

A large graphic featuring a grey map of the Americas (North and South America) with a stylized ribbon in red, white, and blue flowing across it from the top right towards the bottom left.

AMCHAM
TRINIDAD & TOBAGO
THE PATHWAY TO THE AMERICAS

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Trinidad & Tobago: AN EMERGING INTERNATIONAL

Transforming the nation's economy through financial sector development

As part of Trinidad and Tobago's economic diversification, the Government of the Republic of Trinidad and Tobago has identified several industries that will aid in the process of building new sectors for the future economy of Trinidad and Tobago.

One of the major imperatives is further development of the financial services sector, which already contributes 15 per cent to the nation's GDP. A robust and open market-driven economy already exists, spurred by national economic policy, which places major focus on trade liberalisation and public sector rationalisation.

THE ROLE OF THE TRINIDAD AND TOBAGO IFC

An essential step in promoting Trinidad and Tobago's investment opportunities on a global scale has been the establishment of the Trinidad and Tobago International Financial Centre (Trinidad and Tobago IFC) in 2008. The Trinidad and Tobago IFC was given a renewed mandate in 2012 and has made a considerable contribution to diversifying the economy and creating sustainable, high-value employment opportunities within the sector. With a key mandate of driving the expansion of the financial sector, the Trinidad and Tobago IFC has made significant inroads in facilitating economic transformation. Through implementing robust campaigns and by creating partnerships with key organisations, the Company is driving success in achieving the goals of developing the Capital Markets specifically with an outward focus, and establishing a vibrant Financial Institutions Support Services (FINeSS) industry within Trinidad and Tobago.

ATTRACTING INTERNATIONAL CAPITAL MARKETS INVESTMENTS

The Trinidad and Tobago IFC has embarked on an effort to create an ecosystem which would attract top-tier international players in Capital Markets to Trinidad and Tobago's shores. In this regard, the focus has been on the development of transformative IFC-specific legislation and building international partnerships and recognition to enable the country to achieve listing on leading IFC Indexes such as the Global Financial Centres Index. In the domestic market, they will be empowering small and

medium enterprises through the provision of new investment and financing options, among other initiatives.

CREATING THE LEGISLATIVE ENVIRONMENT

A proposed suite of legislation will create a fully transparent, robust yet flexible and responsive framework that will serve as a platform for international banks and financial institutions wishing to do business with, and through, the IFC. This will establish a Financial Services Authority, with a court to address disputes that may occur within the Authority, and a business development arm. The legislation is expected to create the ideal environment to attract international financial institutions, and in five years of commencing operations, through the Trinidad and Tobago IFC Authority, as much as TT\$6 billion is expected to be contributed to the country's GDP along with an estimated 20,000 jobs in the medium to long term.

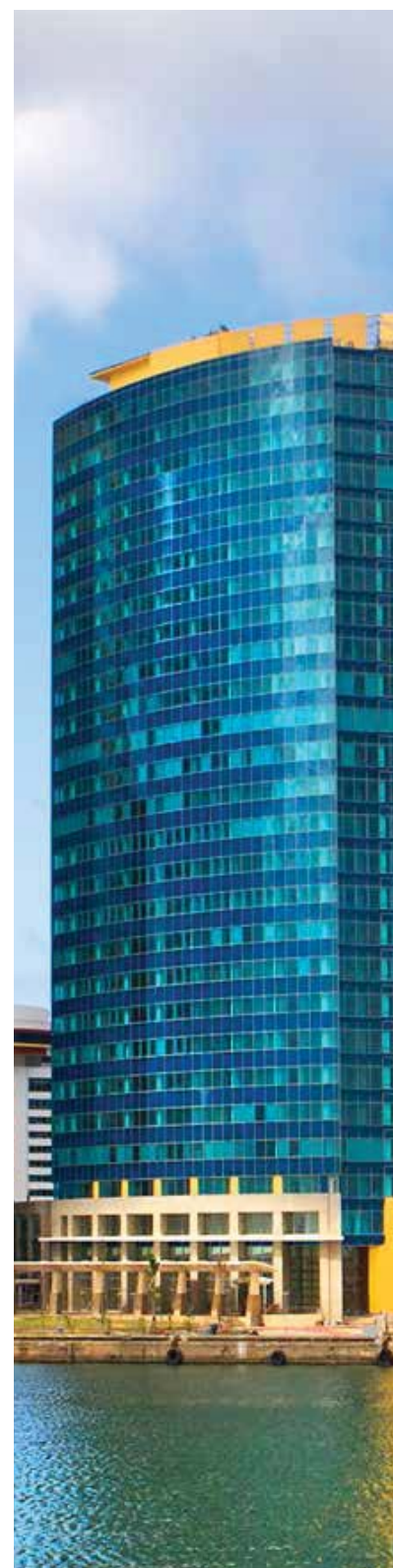
INTERNATIONAL RECOGNITION & PARTNERSHIPS

Another key thrust was an International Recognition Campaign, designed to position the country as an emerging global financial centre. The Company participated in targeted round tables hosted by industry opinion leaders including LatinFinance, The Banker Magazine and the Financial Times, to sensitise key players about several key initiatives, and position the country as a bridge to Latin American markets. Discussions were also held with select financial centres, including London, New York, Toronto and Dubai.


A unique landmark of the 2015 campaign was the Caribbean Investment & Finance Forum. Held in March 2015 in Port of Spain, the forum, which was co-hosted by LatinFinance and the Trinidad and Tobago IFC, attracted hundreds of regional and international public and private sector leaders, the world's leading financial institutions and global investors for discussions on Capital Markets, energy and infrastructure.

Mark Yeandle, the lead author and co-creator of the Global Financial Centre Index and associate director of one of London's leading commercial think tanks, the Z/Yen Group Limited, positively commented on the sector's development, stating that the initiatives undertaken are progressing well.

Another highlight during the forum was the formalisation of an MoU between the Trinidad



INTERNATIONAL FINANCIAL CENTRE



and Tobago IFC and the Toronto Financial Services Authority. This is a significant step towards collaboration aimed at encouraging Canadian firms to establish operations in Trinidad and Tobago and fosters even greater information sharing between the two territories.

Already recognised as the financial centre of the Caribbean, with US\$12 billion worth of debt issued over the last decade in the domestic market, the forum was a critical part of the Trinidad and Tobago IFC's strategy to introduce Trinidad and Tobago to the world as a potential leader in global finance.

CREATING NEW CAPITAL INSTRUMENTS

The Trinidad and Tobago IFC is also working with stakeholders to examine the existing landscape, discover gaps and identify potential projects and products to fill those gaps. One such project is the proposed Risk Capital Financing Model, where private sector and Government join forces to invest in expansion-ready SMEs. This type of financing is essential given the critical role that SMEs play in economic growth and diversification, and the financial impediments they face in realising their potential.

ESTABLISHING A TRINIDAD AND TOBAGO INSTITUTE OF FINANCE

Cognizant that this country's profile as an international financial hub depends in part on training provided to professionals, the Trinidad and Tobago IFC has embarked on a special drive to create the Trinidad and Tobago Institute of Finance in partnership with the University of Trinidad and Tobago. The Company has also partnered with internationally recognised training institutions such as The New York Institute of Finance, a Financial Times company founded by the New York Stock Exchange, and the Chartered Institute of Securities and Investment, the UK's largest professional body for those working in the securities and investment industry.



THE FINANCIAL INSTITUTIONS SUPPORT SERVICES (FINESS) INDUSTRY

The FINeSS proposition is geared towards operations in Finance and Accounting and Banking, Financial Services and Insurance Business Process Outsourcing, referred to as BPO. A two-phase strategy to build inward investment in the sector, which targets both financial institutions and BPO providers has been developed. During phase one, extensive research was conducted to identify prospective international clients, and then, in phase two, these institutions were engaged with propositions tailored to their needs.

CREATING THE ENABLING ENVIRONMENT

In 2013, the Free Zones Act, the Customs Act, the VAT Act and the Corporation Tax Act, were amended to which make special provisions for the financial services industry. The following year, the Company partnered with NIIT Uniqua, a leading global talent development corporation in the BPO domain, to train local finance and accounting professionals. There is also plans for the designation of a 'free zone' which will be used as an incubation space to demonstrate the F&A BPO concept with new clients. This will facilitate in the short-term, 80-100 high-value F&A BPO jobs, which will act as a foundation in the creation of over 500 jobs in the medium to long term.

CAPITALISING ON EARLY SUCCESSES

Last year, Scotiabank launched its regional shared services centre, a 68,000 square foot hub that employs over 400 persons and has "single-enterprise" free zone status. This project was two years in the making and became operational less than a year after RBC Royal Bank opened its back-office service centre in Port of Spain to consolidate support services to clients in Trinidad, Suriname and the Dutch Caribbean.

There has also been a series of inward missions to Trinidad and Tobago which included high-level visits from Genpact, the second largest BPO provider in the world, and other leaders like CE Payments, Hinduja Global Services, Ignition, Infosys and Zensar.

A CLEAR PATH TO DIVERSIFICATION

The roadmap is well defined for the Trinidad and Tobago IFC, as are the potential benefits to Trinidad and Tobago should the Company's mandate be achieved. There are many more milestones to be marked but the goal of economic transformation is that much closer and must be met as Trinidad and Tobago emerges as an International Financial Centre in its own right.

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