

Here are some vital points, compiled late last year in discussion between Linda/SHDA, Jürgen/CoC and Paul Blessington. This write-up by Paul has been shared with Kato Kimbugwe. On the 26.01.2010 a teleconference is scheduled between the four persons mentioned above, with the objective to cast important and “doable” items into a FLIT policy.

The text below reflects the Chamber’s views as discussed in the Chamber Council in Jan. 2010.

Steps for developing a pro-business environment in St. Helena

Creating a business-friendly environment which supports all enterprises and encourages new investment and rewards risk-taking.

Encourage local investment

- Reduce red tape, unnecessary regulation & compliance costs, and speed up approval processes

Encourage Overseas Investors to settle in St Helena

- Adjust medical fees for resident overseas investors to other St. Helenian residents’ levels
- Waive Medivac Insurance requirement for overseas investors
- Set prescription charges for resident overseas investors equal to Saint residents
- Allow investors to own property on the island (with due process)
- Enable non-Saint taxpayers to be eligible for resident benefits after contributing for a set period
- Extend the same personal customs and wharfage exemptions to overseas investors as to SHG overseas recruits (level playing field)
- Reduce the waiting time to achieve ‘Saint’ status for overseas investors (has been increased in 2008 from 5 years to 7 years)

Create a ‘level playing field’ for all businesses operating in St Helena

- Remove barriers which place limitations on overseas-owned businesses (e.g. ability to diversify into new markets)
- Ensure government procurement treats all local businesses equally – whether locally or overseas-owned
- Provide government assistance to overseas-owned businesses which are unable to obtain bank overdraft facilities in St Helena because of constraints on ownership of real estate to provide collateral. (By the current general policy of the SHG –owned Bank, only real estate and cars are eligible as collateral security)



Allow competition whilst recognising constraints of small market

- Reduce unfair competition between Government-owned businesses (e.g. Solomons) and the independent private sector
- Reduce monopoly power (e.g. in banking, insurance and telecommunications) by encouraging new entrants.
- Be careful NOT to undermine / weaken existing businesses through substantial asymmetrical support to new competitors

Pro-enterprise tax regime

- Review current tax regime with a clear underlying policy to support economic development.
- Exempt all investment goods from import tax.

Pro-enterprise immigration policy / labour mobility

- Allow employees hired from overseas to apply to work for an alternative employer if their sponsoring employer terminates their employment.
- Enable non-Saint taxpayers to be eligible for resident benefits after contributing for a set period
- Introduce island-wide contributory pension scheme, with full portability between employers

Pro-enterprise land and property policy

- Streamline SHG property leasing arrangements
- Enable SHG leases to be held in a Company name
- Allow overseas-based investors to purchase land for business purposes
- Regularise the process for planning applications and granting of planning permission

Pro-enterprise access policy

- Review the sea access options from scratch with an unbiased team of experts.
- Maintain shipping links to Walvis Bay

Encouraging efficiency improvement / cost reduction

- Review erratic tariffs levied by SHG, such as electricity tariffs and many others

Reducing Government 'footprint' and Supporting outsourcing

- Corporatise / outsource government services wherever feasible and re-devise the outsourcing policies.