



## OFFICIAL STATEMENT

Senator, the Hon. Kwasi Thompson Minister of State for Finance

### **New legislation tackles barriers to business**

*The Bahamas remains best-in-class destination for investors despite challenges*

**Source:** Central Communications Unit, the Ministry of Finance  
**Date:** August 4, 2021  
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The Government of The Bahamas recently enacted the most progressive procurement legislation in the entire Caribbean region, and is proud of the steps being taken to implement the new provisions starting on September 1. While the Ministry of Finance acknowledges the 2021 Investment Climate report issued by the US State Department –the investor community can be reassured that this Government has not only taken concrete steps to improve the process, but the new Public Procurement Act (2021), is now a standard bearer of modern, progressive procurement standards.

This Government has taken firm steps to address the deficiencies that impede the ease of doing business in the country. The fiscal reforms taking place to increase transparency, accountability and the ease of doing business are not the only areas of advancement. The report acknowledges the Government’s INVESTBahamas Project that will cut through the burdensome bureaucracy that places an unnecessary drag on investment decisions. The report also acknowledges the Government’s successful digital transformation efforts and its work to reduce the cost of electricity, to streamline business license applications and expand provisional business licenses. In fact, the Ministry of Finance will shortly announce new changes that simplify the business license process even further.

The report also acknowledges the Governments efforts to pass additional key pieces of legislation such as the Public Debt Management Act (2021) that seeks to enshrine proper debt management policies into law and improve transparency concerning central government and SOE debt; the Public Finance Management Act (2021) that expands budgetary and fiscal reporting requirements for central government and SOEs; the Statistics Act (2021) that transforms the current Department of Statistics into a quasi-independent National Statistics Institute and the Public Procurement Act

(2020), that overhauls current arrangements for government contracts to improve transparency and accountability.

Even with the shortfalls, the investor community has continued to recognize The Bahamas is a best in class destination for business. Despite the global pandemic, The Bahamas proved to be the global leader among small island developing states for inward investment, doubling the quantum of the second place counterpart nation. In 2020, The Bahamas experienced a 47% increase to \$897 million in inward investment, outpacing other small island developing states (SIDS) by some \$500 million. This reflects ongoing confidence of international and domestic investors in the country and the government. Moving forward, the ongoing reform efforts most recently outlined in the Accelerate Bahamas Budget Plan will only improve the country's standing as an exemplary place to invest.

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