



Government of St. Kitts & Nevis
Cabinet Secretariat, Government Headquarters
Church Street, Basseterre
St. Kitts & Nevis

Post-Cabinet Statement July 25, 2007

Citizens and residents of St. Kitts and Nevis, good evening. I now bring to you the post-Cabinet briefing for Cabinet meeting held today Wednesday July 25th, 2007.

Golden Lemon

Cabinet was briefed on the status of the plans of Belmont Resorts Ltd to purchase the Golden Lemon Hotel in Dieppe Bay. The Golden Lemon, with its present capacity of 26 rooms is expected to be refurbished and reopened by November 2007 with an additional expansion phase planned for some time in 2008.

The new and refurbished Golden Lemon Hotel will be managed and marketed by Sedona Resorts, a well-established leading upscale spa and resort management group from the United States. Sedona will appoint professional management with the relevant experience, and current members of staff will be retained.

The Golden Lemon has been on the market for several years and the GOSKN is extremely pleased that the business prospects of the hotel and the job security and benefits of its employees are now greatly improved.

The resort management company, Sedona Resorts, will also undertake the management of the Kittitian Hill resort, situated at Belmont near St. Paul's. The Kittitian Hill project will involve the construction of a 120-room hotel, 74 two and three bedroom apartments, 69 villas of three and four bedrooms, and an eighteen-hole golf course, groundwork for which has already begun.

As part of the development agreement with the government, a number of people-empowerment and community-based programmes will be carried out by Belmont Resorts Ltd before the opening of the Kittitian Hill Resort. These include a micro-entrepreneurship programme, an agricultural development programme and a hospitality-training programme. These programmes will prepare small local entrepreneurs, farmers



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and hospitality workers to benefit from the new Kittitian Hill development. Details on these programmes will be forthcoming.

Basket of Basic Foods

In attempting to isolate the major factors affecting the cost of basic food items in the federation, and the impact of the cost of basic foods on the quality of life of poor people, Cabinet mandated the Ministry of Consumer Affairs and the Ministry of Finance to undertake a comprehensive review and analysis of the established basket of basic food items. The analysis will examine the cost build-up on basic foods, will re-examine the basket of basic foods with a view to making whatever necessary adjustments thereto, and will make recommendations as to how the cost of these basic items can be favourably impacted through a number of number of measures which the government will implement. In carrying out the exercise, the government calls upon the Chamber of Industry and Commerce for its support and advice so that positive results in relation to the cost of basic foods can be achieved for the poor in particular.

CSME Competition Commission and Competition Legislation

As part of its ongoing commitment to the emergence and success of the CSME, Cabinet today discussed and approved the participation of St. Kitts and Nevis in the establishment of the CSME Competition Commission. Chapter 8 of the revised Treaty of Chaguaramas, the agreement establishing the CSME, enunciates the Competition Policy for the CSME and establishes the relevant competition commission. The competition commission will monitor anti-competitive practices of enterprises operating in the CSME, and investigate and arbitrate cross-border issues to uphold competition in the Community. Among other things, the Competition Commission will also keep the CSME competition policy under review and advise and make recommendations to relevant CARICOM council.

The Government views the protection of competition in the Region as paramount to the continued rapid economic development of the country and the empowerment of local entrepreneurs as they attempt to compete on a level playing field. Cabinet therefore approved the following:



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1. the budget for the establishment of the competition commission
2. the enactment of competition legislation in the sub-region
3. the signing of the relevant protocols to facilitate the competition commission

Empowerment of Locals through Land Development Policy

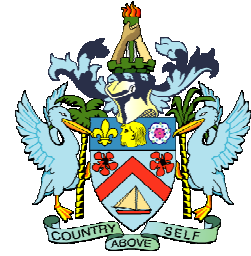
In keeping with its mandate and enviable record of empowering locals through its comprehensive land development policy, Cabinet today approved the sale of several acres of land to local land and housing developers for the specific purpose of pursuing middle-income housing development. This important decision is consistent with other recent decisions in which the government empowered a number of other local land developers through allowing access to a total of about 80 acres of land for the development of commercial lots and commercial housing for sale to our local people.

This decision is part of the government's overall strategy to bring land and housing solutions through local private developers who are able to access capital to pursue these developments in a timely and satisfactory way to local consumers who are eager to own property in the land of their birth.

Cabinet also received an update on the special land distribution programme in which about 5000 lots will be distributed to our citizens for their empowerment. Again the public is reminded that the launch of the programme will take place shortly and specific details about the location of the office and application procedures will be announced on that date. The public will be notified of the date of the launch but is urged to begin to make arrangements with their banks and other crediting institutions where necessary, to facilitate the process.

Duty Concessions for Local Entrepreneurs

At today's Cabinet meeting, approval was granted for a number of small local entrepreneurs to receive duty concessions on materials and equipment to support the start-up or expansion of their businesses. This is consistent with government's policy and practice to assist small businesses and empower our local people. Being fully aware of



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the contribution that small businesses make to the local economy through the production of goods and services, and employment, Cabinet reiterated its position to continue to give this kind of support on an ongoing basis in the future.

END

Here concludes the post-cabinet press briefing for Cabinet meeting held today Wednesday 25th July 2007. I thank you.