



OFFICE OF THE
PREMIER
CAYMAN ISLANDS GOVERNMENT

Chamber Legislative Lunch remarks
By Premier Hon. G. Wayne Panton, MP, JP
12 p.m., Thursday, 8 July, 2021
Kimpton Seafire

Good afternoon everyone,

Thank you Wil for establishing protocol.

Before I get started I have to offer apologies for Minister Hon. Bernie Bush who had a previous Ministerial engagement today.

On behalf of the Members of Parliament who make up the Government, it is my pleasure to address the Chamber of Commerce today at what has become a well-attended business event. For those of you listening or viewing remotely, thank you for your interest and attention.

And thank you President Mike and CEO Wil for the invitation.

Over the past 16 months, we have been on a remarkable journey as a people and a community. Many of us faced periods of great uncertainty as we worried about keeping ourselves and our loved ones safe from COVID-19. Travel restrictions kept us separated from family and friends, we adopted social distancing, we adjusted to wearing face masks and, through restrictions on gatherings, and we were prevented from supporting each other at weddings, birthdays and funerals.

And some of you had to face the frightening peril of losing your life's work – your businesses and companies. You struggled to support employees both here and overseas. You adjusted, innovated, created, and drew on the very ingenuity and drive that made you an entrepreneur in the first place.

Some of you had to take out loans or sell assets to keep your businesses afloat; others ran skeletal teams and some, the unfortunate ones, were forced to close the doors of your businesses. This Government would like to pay tribute to the business community for your collective efforts to keep persons employed, keep your doors open and to maintain your confidence in the Cayman Islands as you rallied around various community groups to help the most vulnerable and disadvantaged.

During the past 16 months there have been many private sector examples of generosity, service, sacrifice and resilience - too numerous to list - but this Government applauds you for helping to keep our economy buoyant and confidence in the jurisdiction at an all-time high. Our collective commitment as a community to put people first, and the private sector's adherence to the myriad COVID regulations meant that we are one of the few countries in the world that has effectively contained COVID-19, making the Cayman Islands one of the most attractive places to visit, to work and to live.

Despite the sacrifice and resilience of the private sector, we couldn't ignore the fact that COVID-19 lay bare the fragility of our social constructs, nor could we ignore the deep fissures in health care coverage while some of our social support systems cracked under the volume of new clients. The pandemic magnified the dramatic inequalities that had lay hidden underneath the statistics of record-breaking economic growth and opulent prosperity. The pandemic exposed the two parallel realities that were both Cayman.

So, ladies and gentlemen, it was against this backdrop that I resolved to stand for election and in the course of campaigning, witnessed firsthand the passion, grit and determination of the individuals who would later become my colleagues in forming a new Government. Despite all that has been said, at the time we were forming the Government and in the two and half months since, I am proud to say that the Ministers and Parliamentary Secretaries and I are all strongly aligned on our purpose, our vision for a better Cayman and our values.

(SLIDE 2) PACT VISION

We are here to responsibly improve the quality of life for this and future generations of Caymanians.

Broadly speaking, our vision is of a *Cayman Islands that is held up as one of the most sustainable countries in the world, a trio of islands where ALL its citizens can thrive; a peaceful and prosperous place known for its resourcefulness, its diligence, its excellence, and its innovativeness.*

The MPs and I who form the Government are, on the face of it, a diverse and disparate group, each from different industries bringing different perspectives. Yet, we are in unanimous agreement about the values that will guide our decision making - the four values that make up the PACT acronym: People-driven, Accountable, Competent and Transparent.

Each member of my Government has pledged to be driven by, and held accountable to, these guiding values when making individual and collective decisions for the people of the Cayman Islands. These values constantly come into play whether we are discussing education, new technologies, healthcare, the elderly and the indigent; all facets of Government and life.

We need a new way of doing things that will give us new opportunities for our people to succeed. The current model has some broken parts. We need to change how business is done.

On the campaign trail we spoke independently, but once we formed the Government we came together to find that we essentially wanted many of the same better outcomes for the citizens of this country.

People-driven – Accountable – Competent - Transparent

These values, our guiding principles, helped us align our objectives and shape policies, and helped when it came time to make the tough decisions on resource allocations. Despite the wishful thinking of our critics, we are evolving into a team, with a shared vision and clear sense of purpose for our beloved Cayman Islands.

Community Creates Country was my group's slogan on the campaign trail and it underscores our philosophy.

One cannot underestimate the impact that is made, and the momentum that is created when individuals in their communities throughout the Islands come together in their own neighbourhoods, working to help their neighbours and care for their districts. Those seemingly small acts and demonstrations of community spirit by separate groups all combine to create a strong, united country that is heavily invested in the wellbeing and future of all its citizens.

There are thousands of people in this country who live on the edge of poverty, one household bill away from not having enough money to pay the mortgage or the rent or electricity bill. Many face mental health challenges and there are hundreds of people, Caymanians, who live in substandard housing conditions with no chance of improving their situation because rents outpace their earnings. Across all Ministries, we share a commitment to putting social development, the health and wellness of our society and the ability for our people to develop their full potential at the center of our decision making.

Our vision for Cayman includes you as a business community, and we hope you will all join us as we commit to putting a sustainable community and Country first. If each of us – whether industry, business or individual – acts solely and consistently in our narrow self-interest, then we will accelerate inequality, delay or derail our ability to thrive as a community and in turn sabotage true sustainability between our people, our planet and our prosperity.

It is no good for a select few to feast if the vast majority suffer famine.

The climate crisis, increasing cost of fossil fuel, the increasing traffic congestion, pressures of development on critical natural habitat, loss of indigenous flora and fauna, Stoney Coral Tissue Loss Disease and increased hurricane activity are all very real challenges that we face; all issues that we are finding solutions to address.

(SLIDE 3) SUSTAINABILITY AND RESILIENCE

If we are to make progress in achieving long-term development goals, we must address sustainable development. Climate change is not a standalone issue and its inherent risks must be integrated into all aspects of development planning.

We must begin with the recognition of our vulnerability and challenges and yes, even opportunities for growth.

To quote outgoing CARICOM Secretary General Irwin LaRocque, “The Caribbean region is subject to a double vulnerability, from external economic shocks and natural disasters. The islands of the Caribbean Community see sustainable development as an urgent necessity rather than a politically correct slogan for the future”.

(SLIDE 4) NATIONAL SUSTAINABILITY PLAN

We must align our goals with CARICOM and the United Nations through a National Sustainability and Resilience Action Plan.

I and my Government believe that tackling sustainable development is the only real pathway to increased long-term prosperity.

(SLIDE 5) SYNERGY: ENVIRONMENT AND ECONOMY

Investing in natural capital will increase efficiencies and contribute to our Islands’ success. We will foster innovation, attract the right investment and increase access to additional markets including renewable energy and ecotourism. These are ways we can help diversify our economy.

Through increased efficiencies we can create self-sustaining wealth for the economy, the environment and the social development for the people of our Islands. We need to Grow Green, in short.

I marvel at the way the private sector is leading the way on climate change, but a partnership with the Government is required to make significant change. Paul Polman, the former CEO of Unilever and founder of Imagine says that alliances amongst businesses are growing. He chaired the board of the International Chamber of Commerce and noted in an interview last June that at that time some 22 chapters of the Chamber were putting climate targets in place and signing up to initiatives ranging from gender balance and fighting discrimination and pledging to buy sustainably.

He said, and I quote, “We cannot go on to operate in silos and expect to find the answers. It gives us some improvement but not at the scale and speed that we need. It’s just incremental improvement, whereas what we now really need is a step change.”

I appreciate the efforts of our own Chamber of Commerce to focus attention on littering and its impact on the Cayman Islands’ environment, tourism product and communities.

So, with climate change uppermost in my mind, my Government supported me in establishing a Ministry of Sustainability and Climate Resiliency, which includes responsibility for revising the National Development Plan. I believe this is long overdue and I promise you that it will be one of the key areas of focus of my administration.

Development is a driver of our domestic economy and I know we were all relieved when construction was able to begin again as COVID restrictions were lifted.

Before I go further, I want to make it abundantly clear that despite the chorus from critics, neither I nor my government are averse to, or enemies of, development. Quite the contrary. We simply have to achieve the right balance; we need to reimagine how we do things. We must encourage and promote good stewardship of our natural resources and environment and the use of well-thought-out design and materials that benefit everyone. We know that we need to invest in infrastructure and affordable

housing and the concerns of young Caymanians in relation to the cost of home ownership which is fast in their perspective becoming beyond their reach.

We are also aware of some of the very real concerns of many in the construction, especially as they relate to the rising costs and limited access to materials. We too feel the pressures of the global trade war between China and the United States, but in many cases production and the supply chain have been impacted by the pandemic.

We are carefully looking at ways to ensure that the costs of construction materials could come down and we are reviewing duties and incentives for sustainable and climate conscious developments.

You will have seen that we have appointed a new Central Planning Authority. I thank the outgoing members of the CPA for their service. I also thank the new Chairman Ian Pairaudeau and the new CPA members for putting themselves forward for national service. It is by no means an easy job.

In the same way that the National Conservation Council meetings are held in public, we want to see CPA meetings also be made public unless there are very good reasons not to do so having to do with data protection or commercially sensitive material. We believe that demystifying the work of the CPA will be to everyone's benefit.

One surprising finding when we took office was the absence of data to help inform decision making. Data is vital to our vision. We have found that our country operates with a remarkable lack of data critical to decision-making across all three pillars of sustainability - the economy, the society and the environment. Simply put, better data means better decisions and thereby better outcomes.

As business people and industry leaders you appreciate the strategic importance of data to manage performance and inform decision making. This weakness in Government is one that our elected officials

and civil servants are working to quickly rectify. But here again, we need your help in gathering up-to-date and factual information.

Part of that information sharing will come in October when we embark on Census 2021. As you know the Census was put on hold last year because of COVID. I am grateful that our successful handling of the pandemic is allowing us to proceed with the Census this year.

The success of Census 2021 requires the successful completion of the census process and Census 2021 can only be truly successful if the results are credible and accurate. Your participation is therefore essential, and will help ensure that we have accurate and complete information to inform our national decisions.

Our vision also requires that we be reasonable, respectful, and balanced. Cayman can and must learn from other countries where irrational polarization and dogmatic entrenchment tears apart families and communities. The recent terrible example of what happened in Haiti must be confined to history and never to be repeated. We must be able to have differing opinions without attacking and eroding the characters of each other. We must be willing to listen to each other and truly seek to understand the opposing view.

One of Cayman's greatest strengths is its diversity and our ability to coexist peacefully. It is healthy and normal for us to have differences in views and opinions, but we must continue to undergird our interactions with respect for each other.

Finally, an important plank in our quest for excellence is good governance. In casting their votes in April our people demanded good governance, accountability and transparency. That is what we have pledged to bring to our roles as elected representatives and leaders. We ask that our fellow leaders in the business community also pledge to practice good governance. In working together, we can see the Cayman Islands become the benchmark for excellence in governance.

So just what does good governance look like for the private and public sectors? I will start with my side.

We believe that the people you elect to lead our country need to be held accountable.

As Thomas Jefferson said, “When a man assumes a public trust, he should consider himself a public property”.

That is a premise in which I strongly agree and as such we will soon be making public manuals and codes of conduct for both the Cabinet and the Parliament. I took responsibility in the administration of 2013-2017 to rewrite the 1995 Guide to Operations of the Executive Council, which is no longer germane, but it didn't have the support needed to be adopted. The new version will be a reflection of my Government's mission and vision. And as I said, these documents will be published for perusal of the wider community, which the 1995 document, under which we still operate, has never been.

To me, this is a serious part of adhering to good governance and being transparent. People outside of Cabinet don't know what Cabinet deals with; they don't understand the standards. This helps build a framework of the conduct they can expect from us and that we expect of ourselves. The more we can be accountable to the public, the better we are at transparency. The better we are at transparency, the better we will get at decision making and resource allocation. Other governments have talked about transparency, but we can demonstrate it. We can move forward and make significant inroads in dissolving public mistrust and speculation about what happens in government.

We must conduct ourselves honourably. I expect both my colleagues and you to hold us to that.

And there is more that we can do.

One of the things that has always bothered me about the makeup of government committees, national boards, tribunals, commissions and other public bodies is the lack of diversity. I am glad that I am now in a position to do something about it across the board.

As it is now our policy to ensure all people are represented in these groups including women, older persons, youth and those who are differently abled. This shows that all people across the country are represented and that diverse views are reflected. Many of you in the private sector are already good at doing this.

As for good governance in the private sector, I am encouraged that there are a number of businesses that I have seen and industries that have already begun doing this - to consider and incorporate Environmental, Social and Governance criteria in their operations. Environmental criteria consider how a company performs as a steward of nature while social criteria examine how it manages relationships with employees, suppliers, customers and the communities where they operate. Governance of course deals with a company's leadership, executive pay, audits, internal controls and shareholders' rights. I had an enlightening meeting recently with members of the Cayman Islands Institute of Professional Accountants on this subject just last week and I think their approach represents exceptional work., so I congratulate their approach and actions.

Merely doing what is permissible under the law does not necessarily mean it is the best or right thing to do. ESGs are an excellent place to begin when considering incorporating good governance principles in the private sector.

I believe that we as a Government should consider how to further support those businesses that continue to set the bar when it comes to being good corporate citizens, that support Caymanian advancement and that are truly invested in Cayman's long-term success.

(SLIDE 6) PROGRESS TO DATE

Working towards our vision, in our first three months in office we have focused on reviewing existing COVID-related regulations and programmes to either extend or amend them as needed.

We have extended programmes that provide essential relief for our people who have been the most negatively impacted by the pandemic.

The pensions holiday was extended, as were the tourism workers' stipend and the health insurance continuation programme. These efforts continue essential support to those without jobs until our economy reopens and provides relief to businesses grappling with reduced revenues.

Beyond review and re-implementation of COVID-related programmes, the PACT Government has focused on the day-to-day running of the Government and attention to core public sector activities, while simultaneously developing the strategic policy statement, or SPS, for the next three years as well as crafting key strategic policies for this administration.

Specific examples of core government activities include the launch of the national census, we introduced partnership regulations regarding economic substance to avoid being included on the EU's list of non-cooperative countries for tax purposes, the continuation of national road infrastructure improvements, the addition of new national weather service observation stations, and ongoing work and public consultation to remediate and cap the George Town Landfill.

And we are making the Coast Guard a reality as well by producing a Bill to formally establish the territory's first Coast Guard. That Bill will go to Parliament shortly where it is this Government's intention of having the proposal enacted later this year.

No reflection of the past 16 months could be complete without an acknowledgement of the importance of financial services to this jurisdiction. Your ability to remain open for global business during the height of the lockdown while having employees working from home played a key role in keeping this economy going. Without hesitation, you too created and innovated, supported your employees and I believe many of you learned that staff who work from home can be just as creative and productive if not more so than being in the office. Your financial performance and government's coffers reflect that.

My Government recognizes the essential role of financial services to our economy. Now, more than ever, we will seek to support, promote and defend the industry as the lists of threats and challenges continue to grow.

It is why the Cayman Islands has joined with 129 other countries and jurisdictions, considered by the OECD to represent more than 90 per cent of global GDP, in the G20/OECD consensus for a framework for reform of international tax rules.

The new two-pillar plan is directed at international corporate taxation rules to ensure that large multinational enterprises pay their share of tax wherever they operate, and that aligns with the Cayman Islands' long-held position that taxes should be paid where they are rightfully owed.

What set financial services and many of your businesses on a sustainable path during the peak of the pandemic was the ability to provide services digitally. Being digital by default remains a critical aim of this government as well.

Information and communications technologies are changing how the public sector provides services to residents, visitors and businesses in the Cayman Islands. E-Government is helping us cut costs, boost efficiency and improve customer experience.

We are replacing the Poor Persons Relief Law with Modern Financial Assistance legislation and the new Ministry of Investment, Innovation and Social Development is moving forward with the national ID programme, which will transform the way in which you conduct business with government. This should roll out in the early part of next year.

We also recognise that the increase in digital and online business means an entirely new set of challenges for our Royal Cayman Islands Police Service. Crime has also gone digital and so the police service is continually ramping up its cyber-crime resources. We vow to lend our full support to the

police to ensure that Cayman remains a strong, safe and desirable place to live and conduct business. A strong economy must be underpinned by safety and consumer confidence. So, I wish to acknowledge the police service for being innovative and moving with the times.

The success of businesses in the Cayman Islands means the success of Government and our economy. That success gives businesses an opportunity to create jobs for our people and it gives our people an opportunity to contribute to the economic wellbeing of the country.

On economic matters, my Government has reviewed and *re-forecasted* Government's current and projected financial position. We can't accurately plan for the future if we don't know what the costs of our actions – or inaction – are.

(SLIDE 7) UPDATE ON FINANCES

As I express thanks to the Deputy Premier and his team for our updated forecast, I think everyone in this room is thankful to the Caymanians and residents of these Islands who have kept our economy going by supporting local businesses. I know many businesses would not have survived without citizens shopping locally, taking staycations, eating out, supporting charitable events and deliberately investing in our economy.

Next week we will table the 2022-2024 Strategic Policy Statement in Parliament. That document provides medium-term economic and financial forecasts for Government for the next three financial years covering the period from 1 January, 2022, to 31 December, 2024, along with Government's Broad Strategic Outcomes, which will guide the development and implementation of Government policy during this period.

The SPS demonstrates my Government's continued commitment to managing public finances responsibly.

On the heels of that my Government will produce its first budget.

(SLIDE 8) WORKING IN PARTNERSHIP

I've taken you through our work since coming into office to build a better, different Cayman where everyone can succeed.

The first step in achieving our recovery and larger long-term goals for these Islands must undoubtedly be the safe reopening of our borders and rebuilding of our economy.

Key to Cayman's success is a strong, robust and diverse economy. We know that and we understand that we cannot continue without unlocking our full economy.

We also understand that we will need your help to get there, and we are asking that you work in partnership with us – for the benefit of your businesses and these Islands, which we all call home.

Everything that we do, everything that we propose, is towards the betterment of the Cayman Islands as a whole.

Just as the business community joined with the government in the suppression phase of the COVID-19 pandemic, we need you to join us in the rebuilding phase.

As we prepare to reopen, let's continue to use this opportunity to build a better tourism industry, and to better prepare Caymanians to populate this industry. But first we must re-open safely. And that has always been contingent on us following the science and trusting the medical advice. Let's be honest; many people had their doubts. The previous administration set out a lofty goal of burning out COVID in our community. And yes, I got phone calls from many members of the community asking me to lend my voice to those opposed to the strict public health measures taken. I refused to speak out because I supported the approach taken by the previous administration.

But let me be clear, our Government intends to re-open the economy to tourism in a safe, responsible and careful way.

And I thank all of those who have contributed to keeping the work of the Government going during the ongoing pandemic.

My sincere gratitude goes out to all of our healthcare professionals and public health staff at the forefront of testing and vaccinations. Indeed, we all owe a debt of gratitude to the hundreds of public servants who have worked tirelessly during this pandemic to keep our Islands going. Our well-being, community health and safety is a direct result of their professionalism, commitment and sacrifice.

Early on in our battle with the pandemic, the Cayman Islands took a conscientious approach to be guided by the science and all our decisions have been made based on scientific data and recommendations from our healthcare experts.

If we want to continue to enjoy the freedom of movement and safely reopen our economy then these are two things we will have to do:

1. Meet our vaccination target and
2. Continually test and monitor the existence of variants of concern that, if you have watched closely around the world, have the potential to reverse gains and force communities back into lockdown.

I hope that we all realise how lucky and blessed we are in the Cayman Islands and how enormously grateful every man, woman and child should be to the United Kingdom for providing us with the best vaccination that exists today for free.

I first heard the expression of going from vaccination **hesitancy** to vaccination **desperation** in the context of India where there was a massive surge of COVID infection. But during discussions recently

with CARICOM heads of government this week it truly struck me how relevant that is in our regional context because many of our neighbours, ladies and gentlemen, are struggling to obtain access to a vaccine supply.

We truly have been blessed and thanks to the support of Public Health England and advocacy from our Governor's Office, we have continued to improve our lab facilities and have now taken a major step forward by acquiring the capacity to conduct genome sequencing in the Cayman Islands. That is an absolute game changer and something that we should be exceedingly proud of achieving.

One particular story I pause to highlight is that of a very talented and incredible young Caymanian on the cutting edge of science whose work is playing a seminal role in leading our charge to safely reopen our borders.

Mr. Jonathan Smellie had initially applied to be a medical intern in the emergency department at the Government hospital, but his qualifications of a Bachelors in Cell Biology and two Masters - one in Medical Genetics & Genomics and the other in Systems and Synthetic Biology - landed him in a forensic assistant role in March 2020, less than a week before hard lockdown was instituted. While working within the lab, he developed a proposal to start next generation genome sequencing.

While the genome sequencing project is focused specifically on sequencing the different strains of the SARS-CoV-2 virus, Mr. Smellie and his colleagues are actively working on implementing medical genetic testing to service the local population.

And Jonathan is by no means the only Caymanian in the lab. Beverley Nunez, who started her career in Forensics at the Health Services Authority in 2010 as a forensic analyst, advanced in her career and in 2019 became Cayman's first qualified female Caymanian forensic scientist. She is the Acting Forensic Manager and Quality Manager for the department where she leads the forensics staff, hires new staff members and ensures that everything within the department runs smoothly. I would like to also

mention two other young Caymanian female laboratory technologists, Neisha Miller and Tanisha Gilbert who both worked in the COVID Lab. They performed the important tasks of preparing the COVID samples for PCR testing and conducting tests with the GeneXpert machine.

We are deeply grateful to these experts and I take this opportunity to highlight the importance of the growing field of STEAM – Science, Technology, Engineering, Arts and Mathematics - to our young people.

Imagine for a second where we would find ourselves today had these brilliant young Caymanians been discouraged from pursuing their passion for the sciences. Some sceptics would simply say the solution is easy, just take out a few work permits.

Well, that's not a solution.

The point I wish to make for our partners in tourism and across all industries in Cayman is that if we can have a Caymanian like Jonathan Smellie conduct genome sequencing, then we must be able to find Caymanians who can manage hotels, food and beverage, or lead banks. You see, ladies and gentlemen, Jonathan and Beverley attained their great heights not only by their own grit, determination and diligence, but because their employer, the Health Services Authority, simply didn't take the easy route and pursue work permits.

In fact, they supported their ongoing studies and today both the employer and the employees have benefited. But more importantly, we as a country have benefited. This kind of successful partnership is what is critically needed in protecting the very tourism industry we all so desperately wish to see re-opened and re-started.

I salute the Health Services Authority, I salute these amazing Caymanians, and I salute every business in Cayman, and every business leader in Cayman who seeks to take that approach.

Key to our economic success is maximizing Caymanian employment – both in tourism and across all sectors of our economy. We have the most opportune moment now as we begin to re-open our economy.

Our Government-sponsored tourism structure, between the Ministry of Tourism & Transport and the Department of Tourism, has been supporting and developing our existing pool of Caymanian hospitality industry workers through the shutdown of our tourism industry.

In addition to financial assistance in the form of stipends and grants, we continue to offer skills training and refresher courses for tourism-related businesses and staff.

As part of our targeted efforts to prepare the local workforce for reopening, Workforce Opportunities & Residency Cayman, better known as WORC, the Ministry of Tourism, Department of Tourism, University College of the Cayman Islands, and the Cayman Islands Tourism Association have been collaborating on initiatives to reduce Caymanian unemployment through training for employment in the tourism industry.

WORC and our other tourism stakeholders will help ensure that the necessary personnel are actively working with these job seekers to secure employment.

Toward the end of the summer and into the fall, WORC intends to launch a three-level approach training programme that will be geared to preparing Caymanian job seekers for long term careers within the Tourism Industry.

We are aware of the concerns of business owners that there won't be enough workers to fill available positions once the country re-opens. However, we are assured that through our cross-partnership initiatives there will be many capable Caymanians available to fill these positions.

As we head into reopening, we ask of all businesses – but especially those in the tourism industry - to hire Caymanians first. You now have the time, the opportunity and the incentive to train and nurture Caymanian talent in hospitality.

We need to do more than just pay lip service to the fact that we need to empower our own people to have the ability to share in the miracle of the Cayman Islands. Let's start now by truly training up our people so that their future and the futures of their children will mean that they will own as well a small piece of that miracle.

It's not the lone job of government and it's not singularly your job either. It's going to take both of us – you telling Government what we need to do to help you successfully prepare our people for the workforce here at home and globally and Government giving you the abilities and tools to do that.

Who knows? Through the enforced hardship of the pandemic may come a glorious result: the Caymanianization of our tourism product. We have done the research, and heard time and again, that visitors want to meet the locals of the country they are visiting. This is the time when we can make this go from a wish to a reality.

We are realistic, however. We do recognise that we have many wonderful individuals who have been granted work permits who are a credit to our tourism product. Many of them have worked side by side with their Caymanian colleagues in the trenches and faced the hardships of COVID as well.

Let me say here that we anticipate your concerns about the processing of significant volumes of work permits and the logistics of having workers come in who are not yet vaccinated, but who have agreed to be vaccinated on entry, as well as the issues around airlift considerations. We are prepared to work with you on all of these issues.

And we cannot talk about tourism without talking about one of our most precious resources – our environment.

Already the PACT Government has agreed on measures to help tackle environmental problems such as the annual threat of Sargassum weed in the sea and on our shorelines, Stoney Coral Tissue Loss Disease, critical turtle nesting habitats and invasive species regulations.

Further afield, we have agreed in principle to a temporary 12-month moratorium on new Wildlife Interaction Zone licenses, made appointments to critical boards that oversee our environment, the Energy Policy Council has agreed to begin the five-year review process of the National Energy Policy and I have been in discussions with Lord Ahmed, the Minister of State for the Commonwealth, about our plans to review, update and adopt the draft Climate Change Policy, which has languished for too long.

As I said before, many of you know me and you know what I stand for. Protecting the environment of the Cayman Islands is one of my deep passions. If we lose that, I think we lose everything.

It is with our pristine environment and a vaccinated populace that we can begin welcoming visitors back – vaccinated visitors - to our beautiful Islands.

So that leads on to the reopening plan, which I will get to shortly.

(SLIDE 9) THE REOPENING PLAN

Another goal that needs to quickly become a reality is reaching our vaccination numbers. I have to thank President Mike and other Chamber members for backing my Government's push in May to get our citizens vaccinated. Working together we achieved the goal of using our stockpile of free vaccinations before they expired. Now we need to work together again because the cornerstone of our safe reopening plan for the Cayman Islands is a high prevalence of vaccinations in our local population.

(SLIDE 10) VACCINATION DEFENSE

You will have all seen the revised population numbers and realized that with a goal of vaccinating 80 per cent of our population, we have a harder challenge to meet, so we are asking your help with this too.

Please, if you haven't already done so, encourage your staff – especially all front-line members - to get vaccinated as soon as possible.

We have a significant supply courtesy of the United Kingdom.

The sooner we reach our vaccination target, the sooner we will be on our road to economic recovery from this pandemic.

Toward this end, Government will require proof of vaccination for both renewal and new work permits as a part of our phased reopening process.

Please impress upon your existing employees on work permits that if they refuse to get vaccinated, they may no longer be able to work in the Cayman Islands. It is a critical public health issue.

We must do all that we can to get as close as possible to that 80 per cent vaccination rate as possible, our optimal target as advised by Public Health England.

I said previously at the last Government press briefing that we expected to begin a phased reopening in mid-September, and this goal remains on target.

I will reiterate, the key aspect of our phased reopening plan is the safety of our population. We want to avoid people becoming seriously ill, or even worse, dying. As a country, we have done everything possible to avoid this so far. And we must continue in this effort. It is for this reason – to keep our people safe - that we have decided on a phased approach to reopening.

Chief Medical Officer Dr. John Lee is working with countries to ensure that we are able to verify their vaccines just as we do now with our own Health Services Authority and the United Kingdom. Again, our main effort is to keep you and our community safe. We have to guarantee that the people we let into the country and who say they have been vaccinated can be verified as such.

I add that as we begin to relax restrictions in the move to reopen borders, we must acknowledge this presents a slight increase in risks and the latest advice from Dr. Lee is to urge the elderly and vulnerable to consider wearing masks indoors.

(SLIDE 11) GUIDING PRINCIPLES

This reopening plan I am presenting to you first today, is our country's best-case scenario. Our goal is to locally manage the risk of transmission, and prevent individuals from becoming seriously ill by maximizing vaccination rates and continued surveillance testing through each phase.

I will take you broadly through each phase of the reopening plan now, but rest assured that Government will continue its ongoing national communications campaign to announce clearly when things are happening and what it means for our community.

(SLIDE 12) PHASES

Our plan is a phased approach as I said, which allows assessment at each phase. Assessments based on the medical science and data and this will be used to progress or change our plans.

Transition between phases will be determined by the Chief Medical Officer's assessment of tourism source markets by prevalence rates, levels of hospitalisation and death rates, level of vaccination rate and presence of variants of concern along with our local vaccination rate goal of 80 per cent.

At all phases, Public Health will monitor the local prevalence rate and the spread of COVID with reduced restrictions. The trigger for introduction of Public Health intervention in all phases will be two non-related community clusters requiring hospital admission.

(SLIDE 13) PHASE 1 – June 2021 – REDUCED QUARANTINE PERIOD

We are of course now in Phase One.

This phase features continued local uptake of the COVID-19 vaccination and low COVID prevalence rates in key Cayman travel markets, which has allowed for the introduction of reduced quarantine periods and other travel restrictions. However, the borders remain closed and travel is supposed to be allowed for essential reasons only.

Specific aspects of this phase include:

- Entry PCR testing is required for all;
- A negative PCR test result is required to exit quarantine;
- Verifiably certified vaccinated travellers have a 5-day quarantine period;
- Unverifiable vaccinated travelers have a 10-day quarantine period;
- Unvaccinated travellers have a 14-day quarantine period; and that
- As of 1 July Government began paying for quarantine at a government-run facility only for those who are conducting essential travel.

(SLIDE 14) PHASE 2 – August 9, 2021 – REDUCED REPATRIATION RESTRICTIONS

Phase Two will feature reduced repatriation restrictions, and is scheduled to begin on August 9th 2021.

During this phase we will ease the monitoring of vaccinated travellers by removal of GPS monitoring.

This will allow the Government to assess local impacts and build capacity to manage increased traveller volumes anticipated with the opening of the borders in Phase Three.

All businesses will be required to adhere to safety protocols issued by regulators and industry, which comply with the Caribbean Public Health Agency guidelines.

(SLIDE 15) PHASE 3 – September 9, 2021 – LIMITED INTRODUCTION OF TOURISM

In Phase Three, which is anticipated to begin on September 9th, we plan for a limited introduction of tourism. At that date we will be beyond the time frame of schools opening so we will not be reopening our borders at the same time as our children are preparing to go back to school.

Also, we are doing this during our traditional slow season with some restrictions, which include a flight slot management system to limit the number of people arriving.

This allows for the Government and the tourism industry to develop capacity for dealing with larger volumes of travellers in preparation for high season.

During Phase Three, our borders will open to securely verified vaccinated travelers, except for cruise travellers.

A Cayman Islands Airports Authority slot management system will manage flight volumes and schedules and medical insurance coverage will be required of inbound travellers.

Quarantine will be allowed at all hotels and other tourist accommodations, with periodic spot visits for vaccinated persons in quarantine.

(SLIDE 16) PHASE 4 – October 14, 2021 – REDUCED QUARANTINE RESTRICTIONS

In Phase Four, which is scheduled to begin on October 14th, we will remove the requirement to quarantine for all securely verified vaccinated travellers.

We anticipate that the rate of local vaccination will be substantially adequate by this time to allow for the safe increase in tourism and relaxation of restrictions.

However, during Phase Four, unvaccinated travelers will continue to be required to apply for entry on the Travel Cayman Portal.

Vaccinated travellers will be required to make a declaration of travel and include their vaccination status on the Travel Cayman Portal, with a declaration certificate issued and vaccination checked on arrival.

Public gathering limits may also be decreased at this time, depending on whether there are any increasing public health risks.

Additionally, during Phase Four, there will be fines mandated for travellers failing to abide by this process, and school staff will be required to undergo surveillance PCR testing.

(SLIDE 17) PHASE 5 – November 18, 2021 – TRAVEL FOR UNVACCINATED CHILDREN

Further loosening of travel restrictions will come during Phase Five when we will allow unvaccinated children younger than the eligible vaccination age to travel with vaccinated adult tourists.

Phase Five is expected to begin on November 18th.

During Phase Five, unvaccinated children younger than 12 will not be required to quarantine; PCR testing will be required for local unvaccinated children older than 5 who travel prior to being allowed to return to school; and there will be surveillance of unvaccinated persons by periodic PCR testing.

(SLIDE 18) SAFE REOPENING/WELCOME BACK – to be reassessed 27 January, 2022

We will first assess the COVID-19 situation on 27 January next year in a local and international context to determine when and how to proceed with further relaxation of restrictions and travel.

If the assessment allows, we would begin to welcome all travelers and start the re-introduction of cruise tourism. It is anticipated that at this point there would no longer be any quarantine restrictions for any travelers; no restrictions on public gathering limits or public transport capacity; and no restrictions on

certain business operations such as the rental of scuba and snorkeling equipment, use of hookahs, water pipes and so on.

(SLIDE 19) THE REOPENING PLAN

As you have seen, our plan takes a phased approach, which allows assessment at each phase.

Assessments will be based on medical science and data to indicate to us either to progress or change our plans before we move to the next phase.

We must remember that even with this careful and phased reopening approach, there will be risks.

As we have done throughout this pandemic, we will manage these risks together in partnership as a community guided by Public Health.

We have to realise that we may reach a juncture where some of the prior restrictions may be introduced. We may have to wear masks. There will be regular testing of those on the frontlines, and possibly some dialing back of public gathering limits. That is all aimed at not recklessly throwing caution to the wind. To date no country has successfully reopened without having to go back into some form of lockdown or restrictions.

Given our patient and careful approach to COVID we have the opportunity to be the first. As an aside, Sunday, 11 July, will mark one year since our last community transmission of COVID. I don't know about you guys, but as an aside, I think that is one heck of an aside!

To bring home the risks of reopening too soon, just take a look at our fellow Overseas Territory the British Virgin Islands. They are now under a night-time curfew and have closed bars, gyms and hairdressers from Tuesday in response to a COVID-19 outbreak that took the number of active cases to 480 from close to zero within one week. The BVI government has had to bring in a wide range of new

lockdown measures where businesses and restaurants must restrict customer numbers in line with social distancing protocols.

We have a chance to once again defy the odds, but that will require the cooperation of the private sector, government and all citizens.

This map to reopening may include roadblocks and detours, but this plan gives us all something to work toward.

As we have tried to hammer home time and again, vaccination is the best way to protect yourself, your family, and finally – our community.

As we all know, nothing can live and flourish in a vacuum. Your support and engagement are key to the Islands' reopening strategy.

I hope we can count on your support, and I welcome your feedback.

Nothing is of greater importance to me and my government than the well-being of our people. We have spent weeks deliberating and seeking to strike the right balance and we believe that in this plan we have a roadmap to the safe and successful reopening of our economy to tourism.

(SLIDE 20) THANK YOU

Being part of this audience today allows you to be the first to have access to our Safely Re-opening plan. You can download the plan by using the QR code on the screen. The plan will also be published on our official CIG website shortly at exploregov.ky

In closing President Mike, I think you and the Chamber members will see that my Government is moving the Cayman Islands in the right direction with a common and shared vision. And realizing that vision includes the participation of all of you. I look forward to continued discussions with you and your

membership on ways we can complement each other's efforts for the betterment of our people and our country.

Thank you, President Mike, the Chamber Council and all members of the Chamber of Commerce for once again hosting this important Legislative Luncheon. It has been my distinct honour to be with you today.

Thank you.

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