



Cayman Islands
Government



Strategic Policy Statement

2024 - 2026





Prepared by:
Ministry of Finance and Economic Development
&
Cabinet Office



Cayman Islands
Government

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Hon. G. Wayne Panton, JP, MP

Message from the Hon. Premier & Minister for Finance and Economic Development

*I am honoured to provide this message with respect to the **Government of the Cayman Islands' Strategic Policy Statement (SPS)** for the Financial Years 2024-2026.*

This SPS details the PACT Government's goals and policy direction for the second half of our term, and provides our plan for public finances in full compliance with the Public Management and Finance Act (2020 Revision).

It has been clear since taking office in 2021 that the PACT Government has sought to do things a bit differently. We have taken a transformative approach to the way that government policies and services are both determined and delivered. First and foremost, we have put the most important aspect of our country – our people, at the epicenter of all that we do.

I use the word “epicenter” intentionally here. It's not sufficient to say that we have put people first. Instead, all that we do and all that we strive for emanates from the needs and wishes of our people. You are at the heart of every broad outcome, every specific outcome, and every project.

If what we are doing doesn't directly or indirectly benefit, support, encourage, educate, and empower our people, we must question the purpose of the activity.

With this approach in mind, we have taken a fresh look at our priorities to see how we can bring focused discipline to what we want to achieve while also being transparent in our objectives and true to our vision for the country.

The result of this is the development of five new Broad Outcomes that present our overarching aims for the future of our Islands, and which we have determined we can successfully advance within the remainder of this administration.

These Broad Outcomes encompass all aspects of life and living in the Cayman Islands, from enhancing the basic elements of the human condition including access to housing, health and education; to maintaining our main industries' relevance in the global arena; developing as a jurisdiction structured for future growth and sustainability; maintaining a stable, efficient and transparent Government; and championing the vital importance of retaining our unique Caymanian culture, heritage and identity.

It is important to clarify that the previous 10 Broad Outcomes set out in the PACT Government's first SPS are still vitally relevant and are now listed as specific outcomes under the five key priority areas.

In taking a more collaborative approach, and by communicating our desired outcomes more clearly we hope that everyone in the Cayman Islands will understand what the Government is setting out to achieve. This includes the civil servants charged with delivery, the customers who utilise our services and most importantly our people as the ultimate intended beneficiaries of our policies.

Following on from this intention, through a new revised format the SPS document outlines our Broad Outcomes before presenting our financial projections and position. In this way, we hope that everyone will see how our budgetary commitments fully support our key priorities. As it is always policy which must guide and determine budget allocations.

We hope that you will see that we are focusing on those key areas that will make the most positive impact and ultimately build a stronger and more secure economy where the rising tide of prosperity truly raises all ships for all people across our three Islands.

In doing so, we have pledged to employ sensible fiscal discipline by taking a targeted approach to budgeting which puts public funds where they are most needed, and reduces them where they are not doing the most good.

We have balanced our priority spending with the country's requirement to maintain fiscal responsibility.

Indeed, our policies over the first half of this administration have seen a return to fiscal prudence through adherence to all Principles of Responsible Financial Management and compliance with the Framework for Fiscal Responsibility set out in the Public Management and Finance Act (2020 Revision) ("PMFA").

We are, first and foremost, in these seats of responsibility through the mandate of the Caymanian people. We are here to serve the people; to further their hopes, dreams and wishes; and to build not only for today, but also for tomorrow.

I, and my Government as a whole, remain indebted to the hard work that our dedicated public servants have put into this SPS. I look forward to continue working with them as we create a brighter future for all Caymanians and the people who call our beloved Islands home.



Hon. G. Wayne Panton, JP, MP

Cayman Islands Government Strategic Policy Statement

*The Cayman Islands Government Strategic Policy Statement (SPS) outlines the **Government's policy priorities for the next three financial years** and establishes the foundation for the development of the national budgets for the next two financial years.*

The document is guided by the Public Management and Finance Act (2020 Revision) (PMFA), Section 23, which stipulates that the SPS must contain economic forecasts and financial targets of the Government as prepared by the Ministry of Finance and Economic Development including an overview of operating revenue; operating expenses; borrowings; net worth; and net cash flows.

In previous years, this important financial information has been the primary focus of the document. However, the SPS is also an opportunity to present the Government's objectives and policies through its Broad and Specific Outcomes, which establish the purpose for the upcoming budget allocations.

The PACT Government has chosen to revamp the document to present its plan to address the country's immediate economic, social and environmental needs and position its people for a thriving, sustainable future.

Accordingly, the 2024 - 2026 SPS is being presented in a new format beginning with an overview of the Broad and Specific Outcomes before moving into the economic forecasts and financial targets. These changes create a fresh and engaging way to share the Government's vision with the community and clearly outline its objectives while aligning funding to priority areas and also showcasing inter-Governmental links and shared responsibility on key projects.

Ultimately, the new format of this SPS document is a component of the Broad Outcome of Modernizing Government, which aims to increase efficiency and effectiveness in the way that Government delivers its products and services. By clearly linking policy directives to major budget decisions, there is stronger connectivity

between the SPS, the Budget documents and finally with Performance Management within the public sector in order that all of the Government's work may be more strategically aligned toward a shared purpose.

This SPS demonstrates the Government's continued commitment to managing public finances responsibly – in order to ensure that compliance with the six Principles of Responsible Financial Management is maintained, as required by the PMFA.

The information contained herein is based on the professional judgement of staff in the Ministry of Finance and Economic Development, using the most recent information available on economic conditions, fiscal performance and forecasts. The information considers, to the fullest extent possible, all Government decisions made up to 24 April 2023 and all other known circumstances that may have a material effect on the economic and fiscal outlook.

The forward-looking information provided in this document is based on a number of factors and assumptions. Forward-looking financial statements carry an element of inherent risk and uncertainty. As a result, actual results may differ from those forecasts.

01

Statement of Responsibility

The forecast financial statements presented in the SPS have been prepared in accordance with the Public Management and Finance Act (“PMFA”). The statements report the forecast financial results and positions for the Core Government for the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026.

The forecast financial statements were prepared by the Ministry of Finance and Economic Development (“the Ministry”). The Ministry used its best professional judgement in preparing these forecast statements. The forecast financial statements incorporate all Government decisions and circumstances as at 25 April 2023.

We accept responsibility for the accuracy and integrity of the financial information in these forecast financial statements and their compliance with the PMFA.

To the best of our knowledge, these forecast financial statements:

- (a) are complete and reliable;
- (b) fairly reflect the forecast financial position as at 31 December 2024, 31 December 2025 and 31 December 2026, and performance for the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026;
- (c) include all policy decisions and other circumstances that have, or may have, a material effect on the forecast statements; and
- (d) comply with generally accepted accounting principles as defined by International Public Sector Accounting Standards (IPSAS), except for IPSAS 39, Employee Benefits, as it relates to the accounting for post retirement benefits.



Kenneth Jefferson, JP
Financial Secretary and Chief Officer for the
Ministry of Finance and Economic Development



Matthew Tibbetts
Accountant General
Ministry of Finance and Economic Development

02

Broad Outcomes 2024-2026



1. Improve Quality of Life for Caymanians

Our people are at the heart of everything we do. This means as a Government, our policies, initiatives and priorities must be for the benefit of our people and the improvement of their quality of life both as individuals and collectively.



2. Enhance Competitiveness while Meeting International Standards

Continuously improve our economic, social, environmental and governance frameworks in order to ensure the Cayman Islands remain a viable and attractive place to conduct and operate business and maintains a legally compliant edge against international competitors.



3. Future Proof to Increase Resiliency

To future proof our society is to anticipate risks, assess opportunities and take steps to ensure the health and prosperity of the Cayman Islands.



4. Modernise Government to Improve Public Sector Performance

The elected Government is responsible for formulation of policies and for setting the priorities which the Government will focus on addressing. The implementation and delivery of those policies and priorities remains the responsibility of the public sector which includes the core Civil Service as well as Statutory Authorities and Government Owned Companies.



5. Protect and Promote Caymanian Culture, Heritage and Identity

A shared passion and commitment to ensuring that the culture, heritage and identity of the Caymanian people is preserved and passed on to future generations.



Specific Outcomes 2024-2026

1. Building a modern infrastructure to ensure a successful future for our islands.
2. Create and encourage further diversity in the Cayman Islands economy.
3. Cultivate Civic and National Pride.
4. Enhance the entrepreneurial environment for micro/small businesses in the Cayman Islands.
5. Ensuring an equitable, sustainable and successful healthcare system.
6. Improve our financial services as an industry, product and economic driver for our islands.
7. Improve our tourism, as an industry, product and economic driver.
8. Improving education to promote lifelong learning and greater economic mobility.
9. Increase the positive sentiments of the Cayman Islands as a Global Business Jurisdiction.
10. Increasing social justice in the work force.
11. Maintain market/commercial leading edge in financial, maritime and aviation services.
12. Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure.
13. Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent.
14. Protecting the wellbeing of Cayman’s youth, so they can achieve their full potential.
15. Provide affordable housing and create new opportunities to access capital for homeownership.
16. Providing solutions to improve the well-being of our people so they can achieve their full potential.
17. Strengthening Good Governance for more effective government.
18. Strengthening, preserving and enhancing public safety and security in the community.
19. Supporting climate change resiliency and sustainable development.
20. Utilising Sports to enhance the lives of our people.

Definitions

The following list of definitions contains a collection of key terminologies related to the Broad Outcomes in the Cayman Islands Government's Strategic Policy Statement. It provides **a helpful reference guide for readers** who may be unfamiliar with the technical language used in the document, and its purpose is to improve the document's clarity and accuracy.

— Broad Outcome

A state or condition or set of circumstances which the Government sets out to realise and achieve.

— Specific Outcome

A measurable or observable objective, state, condition, set of circumstances or results which are necessary or beneficial to achieving the broad outcomes.

— Focus Area

A categorisation system, a theme or an organising principle, a way of categorising specific outcomes. This may include entity subject matters.

— Responsible Entity

A ministry, portfolio, statutory authority, Government company, the Office of the Ombudsman and the Audit Office. For the purposes of this document, departments or offices under an entity may be included.

— Project/Initiatives/Programmes

- A project is a fixed term (with a start and end date) endeavour with clearly defined roles, inputs, resources, activities, constraints and timelines designed to deliver particular results.
- Initiatives are well-defined projects, programmes or group of activities that contribute to achieving specific outcomes. These are to be generally defined in terms of activities, accountability, timelines, resources and budgets.
- A programme is an approved, ongoing set of activities with clearly defined roles, inputs, resources and constraints designed to achieve specific outputs with no fixed end date, e.g. delivery of vehicle registration services or postal services. Much of what is described as business as usual (BAU) are “approved programmes of service delivery”.

Improve Quality of Life for Caymanians



Broad Outcome One





Broad Outcome One

Improve Quality of Life for Caymanians

The PACT Administration's very first commitment is to being People-driven. Our people are at the heart of everything we do. This means as a Government, **our policies, initiatives and priorities must be for the benefit of our people** and the improvement of their quality of life both as individuals and collectively.

Quality of life is defined by the World Health Organization as "an individual's perception of their position in life in the context of the culture and value systems in which they live and in relation to their goals, expectations, standards and concerns".

Aspects of a person's quality of life include wealth, employment, the environment, health, education, religious beliefs, safety, and more.

In the context of improving quality of life as a broad outcome, some of the specific outcomes would include nation building initiatives, sustainability discussions and socio-economic policies that demonstrate observable and/or measurable improvements in terms of:

- Physical and mental health
- Access to housing
- Education
- Transport and mobility
- Employment or occupation
- The natural and built environment
- Sports, recreation and leisure

- Social belonging
- Individual, household or community assets
- Safety, security and freedom

Quality of life is an important indicator for any society as it indicates the overall happiness, health and wellness of a given population. It requires a balanced measurement of qualitative and quantitative factors which impact those living in a society. This allows us to pinpoint areas for improvement.

Rush hour traffic congestion is one present day local example of why improving quality of life is important. Yes, most Caymanians are well off enough to afford a car as a result of low unemployment and a high GDP per capita which are both accepted indicators of a strong economy. But how much does driving a car improve their overall quality of life if they have to sit in that car for several hours each day traveling to and from work?

There are several factors at play when evaluating quality of life. Therefore a holistic approach that takes all aspects of living into account and **the strategic deployment of Government's resources is needed if real improvements are to occur.** The specific outcomes and priority projects in this key area represent the PACT Government's commitment to improving the quality of life of our people.



Broad Outcome One

Improve Quality of Life for Caymanians

Specific Outcomes

| Specific Outcome | Responsible Entities | Number of Projects |
|---|--|--------------------|
| Building a modern infrastructure to ensure a successful future for our Islands. | MBCL CBC PAHI MDAL District Admin POCS MSU DPSC DOA MIISD CIFS MHA HMCIPS DCI CAACI MFSC | 7 |
| Improving education to promote lifelong learning and greater economic mobility. | MHW DHRS MOE WORC CIFS MHA POCS Civil Service College ECCE DES | 8 |
| Increasing Social Justice in the Workforce. | MBCL WORC DLP MOE RCIPS CICG OCP CAACI MFSC CAB GAU | 9 |
| Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure. | E-GOV CSD MISSD DCI MFSC | 2 |
| Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent. | MHA CIFS CAACI MFSC | 3 |
| Protecting the wellbeing of Cayman’s youth, so they can achieve their full potential. | POCS ODG MSYCH YSU | 4 |
| Provide affordable housing and create new opportunities to access capital for home ownership. | NHDT MPAHI | 1 |
| Providing solutions to improve the wellbeing of our people so they can achieve their full potential . | MIISD MHA DCS CHRC | 10 |
| Strengthening, preserving and enhancing public safety and security in the community. | MIISD MHA HMCIPS DCR OCP CICG | 11 |
| Supporting climate change resilience and sustainable development. | MHW DEH MRCU MSCR | 5 |
| Utilising sports to enhance the lives of our people. | MYSCH MOE DOS MIISD | 4 |

Enhance Competitiveness while Meeting International Standards



Broad Outcome Two





Broad Outcome Two

Enhance Competitiveness while Meeting International Standards

This Broad Outcome refers to the need to continuously improve our economic, social, environmental and governance frameworks in order to ensure the Cayman Islands remain **a viable and attractive place to conduct and operate business and maintains a legally compliant edge against international competitors.** This not only applies to the financial services industry in relation to global regulatory requirements, but is also equally applicable to our tourism, construction, technology and other emerging industries.

The PACT Government is committed to maintaining a **private sector driven economy.** Our administration acknowledges the important role the private sector plays in generating the activity which provides the goods, services and productivity required to have a healthy and vibrant economy. This in turn creates employment as well as the most significant percentage of Government revenue. The revenue generated by a private sector driven economy is in turn utilised by Government to provide public services such as education, healthcare and financial assistance and funds key public sector infrastructure projects completing a virtuous circle.

Because the Cayman Islands is one of many places that businesses can choose to operate, this means we are competing on the global stage everyday. We are not only required to meet international standards, but we must also clearly demonstrate our advantage over

competing jurisdictions – whether it be to attract inward investment or to generate greater numbers of visitors to our shores. This means that we must ensure that **our public services, regulatory regimes, and infrastructure meet international standards** and support our Islands positioning as one of the best places to live, visit, work, invest in or conduct business.

It is in the best interest of both Caymanians and residents to ensure that our business and commerce environment is in compliance with global standards. The Cayman Islands Government inclusive of local regulatory authorities, must continue to demonstrate leadership by **engaging with international regulatory bodies** to be involved in the monitoring and setting of global compliance standards. This will not only maintain the Cayman Islands' position at the front of the pack in terms of competitiveness, it is vital for the health of our economy and our public sector, which in turn support the health, vitality and future prospects of our people.

Due to this **connection with the wellbeing of our people,** the improvement of several fundamental public services from health, to education, to transport and technology are included under this Broad Outcome in addition to initiatives to strengthen the regulatory regimes governing our major industries and also the creation of platforms for the growth of new industries.



Broad Outcome Two

Enhance Competitiveness while Meeting International Standards

Specific Outcomes

| Specific Outcome | Responsible Entities | Number of Projects |
|--|-------------------------------------|--------------------|
| Enhance the entrepreneurial environment for micro/ small businesses in the Cayman Islands. | CICBD MISSD | 1 |
| Ensuring an equitable, sustainable, and successful healthcare system. | MHW DHRS CINICO | 1 |
| Improve our financial services as an industry, product and economic driver for our Islands. | MFSC CAACI | 3 |
| Improve our tourism, as an industry, product and economic driver for our Islands. | DOT MOTP CAACI MFSC | 10 |
| Improving education to promote lifelong learning and greater economic mobility. | MOE UCCI | 2 |
| Increase the positive sentiments and trust of the Cayman Islands as a Global Business Jurisdiction | EGOV CS CSD MISSD CAB DOC | 3 |
| Maintain market/ commercial leading edge in financial, maritime and aviation services. | MFSC | 1 |
| Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure. | MFSC | 3 |
| Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent | MFSC DITC | 1 |
| Providing solutions to improve the wellbeing of our people so they can achieve their full potential. | MIISD | 2 |
| Strengthening Good Governance for more effective Government. | MFSC GR DCI DITC AOA CIMA | 4 |
| Utilising sports to enhance the lives of our people. | MYSCH DOS | 1 |

Future Proof to Increase Resiliency



Broad Outcome Three





Broad Outcome Three

Future Proof to Increase Resiliency

To future proof our society is to anticipate risks, assess opportunities and take steps to ensure the health and prosperity of the Cayman Islands.

The PACT Administration believes it is a core responsibility of any Government to not only address needs that exist today, but to **utilise the best available research, data and decision-making to prepare for needs** that might not exist right now but will likely arise in the years to come. Under this Broad Outcome are several initiatives aimed at the **sustainability of both our natural environment and our built infrastructure** as well as programmes to improve available technology, services and infrastructure.

However, there is also a human element to the concept of future proofing which involves **preparing, equipping and empowering the Caymanian people to thrive** through strengthened, improved and transformed education, health, employment, sports, youth, cultural and nutrition programmes.

Being ready for the future includes focusing

on sustainable development, which is a priority of the PACT administration, along with better physical infrastructure such as data cables and road networks. It also requires educated minds, healthy bodies, skilled workers, and a strong sense of national identity including the belief in our own capability and readiness.

As the Cayman Islands economy continues to grow, and the world faces transformational shifts in supply chains, technological breakthroughs and disruption to established global markets, the Cayman Islands must consider potential impacts these may have on our future and recognise the need to embrace new opportunities.

Future proofing acknowledges our vulnerability as small import dependent Islands to external shocks such as natural disasters, supply chain shortages, global conflicts and health or economic crises. Therefore future proofing **considers risk, and creates a hardening of key infrastructure to provide security and stability for generations to come.**



Broad Outcome Three

Future Proof to Increase Resiliency

Specific Outcomes

| Specific Outcome | Responsible Entities | Number of Projects |
|---|---|--------------------|
| Building a modern infrastructure to ensure a successful future for our Islands. | CICBD MIISD MDAL PLA NHDT PAHI DOA DOP MHA DPSC CIGG OCP CAACI MFSC | 15 |
| Create and encourage further diversity in the Cayman Islands economy. | CICBD MIISD | 1 |
| Enhance the entrepreneurial environment for micro/small businesses in the Cayman Islands. | DOT MOTP | 1 |
| Ensuring an equitable, sustainable, and successful healthcare system. | MHW | 1 |
| Improve our tourism, as an industry, product and economic driver for our Islands. | DOT MOTP TAB | 2 |
| Improving education to promote lifelong learning and greater economic mobility. | DOT MOTP MOE ECCE CIGG OCP | 7 |
| Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure | CICBD MIISD RCIPS OCP DCI MFSC | 6 |
| Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent | MFSC | 3 |
| Protecting the wellbeing of Cayman’s youth, so they can achieve their full potential. | MYSCH YSU MIISD | 4 |
| Providing solutions to improve the wellbeing of our people so they can achieve their full potential | PAHI DVDL POLA | 1 |
| Strengthening good governance for more effective Government. | DVDL NRA MSU POCS MYSCH CIGG OCP MFSC GR | 5 |
| Strengthening, preserving and enhancing public safety and security in the community. | MSCR DPSC MHA OCP RCIPS CIGG | 4 |
| Supporting climate change resilience and sustainable development. | MSCR RCIPS OCP CAACI MFSC | 6 |
| Utilising sports to enhance the lives of our people. | MYSCH DOS | 2 |

Modernise Government to Improve Public Sector Performance



Broad Outcome Four





Broad Outcome Four

Modernise Government to Improve Public Sector Performance

Under our governance framework, the elected Government is responsible for formulation of policies and for setting the priorities which the Government will focus on addressing. **The implementation and delivery of those policies and priorities remains the responsibility of the public sector** which includes the core Civil Service as well as Statutory Authorities and Government Owned Companies.

The PACT administration has been committed to working closely with the Deputy Governor and the Civil Service to improve public sector performance. While a growing population and expanding economy requires the extension and even creation of new public services, **a sustainable approach dictates that greater emphasis be placed on increasing the efficiency and effectiveness of the delivery of Government's services.** This Broad Outcome speaks to our commitment to good governance, and to at least two tenets of the PACT acronym – Accountable and Transparent.

Increasing the efficiency and effectiveness of Government services helps both the elected Government and all public servants to remain accountable and promotes the value of transparency in how Government operates.

This will **necessitate public sector wide initiatives that encourage collaboration** which in turn breaks down the “silo mentality”; transform the communication between the Government and the public, increase accessibility to information; promote stronger enforcement of current legislation; ensure value for money in all transactions involving public funds; **improve and document processes** and procedures; and ultimately raise the bar for customer service standards.

This broad outcome serves to bring attention to the role that the public service plays in a successful, sustainable and thriving country. Its inclusion signals that **the Public Service is committed to continuous improvement, acknowledges the need to streamline certain processes to improve customer experience and be more efficient, effective, and transparent.** This set of specific outcomes are designed to help Ministries, Portfolios, Departments, Statutory Authorities and Government Owned Companies re-examine ‘business as usual’ and challenge themselves to innovate.



Broad Outcome Four

Modernise Government to Improve Public Sector Performance

Specific Outcomes

| Specific Outcome | Responsible Entities | Number of Projects |
|--|--|--------------------|
| Ensuring an equitable, sustainable, and successful healthcare system. | MHW DHRS DEH MFED CINICO | 5 |
| Improving education to promote lifelong learning and greater economic mobility. | CICG OCP | 2 |
| Increase the positive sentiments of the Cayman Islands as a Global Business Jurisdiction. | InvestCayman MIISD | 1 |
| Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure. | EGOV CSD CS MISSD MDAL DA L&S RCIPS CICG OCP MOF CAB DOC | 13 |
| Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent | EGOV CSD POCS RCIPS OCP CIMA MFSC CAB | 8 |
| Strengthening good governance for more effective Government. | PAHI DOA NRA MFED Treasury POCS IAS CINA ODG CIMA GR MFSC | 13 |
| Strengthening, preserving, and enhancing public safety and security in the community. | MHW DHRS HMCI MRCU OCP RCIPS | 5 |

Protect and Promote Caymanian Culture, Heritage and Identity



Broad Outcome Five





Broad Outcome Five Protect and Promote Caymanian Culture, Heritage and Identity

This Broad Outcome is vital to all of our plans and projects during the next budget period, and is a shared goal that cuts across all Ministries and Portfolios.

All members of the PACT Administration **share a passion and commitment to ensuring that the culture, heritage and identity of the Caymanian people is preserved and passed on to future generations.** This Government also shares a collective sense of urgency given the rapid transformation of our community, economy and overall society over the past half-century.

The scale and pace of societal and demographic changes in the Cayman Islands have proven difficult for many Caymanians to circumnavigate. Many Caymanians fear being left behind or even excluded especially as it relates to **our unique traditions, perspective and way of life.** Therefore we recognise that in order to effectively address the common concern for protection and promotion of Caymanian Culture, Heritage and Identity, **there must be tangible, intentional and transformative actions taken by Government, the private sector, civil society and the community.**

It requires an acknowledgement that these three

elements, are essential for the success and prosperity of the Cayman Islands. While greater support for cultural activities, preservation of built history, and visual and performing arts will be required, we must also clearly define and present the Cayman Islands brand so that it is understood then woven into all of our economic drivers to shape the way we present ourselves to the world and to our competitors. It is also an acknowledgement of **the importance of soft power, and the unifying power of Caymanian achievement and success on a global stage** whether in sports, the arts, academia or industry. Our education system plays a central facilitation role and can be a driver for positive change.

With the Cayman Islands now hosting over 130 nationalities, and remaining heavily dependent on a largely transient workforce, the need to unequivocally define who we are becomes even greater. This will support the integration of those who come to live in the Cayman Islands whether temporarily or permanently. Culture, Heritage and Identity also **takes into consideration natural assets which hold social and cultural significance for Caymanians** and is a key element of the United Nation's Sustainable Development Goals.



Broad Outcome Five

Protect and Promote Caymanian Culture, Heritage and Identity

Specific Outcomes

| Specific Outcome | Responsible Entities | Number of Projects |
|--|--|--------------------|
| Cultivate civic and national pride. | PAHI MHW MDAL FSC POCS CINA CIGG OCP | 5 |
| Improving education to promote lifelong learning and greater economic mobility. | DOT MOTP MOE ECCE CIGG OCP | 5 |
| Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure. | CICC MHA CIPO GR MFSC | 3 |
| Protecting the wellbeing of Cayman's youth so they can achieve their full potential. | MHA CIR CICC CIGG | 1 |
| Providing solutions to improve the wellbeing of our people so they can achieve their full potential. | MHW | 1 |
| Strengthening, preserving and enhancing public safety and security in the community. | CICC MHA CIGG OCP | 2 |
| Utilising sports to enhance the lives of our people. | MYSCH DOS MOE | 1 |

At a Glance

Projects by Entity

Below is a summary of key actions to be pursued by each entity over the SPS period.

— Cabinet Office

Enhancing coordination and tracking of priority projects across the public sector to achieve greater effectiveness; strengthening of the legislative framework for supporting gender equality and continuing the transformation of Government communications across all channels including the implementation of a global reputation strategy.

— Ministry of Finance and Economic Development

Fostering sustainable economic growth and international competitiveness through effective and accountable use of public finances that enhance quality of life in the Cayman Islands; modernising the financial management framework including the implementation of outcomes based budgeting and reporting; and coordinating the expansion of services offered by Cayman Islands National Insurance Company.

— Ministry of Sustainability and Climate Resiliency

Developing and implementing robust programmes and policies that will protect the environment and address existential threats posed by climate change; establishing safeguards for the biodiversity of the Cayman Islands and the sustainability of our ecosystems through the expansion of protected areas; facilitating the country's transition to a green economy by achieving goals for renewable energy and embracing appropriate green technology; Project 'ReGen' a state-of-the-art Energy

Recovery Facility that will manage recyclable and nonrecyclable waste for Grand Cayman, Cayman Brac and Little Cayman; promoting electric solutions to promote a cleaner environment and lower the impact of carbon emissions; protecting native mangroves and preservation of wetlands; full implementation of the National Energy Policy and the National Climate Change Policy.

— Office of the Police Commissioner

Continue to develop and improve operational capability of the Royal Cayman Islands Police Service and Coast Guard Unit through funding a full range of mandated policing services including national security, cybercrimes, anti-money laundering, intelligence, drug and firearm interdiction; enforcement of Maritime Security Act, maritime border control, search and rescue, maritime accident and disaster response and marine environmental protection.

— Ministry of Education

Equipping the students to work and thrive in an increasing digital environment as well as to produce the future leaders of this country through nation building activities and initiatives. Projects and programmes include increasing and strengthening early education programmes and the reintroduction of 'A levels' education at public high schools. Offer free tertiary education at local universities will improve the education index through additional years of schooling.

— Ministry of District Administration and Lands

Continue to support and improve the business of government in Cayman Brac and Little Cayman, ensuring the timely and efficient implementation of government policies; enhance services to Cayman Islands citizens and companies in the areas of land registration, surveying, geographic data, valuation, and the management of government facilities.

— Ministry of Border Control and Labour

Enhance employment and workforce development; continuing the development of an effective and efficient administration, implementation, enforcement, and evolution of the border control legislation; and improved compliance with international obligations under treaties and conventions related to the management of regular and irregular migration.

— Ministry of Youth, Sports, Culture and Heritage

Enhance and develop organisational structures and programmes for all age groups that will identify and promote all forms of established and potential talent, empower our Youth, and Preserve our Culture and Heritage, throughout the Cayman Islands which will allow for awareness and competitiveness locally and internationally.

— Ministry of Tourism and Ports

The recovery of the Cayman Islands tourism industry and return as a significant element of the economy is the highest priority for the Ministry of Tourism. The Strategy focuses efforts to promote Cayman as a premier destination and to foster a travel and tourism sector that drives economic growth, creates good jobs, and bolsters conservation; continuing service by Cayman Airways to strategic tourism markets; continued enhancement of the air and sea port to meet the growth of the country, including cargo; and attract new screen production business to the Islands, leveraging growing external interest, and providing valuable economic impact.

— Ministry of Health and Wellness

Ensuring a sustainable and successful healthcare system for our Islands in the provision of optimal health and wellbeing for our people, while reducing health inequalities; enhancing the standards of healthcare services and recognising healthcare as a basic human right through the reform of the current healthcare system and provision of centralised health insurance coverage; and a more preventative care focused approach to improve overall wellness, leading to better physical and mental health outcomes, allowing our people to thrive.

— Ministry of Home Affairs

Enhancing public safety and resiliency by strengthening operations and achieving strategic reform in the areas of offender management and rehabilitation, emergency response, humanitarian aid, and youth development. MHA's strategic direction prioritises people development, wellness, national policy, excellence, partnership and alignment, and public awareness with the vision to build a safer Cayman Islands community through innovative and effective solutions in public safety.

The MHA recognises that the strategic and operational environments are changing rapidly, and the Cayman Islands faces an increasingly complex and uncertain set of interconnected threats and risks. As such, we will be deliberate in building capabilities that position the MHA as an intelligence-led ministry. The purpose for this shift is to ensure that our national policies are in fact solutions that are based on a deep and comprehensive understanding of the enduring security and public safety issues facing our Islands.

— Ministry of Planning, Agriculture, Housing, Infrastructure and Transport

Increase in the number of affordable housing units, improve public transportation; revise the National Development Plan in order to address development in a controlled, sustainable manner that is mindful of climate and environmental concerns of the community; addressing the Islands' infrastructure needs such as roads, the East-West Arterial, storm water management and drainage; supporting the farming community to build

a stronger, more vibrant and modern agricultural sector to enhance national food security; utilising technology to streamline processes at public facing departments for greater efficiencies and service delivery; ensuring that Government-owned properties and equipment are maintained and protected; investing in young Caymanians through the successful delivery of the Ministry's training and development programmes to build a better future; and providing energy efficient affordable housing and home ownership that will improve the quality of lives for our people.

— Ministry of Financial Services and Commerce

Enhancing the Financial Services strategic policy and operational functions of the Ministry and the regulatory services provided by agencies/authorities under the remit of the Ministry, such as the Cayman Islands Monetary Authority, in response to evolving international standards; ensure adequate resources are engaged and utilised prudently; and leverage Information Technology tools to improve efficiency in service delivery as well as effectiveness of our regulatory framework.

— Ministry of Investment, Innovation and Social Development

Continue the mission to reimagine the area of social development by supporting and uplifting Cayman's most vulnerable people with new or revamped services and providing training programmes or a bridge to employment opportunities for persons who are able; advancing the digital and innovation capacities of the Cayman Islands; and facilitating investment opportunities that support social development causes and facilities in the community.

— Judicial Administration

Providing access for all with a justice system that performs well. Priority areas include the adoption of the International Framework for Court Excellence; improve Court Infrastructure; complete the full independence of the courts by separating it from the executive arm of Government.

03

Economic Forecast

This section presents a review of the domestic and global economic performance in 2022 and updated macroeconomic forecasts for 2023 to 2026, along with their major underlying assumptions.

World Economic Performance & Forecasts¹

Global output expanded by 3.4 percent in 2022, reflecting an improvement in supply chain conditions matched by robust pent-up demand, which started in the previous year. The global economic growth followed an expansion of 6.3 percent in the previous year, which occurred in the context of post-pandemic related restrictions in 2020. Economic output in advanced economies rose by 2.7 percent, compared to a growth of 5.4 percent for the previous year. Global economic activity is projected to expand at a pace of 2.8 percent in 2023 before accelerating to 3.0 percent in 2024. Over the medium-term, economic growth is expected to average 3.2 percent between 2025 and 2026.

Among advanced economies, the United States (US) economy recorded a 2.1 percent increase in output for 2022 relative to a growth of 5.9 percent in 2021. Growth in the US is expected to decelerate to 1.6 percent in 2023, with a similar average growth between 2024 and 2026.

International Developments & Risks

Russia's invasion of Ukraine in February 2022 sent shockwaves through a world market still coming to terms with the impact of the COVID-19 pandemic. The impact of the war, which is ongoing, has resulted in continued market uncertainty, a breakdown in global integration and rising tensions between the US and China. The conflict led

to a surge in crude oil prices, given Russia's role as one of the largest suppliers of crude oil. The invasion also added pressures on food inflation, with Ukraine being a key exporter of grains² in the world market. Prior to the invasion, Russia and Ukraine accounted for over 30 percent of the world grain supply, while Russia was the world's 2nd largest producer of natural gas and the 3rd largest producer of crude oil. The uncertainty surrounding the possible impact on the supply of these essential commodities, coupled with sanctions imposed on Russia by the US and its allies, led to a surge in prices on the global market.

Inflation in advanced economies accelerated to 7.3 percent in 2022, with prices in the US rising by 8.0 percent for the year. In response to the surging price levels, the US Federal Reserve has tightened its monetary policy stance and consistently raised its policy interest rate target since March 2022. Central banks of other large economies took similar actions, and with lingering geopolitical tensions, the likelihood of a global recession has gradually increased. The collapse of SVB bank in March 2023, the sixteenth largest bank in the US, has also driven further uncertainty in the banking system to support the economy amidst the current challenges. These rising global uncertainties underpin the forecast for tempered growth over the medium-term. Additionally, while central bank actions are expected to temper some inflation pressures over the medium-term, price increases are expected to remain robust over the short term.

Robust demand and improved supply-chain conditions led to higher global output in 2022.

(1. This assessment is based generally on the World Economic Outlook (International Monetary Fund (IMF), April 2023 update. 2. Grains prices include the prices of wheat, corn/maize, and rice.)

— Table 1: Comparative Macroeconomic Indicators and Forecasts (%)

| | | | | | Forecast | | | |
|--|-------|-------|-------|-------|----------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| Real GDP Growth (%) | | | | | | | | |
| Cayman Islands* | 3.9 | -5.1 | 4.0 | 3.7 | 2.3 | 1.6 | 2.0 | 2.2 |
| United States | 2.2 | -3.4 | 5.9 | 2.1 | 1.6 | 1.1 | 1.8 | 2.1 |
| Advanced Economies | 1.6 | -4.4 | 5.4 | 2.7 | 1.3 | 1.4 | 1.8 | 1.9 |
| World | 2.8 | -3.0 | 6.3 | 3.4 | 2.8 | 3.0 | 3.2 | 3.2 |
| Consumer Price Index (avg %) | | | | | | | | |
| Cayman Islands | 6.0 | 1.0 | 3.3 | 9.5 | 5.2 | 2.5 | 2.4 | 2.0 |
| United States | 1.8 | 1.2 | 4.7 | 8.0 | 4.5 | 2.3 | 2.1 | 2.0 |
| Advanced Economies | 1.4 | 0.7 | 3.1 | 7.3 | 4.7 | 2.6 | 2.1 | 1.9 |
| Unemployment % | | | | | | | | |
| Cayman Islands | 3.5 | 5.2 | 5.7 | 2.1 | 2.2 | 2.6 | 2.7 | 2.4 |
| United States | 3.7 | 8.1 | 5.4 | 3.6 | 3.8 | 4.9 | 4.8 | 4.3 |
| Advanced Economies | 4.8 | 6.6 | 5.6 | 4.5 | 4.7 | 5.0 | 4.9 | 4.7 |
| Current Account of the Balance of Payments (% of GDP) | | | | | | | | |
| Cayman Islands* | -10.9 | -14.7 | -13.6 | -12.1 | -10.2 | -11.3 | -11.9 | -12.8 |
| United States | -2.2 | -3.0 | -3.6 | -3.6 | -2.7 | -2.5 | -2.4 | -2.3 |
| Advanced Economies | 0.7 | 0.4 | 0.8 | -0.5 | 0.0 | 0.3 | 0.4 | 0.5 |

* The GDP growth and current account balance for 2022 are preliminary estimates based on actual indicators. Sources: IMF World Economic Outlook (April 2023) for the United States and other global data; and the Cayman Islands Government, Economic and Statistics Office for the Cayman Islands data.

The Cayman Islands’ Economic Performance in 2022

— GDP Growth

Gross domestic product is estimated to have expanded by 3.7 percent in 2022 based on actual indicators for the first nine months of the year and, in some instances, for the entire year. The growth in the economy was broad-based, with only the agriculture and fishing sector estimated to have contracted for the period. The economic expansion for the year was primarily driven by robust international demand, which supported activities in key auxiliary sectors.

The hotels and restaurant sector is estimated to have expanded by 23.2 percent, second only to the transportation sector, which expanded by 24.5 percent for the year. The growth in the two industries is linked to the full reopening of the Island’s ports in the first quarter of the year, relative to significant restrictions in the previous year. For the year, stay-over tourist arrivals rose to 284,372, relative to 17,308 in 2021. The value in 2022 reflected 57 percent of the pre-pandemic 2019 levels. Similarly, cruise arrivals rose 742,990, relative to a complete closure in 2021, reflecting 41 percent of the pre-pandemic 2019 levels. The “other services” which include recreation and other tourism leisure activities, expanded by 5.6 percent for the year. The increased demand from tourist activities coupled with robust local demand stimulated a 4.8 percent growth in the wholesale and retail sector, while the electricity and water supply sector expanded by 2.8 percent.

Financing and insurance services is estimated to have grown by 1.5 percent for the year, while business services expanded by 2.1 percent. These sectors reflected robust demand for the island’s financial services during the year. **The sector benefited from the Government’s enactment of regulations on economic substance and other mutual fund regulations, which boosted market confidence.** Despite rising interest rates for most of the year, the real estate sector remained resilient, with an expansion of 4.8 percent driven mostly by rental activities and activities associated with operating owner-occupied dwellings. Agriculture was the only sector to contract during the year, with a decline of 2.4 percent. The fall in the sector was largely due to a contraction in the growing of agricultural crops, which partly reflected the damage done by Tropical Storm Grace in the previous year.

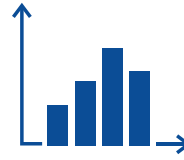
— Human Development Index

The Cayman Islands recorded a Human Development Index value of 0.877 in 2021; this put the Islands in the group classified as having a Very High Human Development Index. The only other country from the Caribbean Region in this category was Trinidad and Tobago, with an index value of 0.81. The HDI for the Cayman Islands has consistently been in this range. For the Cayman Islands, the Gross National Income (GNI) ranged from a high of US\$60,110 in 2011, declined to a low of US\$37,665 in 2014, and continuously recovered to US\$48,878 in 2021. The life expectancy at birth was 82.1 years in the census years 2010 and 2021. The education index was also ranked high relative to other countries.



— Inflation

The average consumer price index increased by 9.5 percent in 2022, a sharp acceleration from the 3.3 percent recorded in 2021. The surge in inflation for the year mainly reflected the growth in international commodity prices. The rise in international energy prices led to an increase of 28.6 percent in the electricity sub-index and an 11.6 percent rise in the transportation index. Strong inflationary pressures were also seen in the food and non-alcoholic beverages index, which rose by 9.3% in the year.



56.4K

Total
employment

2.1%

unemployment
rate

— Employment

The expansion of the local economy in 2022, particularly in the labour-intensive tourism sector, contributed to a rise in the demand for labour during the year. Total employment increased by 22.7 percent to reach 56,355 in the Fall 2022 Labour Force survey. The rising demand for labour outweighed an 18.3 percent rise in the labour force, resulting in the overall unemployment rate falling to 2.1 percent in 2022. The Government's policy to prioritise the integration of displaced Caymanians into the workforce may have contributed to the lower unemployment levels by minimizing the impact of displacements on the overall unemployment figure.

81,546

total population
at Dec 2022

3.7%

GDP Growth

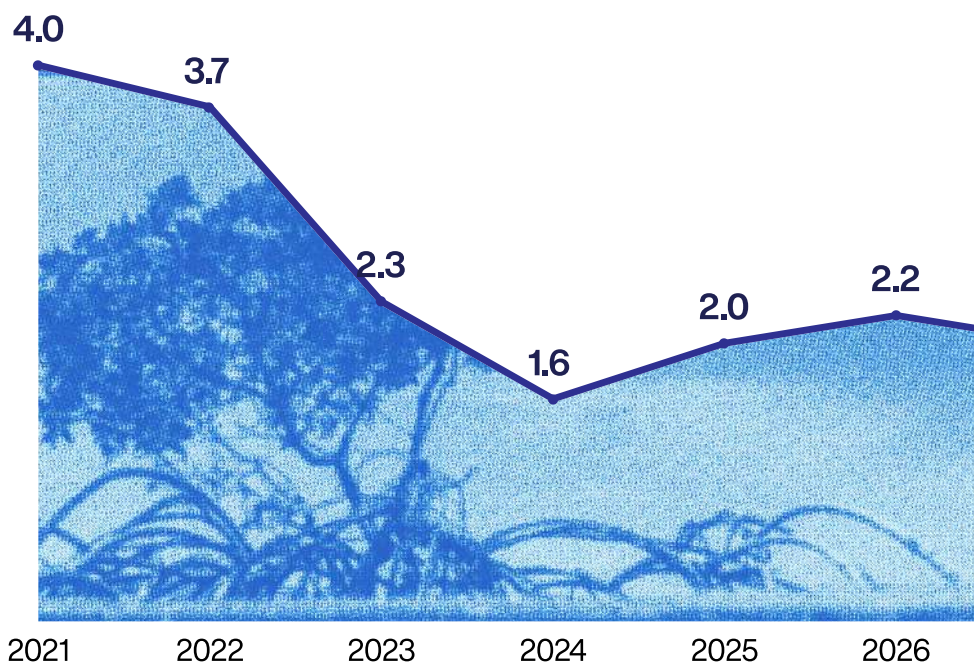
— Current Account of the Balance of Payments³

Rising international demand for financial and accommodation services outweighed a rise in imports and narrowed the deficit on the current account of the Balance of Payments. During the year, total merchandise imports increased by 17.4 percent to \$1,498.7 million from a year ago. The Islands' current account deficit balance in 2022 is projected at \$687.7 million or 12.1 percent of GDP.



³ The current account of the balance of payments measures the total value of the Islands' transactions against the rest of the world in terms of trade in goods and services, income and transfers. A deficit in the current account means that the Cayman Islands made more payments to the rest of the world compared to its receipts from these transactions.

— Figure 1: Cayman Islands' Real GDP Growth (%)



Projections and Assumptions for 2023 to 2026

— GDP Growth

Robust international demand for Cayman's services is expected to support short-term growth in the Islands. The domestic economy is expected to grow by 2.3 percent in 2023 before decelerating to 1.6 percent in 2024. Growth in 2025 and 2026 is projected at 2.0 percent and 2.2 percent, respectively. It is worth highlighting that the increasing geopolitical tensions, the current test of faith in the international banking system, and the continued fear of a looming recession poses significant unquantifiable downside risk to the forecast.

Despite deepening uncertainties and rising prices, global consumer demand remained strong in 2022. This resulted in Cayman's stay-over arrivals in December 2022 reaching roughly 90 percent of pre-pandemic levels. This resilience is expected to continue in the first part of 2023 and facilitate further growth in restaurants and accommodations over the near term, albeit at a tempered pace.

The sector is projected to expand by 9.6 percent in 2023 as the Islands experience their first full year of tourism activities. The sector is projected to record average growth of 4.8 percent per year between 2024 and 2026. The robust demand for accommodation services is projected to support similar growth in the transportation sector. Transportation is projected to expand by 8.3 percent in

2023 before moderating to average growth of 4.1 percent between 2024 and 2026. The resilience in tourism arrivals is expected to drive recreational and package activities which is included in the 'other services industry. This sector is also expected to benefit from the sharp rise in the Islands' population in 2022 through a rise in household activities. Consequently, the 'other services sector is expected to grow by 4.4 percent in 2023, with an average growth of 2.8 percent per year between 2024 and 2026.

The financial services sector is expected to continue its robust performance, conditioned mainly on stable demand for financial and insurance services. The Governments' priority to implement economic substance regulations for partnerships and other compliance-related regulations should add to the stable performance of the sector. Notwithstanding, inflationary pressures and tighter monetary policy could partially limit the demand for loans. Given these assumptions, the finance and insurance services sector is projected to expand by 1.0 percent in 2023, with an acceleration of 1.2 percent in 2024. Growth in the sector is expected to average 1.6 percent over the medium-term. Business services, which include legal and accounting services, is projected to expand by 2.0 percent in 2023 before growing at an average rate of 2.7 percent per year between 2024 and 2026.

The resilient demand for the Islands' services is expected to have a flow-through effect on growth in some auxiliary sectors. The wholesale and retail sector is projected to rise by 4.3 percent in 2023, with an average increase of 2.2 percent per year between 2024 and 2026. Electricity and water supply is projected to expand by 2.7 percent in 2023. It is anticipated that growth in this sector will be driven by commercial consumption as businesses increase consumption to meet consumer demands. The sector is projected to grow at an average of 2.5 percent per year between 2024 and 2026.

Despite the projected expansion in external demand for the Islands' services, rising interest rate and higher prices are expected to subdue local demand. Demand for construction services is expected to slow as the cost of funding for mortgages and investments rises. Notwithstanding, some growth is expected in the sector as a number of large-scale hotel and commercial projects enter their peak phases. Additionally, the Government's proposed beach nourishment program, estimated at \$21.0 million, should add some impetus to the sector. Consistent with these assumptions, the construction sector is

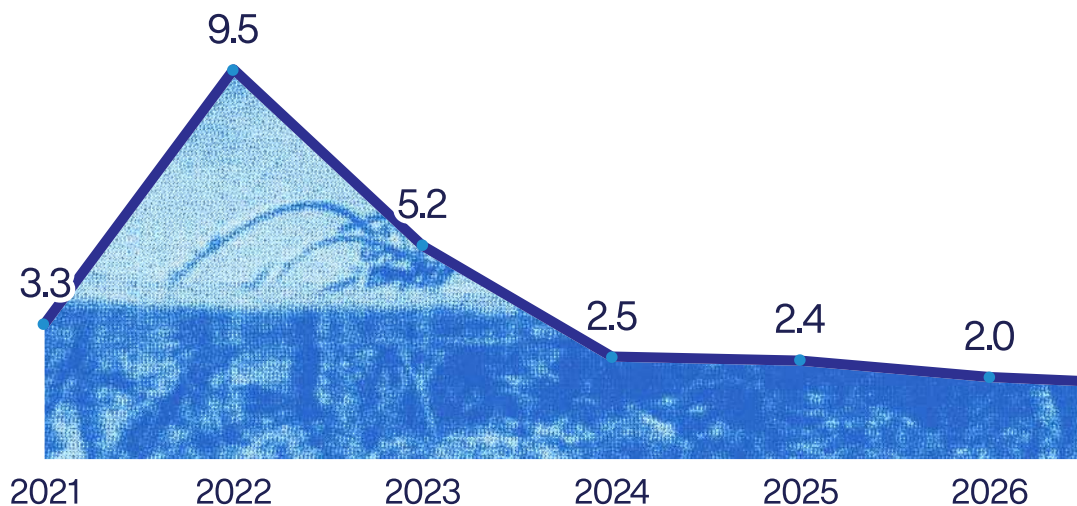
projected to expand by 0.5 percent in 2023 and average 1.9 percent per year between 2024 and 2026. The growth in real estate activities is also expected to moderate in the near term as interest rates and mortgage costs increase. Notwithstanding, the increase in the island's population and continued growth in some sectors should support a stable demand in the rental market. The real estate sector is projected to expand by 0.2 percent in 2023 and contract by 1.2 percent in 2024. The sector is then expected to record average growth of 2.0 percent per year between 2025 and 2026.

— Human Development Index

The Government's priority plans to build a new high school in Cayman Brac, a new primary school in Grand Cayman and expand existing school facilities should sustain the robust educational standard explicit in the HDI. The Government's drive to improve gender inequality through the revision of the 2011 Gender Equality Act will also reduce the level of gender inequality in the community. Plans to reintroduce 'A levels' education at public high schools and offer free tertiary education at local universities will improve the education index through additional years of schooling. Additionally, the Government's key priorities to increase affordable housing, improve public transportation and lower the cost of living are expected to reduce social inequality and further raise the living standards in the Islands.



— Figure 2: Cayman Islands' Inflation Rates (%)



— Inflation Rate

Energy-related costs, particularly electricity and transportation, are expected to moderate despite remaining elevated over the near term as pressures on international crude oil prices moderate partly. For the first three months of 2023, the World Bank's energy price index declined by 20.9 percent relative to the same period in 2022. This was largely driven by a decline in crude oil prices, which fell by 18.2 percent for the period. Notably, a lag in the pass-through of energy prices could delay the pace at which energy-related costs moderate locally. Additionally, in early April 2023, the Organization of the Petroleum Exporting Countries announced that it would cut production quantity for the remainder of the year.

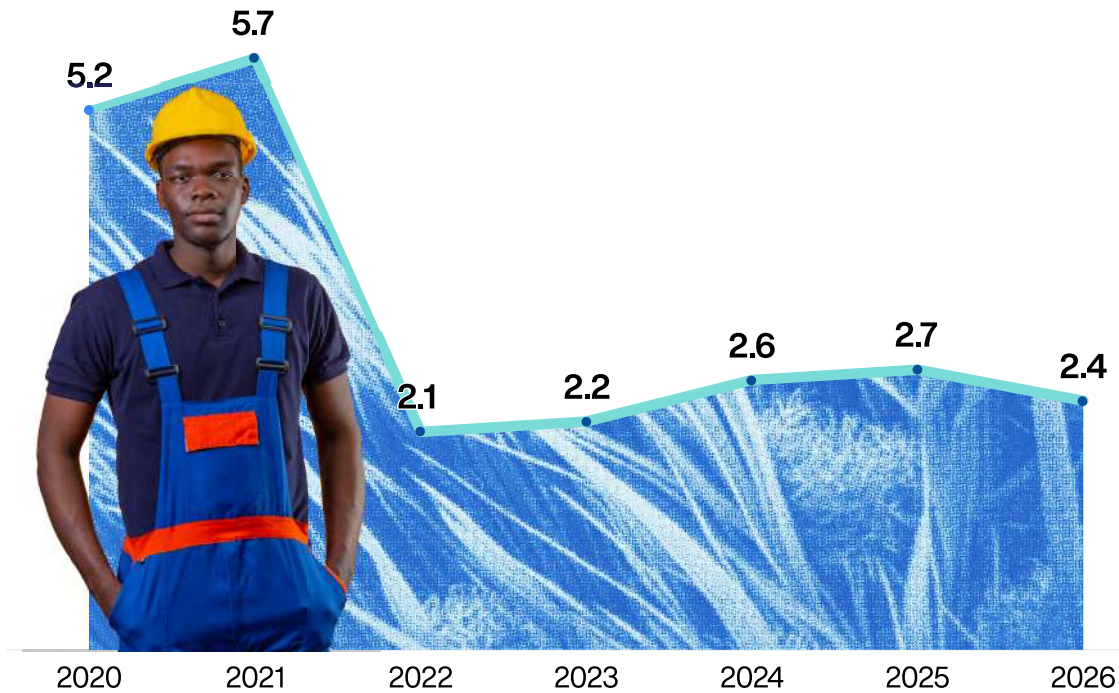
The increase leads to crude oil prices rising an average of \$83.1 per barre in early April 2023. Notwithstanding, this was still 19.65% below the average price in April 2022. The IMF projects that crude oil prices will contract by 24.1 percent in 2023 and contract further by an average of 3.6 percent between 2024 and 2026. The international

food price index is forecasted to contract by an average of 2.7 percent annually between 2023 and 2026.

Efforts by the Federal Reserve and other central banks to temper demand and curb inflationary pressures should also support decelerating inflation. Notwithstanding, elevated grain prices and continued uncertainty surrounding geopolitical tensions will likely add some upward pressures on prices, particularly food prices. The World Bank's grains index rose 7.4 percent in the first two months of 2023 relative to the same period in 2022. Additionally, persistent inflation levels in the US and other advance economies in the first two months of the year should support a continuation of imported inflation. Given the above conditions, inflation is expected at 5.2 percent in 2023.

Over the near term, a relative decline in crude oil prices in 2023 and tighter monetary policy is projected to temper some inflation pressures in the ensuing years. The average inflation rate is forecasted to average 2.3 percent annually between 2024 and 2026.

— Figure 3: Cayman Islands' Unemployment Rates (% of Labour Force)



— Employment

The demand for labour is expected to track the GDP growth forecast. An increase in employment opportunities is expected from growth in the accommodation sector. Over the near term, new employment is expected from accommodation services and supporting sectors.

The Government's policy to prioritise the integration of Caymanians into the workforce is also expected to maintain low levels of unemployment as displacements are minimized. Additionally, priority initiatives to enhance and empower Caymanian youth through training and mentorship which will also help to sustain low unemployment levels. Given the projected rise in labour demand, it is expected that the balance in the labour market should be generally maintained over the medium-term. Consequently, the unemployment rate is forecast at

2.2 percent of the labour force in 2023. The unemployment rate is then expected to average 2.5 percent in the remaining three years.

— Current Account of the Balance of Payments

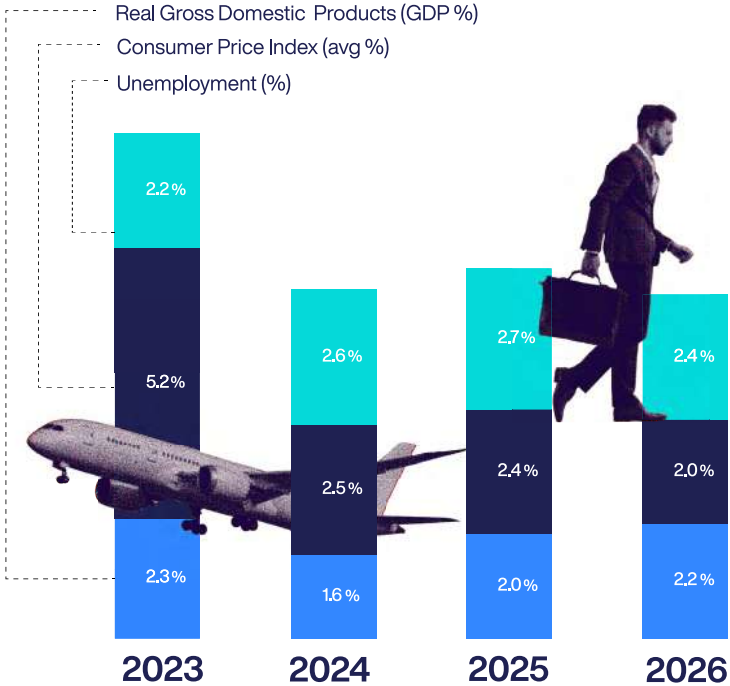
The current account balance is projected at 10.2 percent of GDP in 2023 and an average of 12.0 percent between 2024 and 2026. This is in the context of increased receipts from accommodation and financial services, the impact of which is partly offset by a rise in payments for importing goods and services. It is also assumed that receipts from new tourism-related projects over the medium-term will support robust receipts and maintain stability in the current account.

Summary of Economic & Fiscal Forecasts

This SPS provides medium-term economic and financial forecasts for the Government for the next three financial years covering the period 1 January 2024 to 31 December 2026 (the “SPS Period”) along with the Government’s Broad Outcomes which will guide the development and implementation of Government Policy during this period.

In addition, this SPS sets the parameters for the preparation of the detailed 2024 and 2025 Budgets and provides the Operating Expenditure and Capital Investment targets to be achieved by each Ministry, Portfolio, and Office over the next three financial years.

Key Economic Indicators



Summary of Key Economic Indicators

Overall economic growth in the Cayman Islands is expected to recover over the near term. Economic growth, as measured by changes in the Gross Domestic Product (GDP), is forecast to grow by 2.3 percent in 2023 before decelerating to 1.6 percent in 2024. Growth in 2025 and 2026 is projected at 2.0 percent and 2.2 percent, respectively.

Summary of Key Fiscal Indicators

| Key Fiscal Indicators | 2021 Unaudited Actuals \$000 | 2022 Unaudited Actuals \$000 | 2023 Forecast \$000 | 2024 Forecast \$000 | 2025 Forecast \$000 | 2026 Forecast \$000 |
|---|---------------------------------------|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Core Government Operating Revenue | 961,116 | 1,021,179 | 1,037,446 | 1,060,282 | 1,089,080 | 1,119,954 |
| Core Government Operating Expenditure | 978,745 | 973,482 | 975,713 | 982,905 | 990,914 | 1,016,748 |
| Core Government Operating (Deficit)/Surplus | (17,629) | 47,697 | 61,733 | 77,377 | 98,167 | 103,206 |
| Statutory Authorities and Government Companies Net Operating (Deficit)/ Surplus | (31,288) | (21,043) | (17,338) | 1,634 | 874 | 1,683 |
| Entire Public Sector Net Operating (Deficit)/Surplus | (48,917) | 26,654 | 44,395 | 79,012 | 99,040 | 104,889 |
| Core Government Year-End Cash Balances | 427,353 | 302,765 | 552,746 | 446,679 | 433,978 | 363,863 |
| Core Government Debt | 222,705 | 506,358 | 453,088 | 404,996 | 356,906 | 641,462 |

The Government remains committed to maintaining fiscal prudence and forecasts to be in full compliance with the Principles of Responsible Financial Management, as prescribed by the PMFA, throughout the SPS Period.

Operating Revenues, which total \$3.3 billion over the SPS Period, are driven by the continued strong performance anticipated in the financial services sector and rebound of the tourism sector post-pandemic.

The Government Key Priorities remain the same as the 2022 SPS. Operating Expenditure totals \$3.0 billion over the SPS period.

04

Past Fiscal Performance

— 2021 Unaudited Financial Results and Analysis

| Revenues (Amount in CI\$000s) | Budget | Actual | Dollar Variance over/(under) |
|---|----------------|-----------------|-------------------------------------|
| Coercive Revenue | 806,565 | 915,696 | 109,131 |
| Sales of Goods & Services | 35,110 | 39,929 | 4,819 |
| Investment Revenue | 7,760 | 4,771 | (2,989) |
| Donations | 236 | 609 | 373 |
| Other Revenue | 53 | 111 | 58 |
| Total Revenues | 849,724 | 961,116 | 111,392 |
| Expenses | Budget | Actual | Dollar Variance over/(under) |
| Personnel Costs | 373,488 | 375,482 | 1,994 |
| Supplies and Consumables | 127,254 | 129,228 | 1,974 |
| Depreciation & Amortisation | 39,678 | 50,092 | 10,414 |
| Finance Costs | 10,949 | 11,638 | 689 |
| Litigation Costs | 1,045 | 687 | (358) |
| Outputs to Statutory Authorities and Government Companies | 135,228 | 159,133 | 23,905 |
| Outputs from Non-Governmental Suppliers | 29,233 | 56,690 | 27,457 |
| Transfer Payments | 46,395 | 139,969 | 93,574 |
| Total Other (Gains)/Losses | (1,976) | (408) | (1,568) |
| Other Executive Expenses | 13,700 | 56,234 | 42,534 |
| Total Expenses | 774,994 | 978,745 | 203,751 |
| Core Government Surplus | 74,730 | (17,629) | (92,359) |
| Loss on Statutory Authorities and Government companies | (16,953) | (31,288) | (14,335) |
| Net Surplus/(Deficit) | 57,777 | (48,917) | (106,694) |

The outbreak of the COVID-19 pandemic and the measures adopted by the Government to mitigate the pandemic's spread significantly impacted the Government's performance and position for 2021. These measures required the Government to continue to restrict travel to the jurisdiction thereby reducing activity in the local economic market and revenues derived from the tourism sector. The Government also sought to increase support to individuals and businesses negatively impacted by these measures.

For the year ended 31 December 2021, the Entire Public Sector ("EPS") recognised a net deficit of \$48.9 million, which was \$106.7 million lower than budgeted for the same period.

The coercive revenue items recorded significant negative revenue variances primarily due to the extended partial closure of the borders in response to the COVID-19 pandemic. These mainly included Alcoholic Beverages Duty of \$2.1 million; Cruise Ship Departure Charges of \$12.0 million; Environmental Protection Fund Fees of \$6.2 million; Gasoline and Diesel Duty of \$3.7 million; and Tourist Accommodation Charges of \$37.4 million.

Sale of Goods and Services earned \$39.9 million, which was \$4.8 million better than the full year anticipated results,

mainly due to increased revenue from SAGCs, police clearance certificates, and sale of agricultural supplies.

Outputs from Non-Governmental Suppliers of \$56.7 million were \$27.9 million more than the budget. The variance is mainly due to "NGS 55 - Tertiary Care at Local and Overseas Institutions" being \$21.3 million more than its 2021 budget. The costs for NGS 55 are currently \$38.9 million, which exceeded the original full year budget of \$17.6 million.

Transfer Payments of \$140.0 million were \$93.7 million more than budgeted for the year. This variance is mainly due to the overages in spending on Sports and Cultural Tourism Programmes Assistance (\$63.6 million negative variance); Support for Business Initiatives (\$9.8 million negative variance); and Scholarship and Bursaries (\$8.4 million negative variance).

Other Operating Expenses of \$56.2 million were \$42.5 million more than the budget of \$13.7 million. The variance is mainly due to costs incurred for Supplies and other Items to combat COVID-19 (\$21.7 million).



— 2022 Unaudited Financial Results and Analysis

| Revenues (Amount in CI\$000s) | Budget | Actual | Dollar Variance over/ (under) |
|---|-----------------|------------------|--------------------------------------|
| Coercive Revenue | 897,905 | 964,946 | 67,041 |
| Sales of Goods & Services | 40,563 | 44,665 | 4,102 |
| Investment Revenue | 2,197 | 9,083 | 6,886 |
| Donations | 184 | 943 | 759 |
| Other Revenue | 60 | 1,542 | 1,482 |
| Total Revenues | 940,909 | 1,021,179 | 80,270 |
| Expenses | Budget | Actual | Dollar Variance over/(under) |
| Personnel Costs | 437,224 | 408,737 | (28,487) |
| Supplies and Consumables (including Leases) | 149,300 | 145,212 | (4,088) |
| Depreciation and Amortisation | 45,036 | 53,127 | 8,091 |
| Finance Costs | 14,687 | 15,846 | 1,159 |
| Litigation Costs | 1,765 | 854 | (911) |
| Outputs from Statutory Authorities and Government Companies | 161,898 | 181,427 | 19,529 |
| Outputs from Non-Governmental Suppliers | 42,518 | 75,271 | 32,753 |
| Transfer Payments | 61,495 | 86,576 | 25,081 |
| Total Other (Gains)/Losses | (1,169) | (841) | 328 |
| Other Executive Expenses | 8,725 | 7,273 | (1,452) |
| Total Expenses | 921,479 | 973,482 | 52,004 |
| Core Government Surplus | 19,431 | 47,697 | 28,267 |
| Loss on Statutory Authorities and Government companies | (35,193) | (21,043) | 14,150 |
| Net (Deficit)/Surplus | (15,762) | 26,654 | 42,416 |

Operating Expenses, Financing and Non-Operating Costs of Core Government for the year ended 31 December 2022 were \$973.5 million; this amount was \$52.0 million more than the full year budget of \$921.5 million. Compared to the prior year actuals, total expenses are \$5.3 million lower.

Personnel Costs of \$408.7 million were \$28.5 million less than the budget of \$437.2 million, mainly attributed to delayed recruitment. These costs are \$33.3 million more than 2021 - mostly as a result of increased health insurance premiums payable with respect to Civil Servants and a 2.0% Cost of Living Adjustment awarded in September 2022.

Supplies and Consumables, excluding Leases, were \$135.9 million for the period and were \$3.6 million less than the full year budget. Compared to the prior year costs of \$121.5 million, the 2022 expenses are \$14.4 million more.

Outputs from SAGCs of \$181.4 million were \$19.5 million more than the anticipated full year budget. Payments to the Cayman Islands National Insurance Company, the Health Services Authority and Cayman Airways Limited exceeded their budgets by \$2.9 million, \$14.8 million, and \$1.8 million, respectively.

The \$2.9 million adverse variance with respect to the Cayman Islands National Insurance Company is due to the fact that actual costs for the Health Insurance for Civil Service Pensioners exceeded the budget for this category.

The Portfolio of the Civil Service has advised that the 2022 approved budget for this category was less than the budget amount initially requested for this category. The majority of the \$14.8 million adverse variance with respect to the Health Services Authority is due to supplies and other items to combat COVID-19 of \$10.3 million; and actual costs for the Care of Indigents (negative variance of \$9.0 million) exceeding the budget for this category.

To ensure sufficient funds are available to the Ministry of Health and Wellness, Parliament has approved, via section 12 of the Public Management and Finance Act (2020 Revision), an additional \$15.8 million in funding.

Outputs from Non-Governmental Suppliers of \$75.3 million were \$18.6 million more than the 2021 expenditure of \$56.7 million, and \$32.7 million more than the 2022 budget, mainly due to "NGS 55 Tertiary Care at Local and

Overseas Institutions" being \$30.7 million more than the 2022 budget. The costs for NGS 55 as at 31 December 2022 are \$51.7 million and exceeds the initial 2022 full year budget of \$20.9 million. To ensure sufficient funds were available, Parliament approved, via section 12 of the Public Management and Finance Act (2020 Revision), additional funding of \$24.1 million.

Transfer Payments of \$86.6 million were \$25.1 million more than the initial 2022 budget. This variance is mainly due to the Ex-gratia "Tourism Stipend" (\$16.4 million negative variance) and Electrical Assistance (\$7.9 million negative variance). The costs for Ex-gratia "Tourism Stipend" were \$26.7 million, which exceeds the initial 2022 full year budget of \$10.3 million.

To ensure sufficient funds were available, Parliament approved supplementary funding of \$16.5 million. The Electricity Assistance programme, a new supplementary expenditure was introduced in July 2022, had approved funding of \$8.5 million. When compared to the prior year-to-date amount of \$140.0 million, the 31 December 2022 expenditure level of \$86.6 million for Transfer Payments represents a decrease of \$53.4 million.

SAGCs recorded a combined Net Operating Deficit of \$21.0 million; which was a \$14.2 million favourable variance to the budgeted Deficit expectations for 2022 of \$35.2 million.

The collective performance of SAGCs, when compared to the prior year, is a positive variance of \$10.2 million. It should be noted that the actuarial remeasurement of pension and post retirement benefits may have a significant impact on the results on a number of SAGCs. The actuarial valuation report for the current year is normally received in the first quarter of the following year; however these reports were not factored into these estimated 2022 actuals.

05

Financial Forecasts: 1 January 2023 – 31 December 2026

— CIG Forecast Statement of Financial Performance

| | SPS Forecast (Amount in CI\$000s) | | | |
|---|-----------------------------------|------------------|------------------|------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Revenues | | | | |
| Coercive Revenue | 982,770 | 1,009,560 | 1,039,881 | 1,069,124 |
| Sales of Goods & Services | 45,237 | 44,157 | 45,181 | 45,845 |
| Investment Revenue | 8,838 | 5,289 | 2,668 | 3,335 |
| Donations | 150 | 150 | 150 | 150 |
| Other Revenue | 450 | 1,125 | 1,200 | 1,500 |
| Total Revenues | 1,037,446 | 1,060,282 | 1,089,080 | 1,119,954 |
| Expenses | | | | |
| Personnel Costs | 429,331 | 434,422 | 439,837 | 440,250 |
| Supplies and Consumables | 134,660 | 134,087 | 134,695 | 147,890 |
| Depreciation and Amortisation | 61,424 | 61,658 | 63,317 | 65,600 |
| Finance Costs | 18,485 | 16,381 | 14,491 | 39,385 |
| Outputs from Statutory Authorities & Government Companies | 177,121 | 176,750 | 176,265 | 172,249 |
| Outputs from Non-Governmental Suppliers | 72,244 | 72,689 | 74,143 | 70,626 |
| Transfer Payments | 71,871 | 73,308 | 74,775 | 68,680 |
| Other (Gains)/Losses | (1,496) | (1,496) | (1,496) | (1,496) |
| Other Operating Expenses | 10,241 | 13,210 | 12,857 | 11,462 |
| Litigation Costs | 1,832 | 1,896 | 2,031 | 2,102 |
| Total Expenses | 975,713 | 982,905 | 990,914 | 1,016,748 |
| Core Government Surplus | 61,733 | 77,377 | 98,167 | 103,206 |
| Loss/Surplus of SAGCs | (17,338) | 1,634 | 874 | 1,683 |
| Net Surplus | 44,395 | 79,012 | 99,040 | 104,889 |

The Government's four-year financial forecasts (Financial Years 2023 to 2026), as shown on the previous page, are based on information and decisions known at 25 April 2023.

The latest revenue estimates, shows that the Government is projected to earn \$3.3 billion in revenue over the SPS Period (2024 to 2026). The increasing geopolitical tensions, the current test of faith in the international banking system, and fear of a looming recession, poses significant unquantifiable downside risk to the forecast.

Despite these uncertainties, the tourism sector is showing tremendous resilience and growth and is expected to record 4.8 percent of growth over the SPS Period. The growth in tourism is expected to drive activities in the other services sectors.

The financial services sector is expected to continue on an upward trajectory over the SPS Period. Business services including legal and accounting services are expected to grow at an average rate of 2.7 percent per year.

Some of the major sources of revenue expected within this 3-year timeframe are: Other Import Duty, \$594.7 million; Other Company Fees, \$393.8 million; Partnership Fees, \$229.1 million; Stamp Duty on Land Transfers, \$202.6 million; Private Fund Fees \$201.6 million; Mutual Fund Administrators Licence Fees \$166.4 million; and Tourist Accommodation Charges, \$136.4 million.

Core Government total Operating Expenditure for the SPS Period is forecast to be \$3.0 billion. The Government is taking definitive steps to maintain a sustainable level of

Operating Expenditure. Growth in Operating Expenditures is primarily due to health care insurance premium increases (which impacts personnel costs), and a number of new initiatives for education, health, security and social development being pursued by the Government.

Finance Costs are expected to increase over the SPS Period. This increase is due to the intended financing arrangements for the planned construction of the Integrated Solid Waste Management Facility ("ReGen Facility") towards the end of the SPS Period.

Outputs from SAGCs are expected to be stable over the SPS Period with a slight decrease in 2026. The Government will be seeking opportunities to reduce the level of output/subsidy to Statutory Authorities and Government Owned Companies, as well as mandating efficiency gains in their operations.

Transfer Payments are expected to increase marginally over the SPS Period. This increase is driven primarily by additional amounts being made available for Scholarships & Bursaries and Financial Assistance. In recent years, the Government has encountered significant volatility in the cost of tertiary medical care for indigent persons who are uninsured and underinsured. This was partially due to the COVID-19 pandemic and pent up demand and increases in healthcare cost. To add greater certainty to the budget process the Government will investigate the possibility of insuring indigent individuals with CINICO.



— CIG Forecast Statement of Financial Position

| | SPS Forecast (Amount in CI\$000s) | | | |
|----------------------------------|-----------------------------------|------------------|------------------|------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Current Assets | | | | |
| Cash and cash equivalents | 552,746 | 446,679 | 433,978 | 363,863 |
| Trade receivables | 13,444 | 17,422 | 19,777 | 25,455 |
| Other receivables | 10,402 | 17,355 | 38,144 | 34,733 |
| Inventories | 2,000 | 3,000 | 4,000 | 6,000 |
| Prepayments | 9,255 | 9,741 | 10,111 | 11,877 |
| Loans | 46,711 | 40,396 | 40,385 | 37,174 |
| Total Current Assets | 634,558 | 534,593 | 546,395 | 479,102 |
| Non-Current Assets | | | | |
| Trade receivables | 1,200 | 1,334 | 1,255 | 1,477 |
| Investments | 831 | 831 | 831 | 831 |
| Loans | 88 | 88 | 88 | 88 |
| Net Worth - Public Entities | 463,181 | 480,456 | 493,173 | 506,926 |
| Property, plant and equipment | 2,064,570 | 2,122,912 | 2,109,595 | 2,497,931 |
| Intangible assets | 2,659 | 2,526 | 2,400 | 2,280 |
| Total Non-Current Assets | 2,532,530 | 2,608,147 | 2,607,342 | 3,009,533 |
| Total Assets | 3,167,088 | 3,142,740 | 3,153,737 | 3,488,636 |
| Current Liabilities | | | | |
| Trade payables | 67,031 | 31,349 | 29,541 | 14,564 |
| Other payables and accruals | 47,542 | 28,235 | 19,748 | 10,122 |
| Unearned revenue | 85,000 | 85,000 | 55,000 | 25,000 |
| Employee entitlements | 6,357 | 6,477 | 6,820 | 6,877 |
| Unfunded pension liability | 24,756 | 24,756 | 24,756 | 24,756 |
| Current portion of borrowings | 53,271 | 48,091 | 48,091 | 40,380 |
| Total Current Liabilities | 283,957 | 223,908 | 183,956 | 121,698 |

[continued on next page]

| | SPS Forecast (Amount in CI\$000s) | | | |
|--------------------------------------|-----------------------------------|------------------|------------------|------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Non-Current Liabilities | | | | |
| Unfunded pension liability | 405,244 | 405,244 | 405,244 | 405,244 |
| Unearned revenue | 13,476 | 13,076 | 13,076 | 13,076 |
| Long-term portion of borrowings | 399,817 | 356,905 | 308,815 | 601,082 |
| Total Non-Current Liabilities | 818,537 | 775,225 | 727,135 | 1,019,402 |
| Total Liabilities | 1,102,494 | 999,134 | 911,091 | 1,141,101 |
| Net Assets | 2,064,594 | 2,143,606 | 2,242,646 | 2,347,535 |
| Net Worth | | | | |
| Reserves and restricted funds | 202,121 | 243,219 | 274,290 | 231,078 |
| Revaluation reserve | 893,286 | 893,286 | 893,286 | 893,286 |
| Current year surplus | 44,395 | 79,012 | 99,040 | 104,889 |
| Other accumulated surpluses | 924,792 | 928,089 | 976,030 | 1,118,282 |
| Total Net Worth | 2,064,594 | 2,143,606 | 2,242,646 | 2,347,535 |

Over the SPS Period, Core Government's Net Worth is expected to steadily improve from \$2.1 billion in 2024 to \$2.2 billion in 2025 and thereafter increasing to \$2.3 billion in 2026. Those positions will be made possible by forecasted improvement in the Government's operations and the resulting surpluses expected.

The Government is expected to close the 2024 fiscal year with a cash balance of \$446.7 million, \$433.9 million in 2025 and \$363.9 million in 2026. Amounts in Restricted Funds such as the General Reserves, Environmental Protection Fund, and the National Disaster Fund are forecast to be \$231.1 million at the end of 2026.

Loans include \$29.1 million to Cayman Islands Airport Authority and \$10.0 million to the Cayman Turtle Centre. These loans were required to assist the Public Entities with their ongoing operations. The loans to both Public Entities are interest-free until 31 December 2023. Effective 1 January 2024, repayments commence at an interest rate to be negotiated between the Government and the Public Entities. The loan to the Cayman Islands Airports Authority is to be repaid over 15 years, whilst the loan to the Cayman Turtle Centre is to be repaid over five (5) years.

The Government plans to reduce the outstanding debt, inclusive of the financing arrangement for the proposed ReGen Facility, by \$215.7 million from the end of 2023 through 2026.

The Government plans to introduce a Debt Sinking Fund in 2023. The intent being to set aside a sum in a reserve each year to enable the Government to make a lump sum payment of \$75.0 million in 2026 towards the repayment of the construction costs of the proposed ReGen Facility.



— CIG Forecast Statement of Cash Flows from Operating Activities

| | SPS Forecast (Amount in CI\$000s) | | | |
|--|-----------------------------------|------------------|-----------------|------------------|
| | 2023 | 2024 | 2025 | 2026 |
| Cash Flows From Operating Activities | | | | |
| Operating Cash Inflows | | | | |
| Coercive receipts | 977,770 | 1,004,560 | 1,034,881 | 1,064,124 |
| Outputs to other Government agencies | 3,692 | 4,248 | 4,385 | 4,536 |
| Sale of goods and services - third party | 41,083 | 39,909 | 40,796 | 41,308 |
| Interest received | 8,838 | 5,289 | 2,668 | 3,335 |
| Donations /Grants received | 150 | 150 | 150 | 150 |
| Operating Cash Outflows | | | | |
| Personnel costs | (436,843) | (443,993) | (447,362) | (456,865) |
| Supplies and consumables | (137,097) | (137,192) | (135,812) | (153,578) |
| Outputs from public authorities | (177,121) | (176,750) | (176,265) | (172,249) |
| Outputs from non-Governmental suppliers | (72,244) | (72,689) | (74,143) | (70,626) |
| Transfer payments | (71,871) | (73,308) | (74,775) | (68,680) |
| Financing/interest payments | (18,113) | (15,945) | (13,920) | (11,813) |
| Other payments | (46,017) | (46,844) | (49,677) | (63,021) |
| Net Cash Flows From Operating Activities | 72,228 | 87,436 | 110,928 | 116,623 |
| Cash Flows From Investing Activities | | | | |
| Investing Cash Inflows | | | | |
| Proceeds from sale of Loans/investments | 328,000 | - | - | - |
| Receipt of Dividends/Capital withdrawals | 3,024 | 3,881 | 3,550 | 4,097 |
| Investing Cash Outflows | | | | |
| Purchase of property, plant and equipment and Equity injections paid to public authorities | (100,000) | (150,000) | (80,000) | (70,000) |
| Net Cash Flows from investing Activities | 231,024 | (146,119) | (76,450) | (65,903) |
| Cash Flows From Financing Activities | | | | |
| Repayment of borrowings | (53,271) | (48,091) | (48,091) | (119,505) |
| Net Cash Flows From Financing Activities | (53,271) | (48,091) | (48,091) | (119,505) |
| Net Increase/(decrease) in Cash and Cash Equivalents | 249,981 | (106,774) | (13,613) | (68,785) |
| Cash and cash equivalents at beginning of period | 302,765 | 552,746 | 445,972 | 432,360 |
| Cash and Cash Equivalents at End of Period | 552,746 | 445,972 | 432,360 | 363,575 |

The Forecast Statement of Cash Flows shows year on year increases in Cash Flows from Operating Activities. This stems from increasing revenues expected through modest economic growth combined with controlled overall Government expenditure. In 2024, operating cash flows are expected to generate approximately \$87.4 million; this amount is expected to improve to \$110.9 million in 2025 and \$116.6 million in 2026. In line with the Government's policy priorities, net investing cash flows are targeted throughout the SPS Period to fund capital investments. The Government plans to make capital investments up to \$100.0 million in 2023 and a further \$300.0 million during the SPS forecast period 2024 to 2026.

The Government expects to make debt principal repayments of approximately \$215.7 million over the SPS Period. During the SPS Period, the Government does not intend to incur any new borrowings other than finalising the agreement to design, build, finance, operate and maintain the proposed ReGen Facility. Yearly principal repayments of debt are shown in the financing activities section of the Statement of Cash Flows. The Government will be able to meet all its debt servicing obligations over the SPS Period.

— Forecast Statement of Changes in Net Worth

The Government's Net Worth position is expected to improve over the SPS Period, from \$2.1 billion as at 31 December 2024, to \$2.2 billion at the end of 2025 and thereafter increasing to \$2.3 billion as at 31 December 2026. This change is primarily due to forecast increases in the Entire Public Sector (EPS) Surplus of \$79.0 million in 2024, \$99.0 million in 2025, and \$104.9 million in 2026.

| | Statutory Reserves | Revaluation Reserve | Accumulated Surplus/ (Deficits) | Total |
|--------------------------------------|--------------------|---------------------|---------------------------------|------------------|
| Balance at 31 December 2022 | 171,279 | 893,286 | 955,634 | 2,020,199 |
| Changes in Net Worth for 2023 | | | | |
| Transfers | 30,842 | - | (30,842) | - |
| Surplus for the period 2023 | - | - | 44,395 | 44,395 |
| Balance at 31 December 2023 | 202,121 | 893,286 | 969,187 | 2,064,594 |
| Changes in Net Worth for 2024 | | | | |
| Transfers | 41,098 | - | (41,098) | - |
| Surplus for the period 2024 | - | - | 79,012 | 79,012 |
| Balance at 31 December 2024 | 243,219 | 893,286 | 1,007,101 | 2,143,606 |
| Changes in Net Worth for 2025 | | | | |
| Transfers | 31,071 | - | (31,071) | - |
| Surplus for the period 2025 | - | - | 99,040 | 99,040 |
| Balance at 31 December 2025 | 274,289 | 893,286 | 1,075,070 | 2,242,646 |
| Changes in Net Worth for 2026 | | | | |
| Transfers | (43,211) | - | 43,211 | - |
| Surplus for the period 2026 | - | - | 104,889 | 104,889 |
| Balance at 31 December 2026 | 231,078 | 893,286 | 1,223,171 | 2,347,535 |

Operating Expenditure Targets. Allocation by Minister/Official Member

The targets in this SPS have been derived from an exercise involving all Ministries, Portfolios and Offices. In an effort to promote a resilient fiscal recovery from the COVID-19 pandemic crisis, this method has allowed the Government to more accurately reflect the expected financial impact of Government's policy priorities. These targets were established to ensure that they are sustainable over the medium-term – so that the targets are consistent with the Principles of Responsible Financial Management.

The Government considered strategic goals and objectives within the context of its overall fiscal strategy. Where a critical need was identified and the Government could afford to fund it, appropriate resources were directed to the relevant area. The allocations by Minister/Official Member are shown in the table below.

| Minister/Official Member | 2024 (\$000s) | 2025 (\$000s) | 2026 (\$000s) |
|--|------------------|------------------|------------------|
| Parliament | 12,114 | 12,143 | 11,954 |
| Public Accounts Committee (Audit Office) | 4,679 | 5,100 | 5,500 |
| Attorney General (Judicial Administration) | 24,984 | 27,028 | 28,239 |
| Attorney General (Director of Public Prosecutions) | 6,909 | 7,208 | 7,399 |
| Attorney General (Portfolio of Legal Affairs) | 10,486 | 10,519 | 10,297 |
| Deputy Governor (Portfolio of the Civil Service) | 61,905 | 62,084 | 60,905 |
| Cabinet Office | 14,627 | 14,664 | 14,422 |
| Office of the Ombudsman | 2,577 | 2,685 | 2,763 |
| Office of the Commissioner of Police | 55,504 | 55,650 | 55,661 |
| Minister for Ministry of Sustainability and Climate Resiliency | 15,761 | 16,054 | 15,514 |
| Minister for Ministry of Finance and Economic Development | 93,859 | 92,115 | 127,217 |
| Minister for Ministry of Border Control and Labour | 54,857 | 54,994 | 54,127 |
| Minister for Ministry of Education | 162,667 | 163,141 | 162,057 |
| Minister for Ministry of District Administration and Lands | 24,215 | 24,295 | 23,792 |
| Minister for Ministry of Home Affairs | 51,316 | 51,461 | 50,544 |
| Minister for Ministry of Youth, Sports, Culture and Heritage | 14,621 | 14,876 | 14,417 |
| Minister for Ministry of Tourism and Ports | 53,163 | 54,301 | 53,427 |
| Minister for Ministry of Financial Services and Commerce | 60,525 | 60,685 | 59,647 |
| Minister for Ministry of Investment and Social Development | 78,537 | 78,774 | 77,225 |
| Minister for Ministry of Planning, Agriculture, Housing and Infrastructure | 60,526 | 60,704 | 59,536 |
| Minister for Ministry of Health and Wellness | 119,073 | 122,432 | 122,105 |

Capital Investments

The Government understands the value of sound capital investments that will revitalise the country's infrastructure, support economic growth, create jobs and improve our everyday quality of life. The projected expenditure for capital projects and Equity Investments over the SPS Period (2024 to 2026) is \$300.0 million. The Government will continue its prudent approach to Public Sector capital development over the medium term with specific emphasis on affordability and need.

Capital investments into Ministries, Portfolios and Offices, over the SPS Period will be made and, the following will be considered:

- Continued investments in border control, maritime patrol and public safety;
- Continued remediation of the George Town Landfill;
- Continued upgrade and expansion of the road infrastructure
- Development of a new Layman E Scott High School in Cayman Brac;
- Expansion and upgrades of educational facilities in Grand Cayman; and
- Investment in new public transportation service.

The planned Equity Investments by Ministries into SAGCs over the SPS Period will encompass the following:

- Cayman Airways Limited;
- Cayman Islands Airports Authority;
- Cayman Islands Development Bank;
- Cayman Islands National Museum;
- Cayman National Cultural Foundation;
- Cayman Turtle Conservation and Education Centre;
- National Gallery of the Cayman Islands;
- National Housing Development Trust;
- Tourism Attractions Board; and
- University College of the Cayman Islands.



06

Compliance with Principles of Responsible Financial Management

| Principle | Forecast 2023 | Forecast 2024 | Forecast 2025 | Forecast 2026 |
|--|--|--------------------------|--------------------------|-------------------------|
| Operating Surplus: should be positive | Complies | Complies | Complies | Complies |
| (Operating surplus = Core Government operating revenue – core Government operating expenses) | Surplus \$61.7 million | Surplus \$77.4 million | Surplus \$98.2 million | Surplus \$103.2 million |
| Net Worth: should be positive | Complies | Complies | Complies | Complies |
| (Net worth = Core Government assets – Core Government liabilities) | Net Worth \$2.1 billion | Net Worth \$2.1 billion | Net Worth \$2.2 billion | Net Worth \$2.3 billion |
| Borrowing: Debt servicing cost for the year should be no more than 10% of core Government revenue | Complies | Complies | Complies | Complies |
| (Debt servicing = Interest + other debt servicing expenses + principal repayments for core Government debt, public authorities debt and self-financing loans + or - contributions to / withdrawals from Sinking Fund) | Debt servicing 9.9 % | Debt servicing 9.5 % | Debt servicing 8.2 % | Debt servicing 9.9 % |
| Net Debt: should be no more than 80% of core Government revenue | Complies | Complies | Complies | Complies |
| (Net debt = Outstanding balance of core Government debt + outstanding balance of self-financing loan balance + weighted outstanding balance of statutory authority/Government company guaranteed debt - core Government liquid assets) | Net debt 2.8 % | Net debt 24.3 % | Net debt 36.8 % | Net debt 70.0 % |
| Cash Reserves should be no less than estimated executive expenses for 90 Days | Complies | Complies | Complies | Complies |
| (Cash reserves = Core Government unrestricted cash and general reserves) | Cash reserves 172.7 days | Cash reserves 117.6 days | Cash reserves 101.0 days | Cash reserves 90.1 days |
| Financial risks should be managed prudently so as to minimize risk | Complies* | Complies* | Complies* | Complies* |
| | Insurance cover exists for all Government buildings, vehicles and major potential liabilities. Hurricane Preparedness Strategy in place. | | | |

* Subject to insurability of ReGen Facility

The ratios above were calculated in accordance with the FFR specified in the PMFA.



\$77.4

Million in 2024

Operating Surplus

Throughout the SPS Period (2024 to 2026) the Government is projected to remain in compliance with the requirement to maintain a positive Operating Surplus.

The Operating Surplus of Core Government is forecast to be \$77.4 million in 2024; \$98.2 million in 2025; and \$103.2 million in 2026.



9.5%

2024 Debt Service or Borrowing Ratio

As per the FFR, this measure requires that the EPS Debt Servicing Cost (interest + principal repayments + other debt servicing expenses), be no more than 10% of Core Government revenue.

The Government is forecast to remain compliant throughout the SPS Period: 9.5% in 2024; 8.2% in 2025; and 9.9% in 2026.

\$2.1 bn

2024 Net Worth

The Government is forecast to maintain a positive Net Worth throughout the SPS Period. Net Worth is forecast to be \$2.1 billion at the end of 2024; \$2.2 billion at the end of 2025; and \$2.3 billion at the end of 2026.



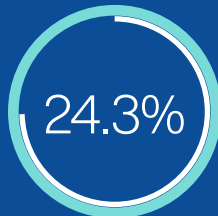
117.6 days



2024 Cash Reserves

The Government is required to achieve and maintain cash reserves (liquid assets) equivalent to at least 90 days of executive expenditures. For the purposes of the cash reserve days calculation, liquid assets are limited to unrestricted operating bank balances and General Reserves. This ratio is calculated at the point in the financial year when cash reserves are expected to be at their lowest point. This point usually occurs in December of each year given the current cycle for revenue inflows.

The Government is forecast to continue compliance throughout the SPS Period. Over the SPS Period unrestricted cash reserves are expected to be 117.6 days of executive expenses in 2024; 101.0 days of executive expenses in 2025; and 90.1 days of executive expenses in 2026.



2024 Net Debt Ratio

The Government is required to maintain a Net Debt balance that is not greater than 80% of Core Government's revenue in a year. For the SPS Period, Net Debt is forecast to remain below this limit, achieving full compliance with this ratio. Net Debt is forecast to be 24.3% in 2024; 36.8% in 2025; and 70.0% in 2026.



\$98.2

Million in 2025

Operating Surplus

Throughout the SPS Period (2024 to 2026) the Government is projected to remain in compliance with the requirement to maintain a positive Operating Surplus.

The Operating Surplus of Core Government is forecast to be \$77.4 million in 2024; \$98.2 million in 2025; and \$103.2 million in 2026.



8.2%

2025 Debt Service or Borrowing Ratio

As per the FFR, this measure requires that the EPS Debt Servicing Cost (interest + principal repayments + other debt servicing expenses), be no more than 10% of Core Government revenue.

The Government is forecast to remain compliant throughout the SPS Period: 9.5% in 2024; 8.2% in 2025; and 9.9% in 2026.

\$2.2 bn

2025 Net Worth

The Government is forecast to maintain a positive Net Worth throughout the SPS Period. Net Worth is forecast to be \$2.1 billion at the end of 2024; \$2.2 billion at the end of 2025; and \$2.3 billion at the end of 2026.



101 days



2025 Cash Reserves

The Government is required to achieve and maintain cash reserves (liquid assets) equivalent to at least 90 days of executive expenditures. For the purposes of the cash reserve days calculation, liquid assets are limited to unrestricted operating bank balances and General Reserves. This ratio is calculated at the point in the financial year when cash reserves are expected to be at their lowest point. This point usually occurs in December of each year given the current cycle for revenue inflows.

The Government is forecast to continue compliance throughout the SPS Period. Over the SPS Period unrestricted cash reserves are expected to be 117.6 days of executive expenses in 2024; 101.0 days of executive expenses in 2025; and 90.1 days of executive expenses in 2026.



2025 Net Debt Ratio

The Government is required to maintain a Net Debt balance that is not greater than 80% of Core Government's revenue in a year. For the SPS Period, Net Debt is forecast to remain below this limit, achieving full compliance with this ratio. Net Debt is forecast to be 24.3% in 2024; 36.8% in 2025; and 70.0% in 2026.



\$103.2

Million in 2026

Operating Surplus

Throughout the SPS Period (2024 to 2026) the Government is projected to remain in compliance with the requirement to maintain a positive Operating Surplus.

The Operating Surplus of Core Government is forecast to be \$77.4 million in 2024; \$98.2 million in 2025; and \$103.2 million in 2026.



9.9%

2026 Debt Service or Borrowing Ratio

As per the FFR, this measure requires that the EPS Debt Servicing Cost (interest + principal repayments + other debt servicing expenses), be no more than 10% of Core Government revenue.

The Government is forecast to remain compliant throughout the SPS Period: 9.5% in 2024; 8.2% in 2025; and 9.9% in 2026.

\$2.3 bn

2026 Net Worth

The Government is forecast to maintain a positive Net Worth throughout the SPS Period. Net Worth is forecast to be \$2.1 billion at the end of 2024; \$2.2 billion at the end of 2025; and \$2.3 billion at the end of 2026.



90.1 days



2026 Cash Reserves

The Government is required to achieve and maintain cash reserves (liquid assets) equivalent to at least 90 days of executive expenditures. For the purposes of the cash reserve days calculation, liquid assets are limited to unrestricted operating bank balances and General Reserves. This ratio is calculated at the point in the financial year when cash reserves are expected to be at their lowest point. This point usually occurs in December of each year given the current cycle for revenue inflows.

The Government is forecast to continue compliance throughout the SPS Period. Over the SPS Period unrestricted cash reserves are expected to be 117.6 days of executive expenses in 2024; 101.0 days of executive expenses in 2025; and 90.1 days of executive expenses in 2026.



2026 Net Debt Ratio

The Government is required to maintain a Net Debt balance that is not greater than 80% of Core Government's revenue in a year. For the SPS Period, Net Debt is forecast to remain below this limit, achieving full compliance with this ratio. Net Debt is forecast to be 24.3% in 2024; 36.8% in 2025; and 70.0% in 2026.

07

Public Sector Debt Profile and Debt Management Strategy

— Core Government Debt Profile. Core Government Debt Portfolio as at 31 March 2023

| Loan | FCIB Loan # 10276203 | FCIB Loan # 10330158 | FCIB Loan # 10331239 | FCIB Loan # 10444245 | BOB 2019 Bond Refinancing | FCIB 2021 Convertible Loan |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------------------------|----------------------------|
| Currency | KYD | KYD | KYD | KYD | KYD | KYD |
| Guaranteed | No | No | No | No | No | No |
| Date of Origin | 26-Oct-07 | 24-Jun-08 | 27-Jun-08 | 19-Apr-11 | 25-Nov-19 | 30-Jun-22 |
| Original Amount | 39,300,000 | 38,000,000 | 52,500,000 | 154,228,978 | 152,238,928 | 330,000,000 |
| Amortised or Bullet | Amortised | Amortised | Amortised | Amortised | Amortised | Amortised |
| Current Balance KYD | 4,584,973 | 5,699,974 | 7,874,965 | 77,114,228 | 137,014,314 | - |
| Annual Principal KYD | 2,620,002 | 2,533,335 | 3,500,003 | 15,422,846 | 10,200,000 | 22,000,000 |
| Interest Rate | 2.67% | 2.71% | 2.71% | 5.44% | 5.44% | 3.25% |
| Maturity Date | 11-Feb-23 | 24-Jul-23 | 24-Jul-23 | 19-Apr-26 | 25-Nov-34 | 30-Jun-37 |
| KYD Balance 31 Dec 2023 | - | - | - | 38,557,114 | 110,795,976 | 303,734,249 |
| KYD Balance 31 Dec 2024 | - | - | - | 23,134,269 | 100,646,726 | 281,215,415 |
| KYD Balance 31 Dec 2025 | - | - | - | 7,711,423 | 90,497,477 | 258,696,581 |
| KYD Balance 31 Dec 2026 | - | - | - | - | 80,348,227 | 236,177,747 |

The Government remains committed to the reduction of debt through regular scheduled principal payments.

— Public Authorities Debt Portfolio as at 31 March 2023

| Loan | C.I. Development Bank | Cayman Airways | National Housing Development Trust |
|-------------------------|-----------------------|------------------|------------------------------------|
| Currency | KYD | KYD | KYD |
| Guaranteed | YES | YES | YES |
| Date of Origin | 29-Jun-15 | 28-Feb-19 | 24-Oct-04 |
| Original Amount | 30,666,691 | 19,833,349 | 12,083,343 |
| Amortised or Bullet | Amortised | Amortised | Amortised |
| Current Balance KYD | 9,999,475 | 16,800,870 | 1,639,858 |
| Annual Principal KYD | 4,076,459 | 2,845,000 | 820,000 |
| Interest Rate | Libor* + 1.125% | US Prime - 1.75% | 5.24% |
| Maturity Date | 30-Jun-23 | 28-Feb-29 | 28-Oct-24 |
| KYD Balance 31 Dec 2023 | - | 15,593,581 | 957,746 |
| KYD Balance 31 Dec 2024 | - | 13,902,545 | 485,063 |
| KYD Balance 31 Dec 2025 | - | 12,104,538 | - |
| KYD Balance 31 Dec 2026 | - | 10,195,634 | - |

*Libor: London Inter-Bank Offered Rate

It is anticipated that SAGCs will not incur any new borrowings during the SPS Period.

— Debt Management Strategy

A robust debt management strategy is a key component of the Government's overall fiscal strategy to comply with the Principles of Responsible Financial Management as set out in the PMFA. The Government plans to introduce a Debt Sinking Fund in 2023. The intent being to set aside a sum in a reserve each year to enable the Government to make

a lump sum payment of \$75.0 million in 2026 towards the repayment of the constructions costs of the proposed ReGen Facility.

The Government expects to make principal repayments of approximately \$215.7 million over the SPS Period. At 31 December 2026, it is forecast that Core Government will have a debt balance of \$641.5 million, inclusive of the financing arrangement for the proposed ReGen Facility. Current negotiations to date indicate \$330.0 million in construction costs for the proposed facility.

— Liability Management Plan

The Government consists of 'Core Government' (Ministries, Portfolios and Offices), plus SAGCs.

The Government is exposed to various contingent liabilities as part of its normal course of business. Contingent liabilities are disclosed when there is a possible obligation or present obligations that may require an outflow of resources.

The main recurring contingent liabilities which have a financial impact for the Government are: Guarantees; Litigation; Post retirement benefits obligations; and Explicit Government Insurance.

— Guarantees

The Government is not currently planning to issue any new guarantees during the SPS period. It currently has outstanding guarantees in respect of:

- debt of SAGCs;
- the Government Guaranteed Home Assistance Mortgage ("GGHAM") programme; and
- the Government Guarantee Loan Programme (GLP) for Medium Size Businesses (MSBs) and Large Size Business (LSBs).

Debt of SAGCs

In accordance with Section 50 of the Financial Regulations (issued under the authority of the PMFA), Government is expected to calculate the portion of the guaranteed debt of SAGCs. This represents at minimum, the Government's immediate level of exposure and, as such, is disclosed as a contingent liability. Guarantees issued by the Government in respect of the debt of SAGCs are reflected in the calculation of the Net Debt ratio, to assess PMFA compliance, at the following rates:

- (a) SAGCs that require an unpredictable level of budgetary support from the Cabinet, are given an 80% weighting;
- (b) SAGCs that are financially stable and require predictable levels of budgetary support are given a 50% weighting; and
- (c) where the SAGC has not required budgetary support during the last three years, a 20% weighting is given.

The GGHAM

The GGHAM programme that is administered by the National Housing Development Trust was introduced on 9 November 2007 and, to date, has helped over 325 households achieve home ownership.

The initial 5-year GGHAM agreement provided approval for \$5.0 million to each of the six participating banks. Due to the high demand for this program, some participating banks reached the maximum lending amounts, which required that additional funding be put in place.

Core Government approved additional funding for this program, through a supplementary agreement to the participating banks.

The current GGHAM approved amount is \$65.0 million; however, this agreement expired in November 2012. To date, the GGHAM drawn balance is approximately \$57.3 million for which, on face value, indicates that Core Government is committed to a contingent liability of approximately \$3.8 million.

The GLP for MSBs and LSBs

Due to the COVID-19 mitigation efforts mandated by the Government in March 2020 which resulted in an immediate and severe reduction in economic activity within the Cayman Islands, on 7 December 2020 the Government entered into an agreement with five participating local banks to guarantee a loan program to offer and provide new credit facilities (NCFs) to qualifying MSBs and LSBs that are under financial duress for the purpose of providing critical working capital, critical capital expenditures and loan restructuring necessary for the economic viability of the eligible borrowers.

The amounts guaranteed by the Government equal 50% of the aggregate of the outstanding principal, unpaid interest and other NCF costs of the eligible borrowers, provided that at no time shall the guaranteed amount exceed \$375,000 for an MSB and \$1,500,000 for an LSB.

Eligible borrowers need to be approved by the respective five local banks under the GLP no later than 30 November 2021 at which time the GLP shall come to an end. The period of repayment for an NCF shall not exceed seven years from the date of execution of the loan.

The Government and the participating banks have agreed that \$200 million shall be the maximum aggregate principal amount made available to eligible borrowers under the GLP. As at 31 December 2022, ten borrowers have been approved for NCF's under the GLP amounting to \$5.6 million.

— Post Retirement Benefit Obligations

Past Service Pension Liability

The Government, through the Public Service Pensions Board, operates both defined benefit and defined contribution pension schemes for Public Servants, Parliamentarians and the Judiciary. These various public service pension plans have varying degrees of past service liabilities based on the contributions to the pension Funds and the accrued length of service of the participants of the various Plans. The overall liability arising from the Plans is recognised in Government's financial statements.

Presently, the Public Service Pensions Board is able to fund all of the monthly pension benefits from its existing resources, and with the regular receipt of monthly pensions contributions from Core Government and other participating Public Sector Entities. This is expected to remain the position over the forecast period.

Post Retirement Healthcare Liability

The Government acknowledges its obligations for the future healthcare costs of Civil Servants (including their dependents) and other parties.

The Public Service Management Act requires that civil servants have a minimum of 10-years' qualifying service with the Cayman Islands Government, and also retire from the Civil Service in order to be entitled to a healthcare benefit upon retirement.

The results of healthcare liability actuarial valuation, completed 31 March 2023, estimated the post retirement healthcare obligation as at 31 December 2022 to be \$2.1 billion with the post retirement medical expense totalling \$169.1 million for the year ended 31 December 2022. The post retirement healthcare obligation and related expenditure have not been formally recognised in the Statements of Financial Position and Performance.

The Government is on a "pay-as-you-go" plan in respect of post retirement healthcare liabilities. Currently, no long-term assets are set aside in respect of the Government's post retirement healthcare liability.

Explicit Government Insurance

Explicit Government insurance occurs when Government agrees to bear the risk and cover the costs if an unforeseen event occurs either by providing an indemnity or by acting as an insurer.

In respect of the proposed ReGen Facility, the Government would act as insurer of last resort for any project risks that cannot be adequately insured by the private sector. Construction of the facility is expected to be completed near the end of the SPS Period.



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— Entity Legend

| | |
|---------------|---|
| AE | Adult Education |
| AOA | Cayman Islands Auditors Oversight Authority |
| CAACI | Civil Aviation Authority Cayman Islands |
| CAB | Cabinet Office |
| CBC | Customs and Border Control |
| CIAA | Cayman Islands Airports Authority |
| CICC | Cayman Islands Cadet Corps |
| CICG | Cayman Islands Coast Guard |
| CIFS | Cayman Islands Fire Service |
| CIGR | Cayman Islands General Registry |
| CIHSA | Cayman Islands Health Services Authority |
| CIPO | Cayman Islands Intellectual Property Office |
| CINA | Cayman Islands National Archives |
| CINICO | Cayman Islands National Insurance Company |
| CIR | Cayman Islands Regiment |
| CPA | Central Planning Authority |
| CSB | Child Safeguarding Board |
| CSC | Civil Service College |
| CSU | Cyber Security Unit |

| | |
|-------------|--|
| CHRC | Caribbean Haven Residential Centre |
| DCI | Department of Commerce & Investments |
| DCR | Department of Community Rehabilitation |
| DCS | Department of Counselling Services |
| DEH | Department of Environmental Health |
| DES | Department of Education Services |
| DHRS | Department of Health Regulatory Services |
| DITC | Department for International Tax Cooperation |
| DLP | Department of Labour and Pensions |
| DOA | Department of Agriculture |
| DOC | Department of Communications |
| DOE | Department of Environment |
| DOP | Department of Planning |
| DOS | Department of Sports |
| DPSC | Department of Public Safety Communications |
| DVDL | Department of Vehicle and Drivers' Licensing |
| ECCE | Early Childhood Care and Education Unit |
| EGOV | E-Government Unit |
| FM | Facilities Management Department |

| | |
|---------------|---|
| GAU | Gender Affairs Unit (Cabinet Office) |
| HMCI | Hazard Management Cayman Islands |
| HMCIPS | Her Majesty's Cayman Islands Prison Service |
| IAS | Internal Audit Service Unit (POCS) |
| IRU | Information Rights Unit (Cabinet Office) |
| LSD | Lands and Survey Department |
| MBCL | Ministry of Border Control and Labour |
| MDAL | Ministry of District Administration and Lands |
| MFSC | Ministry of Financial Services & Commerce |
| MHA | Ministry of Home Affairs |
| MHW | Ministry of Health and Wellness |
| MIISD | Ministry of Investment, Innovation, & Social Development |
| MOE | Ministry of Education |
| MOF | Ministry of Finance and Economic Development |
| MOTP | Ministry of Tourism and Ports |
| MPAHI | Ministry of Planning, Agriculture, Housing and Infrastructure |
| MRCU | Mosquito Research and Control Unit |

| | |
|--------------|---|
| MSCR | Ministry of Sustainability and Climate Resiliency |
| MSU | Management Support Unit (POCS) |
| MYSCH | Ministry of Youth, Sports, Culture & Heritage |
| NHDT | National Housing Development Trust |
| NHT | National Trust for the Cayman Islands |
| NRA | National Roads Authority |
| OCP | Office of the Commissioner of Police |
| ODG | Office of the Deputy Governor |
| POCS | Portfolio of the Civil Service |
| POLA | Portfolio of Legal Affairs |
| PWD | Public Works Department |
| RC | Radio Cayman |
| RCIPS | Royal Cayman Islands Police Service |
| TD | Treasury Department |
| UCCI | University College of the Cayman Islands |
| WORC | Workforce Opportunities and Residency Cayman |
| YSU | Youth Services Unit |



Broad Outcome One

Improve Quality of Life for Caymanians

Specific Outcomes

- 1 Building a modern infrastructure to ensure a successful future for our Islands

- 8 Improving education to promote lifelong learning and greater economic mobility

- 10 Increasing Social Justice in the Workforce

- 12 Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

- 13 Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent

- 14 Protecting the wellbeing of Cayman's youth, so they can achieve their full potential

- 15 Provide affordable housing and create new opportunities to access capital for home ownership

- 16 Providing solutions to improve the wellbeing of our people so they can achieve their full potential

- 17 Strengthening, preserving and enhancing public safety and security in the community

- 19 Supporting climate change resilience and sustainable development

- 20 Utilising sports to enhance the lives of our people



Broad Outcome One | Specific Outcome 1

Building a modern infrastructure to ensure a successful future for our Islands

Responsible Entities: MBCL | CBC | PAHI | MDAL | District Admin | POCS | MSU | DPSC | DOA | MIISD | CIFS | MHA | HMCIPS | DCI | CAACI | MFSC

— Projects

| | |
|---|---|
| 1 | Mitigate Traffic Congestion by the expansion of the East-West Arterial Road, and amend legislation to restrict certain types of vehicles. |
| 2 | Improve essential services in Cayman Brac and Little Cayman such as: <ul style="list-style-type: none">• Construction and maintenance of roads;• Other CIG services (i.e. PWD, Hazard Management, DVES, etc) |
| 3 | MHA procurement of appropriate fire service appliances for the Aviation and Domestic sections across all three Islands. |
| 4 | Continue to maintain the existing facility to support short/medium-term operations and quality service delivery. |
| 5 | Modernise the Liquor License Act to align with other commerce-related legislation. |
| 6 | Consolidate Commerce Legislation: Local Companies Control Licensing/ Trade & Business License (LCCL/TBL) |
| 7 | A safe and highly credible aviation industry in the Cayman Islands so that all persons will have access to safe and reliable air transport for tourism as well as residents for overseas travel for business, leisure and medical. |
| 8 | Contribute to the implementation of the National Energy Policy and achieving renewable energy targets. |

Broad Outcome One | Specific Outcome 8

Improving education to promote lifelong learning and greater economic mobility

Responsible Entities: MHW | DHRS | MOE | WORC | CIFS | MHA | POCS | CSC | ECCE | DES

— Projects

| | |
|---|--|
| 1 | Continue to work with employers to develop accredited postgraduate training opportunities to ensure that sustainable availability of senior Caymanian clinical and allied experts are in the Cayman Islands. |
| 2 | Ensure professionalization, safety and skill development through required trainings and certifications. |

| | |
|---|--|
| 3 | Provide mental health education programmes to reduce stigma and to promote emotional wellbeing among children. |
| 4 | Increase and strengthen early education programmes- Establish an Early Childhood Development Hub. |
| 5 | Strengthen and deliver the Workplace Readiness /TVET initiative at the UCCI. |
| 6 | Improve the provision of learning support services to establish a Key Stage 4 learning support class in CHHS and JGHS. |
| 7 | Provide financial assistance to help working families offset the costs of day care services. |
| 8 | <p>Civil Service:</p> <ul style="list-style-type: none"> Provision of core competency training across the civil service through the provision of on demand and tutor-led learning programmes aligned to the Civil Service core competency framework. Delivery of education programmes, ranging from entry level academic qualifications through post graduate qualifications, to support Civil Servants' career advancement and to attract future talent. Development of leaders and managers ensuring every manager and leader is competent and professionally qualified to international standards aligned to their level of responsibility and accountability. |

Broad Outcome One | Specific Outcome 10

Increasing Social Justice in the Workforce

Responsible Entities: MBCL | WORC | DLP | MOE | RCIPS | CICG | OCP | CAACI | MFSC | CAB | GAU

— Projects

| | |
|---|---|
| 1 | Modernise the Work Permit Regime by rolling out a new fully integrated Online Job Portal that is customer friendly and efficient for Caymanian jobseekers |
| 2 | Improve the quality of life and family cohesiveness through increases in Maternity and family leave provisions. |
| 3 | <p>Modernise Immigration laws:</p> <ul style="list-style-type: none"> Revise the PR points system Amend the criteria for PR and Right to be Caymanian. Implement an Employer Accreditation System for a risk based approach. |
| 4 | Minimum Wage & Pension Contributions: Implement a gradual increase to minimum wage and the level of pension contributions. |
| 5 | Introduce a gender optimization policy within RCIPS. |
| 6 | Implement a gender-neutral approach to ensuring staff optimization within CICG. |
| 7 | Launch a new, improved and modernised CAACI Staff Handbook and Policies Manual with relevant Acts for compliance. |
| 8 | Revise the Gender Equality Act 2011 |
| 9 | Review and modernise the Cayman Islands National Policy on Gender Equity and Equality |

Broad Outcome One | Specific Outcome 12

Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

Responsible Entities: e-GOV | CSD | MISSD | DCI | MFSC

— Projects

| | |
|---|---|
| 1 | Streamline Government transactions, remote application submissions and online payments: Development of an online payment portal for a number of transaction types across key Government services. |
| 2 | Enhance and develop online business licensing services within DCI |

Broad Outcome One | Specific Outcome 13

Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent.

Responsible Entities: MHA | CIFS | CAACI | MFSC

— Projects

| | |
|---|---|
| 1 | Create a robust wellness programme for staff. |
| 2 | Continue support of flexible working arrangements in CAACI, allowing staff to work in a hybrid situation to reduce travel to and from the office, use of resources in the office etc. |
| 3 | Ensure appropriate technical training and professional development for CAACI staff to retain full regulatory delegation from the UK. |

Broad Outcome One | Specific Outcome 14

Protecting the wellbeing of Cayman’s youth, so they can achieve their full potential.

Responsible Entities: POCS | ODG | MSYCH | YSU

— Projects

| | |
|---|---|
| 1 | Implementation of the Cayman Islands Child Safeguarding Board (CICSB) strategy and plan |
| 2 | Research and data collection on gangs and gang culture in the Cayman Islands, to support a targeted response |
| 3 | Promote an active, healthy, physical and mental wellbeing youth population |
| 4 | Provide opportunities for our youth to voice concerns or speak on matters relating to them inclusive of those with disabilities |

Broad Outcome One | Specific Outcome 15

Provide affordable housing and create new opportunities to access capital for home ownership.

Responsible Entities: NHDT | MPAHI

— Projects

| | |
|---|---|
| 1 | Launch Affordable Housing Initiative (AHI) in all districts |
|---|---|

Broad Outcome One | Specific Outcome 16

Providing solutions to improve the wellbeing of our people so they can achieve their full potential

Responsible Entities: MIISD | MHA

— Projects

| | |
|---|--|
| 1 | Create a new Adoption Act. |
| 2 | Regularize the care of residential homes: Create and adopt a policy and procedure manual. |
| 3 | Review and create new standards for the Child Safe-guarding framework to increase responsiveness to trauma. |
| 4 | Public Health (PH) Initiatives: <ul style="list-style-type: none"> • Work towards the elimination of cervical cancer by the comprehensive use of effective Human papillomavirus (HPV) vaccines. • Develop ways of providing comprehensive multidisciplinary care to people with Non Communicable Diseases (NCD). • Develop actionable outcomes based on the STEPS 2023 survey. |
| 5 | Wellness Initiatives: <ul style="list-style-type: none"> • Promote Physical and mental wellness across the 3 Islands • Develop Wellness Parks • Complete and commission of Long-term Mental Health Residential Facility |
| 6 | Health & Wellness: Introduce wellness programs throughout the community catering to the active and health lifestyles of older persons. |
| 7 | Expand clinical services offered within the community to meet the growing demand for mental health support: <ul style="list-style-type: none"> • Parenting programmes, Therapeutic Groups, and School-based workshops in Cayman Brac. • In Grand Cayman, new therapeutic groups for complex mental health needs (including trauma) and programming for parents deemed to be at risk. • Reduced wait times for appointments. |
| 8 | Ensure that prisoners are provided with quality, comprehensive and timely health care consistent with human rights. |

| | |
|----|--|
| 9 | <p>A more holistic approach to treatment and client care across DCS</p> <ul style="list-style-type: none"> • Earlier assessment and stabilization of clients through a comprehensive mental health exam within DCS • Greater emphasis on nutrition planning and diet to support recovery (Farm-to-table approach possible through expanded farm project at CHRC) • Increase in adjunct therapies. |
| 10 | <p>Increase engagement with Community partners to provide:</p> <ul style="list-style-type: none"> • Community based parenting workshops in the Eastern districts of Grand Cayman • Substance misuse and mental health workshops for employers who recognise challenges among their employees. |

Broad Outcome One | Specific Outcome 18

Strengthening, preserving and enhancing public safety and security in the community

Responsible Entities: MIISD | MHA | HMCIPS | DCR | OCP | CICG

— Projects

| | |
|----|--|
| 1 | Create a framework to protect and safeguard vulnerable adults. |
| 2 | Maintain Good Order within the Prison. |
| 3 | Deliver enhanced training across prison services functions. |
| 4 | Enhance working relationships and rehabilitative services across the criminal justice system. Deliver all necessary training and certifications to support service delivery. |
| 5 | Maintain a maritime patrol and response presence around the Islands |
| 6 | Ensure timely maritime search and rescue response up to 100 nautical miles from the Islands. |
| 7 | Reactive deployment to information relating to the smuggling/trafficking of drugs, guns and humans. |
| 8 | Active engagement with communities via social media to highlight maritime safety initiatives, and measures. |
| 9 | In conjunction with Port Authority create Boating Whilst Impaired legislation. |
| 10 | Create legislation addressing anti-social behaviour by persons when within specific maritime recreational areas, or proximity of the coast line. |

Broad Outcome One | Specific Outcome 19

Supporting climate change resilience and sustainable development

Responsible Entities: MHW | DEH | MRCU | MSCR

— Projects

| | |
|---|--|
| 1 | Recycling project to expand the recycling efforts throughout the Islands. |
| 2 | Procure a new DEH Headquarters for administration and the housing of equipment, that is efficient and sustainable. |
| 3 | Install of Solar panels on MRCU buildings in GCM and CYB (renewable energy). |
| 4 | Introduce electric mosquito fogging machines to reduce carbon emission. |
| 5 | Home Energy Efficiency Assistance Programme. |

Broad Outcome One | Specific Outcome 20

Utilising sports to enhance the lives of our people

Responsible Entities: MYSCH | MOE | DOS | MIISD

— Projects

| | |
|---|---|
| 1 | Encourage a culture of fitness in communities through public education campaigns |
| 2 | Promote gender equality in sports |
| 3 | Ensure proper lighting /security at all public sports facilities |
| 4 | Establish public/private partnerships to increase the number of sporting facilities |



Broad Outcome Two

Enhance Competitiveness while Meeting International Standards

Specific Outcomes

- 4 Enhance the entrepreneurial environment for micro/small businesses in the Cayman Islands
- 5 Ensuring an equitable, sustainable, and successful healthcare system
- 7 Improve our tourism, as an industry, product and economic driver for our Islands
- 8 Improving education to promote lifelong learning and greater economic mobility
- 9 Increase the positive sentiments and trust of the Cayman Islands as a Global Business Jurisdiction
- 11 Maintain market/commercial leading edge in financial, maritime and aviation services.
- 12 Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure
- 13 Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent
- 16 Providing solutions to improve the wellbeing of our people so they can achieve their full potential
- 17 Strengthening good governance for more effective Government
- 20 Utilising sports to enhance the lives of our people



Broad Outcome Two | Specific Outcome 4

Enhance the entrepreneurial environment for micro/small businesses in the Cayman Islands

Responsible Entities: CICBD | MISSD | MOTP

— Projects

| | |
|---|---|
| 1 | Enhance Cayman's entrepreneurial environment through the development of the following: <ul style="list-style-type: none">• Micro/Small Business Policy• "Think Small First" Programme• Seed Funding Framework |
|---|---|

Broad Outcome Two | Specific Outcome 5

Ensuring an equitable, sustainable, and successful healthcare system

Responsible Entities: MHW | DHRS | CINICO

— Projects

| | |
|---|--|
| 1 | Partner with CINICO to encourage all major healthcare providers to seek accreditation from appropriate external quality assurance bodies |
|---|--|

Broad Outcome Two | Specific Outcome 6

Improve our financial services as an industry, product and economic driver for our Islands

Responsible Entities: MFSC | CAACI

— Projects

| | |
|---|---|
| 1 | Provide a sustainable asset management option for the jurisdiction that has affinity with the financial services sector and provides sustainable revenues to support the CAACI as the aviation regulator for safety and economic oversight. |
| 2 | Operate the Cayman Islands Aircraft Registry (CIAR) to best practise standards for compliance and service. |
| 3 | Ensure compliance with the ICAO SARPs as a UK OT, which helps establish credibility for sustainability of the CIAR and maintains full delegation for safety and economic oversight. |

Broad Outcome Two | Specific Outcome 7

Improve our tourism, as an industry, product and economic driver for our Islands

Responsible Entities: DOT | MOTP | CAACI | MFSC

— Projects

| | |
|----|---|
| 1 | Promote and grow sports and event tourism |
| 2 | Expand into emerging and secondary tourism markets |
| 3 | Market to high-net worth visitors |
| 4 | Promote Cayman Brac and Little Cayman |
| 5 | Expand Cayman Airways routes |
| 6 | Diversify tourism product with greater eco-tourism focus |
| 7 | Reimagine cruise tourism |
| 8 | Safety regulatory oversight of the aerodromes to a credible level meeting internationally mandated standards supports the growing tourism sector. |
| 9 | Gather the necessary information so that informed decisions can be made about moving or expanding the cargo port before it reaches its full capacity in 7-10 years. |
| 10 | Attract new screen production business to the Islands, leveraging growing external interest, and providing valuable economic impact. |
| 11 | Create a fund for small/micro tourism businesses development. |

Broad Outcome Two | Specific Outcome 8

Improving education to promote lifelong learning and greater economic mobility

Responsible Entities: MOE | UCCI

— Projects

| | |
|---|--|
| 1 | Strengthen governance at UCCI by improving the Finance, administrative and procurement functions to address issues identified recent audit reviews. |
| 2 | Alignment with international standards for the delivery of teaching at similar institutions/(accreditation) at UCCI by strengthening the teaching and learning capacity. |

Broad Outcome Two | Specific Outcome 9

Increase the positive sentiments and trust of the Cayman Islands as a Global Business Jurisdiction

Responsible Entities: EGOV | CS | CSD | MISSD | CAB | DOC

— Projects

| | |
|---|---|
| 1 | Develop National ID cards to ICAO standards (International Civil Aviation Organization) |
| 2 | Develop Government IT networks to international best practice standards [MISSD] |
| 3 | Implement a Cayman Islands Global Reputation Strategy |

Broad Outcome Two | Specific Outcome 11

Maintain market/commercial leading edge in financial, maritime and aviation services

Responsible Entities: MFSC

— Projects

| | |
|---|---|
| 1 | <p>MFSC initiatives:</p> <ul style="list-style-type: none"> • Sustainable Finance -ESG Framework • Powers of Attorney • Review of Trusts perpetuities period • Exempted Limited partnership • Ministerial Roundtable / Updates • Financial Services Conference • Establish Asia Office |
|---|---|

Broad Outcome Two | Specific Outcome 12

Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

Responsible Entities: MFSC | CIMA

— Projects

| | |
|---|---|
| 1 | Streamline the licensing framework for local businesses: Commerce framework reform |
| 2 | Enhance local intellectual property registration: Enhancement of IP Legislative Framework |
| 3 | Conduct a technological position audit/review within CIMA. Develop and implement an action plan for the deployment of identified technological tools. |

Broad Outcome Two | Specific Outcome 16

Providing solutions to improve the wellbeing of our people so they can achieve their full potential

Responsible Entities: MIISD

— Projects

| | |
|---|---|
| 1 | Develop the framework, policies and procedures for children not to be sexually exploited or abused by creating a national standard which is in alignment with the Lanzarote Convention. |
| 2 | Provide the framework for adoptions and child traffic concerns through the modernization of the adoption process to align with international standards such as the Hague Convention. |

Broad Outcome Two | Specific Outcome 17

Strengthening good governance for more effective Government

Responsible Entities: MFSC | GR | DCI | DITC | AOA | CIMA

— Projects

| | |
|---|---|
| 1 | <p>Positive assessments on OECD and Global Forum international tax cooperation reviews:</p> <ul style="list-style-type: none"> • Access to financial information. • Compliance & Enforcement - IT aspects • Implementation of Economic Substance - Partnerships • Implementation of OECD Pillar 1 & 2 • Implementation of Mandatory Disclosure Rules (MDR) • Implementation of revisions to Common Reporting Standard (CRS) • Re-launch Country-by-Country Reporting (CbCR) on DITC Portal • Implementation of revisions to Country-by Country Reporting (CbCR) • Implementation of Crypto Asset Reporting Framework |
| 2 | <p>Positive assessment on FATF 5th Round Review</p> <ul style="list-style-type: none"> • Review of the NPO Act • Risk Assessment of the NPO sector • Assessment of Liquidators Framework • Nominee Shareholders • Foreign Companies & Foreign Limited Partnerships • Beneficial Ownership Access • Trustee Registration • FATF 5th Round Preparations • Church's Incorporation • Enhance the regulatory IT system (Case Management software) to become more effective in monitoring DNFBPs • Conduct self-assessment against the revised FATF standards • Develop and implement and Action Plan to address gaps and enhance supervisory practices |

| | |
|---|---|
| 3 | <p>Improve oversight of the audit profession in accordance with trends in international standards:</p> <ul style="list-style-type: none"> • Completion of review of AOA remit; implementation of enhanced system of oversight • Operation of Registration and Oversight Functions Under the Auditors Oversight Act • Maintaining Relationships with Key Cayman Islands Based Stakeholders • Maintain membership of and participation in the International Forum of Independent Audit Regulators (“IFIAR”) |
| 4 | <p>Proactive, sustainable and effective financial services regulation to promote new financial services products/models and enable the existing business models to thrive</p> <ul style="list-style-type: none"> • Develop supervisory frameworks for Reinsurance Business and Virtual Asset Service Providers • Support/promote harmonisation of legislative and regulatory obligations |

Broad Outcome Two | Specific Outcome 20

Utilising sports to enhance the lives of our people

Responsible Entities: MYSCH | DOS

— Projects

| | |
|---|--|
| 1 | Set-up criteria to determine national focus sports, and their resourcing needs |
|---|--|



Broad Outcome Three

Future Proof to Increase Resiliency

Specific Outcomes

- 1 Building a modern infrastructure to ensure a successful future for our Islands
- 2 Create and encourage further diversity in the Cayman Islands economy
- 4 Enhance the entrepreneurial environment for micro/small business in the Cayman Islands
- 5 Ensuring an equitable, sustainable, and successful healthcare system
- 7 Improve our tourism, as an industry, product and economic driver for our Islands
- 8 Improving education to promote lifelong learning and greater economic mobility
- 11 Maintain market/commercial leading edge in financial, maritime and aviation services
- 12 Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure
- 13 Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent
- 14 Protecting the wellbeing of Cayman’s youth, so they can achieve their full potential
- 16 Providing solutions to improve the wellbeing of our people so they can achieve their full potential
- 17 Strengthening good governance for more effective Government
- 18 Strengthening, preserving and enhancing public safety and security in the community
- 19 Supporting climate change resilience and sustainable development
- 20 Utilising sports to enhance the lives of our people



Broad Outcome Three | Specific Outcome 1

Building a modern infrastructure to ensure a successful future for our Islands

Responsible Entities: CICBD | MIISD | MDAL | PLA | NHDT | PAHI | DOA | DOP | MHA | DPSC | CIGG | OCP | CAACI | MFSC

— Projects

| | |
|----|--|
| 1 | Draw plans for Sunrise Facility for disabled adults. |
| 2 | Increasing CIG land ownership to facilitate future needs of the Cayman Islands with the purchase of: <ul style="list-style-type: none"> • Beach land • Land for the Cayman Islands Central Park • Land for future Government purposes. |
| 3 | The Judicial Administration continued renovation of physical court infrastructure and possible acquisition of additional real estate to expand the plant. |
| 4 | Construct a new general aviation terminal and runway extension at Owen Roberts International Airport |
| 5 | Improve ports of entry to enhance visitor experience |
| 6 | Improve infrastructure in the Eastern Districts |
| 7 | Implement the Cayman Islands Food and Nutrition Security Policy (CIFNSP) 2022-2035 |
| 8 | Support and/or guide the initiatives designed by the Ministry via Planning law amendments |
| 9 | To review and action requested amendments to Planning laws and policies to allow for: <ul style="list-style-type: none"> • Habitable rooftops • 10% addition without planning permission • Change in building heights • Change in zoning • Change in parking requirements • George Town revitalization (urban initiatives) |
| 10 | Integrated Solid Waste Management System / ReGen project |
| 11 | Technology upgrades to manage the use of and ensure the readiness of emergency telecommunications towers, the public safety radio communications network, and the offender monitoring programme. |
| 12 | Acquisition of a fit for purpose medium size, multi mission, patrol and response vessel for use between Islands, to address increase in illicit maritime activity and maritime safety concerns. |
| 13 | Continued regulatory oversight of the aerodromes in the jurisdiction to support the economic development and connectivity of the island/jurisdiction |
| 14 | Strongly encourage the development of the aerodrome on Little Cayman to a standard that meets compliance for certification (commercial ops) |

Broad Outcome Three | Specific Outcome 2

Create and encourage further diversity in the Cayman Islands economy

Responsible Entities: CICBD | MISSD

— Projects

1

Develop projects and services that will encourage diversity such as:

- “Grow Your Business” programme
- Business development and counseling services

Broad Outcome Three | Specific Outcome 4

Enhance the entrepreneurial environment for micro/small business in the Cayman Islands

Responsible Entities: DOT | MOTP

— Projects

1

Retain and support business development opportunities for future economic growth and job creation.

Broad Outcome Three | Specific Outcome 5

Ensuring an equitable, sustainable, and successful healthcare system

Responsible Entities: MHW

— Projects

1

Comprehensive review and update of the National Strategic Health Policy

Broad Outcome Three | Specific Outcome 7

Improve our tourism, as an industry, product and economic driver for our Islands

Responsible Entities: DOT | MOTP | TAB

— Projects

| | |
|---|--|
| 1 | Protect, preserve, and enhance built and natural tourism assets for future generations |
| 2 | Protecting our communities and providing support for our aviation and tourism industries |

Broad Outcome Three | Specific Outcome 8

Improving education to promote lifelong learning and greater economic mobility

Responsible Entities: DOT | MOTP | MOE | ECCE | CICG | OCP

— Projects

| | |
|---|---|
| 1 | Expand and enhance the current national tourism education strategy |
| 2 | Prospect Primary School expansion |
| 3 | Build a new Edna Moyle Primary School. |
| 4 | Build the fourth academy at Clifton Hunter High School. |
| 5 | Increase and strengthen early education programmes: establish a nursery at East End Primary School and Edna Moyle Primary School. |
| 6 | Free tertiary education for Caymanians at University College of the Cayman Islands (UCCI) and International College of the Cayman Islands (ICCI). |
| 7 | Provide training to officers that is internationally recognised and accredited. |

Broad Outcome Three | Specific Outcome 12

Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

Responsible Entities: CICBD | MIISD | RCIPS | OCP | DCI | MFSC

— Projects

| | |
|---|---|
| 1 | Develop IT redundancy by establishing decentralized remote data storage options specifically with a Cayman Brac Data Center operationalization. |
| 2 | Across all Islands, continue to develop IT network resiliency with decentralized database management. Reduce datasets to essential information under that entity's remit with the necessary reference links. Improve IT architecture, storage options and management. |
| 3 | Enhance the RCIPS Records Management System. |
| 4 | Upgrade the RCIPS digital fingerprint collection and recording software and hardware. |
| 5 | Expansion of the RCIPS digital forensic hub in 2024-2026 to support data recovery and cybercrime investigations. |
| 6 | Streamline the licensing framework for local businesses: Procure a newly built for purpose IT system that will enable better service delivery for business licenses |

Broad Outcome Three | Specific Outcome 13

Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent

Responsible Entities: MFSC

— Projects

| | |
|---|--|
| 1 | Introduce Outcome-based Budgeting |
| 2 | Introduce Talent Management Framework |
| 3 | Enhance Records & Information Management Framework |

Broad Outcome Three | Specific Outcome 14

Protecting the wellbeing of Cayman’s youth, so they can achieve their full potential

Responsible Entities: MYSCH | YSU | MIISD

— Projects

| | |
|---|---|
| 1 | Provide grant opportunities for Youth |
| 2 | Monitoring of youth organisations to ensure vibrant programming and safeguarding practices/policies are in place for all youth related organisations. |
| 3 | Cross ministerial and interagency collaboration and coordination on youth related issues. |
| 4 | Development of a National Policy and implementation plan for Youth. |

Broad Outcome Three | Specific Outcome 16

Providing solutions to improve the wellbeing of our people so they can achieve their full potential

Responsible Entities: PAHI | DVDL | POLA

— Projects

| | |
|---|--|
| 1 | <p>Traffic law amendments to support and/or guide the initiatives designed by the MPAHI. Review and action requested amendments to laws and policies:</p> <ul style="list-style-type: none"> • Change UK reciprocity • Ability for Caymanians to change their foreign license • Geneva Convention update • Emergency light/blue light • Update ticketable offences to address the license plate issues • Regulations: disabled plates and disabled vehicles (invalid carriage) • Categorisation • Safety standards |
| 2 | Supporting the growth of the agricultural sector in the Cayman Islands. |

Broad Outcome Three | Specific Outcome 17

Strengthening good governance for more effective Government

Responsible Entities: DVDL | NRA | MSU | POCS | MYSCH | CICG | OCP | MFSC | GR

— Projects

| | |
|---|--|
| 1 | Encourage an inclusive and cohesive DVDL team with high levels of engagement and participation (employee and stakeholder) |
| 2 | Enable the NRA to make data-driven decisions through data collection initiatives |
| 3 | Facilitate CIG's Vision to Become A World-Class Civil Service in order to deliver good value to the people of the Cayman Islands by implementing the Civil Service Strategy refresh (2023-2024) focused on Accountability at all levels of the system to deliver excellent Customer Experience, Leadership, Talent Development, Communications and Governance. |
| 4 | Cross ministerial approach to the inclusion of matters which affect Cayman Culture |
| 5 | Positive assessment on FATF 5th Round Review <ul style="list-style-type: none"> Implementation of an Enterprise Risk Framework |

Broad Outcome Three | Specific Outcome 18

Strengthening, preserving and enhancing public safety and security in the community

Responsible Entities: MSCR | DPSC | MHA | OCP | RCIPS | CICG

— Projects

| | |
|---|---|
| 1 | Protect our communities using a multi-hazard approach |
| 2 | Provide medical/emergency alert devices to monitor older persons in the community. |
| 3 | Introduce Body Worn Camera across RCIPS. |
| 4 | To reduce deaths and serious bodily harm CICG will: <ul style="list-style-type: none"> Actively engage with communities via social media to highlight maritime safety and offer safety advice. Provide a maritime patrol and response capability covering out to 100 Nautical Miles of the Islands. |

Broad Outcome Three | Specific Outcome 19

Supporting climate change resilience and sustainable development

Responsible Entities: MSCR | RCIPS | OCP | CAACI | MFSC

— Projects

| | |
|---|---|
| 1 | Development and implementation of a Climate Change Policy |
| 2 | National Energy Policy Implementation |
| 3 | Cayman Islands National Weather Service Headquarter (completion in 2024) |
| 4 | Facilitate responsible management and sustainable use of the natural environment and the natural resources of the Cayman Islands |
| 5 | Modernise the fleet of vehicles in 2023-2026 to reduce carbon footprint through the procurement of hybrid, low carbon emission vehicles by purchase of fit for purpose police patrol vehicles in 2024-2026. |
| 6 | Install of solar panels as alternative energy source to new CAACI building |

Broad Outcome Three | Specific Outcome 20

Utilising sports to enhance the lives of our people

Responsible Entities: MYSCH | DOS

— Projects

| | |
|---|--|
| 1 | Mandate that all sporting organisations seeking funds from Government have vibrant/established youth programmes. |
| 2 | Development of a National Policy and implementation plan for Sports. |



Broad Outcome Four

Modernise Government to Improve Public Sector Performance

Specific Outcomes

- 5 Ensuring an equitable, sustainable, and successful healthcare system

- 8 Improving education to promote lifelong learning and greater economic mobility

- 9 Increase the positive sentiments of the Cayman Islands as a Global Business Jurisdiction

- 12 Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

- 13 Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent

- 17 Strengthening good governance for more effective Government

- 18 Strengthening, preserving, and enhancing public safety and security in the community



Broad Outcome Four | Specific Outcome 5

Ensuring an equitable, sustainable, and successful healthcare system

Responsible Entities: MHW | DHRS | DEH | MFED | CINICO

— Projects

| | |
|---|--|
| 1 | Health Practice Act and Regulations <ul style="list-style-type: none">Clarify a number of controversial issuesDifferent standards of registrationOwnership and oversight of registered businessesConditions pertaining to clinical researchMedical tourism |
| 2 | Pharmacy Act and Regulations <ul style="list-style-type: none">Setting out legislative changes to allow a wider range of help professional to offer medicines and direct medical services. For example, direct clinical and dispensing medicine by pharmacists. |
| 3 | Health Insurance Act and Regulations <ul style="list-style-type: none">Evaluation of the current health insurance systems to see if they deliver fair and equitable access, especially to those in most need. |
| 4 | Public Health Act and Environmental Health Act <ul style="list-style-type: none">To bring forward proposals to develop current PH legislation giving separate identity to the PHEH Act and introducing a secure framework for the regulation of waste. |
| 5 | Support the expansion plans of CINICO |

Broad Outcome Four | Specific Outcome 8

Improving education to promote lifelong learning and greater economic mobility

Responsible Entities: CICG | OCP

— Projects

| | |
|---|--|
| 1 | Professional Development of Caymanians in both the Commissioned & Non-Commissioned officers ranks CICG. |
| 2 | Provide training and exposure to CICG officers at institutions that are internationally recognised and accredited. |

Broad Outcome Four | Specific Outcome 9

Increase the positive sentiments of the Cayman Islands as a Global Business Jurisdiction

Responsible Entities: InvestCayman | MIISD

— Projects

| | |
|---|--|
| 1 | <p>Improve public/private sector collaboration in the delivery of projects for the betterment of the Cayman Islands:</p> <ul style="list-style-type: none"> • Point of contact and project support services • Facilitate private investment opportunities that deliver funding for appropriate Government projects |
|---|--|

Broad Outcome Four | Specific Outcome 12

Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

Responsible Entities: EGOV | CSD | CS | MISSD | MDAL | DA | L&S | RCIPS | CICG | OCP | MOF
CAB | DOC

— Projects

| | |
|----|---|
| 1 | Create an online portal that supports the financial assistance application process |
| 2 | Commence the National ID Register and ID Card Acts and develop regulations to operationalize remote identity validation and single stage submissions |
| 3 | Improving online user experiences by designing Government websites primarily from the customers' viewpoint |
| 4 | Implement an online content management system within core Government that allows all levels of civil servants to manage and timely update information that is for public consumption. |
| 5 | Developing cloud storage options for relevant services to expedite online application submissions. |
| 6 | Develop policies, procedures and customer service standards for each office within MDAL to ensure an improvement in documentation, processes, procedures, and customer service standards. |
| 7 | Enhance RCIPS communication and social media presence to provide timely crime prevention advice, and general awareness of crime trends and emerging problem areas. |
| 8 | Active engagement with communities via social media to highlight maritime safety, and offer safety advice. |
| 9 | Conduct a business process reengineering exercise to ensure that activity being conducted are addressing community concerns and international obligations. |
| 10 | Implementing an e-Cabinet platform |
| 11 | Revising the Gazette publication process |
| 12 | Enhance the broadcast capabilities of Radio Cayman to include video and digital production |

Broad Outcome Four | Specific Outcome 13

Positioning the Public Service as an “Employer of choice” to attract and retain world-class talent

Responsible Entities: EGOV | CSD | POCS | RCIPS | OCP | CIMA | MFSC | CAB

— Projects

| | |
|---|---|
| 1 | Enhance application and workflow process to improve employee experiences. |
| 2 | Expand CIG's use of technology to enhance the full range of talent management activities. |
| 3 | Provide opportunities for officers to gain training and experience by working with regional & international counterparts. |
| 4 | Secondment of overseas officers with specialist skill sets to provide training and mentorship to Caymanian officers identified as having high potential to advance within specialist units. |
| 5 | Secondment of uniformed branches senior officers within CIG and SAGC to gain experience/exposure in the areas of leadership and management at the Ministry and HoD level. |
| 6 | Streamline operational structure of CIMA |
| 7 | Build CIMA human resource capacity |
| 8 | Facilitate technical training for policy practitioners across the public service |

Broad Outcome Four | Specific Outcome 17

Strengthening good governance for more effective Government

Responsible Entities: PAHI | DOA | NRA | MFED | Treasury | POCS | IAS | CINA | ODG | CIMA | GR | MFSC | DOC | CAB

— Projects

| | |
|---|--|
| 1 | <p>Deliver the legislative agenda to benefit the agriculture sector</p> <ul style="list-style-type: none"> • Plant Protection Act • Pesticide Control Act (and associated Regulations) • Animals Act • Veterinary Act • Agriculture Act |
| 2 | Develop a communication plan (data collection, website -digitization) to improve data and technology and foster innovation, improve customer experience, and reduce manual input in processes |
| 3 | Ensuring the legislative framework is in place to help design and deliver specific projects and to effectively execute statutory requirements of the NRA including corporate governance, land acquisition, road design, encroachments and other regulatory functions. |

| | |
|----|---|
| 4 | <p>Internal Audit Service initiatives:</p> <ul style="list-style-type: none"> • Refresh the IA methodology to align with evolving international standards; • Restructure the IAS team; • Develop existing team skills and career pathways; • Embed a talent pipeline for the IA service. • Drive the IAS work plan toward areas of greatest risk; • Use data analysis to direct IAS work and assignment testing; • Support embedded data collection in key systems (My-Vista). • Provide regular insight reports to DG and Chief Officers, including pro-active action tracking details. • Work with DGs Office to recruit a Chief Risk Officer. • Support the embedding of RM practices. • Develop and assurance approach aligned to risk that drives the IA future plans. • Revise IAS reports aligned to risk assurance approach in CIG. |
| 5 | <p>Cayman Islands National Archive initiatives</p> <ul style="list-style-type: none"> • Deliver streamlined RIM resources (templates, guidance, factsheets, training) for increased visibility and uptake of agency development/implementation of operational disposal schedules. • Develop and release guidance, factsheets and training for electronic records management. |
| 6 | <p>Implement Government Communications Strategy and Framework</p> |
| 7 | <p>MFSC initiatives:</p> <ul style="list-style-type: none"> • Maintain competitive edge: <ul style="list-style-type: none"> • Companies Wave 2 • Conversion of Trust Records • MFSC+ Internet Website Redesign • Digital registration of vital events records which support interconnectivity with the National ID System: <ul style="list-style-type: none"> • New Marriage System • Civil Partnership Module • Modernise Registry systems with interconnected technology: • New Merger Module • I2 Data Analytics • GRSS Re-design • Service Desk Customization Project • Increase public outreach and education to ensure the value of CIMA and its operations are well understood: Develop and apply public education strategies • Enhance local intellectual property registration: WIPO IPAS Office Suite (IT System) |
| 8 | <p>Creating a department where customers are consistently satisfied with the services offered and look forward to doing business with us per DVDL strategic plan 2023-2025.</p> |
| 9 | <p>Develop NRA specific public communications plan to address issues, needs and solutions, and to ensure that the project stakeholders and the general public are appropriately informed and/or consulted on various project activities along with potential impacts.</p> |
| 10 | <p>MFED undertaking the Budget and Reporting Modernisation within Government</p> |

| | |
|----|--|
| 11 | Implementation of a new policy framework to govern decision-making relating to the remuneration of persons appointed to public bodies, including boards, committees, councils. |
| 12 | Develop Enterprise Risk Management Policy for CIG; provide training and support to embed effective risk management within CIG. |
| 13 | Governance Training and Support for SAGCs |

Broad Outcome Four | Specific Outcome 18

Strengthening, preserving, and enhancing public safety and security in the community

Responsible Entities: MHW | DHRS | HMCI | MRCU | OCP | RCIPS

— Projects

| | |
|---|---|
| 1 | Health and Safety Standard · Hazardous Materials (safeguarding) |
| 2 | Policy Review to propose a method of controlling nuisance insects and disease vectors to ensure control of chikungunya, dengue and zika, accounting for the minimization of environmental/ecosystem impacts |
| 3 | Modernisation of existing laws and regulations |
| 4 | Conduct Business Process Reengineering exercise within the RCIPS to ensure that current service delivery model meets community demands, and international requirements. |
| 5 | Establish a multi-agency training & development unit that can be used by all CI Law Enforcement Departments. |



Broad Outcome Five

Protect and Promote Caymanian Culture, Heritage and Identity

Specific Outcomes

- 3** Cultivate civic and national pride

- 8** Improving education to promote lifelong learning and greater economic mobility

- 12** Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

- 14** Protecting the wellbeing of Cayman's youth so they can achieve their full potential

- 16** Providing solutions to improve the wellbeing of our people so they can achieve their full potential

- 18** Strengthening, preserving and enhancing public safety and security in the community

- 20** Utilising sports to enhance the lives of our people



Broad Outcome Five | Specific Outcome 3

Cultivate civic and national pride

Responsible Entities: PAHI | MHW | MDAL | FSC | POCS | CINA | CICG | OCP

— Projects

| | |
|---|---|
| 1 | Improving physical beauty and aesthetics of our communities through the following initiatives: <ul style="list-style-type: none"> Stronger enforcement of existing laws Amendment of laws Reducing litter Develop Policy and Design/Style guide that adopts Caymanian architecture in Government buildings. Develop and implement a programme that will train and employ Caymanians in the field of landscaping. |
| 2 | Strengthen digitisation methodology for preservation and all-inclusive access to the Cayman Islands' documentary heritage for current and future generations. |
| 3 | Advocacy for policy change in the area of retrieving, retaining, and maintaining historical and cultural artifacts, traditions and site |
| 4 | Adopt a multidisciplinary approach across all sectors: participate and provide feedback on policy and programming initiatives recognizing that culture and heritage crosses all sectors. |
| 5 | Actively engage with Seafarers Association to recognise historic contribution. |

Broad Outcome Five | Specific Outcome 8

Improving education to promote lifelong learning and greater economic mobility

Responsible Entities: DOT | MOTP | MOE | ECCE | CICG | OCP

— Projects

| | |
|---|---|
| 1 | School curriculum includes courses/school programmes and extra-curricular activities which promote and provide exposure to Caymanian Culture and Heritage |
| 2 | Library programmes to promote and provide exposure to Caymanian Culture and Heritage |
| 3 | Professional Development of Caymanians in both the Commissioned & Non-Commissioned officers ranks CICG. |
| 4 | Promote international maritime career opportunities within various academic institutions. |
| 5 | Partnership with the CICC to develop their existing sea detachment to ensure that graduates are equipped to transition into CICG should they so desire. |

Broad Outcome Five | Specific Outcome 12

Modernise Business Processes and Enhance Information Technology Platforms and Infrastructure

Responsible Entities: CICC | MHA | CIIPO | GR | MFSC

— Projects

| | |
|---|---|
| 1 | Enhance working relationships and linkages with the Cayman Island Regiment, the Coast Guard and other uniformed branches of Government to establish a single source for shared resources. |
| 2 | Digital registration of vital events records which support interconnectivity with the National ID System: <ul style="list-style-type: none">• Online access to Public Records |
| 3 | Enhance local intellectual property registration: <ul style="list-style-type: none">• Patents Registration and the PCT Treaty• Direct Registration of Designs |

Broad Outcome Five | Specific Outcome 14

Protecting the wellbeing of Cayman's youth so they can achieve their full potential

Responsible Entities: MHA | CIR | CICC | CICG

— Projects

| | |
|---|--|
| 1 | Encourage a culture of discipline in more young people to stimulate them using military discipline, skills, values and ceremonial protocols. |
|---|--|

Broad Outcome Five | Specific Outcome 16

Providing solutions to improve the wellbeing of our people so they can achieve their full potential

Responsible Entities: MHW

— Projects

| | |
|---|---|
| 1 | Public Health to partner with related NGOs to promote public awareness within the community in regards to aging and disabilities in the preservation of culture |
|---|---|

Broad Outcome Five | Specific Outcome 18

Strengthening, preserving and enhancing public safety and security in the community

Responsible Entities: CICC | MHA | CICG | OCP

— Projects

| | |
|---|---|
| 1 | Support to NEOC and other CIG entities with support capacity during major incidents or when needed. |
| 2 | Acquisition of a fit for purpose, medium size multi mission patrol and response vessel for use between the Sister Islands, to address increase in illicit maritime activity and maritime safety concerns. |

Broad Outcome Five | Specific Outcome 20

Utilising sports to enhance the lives of our people

Responsible Entities: MYSCH | DOS | MOE

— Projects

| | |
|---|---|
| 1 | Encourage Caymanian and non-Caymanian integration in sports |
|---|---|

