



Newsletter

VERENIGING BEDRIJFSLEVEN CURAÇAO

NEWSLETTER DECEMBER 2015

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2. Speech keynote speaker Mr. Martina on the occasion VBC YEL 2015
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1. Welcome words by Chairman Herman Behr on the occasion of the VBC YEL 2015

Welcome dignitaries:

Welcome our Key-note speaker Mr. Steven Martina;

Welcome to our members and guests, and

Thanks for the support to VBC during 2015

We have a RECORD audience attending this year!

State of the Economy:

Positive Points:

Balanced budget! Pabien MinFin! Thx CFT; Thx Holland;

Low inflation (low oil prices);

Forex position up to par;

Welcome shift: Direct (WB, IB) > Indirect tax (OB, OZB)

Growth in Tourism; Welcome Tourism Master Plan.

Points of Concern:

Last 20 years a marginal growth of merely 0.1% p.a.

The last 3 years growth was negative;

Unemployment rate high, youth >37%;

Red tape in government (permits);

High Turn Around in Governmental Executives: 41 ministers since 10-10-10;

Lagging Private Sector Investments!

The Private Sector is challenged to invest and to drive the economy: create jobs and income!

But apparently there is no appetite yet, despite of the positive parameters of our economy, such as a balanced budget.

The Investment Climate doesn't seem to be that attractive yet. (Min Jardim confirmed!)

Based on our contacts within the business community we hear the following complaints:

- Red Tape in government is counterproductive;
- Werkvergunningen, granted too late, takes too long;
- High cost of doing business, because of over protected labor market;
- Inflexible Labor Market (Ontslagwet; Werktijden, Carenzdagen; 80/20);
- Education and work ethics gap (youth!);
- Small and shrinking market.

Can we overcome these points in 2016?

Year of election:

We will challenge political parties to express themselves about these complaints/topics: the economy is important, jobs and income are important!

Are we ready to abolish protectionism, particularly of labor?

Are we willing to encourage foreign investments and investors to come and grant them red carpet permits to work?

Are we willing to think about abolishing unfriendly exchange controls?

Can we further decrease direct taxation?

Can we think about a territorial, instead of world-wide tax base in order to fortify international business?

Are we willing to increase our active population (active immigration policy) to increase domestic markets and make our social security system more viable?

Are we willing to privatize and live up to global standards; and as such substitute and deploy (more) public capital into education and law enforcement?

Are we willing to embrace global mobility and competition and therefore opportunities?

Our key-note speaker Dr. Steven Martina will give his views on the economy after the main course.

Bon appetite!

2. Speech Keynote speaker Dr. Steven Martina on the occasion of the 43th VBC Year End Luncheon, December 16, 2015

WHAT DOES IT TAKE FOR THE CURACAO ECONOMY TO TAKE OFF?

I would like to thank the “VBC” for the invitation to deliver the 2015 keynote address for its prestigious LB Smith year end luncheon. It’s quite an honor. The theme I have been asked to elaborate upon is one of the most urgent and pressing matters at this time facing our country being, our economy. Reflecting on this theme I bounced into the following proverb: **“We are faced with many great opportunities, perfectly disguised as impossibilities”**. I felt that this adequately describes the Curacao economy. We have a huge economic potential, but don’t seem as yet, to master what it takes, to unleash this potential, stir economic growth and create deserved wealth for our society. So I would like to add to this proverb: **“That it takes the leader in us to see the difference and make the difference”**. I would like to invite the business community here to join me and embark on a journey to explore: **What does it take to make the Curacao Economy take off?**

I would like to embark on this journey by addressing three fundamental questions:

I would like to embark on this journey by addressing three fundamental questions:

- Where are we now?
- What have we achieved?
- How did we get there?

WHERE ARE WE NOW?

To describe where we are now, our current economic situation, I would like to use a couple of indicators:

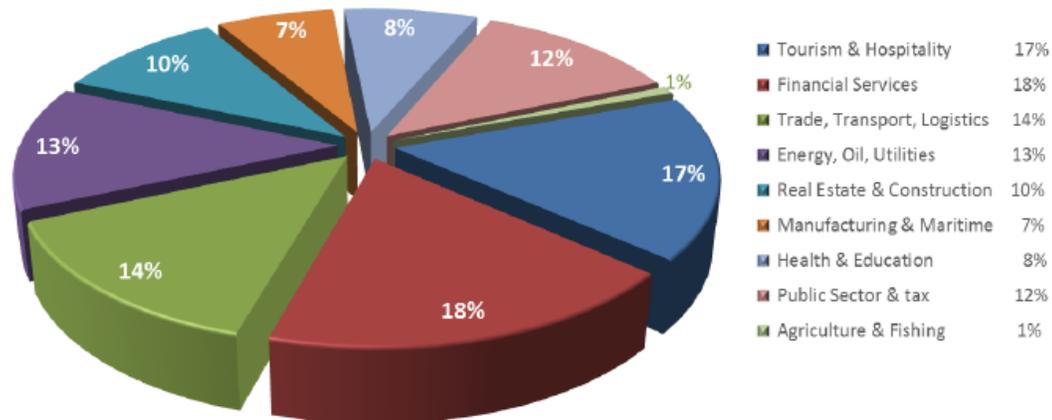
In terms of GDP per capita, in the Caribbean region you could say that we rank in the top 5.

In terms of unemployment with a 13% unemployment rate in 2013 of which 35% youth unemployment we are a frontier in the region.

In terms of GDP growth, over say the last five years, we also lag behind the Caribbean and Latin America region.

In terms of Human Development, using HDI Index we rank in the top three in the Caribbean region. . In terms of our public finances we have been doing a decent job, we have managed to decrease our debt to an acceptable level, below the target of 40% GDP. The projections for the coming years, although challenged, seem to be reasonably within control. We have developed a fairly diversified economy, consisting of the following sectors with their respective contribution. Reference is made to the figure below “GDP decomposition”. We are not dependent on one or two single sectors, so we don’t have all our eggs in one basket.

Figure: GDP Decomposition



Furthermore we have the following comparative advantage:

We are part of Royal Dutch Kingdom, we have a sound and stable legal system, a relative low government debt rate, low inflation, a stable currency, a fairly good infrastructure and reliable supply of electricity and water, a high literacy, a favorable geographic location, a preferential access to the EU and the USA, relative good salaries and social security system.

We are faced with the following challenges:

We know that our social security system (AOV, BZV) is under high financial pressure, domestic savings are poorly intermediated into the domestic economy and profitable investment opportunities with acceptable risks are lagging behind. Furthermore our entrepreneurial behavior is somewhat adverse to risk, and lacks business openness and transparency. According to the TAC report, the most binding constraints appear to be low human capital and ineffective government policy.

Recently Curacao has embarked on the following initiatives to promote economic development:

- Reduction of the profit tax and income tax;
- Increase in airlift;
- Introduction of an Investment Permit;
- Incorporation of "CINEX";
- Growth in "foreign exchange" triggered by the International Financial Sector and the oil Industry;

If we look forward in not too long a distance we know that we are heading towards an almost perfect storm, a fiscal cliff. We know that in 2019 our Refinery lease expires which, in theoretical terms, could mean the end of a most important industry on the island. Not impossible if we look what happened with the oil industry on our sister island Aruba. The same goes for our foreign tax rules. They will expire in 2019 and if not adequately reacted upon, our International Financial Services Sector yet another most important industry will cease to exist. And last but not least our debt will mature in 2019. As a result of that the debt payments from the Netherlands will cease and as a consequence will have a negative impact on our foreign

currency and balance of payments. This together with other challenges that we face, such as our high unemployment rate and poor GDP growth over the last years, there is a compelling sense of urgency that we need to stop the bleeding and turn around our economy.

This brings us to the following theme of my address.

WHAT HAVE WE ACHIEVED?

To reflect on this most interesting theme I would like everybody to close their eyes for a couple of seconds and let's picture ourselves in the year 2020. Five years from now. Curacao implemented a so called twin strategy for economic development. On the one hand a diversified strategy triggering economic growth in all sectors and a focused strategy triggering economic growth in selected sectors with high impact on investments, jobs and export. In this presentation I will give a summary of the focused strategy that have been embarked upon and successfully implemented. The strategic initiatives of the focused strategy are no dreams but realistic initiatives that at present (2015) are in a fairly developed stage to be materialized. With other words, the business case has proven to be bankable and those initiatives at present are somewhere in the process of financial engineering or financial close, and or awaiting obtainment of the necessary permits.

Maritime sector | CDM: A maritime center has been created in which ship repair activities and ship demolition activities flourish. The ship repair activities are part of an international chain, with as a result an over 95% occupancy rate. Infrastructure completely renewed, dock capacity extended and a training school for education and training of youngsters locally as well as from abroad. A total investment of ANG 80 million has been realized. All of this being part of the Maritime Center Masterplan.

Maritime sector | CPA: CPA has realized the 2nd Mega pier and adjacent a so called Seaport village. All part of the CPA Masterplan. A total of 107M has been invested.

Logistical sector / Airport | CAP: An expanded airport, relocation of the meet and greet area, expansion of the airport building and new shops. This is a part of the master plan based on DOMA. A total investment of at least 64 million is involved;

Energy/Oil/Utilities | Curoil: Curoil has created a storage facility in the Bullenbaai area to guarantee sufficient supply of oil derivatives in the event that for whatever reason no supply of derivatives can be supplied from the refinery. A total investment in storage facilities, jetties and pipelines has been realized up to an amount of ANG 180 million. These storage facilities also fulfill the need for expansion of international business in such a way that the international business of Curoil has increased substantially.

Energy/Oil/Utilities | Aquallectra: Curacao is the leading Caribbean island in sustainable energy production.

- Wind energy. The current capacity of 30MW has been expanded to 45MW. Almost 25% of the daily electricity usage is being produced by wind energy contributing to long term sustainability. Aquallectra in partnership with private investors has realized this initiative.
- SWAC. Sea water air-conditioning has been implemented for the cooling of large buildings such as the Hilton, Marriott, WTC, Clarion, Holiday beach hotel, Renaissance

and the HNO. Curacao engineers are part of an international consortium exporting knowledge and technologies related to SWAC around the world. Aqualectra in partnership with private investors has realized this initiative.

Energy/Oil/Utilities | RDK: The Oil Refinery has been upgraded and phase 1 of the modernization has been realized. Oil refining activities are now completely within established environmental standards, making claims on pollution history. Application of the gasification technology has not only mitigated the pollution challenge but also made a substantial contribution in the electricity supply for the island with as a consequence a considerable decrease in the electricity tariffs contributing to a far more competitive cost of doing business of Curacao. Of the total envisioned ANG 5.4 Billion investment already the first ANG 1.5 Billion has been invested.

Financial Services / IFS: International Financial Services sector has been successfully transformed from offshore to midshore of choice. High network clients and families found in Curacao a robust and attractive jurisdictions fulfilling the much demanded requirements of transparency, compliance and substance. As a consequence the IFS sector is steadily increasing and taking a frontier position in contributing to the Curacao GDP.

Tourism & Hospitality sector: Curacao has realized an expansion of at least 500 rooms. Tourism is flourishing. The following hotels have been constructed:

- Marriott Court yard; Investment of 64M.
- Hard Rock Hotel; investment of 180M

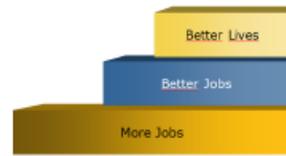
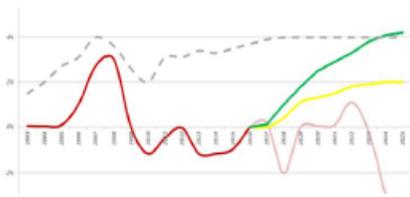
Curacao is being recognized as a distinctive destination due amongst others, the several events taking place on the island, the possibility for yachting, golfing, dining and medical tourism.

Cruise tourism is also flourishing as a consequence of the realization of a 2nd Mega pier and adjacent a so called Seaport village.

Curacao has been recognized for its frontier position as the only location outside the USA through which commercial space flights are possible. Curacao has attracted a distinct type of tourism and also enjoys a considerable brand recognition that has substantially increased its stay over tourism.

To summarize:

The realized focused initiatives, not including the upgrade of the refinery have triggered more than ANG 1 Billion in investments in the period of 2016 – 2020. Including the investments in the Refinery a total of 2.5 Billion has been invested in the period of 2016 – 2020. The investments of these focused initiatives together with the investments of the diversified economic development strategy and the government investments had such a dramatic impact on the GDP growth that in the year 2020 Curacao exceeds the average GDP growth of the region and reaches a GDP growth between the 4 – 5%. The Curacao Economy is in a take off stage!!! The big question now becomes: How did we get there?



HOW DID WE GET THERE? By realizing mentioned initiatives, Curacao has managed to let her economy take off. In 2020 the GDP growth has exceeded the target of 3% with projections to even hit the 5% level in another two years' time. The big question that arises is: HOW DID WE GET THERE?

The combined efforts of public, private and civil society have made it possible to achieve the 2020 developments, as outlined previously. The real game changer was that for the first time in history, Curacao successfully deployed the concept of a ***“Coalition of the willing to spur economic development”***.

Coalition of the willing to spur economic development is a participatory process in which local people from all sectors work together to stimulate local commercial activity, resulting in a resilient and sustainable economy. It is a way to help create decent jobs and improve the quality of life for everyone, including the poor and marginalised.

Coalition of the willing to spur economic development encourages public, private and civil society sectors to establish partnerships and collaboratively find local solutions to common economic challenges. The process seeks to empower local participants to effectively utilise business enterprise, labour, capital and other local resources to achieve local priorities (e.g., to promote quality jobs, reduce poverty, generate municipal taxes).

The coalition of the willing was able to successfully promote economic development through strategic planning.

Local economic development (LED) encourages public, private and civil society sectors to establish partnerships and collaboratively find local solutions to common economic challenges. LED has been promoted through a strategic planning process. Strategic planning is a systematic decision-making process that focuses attention on important issues and on how to resolve them. Strategic planning provides a general framework for action: a way to determine priorities, make wise choices and allocate scarce resources (e.g., time, money, skills) to achieve agreed-upon objectives. The process has been organized into a series of four basic questions:

1. Where are we now? 2. Where do we want to go? 3. How are we going to get there? 4. How do we know when we have arrived?

This process is illustrated below as the Ten Steps to Planning Excellence.



The coalition of the willing has successfully led the stakeholders involved in the LED process understand their roles and responsibilities and adherence to that in the execution thereof:

The LED process calls for the collective efforts of local stakeholders to spur economic growth. They bring with them different levels of knowledge and expertise, perspectives, resources or assets that would render LED effective and successful in attaining its targets. No matter how small the role of a stakeholder is, engaging it is important in spreading ownership of the community's economic development strategies. The following roles are articulated:

Government / Minister of Economic Development

The Government takes the role of provider, enabler or facilitator of local economic development. As provider, it sees to it that the infrastructure and subsidy requirements of existing and potential industries are in place. As enabler or facilitator, it ensures the economic players' access to information and advisory services, formulates relevant and supportive policies and regulations, provides incentives, and works for the stability of peace and order. In addition, it has to carry out regular functions that have bearing on the success of LED, namely: policy making and taxation; regulatory functions; planning and budgeting; information collection, storage and dissemination; procurement of goods and services; marketing and public relations; investment and enterprise promotion; management of public economic enterprises (PEE) and the provision of physical facilities; public safety and cultural heritage activities; and, provision of social and environmental services.

The business sector

The private or business sector is represented by micro, small, medium and large-scale enterprises. With their role as engine for local employment and growth, they are tasked to scan and seize opportunities, take risks, develop markets and create economic value. Micro enterprises represent the informal economy and though not a significant generator of employment, they are considered incubators of bigger enterprises and fall back mechanism in times of economic crisis. Small and medium-scale enterprises are employment generators, the largest taxpayers, users of the latest technologies, and sources of managerial, technical and financial competencies.

Organized business groups and unions

Organized business groups like chambers of commerce, industry associations, unions, craft and professional associations play a crucial role in setting and enforcing quality standards, upgrading

human and technological resources, product development, marketing, business development, financing and creation of an economic development brand.

Cooperatives and finance institutions

Cooperatives (producers, credit, consumers) and microfinance institutions serve as depositories of community savings; providers of credit assistance, social protection measures such as health insurance, mortuary packages, and emergency loans; and promoters of frugality, discipline, trust, self and mutual help, and entrepreneurship.

Civil society

Civil social organizations (CSOs) such as non-government organizations (NGOs) and people's organizations (POs) from the informal sector and agriculture sector (farmers, fishers), represent the grassroots' sentiments, needs and views making them excellent collaborators in planning, service delivery, community organizing and mobilization and in monitoring and evaluation of projects thereby promoting transparency and accountability.

Educational institutions

Educational institutions are providers of knowledge, developers and promoters of new technologies, trainers, and providers of talents and services for business institutions.

The coalition of the willing has successfully conducted a participatory process and obtained desired behaviour inspired by guiding principles and values.

A participatory approach involves the inclusion of different stakeholders so that their views, concerns and issues can be included in the planning process. It is also important because it is here that networks, partnerships and information sharing occur that make better, more practical, strategies possible. Reviewing who should be involved in the planning process is an essential first task in creating a successful strategy. Consider including stakeholders from the public sector (local, regional, national governments, education institutions); business sector (corporations, small business, informal sector, banks, credit unions); labor (trade unions, labor unions); community and non-governmental organisations; (community leaders; neighborhood groups; religious organisations; women's groups; poor and disadvantaged groups; environmental groups) and the general public (informal leaders). Stakeholders are defined by their stake in the issues (e.g., the client groups such as the urban poor, policy proponents such as environmental NGOs), their formal position (e.g., government authority), their control over relevant resources (e.g., money, expertise) and their power to promote, hinder or block implementation (e.g. activist groups, lobby groups, implementing agencies).

The following are ten guiding principles and values for successful participation. **Ten guiding principles and values for successful participation**

1. Good timing and clear need
2. Strong stakeholder groups
3. Broad-based involvement
4. Credibility and openness of process
5. Commitment and/or involvement of high level, visible leaders
6. Support or acquiescence of 'established' authorities or powers
7. Overcoming mistrust and scepticism
8. Strong leadership of the process
9. Interim success
10. A shift to a broader concern

The coalition of the willing has contributed substantially in creating the required mind-set for the realization of reforms that have been identified as fundamental imperatives to promote envisioned economic development.

| Imperative | Reforms in the period 2015 – 2020 |
|------------------------------------|---|
| Public Finance | The Government has managed to adhere to the fundamental parameters of sound public finances. The indicator for interest charges remains below the 2.5% of Government income. The public debt remains below the 40% GDP. The old age pension (AOV) and Health care provisions have been reformed in such a way that it's no open ended drag on the public finances. |
| Government Efficiency | The Government has managed to reinvent itself in such a way that it truly supports economic development initiative in terms of timely providing for permits and enforcing of rules and regulations. The Government deserves the qualification of red carpet treatment; |
| Government Stability | The government consists of a broad basis coalition and has managed to remain in power for at least two consecutive government periods. Improved adherence to the principles of good public and corporate governance; |
| Cost of doing business | Mainly based on the increased Government efficiency, but also reforms in the energy sector and positive effect of gasification, the cost of doing business is no longer a competitive disadvantage for doing business on Curacao. |
| Market flexibility | Flexible immigration policy is in place that supports export sectors and is aligned with the new economy and promotes the establishment of young entrepreneurs and business society. |
| Long term vision and Policy | Based on a long term vision the existence of a consistent government (social and economic) policy in which the following aspects are addressed: deregulation, labour legislation, economic incentives, improved tax system, safety and legal security. |
| Innovation | - Special incentive policy design for SME in place; - Funds (public and private) available for exporting entrepreneurs and foreign investors in niche markets. |
| Kingdom relationships | A positive relationship within the Kingdom. Especially with the Netherlands established multidisciplinary cooperation on education, social inclusiveness, innovation, international trade & trade missions and economic development. |

Ultimately the coalition of the willing to spur economic development has succeeded to achieve:

| | |
|----------------------|--|
| CONSENT | on what needs to be done “the game plan” to promote and realize economic development; |
| COMMITMENT | of the stakeholders involved within Government, the business community and the civil society related to the game plan and actions thereof; |
| COLLABORATION | of the stakeholders involved to realize necessary alignment in objectives to be pursued |
| CONSISTENCY | of the several initiatives embarked upon to assure harmony and avoid contradiction |
| COHERENCE | to assure that the process is perceived as legitimate, equitable and just. |

The coalition of the willing to spur economic development, a process that has managed stakeholders of the Curacao society, to come together as a beginning, keeping together as progress and working together as success.

So, I trust with the concept of the coalition of the willing to spur economic development, as explained, we have answered the question HOW DID WE GET THERE?

Let’s switch the hands of time and get back to where are today, December 16th, 2015. We went through a journey in which we elaborated on interesting themes like:

WHERE ARE WE NOW?

WHAT HAVE WE ACHIEVED, however, this question should now be slightly reformulated in:
WHAT DO WE WANT TO ACHIEVE?

HOW DID WE GET THERE? this question should now also be slightly reformulated in:
HOW DO WE GET THERE?

I hope that with the presentation of today, I have shared some thoughts and trust that they will be inspiring to embark on this interesting journey to create a coalition of the willing to spur economic development as an answer to the question: ***What does it take to make the Curacao economy take off?***

I truly believe that the game changer is “The coalition of the willing to spur economic development”. It’s a process of many attempts few arrivals, however we should never lose faith in our leadership, capabilities and competencies to see the difference between opportunities perfectly disguised as impossibilities. I trust that the following proverb will be of some inspiration. Like Marvus Garvey said.

They should have faith in self. Without faith you are twice defeated in the race of life. With faith you have won before you even started.

I would like to add: Nothing is gonna change, unless we change it. Let’s make “Coalition of the willing to spur economic development” the game changer!!!!

Thank you for your attention

Steven Martina

On the occasion of the VBC Year End 2015 Renaissance Hotel, Curacao, 16-12-2015

3. ICT Pulse Snapshot: 2015 update of Internet speeds and pricing across the Caribbean

A 2015 update of fixed Internet broadband speeds and pricing across the Caribbean, and a brief comparison with our 2014 results. As the Internet becomes increasingly important across the Caribbean, the telecoms providers themselves are continually adjusting and refining their offerings in that market. Since 2011, we, here at ICT Pulse, have been tracking fixed Internet broadband speeds and pricing across the Caribbean. We are updating our findings, and highlighting some of the changes that have occurred since our last assessment exercise in 2014.

Methodology

The methodology employed has remained unchanged from last year's exercise, and we have maintained country pool of 19 Caribbean countries as highlighted in the sections below.

Data was collected from the websites of widely used Internet Service Providers (ISPs) in the countries covered. To the extent possible, two ISPs were examined in each country (Table 1), and the exercise focussed on fixed/wired (non-dialup) Internet services, and on service plans for domestic/residential customers.

The offerings from the ISPs varied drastically in respect of transmission speeds, hence the exercise was limited to identifying (per country):

1. the lowest advertised download speed and the corresponding lowest monthly rate
2. the highest advertised download speed and the corresponding lowest monthly rate
3. the monthly rate for a plan with an advertised download speed of 2 Mbps (Megabits per second), and
4. the highest download speed plan that can be purchased for no more than USD 60.00 per month.

Under International Telecommunications Union standards, between 1.5 and 2 Mbps is considered the threshold speed for classifying an Internet service as broadband. Hence 2 Mbps has been used as a baseline reference when comparing prices across the Caribbean.

Finally, it is emphasised that the review focused on the monthly rates payable for the specified Internet plans only. The exercise excluded initial subscription and activation fees, as well as any additional monthly charges that might be applicable. The rates were converted to United States Dollars (USD) when required, based on current commercial exchange rates. Applicable taxes, such as Value Added Tax (VAT) or General Consumption Tax (GCT), have also been included.

| Country | ISPs surveyed |
|-------------------------|--------------------|
| Anguilla | LIME, Carib. Cable |
| Antigua & Barbuda | LIME |
| Aruba | Setar |
| Bahamas | BTC, Cable Bahamas |
| Barbados | LIME, Flow |
| Belize | Belize Telemedia |
| British Virgin Islands | LIME |
| Cayman islands | LIME, Logic |
| Curaçao | Flow, UTS |
| Dominica | LIME |
| Grenada | Flow, LIME |
| Guyana | eNetwork, GT&T |
| Jamaica | Flow, LIME |
| St. Kitts & Nevis | LIME |
| St. Lucia | Flow, LIME |
| St Vincent & Grenadines | Flow, LIME |
| Suriname | Telesur/Telei |
| Trinidad & Tobago | Flow, TSTT |
| Turks & Caicos Islands | LIME |

Table: ISPs surveyed for 2015 speed spend review

The 2015 results

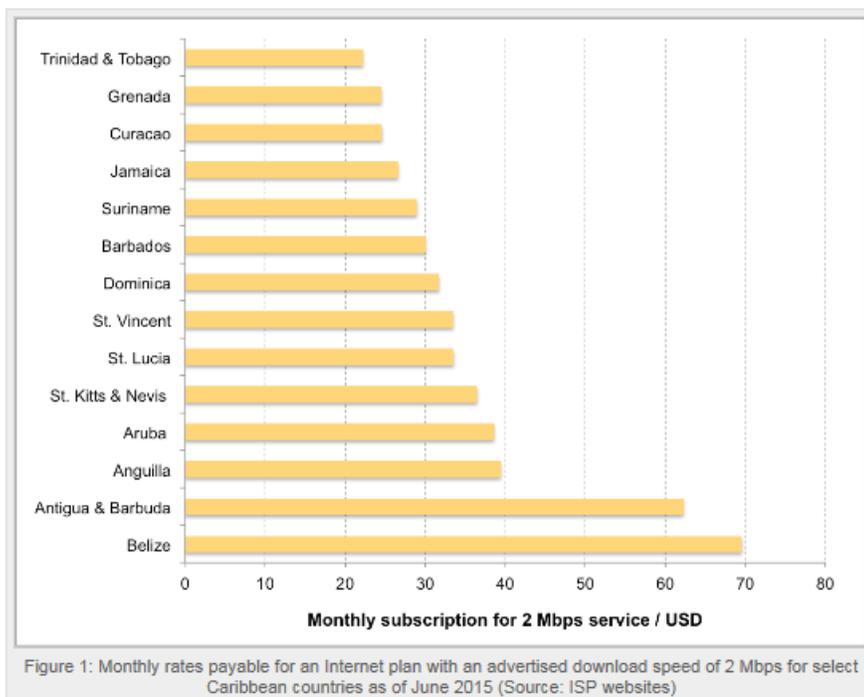
Table 2 shows the minimum and maximum advertised download speeds available in those countries, and the corresponding best rates offered for those packages.

| Country | Lowest d/l speed | | Highest d/l speed | |
|-------------------------|------------------|-----------|-------------------|-----------|
| | Speed/bps | Price/USD | Speed/bps | Price/USD |
| Anguilla | 2 M | \$ 39.98 | 48 M | \$ 128.82 |
| Antigua & Barbuda | 1 M | \$ 47.48 | 2 M | \$ 62.20 |
| Aruba | 256 k | \$ 27.37 | 24 M | \$ 167.04 |
| Bahamas | 8 M | \$ 29.99 | 50 M | \$ 71.99 |
| Barbados | 2 M | \$ 30.00 | 320 M | \$ 100.00 |
| Belize | 256 k | \$ 12.41 | 16 M | \$ 347.47 |
| BVI | 6 M | \$ 64.99 | 48 M | \$ 199.00 |
| Cayman Is. | 10 M | \$ 96.11 | 300 M | \$ 302.94 |
| Curacao | 2 M | \$ 24.55 | 100 M | \$ 179.91 |
| Dominica | 2 M | \$ 31.65 | 8 M | \$ 109.63 |
| Grenada | 2 M | \$ 24.48 | 100 M | \$ 128.46 |
| Guyana | 256 k | \$ 29.18 | 10 M | \$ 72.86 |
| Jamaica | 1 M | \$ 23.78 | 100 M | \$ 111.25 |
| St. Kitts & Nevis | 2 MB | \$ 36.44 | 3 M | \$ 54.84 |
| St. Lucia | 2 M | \$ 33.49 | 100 M | \$ 126.98 |
| St Vincent & Grenadines | 2 M | \$ 33.44 | 100 M | \$ 126.98 |
| Suriname | 2 M | \$ 28.91 | 6 M | \$ 78.46 |
| Trinidad & Tobago | 1 M | \$ 20.50 | 100 M | \$ 102.84 |
| Turks & Caicos Is. | 6 M | \$ 69.00 | 48 M | \$ 194.99 |

Table 2: Lowest and highest advertised download speeds and the corresponding best rates in select Caribbean countries as at June 2015 (Source: ISP websites)

In 13 of the 19 countries surveyed, the lowest download speeds offered is 2 Mbps and under. ISPs in Aruba, Belize and Guyana are still offering Internet plans with advertised download speeds of 256 kbps. Sixteen countries offer broadband packages with a maximum advertised download speed of at least 8 Mbps. The exceptions are Antigua and Barbuda, Saint Kitts and Nevis, and Suriname. However, more ISPs, such as those in Curacao, Grenada, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago are offering customers Internet plans with advertised download speeds of up to 100 Mbps, and in Barbados and the Cayman Islands, plans of 300 Mbps and over are being offered to domestic customers.

With regard to the best price across the region for a broadband Internet plan with an advertised download speed of up to 2 Mbps, Figure 1 ranks the prices by country. It is highlighted that the Bahamas, the British Virgin Islands, the Cayman Islands, Guyana and the Turks and Caicos Islands have been excluded from this assessment, as the ISPs reviewed do not offer a 2 Mbps plan – though plans with higher download speeds are available.



The lowest advertised price was recorded in Trinidad and Tobago, at USD 22.15, followed by Grenada, USD 24.48 and Curacao, USD 24.55. At the opposite end of the spectrum, the highest prices for a 2 Mbps plan was USD 69.49 in Belize, and was followed by the Antigua and Barbuda (USD 62.20) and Anguilla (USD 39.38). The average price across the Caribbean region for a 2 Mbps Internet plan is USD 37.89.

To gauge the “bang for buck” of the Internet plans offered, and for each country included in this year’s assessment exercise, we sought to determine what might be fastest Internet broadband plan a customer could purchase for no more than USD 60.00 per month. The results are shown in Figure 2 and Figure 3.

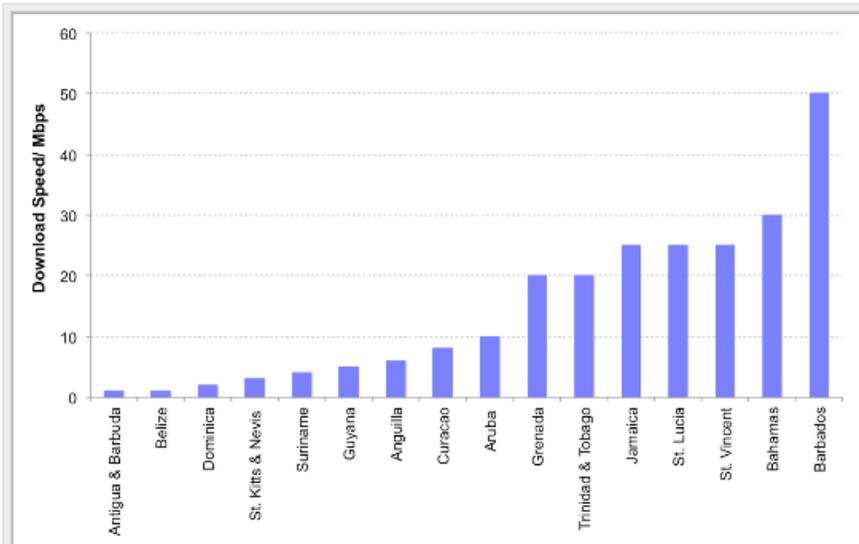


Figure 2: Fastest Internet plan by advertised download speed for under USD 60.00 in select Caribbean countries as of June 2015 (Source: ISP websites)

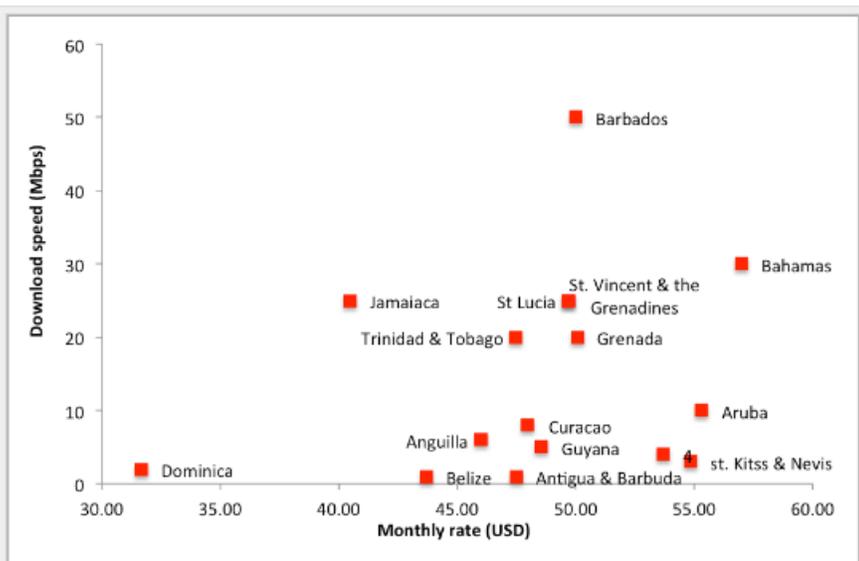


Figure 3: Fastest Internet plan by advertised download speed for under USD 60.00 and the corresponding monthly rate in select Caribbean countries as of June 2015 (Source: ISP websites)

The fastest plan was found in Barbados, where for USD 50.00 per month a plan with an advertised download speed of up to 50 Mbps could be secured. The next fastest plans, 30 Mbps and 25 Mbps, were found in the Bahamas and Jamaica, at approximately USD 56.99 and USD 40.47, respectively. Saint Lucia and Saint Vincent and the Grenadines also have 25 Mbps plans available for under USD 60.00 – at USD 49.69 in both countries.

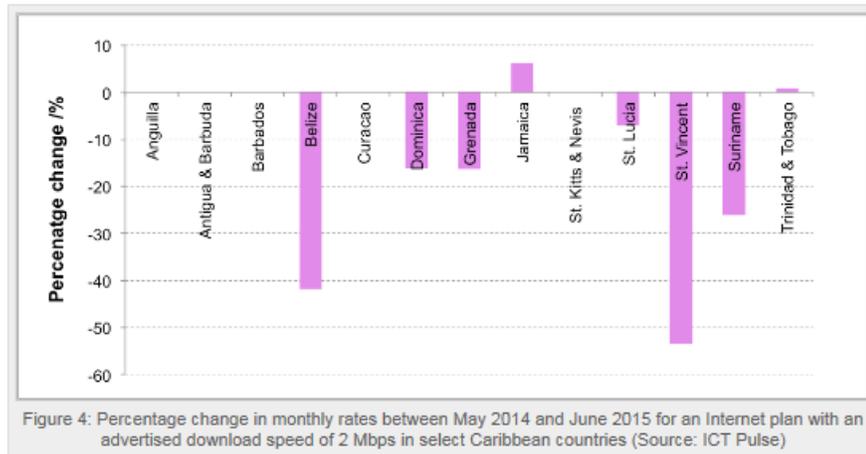
On other hand, the slowest Internet plan, 1 Mbps, was recorded in Antigua and Barbuda, and would cost approximately USD 47.48. The next slowest plans, 1 Mbps and 2 Mbps were recorded in Belize and Dominica, with a monthly rate of approximately USD 43.68 and USD 31.65, respectively.

How do the 2015 results compare with those from last year?

Since our last review in 2014, there have been significant changes in Internet speed and pricing across the Caribbean. First, download speeds increased and rates decreased in several countries across the region, for example:

- Anguilla – faster Internet plans, with revised prices, are being advertised
- Bahamas –faster Internet plans are being advertised
- Barbados – the download speed of the fastest plan doubled, from 160 Mbps, to 320 Mbps
- Belize – the 128 kbps plan is no longer offered, a 16 Mbps plan was added, and the rates were lowered
- British Virgin Islands – faster Internet plans are being advertised
- Cayman Islands – faster Internet plans, with revised rates, are being advertised, including a 300 Mbps plan
- Curacao – some rates were adjusted for specific plans
- Guyana – faster Internet plans are being advertised
- Saint Lucia – faster Internet plans, with revised rates, are being advertised, including a 100 Mbps plan
- Saint Vincent and the Grenadines – faster Internet plans, with revised rates, are being advertised, including a 100 Mbps plan
- Trinidad and Tobago – Internet plans using fibre-to-the-home technology are being advertised
- Turks and Caicos Islands – faster Internet plans, with revised prices, are being advertised.

With specific reference to an Internet plan with an advertised download speed of 2 Mbps, Figure 4 shows the difference in pricings between May 2014 and June 2015. The change in pricing ranged from an increase of almost 6.1% in Jamaica, to a decrease of almost -53.3% in Saint Vincent and the Grenadines.



In averaging the price for a 2 Mbps plan across all of the countries surveyed the averaged price dropped by approximately USD 14.04 since May 2014, which again indicates that Internet prices are indeed decreasing in the Caribbean.

Finally, it is worth mentioning that with the recent completion of the sale of Columbus International, which owned the Flow brand in the region, to Cable and Wireless Communication plc (CWC), which owns the LIME brand, the full impact of that transaction on broadband Internet speed and pricing in the region has not yet been fully realised. In the coming months, we thus likely to witness some major changes in the Internet space, as CWC rolls out its strategy for the region.

4.(Nieuwe)Wetgeving

Beknopt overzicht recente (initiatief) wetsvoorstellen/aanpassingen op sociaal-economisch gebied welke door de Regering dan wel als initiatief ontwerp van de Staten aan de wetgevende macht ter behandeling zijn aangeboden en waar de SER advies over dient uit te brengen (periode augustus t/m september 2015).

In de betreffende verslagperiode zijn er geen stukken aan de SER ter advisering aangeboden.

5.ECONOMIC INDICATORS

| | | |
|-------------------------------------|------------|-----------|
| Foreign Exchange Position (x mln) : | Nov 2015 : | NAf 2,505 |
| definition IMF | Nov 2015 : | NAf 2,397 |
| Import coverage (months) | Nov 2015 : | 4.1 |

| | | |
|---------------------------------------|----------|----------|
| Consumer Price Index (Oct 2006 = 100) | Oct 2015 | :123.1 |
| | Oct 2014 | :124.5 |
| | Change | : -1.1 % |
| Average inflation past 12 months | | : 0.1 % |

| | | |
|---------------------------|---|--------------------------------------|
| Population and Employment | | |
| Curaçao | : | 2013 2011 |
| Total population | | 150,782 147,858 |

| | | |
|-----------------------|--------|--------|
| Employed population | 63,493 | 62,042 |
| Unemployed population | 9,512 | 6,721 |
| Labor Force | 73,005 | 68,763 |
| Unemployment rate | 13.0% | 9.8% |

| | |
|----------------------------------|-----------------------------------|
| Stay over tourism no of visitors | : Oct 2015 year to date : 379.277 |
| | Oct 2014 year to date : 367.326 |
| | Change :3% |

| | |
|----------------------------------|----------------------------------|
| Cruise tourism no. of passengers | : Oct 2015 year to date: 419.470 |
| | Oct 2014 year to date : 488.789 |
| | Change: -14 % |

| | |
|------------------|---------------------------------|
| Stay over nights | Oct 2015 year to date:3.137.412 |
| | Oct 2014 year to date:3.239.126 |
| | Change: -3% |

| | | |
|----------|------------------|----------------|
| Shipping | : Jan - Oct 2015 | Jan - Oct 2014 |
| Freight | 831 | 784 |
| Tanker | 982 | 993 |
| Cruise | 191 | 215 |
| Others | 364 | 322 |

| | | |
|------------------------------|----------------|---------------|
| | Jan- Sept 2015 | Jan-Sept 2014 |
| Cargo movements, metric tons | | |
| Unloaded | 451,258 | 443,805 |
| Loaded | 154,262 | 151,182 |

| | | |
|-------------------------------------|-----------|-----------|
| | Sept 2015 | Sept 2014 |
| Total companies Commercial Register | | |
| Local | 24,915 | 24,721 |
| International | 13,506 | 14,132 |
| Total | 38,421 | 38,853 |

Source: Centrale Bank van Curaçao en Sint Maarten, Central Bureau of Statistics, Curaçao Tourism Development Foundation, Curaçao Port Authority, MEO, CHATA, Chamber of Commerce Curaçao