

Caribbean Council Newsletter

24 July 2009
Issue 90



your window to the Caribbean



UK Government agrees tax measure Caribbean sees as discriminatory

On July 21 Britain's Finance Bill received Royal assent and in so doing passed into law changes to Air Passenger Duty (APD) that will result in travellers to the Caribbean from the UK from November paying more in tax than those going to almost any part of the US.

The APD is a measure aimed at taxing aviation's carbon emissions. Originally introduced by the UK Government in 1994 it imposed a flat rate tax on all passengers departing from UK airports at varying levels depending on the class of travel. However, last November the UK announced that it was introducing four APD distance-related bands. For the Caribbean they proposed that anyone travelling in economy/coach from the UK will pay 25 per cent more in tax from 1 November 2009 and 87 per cent more in tax from 1 November 2010 with higher rates of tax applying in other classes of travel.

The measure has the effect of discriminating in favour of the US over the Caribbean 'for reasons of administrative ease'. It does so by determining that all of the US and Hawaii (although not the USVI or Puerto Rico which are considered Caribbean) is 'closer' to London than all of the Caribbean.

It is seen by Caribbean Governments as particularly damaging to the region in economic terms at a time of dramatically falling visitor arrivals as a result of the global recession; especially as the UK is the leading tourist market for many Caribbean nations and because many of the region's newer visitors have to transit London. It is also regarded as particularly damaging to the interest of the Caribbean Diaspora in the United Kingdom who visit friends and family frequently.

Although the Finance Bill has now become law and APD banding will come into force in November, according to Caribbean Governments, Diaspora organisations, Caribbean diplomatic representatives, the Caribbean Tourism Organisation and the Caribbean Hotel and Tourism Association, the battle is far from over. They note that the British Treasury Minister responsible promised MPs in a debate in the House of Commons on July 9 to instruct her officials to look further at the issue of the banding disparity between the US and the Caribbean.



They believe that if pressure is maintained, a change in banding or the actual rate proposed might be possible in the next finance bill. In practical terms this would mean encouraging the British Government to address the issue in its November budget statement which establishes the UK Government's approach to the budget for the year 2010-11, the period when the most swinging increases in the APD will be introduced.

(Pictures: Top, Alistair Darling MP, UK Chancellor of the Exchequer; bottom, Diane Abbott MP, who has spoken out in support of the Caribbean on this issue)



Virgin Atlantic's Richard Branson says the UK Government's Tax Increases on aviation are out of control

Sir Richard Branson (*pictured*), President of Virgin Atlantic, has warned that the UK Government's plans to increase taxes on air passengers are out of control and will hurt passengers, the aviation industry and developing regions such as the Caribbean and Africa.

Events Diary

1 April – 31 July, 2009
Living Ancestors Exhibition, London

25-26 July, 2009
Caribfest Family Fun Day, Milton Keynes

30 – 31 July, 2009
International Food Safety Conference: "Food Safety and Security ...the Future", Jamaica

30 July, 2009 & 31 July, 2009
Professional Service Providers and the Economic Partnership Agreement. What's in it for you?, Bahamas

5 August, 2009
China-Caribbean Business Dialogue, Barbados

30 August, 2009
Birmingham Sports and Cultural Day featuring Malcolm Marshall Memorial Cricket Cup, Birmingham, UK

25 August, 2009
Caribbean Development Aid, London

4-6 May, 2010
Caribbean Hotel and Tourism Investment Conference, Puerto Rico

For information on any of the above events please contact
admin@caribbeanCouncil.org

This newsletter is sponsored by:



In 2009, Virgin Atlantic celebrates 25 years of flying. In this time it has become the largest scheduled airline between Europe and the Caribbean, carrying 825,000 passengers on its ten Caribbean routes last year.

Virgin Atlantic flies to Antigua, Barbados, Grenada, Havana, Kingston, Montego Bay, St Lucia and Tobago from London Gatwick and to Barbados and St Lucia from Manchester.

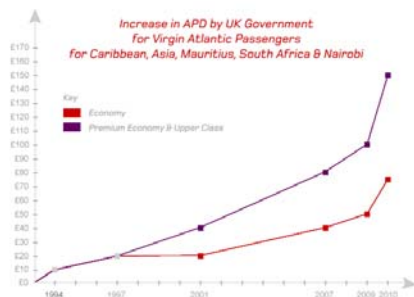
For more details and to make bookings, please visit www.virgin-atlantic.com.

Virgin Atlantic has announced that all of its e-tickets issued from today onwards would be carrying messages criticising the unjust tax increase by the UK Government, and asking passengers to visit a new information website www.virginatlantic.com/unjusttax so they can protest to their local MP about the increases.

Sir Richard Branson commented:

"Air Passenger Duty is one of the most unjust taxes out there. The UK Government has been quietly increasing APD by huge amounts and claiming it is an environmental tax. Yet, there's not a shred of evidence to suggest the £2billion plus currently raised is going towards environmental or sustainable projects.

"The increases will hurt passengers, the airline industry and developing regions such as the Caribbean and Africa which rely on the airline industry to power their economies, and enable family and friends based in the UK to visit loved ones."



Virgin Atlantic supports proposals for a global carbon emissions trading scheme involving all airlines, being proposed at this December's Copenhagen Summit. The proceeds from the scheme will go towards finding clean energy solutions.

Virgin Atlantic has set up a mini web site specifically to address the issue (www.virginatlantic.com/unjusttax).

The graph on the left (courtesy of Virgin Atlantic) demonstrates the price increase on flights to the Caribbean.

The Caribbean Tourism Organisation and Caribbean Governments have with the Caribbean Diaspora been lobbying hard in recent months to highlight the disadvantage the revised banding will place them at when it is implemented in November. Under the new scheme, APD on flights to Florida will be less than that for flights to Cuba, which is only some 90 miles away.

In a recent editorial, the Jamaica Observer has called for CARICOM to join Virgin and British Airways in their lobbying efforts claiming that "this tax will have a deleterious effect on travel from the UK to the Caribbean, which last year - based on Caribbean Tourism Organisation data - totalled 1.24 million with an estimated spend of £1.45 billion".

"The effects of the global economic crisis on the Caribbean have elevated the importance of tourism to this region. Therefore, all legitimate efforts to secure foreign exchange inflows must be pursued aggressively by our governments and should be embraced by the peoples of the region", said the editorial.

The issue has attracted commentary from well known UK broadcaster Floella Benjamin, who on 20 July wrote a piece on the issue in the Guardian Newspaper.



Caribbean Hotel and Tourism Investment Conference 4-6 May, 2010, Puerto Rico

The Conference is intended to inform, enlighten and to provide time for networking experiences for the delegates to conduct their business face-to-face while at the conference.

Delegates will be able to choose between a wide variety of Breakout Sessions, Development Track Workshops and Plenary Sessions which will deal with what is and will be in the industry in the region. Leading experts will provide information on the outlook for investment in the region, new trends and opportunities, and solutions to challenges in development and ownership. There will be

many opportunities such as the luncheons, opening reception, networking reception and the closing dinner to meet and exchange ideas with fellow delegates, speakers, dignitaries and colleagues. The Sponsors' Exhibit will also afford direct contact with representatives of our sponsoring companies and will be open throughout the Conference.

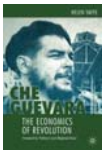
Who should attend?

If you are an investor, hotel owner, lender, hotel chain executive, developer, financial advisor, mortgage broker, real estate agent, lawyer, designer, architect, tourism official, timeshare developer, government official you should attend CHTIC! The CHTIC 2010 event will be in Puerto Rico in May.

For more information please visit <http://www.caribbeanhotelassociation.com/InvestmentConference.php>

CHTA Launches 'Data Center' With Regional Statistics and Reports

The "Members Only" CHTA Data Center provides members with a valuable resource combining destination-specific statistics, surveys, reports and other useful information on the Caribbean region and hospitality industry from a wide range of CHTA partners. Members of the Caribbean-Britain Business Council can become Allied Members of the CHTA for a discounted rate of just £100 per annum, gaining members access to data, industry news, discounts and business listings. For more information on this special offer please contact [Stephanie Whittle stephanie.whittle@caribbean-council.org](mailto:Stephanie.Whittle@caribbean-council.org)



Che Guevara: The Economics of Revolution, by Helen Yaffe

Published in February 2009 by Palgrave Macmillan, this book is about Che Guevara's work as a member of the Cuban government from 1959-1965. The book is based on six years of original research including access to previously unseen archive materials and interviews with 50 of Che Guevara's closest colleagues and companeros. For further details please visit <http://www.palgrave.com/products/title.aspx?PID=307678>

JCC Conference Board & Myers, Fletcher & Gordon: Wednesday Morning Seminar

8am – 9.30am, 29 July, 2009, Myers, Fletcher & Gordon, 21 East Street, Kingston, Jamaica

Topic: 'Challenges to Security Documentation'

Presenter: Lisa Russell, Attorney-At-Law

For further information please contact +001 876 922-0150-1 or info@jamaicachamber.org.jm

Public Forum on Police Reform: What has been achieved and what next?

5.30pm – 8pm, 29 July, 2009, Knutsford Court Hotel, Kingston, Jamaica

Speakers: Hon Dwight Nelson, Minister for National Security

Rear Admiral Hardley Lewin, Commissioner of Police

Prof Gordon Shirley, Chairman of the Implementation Committee on Police reform

Moderator: Derek Jones

For more information please visit www.psoj.org



Professional Service Providers and the Economic Partnership Agreement. What's in it for you?

8.30am – 5pm, 30 July, 2009, British Colonial Hilton, The Bahamas

8.30am – 5pm, 31 July, 2009, Grand Bahama Chamber of Commerce, The Bahamas

The seminar will address

Market access for Caribbean service suppliers in Europe under the EPA

Implications for business strategies

Facilitators

Ramesh Chaitoo, Head of Services Trade Unit, CRNM

Dr Noel Watson, Trade Specialist, CRNM

Who should attend?

Accountants, Lawyers, Engineers, Tour Operators, Architects, Entertainers, Financial and Investment Service Providers

For more information please contact The Bahamas Chamber of Commerce, 242 322 2145 or info@thebahamaschamber.com



International Food Safety Conference: "Food Safety and Security ...the Future"

30 – 31 July, 2009, Knutsford Court Hotel, Kingston, Jamaica

The Caribbean region is an important world destination. Many government agencies along with the food industry share the tasks of protecting the health of travellers and assuring the regions indigenous people also have an adequate and safe food supply. The goal of the conference "Caribbean Food Safety and Security ... The Future" is to provide a meaningful dialogue amongst the key stakeholders in the region for a better understanding of the threats to the Caribbean's food supply and to find solutions.

For further information please visit www.foodhygienebureau.org

Birmingham Sports and Cultural Day featuring Malcolm Marshall Memorial Cricket Cup

10am – 9pm, 30 August, 2009, Handsworth Park,

Hinstock Road, Handsworth, Birmingham, UK

This family event will feature the Sir Vivian Richards XI VS Select XI

China-Caribbean Business Dialogue

5 August, 2009, Hilton Barbados

For further information please contact Escipi3n Oliveira, Manager Special Projects, Caribbean Export Development Agency on (246) 436-0578 or at eoliveira@carib-export.com

Guyana Trade & Investment Exposition: GuyExpo 2009

24 – 29 September, 2009, National Exhibition Centre, Sophia, Georgetown, Guyana

For further information please contact Ms. Uchenna Gibson on (592) 227 0653 or at goinvest@goinvest.gov.gy

EPA Workshop and Services Mission the French Caribbean Outermost Region

23 – 24 September, 2009, Martinique

For further information visit www.carib-export.com or contact Carlos Wharton, Caribbean Export Development Agency on (24) 436-0578 or at cwharton@carib-export.com

Next Issue: Please note that the next issue of the Caribbean Council Newsletter will be published on 11 September 2009.

Cultural and Sporting Events in the Region (July and August)

17 July – 1 August	Tobago Heritage Festival, Tobago
24 – 27 July	Berbice Expo and Trade Fair, Guyana
30 July – 4 August	Culturama, Nevis, www.culturama.net
25-26 July	Jazz in July, Trinidad
25-26 July	Hampton Games, Trinidad
25 July – 1 August	Puerto Rico Salsa Congress, Puerto Rico
25 July – 4 August	Carnival, Antigua
26 July – 1 August	Santo Domingo Merengue Festival, Dominican Republic
26 July - 2 August	Tour de Yoles Rondes Regatta, Martinique
26 July – 3 August	Carriacou Regatta, Carriacou, www.carriacouregatta.com
27 July – 3 August	Annual Turks and Caicos Music and Cultural Festival, Turks and Caicos Islands, www.musicfestival.tc
29 July – 3 August	Great Fete weekend, Tobago
30 July – 1 August	Canouan Carnival, Canouan
30 July – 7 August	Cropover Festival, Barbados, www.cropoverfestival.com
30 July – 9 August	Anguilla Summer Festival, Anguilla
1 – 3 August	USVI St Thomas Golf Open, USVI, www.mahoganyrungolf.com
2 - 6 August	Heineken Cup Boat Race, Anguilla
5 – 9 August	Curacao Salsa Tour, Curacao
10-11 August	Grenada Carnival, Grenada, www.spicemasgrenada.com
7-16 August	Tour Cycliste International de Guadeloupe, Guadeloupe
15 August – 15 Nov.	Curacao Culture, Cuisine and heritage Experience, Curacao
16-22 August	Banks Barbados International Hockey Festival, Barbados

(List compiled from liat.com and onecaribbean.org)