The Caribbean: A Premier Investment Destination
The Caribbean – Who are we?

- Antigua & Barbuda
- The Bahamas
- Barbados
- Belize
- The Cayman Islands
- Curacao
- Dominica
- Dominican Republic
- Grenada
- Guyana
- Haiti
- Jamaica
- Montserrat
- St. Kitts & Nevis
- St. Lucia
- St. Vincent & the Grenadines
- Suriname
- Trinidad & Tobago
- Turks & Caicos Islands
THE CARIBBEAN

...What are we known for?

“Caribbean Brands”
The Caribbean is: Paradise
The Caribbean is: History
The Caribbean is: Excellence
The Caribbean is: Passion
The Caribbean is: Adventure
The Caribbean is: Business
The Caribbean is: Exotic Foods
WHY INVEST IN THE CARIBBEAN?
1. Ideal location/ Accessibility
2. Openness to trade
3. Economic & Political Stability
4. Skilled Labour Supply
5. Low Operating Costs
6. Strong regulatory environment
7. Flexible Incentives
8. Modern Infrastructure
9. Diverse Investment Opportunities
10. Ease of Doing Business
11. Responsive Investment Promotion Experts
Easy Access to the World: Logistics
Openness to trade – Trade Agreements

- CARICOM Single Market and Economy (CSME)
  - Allows for free movement of labour

- CARICOM BILATERAL TRADE AGREEMENTS
  - Colombia
  - Costa Rica
  - Cuba
  - Venezuela

- Canada-Caribbean Community Free Trade Negotiations

- Caribbean Basin Trade Partnership Act (CBTPA)

- CARIFORUM-EU Economic Partnership Agreement (ACP)

- Dominican Republic CAFTA

- HELP and HOPE Act (Haiti with the USA)
<table>
<thead>
<tr>
<th>Countries</th>
<th>Pop'n</th>
<th>Nominal GDP (USD bn)</th>
<th>Per capita GDP (USD)</th>
<th>Credit rating</th>
<th>Outlook</th>
<th>Y-oY GDP change</th>
<th>Unemp.</th>
<th>Import cover (months)</th>
<th>Y-o-Y Inflation</th>
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</thead>
<tbody>
<tr>
<td>Aruba</td>
<td>106</td>
<td>2.6</td>
<td>24,429</td>
<td>BBB+</td>
<td>(Stable)</td>
<td>4%</td>
<td>8%</td>
<td>3.6</td>
<td>1%</td>
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<tr>
<td>Bahamas</td>
<td>347</td>
<td>8.2</td>
<td>23,417</td>
<td>BBB</td>
<td>(Negative)</td>
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<td>14%</td>
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<td>Barbados</td>
<td>274</td>
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<td>16,307</td>
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<td>13%</td>
<td>3.4</td>
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<tr>
<td>Cayman</td>
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<td>3</td>
<td>54,338</td>
<td>Aa3</td>
<td>(Stable)</td>
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<td>6%</td>
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<tr>
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<tr>
<td>Dom Rep</td>
<td>10,400</td>
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<td>5,662</td>
<td>B+</td>
<td>(Stable)</td>
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<td>7%</td>
<td>3.3</td>
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<tr>
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<td>0.7%</td>
<td>20%</td>
<td>4.5</td>
<td>1%</td>
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<td>Guyana</td>
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<td>3,596</td>
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<td>5%</td>
<td>11%</td>
<td>3.1</td>
<td>1%</td>
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<td>Jamaica</td>
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<td>(Positive)</td>
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<td>15%</td>
<td>4.4</td>
<td>10%</td>
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<tr>
<td>Suriname</td>
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<td>5.1</td>
<td>9,339</td>
<td>BB-</td>
<td>(Stable)</td>
<td>5%</td>
<td>10%</td>
<td>3.7</td>
<td>3%</td>
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<tr>
<td>T&amp;T</td>
<td>1,328</td>
<td>23.8</td>
<td>17,935</td>
<td>A</td>
<td>(Stable)</td>
<td>2%</td>
<td>4%</td>
<td>12</td>
<td>8%</td>
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</tbody>
</table>

*Source: RBC, September 2014 Report*
Economic Stability

2014 IMF Growth Forecasts: Caribbean

- Dom Rep: 4.5
- Guyana: 4.3
- Haiti: 4
- Suriname: 4
- St Kitts & Nevis: 2.7
- St Vincent & the Grenadines: 2.3
- The Bahamas: 2.3
- Trinidad & Tobago: 2.2
- Dominica: 1.7
- Antigua & Barbuda: 1.6
- Turks & Caicos: 1.5
- Cayman Islands: 1.5
- Jamaica: 1.3
- Grenada: 1.1
- Curacao: 0.7

Source: IMF
Economic Stability

FDI as % of GDP - CARIFORUM Economies 2013

Source: ECLAC
PRIORITY SECTORS
Financial Services

• Finance sector is the second largest in the English-speaking Caribbean

• It employs about 100,000 high-level professionals

• There are world-class clusters in specific market niches already present in the Caribbean in Bermuda, Cayman, BVI, Barbados, among others

• There is a major opportunity to spread this industry further throughout the region
World class International Finance Clusters in specific niches across the Caribbean financial markets

- Hedge and Mutual Funds (Cayman Islands)
- Trusts (Bahamas)
- Private Wealth Management (Barbados)
- Insurance (Bermuda)
Natural Advantages- Caribbean IFC’s

- Key Location next to largest Market, US and Canada
- Axis between US and European Financial Services
- Time Zone
- Close to the fast emerging Latin American Market.
- Quality of life
Opportunities: Shipping services in the Caribbean

- Inter-island transport
- Short sea shipping (which connects islands with Panama and the Caribbean and North American transshipment centers)
- Deep sea shipping (cargo transport on larger vessels)
- Shipment of non-Caribbean cargo passing through the Caribbean due to its location at the crossroads of major trading routes.
The Advantages

- Location - at the crossroads of major trading routes
- Panama Canal widening
- Changing nature of global trade from East to West
- Strong infrastructure – Ports of the Caribbean ranked among the top 40 by ECLAC
- Adequate strategic locations for port development
- Training through Caribbean Maritime Institute
Opportunities: Tourism services in the Caribbean

• Eco-Tourism
• Medical Tourism
• Wellness & Spas (linked to hydro and thermal sources, eco-tourism, sports tourism, heritage and cultural tourism)
• Nursing and Elderly Care/Retirement Villages
• Research and Diagnostic Services
Tourism

The Advantages

- Abundant natural/cultural resources
- Strong tourism arrivals
- Skilled human resources
- Prioritization of Travel and Tourism
- Strong Tourism Infrastructure
- Strong Ground Transport Infrastructure
- Air Transport Infrastructure
- Price competitiveness
The Opportunity

Readily Available but Mainly Untapped Renewable Energy Potential

- Solar thermal and photovoltaics
- Hydro power
- Wind power
- Geothermal
- Biomass from bagasse and wood waste
Drivers for Renewable Energy Development

- Climate Change
- Increasing oil prices
- High electricity prices (20-55 US cents/kWh)
- High burden of oil imports on balance of payments (up to 50% of revenues used for oil imports)
- Growing energy consumption

Caribbean consumes 97% of its energy from oil products
Strengths of the Caribbean

- Language skills (English, Spanish, French, Dutch)
- Geographical Proximity to near-shore markets
- Cultural proximity to North America
- High quality of service/ trained workers/ high agent retention
- World-class telecom infrastructure
- Business and time continuity (24-hour business operations)
ICT/Business Process Outsourcing

**Key Niche sub-segments**

- Voice customer support
- Outbound telesales
- Value-added BPO work (human resources functions such as payrolls processing, compensation surveys)
- Data entry
- Network operations support/infrastructure services support
- Support for professional services (finance and accounting functions, such as billing, receivables management, financial reporting)
- Software development/ Other limited scale sub-segments (IT consulting, graphic design)
Key Investors Already in the Region

Financial/Business Services
- Western Union
- First Caribbean International Bank
- Scotiabank
- KPMG
- Deloitte
- PwC
- Ernst & Young

Telecommunications
- Lime
- Digicel
- Claro
- Orange

Courier Services
- FedEx
- UPS
- DHL

Real Estate
- Zublin
- Remax

Financial/Business Services
- PKF
- Accountants & business advisers
Key Investors Already in the Region

ICT/BPO
- Teleperformance
- Accenture
- Xerox

Manufacturing
- Nestlé
- Coca-Cola
- Philip Morris

Tourism
- Beaches Resorts
- Hilton
- Fiesta
- Sandals
- Hyatt
- Courtyard
- RIU
- Marriott
How Can CAIPA Help You?

We are a conduit through which you can access information on investing in the Region, with direct connection to the regional IPAs.

Our IPAs offer services from pre-investment through to aftercare, for your continued growth and development.
THANK YOU

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