



BAHAMAS CHAMBER OF COMMERCE & EMPLOYERS CONFEDERATION
WASHINGTON, DC TRADE MISSION
MARCH 5-7, 2018

MISSION REPORT

Background

In 2017 the Bahamas Chamber of Commerce and Employers Confederation (BCCEC) CEO, Edison Sumner, traveled to Washington, DC to engage with the various Chambers in the DC area with a view to organizing and leading a delegation of private sector representatives to DC to seek business and investment opportunities.

Those deliberations proved fruitful and after several months of planning the BCCEC was able to lead a private sector delegation in partnership with the Bahamas Government, through the Bahamas Embassy in Washington, DC.

The Trade Mission comes at a time when The Bahamas is moving toward greater participation in the world trading system at both the regional and international levels. In fact, the nation is positioned to become a full World Trade Organisation (WTO) member by 2019 and since 2008 has been a signatory to the EU-CARIFORUM Economic Partnership Agreement (EPA). Membership in both trading regimes, if maximized, has the ability to grow and diversify the Bahamian economy.

DELEGATION

The delegation represented a good balance between the private and public sectors and was led by BCCEC CEO Edison Sumner on the private sector side and Minister of State for Grand Bahama Senator the Hon. Kwasi Thompson on the public sector side.

Additional delegates included:

- H.E. Sidney Collie, Ambassador of The Bahamas to the U.S./Permanent Representative to the OAS
- Mr. Theo Neilly, Consul General in Washington, DC
- Mr. Derek Newbold, Senior Business Manager, Grand Bahama Port Authority
- Ms. Cheryl Cartwright, Attorney, Callenders & Co.
- Mr. David Knowles, CFO, Bahamas Faith Ministries
- Mr. Arlington Capron, Broker/Owner, ReMax Luxury Bahamas
- Mr. Darron Pickstock, Director of the Trade, Foreign & Domestic Economic Development Division, BCCEC
- Mrs. Charo R. Walker-Morley, Trade Services Manager, BCCEC
- Ms. Vandia Sands, Marketing Representative, Ministry of Tourism and Aviation
- Mrs. Dornell Watson-Dean, Senior Business Manager, Ministry of Tourism and Aviation
- Ms. Marcia Sands, Trade and Investment Officer, Bahamas Consulate in Miami
- Ms. Ronique Brown, Economic Attache, Bahamas Consulate in Atlanta
- Mr. Conrad Jones, Officer in the Ministry for Grand Bahama
- Ms. Krissy Hanna, Embassy
- Ms. Janine Gibson, Embassy

- Ms. Jade Williams, Embassy
- Mr. Mikhail Bullard, Embassy
- Mr. Felipe Major, Embassy

DAY ONE

Meetings were held with the Association of American Chambers of Commerce for Latin American and the Caribbean/U.S. Chamber of Commerce and U.S. Department of Commerce on the first day of the Trade Mission.

U.S. Chamber of Commerce

At the U.S. Chamber of Commerce the delegation met with Mr. Neil Herrington, Senior Vice President for the Americas as well as Kendra Gaither, Senior Policy Director of the Americas Department, International Affairs Division and Isabel Quiroz, Senior Manager of the Americas Department, International Affairs Division.

The discussions at the US Chamber highlighted the friendly investment climate in The Bahamas and the opportunities for inward investment flows. There was also a focus on the need for reciprocal business between the two countries and greater collaboration.

Minister Thompson spoke about the initiative to create tech hubs in Freeport. He emphasized that The Bahamas is not only a paradise for tourists but also for investments; with Bahamians bringing the same level of passion and professionalism to other sectors of the economy as they do to the tourism sector. He also highlighted that the nation boasts the best infrastructure in the region and that we share common principles with the United States.

Further, Minister Thompson spoke about the recent Commercial Enterprises Act and its ability to diversify the Bahamian economy. He also spoke of streamlining the “Ease of Doing Business” in The Bahamas and establishing the country as a hub for trade in the Caribbean.

In addition to Grand Bahama being a technology hub the Minister stated that the island is also a hub for light manufacturing and transshipment. He also stated that the country as a whole would like to strengthen its tourism base, look into developing stem cell research, facilitate the establishment of universities in The Bahamas, develop block chain technology and cryptocurrency, and bolster the nation as a second home market.

He added that the Government was very interested in the AmCham project and that it would endorse it.

Mr. Herrington spoke about the desire to establish an AmCham in The Bahamas and also spoke of the willingness of the U.S. Chamber and all the Chambers within its network to participate in the U.S. Government’s Trade Mission to the region this May which includes

a stop in The Bahamas. He also stated that the US Chamber and the BCCEC shared similar goals and that there were many opportunities for both sides to take advantage of.

He advised the delegation that there are 24 AmChams with the Barbados/OECS AmCham being the most recent one established; as well as offices in Jamaica and Trinidad. Mr. Herrington stated that they were looking for partnerships and would like the AmCham in The Bahamas to have strength, support and backing so that it has longevity.

Mr. Herrington further advised that there were 20,000 Chambers in their network and proposed launching a “Bahamian Week” in DC where Bahamian businesses come to DC to promote their companies; this is an initiative that is being done with other countries.

Mr. Sumner stressed that the AMCham, when it is established, should see the BCCEC as a partner. He stated that the BCCEC has a strong and good relationship with the US Embassy and would like to see a collaboration between the AmCham and BCCEC much like what exists in Trinidad. He also stated that if the AmCham is built right with a focus on partnership its existence in The Bahamas should go well.

Mr. Sumner also spoke at length about the Americas Business Dialogue and the role of the BCCEC in furthering those discussions.

Mr. Herrington emphasized that he represented a federation of Chambers and that they are able to do business matchmaking in any locale. He added that they are able to connect the Bahamian private sector with partners in any sector.

Ms. Kendra Gaither spoke about the importance of “rule of law” for American companies. She mentioned that need for transparency, accountability, stability, due process, and predictability and applauded the Government for its ease of doing business strategy.

Minister Thompson stated that ‘rule of law’ was of interest to the Government and that there are new bills like the new Procurement Bill that will provide clear and transparent rules for government purchases, the Proceeds of Crime Bill and the Ombudsman Bill that will also support the “rule of law”. He also stated that businesses coming into the country will be treated fairly.

US Department of Commerce

The meetings at the US Department of Commerce were led by Mr. Alexander Peacher, Acting Office Director for Latin America and the Caribbean. There were presentations from six persons in that office or related offices that all highlighted the support that the U.S. Government provides to American companies that either seek to export or do business abroad. The Department, we were told, serves as the voice of business for that nation and works to increase U.S. exports.

A lot of what they do can serve as a blue print for the BCCEC and public sector relative to the assistance that can be provided to Bahamian companies.

The U.S. Commercial Service assists companies in selling U.S. made products and services internationally. It provides services like market intelligence, matchmaking services, Gold Key Service (similar to the BCCEC's service), and in-country promotion of products or services.

Select USA gave a presentation about its aim of promoting and facilitating foreign direct investment into the United States. Select USA supports companies at each stage of the decision-making process. They can help companies begin operations in the U.S. but are not permitted to find clients on behalf of companies. Select USA invited delegates to an annual Investment Summit. This year the Summit will be held June 20th – 22nd in Washington, DC with the aim of showcasing inbound investment opportunities throughout the United States.

Export-Import Bank of the United States also gave a presentation. The Bank provides financial support for U.S. small businesses and empowers exporters of US goods and services to win sales. Some of the services offered included non-payment protection for up to 95% of the sales invoice, guarantees for a lender's loan in order to provide exporters with access to funds to fulfill its sales order, and loans to **foreign buyers** to purchase U.S. capital goods and services.

During discussions Mr. Peacher mentioned that energy is an issue in the Caribbean and that our regulatory environment can benefit from improvement. He also emphasized their support of a "rules based trading system" (WTO accession) and suggested that the adoption of same would serve to make The Bahamas more attractive for investment.

It is useful to note that the Department will hire an officer very soon that will be based in Florida to service the Caribbean region.

Finally, Mr. Peacher also highlighted the US Government's Trade Mission to The Bahamas in May.

DAY TWO

The second day of the Trade Mission was spent at the DC Chamber of Commerce and the Inter-American Development Bank (IDB). The evening ended with a Reception/Trade Showcase at the IDB.

DC Chamber of Commerce

Welcome remarks were given by Ambassador Collie, Senator Kwasi Thompson and Mr. Edison Sumner. All of the remarks underscored the fact that The Bahamas is investment ready and an ideal place to do business given the stable economic and political environment, skilled and educated work force and modern banking and financial services system, among other attributes.

Mr. Sumner stressed the need to create lasting relationships that will go beyond business transactions. He thanked the DC Chamber for their invitation and expressed the desire to pursue reciprocal business opportunities. He also highlighted the BCCEC's aggressive Trade Mission agenda for the year and encouraged the members of the DC area to participate in the US Government's Trade Mission scheduled for May with a stop in The Bahamas.

Presentations were given by Mr. Scott Kilborun from the DC Chamber, Mr. Gizachew Andargeh the DC Office of Planning and Economic Development, Events DC and Ms. Claire Carlin of Destination DC. The presentations highlighted the varying investment prospects available in DC and underscored that DC much like the Bahamas is a tourist oriented city. Many opportunities exist to learn from their tourism product and the numerous events that they host to highlight the culturally diverse nature of the city.

On The Bahamas side, presentations were given by Mr. Darron Pickstock, Director of Trade, Foreign & Domestic Economic Development Division, BCCEC that gave an overview of the business and investment climate in The Bahamas, the Bahamas Trade Portal, the Chamber's services and initiatives, and shipping and logistics in the country. There was also a presentation by Vandia Sands of the Ministry of Tourism that highlighted the major tourist properties in The Bahamas, signature tourist events and advantages of the Bahamas tourist product; Mr. Derek Newbold of the Grand Bahama Port Authority provided a history of the company and their role on Grand Bahama and also the advantages of Grand Bahama as a free trade zone; and lastly Arlington Capron of ReMax Luxury Properties shared a video presentation highlighting the advantages of purchasing a home and doing business on Grand Bahama.

The business matchmaking segment of the day was held from 10am-11:30am. Bahamian businesspersons were afforded 20 minutes to discuss their businesses with their DC counterparts in their respective sectors. In situations where there were no Bahamian businesses present Chamber/Government representatives were engaged. This aspect of the day was beneficial for all involved. The discussions were lively and real connections were made that the Bahamian delegation is eager to follow up on.

Another highlight of the day was the Memorandum of Understanding (MOU) signed between the BCCEC and the DC Chamber. The MOU will strengthen business relations and develop reciprocal cooperation between both Chambers.

Inter-American Development Bank

The meeting at the IDB centered on discussions on the IDB's private sector support and public sector initiatives.

The IDB discussions gave an overview of the international economic climate with 3% economic growth forecasted worldwide and 2.5% growth forecasted for the region if Venezuela is removed from the equation.

Discussions also underscored the high fiscal deficits in the region and the need for The Bahamas to address this issue now before it becomes uncontrollable. Moreover, it was stated that addressing structural issues assists in attracting investments.

The meeting was told that The Bahamas accesses three windows of funding from the IDB: sovereign, private sector and grants/technical assistance. The MIF is a funding mechanism for The Bahamas and has been able to secure \$1 million in funding for Omni's lending facility that will provide credit to small and medium-sized businesses. This mechanism was also able to provide funding for a sponge project in The Bahamas to assist spongers in increasing their global market share.

In addition to these presentations there was a round table discussion on various initiatives that may be of interest to The Bahamas like the IDB's involvement with blockchain via its MIT Lab, "Jump Caribbean" and the Americas Business Dialogue Summit.

Following these presentations and discussions was a Bahamas Trade and Investment Showcase where approximately 100 persons attended. The Chamber had a booth advertising its services and initiatives. There were also booths from the Ministry of Tourism, the Grand Bahama Port Authority, the LJM Maritime Academy, Re/Max Luxury Properties, and Commonwealth Brewery. There was positive interaction at the booths and this served to further augment the objectives of the Trade Mission.

DAY THREE

The final day of the Trade Mission was spent in Baltimore interacting with the Baltimore Chamber of Commerce.

The day followed the same format as the day prior. In their opening remarks, Mr. Theo Neilly, Senator Kwasi Thompson and Mr. Sumner all highlighted the advantages of The Bahamas for the inflow of foreign direct investment. Mr. Sumner also highlighted the importance of cultivating strong relationships between the delegation and the Baltimore Chamber representatives during the course of the day.

Mr. Eben Frederick, President & CEO of the Baltimore City Chamber of Commerce, Mr. William H. Cole, President & CEO of the Baltimore Development Corporation and Mr. Al Hutchinson, President of Visit Baltimore gave opening remarks welcoming the delegation to the city while highlighting the business opportunities in the city. Like DC, tourism is important to the economy of Baltimore and is a sector that both cities can share and learn from.

On The Bahamas side, presentations were given by Mr. Darron Pickstock, Director of Trade, Foreign & Domestic Economic Development Division, BCCEC that gave an overview of the business and investment climate in The Bahamas, the Bahamas Trade Portal, the Chamber's services and initiatives, and shipping and logistics in the country. There was also a presentation by Vandia Sands of the Ministry of Tourism that highlighted

the major tourist properties in The Bahamas, signature tourist events and advantages of the Bahamas tourist product, and Mr. Derek Newbold of the Grand Bahama Port Authority who provided a the history of the company and their role on Grand Bahama and also the advantages of Grand Bahama as a free trade zone.

On the Baltimore side, presentations were given by Mr. Paul Taylor of the Mayor's Small, Minority & Women's Business, Mrs. Deborah Tillet, Executive Director of Emerging Technology Centers, Mr. Larry Collins of the Foreign Trade Zone 74, Baltimore Development Corp., Mrs. Carey Arun, Commercial Officer, US Commercial Service and Mrs. Alicia Wilson, Sagamore Development. An appeal was made to the Baltimore members to take advantage of the US Government's Trade Mission to the region which will include a stop in The Bahamas.

Again the highlight of the day was the business matchmaking session which was carried out over lunch. For the private sector, this aspect of the Mission seems to hold the most value and the BCCEC should ensure that this component is made even stronger during future Missions.

Finally, a Memorandum of Understanding was concluded between the BCCEC and Baltimore Chamber to strengthen business relations and develop reciprocal cooperation.

CONCLUSION

The Washington, DC Trade Mission proved to be a great partnership between the BCCEC and the Bahamas Government, through the Bahamas Embassy in Washington, DC . The delegation was headed by two very competent individuals from both the private and public sector and this led to constructive discussions and set the tone for very focused and goal-oriented objectives for the rest of the delegation.

Throughout the Mission the BCCEC's initiatives and services were well presented and the attributes of the Bahamas, as an ideal location for inward investment flows, were well articulated. Moving forward, more can be said of the Bahamian businesses wishing to expand into foreign markets. Nonetheless, the business matchmaking sessions allowed the private sector delegates to promote their respective businesses. The public sector delegates were also able to use the sessions to promote the Bahamas. This aspect of the Mission was a huge success and must be carried forward in future Missions.

The Trade Showcase was another plus for the BCCEC and Bahamian private sector and should also be included in all future Missions.

The high-level government and IDB meetings were also very helpful as they provided an overview of The Bahamas' current economic situation and the international context that

we operate in as we seek to advance the interests of the private sector. The meetings also sought to strengthen US government support of the Bahamian private sector.

Overall, the Washington, DC Mission was a success and will serve as a template for future Missions to come.