



Public engagement survey

Results

29 October 2020

Key observations

- The survey attracted 3162 responses, 93 percent of respondents are Bahamian citizens resident on Grand Bahama Island and a further 4% are Bahamian citizens resident elsewhere.
- Responses were checked for mass duplicate (identical) responses from the same IP address. No significant evidence of this was found and the results can therefore be regarded as reflective of the people of Grand Bahama.
- Strong support exists for diversifying the economy away from over-dependence on tourism, with agriculture, maritime and logistics, light industry, healthcare and education being the most heavily supported.
- A consensus exists across respondents that measures to protect against future hurricanes, diversifying Freeport's economy away from tourism, establishing a world-class hospital in part to support medical tourism and addressing the issue of derelict building in Freeport's downtown would have a significant positive impact.
- Most respondents also believe that the greatest impact can be achieved by enabling Bahamian businesses, e.g. through enhancing sources of funding for small/micro enterprises, developing training and mentoring options.
- Respondents also responded favourably (but less so, and with greater diversity of views) to measures that promote foreign businesses and expatriate workers, for instance waiving work permit requirements for expatriates visiting Freeport for business meetings, extending RPT and other exemptions and 'economic citizenship' programmes.
- Respondents who are business owners responded significantly more positively to measures such as extending RPT and other exemptions 'economic citizenship' programmes, an independent Investment Promotion Agency (IPA) and waiving work permit requirements for expatriates visiting Freeport for business meetings, than did respondents who do not own businesses.
- The idea of branding Freeport with a 'Blue Economy' theme and/or a Maritime Centre was viewed positively, the 'Blue Economy' being the more positively viewed of the two.

Conclusions and recommendations drawn from the survey

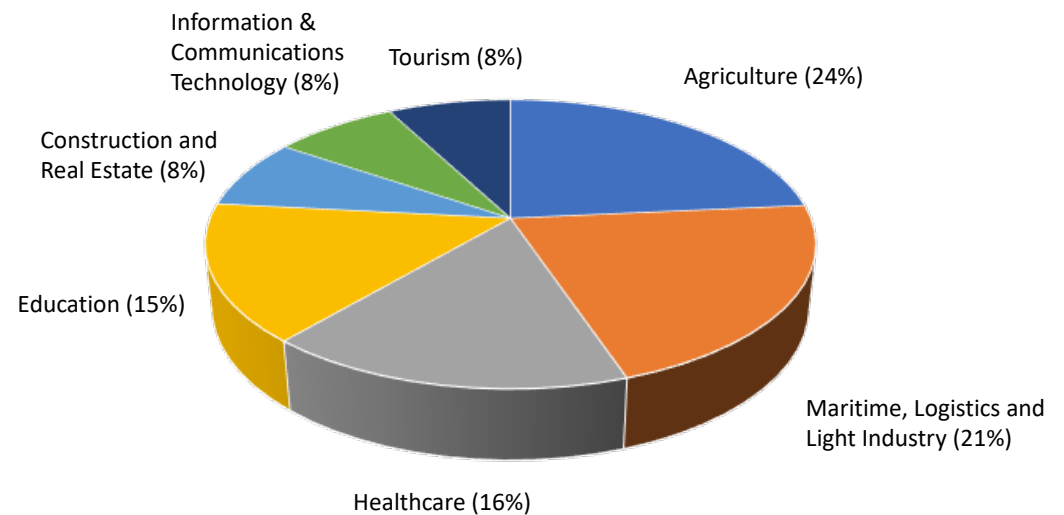
The results of the survey support the following recommendations:

1. Develop an effective means to protect Freeport from hurricanes, both in the short and the long term.
2. Extend RPT and other exemptions to all GBPA licensees and property owners.
3. Solve the problem of derelict buildings in downtown Freeport.
4. Facilitate the establishment of a new world-class hospital to support medical tourism and local needs (with a basic hospital to service the latter as a minimum).
5. Make it possible for Bahamians and Bahamian-owned businesses to thrive in Freeport, in particular:
 - create significant new entrepreneurial and better quality employment opportunities
 - protect Bahamian-owned businesses from unfair competition from foreign-owned firms in The Bahamas
 - provide business and vocation skills-training and support
 - facilitate better and cheaper access to capital.
6. Create a compelling value proposition to convince businesses in the Agriculture, Maritime, Logistics, Light industrial, Healthcare and Education sectors particularly, to invest and establish operations in Freeport. This specifically includes foreign-owned businesses.
7. Brand the 'new' Freeport around a 'Blue Economy' theme, incorporating a strong Maritime industrial component.

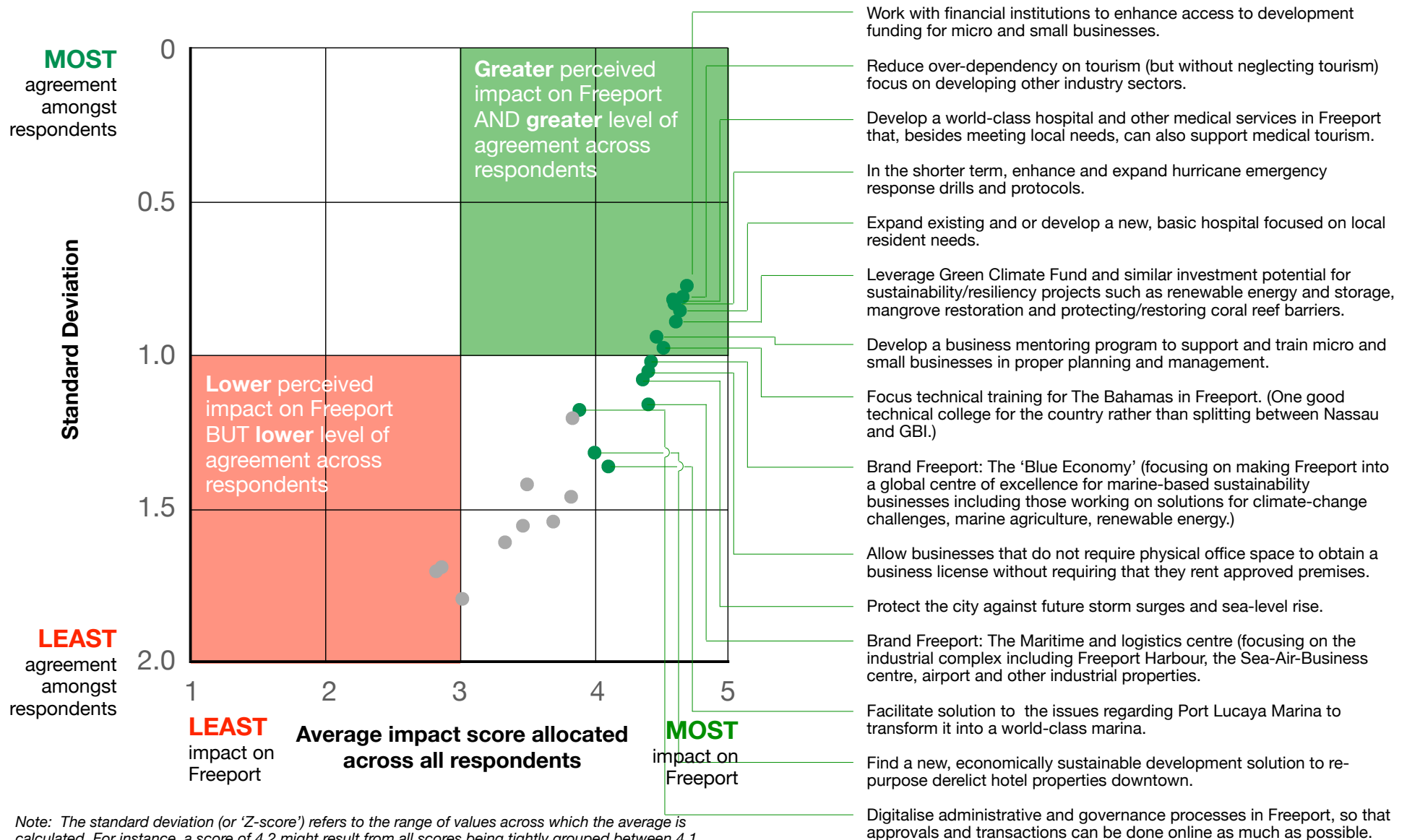
92% of respondents favour a shift away from tourism being Freeport's 'main industry'

- 92% of respondents believe that Freeport's 'main' industry sector should be one other than tourism
- This response implies neither that the tourism sector should be downgraded, nor that it should not be developed further once the Covid-19 pandemic has passed.
- Agriculture is the most favoured sector, followed closely by Maritime, Logistics and Light industry.
- Information & Communications Technology was selected by only 8% of respondents, implying that most respondents do not agree with the premise that Freeport could become, or should be positioned, as the 'Silicon Valley of the Caribbean.'

What should we focus on as a main industry for Freeport?

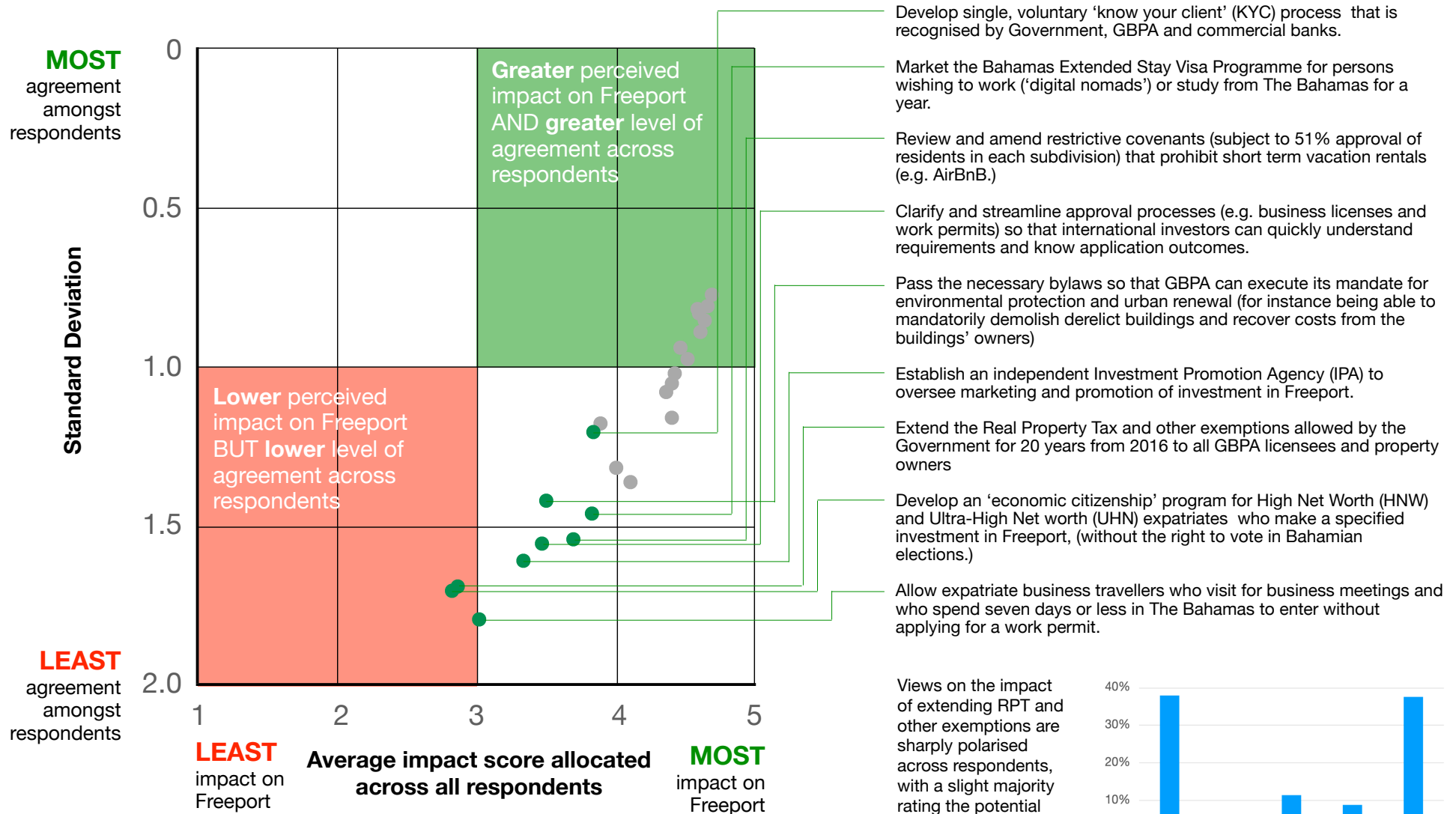


Across all respondents, the measures about which most agreement exists that they will deliver most impact, are those that most affect the lives of ordinary people - as opposed to those measures focused on attracting investment into Freeport



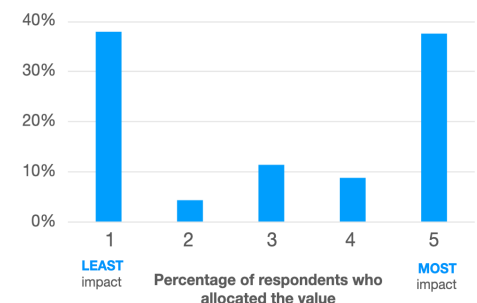
Note: The standard deviation (or 'Z-score') refers to the range of values across which the average is calculated. For instance, a score of 4.2 might result from all scores being tightly grouped between 4.1 and 4.3 (which would mean a very low standard deviation and a high level of agreement across respondents) or the same average might result from scores might widely spread between 2.0 and 5.0 (which would mean a high standard deviation and a high level of agreement across respondents)

Business-friendly measures are less favoured, albeit with significantly less agreement amongst respondents regarding RPT and other extensions, waiver of work permits for short-term business travellers, or an 'economic citizenship' program



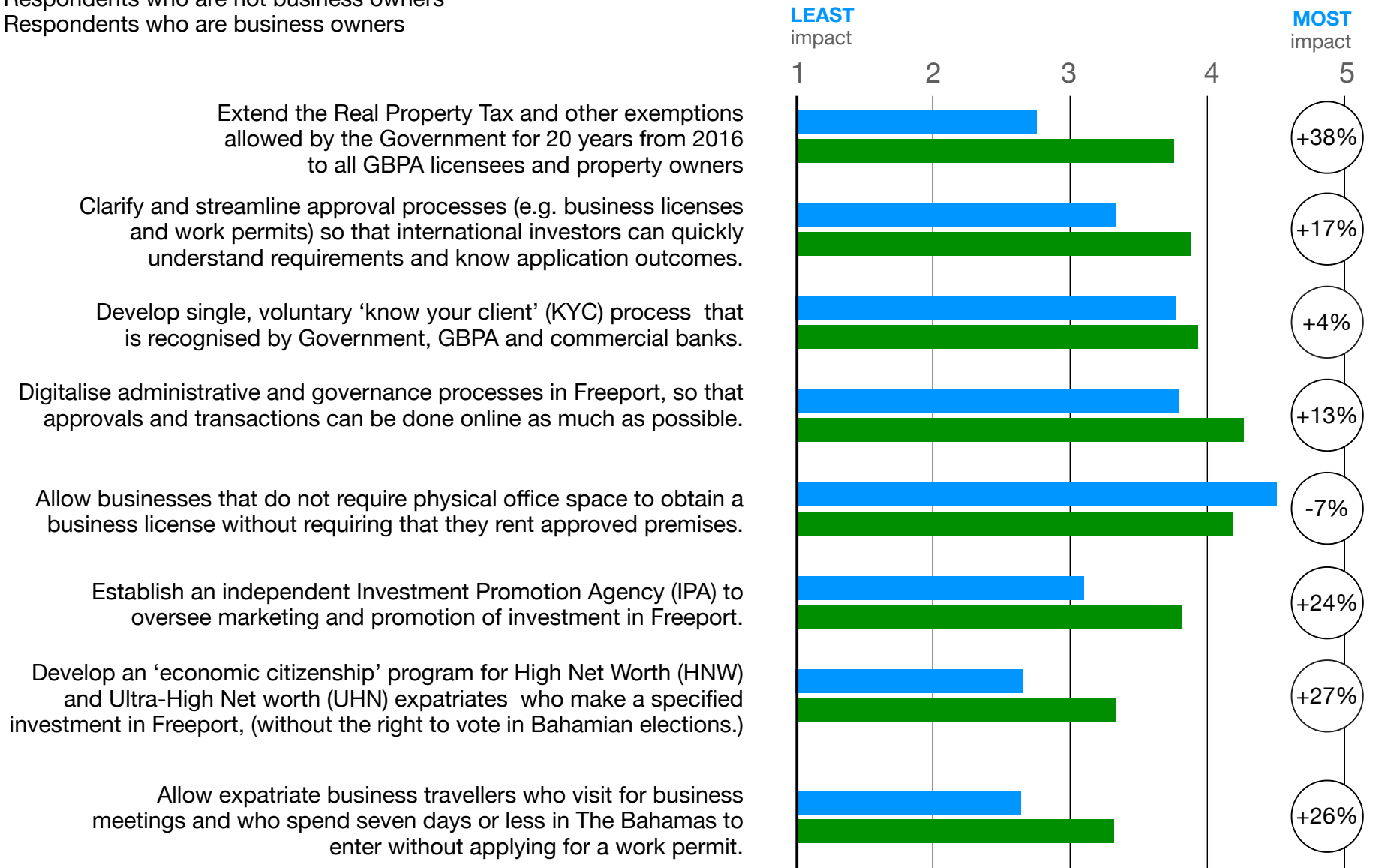
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Views on the impact of extending RPT and other exemptions are sharply polarised across respondents, with a slight majority rating the potential impact as 4 pr 5, over 1 or 2.












Business owners believe that measures aimed at enhancing ease of doing business (including extending RPT and other exemptions) would be significantly more impactful than do respondents who are not business owners

■ Respondents who are not business owners
■ Respondents who are business owners



Using IBM SPSS Statistics, we analysed the data to discover groups with similar responses. This analysis uncovered six distinct groups ('clusters') of respondents

All clusters generally agreed on the level of impact that the following measures would have on Freeport:

-  Protect the city against future storm surges and sea-level rise
-  In the shorter term, enhance and expand hurricane emergency response drills and protocols)
-  Reduce over-dependency on tourism (without neglecting tourism) and focus on developing other industry sectors
-  Develop a world-class hospital and other medical services in Freeport that, besides meeting local needs, can also support medical tourism (or as a minimum solution, a basic hospital for local needs)
-  Find a new, economically sustainable development solution to re-purpose derelict hotel properties downtown
-  Facilitate solution to the issues regarding Port Lucaya Marina to transform it into a world-class marina.
-  Allow businesses that do not require physical office space to obtain a business license without requiring that they rent approved premises.)
-  Review and amend restrictive covenants (subject to 51% approval of residents in each subdivision) that prohibit short term vacation rentals (e.g. AirBnB.)
-  Leverage Green Climate Fund and similar investment potential for sustainability/resiliency projects such as renewable energy and storage, mangrove restoration and protecting/restoring coral reef barriers.)

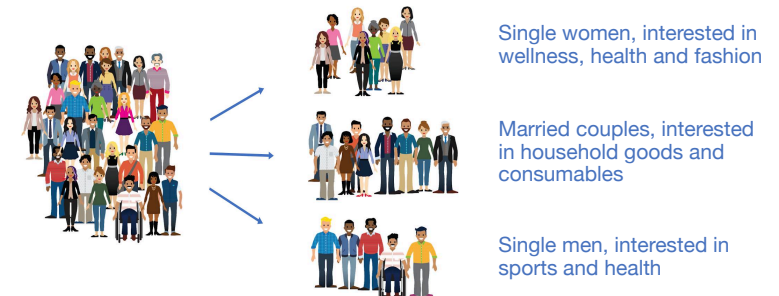
 High impact  Medium impact  Low impact

Note: Measures scored an average of 1.0 - 2.9 are rated as 'Low impact'; those scored an average of 3.0 to 3.99 as 'Medium impact' and those scored an average of 4.0 - 5.0 as 'High impact.'

What is cluster analysis and why is it useful?

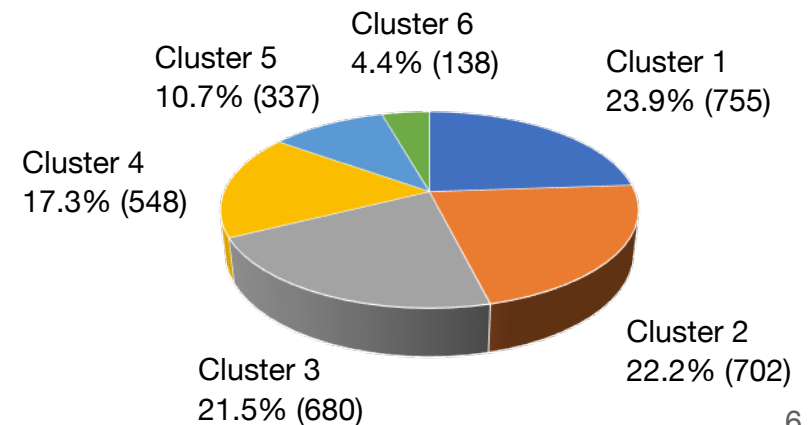
When dealing with surveys of large groups of people, it is often difficult to develop a deep understanding of the survey results. Cluster analysis allows us to identify subgroups of people whose responses are similar.

Companies frequently analyse their customer bases in this way so as to target their goods and services to better meet customer preferences and to focus their marketing better. We can use the results of the cluster analysis of the REEF public engagement survey to inform decisions and develop solutions that better meet the wishes of Freeport's residents.



Clustering of a fictitious company's customers, to discover product preferences

Breakdown of REEF survey respondents by cluster



Where significant differences exist between respondents about the likely impact of measures proposed, 68% of respondents fell into three clusters who are generally positive to neutral about those proposed measures

Please rate the impact you think each of the following solutions would have in improving Freeport's economy.

Cluster 1

This cluster, comprising nearly a quarter of respondents (24%) regarded all proposed measures as potentially high-impact.

Cluster 2

This cluster viewed measures directly aimed at supporting small Bahamian-owned businesses and digitalisation of Freeport's administrative systems as potentially high-impact, did not support an 'economic citizenship' programme or exempting short-stay business visitors attending meetings from work permits, and regarded all other measures as potentially only medium-impact.

Cluster 3

This cluster is similar to the previous cluster except that respondents within it believe an 'economic citizenship' programme and exempting short-stay business visitors attending meetings from work permits to be potentially high-impact.

CLUSTER NUMBER:

1 2 3

	1	2	3
Develop a business mentoring program to support and train micro and small businesses in proper planning and management			
Develop an 'economic citizenship' program for High Net Worth (HNW) and Ultra-High Net worth (UHN) expatriates who make a specified investment in Freeport			
Pass the necessary bylaws so that GBPA can execute its mandate for environmental protection and urban renewal			
Allow expatriate business travellers who visit for business meetings and who spend 7 days or less in The Bahamas to enter without applying for a work permit.)			
Establish an independent Investment Promotion Agency (IPA) to oversee marketing and promotion of investment in Freeport.			
Extend the Real Property Tax and other exemptions allowed by the Government for 20 years from 2016 to all GBPA licensees and property owners			
Develop single, voluntary 'know your client' (KYC) process that is recognised by Government, GBPA and commercial banks.			
Work with financial institutions to enhance access to development funding for micro and small businesses)			
Clarify and streamline approval processes (e.g. business licenses and work permits)			
Focus technical training for The Bahamas in Freeport. (One good technical college for the country rather than splitting between Nassau and GBI.)			
Market the Bahamas Extended Stay Visa Programme for persons wishing to work ('digital nomads') or study from The Bahamas for a year			
Digitalise administrative and governance processes in Freeport, so that approvals and transactions can be done online as much as possible.			



High impact



Medium impact



Low impact

32% of respondents were generally negative about the likely impact of most to all the measures proposed, other than those listed on slide 6 where consensus exists about their impact, with measures clearly benefitting small Bahamian-owned businesses being more favourably viewed

Please rate the impact you think each of the following solutions would have in improving Freeport's economy.

Respondents in Clusters 4, 5 and 6 rated all measures related to greater expatriate involvement in the economy or supporting the GBPA's powers under the Hawksbill Creek Agreement as potentially low impact. Measures overtly aimed at supporting small Bahamian-owned businesses are regarded as potentially high-impact.

Cluster 4 and 5

The only difference between Clusters 4 and 5 is that respondents in Cluster 5 believe that digitalising administrative and governance processes in Freeport will be more impactful than do those in Cluster 4.

Cluster 6

This small cluster (4.4% of respondents, i.e, 138 respondents) are pessimistic about any measures to positively impact Freeport's economy except those measures where general agreement exists across all respondents.

CLUSTER NUMBER:

4 5 6

	4	5	6
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High impact



Medium impact



Low impact

