COULD DO THIS BY:

- 1. EXPANDING THE GROUNDS FOR ECONOMIC PERMANENT RESIDENCE;**
- 2. REFORMING THE PROCESS TO APPROVE PERMANENT RESIDENCE APPLICATIONS; AND**
- 3. EXPEDITING HIGH-VALUE ERP APPLICATIONS.**

EXPANDING THE GROUNDS FOR ECONOMIC PERMANENT RESIDENCE

AT THE START OF THIS BUDGET DEBATE, THE MEMBER FOR KILLARNEY IN HIS CAPACITY AS THE MINISTER OF FINANCE, TABLED AMENDMENTS TO THE IMMIGRATION ACT.

MR. SPEAKER,

THESE AMENDMENTS SEEK TO RESPOND TO THE ERC'S RECOMMENDATION TO EXPAND THE GROUNDS FOR WHICH A PERSON CAN APPLY FOR ECONOMIC PERMANENT RESIDENCY.

TITLED, "A BILL FOR AN ACT TO AMEND THE IMMIGRATION ACT TO PROVIDE FOR THE GRANT OF ECONOMIC PERMANENT RESIDENCE," THE AMENDMENTS WILL CHANGE KEY SECTIONS OF THE IMMIGRATION ACT TO UNLOCK THE POTENTIAL OF ECONOMIC PERMANENT RESIDENCE AS A VEHICLE FOR INVESTMENT.

CURRENTLY, APPLICANTS WHO PURCHASE A RESIDENCE IN THE BAHAMAS VALUED AT \$750,000.00 OR MORE ARE ELIGIBLE TO APPLY FOR A CERTIFICATE OF ECONOMIC PERMANENT RESIDENCE. THE MINIMUM THRESHOLD FOR SUCH AN INVESTMENT WAS \$500,000.00 BUT WAS INCREASED ON TO \$750,000 ON JULY 1ST, 2018. THE PROPOSED PROVISIONS OF THE BILL SEEK TO EXPAND THE ELIGIBILITY REQUIREMENTS FOR THE ACQUISITION OF ECONOMIC PERMANENT RESIDENCE BY PROVIDING FOR THE ELIGIBILITY OF INVESTMENTS OF ANY KIND AT AN AMOUNT TO BE DETERMINED. THIS CAN INCLUDE INVESTMENTS IN VARIOUS ENDOWMENT FUNDS THAT WOULD BE EARMARKED FOR SPECIAL INTERESTS SUCH AS EDUCATION, SPORTS, ARTS AND CULTURE, SOCIAL

DEVELOPMENT PROJECTS, AND OTHER RELEVANT AREAS. ELIGIBILITY CAN ALSO BE BASED ON A COMBINATION OF THE PURCHASE OF A HOME AND OTHER INVESTMENTS. WE ARE ESSENTIALLY INTRODUCING A BROADER, MORE FLEXIBLE APPROACH TO ECONOMIC PERMANENT RESIDENCE THAT TAKES INTO ACCOUNT ALL KINDS OF INVESTMENTS - NOT SIMPLY LIMITING IT TO THE PURCHASE OF A RESIDENCE.

WE ARE ALSO MAKING CHANGES TO THE AMOUNT OF TIME THAT MUST BE SPENT IN THE BAHAMAS TO BE ELIGIBLE FOR ECONOMIC PERMANENT RESIDENCE. CURRENTLY, THERE IS NO MANDATORY PERIOD. THE PROPOSED BILL IMPOSES A MINIMUM NINETY (90) DAY PERIOD FOR WHICH THE ECONOMIC PERMANENT RESIDENCE HOLDERS MUST BE RESIDENT IN THE BAHAMAS, ENSURING THAT THE PEOPLE WHO ARE RECEIVING THIS PRIVILEGE ARE PEOPLE WHO ARE RESIDING HERE AND HAVE A VESTED INTEREST IN BEING HERE.

THE PROVISIONS RELATING TO REVOKING A GRANT OF A CERTIFICATE OF PERMANENT RESIDENCY HAVE BEEN MODIFIED TO MANDATE THAT HOLDERS MUST MAINTAIN OWNERSHIP OF THE RESIDENCE OR A PROPERTY OF EQUAL OR GREATER VALUE FOR A MINIMUM OF TEN (10) YEARS. UNDER THE CURRENT POLICY, THE HOLDER OF A CERTIFICATE OF PERMANENT RESIDENCY IS UNDER NO OBLIGATION TO MAINTAIN OWNERSHIP OF THE QUALIFYING PROPERTY AFTER APPROVAL AND RECEIPT OF THEIR PERMANENT RESIDENCY CERTIFICATE.

THE PROVISIONS OF THE BILL ALSO PLACE AN OBLIGATION ON THE ECONOMIC PERMANENT RESIDENCY HOLDER TO FILE A DECLARATION EVERY TEN (10) YEARS CONFIRMING THAT THEY HAVE REMAINED COMPLIANT

WITH THE PROVISIONS OF THE INITIAL GRANT. WHERE CIRCUMSTANCES MAY HAVE CHANGED, AN AFFIDAVIT OUTLINING ANY AND ALL MATERIAL CHANGES MUST BE PROVIDED. THESE MEASURES ENSURE THAT PEOPLE IN RECEIPT OF ECONOMIC PERMANENT RESIDENCY CONTINUE TO MAINTAIN THEIR INVESTMENT IN THE BAHAMAS. WE ARE SEEKING TO CREATE SUSTAINED INVESTMENT IN THE INTEREST OF NATIONAL DEVELOPMENT.

THE BILL FURTHER PROVIDES A TIMELINE OF THREE (3) MONTHS IN WHICH AN ENDORSEE, THAT IS, A MINOR CHILD OR SPOUSE, MUST MAKE AN APPLICATION FOR LEGAL STATUS IN THEIR OWN RIGHT UPON THE DEATH OF THE PRIMARY HOLDER OR, IN THE CASE OF A CHILD, ON ATTAINING THE AGE OF EIGHTEEN (18) YEARS.

TO FACILITATE THE SPEED AT WHICH APPLICATIONS FOR ECONOMIC PERMANENT RESIDENCY ARE PROCESSED AND DECREASE THE EXISTING BACKLOG, THE BILL WILL INTRODUCE A NEW RULE STATING THAT AN APPLICATION FOR ECONOMIC PERMANENT RESIDENCY WILL BE AUTOMATICALLY APPROVED THREE (3) MONTHS AFTER THE SUBMISSION OF ALL OF THE REQUISITE DOCUMENTS AND INFORMATION. THIS IS DONE IN THE NAME OF EFFICIENCY, IN KEEPING WITH THE GOVERNMENT'S PLANS TO IMPROVE THE SPEED OF ALL SERVICES, ESPECIALLY THOSE RELATED TO INVESTORS.

TO THAT END, WE ARE CURRENTLY PRIORITIZING THE APPROVAL OF ANY APPLICATIONS THAT ARE BENEFICIAL TO THE COUNTRY AS WE CLEAR OUT THE CURRENT BACKLOG OF CASES THAT HAVE LANGUISHED FOR YEARS. THESE INCLUDE SIGNIFICANT FOREIGN DIRECT INVESTMENT INITIATIVES AND OTHER FORMS OF INVESTMENTS THAT WILL GENERATE EMPLOYMENT FOR

BAHAMIANS AND AID IN THE DIVERSIFICATION OF THE LOCAL ECONOMY.

MR. SPEAKER,

WE HAVE A PLAN.

THESE CHANGES HAVE BEEN LED BY THE NATURALIZATION UNIT AND THE REDEPLOYED DEPUTY DIRECTOR OF FINANCIAL SERVICES, WHO NOW SERVES AS OFFICER-IN-CHARGE AS OF OCTOBER 2020. WE ARE IN THE PROCESS OF ADDING EVEN MORE STAFF TO THIS UNIT TO ENHANCE ITS CAPACITY TO EFFICIENTLY CLEAR UP THE BACKLOG. MOVING FORWARD, WE WILL BE ASSIGNING CASE OFFICERS FOR THE SOLE PURPOSE OF ENSURING THE SMOOTH PROCESSING OF APPLICATIONS FOR HIGH-NET-WORTH INDIVIDUALS AND MAJOR REAL ESTATE DEVELOPMENTS, WITH PLANS TO EXPAND THE AREAS OF FOCUS WHEN THE AFOREMENTIONED REFORMS ARE MADE.

WE OUTFITTED THE NATURALIZATION UNIT WITH NEW SCANNERS, BIOMETRIC MACHINES, AND OTHER EQUIPMENT TO FACILITATE THE SPEEDY PROCESSING OF APPLICATIONS FOR CITIZENSHIP AND PERMANENT RESIDENCY AND ARE NOW GEARING UP FOR THE SEPTEMBER 2021 LAUNCH OF ONLINE APPLICATIONS FOR PERMANENT RESIDENCE AND CITIZENSHIP SO THAT APPLICANTS CAN APPLY AND SUBMIT DOCUMENTS FROM THE COMFORT OF THEIR HOMES. ONCE AGAIN, WE ARE PRIORITIZING EFFICIENCY AND ARE CREATING A 21ST CENTURY EXPERIENCE FOR THOSE SEEKING TO BECOME RESIDENTS AND CITIZENS OF THE BAHAMAS, WHICH IS A NECESSARY STEP AS WE GO ABOUT THE BUSINESS OF MODERNIZATION IN PREPARATION FOR ANTICIPATED ECONOMIC GROWTH AND DIVERSIFICATION.

MR. SPEAKER,

WHILE I AM ON THE TOPIC OF IMMIGRATION AS A FUNNEL FOR ECONOMIC STIMULUS, I WOULD ALSO LIKE TO UPDATE THIS HONORABLE HOUSE ON THE BAHAMAS EXTENDED ACCESS TRAVEL STAY (OR BEATS) VISA.

ANOTHER OF THE ERC'S RECOMMENDATIONS, THE BAHAMAS GOVERNMENT DID NOT TARRY ON AFTER THE INITIAL ECONOMIC BLOW FROM THE COVID-19 PANDEMIC HIT US WHERE IT HURT; OUR PRIZED TOURISM INDUSTRY.

MR. SPEAKER,

MY MINISTRY, THE MINISTRY OF FINANCE AND MINISTRY OF TOURISM, MOBILIZED QUICKLY AND WORKED COLLABORATIVELY TO DEVELOP INSTITUTE, AND MARKET THE BEATS PROGRAMME, WHICH ENCOURAGES STUDENTS AND PROFESSIONALS TO STUDY/WORK REMOTELY IN THE BAHAMAS AT A REASONABLE COST FOR UP TO ONE (1) CALENDAR YEAR.

THE BEATS VISA WAS SUCCESSFULLY LAUNCHED IN OCTOBER 2020.

FURTHER, AN INDEPENDENT STEERING COMMITTEE CONSISTING OF PRIVATE-SECTOR PROFESSIONALS AND ICT EXPERTS WAS APPOINTED TO ENSURE THE HIGHEST STANDARDS OF TRANSPARENCY AND ACCOUNTABILITY IN THIS UNDERTAKING.

THE BEATS PROGRAMME DOES NOT REPLACE THE CURRENT PERMIT TO RESIDE AS OUTLINED IN THE IMMIGRATION ACT; HOWEVER, IT PROVIDES A NEW IMMIGRATION STATUS OPTION FOR QUALIFIED

CANDIDATES FROM THE BURGEONING REMOTE WORK/ STUDY MARKET.

THE BEATS PROGRAMME IS VALID UP TO TWELVE (12) MONTHS FROM THE DATE OF ISSUE, WITH AN APPLICATION TURNAROUND TIME OF FIVE (5) BUSINESS DAYS.

THE TOTAL COST FOR INDIVIDUAL PROFESSIONALS TO APPLY FOR AND OBTAIN A BEATS PERMIT IS \$1,025, WHILE COLLEGE STUDENTS WISHING TO APPLY WILL BE REQUIRED TO PAY \$525, INCLUSIVE OF THE APPLICATION AND PERMIT FEE.

FROM ITS INCEPTION UP TO THE END OF APRIL 2021, THE BEATS PROGRAM PRESENTED A PROMISING NEW REVENUE STREAM PARTICULARLY FROM THE NORTH AMERICAN MARKET. TO DATE, THIS PROGRAM HAS RECEIVED MORE THAN 260 APPLICATIONS WITH 145 APPROVALS AND 72 PERMITS ISSUED.

MR. SPEAKER,

WE HAVE A PLAN.

LIKE THE BEATS VISA, APPLICATIONS FOR THE NEW ECONOMIC PERMANENT RESIDENCE REGIME ARE PROCESSED THROUGH THE NEW DEPARTMENT OF IMMIGRATION OFFICE AT *MONARCH HOUSE*.

DURING THE LAST FISCAL YEAR, WE INVESTED TIME AND RESOURCES TO RESTRUCTURE OUR MONARCH HOUSE OPERATIONS AND PUT IN PLACE NEW LEADERSHIP TO MANAGE PROCESSING AND CUSTOMER RELATIONS.

WE SAW A UNIQUE OPPORTUNITY TO IMPROVE THE WAY THESE PROCESSES WORK AND WE HAVE MOVED FULL SPEED AHEAD IN DIGITIZING THIS AREA.

MR. SPEAKER,

WE HAVE ALSO USED DIGITIZATION AND INNOVATION TO IMPROVE APPLICATION PROCESSES IN OTHER AREAS.

IN MID-OCTOBER 2020, THROUGH HARMONIOUS COLLABORATION BETWEEN THE EXECUTIVE LEADERSHIP TEAMS AT THE DEPARTMENTAL AND MINISTERIAL LEVEL, WE INITIATED AND SUCCESSFULLY LAUNCHED THE AGENCY'S PILOT CASHLESS SYSTEM.

THIS REVOLUTIONARY ELECTRONIC PAYMENT SYSTEM REMAINS IN PLACE TO DATE WITHIN THE AGENCY AND IS ACCESSIBLE TO CLIENTS WHEREVER THEY MAY BE.

BY ELIMINATING CASH TRANSACTIONS AT OUR IMMIGRATION OFFICES, WE HAVE THE DUAL BENEFIT OF EMPOWERING OUR CLIENTS WITH A NEW REMOTE PAYMENT OPTION AND MINIMIZING THE THREAT OF VIRUS TRANSMISSION BY REDUCING PAYMENT-RELATED TRAFFIC AT OUR OFFICES.

SIMILARLY, MR. SPEAKER, IN EARLY DECEMBER 2020, THE DEPARTMENT OF IMMIGRATION LAUNCHED THE FIRST PHASE OF THE IMMIGRATION DOCUMENT MANAGEMENT SYSTEM (IDMS) ESERVICES ONLINE PORTAL WITH THE "APPLICATION TRACKING MODULE".

THIS MODULE EMPOWERS CLIENTS TO CHECK THE STATUS OF THEIR IMMIGRATION APPLICATIONS REMOTELY AND IN REAL-TIME.

WE FOLLOWED THIS WITH A SOFT LAUNCH OF THE “APPLY FOR PERMIT” MODULE, WHICH CURRENTLY ALLOWS THE ONLINE RENEWAL OF LONG-TERM WORK PERMITS, AND PERMITS TO RESIDE.

ON JUNE 30TH, 2021 SHORT-TERM WORK PERMIT APPLICATION SUBMISSION WILL BE ADDED TO THE PORTAL, WITH THE REMAINDER OF OUR DOCUMENT TYPES BEING ADDED ON 30TH SEPTEMBER 2021.

THESE CONSIST OF NEW APPLICATIONS AND RENEWAL OF:

- LONG TERM WORK PERMITS**
- SHORT TERM WORK PERMITS**
- PERMIT TO RESIDE**
- DIPLOMATIC IDENTIFICATION**
- RESIDENT BELONGER**
- HOMEOWNER**
- PERMANENT RESIDENCE**
- RESIDENT SPOUSE PERMIT**
- CITIZENSHIP**
- SPECIAL PERMIT**
- ELECTRONIC ENTRY PERMIT**

MR. SPEAKER,

THIS DIGITAL TRANSFORMATION INITIATIVE, ALIGNED WITH *ACCELERATE BAHAMAS*’ DIGITIZATION AND INNOVATION PILLAR, WILL ENHANCE PROFICIENCY AND FINANCIAL ACCOUNTABILITY IN THE SYSTEM WHILE ENSURING IMPROVEMENT IN THE EASE OF DOING BUSINESS FOR CLIENTS.

THE PORTAL IS ACCESSIBLE THROUGH THE DEPARTMENT'S WEBSITE AT WWW.IMMIGRATION.GOV.BS/ONLINEPORTAL

WE HAVE A PLAN.

ALONG WITH THESE INITIATIVES TO REFORM IMMIGRATION PROCESSES, MR. SPEAKER, OWING TO THE ABRUPT AND UNPRECEDENTED INTERNATIONAL RESTRICTION ON TRAVEL THAT MANIFESTED OUT OF THE GLOBAL PANDEMIC, IMMIGRATION MANAGEMENT ENTITIES, LIKE THE DEPARTMENT OF IMMIGRATION, FOUND THEMSELVES IN AN UNCHARTED AND PECULIAR POSITION.

MR. SPEAKER,

DURING THESE EARLY STAGES OF NATIONAL LOCKDOWNS, WITH GOVERNMENT OFFICES TEMPORARILY CLOSED TO THE PUBLIC, THE DEPARTMENT ROLLED OUT THE *ELECTRONIC EXTENSION* ESERVICE.

THIS WELCOMED INNOVATION SERVED AS A CRUCIAL SOLUTION TO THE RAPIDLY GROWING NUMBER OF STRANDED VISITORS WHOSE *LEAVE TO LAND* HAD OR WOULD HAVE EXPIRED BEFORE INTERNATIONAL TRAVEL WAS POSSIBLE.

THE DEPARTMENT RECEIVED MORE THAN 2300 APPLICATIONS FOR ELECTRONIC EXTENSIONS FOR THE 2020/2021 PERIOD, WITH A TOTAL OF 2161 APPROVALS AND 237 REFUSALS.

THE MINISTRY HAS MADE IT A TOP PRIORITY TO CONTINUE REGULAR REPATRIATION EXERCISES TO ENSURE THAT OUR FACILITIES ARE NOT OVERRUN BY THE INFLUX OF MIGRANTS ENTERING THE COUNTRY ILLEGALLY. FROM JULY 2020 TO April of this year, WE HAVE REPATRIATED OVER 1060 MIGRANTS.

AS OFFICERS ARE ON THE FRONTLINES UPHOLDING OUR LAWS, WE MUST ENSURE THAT WE EMPOWER THEM TO DO THEIR JOBS EFFECTIVELY WHILE KEEPING THEM AS SAFE AS POSSIBLE. THIS IS WHY THE DEPARTMENT OF IMMIGRATION WAS ONE OF THE FIRST AGENCIES IN THE COUNTRY TO INTRODUCE TEMPERATURE CHECKING AND TRACKING UPON ENTRY INTO FACILITIES.

OTHER DOI INITIATIVES

FACILITIES AND CONSTRUCTION

MR. SPEAKER,

IN THE FISCAL YEAR 2020/2021, THE GOVERNMENT ALLOCATED FUNDING FOR THE IMPROVEMENT OF SPECIFIC DEPARTMENT OF IMMIGRATION FACILITIES AND THE CONSTRUCTION OF NEW SPACES.

CONSTRUCTION OF AN INDUSTRIAL KITCHEN AT THE DETENTION CENTER IS COMPLETED AND WE NOW HAVE A FULLY OPERATIONAL INDUSTRIAL KITCHEN.

THE COMPLETION OF THE MUCH-NEEDED NEW MEDICAL DORM AT THE DETENTION CENTRE IS ABOUT 90% COMPLETED AND IS EXTREMELY RELEVANT AND NECESSARY GIVEN THE CURRENT PUBLIC HEALTH CRISIS.

AN IN-HOUSE MEDICAL FACILITY ALLOWS DETAINEES TO RECEIVE IMMEDIATE MEDICAL ATTENTION AND TREATMENT WITHOUT THE VARIABLES ASSOCIATED WITH REMOVING THEM FROM THEIR CONTROLLED AND SECURE ENVIRONMENT.

IN ADDITION TO THE NEW MEDICAL DORM, THE AGENCY SOUGHT AND ACQUIRED THE SKILLS AND SERVICES OF FORMER POLICE PHYSICIAN DR. FRANCOIS - NOW ON STAFF AT THE DETENTION CENTRE WITH QUALIFIED MEDICAL SUPPORT NURSING AND NURSING ASSISTANT STAFF.

AND, MR. SPEAKER, IN AN EFFORT TO CONSOLIDATE AND CENTRALIZE OUR ENFORCEMENT RESOURCES, WE HAVE SOUGHT AND SUBSEQUENTLY RECEIVED APPROVAL FOR THE URGENT BUILDING OF OUR DOG KENNELS AT THE DETENTION CENTRE.

MR. SPEAKER,

THE DEPARTMENT OF IMMIGRATION IS A REVENUE-GENERATING AGENCY. I HAVE ALREADY HIGHLIGHTED AREAS WHERE WE HAVE IMPROVED PROCESSES THROUGH DIGITIZATION AND INNOVATION TO MAKE THE COLLECTION OF REVENUES MORE EFFICIENT AND SECURE.

AN EXAMINATION OF THE DOI'S REVENUE COLLECTION WOULD REFLECT A SIGNIFICANT DECREASE IN 2019/2020.

THIS DECLINE IS BOTH DIRECTLY AND INDIRECTLY RELATED TO THE IMPACT OF HURRICANE DORIAN AND THE ONGOING GLOBAL HEALTH CRISIS.

IN THE FISCAL YEAR 2018/19, THE DEPARTMENT OF IMMIGRATION COLLECTED ALMOST \$90 MILLION IN REVENUE.

WE SAW A DRASTIC REDUCTION IN REVENUE OF OVER \$25 MILLION IN THE FISCAL YEAR 2019/2020. AND IN THE YEAR FOLLOWING A FURTHER \$14 MILLION DECLINE.

THE MEMBER FOR KILLARNEY NOTED REVENUE CHALLENGES THE GOVERNMENT HAS FACED OVER THE LAST TWO FISCAL YEARS. THIS GOVERNMENT'S SOLUTION TO THIS REVENUE PROBLEM IS NOT TO TAX ITS WAY TO MORE REVENUE, BUT TO PURSUE POLICIES THAT LEAD TO GROWTH AND THEN REAP THE FRUITS OF THAT GROWTH. THIS POLICY DIRECTION IS REFLECTED IN THE ACCELERATED BAHAMAS RECOVERY PLAN.

ALONG WITH OUR DIGITAL TRANSFORMATION INITIATIVES, THE GLOBAL ROLLOUT OF VACCINES, AND THE SLOW, BUT IMPENDING ECONOMIC REBOUND, WE EXPECT IMPROVEMENTS IN REVENUE OVER THE NEXT FISCAL YEAR.

THE DEPARTMENT OF IMMIGRATION IS ON TRACK TO MEET ITS BUDGETARY PROJECTION OF JUST OVER SIXTY-ONE MILLION DOLLARS FOR THE 2020 TO 2021 FISCAL YEAR. THIS NUMBER REPRESENTS A LARGE DECREASE COMPARED TO THE 2018-2019 BUDGET JUST TWO YEARS AGO (WHICH ECLIPSED \$90 MILLION).

HOWEVER, THE 2021 TO 2022 BUDGET IS PROJECTED TO BE APPROXIMATELY 87 MILLION DOLLARS. THROUGH OUR EFFORTS TO MAXIMIZE COLLECTION AND EXPAND OUR REVENUE STREAMS WHILE IMPROVING OUR EFFICIENCY,

WE ARE NOW APPROACHING OUR PRE-PANDEMIC NUMBERS.

STRATEGIC FOCUS FOR 2020/2021

MR. SPEAKER,

WHILE REFLECTING ON THE GREAT STRIDES THAT THE DEPARTMENT HAS MADE DURING AN UNPRECEDENTED YEAR, WE HAVE SET CLEAR ORGANIZATIONAL GOALS FOR THE YEAR AHEAD.

DURING THE 2021/2022 FISCAL YEAR THE DEPARTMENT OF IMMIGRATION WILL FOCUS ON THE FOLLOWING PRIORITY AREAS:

- **\$1 MILLION HAS BEEN ALLOCATED IN THE DEPARTMENT'S BUDGET FOR NEW APPOINTMENTS. IT IS ANTICIPATED THAT WE WILL HIRE A NEW CADRE OF TRAINEE IMMIGRATION OFFICERS DURING THE FIRST HALF OF THE BUDGET YEAR.**
- **WE EXPECT THAT THE FULL DIGITIZATION OF ALL PROCESSES WILL BE COMPLETED IN THE FIRST QUARTER OF THE NEW FISCAL YEAR – THAT IS BY THE END OF SEPTEMBER, 2021. THIS WILL INCLUDE THE INCORPORATION OF THE COMPLETE ONLINE PORTAL THUS DRASTICALLY IMPROVING THE EASE OF DOING BUSINESS.**
- **CONTINUED EXPLORATION OF OVERSEAS & LOCAL HOMELAND SECURITY COURSES FOR OFFICERS**
- **FULL COMPLETION OF MEDICAL DORMS & K9 KENNELS AT THE DETENTION CENTRE**
- **SUCCESSION PLANNING EFFORTS – INCLUDING COMPLETION OF THE AGENCY-WIDE PROMOTION EXERCISE**

MR. SPEAKER,

WE HAVE A PLAN.

YAMACRAW CONSTITUENCY

BEFORE I CONCLUDE I WOULD LIKE TO SPEAK TO MY WONDERFUL HARDWORKING PEOPLE OF YAMACRAW...

I WOULD ALSO LIKE TO THIS OPPORTUNITY TO AGAIN ECHO THE SENTIMENTS OF MY COLLEAGUES IN THIS PLACE AND ENCOURAGE ALL MY CONSTITUENTS OF YAMACRAW TO TAKE THE VACCINE.

THE SCIENCE SHOWS THAT VACCINES ARE HIGHLY EFFECTIVE AT PREVENTING SERIOUS ILLNESS AND HOSPITALISATION AND IN MAKING IT LESS LIKELY THAT YOU BECOME INFECTED OR INFECT OTHERS. EDUCATE YOURSELVES USING RELIABLE SOURCES. CONSULT WITH YOUR DOCTORS.

IT IS A SAFE VACCINE. IT IS AN EFFECTIVE VACCINE.

I HAVE GOTTEN MY FIRST DOSE AND I AM LOOKING FORWARD TO MY 2ND DOSE IN A COUPLE OF WEEKS.

THE PRIME MINISTER AND MY OTHER COLLEAGUES IN THIS HONOURABLE HOUSE HAVE SHOWN GREAT LEADERSHIP IN TAKING THE VACCINE.

I KNOW EVERYONE IS TIRED OF THE RESTRICTIONS, WE ALL ARE. SO HERE IS THE CLEAR PATHWAY TO NORMALCY OR THE NEW NORMAL. GETTING VACCINTED. I LOOK FORWARD TO THE DAY WE CAN GET BACK TO OUR NEW NORMAL. TO FULLY OPEN OUR ECONOMY. TO GET MORE PERSONS BACK TO WORK TO PROVIDE FOR THEIR FAMILIES.

CONCLUSION

MR. SPEAKER,

TO OVERCOME GREAT CHALLENGES, WE REQUIRE GREAT LEADERSHIP. FORTUNATELY, THIS GOVERNMENT WAS PREPARED FROM DAY ONE TO MAKE HARD CHOICES, ADVANCE THE NATION, AND WEATHER EVEN THE WORST STORMS. LEADERSHIP HAS BEEN THE DIFFERENCE-MAKER IN THE GOVERNMENT'S ABILITY TO KEEP THE NATION MOVING FORWARD AND PREVENTING THE CURRENT GLOBAL CATASTROPHE FROM COMPLETELY OVERWHELMING THE NATION.

MY MINISTRY HAS WORKED IN ALIGNMENT WITH THE GOVERNMENT'S AGENDA TO CREATE A MODERNIZED BAHAMIAN ECONOMY THROUGH VARIOUS REFORMS, UPGRADES TO THE DIGITAL INFRASTRUCTURE, AND A FOCUS ON TRANSPARENCY, INCLUSIVENESS, ACCOUNTABILITY, AND EFFICIENCY.

ON MANY LEVELS, WE HAVE BEEN SUCCESSFUL. DESPITE THE CHALLENGES WE HAVE FACED, THE TEAM AT THE MINISTRY OF FINANCIAL SERVICES, TRADE & INDUSTRY, AND IMMIGRATION ROSE TO THE OCCASION AND MADE SIGNIFICANT ADVANCEMENTS ON OUR AGENDA.

I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK THE PS, DIRECTORS, AND MANY OFFICERS IN MY MINISTRY...

THIS WAS THE RESILIENT BAHAMAS PLAN IN ACTION. WE HAVE A TOURISM-BASED ECONOMY THAT, BY MANY ACCOUNTS, COULD HAVE BEEN CRIPPLED BY THE COLLAPSE OF THE GLOBAL TOURISM INDUSTRY. WHILE WE DID RECEIVE A TERRIBLE BLOW DURING THIS GLOBAL PANDEMIC, WHAT THE GOVERNMENT HAS DONE IS TO

LEAN ON THE EXPERTISE AND INNOVATION OF THE NATION'S LEADERS THROUGHOUT THE PUBLIC SECTOR TO TAKE THIS COUNTRY INTO UNCHARTED TERRITORY AND CREATE A NEW VISION - A NEW PLAN- FOR HOW THE BAHAMIAN ECONOMY WILL LOOK IN THE FUTURE. WE HAVE ALREADY PUT IN MOTION SEVERAL REFORMS AND INITIATIVES THAT WILL BOOST OUR ECONOMIC RECOVERY AND GET THE COUNTRY BACK TO NORMAL AGAIN. THAT IS WHAT THE ACCELERATE BAHAMAS ECONOMY PLAN IS ALL ABOUT.

BUT WE MUST DO THIS TOGETHER, IRRESPECTIVE OF POLITICAL AFFILIATIONS AND I SAY THIS TO PEOPLE ALL THE TIME ANY PERSON THAT HAS A GOOD IDEA AS IT RELATES TO IMPROVING FINANCIAL SERVICES, TRADE, OR IMMIGRATION FOR THE BENEFIT OF ALL BAHAMIANS – I'M NOT INTERESTED IN ANY SELF-INTERESTED PERSONS- I WELCOME YOU AND I AM HAPPY TO MEET WITH YOU. I ENCOURAGE YOU ALL TO BE A PART OF THIS PROCESS.

THIS GOVERNMENT IS WELCOMING OF IDEAS. THE ECONOMIC RECOVERY REPORT SPEAKS TO THAT. AND IN MY MINISTRY, WE HAVE STAKEHOLDER ENGAGEMENTS CONSISTENTLY AS A MATTER OF POLICY.

I MUST REITERATE MR SPEAKER, WE ARE BUILDING A DYNAMIC, RESILIENT, INNOVATIVE INCLUSIVE, AND SUSTAINABLE ECONOMY THAT IS MORE THAN JUST FINANCIAL SERVICES, MORE THAN JUST TOURISM. IT WILL FOCUS ON INFRASTRUCTURE DEVELOPMENT, FISCAL RESPONSIBILITY, SUSTAINABLE INVESTMENTS, EXPANDED HEALTH CARE, TRADE, TECHNOLOGY, AGRICULTURE, FISHERIES, NEW INDUSTRIES IN THE GREEN, ORANGE, AND BLUE ECONOMY, IT WILL EMPOWER THE CITIZENS AND

RESIDENTS OF THIS COUNTRY FOR GENERATIONS TO COME.

IT IS ABOUT THE FUTURE OF ALL BAHAMIANS.

THE MEMBER FOR ELIZABETH MENTIONED HIS CONCERN ABOUT THE FUTURE FOR HIS YOUNG CHILDREN.

I HAVE YOUNG CHILDREN TOO AND I AM FIGHTING FOR THEIR FUTURE.

I AM FIGHTING FOR THE FUTURE OF THE CHILDREN OF YAMACRAW.

THIS GOVERNMENT IS FIGHTING FOR A BETTER FUTURE BAHAMAS FOR ALL OUR CHILDREN.

MR SPEAKER,

THAT IS THE PLAN.

YAMACRAW SUPPORTS THIS BUDGET.