



United Kingdom and Cayman Islands Relationship Review

A Report of the Review Committee established to consult with the people of the Cayman Islands in advance of the November 2011 meeting of the Overseas Territories Consultative Council and in anticipation of a new White Paper outlining the United Kingdom's strategy of the Overseas Territories

November 2011

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1. Introduction

Following the publication by the United Kingdom Government of the White Paper entitled “Partnership for Progress and Prosperity – Britain and the Overseas Territories” in 1999, the Overseas Territories embarked upon a period of constitutional modernization. In the Cayman Islands, after much debate and negotiation, this ultimately resulted in the 2009 Constitution. Much has happened in the intervening period since 1999 and the recently elected United Kingdom Government has determined that it intends to embark upon the development of a new strategy for the Overseas Territories.

In relaying this position to the Cayman Islands, Minister for Overseas Territories, Henry Bellingham MP, confirmed that:

- The United Kingdom Government’s fundamental responsibility and objective is to ensure the security and good governance of the Territories and their peoples;

- The 14 Overseas Territories are remarkably diverse and policies need to be tailored to meet the specific circumstances of each Territory;
- A new strategy is desirable for the Overseas Territories primarily to ensure that the new constitutional arrangements work effectively and to promote the best interests of the Territories and the United Kingdom;
- The strategy is an overall framework and does not include specific proposals for any of the relationships;
- Overseas Territories are to be consulted at this preliminary stage with a view to providing feedback to the United Kingdom Government in order to inform and establish priorities for the development of a new White Paper;
- This White Paper, scheduled to be published in 2012, is intended to set out shared values and a vision for the future.

1.1 The United Kingdom's Policy Goals

To these ends, the United Kingdom Government established “three practical policy goals”, namely:

- To strengthen the engagement and interaction between the United Kingdom and the Territories;
- To work with the Territories to strengthen good governance arrangements, public financial management and economic planning where this is necessary; and
- To improve the quality and range of support available to the Territories.

These three goals form the basis and structure of this Report.

In addition, the United Kingdom Government also provided a series of questions intended to assist the Territories in eliciting discussion, which would in turn advance these three policy goals and the new priorities:

- What are the main challenges facing your territory?
- What are the most important areas of cooperation between your Territory and the United Kingdom? In what areas would you like to see greater engagement and interaction between the United Kingdom and your Territory? How can the United Kingdom and your Territory strengthen cooperation and build more effective partnerships?
- How do you assess the quality of good governance, public financial management and economic planning in your Territory? What are the priorities for improvement? How can the United Kingdom best work with your Territory to strengthen these areas?
- What do you think of the quality and range of external support apart from the United Kingdom available to your Territory, including from regional bodies, the Commonwealth, and the European Union? What can the United Kingdom best do to help Territories access external support?
- What potential do you see for increased cooperation and partnership between Territories? In which areas does your

Territory provide support to other Territories? How might this be expanded?

- How does your Territory promote its successes? What more could be done to raise your profile internationally? How can the United Kingdom best support this?

These questions were utilised in the consultations pursued in the Cayman Islands and the answers received have been integrated into this Report under the relevant section that reflects the overarching policy goal.

1.2 Cayman Islands Review Committee

In response to correspondence from the Minister for Overseas Territories in the United Kingdom Government, a Review Committee was established in the Cayman Islands by the Premier, the Hon. W. McKeeva Bush, OBE, JP, acting through the Cabinet Secretary, by letter dated 3 October 2011.

1.2.1 Membership and Terms of Reference

Mr. Lemuel Hurlston, CVO, MBE, JP chaired the Review Committee and was supported by a small Secretariat, headed by Caymanian Attorney Mrs. Theresa Pitcairn and supported by the Cabinet Office. In addition, the Review Committee also contained the following representatives from a range of stakeholders:

- Mr. Mark Tibbetts (Cayman Brac Representative)

- Mr. Richard Smith (Cayman Islands Civil Aviation Authority)
- Mr. Christen Suckoo (Cayman Islands Civil Service Association)
- Mr. Wil Pineau (Cayman Islands Chamber of Commerce)
- Mr. Harry Lalli (Cayman Islands Tourism Association)
- Mr. Richard Coles (Cayman Finance)
- Pastor Alson Ebanks (Cayman Ministers Association)
- Mrs. Karin Thompson (Commission for Standards in Public Life)
- Mrs. Jondo Obi (Red Cross)
- Pastor Felix Manzanares (Youth Representative)

The Review Committee was charged with the task of obtaining feedback from as many people as possible in a six-week period prior to the November meeting of the Overseas Territories Consultative Council (OTCC), at which point the Territories would have an opportunity to have dialogue and exchange thoughts on ideas for possible improvements considered necessary or desirable. Beyond consulting with the widest possible cross-section of the Cayman Islands community, the Review Committee was otherwise left to determine how best to undertake these consultations.

1.2.2 Consultations and Submissions

In order to deliver on its mandate, the Review Committee resolved to:

- Establish a website and a questionnaire through which the general public in the Cayman Islands could provide input – it was understood that this website would not only be available to registered voters in the Cayman Islands, but this was considered to be in line with the broadest possible consultations requested by the United Kingdom Government;
- Conduct a survey through the Chamber of Commerce of its Council of Associations (representing some 25 associations);
- Meet with students in a range of secondary schools and tertiary institutions;
- Conduct District Meetings as time would permit, including a visit to Cayman Brac, which was conducted in conjunction with the Constitutional Commission;
- Meet and invite input from Chief Officers representing the various Ministries and Portfolios of the Cayman Islands Government;
- Consider individual submissions it may receive; and
- Conduct its own research and deliberations as a Committee.

1.2.3 Report

In order to complete its task, the Review Committee resolved to prepare a Report detailing the outcomes of its consultations for the Hon. Premier. This Report has been prepared independently. It attempts to genuinely reflect the views and sentiments contained in the various submissions received.

1.3 Profile of the Cayman Islands

The Cayman Islands is a tri-Island United Kingdom Overseas Territory in the north-western Caribbean Sea. The total resident population of Grand Cayman, Cayman Brac and Little Cayman, when last calculated by the Economics and Statistics Office, was 54,397, of which approximately 57% was Caymanian and approximately 43% non-Caymanian, with over 100 different nationalities being represented amongst the non-Caymanian residents.

A history of the Cayman Islands is beyond the scope of this Report, although it is important to place any considerations for the future development of the Cayman Islands in the context of what has come before. To which end, it is significant to note that the Cayman Islands has a long and proud history in which, notwithstanding that it remains an Overseas Territory today, the residents of these Islands have in the past often had to fend for themselves. When administered through Jamaica, and in the absence of plentiful fertile land, there was little interest in what was taking place across these three Islands. The response of the Cayman Islands was to establish its own legislature in 1831 and to seek to make provision for better and more responsive governance. This is typical of an industrious nature that has served the Cayman Islands well in periods of isolation and neglect. Over time, this dedication and resilience has paid dividends and the Cayman Islands has overcome the challenges of its natural environment, lived through a need for many of its residents

to seek employment overseas, or indeed on the seas, and thrived on the love and support of those left behind to rear the next generations.

A potted and overly simplistic history this may be; but it is the story of the Cayman Islands that is not often heard. Perhaps because of its small size, or maybe simply because it remains an Overseas Territory, it is not often that the Cayman Islands features in the international media. When it does, it is unfortunate and somewhat unfair that this tends not to be for the best of reasons. It was evident in the feedback received by the Review Committee that the global profile of the Cayman Islands could be, and indeed needs to be, significantly enhanced and that the successes that are achieved by the Cayman Islands must be more effectively promoted.

Wherever the profile of the Cayman Islands is high, it was felt that this, more often than not, was limited and tended to be tainted by negative connotations. Whether this was the view that the “only thing that we are known for is our diving [which is admittedly positive] and being hit by Hurricane Ivan”, or as a “tax haven for terrorists and drug lords” – a falsehood that is often perpetuated by the movie industry – there was little positive and clearly much more to tell. As one contribution noted, the Cayman Islands is “more than a holiday destination and a financial centre.”

Hence the calls for the profile of the Cayman Islands to be raised both regionally and internationally. At the same time, the

misinformation and inaccuracies needed to be countered and addressed and the quicker this could occur, the better. This appeared to be particularly important in the context of the financial services industry, where the untruths were potentially extremely damaging, and where a group, such as Cayman Finance, needs to have the capacity to “stay on top of global financial issues and respond promptly.” The approach ought not to be correctional alone and the positives equally require promotion. Thus the advantages and benefits of doing business in the Cayman Islands need to have a far higher profile and accorded appropriate priority.

Similar views were also expressed in relation to the successes of the Cayman Islands. As one contribution concluded, “Cayman needs to be more proactive in promoting itself as a global business centre and its commitment to transparency and professionalism.” Another viewpoint was that there were instances where the Cayman Islands had assisted other Overseas Territories and this was not widely appreciated. Similarly, having taken the necessary steps to comply with international financial regulations, there seemed to be a strong feeling that due credit was not always forthcoming to the Cayman Islands.

Various suggestions for how best to enhance the profile of the Cayman Islands and celebrate its successes were presented. While word of mouth was powerful, in and of itself, this was not thought to be sufficient. Most contributions therefore recognised a need to be

more strategic and proactive in this task and recommended the continued use of overseas offices in key locations and the increased use of media, marketing and advertising to more effectively convey these messages. This was also seen as an area where the United Kingdom could be expected to assist and, to this end, one recommendation was the establishment of some sort of cost effective mechanism, or protocol, for the transmission and publication of all things positive about the Cayman Islands.

A cautionary note was, however, also sounded, which pointed to the danger of swinging too far in the other direction and simply describing everything as rosy and without a downside. This view thus emphasized the need to present a realistic portrait of the Cayman Islands as not necessarily, or at least entirely, a “rich” Territory. If there are segments of the community that would benefit from support, potentially from external funding, then it follows that the true position needs to be accepted if these elements are to be assisted accordingly.

This brief profile is intended to serve two purposes. Firstly, it should alert the reader to some of the historical challenges that the Cayman Islands has encountered. These are instructive in understanding the Cayman Islands perspective on how it interacts with the United Kingdom, as well as how it relates to the rest of the world. Conversely, the second aspect of this profile refers to how the rest of the world appears to see and interpret the Cayman Islands and

explains the significance of truth and accuracy in this portrayal. The points are thus related and have been combined together here, at this key introductory point in the Report, as they provide important context for the consideration of the three substantive areas which are addressed in the main body of this Report.

2. Engagement and Interaction between the United Kingdom and the Cayman Islands

The majority of the feedback elicited in this process pointed to a continuing sense of loyalty to the Crown and, accordingly, a desire on the part of the people of the Cayman Islands to maintain the relationship between the Cayman Islands and the United Kingdom. At the same time, it was also noted that this relationship has not functioned as effectively as it could have done – and to the mutual benefit of both parties – in recent times. There were, as a result, many suggestions as to how this relationship could be improved. That said, there were more isolated comments, which did express the belief that the ties with the United Kingdom were “too restrictive” and that the relationship may have broken down to such an extent that it was beyond repair.

The dissatisfaction with the way in which the relationship is presently operating has largely coalesced around the perception that the two parties have often appeared to be at “loggerheads” with one-another and that as a consequence, the Cayman Islands may simply be left to “sink or swim”. Thus, when the Cayman Islands came under pressure from the international financial community, there seems, amongst several contributors, a sense that the Cayman Islands was let down by a failure on the part of the United Kingdom Government to fully represent the interests of the Cayman Islands and indeed protect these where necessary. Hence the proposition that the United

Kingdom should “defend Cayman”, seek to “officially dispel falsehoods” and, in so doing, to be the “number one overseas promoter” of the Cayman Islands.

Rather than break-off the relationship therefore, there was a clear interest in the Cayman Islands in pursuing not just a “greater awareness of precisely what the United Kingdom can provide by way of assistance”, but also ways in which this relationship could be nurtured and become more productive. To this end, it was noted that an improved relationship is likely to require a process of mutual education, with the United Kingdom and its people needing to learn about and better understand the various Territories and their distinct features; as opposed to a one-way process where the people of the Territories merely had to come to terms with what the United Kingdom prescribes. To some extent, this perspective is echoed in the findings of the Foreign Affairs Committee of the United Kingdom Parliament, which the Review Committee had cause to consider, not least because it was suggested that the “partnership” concept between the United Kingdom and the Overseas Territories must be based on something more than an annual meeting of the Overseas Territories Consultative Council and “properly consulting and representing the Overseas Territories in issues that affect them is an important part of creating the type of ‘modern partnership’ which may prevent the need for direct intervention”.

The feedback provided also acknowledged that there have also been some positive developments. As was noted in the Review Committee's meeting with Chief Officers, the accommodation given to students from Overseas Territories, including the Cayman Islands, whereby such students now pay home student fees for tertiary education in the United Kingdom, was one good example and a model for improved cooperation.

Ranked in order of importance (although there was little to choose between the ten main responses), the most important areas of cooperation highlighted by the Chamber of Commerce's survey were:

- Advice and Support
- National Security
- Law Enforcement
- Disaster Relief
- Diplomatic Relations
- International Treaties
- Financial Services
- External Affairs
- Technical Assistance
- Common Law

Other areas where cooperation was also considered important included good governance, strategic planning and implementation, public relations and human rights. In respect of the latter, one of the independent submissions specifically asserted that "most

Caymanians were not aware of the implications of these rights” and that the focus should therefore be on implementing the 2009 Constitution, which “is only two years old and has not yet been fully implemented.”

It should, however, be noted that a range of assistance is already provided by the United Kingdom. In clarification provided by the Governor’s Office, this was classified in three ways:

- Advice and Support – provided principally to the Cayman Islands Government by a number of United Kingdom experts, including a Regional Law Enforcement Advisor, a Regional Advisor on Prisons, a Regional Aviation and Maritime Advisor and an Economic Advisor from the Foreign and Commonwealth Office (FCO).
- Disaster Relief – particularly in the hurricane season, when there is a Royal Navy/Royal Fleet Auxiliary ship in the Caribbean tracking hurricanes and ready to respond and provide a range of assistance in the event that a Territory is hit by a hurricane.
- Projects or Financial Contributions – including the Cayman Islands Delegated Fund from the Overseas Territories Project Fund; the Miami Tactical Fund, which has provided support to the Cayman Islands Parole Commissioners Board; and from the United Kingdom’s Department for Environment, which is

presently funding a three-year project on a Marine Protected Area system.

At the same time, there appears to be some scope to improve the functioning of the relationship and the Review Committee welcomed the proposal from the United Kingdom Government to strengthen “the engagement and interaction between the Territories and the United Kingdom by not only sharing expertise, but also by pursuing partnerships between local governments, the private sector, non-governmental (NGOs) and professional bodies.” The Review Committee also noted some practical suggestions that might serve these ends. These included minimizing Ministerial and other staff turnover in the FCO and narrowing the focus of the portfolio responsibilities of the Minister with responsibility for Overseas Territories, so that the appropriate time and resources are devoted to this subject.

In consultations with Chief Officers in the Cayman Islands Government, it was also noted that individual Ministries in Overseas Territories may shortly be able to access support directly from their counterparts in the United Kingdom Government, instead of relying solely on the FCO. In principle, this appears positive, but further details as to how this is intended to operate are required before a full assessment can be rendered. In the United Kingdom Government’s Ministerial statement of September 2011, it was stated that United Kingdom Departments have until the end of January 2012 to offer

ideas as to how assistance and cooperation with counterparts in the Territories might be practically enhanced. In addition, where the United Kingdom also provides aid and assistance through its Department of International Development, for example, the Review Committee considered whether Overseas Territories might benefit from this to a greater extent.

Notwithstanding that the United Kingdom Government has indicated that “at this point in the history of our relationships with the Territories, when a decade of constitutional revision is coming to a close, the time is not right to embark on further constitutional change”, some improvements to the constitutional arrangements of the Cayman Islands were nevertheless put forward. For the most part, these were advanced within the framework already established and did not seek any significant further advancement.

The major constitutional refinements proposed and considered by the Committee within the existing constitutional framework, in no particular order, were:

- The implementation of one person one vote as a fundamental democratic principle;
- The potential improvement of the relationship between the Governor and the Premier, if the Governor were expressly able to remove the Premier “under conditions of corruption or other criminal activity”;

- The electorate's right to call for a people-initiated referendum and the inclusion of such a right in the Constitution itself, as opposed to it being dependent upon subsequent legislation for its implementation;
- The Commission for Standards in Public Life being accorded with the power to make and publish a Code of Conduct, with the Constitution setting out the sanctions applicable to any breach of this Code;
- The Governor, after consultation with Cabinet, being required to publish a summary of the business of the Cabinet within 15 days of a Cabinet meeting having been held;
- A majority of Members of the Legislative Assembly being able to pass a vote of no confidence against the Government;
- The limitation of the power of the United Kingdom to govern by Orders-in-Council and to disallow legislation enacted in the Territories;
- The removal of the Governor as Chair of Cabinet;
- The appointment of a political Attorney General; and
- The widening of the electoral franchise so as to increase the percentage of the population that would be allowed to vote.

These proposals appear to be driven by two distinct, although not necessarily contradictory, objectives. The first objective seems to be a desire to control potential excesses where these might arise. Put another way, what is sought is an additional check on local

governance as part of the overall balance in the constitutional arrangements. The second objective, meanwhile, seeks greater local autonomy. In some senses these may well be straining in different directions, although there is nothing to say that more local autonomy could not be ceded, while at the same time establishing a relationship that effectively builds in the necessary controls.

However, an arrangement in these terms sounds somewhat akin to the position in Bermuda, or a free association agreement, options which the Review Committee understands have not previously been made available. Nevertheless, in the District Meetings conducted by the Review Committee, there was reference to self-determination alternatives to independence that are permissible under the United Nations framework, including “integration”, as well as “free association”, and it was similarly noted that a free association agreement could facilitate greater internal self-government without necessarily committing to independence. Given that these sentiments were equally expressed without any reference to free association, it may not be productive, at least at this stage, to get hung up on terminology. It is the essence of the message, however, that is important. As one contribution concluded:

“The Government of the Cayman Islands must find a balance between internal independence and a deeper level of cooperation with the United Kingdom to address internal problems that are

generated by and become entrenched by the characteristics of small communities.”

Some comments also hinted at the possible advantages of certain elements of the integration option. While there was only passing reference to a “long-term goal of full integration”, the notion that a Member of Parliament in Westminster may actually represent the interests of Overseas Territories obtained greater traction. Although not identical, a similar theme is pursued in one of the individual contributions, which advocates for greater, albeit more indirect, engagement with the United Kingdom Parliament through the lobbying of groups such as the Friends of the Cayman Islands in the United Kingdom, the United Kingdom Overseas Territories Association and the All-Party Parliamentary Group that takes an interest in the affairs of the Cayman Islands and other Overseas Territories.

Underlying many of the benefits of an on-going relationship with the United Kingdom tended to be the belief that the relationship provides much-needed “accountability” – the “United Kingdom has to play a more integral role and help to guide our leaders ... [to address] their over-spending and over-taxing (indirectly) the people” – and “some form of stability”. This stability hypothesis was very often raised in the context of the financial services industry where there appeared to be a concern that any steps towards the independence of the Cayman Islands would almost certainly result in

a major loss of confidence in this industry. It is unclear whether the connection with the United Kingdom provides any real practical benefit, which could not be sustained upon independence, but the perception of security, financial, legal, national or otherwise, nevertheless remains strong.

Whatever the reality, it would be useful to understand the true position and, in a similar vein, some contributions warned against complacency on the part of Overseas Territories. One question that was posed to the Review Committee therefore, was whether there was a “red-line that the United Kingdom will not cross”, after which it might “usher in independence”? Although one of the individual contributions asserted that “the United Kingdom is not going to force Cayman to go independent and will continue to respect the wishes of a majority of the electorate and people”, another submission posited that the Cayman Islands should at least consider how it would address a scenario whereby the United Kingdom Government effectively “took the bull by the horns”, indicated that it no longer wished “to be a Colonial power” and established a “twenty year framework”, for example, for each of the Overseas Territories to achieve independence.

For the immediate future, this is not understood to be the position of the United Kingdom Government, or indeed the objective of this consultative exercise, and the focus is primarily on how the relationship can be improved. The feedback received from the

Review Committee embraces this objective and accordingly provides much food for thought.

3. Good Governance in the Cayman Islands

3.1 Governance Arrangements

The arrangements for the governance of the Cayman Islands have become notably more sophisticated in recent years, with a number of significant advances in this area over a relatively short period of time. These milestones have included new governing legislation for the management of the public sector, as well as its finances; the formation of the Office of the Complaints Commissioner; the establishment of freedom of information; the adoption of a new Constitution, which establishes several new institutions supporting democracy and alters local governance arrangements and the way in which these now interface with the Governor and the United Kingdom; and the impending introduction of a domestically enforceable human rights chapter as an integral part of this new Constitution. Most of these initiatives have been successfully implemented, although it is acknowledged that some have proved more challenging than others and that there is scope for further enhancement in certain areas. To this end, each initiative would undoubtedly benefit from its own specific evaluation; and indeed celebration where this is appropriate; and while this is beyond the scope of this Report, it can nevertheless be asserted that the Cayman Islands has taken large steps forward in the development of a modern, open and accountable governance framework.

This process has required some substantial adjustments and, at times, it is fair to say that it has been difficult to keep pace. However, this is not a case of the Cayman Islands seeking to run before it can walk, but more a symptom of the rapid development that the Cayman Islands has experienced and the need to respond by appropriately matching governance arrangements to the level of development. With on-going revisions to the governance arrangements of the Cayman Islands seemingly inevitable; both as a result of further development and as lessons are learnt in the course of addressing these legacy issues; the pressures and burdens resulting from this adjustment are thus unlikely to subside in the foreseeable future. As refinements and improvements to governance are proposed, as they have been in the consultations that have informed this Report, it will be important to bear this context in mind when these suggestions are evaluated.

In response to the Chamber of Commerce's survey of its Council of Associations, good governance was highlighted as the greatest political and governmental challenge facing the Cayman Islands. Aside from the related financial issues of fiscal management, public spending, debt management and borrowing, which all featured prominently and which are addressed separately below, the other specific challenges in terms of good governance identified were corruption, or at least the perception of corruption; the need for further public sector reform to improve the efficiency of the Civil Service; and concerns regarding the effects of the adoption of the

party system in the Cayman Islands. Similar concerns are also mirrored in the feedback received from the general public.

As regards good governance, the sentiment most often expressed and which came through prominently in the feedback was a desire for greater transparency and accountability throughout Government. This sentiment was manifest both in the context of procurement and in the operation of boards and committees appointed by Government and was evident in calls for elected officials and senior Civil Servants alike to be subject to enhanced provisions that would reveal and prevent any conflicts of interest. There were thus calls for more stringent application of anti-corruption laws and increased checks and balances to be enshrined in the Constitution. This need not necessarily imply that there is bad governance in the Cayman Islands, or indeed that there is corruption. Rather, as was suggested, the focus should be that even the perception of corruption – that is to say anything short of a “spotless reputation” – is potentially damaging, not least because this can be sufficient to deter investment and inhibit development. Emanating from the consultation process by way of response on this point, was the proposal that integrity be adopted as a guiding principle not just across all three branches of government, none of which escaped without calls for their improvement, but in business as well.

More detailed recommendations for improved good governance were also received in some of the individual submissions and

considered by the Committee in the course of its deliberations. These included:

- The development of a “Statement of Good Governance [and Public Protection] Principles”, which could be negotiated with the United Kingdom Government to “provide clarity on future matters in the public’s best interests”;
- The publication of annual audits of the Consolidated Financial Statements of Government within 9 months of the year end, with sanctions in the Constitution for any breach (see below for further discussion relating to Public Financial Management);
- The Public Accounts Committee having two independent persons – essentially “public protectors” – who are experts in public finance; one to be appointed by the Governor in his discretion and one by the Speaker together with three backbenchers, with time limits for the completion and publication of its business in order to improve the effectiveness of the Public Accounts Committee;
- The strengthening of the legislation governing the Register in Interests; and
- The institution of regulations governing donations to political parties.

It was also noted that there were areas within Government that could operate with greater efficiency, along with others that need to

operate more effectively, which together could enhance good governance. In response to perceived public sector inefficiencies, it was proposed that reform should be driven by a desire to achieve greater value for money, to which end the Civil Service might need to be streamlined and become more service-orientated, with fees for services provided structured accordingly.

At the same time, it was also recognized that the independence of the Civil Service may need to be bolstered; that the Service needed to get the right people in the right places in order for the it to be more efficient; and that it required the capacity and expertise necessary to follow through on plans. As for effectiveness, the primary area identified as requiring greater resources specifically in order to ensure good governance was security, both in terms of crime management and border control. Based on the sections in which this feedback appeared, it can reasonably be concluded that security is considered by some to be integral for good governance to even exist, let alone flourish, and may therefore be distinct from other areas of Government requiring attention for this reason. The difficulties that the Civil Service has had in adjusting to the demands of the Public Management and Finance Law and the provision of accurate and timely financial reports, which were regularly cited as a concern, are specifically addressed below in the section on Public Financial Management.

Notwithstanding the recent advances made in the new Constitution, there was one governance arrangement that has crystallized since the 1999 White Paper on Progress and Prosperity, which drew particular criticism in the feedback from the general public. This was the development of party politics and the sense that the Cayman Islands is simply too small to sustain two or more different parties. A number of different effects of this development were noted. These included the view that two-party politics is too often divisive, can unhelpfully feed patronage and create unnecessary animosity. In such circumstances, it was felt by some that opportunities for collaborative and productive governance and “the common good” could be lost.

Various proposals to reform the system were also forthcoming. These included broadening a political base that was described as “too narrow”, so that anyone who is eligible to vote could also stand for election, provided certain unspecified residency requirements are met; finding a way to get more younger people involved in the system; and limiting the number of terms that may be served by an elected representative. Clearly some of these suggestions do not necessarily fit easily with others; but this is precisely the challenge – limited resources and how best to utilize them – that small Island communities like the Cayman Islands face in many different contexts. In response to this challenge, the involvement of private sector expertise was cited as one solution and public-private partnerships, such as the Future of Cayman economic development initiative, were

held out as an example of how the Cayman Islands could more effectively pull together.

Other suggestions for reform mainly focused on either the introduction of a more equitable voting system, or the greater involvement of the populace in the actual decision-making process, which could be facilitated by the use of new technology. The importance of engaging people in the political process were also evident in concerns that people need to be free to express themselves without fear of victimization and intimidation and that certain groups, such as Civil Servants, were not always able to voice their opinions as openly as they might.

Underlying a large portion of these comments and proposals appeared to be two basic ideals. On the one hand, there was the concept that the more power is shared, the less it is open to abuse, whether this abuse is real or perceived; and the more the people had a stake in the process, the greater the likelihood that government would, not only be good, but would also be strong and stable as well. On the other hand, and by no means in contradiction, there seemed to be a desire on the part of the contributors to be proud of the Cayman Islands and what it stands for; hence the expectation of the highest possible standards from elected representatives, of dignity and of respect, which if emphasized would enable the Cayman Islands to stand tall as “a beacon of light to the world in terms of democracy”. In a similar vein, the use of technology to realize more

direct democracy was portrayed as an innovation, which the world would sit up and take notice of. Moreover, in the same way that there were calls for business, as well as government, to be subject to these elevated standards, it was also noted that the media, through responsible reporting, also has a role to play in a more inclusive vision for good governance in the Cayman Islands.

3.2 Public Financial Management

The word most commonly used to describe the performance of public financial management in the feedback received from the general public was “poor.” It was a description that was pervasive and appeared to apply to both the political and administrative arms of Government and irrespective of whichever party happened to have been in power at a particular time. This overwhelming concern with the management of public finances explains why, in addition to poor fiscal management, high public spending, high borrowing and poor debt management all feature prominently as challenges relating to governance in the Chamber of Commerce’s survey.

Foremost amongst these concerns, however, was the need for Government to produce audited accounts in a timely manner. Despite recent improvements in Government’s performance in this regard, this remained an issue and was, for some, a contributory factor to problematic economic planning. Few contributors sought to detect the underlying causes for this situation, although one contribution did assert that:

“The new 2009 Constitution of the Cayman Islands provides the framework for open and transparent government to support ... sound financial management and economic planning. It appears that the present Civil Service and public authorities are equipped to serve the needs of the country. Unfortunately, a financial management system imported from New Zealand in the 1990’s has presented many challenges which are only now being addressed.”

While some comments called for the Public Management and Finance Law to be “scrapped”, it is not altogether clear whether this is necessary, particularly given that there was also support for the accrual accounting system; or whether this system, imported from New Zealand and contained in this Law, is salvageable in a Caymanian context. What was, however, evident was that the system of accounting in Government needs revamping in some way so as to be more “manageable”; not least because the Public Management and Finance Law was considered to have contributed in no small terms to the growth of the Civil Service. One centralized financial controlling unit, as opposed to financial controllers spread out across all of the different entities of Government, was therefore proposed in numerous submissions, not just a cost-saving measure for the Civil Service, but also as a central feature of any revision to public financial management arrangements, whatever form these may take.

In terms of objectives for public finances, tighter controls on spending were recommended, because spending had not been adequately controlled in the past; borrowing, it was proposed, should cease, because the Government's debt had reached too high a level; and a contingency fund was also considered desirable, in order to make more adequate provision for long term pension and health care liabilities, as well as the liabilities of Government-owned companies. As to how these prudent measures might be achieved, there were little options proffered other than to curtail outgoings, with only isolated reference to the introduction of any form of direct taxation.

Amidst the dissatisfaction with virtually all concerned in the management of public finances, the Office of the Auditor General was nonetheless well-received and the ability of this Office to shed light on the use of the public purse welcomed. Notwithstanding that there was an overwhelming desire for greater democracy and accountability, there was also a suggestion that the changes brought about by the 2009 Constitution, which saw the removal of the Financial Secretary from Cabinet and the Legislative Assembly, might need to be revisited.

This would thus appear to be, as one contributor concluded, a priority area for improvement and an area where the greater accountability and transparency, emphasized above, needs somehow to be brought to bear. It is also an area where it was thought that

the United Kingdom's assistance might be sought and deployed to good effect, as the Cayman Islands explores its options for ensuring improved public financial management.

3.3 Economic Planning

The Cayman Islands is no stranger to strategic planning, having ambitiously embarked upon such a process in 1998, which gave rise to the 1999-2008 National Strategic Plan (referred to as Vision 2008). One individual contributor detailed at some length the process that was undertaken:

“Visioning meetings were held with different groups and district meetings were held in each district. Focus groups and a public polling exercise followed. A 30 member planning team from a cross section of the Cayman Islands community developed a statement of beliefs, a vision statement, parameters, objectives and 16 strategies. 32 round table leaders were identified and trained to lead 16 round table meetings (one on each strategy) consisting of about 250 members who met over 4 months and prepared the action plans [and] action steps for each strategy in a 166 page document.”

The 16 strategies were outlined as:

- Crime and Drugs
- Youth
- Education
- Family

- Culture
- Cayman Brac
- Little Cayman
- Open and Accountable Government
- Infrastructure
- Growth Management
- Environment
- Information Technology
- Economy
- Health
- Contingency Planning
- Immigration

According to this individual contributor, what the Cayman Islands needs is another 10-year strategic plan like Vision 2008, with the implication that a similar comprehensive exercise would be the best way to arrive at the same. Whatever the particular merits of the Vision 2008 Plan (the issues surrounding why many of the outcomes of this process went unaddressed were not explained), the general notion of longer term strategic and, encompassed within this, financial planning was one that also drew support from the general public. As one of the contributions on the website similarly posited:

“The Cayman Islands needs a long term economic strategy to ensure a stable source of revenue as well as a strategy to diversify away from the two current pillars of economic activity. Secondly, the

Cayman Islands need a comprehensive long term strategy to ensure that the two main pillars continue to strive.”

While the Chamber of Commerce’s survey identified the global recession as the major impediment to economic development in the Cayman Islands, this was closely followed by a range of other factors – economic diversification, immigration reform, access to a skilled workforce, infrastructural development, protection of natural resources and environmental policy – all of which were similarly highlighted by the general public and all of which would appear to be relevant to the development of any realistic and sustainable long term plan for the Cayman Islands.

At the same time, such planning ought perhaps to be equally conscious of the various issues identified as challenges in relation to everyday life, which were clearly discernable from the feedback. These included, most noticeably, the high cost of living (sometimes expressed as a declining standard of living); public safety and the rise of crime; unemployment and underpay for some in employment; access to quality education at all levels and technical and vocational training where appropriate; and access to affordable health care and housing.

3.3.1 Economic Diversification and Stimulation

The economy of the Cayman Islands is to a large extent built on the twin pillars of tourism and financial services. In the wake of the global economic recession, both sectors have

come under significant pressure. This perhaps explains the prominence of the global recession in the Chamber of Commerce's survey. Other contributors make this connection and make the case therefore for economic diversification with strategies that are "resilient", "deeply-rooted", specific to the Cayman Islands and, most importantly, less dependent on external factors. In turn, there was also a feeling that this diversification would result in a wider range of options and greater prospects of fulfillment for all of the people of the Cayman Islands.

Various ideas to stimulate the economy were also advanced. Some focused on how this might best be achieved and felt that there was a need for a dedicated economic development team, which actively seeks out and recruits new industry that is suitable to the Cayman Islands; supports the sustainability of existing business; and fosters entrepreneurship. As with other ideas, this initiative was predicated on a need to work collaboratively across Government and with business. How this might practically be achieved within the Governmental framework and how any partnership, for example with the Chamber of Commerce, might operate are matters for further consideration.

While this particular proposal further noted that "customized financial incentives will need to be offered to assist in

recruitment”, there were also some responses that were suspicious of any concessions, particularly where these were provided to so-called “big names”, preferring instead to focus on support for small business and innovation and limiting Government’s remit to the establishment of the conditions in which business can thrive; namely “price stability, high employment and sustainable growth.”

Major projects, and their potential to boost the economy, were also noted in a number of contributions and various reasons were advanced as to why many of these proposed projects have not progressed. What was evident in these contributions, however, was that there were differing views as to the merits of many of these projects. Some supported them; others did not; which appears to suggest that the vision, upon which long-term economic planning should to be premised, is not fully understood and appreciated by all concerned.

3.3.2 Tourism and Aviation

Notwithstanding the concern that the Cayman Islands may well be too dependent on tourism, which is vulnerable to the global economy, it was nevertheless noted that there remains some scope to enhance the tourism product in the Cayman Islands. Some saw a need for further investment in tourism infrastructure, while others emphasized that “in tourism,

financial quality rather than numerical quantity is better for small countries.” Several contributions also emphasized that the Cayman Islands needs to be a destination with a difference and that there was “no advantage in looking and feeling like Florida”, nor, equally, was it advisable to become generic-Caribbean and lose what is particular, peculiar and indeed special about the Cayman Islands.

It was further noted that there were opportunities for the Cayman Islands to leverage everything that Cayman Islands is good at or that is good about the Cayman Islands. As one contribution intimated, if the Cayman Islands is a good place to visit for a vacation, then surely it would be a great place to come to study, or to play sport, or receive medical treatment for that matter? From a strategic perspective, this serves to illustrate the importance of integrated planning.

Specific feedback on aviation and how this might enhance tourism and developmental opportunities for the Cayman Islands was also received. This called on the United Kingdom Government, which retains regulatory oversight for aviation in the Territories, to refrain from levying charges on Overseas Territories for this regulatory oversight. Moreover, this input called for further, more positive, action by the United Kingdom Government to, for example, drop the Air Passenger Duty imposed on airfares from the United Kingdom to the Cayman

Islands and, as the contributor explained by way of justification, even if the United Kingdom was to do this for all of its Overseas Territories, the impact on United Kingdom Government's revenues would be minimal, whereas the impact on tourism in the Territories could be significant. What this also illustrates is that economic planning in the Cayman Islands cannot take place in isolation and an international and global awareness is necessary to provide important perspective.

3.3.3 Financial Services

Offshore financial centres, such as the Cayman Islands, have been the subject of a double impact from the global economic recession. In addition to the general downturn in business, the international community also took the opportunity presented by this crisis to revisit the regulation of banking and other financial services and, in so doing, to re-focus attention on the activities of offshore jurisdictions. The Cayman Islands has responded successfully by complying with new Organisation for Economic Co-operation and Development (OECD) requirements, signing a number of Tax Information Exchange Agreements with a range of different jurisdictions and thereby bolstering its international reputation. In addition in this regard, the Review Committee also noted amendments to the Monetary Authority Law, which improve the efficiency

of cross-border assistance provided by the Cayman Islands Monetary Authority, and to the Proceeds of Crime Law, which provide for increased disclosure of enforcement actions by the Cayman Islands Monetary Authority, along with greater statistical reporting.

However, there is a general feeling that this industry is increasingly competitive and that the margins for profit are narrowing. Hence the importance of an environment, which is conducive, as opposed to detrimental, to such business. As such, while it was evident from the various calls to diversify the economy, that the financial services industry cannot be relied upon to always provide the sort of economic growth that it has in the past, it was also not thought prudent to let financial services simply wither on the vine. An extensive pool of legal and financial expertise having been attracted to the Cayman Islands, which has enabled the jurisdiction to become a market-leader, it was posited that, given the right conditions, this could continue to thrive and reap dividends.

This is also an area where the feedback often pressed for a more productive and positive relationship between the Cayman Islands and the United Kingdom Governments. Indeed, several comments pointed to having felt let down by a perceived failure on the part of the United Kingdom to defend the Cayman Islands in this regard. Others noted the dynamic

of offshore financial centres, such as the Cayman Islands, benefitting the economies of onshore jurisdictions and that there may well be a level of mutual interest that could be better explored and appreciated in the future. This is therefore another area where a local economic plan would benefit from the engagement and involvement of the United Kingdom in a more positive and mutually beneficial relationship.

3.3.4 Immigration

Immigration continues to be a controversial issue in the Cayman Islands and the consultations only served to underscore this situation. Striking the appropriate balance between attracting qualified and expert labour from overseas and, in the process of so doing, not obstructing the progress and development of the local workforce remains an elusive task and one that would seem to be central to any successful economic planning in the Cayman Islands. More effective enforcement of existing immigration regulations was, for some, at least part of the solution; but overcoming the belief that the Immigration Boards have a preference for foreign workers will require more. Hearts and minds will have to be won over if the more inclusive society, a desire for which could nevertheless also be made out from the consultations, is to be realised.

The Review Committee also noted that this immigration conundrum was particularly challenging in the context of the financial services industry, where it is felt that the local financial expertise must retain a critical mass for this industry to be sustained and developed and that there is a struggle to do so in light of current immigration rules. One solution that has been advanced is to create special arrangements for professionals in the financial services industry, so that their medium-long term status in the Cayman Islands is secured aside from the normal immigration processes that presently apply. In this way, the number of financial services professionals could potentially be expanded, without unduly and disproportionately impacting on the numbers of persons that ultimately qualify for the right to be Caymanian and the voting rights that flow from this. Whatever the merits of this solution, it serves to illustrate a more general issue for any development plan in the Cayman Islands, namely the importance of striking an appropriate balance between economic growth and population management in any such plan.

3.3.5 Education and Training

The importance of education and training, and its centrality therefore to any economic planning, proliferated throughout the feedback. If there is to be development and diversification

in the economy, effective planning is needed to ensure that Caymanians ultimately benefit. What was envisaged by those that engaged with this process, however, is not simply the reservation of a stake in any new business for local investment; but advanced planning, which would ensure that local people have the education and training necessary to take up employment once these new opportunities materialize. Some contributions also conveyed an appreciation that the situation is more nuanced than it is sometimes portrayed in that they successfully explained the long term benefits of developing local talent, as opposed to the short term advantages of importing potentially more experienced personnel.

Based on the feedback received, there was scope for developing the local workforce through education and training in a variety of fields. Some pointed to technical opportunities in the service industry, hairdressing and photography, which could be enhanced if, as others suggested, there were opportunities for apprenticeships; while others still noted that there were prospects for further advancement in professions, such as teaching and nursing, if local education and training was developed and improved. The importance of preparing potential workers in advance to take advantage of opportunities, such as those identified in nursing and those that would become available if, for example, the proposed Narayana Cayman University Medical Centre were to come on-

line, was also highlighted. It would thus be critical to plan ahead and, as one contributor noted, to encourage science education sooner rather than later.

Some guiding principles were also suggested for the development of education and training, most notably that “all must benefit and not just the few”, which was also expressed in terms of no person being left behind; along with an emphasis on the establishment and maintenance of quality and high standards in education.

3.3.6 Sustainable Development

The consultations further identified that sustainable development would need to be a key component of any economic plan. Some contributors noted this in the context of historical development, with the suggestion that, at times, development had occurred too quickly and that the Islands were still seeking to catch up; while others cautioned against too much development and population growth in the future, unless the infrastructure was sufficient to support this. The central message in both points, however, is the importance of “paced and sensible growth.”

At the same time, several contributions also drew out the connection between development and environment, pointing out the significance of a “fragile eco-system endangered by climate change” and asserting that, in the absence of natural

resources, such as oil or minerals, it was all the more important to preserve natural environment of the Cayman Islands as its primary asset. To these ends, it was proposed that the economic plan for the Cayman Islands ought to be driven by, for example, the maximization and sustainable use of resources; the potential deployment of deep water technology, wave and marine currents; and other alternate energy systems.

3.3.7 Cost of Living

A significant concern that could be detected throughout much of the feedback was an escalation in the cost of living. One contributor described this as “spiraling out of control”; while others pointed to the effects, such as the “widening of the gap between the haves and the have-nots”, the “erosion of the middle class” and a recognition that, at least for the time-being, most people in the Cayman Islands are unable to save sufficiently for their futures. For some this was particularly acutely felt by young people, who were struggling to secure a mortgage to buy property, it having become equally too costly to build a house. However, increases in the costs of basics, like food and utilities, impact the entire population to some extent and an economic plan would accordingly need to address this problem.

3.3.8 Social Issues

Economic planning cannot be detached from the social issues that are impacting the Cayman Islands. This connection was evident in the evolution of what was described as a “culture of entitlement”, whereby it was suggested that the economic advances of recent decades have resulted in a sense of complacency and, now that times are more challenging, many Caymanians do not have the skills necessary to survive in this more competitive economic environment. For some, this is a major concern because they fear that an entire generation of Caymanians may have been lost.

Increased crime and the attendant problems that accompany this, along with greater unemployment, are both seen as inter-related consequences. Similarly, a “breakdown in parental guidance and fractured family life” and the disengagement of the youth are also viewed as part of the same social agenda, which needs to be tackled if these Islands are to become less dysfunctional and once again thrive as they might.

3.3.9 Strategic Planning in the Cayman Islands

The foregoing are not by any means an exhaustive list of issues that might need to be addressed in a comprehensive strategic plan for the Cayman Islands. They are, however, indicative of the topics that featured prominently in the consultation process and note should be taken accordingly. The feedback also suggested that the individual sense of complacency that

has given rise to this “culture of entitlement” might also have taken root in Government and that the absence of planning – and by extension the failure of Vision 2008 – may be the result of an “endemic complacency.”

These various issues may well have arisen in other parts of the world, but they present here in a peculiarly Caymanian context and, while economic planning is an area in which assistance from the United Kingdom would be welcomed by many, it was clear from the feedback that this ought not to be premised on a one size fits all model. Thus, as one contribution noted, good governance is needed and “sound economic planning should be an integral part of ... the future”; but “if all the financial planning that the United Kingdom has in store for the Cayman Islands is income tax”, this would not be appropriate. What would appear to be preferable would be assistance that might be available to build capacity for the development of a Caymanian plan and, perhaps more pertinently given the lessons of Vision 2008, to support in the implementation of such a plan.

4. Support Available to the Cayman Islands

4.1 External Support

There was strong backing in the feedback provided for the proposition that greater support from various international agencies is potentially available to the Cayman Islands, although, at the same time, there was also some scepticism as to whether the Cayman Islands could be successful in accessing these funds.

As to why the Cayman Islands had not previously sought this assistance if it was indeed available, this was explained as stemming from the self-sufficiency on the part of the Cayman Islands in the past and, as a result, the Territory is not therefore as attuned as it might be to actively seeking support from external bodies. There was also a feeling that at the time that external support for the Cayman Islands perhaps ought to have been forthcoming – in the wake of Hurricane Ivan – this support fell somewhat short of the mark. Indeed, as one contribution noted, unless the Cayman Islands can address the perception that it is a “rich” society, not in need of support from external funding agencies; and that its economy is “based on money laundering” and that, as such, it does not deserve support in any case; then it is always going to be difficult for the Cayman Islands to access any support.

However, if there is untapped potential here and the Cayman Islands qualify, the feedback was that this should be pursued, particularly where this may be available to support the social agenda, human

rights, capital projects and technical development. To this end, it would be useful to ensure that the Cayman Islands has a presence at relevant international forums and to “open a line of communication” with the Caribbean Community and Common Market (CARICOM), the Commonwealth and the European Union.

In terms of support from CARICOM, it was, however, noted that this may be minimal given that the Cayman Islands is only an Associate Member. As regards, the Commonwealth, it was suggested that such support has always been available to the Cayman Islands but that its utility was limited. There was a feeling that funding from the European Union may be a more worthwhile pursuit, although it was also noted that strings are often attached to funding and that the European Union’s condition might be some movement by the Cayman Islands on its tax position. Particularly in relation to the European Union, there were calls for the United Kingdom to assist the Cayman Islands in accessing external support, not least because the United Kingdom would be better versed in navigating the bureaucracy apparently associated with the European Union and its funding mechanisms.

In the alternative, there were a number of responses which suggested that the United States might also be a potential source of external funding. However, with this suggestion, as with the others for that matter, there was little in terms of specifics or evidence to have any sense of whether such funding really was available. This

would appear to reinforce the suggestion that the Cayman Islands would benefit from guidance with the process of accessing external support.

4.2 Cooperation between the Overseas Territories

Enhanced cooperation between the Overseas Territories was certainly seen as an exciting opportunity in the Cayman Islands, in spite of the distance separating many of them. As one contributor noted, “although the ... Overseas Territories are very diverse, they do have many things in common and should welcome cultural and intellectual exchange.”

There were examples advanced where the Cayman Islands is already providing support to other Overseas Territories, particularly in the Caribbean region, which included the rehabilitation of offenders, elections, disaster relief, improvements to land registry systems, financial development, policing and immigration, but this could be expanded and indeed reciprocated. Some contributors appeared particularly excited by the prospect of the Overseas Territories sharing expertise and establishing partnerships, noting “huge potential” and proposing, for example, the establishment of Overseas Territory committees, facilitated by the United Kingdom, covering “education, health, youth, business, tourism and talent management.”

The Review Committee noted that the involvement of the United Kingdom Government in this initiative could be aligned with the

attempts to engage all United Kingdom Government Departments in the work of the Overseas Territories, as explained by the Secretary of State for Foreign and Commonwealth Affairs, the Rt. Hon. William Hague, in his statement to the House of Commons on 10 March 2011:

“[E]ach UK Government Department should recognise its responsibility to engage with the Territories in its area of competence and expertise. Departments will set out in papers by the end of January 2012 how they can support the Territories. The FCO will retain leadership and oversight of the Government’s policies towards and relationships with the Territories and continue to provide advice, where needed, to other Government Departments on engagement with the Territories. If Ministerial co-ordination is required we will chair a Ministerial committee to resolve any issues. This is a clear demonstration that the Government as a whole is committed to the Territories.”

Other areas considered ripe for multi-lateral cooperation across Overseas Territories included disaster relief, which was also identified as an area where the Cayman Islands has itself been assisted by other Overseas Territories in the past, energy and environmental policies, conservation and environmental protection, prison facilities, judicial expertise, anti-crime coordination, technical education and higher education. In respect of the latter, it was noted that the Cayman Islands Civil Service College could be an excellent

mechanism for helping to develop capacity in other Overseas Territories. Additional suggestions were to “encourage travel and business exchange”, remove tariffs between Territories and promote trade links and where appropriate, create a “united platform and defend our major industries.” Even where a contribution included a word of warning, namely that some other “Overseas Territories are also our competition for the offshore financial sector”, it nevertheless went onto conclude that there are still areas where the Territories can work together and help one-another.

5. Conclusion

At times, this Report is an intimate and candid self-appraisal, which some detractors might superficially view as a weakness and seize upon to seek to embarrass the Cayman Islands in some way. The Review Committee does not, however, agree with any such proposition, stressing instead that this has been a valuable process of which the Cayman Islands should be rightly proud. Indeed, the independence of the Review Committee and of this Report should be viewed as evidence that some of the lessons relating to good governance, which were recorded in the feedback provided, have in fact been learnt. The Review Committee therefore believes that this Report serves as a testament to the development and maturity of the Cayman Islands and that the Government should be commended for facilitating this process and the people of the Cayman Islands applauded for so effectively engaging with it in the short period of time available.

In completing this initial consultation exercise, the Review Committee entrusts this report to the Hon. Premier therefore as an independent and truthful account of the feedback that was received. This, however, is merely the start of the process mapped out by the United Kingdom Government and there will no doubt be further discussions at the upcoming meeting of the OTCC, along with opportunities for comment thereafter, including when the anticipated White Paper is ultimately published. The Review Committee would thus encourage anybody in the Cayman Islands, including those who may have felt that they were in any

way compromised in their ability to make representations at this preliminary stage, to take advantage of these opportunities as they arise.

As we as a Territory consider how best to chart our future development and improve the relationship between the Cayman Islands and the United Kingdom, the Review Committee hopes that the information and indicators contained in this Report might provide valuable material for more informed debate and that the central issues encompassed in the feedback received are, in turn, addressed. By way of conclusion, these central issues can be summarised as:

- A need to recognize, value and celebrate, both locally and internationally, what is good about the Cayman Islands;
- A desire to enhance the relationship between the Cayman Islands and the United Kingdom in new and mutually beneficial ways;
- An interest in enabling the greatest possible amount of local governance, while at the same time ensuring that every necessary check is in place to guarantee that there is good governance and that there is transparency in decision-making and accountability for decisions taken;
- An aspiration for greater inclusion and more consensus, whereby it is possible to respect and seek to accommodate the interests of all residents, while at the same time, maximizing the opportunities available to Caymanians;
- A need to improve public financial management and accountability and to plan holistically and in an integrated fashion for the

sustainable development of the Cayman Islands and the diversification of its economy;

- An interest in investigating the potential availability of external support and engaging the United Kingdom, as well as other Overseas Territories, for this purpose;
- A wish to build upon the positive track record that the Cayman Islands has in reaching out to assist others and to work together with the United Kingdom and other Overseas Territories to build a network for reciprocal cooperation and assistance.