



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

POST-CABINET STATEMENT OCTOBER 1, 2007

Citizens and residents of St. Kitts and Nevis, good evening. I bring to you the post-Cabinet briefing for Cabinet meeting held today, Monday October 1, 2007.

Investment Promotion Agency

Today, Cabinet discussed and approved a framework for the development of a new Investment Promotion Agency or IPA, that is geared towards the creation of a highly competitive business environment intended to increase investment flows, and foster the creation, formalization and expansion of new businesses - local businesses in particular.

The Investment Promotion Agency and the framework approved today are the results of several months of work that was supported by the United States Agency for International Development, USAID. An investment promotion and marketing strategy has been developed to promote inward investment activities and a framework for a one-stop-shop has also been developed. The objective of the one-stop-shop is to create a single agency of government that provides a range of services to local and foreign investors to ensure quick, hassle-free and successful business development.

The Investment Promotion Agency or IPA will be controlled by a board of directors, as opposed to a government department. The agency will be managed by a CEO supported by managers heading the two major divisions of the agency– the Projects Division (responsible for assistance in business development and appraisal) and the Marketing Division (designed to support marketing activities).

The government will now move swiftly to enact and amend legislation that is required to support the establishment of the IPA. In particular, the regulatory processes affecting the development of business will be overhauled and the number of procedures necessary to establish and operate businesses will be decreased to put St. Kitts and Nevis more in line with the World Bank “Doing Business” standards.



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A Memorandum of Understanding outlining the commitments of the government and of the USAID is expected to be signed shortly so that the full set of deliverables under the current work plan in relation to the IPA can be realized.

Electricity Upgrades

Just recently, the government successfully installed and commissioned a new 4 Megawatt electricity generator at the Needsmust power plant. This upgrade is consistent with government's policy to continue to modernize the electricity services in the Federation in response to and in preparation for continuing robust economic development in the country. The rapid economic development which has taken place over the last 10 years has drastically increased the demand for electricity.

Today, Cabinet approved a further upgrade of the electricity generation infrastructure. Specifically, the purchase of two 2.5 megawatt generators or a total capacity improvement of 5 Megawatts, an upgrade to the electrical relays and breakers, and the conversion from the use of light fuel to heavier, cheaper fuels, were formally approved. The Hon Minister of Public Utilities, Dr Earl Asim Martin explained that the obsolete relays and breakers have been responsible for the unplanned outages in electricity supply, but that the replacement of the equipment will eliminate these problems.

The approved activities are expected to be all completed by mid-2008.

Fund to Establish a Permanent Memorial at the United Nations in Honour of Victims of the Trans-Atlantic Slave Trade

CARICOM States have led the way to have established a permanent memorial at the United Nations in Honour of Victims of the Trans-Atlantic Slave Trade. The CARICOM initiative was executed under the theme "Acknowledging the Tragedy, Considering the Legacy; Lest We Forget." In March of this year, Prime Minister Douglas delivered a statement on behalf of CARICOM at the Special Commemorative Session of the United Nations General Assembly held in New York.



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Cabinet was pleased to authorize the financial contribution of St. Kitts and Nevis to this historic Memorial fund.

The Price of Flour

Today, Cabinet again discussed the request by local bakers to have the cost of flour and consequently the cost of bread increased. Much progress has been made after a meeting with bakers during the course of last week. It is government's intention to ensure that the price of bread in particular, is held at its current level, and thus government is attempting to reach a mutually beneficial position with local bakers on the island.

As indicated previously, local flour suppliers have explained that shrinking global supplies, poor harvest yields and increasing demand for flour have been responsible for the increase in the price of the commodity.

Fort Street

In relation to the parking policy on Fort Street in Basseterre, Government wishes to thank the many persons who have proffered their suggestions via the email address supplied as to the new parking policy that should be implemented.

You can expect to be updated on this new policy during the upcoming week while your suggestions are being studied. In the meantime, your further suggestions are welcome. Please email infocom@sisterisles.kn.

END

This brings to an end the post-Cabinet briefing for Monday October 1st, 2007. I thank you.