



OFFICE OF THE  
**PREMIER**  
CAYMAN ISLANDS GOVERNMENT

**Speaking notes for Aster Cayman Medcity  
By Premier Hon. Alden McLaughlin, MBE, JP, MP  
11 a.m., Monday, 21 December, 2020  
GIS studio**

Thank you for joining us today as we make this exciting announcement regarding a partnership between the Cayman Islands Government and Aster DM Healthcare to develop a new modern world-class medical facility in these Islands – Aster Cayman Medcity. Immediately following this press conference we will execute the agreement.

Dr. Moopen, I suspect, will speak to you about Aster. But to provide some background as to why this announcement today is important, I wish to point out that Aster is a large well-respected healthcare group, headquartered in Dubai and has been in existence for over 30 years. I

understand that it has over 19,000 employees working in some 350 various medical facilities across eight countries.

Aster is also a publicly traded company on India's National Stock Exchange, the leading stock exchange in that country. Dr. Moopen I am advised that when the news of Aster's entry into Cayman was announced to the financial press a few days ago that the financial market responded very favourably indeed to the news. That in my opinion not only speaks highly of the decision of Aster's management in expanding to this region, but it says much about how well the Cayman Islands is viewed internationally as a place for world class tourism and commerce as well as an emerging healthcare tourism centre.

My point in noting the size of Aster is to indicate that the Group is a significant medical services entity across the countries that it operates in, providing every aspect of healthcare.

Aster Cayman Medcity, when complete, will provide healthcare services primarily to medical tourists, but also to the residents of the

Cayman Islands. The Project will be done in phases and will comprise a hospital, assisted-living and independent living quarters, and a medical university. The total cost of the project is estimated at some US\$350m.

Phase 1 will comprise a 150-bed multi-specialty hospital on Grand Cayman offering primary, secondary, tertiary and quaternary care - very specialized medical care that is not currently available here.

Phase 1 is expected to be completed over some three years. During this phase Aster will also establish a clinic on Cayman Brac.

Phase 2 will provide an assisted-living and independent-living facilities, each comprising 100 units. The plans anticipate Phase 2 to start about three years after the hospital has been operational.

Phase 3 will comprise a medical university, which will be integrated with the hospital. It is expected that the hospital will also be expanded to about 500 beds during this phase and the assisted-living and independent living centre will also be expanded. Phase 3 is expected to start about seven years after the hospital has been operational.

As a part of this agreement, Aster will use local contractors and local service providers during construction. Additionally, the Company will be employing suitably qualified Caymanians over the various phases of construction and when the facilities are operational.

Of course those who come from elsewhere to work with the hospital will need homes to rent or buy and will shop in the local economy.

I am pleased that a local partner in the Project is Mr. Gene Thompson. Not only is Gene a successful Caymanian businessman but he was instrumental in the buildout of Health City Cayman Islands and worked to successfully establish that facility and thus brings a wealth of knowledge in the healthcare tourism sector. And as we all know, during the development of Health City Gene also worked hard to ensure that Caymanian businesses and Caymanian workers benefited from the construction of that project. I know he will do the same with this project.

As part of the agreement Aster will develop and implement, in collaboration with the Ministry of Education, an educational program for

local students who are interested in healthcare. They will also fund an annual scholarship which will be administered by the Department of Education for US \$50,000 yearly, for a period of 2 years, and US \$75,000 yearly for the next 2 years and US \$100,000 for the fifth year.

And as I have mentioned, Aster will also establish and maintain a clinic in Cayman Brac with supporting services, including telemedicine, and an infusion centre.

The Government has agreed to the following to help facilitate the earliest completion, and the future success, of the project:

- No duty on life-saving equipment and medical supplies for a period of 25 years after the commencement of construction of Phase 1.
- No duty on other medical equipment and supplies for a period of 25 years after the commencement of construction of Phase 1.

For clarity, Government will not defer, waive or reduce custom duty for materials, equipment, supplies or items of any kind to be used in or for the construction of Aster Cayman Medcity or any of its facilities, nor will

it waive or reduce stamp duties on the purchase of any land being purchased for the development of the facility.

The duty concessions only extend to medical equipment and medical supplies intended for the use and consumption of Aster Cayman Medcity and its patients. Aster cannot re-sell any medical equipment or supplies to anyone but its patients.

The Government has also undertaken to use its best endeavours to assist Aster with efficiently moving through its various applications and license requests needed to complete the project. However, the company will need to meet the requirements of all applicable laws and regulations related to construction and development, work permit applications, or for health care facility licenses etc.

The Government has also agreed that over a five-year period from the date the hospital commences operations that no other non-Caymanian/non-existing medical tourism provider will be permitted to come to the Cayman Islands to compete in the field of large-scale medical tourism.

However, such exclusivity from competition does not extend to:

- any provider of medical tourism services that is already designated as medical tourism;
- to any non-Caymanian company that currently offers medical services in the Cayman Islands;
- or to any Caymanian who intends to establish health-care facilities of any kind in the Cayman Islands.

Given the size of the project a five year non-compete clause is not unusual but what is important is that it is only for five years and does not apply to Caymanians or existing medical businesses here.

Before closing I want to add that I am delighted that an organisation of Aster's caliber is investing in such a substantial way and in such a meaningful project in our Islands - especially at this time of such uncertainty globally.

Aster's willingness to invest several hundred million dollars in the Cayman Islands economy to develop this world class facility, in spite of the global economic impact caused by COVID-19, speaks volumes of

their confidence in the Cayman Islands and it also speaks volumes of its confidence in the resiliency of our economy and our people.

To sum up:

This project will not only help to further diversify and strengthen our economy, in particular our healthcare tourism product, but it will also provide employment and new opportunities for our people during the construction phase and when the facilities are completed. Aster Cayman Medcity, together with Health City and the smaller medical tourism facilities on Island, will further put the Cayman Islands on track to become the pre-eminent regional centre for healthcare tourism.

Aster will also provide needed tertiary and quaternary care services to our own domestic healthcare market, including a clinic in Cayman Brac. Add to the mix a healthcare education programme, a US\$350K five year scholarship programme, a future medical school and assisted living and independent living facilities.

Again this is a very positive and beneficial project for the country.



I thank Dr. Moopen and the Aster Group for their confidence in the Cayman Islands and the Caymanian people. I also thank Gene Thompson for working to help bring Aster DM Healthcare to the Cayman Islands. And I thank the Minister for Health Hon. Dwayne Seymour and his staff as well as the Government's legal team who have worked for several months to get us to this stage. Finally, I thank my Cabinet colleagues for supporting this important initiative

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