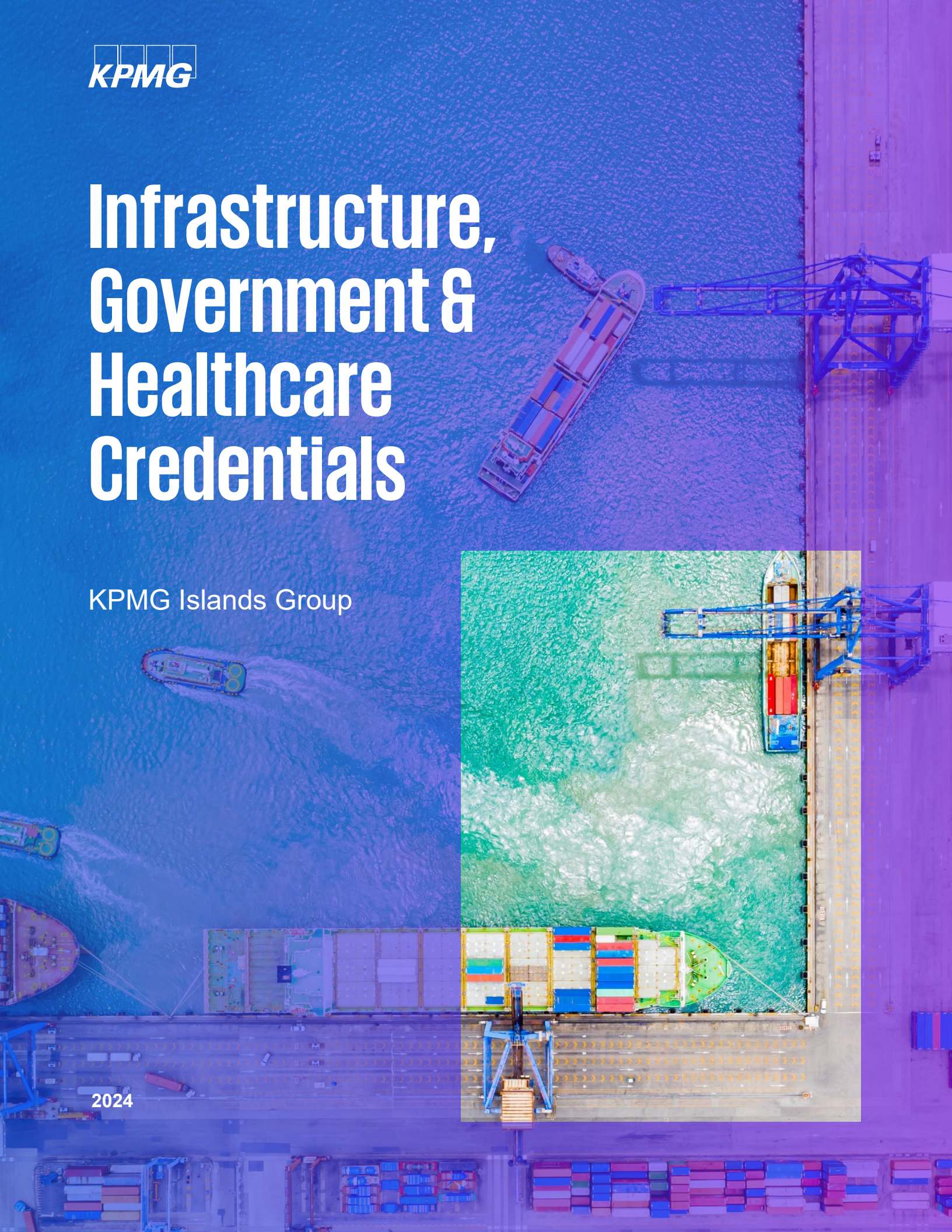




Infrastructure, Government & Healthcare Credentials

KPMG Islands Group

2024





Preface

The past few years have been challenging for island Governments, many of which were significantly impacted by the loss of tourism revenue as a result of COVID-19. However, trends such as remote working, innovation in farming, sustainable sources of energy, and economic diversification have provided opportunities for growth and inward infrastructure investment.

Enabling societies to grow in a more equitable way by reducing vulnerabilities and strengthening economies is the starting point for bold and decisive action. Jurisdictions which are able to truly reimagine the way we live and work are setting a trajectory for building a better reality for their citizens.

KPMG is proud to have worked with many island jurisdictions over several decades to respond to public needs, support economic growth and diversification, comply with extra-territorial requirements, and transform services through digital enablement. We look forward to continuing the journey with our clients to a better future.



Simon Townend
Head of
Advisory

KPMG
Islands Group



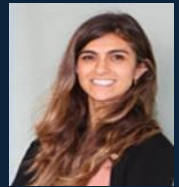
Sam Story
Head of
Infrastructure

KPMG in the
Cayman
Islands



**Dr. Edward
Fitzgerald**
Head of Healthcare

KPMG
Islands Group



Vicky Hitch
IGH Sector
Executive

KPMG
Islands Group

KPMG Islands Group

Bermuda

Bahamas

Cayman Islands

Jamaica

British Virgin Islands

Barbados & the Eastern Caribbean

Trinidad and Tobago





Isle of Man

Channel Islands

Malta

KPMG Islands Group is a regional network of KPMG member firms providing Audit, Tax and Advisory services with more than 2,500 outstanding professionals working together to deliver value in The Bahamas, Barbados & the Eastern Caribbean, Bermuda, British Virgin Islands, Cayman Islands, Guernsey, Isle of Man, Jamaica, Jersey, Malta and Trinidad and Tobago. KIG is uniquely structured across island jurisdictions, having worked together for over 20 years, with common clients and industry sectors including financial services, tourism, healthcare, infrastructure and digital.

Contents

Innovation	9
Bahamas National Health Insurance Authority: KPIs, Analytics & Performance Management	10
Government of Malta: National Digital Strategy	11
Malta Gaming Authority: Data Strategy	12
Government of Malta: Local Government Division - Support with Local Government Reform (Ongoing) Ministry for Health - Implementation of National e-health Services	13
Securities Commission of The Bahamas Compliance and Regulatory Interface ("CORI"): IT Advisory Services	14
European Commission: Distributed Ledger Technology, Security Analysis, Business Continuity and Disaster Recovery Plans Digit-X: Digital and Interoperable Public Services Designed on Client Experience	15
Malta Digital Innovation Authority: Development of Artificial Intelligence ("AI") Certification Framework Development of a Technology Assurance Sandbox	16
Bahamas Ministry of Tourism: Intelligent Character Recognition IT Advisory Services	17
Malta Film Commission: Government of Malta - Development of Malta's Film Strategy	18
Transport Malta: Development of a Data and Document Management System	19
Malta Ministry for Equality, Research and Innovation: Development of Malta's Space Strategy	20
Securities Commission of The Bahamas Supervision Platform: IT Advisory and Risk Consulting Services	21
Social Development and Healthcare	22
Bermuda Hospitals Board - Acute Care Clinical Services Improvement: Operational Excellence in Clinical Services	23
Cayman Islands - Long-term Residential Mental Health Facility	24
Bermuda Hospitals Board: Supporting Integrated Care Design and Implementation	25
Bermuda Ministry of National Security: Immigration Reform	26
University Hospital of The West Indies - Redevelopment Phase 1: Financial Advisory and Procurement Services	27
Bahamas National Health Insurance: Implementation and Ongoing Expansion of National Health Insurance in The Bahamas	28
5-year Strategy Review for the Public Hospitals Authority on The Bahamas	29
John Gray High School in the Cayman Islands: Preparation of an Outline Business Case and Final Business Case	30
Cayman Islands - School Market Feasibility Study & Financial Viability Assessment	31
Economic Impact Study for a Major New Healthcare Facility: Financial Consultant Services for a Confidential Healthcare Project in the Cayman Islands	32
Economic Impact Study and True Value Assessment: Confidential Cayman Islands Healthcare Provider	33
Health Insurance Market Entry: Feasibility Study - Cayman Islands Confidential Healthcare Client	34
Healthcare Market Overview and Target Search: Market Study for Caribbean Healthcare Client	35

Social Development and Healthcare, Continued	22
The New Cayman Brac High School: Preparation of an Outline Business Case and Final Business Case	36
The Lighthouse School Expansion: Preparation of an Outline Business Case and Final Business Case	37
Bermuda Ministry of Health: Implementation of Universal Healthcare Coverage	38
Additional Social Development Credentials:	39
Hospital Redevelopment: Individual Master Plans for Three Public Hospitals in Trinidad and Tobago	
Bermuda Health Council / Ministry of Health: Healthcare Reform Communications Strategy	
Hospital Redevelopment P3, Bermuda: King Edward VII Memorial Hospital Acute Care Wing Business Strategy, Financial Advisory and Procurement Assistance	
Health City Cayman Islands' Strategic Partnership with ENT in Cayman Ltd	
Financial, Operational and Tax Buy Side Due Diligence - Confidential Healthcare Deal	
Additional Social Development Credentials (continued):	40
Bermuda Public Sector Organization – Financial Feasibility Study of a Seniors' Long-term Residential Care Facility	
Cayman Islands Government – Modernization of Social Assistance Programs	
Trinidad and Tobago Ministry of Public Administration: Change Management Services	
Malta Community Chest Fund: Cost Benefit Analysis on Enhanced Hepatitis C Treatment	
Sustainability	41
Rio Cobre Water Treatment Plant P3: Financial Advisory	42
Solid Waste Management in the Cayman Islands: Financial Advisory and Procurement Assistance	43
UNICEF Feasibility Study	44
Additional Sustainability Credentials:	45
Bermuda Water and Wastewater Treatment: Financial Feasibility Study	
Government of The Bahamas: Bahamas Energy Sector Reform	
Utility Company Procurement Function: Procurement Policies and Procedures, Spend Analysis, and Fuel Procurement Services	
Additional Sustainability Credentials (continued):	46
Ascendent Group Limited Internal Controls: Internal Controls Over Financial Reporting Framework Implementation	
Malta Environment and Resources Authority: Regulatory Impact Assessment of the Medium Combustion Plant Directive	
Malta Ministry for Transport, Infrastructure and Capital Projects: Impact Assessment of Mobility Package I	
Economic Development	47
Bermuda Tax Reform: Financial Advisory Services	48
Arawak Shipping Port: Capital Raising and Other Advisory Services	49
Interconnect Malta: Economic and Financial Study on Hydrogen-ready Pipeline	50
EU Economic Substance Regulations Implementation: Regulatory and Risk Consulting Services	51
Bermuda Department of Immigration: Immigration Process Transformation	52
EU Economic Substance Compliance Platform: IT and Risk Consulting Services	53
Bermuda Post Office: Development of Postal Business Plan	54
Long Term Strategy for The Ministry of Investment, Innovation and Social Development	55
Economic Impact Studies:	56
APS Bank: Report Outlining the Size of Public Sector in Malta	
Malta Gaming Authority: Assessment of the Implications of Land- Based Casino Liberalization	
Bermuda Tourism Authority: Economic Impact Assessment of a Major Golf Tournament	
Malta Tourism Authority: Assistance with a Visitor Survey of the Isle of MTV Event	
Isle of Man Government: Economic Strategy for the Isle of Man	57
The Jersey Harbour Masterplan : Full Business Case: Preparation of an Outline Business Case and Final Business Case	58

Economic Development, Continued	47
The Cayman Islands Airports Master-planning and Outline Business Case: Preparation of an Outline Business Case	59
Ministry of Planning, Agriculture, Housing and Infrastructure: Strategic Workshops – Facilitation	60
Additional Economic Development Credentials: L. F. Wade (Bermuda) International Airport Redevelopment P3: Kingston Dock Yard Project: Development of a Business Plan	61
Additional Economic Development Credentials (continued): Saint Lucia Air and Sea Ports Authority - Assessing Development Options Pier and Landside Development, British Virgin Islands - Valuation Services and Review of Procurement Process Nassau Cruise Port Expansion, Bahamas - Financial Advisory Port of St. John's, Antigua - Debt Finance Advisory on Port Investment Barbados Ports - Strategy and Business Planning	62
Additional Economic Development Credentials (continued): Bermuda Civil Airport Authority – Benchmarking Compensation and Analysis of Pension Benefits Bermuda National Anti-money Laundering Committee (“NAMLC”): Regulatory and Risk Consulting Services Barbados Oil Terminal – Valuation and Strategic Sale Advice Malta Ministry for European Affairs and Implementation of the Electoral Manifesto (MEAIM) – Drafting of an Integrated Territorial Development Strategy for Gozo	63



01

Innovation

Thanks to the digital revolution, the public are better informed and more demanding. Sustainable growth in a digital world depends on a new order of customer centricity in which processes are aligned across all functions — including government services, such as transportation, education, and health.

Bahamas National Health Insurance Authority

KPIs, Analytics & Performance Management

Context

The National Health Insurance Authority (“the Authority”) in The Bahamas was undergoing a significant enhancement of its technology assets to take advantage of modern technology solutions.

The Authority is tasked with administering the government funded National Health Insurance scheme in The Bahamas through public and private entities.

A key technology asset identified for construction was a ‘Global Reporting Platform’, the purpose of which is to automate reporting and provide population and other analytics to the Authority.

KPMG’s Role

Project methodology was split across 4 phases:

1. Data Catalogue and Metrics:

- A full review of the data available within the Authority was combined with discovery exercises to understand the KPIs and information required by the Authority to measure its performance and support decision making.
- A Data Catalogue describing the data assets available and the transformations that would be required in order to extract the desired metrics was created.
- Data quality issues were flagged for resolution.

2. Business Case and Proposed Architecture:

- A business case for the benefits of the Global Reporting Platform was prepared, which included a proposed cloud architecture, that made use of Platform-as-a-Service resources. Moreover, a running cost estimate was prepared, presented, and approved.

3. Implementation:

- A tenant was set up for the Authority, following dev-test-prod and security best practices.
- Extract, transform, load (“ETL”) processes were designed and built, including the use of external data sources through application programming interfaces (“APIs”) for population and standardized diagnosed data.
- Data validation checks were designed and built, including connections with logs and automated alert systems to facilitate monitoring of the quality of the ETL process.
- A data warehouse was designed and built following the Kimball methodology.

4. End-to-End Testing, Documentation, Training:

- A an end-to-end testing plan, with specific test cases, was generated and carried out.
- Documentation was assembled to support the client with maintenance of the system going forward and training given as necessary

Key Contacts

Nico Maritz
Partner

Albert Wilson
Project Manager

Government of Malta

National Digital Strategy

Context

The Government of Malta (“the Government”) considers Information, Communication and Technology as key enablers for the economy, as well as an important economic pillar in its own right contributing gross value added.

The path towards the digital economy, in the fast lane of technology, was clearly laid out in ‘Digital Malta’ – the National Digital Strategy 2014 – 2020. Notwithstanding this clear vision, six years in the realm of technology may seem and feel like perpetuity. Technology has progressed at an accelerating pace and, whether by intent or necessity, we have become even more digitally connected and technology-dependent than ever before. Couple this with the plethora of emerging technologies on the horizon which have the potential to revolutionize the way we do things, and the need for a new and refreshed National Digital Strategy becomes increasingly more apparent.

KPMG’s Role

KPMG in Malta was called upon to assist the Government with revamping the 2014 –2020 National Digital Strategy, taking note of the profusion of technologies that have emerged over the past years with a view to articulate a new and refreshed National Digital Strategy.

KPMG in Malta led a workshop-driven approach involving over 50 stakeholder consultation sessions with technical specialists, economists, lawyers, educators, researchers, public sector officials, investors and entrepreneurs to elicit cross-sectoral feedback on the pain points, lessons learned, opportunities and socio-economic needs in relation to digitalization.

More specifically, KPMG in Malta carried out the following activities:

- Conceptualization & Planning
- Capturing the ‘As-is’;
- Articulating the ‘To-be’; and
- Drafting of the Digital Strategy

Particular focus was also placed on lessons learned from the COVID-19 pandemic and how this contributed positively, or otherwise, to uptake in digitalization. In the final strategy submission, KPMG in Malta identified a number of pillars and proposed a number of initiatives tailored to the island’s needs.

For this engagement, KPMG in Malta selected a team with the depth of skill and experience required for a project of this profile, drawing on extensive knowledge of representatives across the Advisory and Tax functions.

Outcome

The National Digital Strategy, branded as ‘Malta Digitali’, established Government’s commitment on how it intends to maintain momentum as a global digital leader and champion of emerging technologies.

It also clearly set out Government’s vision on how it will act as an incubator and accelerator for change towards digitalization, apart from the traditional role as a promoter and regulator.



Key Contact

Marco Vassallo
Partner

Malta Gaming Authority

Data Strategy

Context

The Malta Gaming Authority (“the Gaming Authority”) required assistance developing a holistic data strategy to support its data-driven decision making approach to regulating the gaming industry.

KPMG in Malta identified short-term quick wins and provided longer term recommendations augmented with training and change management plans.

KPMG’s Role

Using our Advanced Data Management (“ADM”) Framework, KPMG in Malta assessed the current state of the Gaming Authority across 11 data pillars, and benchmarked the organization against its peers.

1. Current State Assessment

- Collected information on storage locations, source systems, and the interaction of data with business processes from each department within the Gaming Authority.
- Held introductory ADM meetings to better understand the current state of each department within the Gaming Authority.

2. Future State and Validation

- Based on the current state assessment, KPMG in Malta assisted the client in identifying areas of focus for the data and digital strategy, such as: data quality, roles and responsibilities, data silos, and data retention policies.
- The current state and future state focus were validated with the Authority’s stakeholders.

Outcome

Based on the validated future state, detailed short-term and long-term recommendations were developed, with an associated roadmap showing dependencies to consider during implementation.

Governance initiatives were recommended to strengthen and sustain enhancements in data quality and management of internal and external data.

Key Contact

Curt Gauci
Director

Government of Malta

Implementation of National eHealth Services and support with local Government Reform

Local Government Division - Support with Local Government Reform – currently ongoing

The Local Government Division was set up in January 2017 as part of the Local Government Reform and is responsible for the control, coordination, supervision, and monitoring of the functions of Local Government, including financial and procurement compliance by local and regional councils, as well as to assist with the formulation of strategies, policies and legislation as may be required from time to time. The Local Government Division is currently spearheading an initiative involving a reform around the local council system and administration in Malta, underpinned by pillars of i) good and effective governance; ii) strengthening the regions; iii) localities with a cleaner environment; and iv) local councils close to citizens.

KPMG's Role:

KPMG is currently supporting the Local Government Reform across the following workstreams:

- Support and assistance with the drafting and finalization of a Local Government Strategy Document and implementation roadmap, setting out a comprehensive plan for the transformation of Local Government services in Malta. This document encompasses the overarching vision, objectives, and actions for the reform initiative.
- Development of a high-level tactical plan towards the Digital Enablement of the Local Government, aimed at supporting the client in achieving its digital transition by providing recommendations around technologies and solutions to underpin its journey.
- A Business Process Automation Proof-of-Concept, automating a manual and repetitive process with a view to enhance efficiency and reduce administrative burden.

Ministry for Health - Implementation of National eHealth Services

The Government of Malta's Ministry of Health required support in implementing the EU-wide digital strategy to improve the efficiency of local health services. The strategy promotes information sharing between member states in a uniform manner.

The Ministry of Health's Information Management Unit was tasked with implementing IT projects, totalling approximately €5 million over a 2 year period as part of its EU member state obligations.

KPMG's Role:

The services included:

- Project management and digital advisory services to support delivery of the project plans,
- Development and regular updating of the project procurement and implementation plans,
- Oversight of third-party suppliers that had been awarded contracts to implement the projects, and
- Assistance and guidance in the budgeting process for the program, in line with the wider EU-Funded IT Program Plan.

Outcome

KPMG in Malta provided skilled and dedicated resources who support the Information Management Unit with successfully delivering on its digital strategy commitments.

Currently, KPMG in Malta is supporting the Ministry of Health with project management of post-project implementation and new projects.

Key Contact

Marco Vassallo
Partner

Securities Commission of The Bahamas Compliance and Regulatory Interface (“CORI”)

IT Advisory Services

Context

The Securities Commission of The Bahamas (“SCB”) was experiencing data accessibility and quality issues which impeded its ability to conduct key supervision functions effectively. Specifically, regulatory and statistical submissions by regulated entities were not centrally facilitated by a web portal, making data management both resource- and time-intensive.

KPMG in The Bahamas developed an intuitive, flexible, cloud-based platform for SCB to facilitate the online submission of regulatory and statistical filings.

Key Contacts

Nico Maritz
Partner

Albert Wilson
Project Manager

KPMG’s Role:

Through the completion of the development phase, KPMG in The Bahamas along with KPMG in Malta have built an intuitive web portal that improves the quality and management of regulatory and statistical filings, facilitates monitoring through dashboards and reports, and creates efficient data management.

Key workstreams included:

- **Set-up infrastructure:** design and construct the architecture of the web portal and associated modules.
- **Web design:** design web templates (HTML) and associated designs (CSS), working with SCB through a series of co-creation workshops to ensure that the designs not only meet their requirements but are tailored to their unique user experiences.

- **Develop web portal:** develop key platform functionality such as user registration and authentication, user and entity management module, file upload module, DMS integration and data migration, workflow implementation, web form framework, and dashboard and reporting modules.
- **Deployment and go-live:** conduct extensive user acceptance testing (“UAT”) to ensure platform aligns with system requirements. This workstream also included train-the-trainer sessions and concluded with system launch and monitoring.

Outcome

CoRI has become a pivotal application in advancing SCB’s digital transformation agenda by optimizing data accessibility and quality related to regulatory and statistical information, while improving the overall user experience of SCB’s licensees and internal stakeholders.

European Commission

The Directorate-General for Structural Reform Support (“DG REFORM”) Helps EU Countries to Design and Implement Reforms as Part of their Efforts to Support Job Creation and Sustainable Growth

Distributed Ledger Technology, Security Analysis, Business Continuity and Disaster Recovery Plans

The Malta National Planning Authority (“the Authority”) engaged KPMG in Malta to develop a comprehensive Information and Communications Technology (“ICT”) strategy to enable the authority to have a short, medium and long-term plan on leveraging Distributed Ledger Technologies, further improving its security landscape, and updating their policies regarding business continuity planning and disaster recovery to improve resilience, as well as an ICT Risk Register to enable the Authority to assess, manage and monitor its ICT related risks.

The 12-month project was predominantly workshop-led and segmented across three phases to first map current state, develop the strategy and roadmap and a follow-up plan to see the Authority in their roll out, monitoring and revision of the strategy.

DigiT-X: Digital and Interoperable Public Services Designed on Client Experience

The Government of Malta engaged KPMG to assist a public sector digitalization entity in undertaking the end-to-end digital transformation of 20 public sector services, and set up a Digital Transformation Hub.

This engagement was initiated to act as a showcase of end-to-end digitalization both on a national as well as a European level. Chosen services range from record keeping systems, application processes and user-consent portals.

The 18-month project was split into five phases:

- Documenting the as-is process through the creation of as-is BPMN models, user journey mapping and Makigami modelling,
- Building a business case for transformation,
- Defining business requirements,
- Creating the to-be process models, and
- Developing to-be technical architectures.

Due to the size of this project, KPMG used a co-creation approach where models, requirements and architectures were developed together with the key stakeholders and product owners as to ensure full buy-in by all the interested parties.



Key Contact
Marco Vassallo
Partner

Malta Digital Innovation Authority

Development of Artificial Intelligence (“AI”) Certification Framework

The Malta Digital Innovation Authority (“MDIA or “the Authority”) engaged KPMG to build an AI Certification Framework, aligned with national regulation and based on the Authority’s existing Digital Ledger Technology (“DLT”) Certification Framework.

The KPMG Digital Solutions team in Malta led the project, working with Audit team members, to consider international AI Audit Frameworks and identify Control Objectives that may be applied to the framework in order for an applicant to obtain certification by the Authority under the Innovative Technology Arrangement & Services (‘ITAS’) and MDIA Acts.

Once the Control Objectives were identified, KPMG assisted the Authority in developing guidelines for applicants (and auditors) as well as in-depth Blueprint structures to enable information about the AI solution to be shared with both the Authority and service providers.

Development of a Technology Assurance Sandbox

In promoting innovation by smaller entrepreneurs, and Malta as a preferred central hub for blockchain technology, the Malta Digital Innovation Authority reached out to KPMG for assistance in making the jurisdiction attractive whilst still addressing the Authority’s control objectives. The Authority considered that the existing infrastructure needed to lower the cost barriers whilst retaining oversight.

KPMG in Malta participated on a government appointed Task Force and subsequently assisted in shaping a framework for the set-up of a Sandbox environment, which gives a high degree of flexibility to the applicant in return for increased mitigation controls. KPMG provided input to stakeholders from across the technology industry (both applicants and service providers). Subsequently, KPMG assisted in providing subject matter expertise in relation to the development of the Sandbox Framework.

Key Contact

Marco Vassallo
Partner

Bahamas Ministry of Tourism

Intelligent Character Recognition IT Advisory Services

Context

For many years, the Ministry of Tourism of The Bahamas (“MoT”) has collected, analyzed and published tourism data from immigration landing cards. In the past, the immigration cards were scanned and the information entered via a highly manual process.

In a 2-year period leading up to 2018, the MoT experienced a significant backlog of immigration landing cards (~1.2 million cards) that were not processed and integrated into MoT’s statistical platform. Further, the statistical platform did not have the necessary workflows and business rules to ensure that data was efficiently detected, structured and comprehensively corrected before reaching end-users in order to prevent inaccurate insights.

In May 2018, as part of the Ministry’s wider digital strategy, MoT sought to implement a data and analytics (“D&A”) platform capable of providing strategic insights from the advanced analytics of immigration landing cards, enhanced as necessary with external data.

Key technical requirements of the D&A platform included:

- An automated end-to-end solution with an integrated system architecture that supported data capture, storage, online analytical processing and data visualization.
- A robust data pipeline with intelligent character recognition (“ICR”) models that digitize and structure both handwritten and marked fields on immigration landing cards.
- Machine learning to incorporate comprehensive business rules to automate data detection, cleansing and transformation.

KPMG’s Role

KPMG in The Bahamas has acted as advisor to MoT in the design and implementation of the D&A platform and provides ongoing maintenance and platform evolution support.

Key areas of consultancy include:

- Building a core platform comprised of ICR models, automated workflows, and machine learning algorithms to structure and transform data.

- Creating a solution which processed and provided direct access to legacy data consisting of ~22.2 million records and backlog data.
- Building online analytical processing cubes for efficient data processing and access controls implementation.
- Ongoing maintenance and platform evolution support.

Outcome

The D&A platform allows MoT and its stakeholders to gain actionable and near real-time insights into key performance indicators (“KPIs”) and correlations regarding the tourism industry as well as the identification of regional, socio-cultural, and generational travel patterns.

Further, the D&A platform facilitates the development of a more targeted tourist incentive program to promote satisfaction and loyalty.

Key Contacts

Simon Townend
Partner

Nico Maritz
Director

Malta Film Commission: Government of Malta

Development of Malta's Film Strategy

Context

The Malta Film Commission, set up in 2000, is the first point of contact for national and international filmmakers in Malta. As a government entity, the Commission aims to be the facilitator for film productions in Malta by providing support in location scouting and in searching for service partners within the industry. Moreover, the Malta Film Commission lobbies for film and promotes Malta as a film and production destination on a global scale, with the aim of attaining long-term benefits for the local film industry. For the film industry to move forward, there had to be a clear refreshed vision, strategy and implementation plan, such that efforts are directed in a concerted manner to continue building on past successes. In this regard, the Malta Film Commission had already undertaken a number of studies and compiled various strategic and visioning reports, also in conjunction with external consultants.

KPMG's Role

KPMG was called upon to augment the existing studies and knowledge base with additional insights and develop a refreshed vision, strategy, and implementation plan.

The strategy took stock of current trends in the international film sector whilst building on Malta's unique strengths and opportunities. In collaboration with the Malta Film Commission, KPMG's efforts resulted in a comprehensive and actionable film strategy that seeks to position Malta as a competitive player in the global film industry.

This strategy not only defined short-term 'quick wins' but also laid the groundwork for long-term sustainable growth in the local film sector, further solidifying Malta's reputation as a cinematic hub.

Key Contacts

Steve Stivala
Director

Transport Malta

Development of a Data and Document Management System

Context

In order to optimize the selection and implementation of a new document and data management system, Transport Malta sought assistance to analyze the needs of its Directorates and develop the implementation plan and migration plans, and technical specifications.



KPMG's Role

KPMG in Malta adopted a workshop-driven approach supported by its multi-disciplinary team comprised of Digital Solutions, Legal, Shipping, and Government subject matter experts.

The workshops were conducted with department heads and staff from each Directorate in Transport Malta, spanning Maritime Services to Land and Aviation. These sessions focused on challenges experienced on a day-to-day basis, ongoing initiatives and their expectations from the prospective platform.

Based on the input from the workshops and analysis undertaken, KPMG in Malta recommended a digital solution to be piloted by one Directorate.

The recommended solution included:

- solution comparison between enterprise-grade candidate systems,
- information architecture,
- a set of data governance policies,
- implementation plan, and
- a migration plan to transition from the current state to the desired future state.

Technical specifications were provided to assist Transport Malta with tendering for the next stage of the project.

Outcome

Transport Malta implemented its Enterprise Content Management system which improved efficiency, effectiveness and security.

Significant system enhancements and value adds included:

- A redefined information taxonomy, enabled by tailored technical requirements such as folder-based permissions, role-based access control rights and audit trail / version history function,
- Unlocked programmatic links (via APIs) and systems integration (including with Microsoft Suite 365 and Outlook services) enabling the concept of a single source of truth, and
- Enterprise Search through use of metadata, tags and classification as well as general content search and auxiliary search customization.

Key Contact

Curt Gauci
Director

Ministry for Equality, Research and Innovation

Development of Malta's Space Strategy

Context

In 2017, Malta established its National Space Policy which provides guidance and policy direction to support the initial growth of a novel space economy in Malta by 2027. The Policy emphasizes the importance of education and employment in space-related fields. The Government of Malta is committed to investing in the space sector to create future opportunities for its workforce.

The objective of the Space Strategy is to outline the plans which are intended to support the ambitious evolution of Malta's space economy.

KPMG's Role

KPMG in Malta is assisting the Ministry for Equality, Research and Innovation ("the Ministry") with drafting the National Space Strategy for the Maltese Islands. KPMG's support includes:

- Conducting research into the current state of the space industry in Malta.
- Identifying success stories, enablers and challenges faced by other nations which have, or are, developing space industries.
- Managing the comprehensive stakeholder consultation program.

Outcome

Based on the research, competitive analysis and consultation completed, the Ministry has taken several strategic actions, and published the draft National Space Strategy for public consultation.

The final outcome of this engagement will be completion of the National Space Strategy encompassing a series of policy and action points related to:

- FDI and business attraction
- Innovation
- Development of human capital
- Regulatory compliance
- Emerging technologies

Key Contacts

David Pace
Partner

Juanita Brockdorff
Partner

Securities Commission of The Bahamas Supervision Platform

IT Advisory and Risk Consulting Services

Context

In order to stay ahead of international regulatory best practices, the Securities Commission of The Bahamas (“SCB”) sought to implement a highly automated risk-based supervision (“RBS”) platform that facilitates the efficient supervision of its regulated entities and enables operational agility to better respond to regulatory disruption.

Key functional requirements of the RBS included:



A robust methodology and framework that allowed consistent quantitative and qualitative analyses.



Dynamic benchmarking and the integration of external data sources to facilitate the comprehensive risk rating of regulated entities and sectors.



A user-friendly reporting front-end to visualize actionable insights.

KPMG’s Role

KPMG in The Bahamas acted as advisor to SCB in the development of the RBS and provided the following services:

- Conducted a gap analysis to identify fundamental weaknesses and evaluate SCB’s RBS-F readiness.
- Designed and developed a framework that suited SCB’s mandate, existing operations, and workflows.
- Implemented an extract, transform and load solution using KPMG “Sofy” which integrates disparate data sources and provides a web-front end to manage data capture and warehousing.
- Developed and deployed the RBS and coordinated stakeholder workshops and market briefings.

Outcome

The RBS coupled with the KPMG Sofy data capture tool allowed SCB to efficiently fill critical data gaps and augment its supervision framework, adding additional metrics and perspectives to its risk rating methodology. With the RBS’s automated workflows and streamlined operating procedures, SCB can use its supervisory resources more efficiently and better prioritize regulatory activities.

Key Contacts

Simon Townend
Partner

Nico Maritz
Director



02

Social Development and Healthcare

For many Islands, quality education and healthcare underpin social development.

Acute Care Clinical Services Improvement

Operational Excellence in Clinical Services

Background

The Bermuda Hospitals Boards (“BHB”) is the only hospital in Bermuda, and the main care-provider for the population. Out-of-hospital primary and specialist care is limited and fragmented, with high co-payments, making the hospital the first port of call for many patients. The lack of alternative accessible and affordable options limits the hospital’s acute care capacity.

Bermuda has one of the highest cost of healthcare per capita in the world, but high costs have not resulted in good health outcomes for the population. There are high levels of chronic disease, and 75% of the population are overweight or obese. Bermuda has a rapidly ageing population demographic, and by 2033 the dependency ratio will be one of the highest globally.

Given this high cost system and the economic challenges that the island is facing, the cost of healthcare is no longer sustainable and as a result the BHB was facing a shift from a fee-for-service to a fixed funding model. The client needed help with developing an operational improvement and financial recovery program to deliver a savings target of US\$14.1 million

Key Contacts

Steve Woodward
Partner

Dr. Edward Fitzgerald
Director

KPMG’s Role

KPMG embedded a team of healthcare consultants to work hand-in-hand with the frontline hospital teams. The client wanted a combination of rapid results and sustainable long-term change. The team worked with the client across a range of areas to rapidly diagnose drivers of weak financial and/or operational performance and implement improvement interventions. As part of this approach the team introduced daily, weekly, monthly operational management routines to develop the board-to-ward framework that will enable long-term performance improvements. Key workstreams included: Governance, Patient Flow, Theatres, Outpatients and Diagnostics, Workforce Scheduling, Pharmacy and Procurement, Revenue Cycle Management and Oncology.

Outcome

KPMG supported BHB with the development and delivery of their FY20 savings program. The program delivered US\$25.06m of actual savings against the target of \$14.1m, an overperformance of 77%. In addition to the financial savings, across the workstreams the team established genuine buy-in from BHB staff on the benefits of improving operational performance, knowledge transfer and lasting changes. Key benefits delivered were:

- A redesigned Operating Room Schedule to better align capacity to demand, implementation of daily, weekly, monthly performance routines to support productivity and a review of nurse scheduling to move towards global benchmarks. Resulting in US\$2.85m of savings delivered in 12 months.
- Implementing a daily multi-disciplinary board round on the acute wards, with a one-day reduction in average length of stay within the first 3 months.

- Delivery of US\$4.1m of savings in Outpatients and Diagnostic Imaging. CT and MRI volumes both rose 10% compared to prior year, and there was a 21% increase in Outpatient Physician Clinics productivity.
- Implementation of a robust Winter Plan that resulted in a 41% reduction in Emergency Department wait times during the winter period.
- Review and rationalization of nursing establishment and rota redesign aligned with international standards. Resulting in delivery of a \$525,000 savings in the first year and US\$1.14 million of recurrent savings annually.
- Formalized Pharmacy and Therapeutics Committee process improvements. Bulk procurement drug savings were finalized with suppliers, reducing the cost of purchasing medications in FY21 by over US\$1 million.

Client testimonial

“Bermuda Hospitals Board refreshed its leadership in the summer of 2017 adding a new CFO and COS. These appointments confirmed the need to commit to a much more focused approach to both Quality Improvement and financial discipline. The intimate relationship between quality and efficiency was fully understood internally but the missing piece of the jigsaw was not the will or ideas but execution.

KPMG were commissioned to deliver a return on the investment by helping BHB go both further and faster in their efficiency program delivery. Suddenly we were like a bicycle with gears with KPMG allowing us to turn the pedals faster.”

Dr. Mike Richmond
CEO, Bermuda Hospitals Board

Long-term Residential Mental Health Facility

Preparation of an Outline Business Case and Short-form Final Business Case

Context

Historically, the Cayman Islands did not have a long-term residential mental health facility, mental health policy or a mental health plan. In February 2015, the Cayman Islands Government (“CIG”) approved the policy guidance for the development of the Long Term Residential Mental Health Facility (“LTRMHF”) with the intention to support CIG’s Strategic Aim and Policy Objective of “a fit and healthy population”.

Through the preparation of a Strategic Outline Case, CIG identified the following five options:



Option 1:
Status Quo



Option 2:
Enhanced Status Quo



Option 3:
Building a LTRMHF
for the local population



Option 4:
Building a LTRMHF for the
local and overseas population



Option 5:
Cayman Islands Government
to tender for local service

The Challenge

In July 2015, CIG issued a Request for Proposals (“RFP”) for financial and technical consultancy services to prepare an Outline Business Case (“OBC”) for the proposed LTRMHF developments in the Cayman Islands. This engagement involved the consideration of the five options put forward in the Strategic Outline Case and the preparation of an integrated OBC to determine the best option for the Cayman Islands’ community.

KPMG’s Role

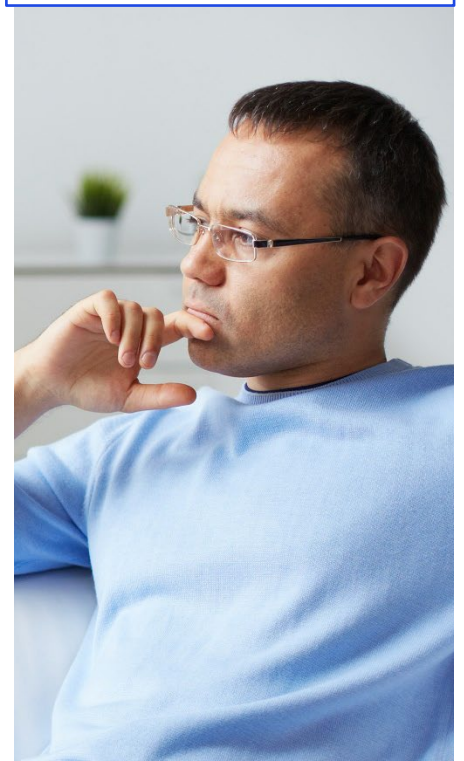
KPMG in the Cayman Islands was engaged as Prime and Financial Consultant to CIG, with services provided including:

- coordinating a multidisciplinary engagement team including external partners serving as the Mental Health Facility and Construction Cost Consultants;
- interviewing and holding consultation meetings with the various stakeholder groups;
- providing health sector expertise with contribution from KPMG’s network of member firms;
- performing valuation and financial analysis on the five options presented in accordance with the HM Treasury Green Book guidance;
- managing the compilation and timely completion of the overall deliverable; and
- presenting the OBC findings to Cabinet.

Outcome

The OBC was approved by Cabinet in May 2016.

The short-form FBC was also approved and the project is expected to be completed by the end of 2023.



Key Contact

Sam Story
Associate Partner

Bermuda Hospitals Board

Supporting Integrated Care Design and Implementation

Context

As the only hospital service provider for the island, Bermuda Hospitals Board (“BHB”) offers comprehensive diagnostic, treatment and rehabilitative services in response to Bermuda’s full spectrum of medical and mental health needs. As a quango, the hospital’s operations are managed by BHB’s Executive Team under the governance of a Government-appointed Board. The organization is comprised of King Edward VII Memorial Hospital, Mid-Atlantic Wellness Institute and the Lamb Foggio Urgent Care Centre.

The challenge of delivering effective and affordable care to an ageing population with multiple chronic diseases remains a key focus for the hospital, with increasing pressures on capacity and available care spaces. A shift towards more proactive and preventative ‘out of hospital services’ are important to better manage patient experience, outcomes and cost. This evolution of the traditional reactive, high-cost hospital-based care model most commonly seen is a priority shared by many health services globally.

The Challenge

BHB’s 2021-2026 strategy set a goal to create a multidisciplinary approach to service planning and delivery, innovating with patients and community partners to improve healthcare access and integration throughout Bermuda. Work to better integrate care provision is now a growing global trend due to its benefits for patients, health systems and overall population health. Currently provision in Bermuda is fragmented, frequently operating in silos. Disjointed and underdeveloped capabilities prevent exemplar patient experiences from being delivered in the most cost effective way.

KPMG were asked to help support BHB in building on their efforts to put patients at the center of services though working with the hospital and their partners to develop a series of integrated care pathways, joining up primary care, hospital-based care, voluntary and private sector care in a way that is seamless to patients. This focused integration efforts on areas that deliver real benefit to patients, such as cancer and complex needs. An intended key benefit was ensuring a future reduction in avoidable hospital admissions and associated costs through improved access to more timely preventative care.

KPMG’s Role

As part of our support for BHB, KPMG in Bermuda were asked to provide healthcare consulting services and subject matter expertise to aide establishing integrated care. The engagement team, led by our Head of Healthcare, supported the client in designing and implementing a number of new workstreams to successfully deliver a more integrated model. In addition, a new governance framework and organizational structure was developed to provide internal oversight and accountability for implementation progress and ongoing operations. Areas of specific focus included:

- 1. Strategy:** supporting the hospital in achieving its aims through the custom design of new integrated care pathways, harnessing existing expertise and services
- 2. Operations:** providing support, documentation and policy for practical operational elements including workforce and logistics for new integrated patient pathways
- 3. Governance:** establishing a new governance structure and integration steering committee for oversight and reporting
- 4. Program management:** providing delivery support, tracking and oversight for the initiative

Outcomes

Support is ongoing and successful outcomes to-date include:

1. Using global examples and best practice to support the successful design and launch of a new integrated service strategy, initially centered on an Integrated Health Clinic outside the hospital in a community setting
2. Co-locating and coordinating clinical services (mental health, diabetes, asthma and Patient Centered Medical Home) together at the Integrated Health Clinic, enabling more joined-up working and allowing patients to access different relevant clinics in one visit
3. Establishing metrics and KPIs to enable monitoring and improvement of both operations and health outcomes for clinics and patients as part of the new Integrated Health Clinic initiative
4. Developing a better understanding of the existing cost base for relevant clinical services and a method to map future cost reduction through better utilization of services, including reduced Emergency Department attendance
5. Supporting successful engagement and consultation with patients, the wider community and both internal and external stakeholders, including providers and both public and private healthcare organizations

Key Contact

Steve Woodward
Partner

Dr. Edward Fitzgerald
Director



Bermuda Ministry of National Security

Immigration Reform

Context

The Government of Bermuda took action to identify and resolve the issues which had resulted in inequitable residency and citizenship rights for children and siblings who were directly related to Bermudian status holders and permanent residents.

KPMG's Role

The Ministry of National Security ("the Ministry") sought KPMG in Bermuda's assistance to analyze the causes of differing residency and citizenship and to develop options which would provide consistent treatment. KPMG provided project management support to the Ministry including research, data analysis, and development of options and recommendations which formed the basis for drafting instructions to amend legislation.

Outcome

KPMG presented a detailed analysis of the legislative gaps which resulted in disparities in residency and citizenship rights. Four primary causes were identified and policy options and solutions were presented.

In 2020, the Legislature passed the Bermuda Immigration and Protection Amendment Act which addressed the disparities in residency and citizenship rights for those families which had mixed immigration status.

Client testimonial

“It was a pleasure to work with KPMG and it would have been impossible for us to progress to this stage without your support.

The KPMG team in particular made the work quite easy. It was most helpful how KPMG engaged with lawyers, members of the public and other interested stakeholders to interview and to vet many of the ideas. It was especially helpful to have the Consultation Paper drafted and ready to go, even though it was never released. I am hopeful that we can still reuse all of that material in the future.”

Mr. Collin Anderson,
Permanent Secretary,
Ministry of National Security

Key Contacts

Steve Woodward
Partner

Hospital Redevelopment Phase 1

Financial Advisory and Procurement Services

Context

University Hospital of the West Indies (“UHWI”) primarily consists of older buildings, some of which were constructed over 50 years ago and suffer from significant deficiencies. This has led to many and varied electrical, cooling and structural maintenance issues. Ongoing repairs have had minimal impact on the adequacy of the buildings and building systems, and the frequency and cost of repairs is increasing as many of the buildings and building systems have passed their useful life.

The demand for surgeries exceeds the capacity of the existing facilities resulting in long wait times and underutilized staff. Additionally, UHWI operations are fragmented and the current layout does not lend itself to seamless, efficient, synergistic relationships between departments such as, for example, Accident and Emergency, Radiology and Critical Care.

Further, the demand for healthcare services is increasing due to demographic changes and population growth.

Additionally, growth in the medical faculty student population has increased the need for additional infrastructure to provide clinical training for the students.

UHWI and the Government of Jamaica have agreed that new contemporary hospital facilities are needed to respond to the modern healthcare needs of Jamaicans and the wider region.

KPMG’s Role

KPMG in Jamaica was engaged by UHWI to develop a business case in order to confirm the viability of Phase 1 of the redevelopment project and to develop an analysis and comparison of potential procurement strategies.

The business case assessed the viability of Phase 1 of the redevelopment project, through:

- financial analysis of preliminary cash flow estimates;
- qualitative assessment;
- market and investor sounding; and
- development of procurement strategy options and process framework.

Outcome

KPMG in Jamaica developed an integrated financial model which included a range of sensitivities and scenario options, and also prepared a business case which was used to obtain the UHWI’s Board approval of the project.

KPMG in Jamaica worked with the UHWI team in understanding the procurement options, followed by UHWI team’s selection of a preferred procurement strategy and the development of a high level procurement plan.

KPMG in Jamaica also assisted the UHWI team in its discussions with the Jamaican Minister of Health and Wellness on the economic and financial viability of the project.

Key Contact

Raymond Campbell
Partner

Bahamas National Health Insurance

Implementation and Ongoing Expansion of National Health Insurance in The Bahamas

Context

The Government of The Commonwealth of The Bahamas (“the Bahamian Government”) sought to implement a Universal Health Coverage (“UHC”) program, a component of the Sustainable Development Goals initiated by the United Nations and the World Health Organization. Accordingly, the Bahamian Government developed a National Health Insurance (“NHI”) program as the financing mechanism to provide UHC in The Bahamas. NHI Bahamas launched in April 2017.

KPMG’s Role

KPMG in The Bahamas has acted as advisor to the Bahamian Government On the initial design and continues to advise on the implementation of NHI Bahamas, through a multi-phase engagement. Areas of consultancy include:

- Conducting an evidence-based investigation of service delivery costs and developing risk-adjusted capitation rates to provide a reimbursement model for providers (doctors, laboratory, etc.).
- Facilitating the National Health Insurance Authority’s (“NHIA”) organizational design and advising on the development of the NHI Target Operating Model.
- Reviewing network and technology infrastructure to develop an IT System Blueprint and establishing cyber security controls and safeguards.
- Supporting Board training and a comprehensive Board orientation program.

- Providing project management support for the creation of NHI.
- Supporting the procurement and implementation process for an integrated electronic health records system and claims administration system.
- Supporting development of a policy framework, inclusive of jurisdictional benchmarking, and drafting of new NHI legislation to reflect proposed reforms.
- Advising and supporting the NHIA on development of a business case and financial analysis for proposed expansions of NHI services and reforms.

KPMG in The Bahamas has been engaged by NHIA to assist with ongoing implementation. Key areas of consultancy include the following:

- Supporting consultations with internal and external stakeholders.
- Supporting the integration of the public primary care system into the NHI program.
- Modifying and updating the NHI health benefit package and reviewing capitation reimbursement rates.
- Expanding the NHI physician network.
- Building and maintaining a Global Reporting Platform for beneficiary and physician data.
- Supporting the development, implementation and regulatory design for a private insurance mandate.

Outcome

The NHI program continues to evolve as fiscal and capacity challenges are addressed and is currently implementing the next phase of NHI which intends to expand the NHI service offering and introduce a Standard Health Benefit amongst other initiatives.

The Bahamas has successfully created and implemented NHI, a key component of UHC.

NHI now has over 115,000 Bahamians enrolled, 3,700 of whom are under the age of 5, and nearly 15,000 senior citizens over the age of 65. 58 provider facilities, 7 labs, and close to 100 primary care physicians are registered across the islands of The Bahamas.

Key Contacts

Simon Townend
Partner

Shana Lee
Managing Director

Penny Barker
Senior Manager

5-Year Strategy Review for the Public Hospitals Authority On The Bahamas

Demonstrates KPMG’s sector knowledge of island healthcare and experience with strategy setting and roadmap design

Context

KPMG was engaged by the Public Hospitals Authority in The Bahamas to develop a new five-year strategy for the organization, in line with new strategic priorities and to reflect the island health system-wide goals.

In doing so, KPMG was also asked to review the existing organization’s 2018-2023 strategy, and make an assessment of progress through undertaking a current state assessment of the organization.

The desired outcome, a ‘reimagined’ five-year strategic plan was informed by the current state assessment exercise alongside leading practice design principles. KPMG also provide guidance on a refreshed mission and vision, six key agreed priorities to focus on the for the next five years, and initial insights to inform a roadmap for implementation and accompanying Key Performance Indicators.

KPMG’s Role

Since Easter 2022, KPMG supported the Public Hospitals Authority in addressing their strategic challenges through two key initiatives:

- Current state assessment of the PHA’s five-year strategic plan (2018 – 2023)
- A reimagined five-year strategic plan (2022 – 2027)

KPMG undertook extensive stakeholder engagement (virtual and in-person) through site visits of the three public hospitals managed by the Authority, 47 stakeholder interviews, six focus groups and three leadership workshops.

The development of the refreshed five-year strategy was informed by our extensive stakeholder engagement and understanding of the current state. More importantly, listening to people on the ground, managers, clinical and non-clinical staff as well as the leaders behind the organization, provided us with an invaluable opportunity to identify what to prioritize as part of the strategy development process.

Throughout the engagement, KPMG applied leading practice coupled with the project team’s global experience working with healthcare organizations to develop a comprehensive strategy and strategic priorities.



Key Contacts

Simon Townend
Partner

Shana Lee
Managing Director

John Gray High School in the Cayman Islands

Preparation of an Outline Business Case and Final Business Case

Context

The Cayman Islands Government (“CIG”) engaged KPMG in the Cayman Islands to prepare both the Outline Business Case (“OBC”) and Final Business Case (“FBC”), together (“the Project”) for the:



Construction of the New John Gray High School (“JGHS”) campus.



Repurposing of the George Hicks Site for use by the Cayman Islands Further Education Centre (“CIFEC”), Department of Education Services (“DES”), Student Services, Corners Stones, Stepping Stones and Parenting and Pregnant Teens.



Demolition of the current CIFEC campus for the completion of the new JGHS sports fields.

This project aims to create a positive learning environment for students, develop a new approach towards technical and vocational education and enhance opportunities for young people.

The project is well aligned with CIG’s Strategic Policy Statements and the Cayman Islands Strategic Plan for Education.

KPMG’s Role

KPMG in the Cayman Islands was appointed as the prime and financial consultant for the Project. As the prime consultant, KPMG assembled a world class team of educational and technical specialists to deliver a solution that balanced stakeholder needs and fiscal responsibility

KPMG in the Cayman Islands partnered with Chalmers Gibbs Associates and Jestico & Whiles to develop the architectural designs for the Project. Other advisors include Charterland Ltd (Cost Consultants), Pace Consult (Acoustic Consultants), Cayman Mechanical Company & BrittHay Electric Ltd (Mechanical, Engineering, Fire and Plumbing consultants) and Bolas Engineering (Civil and Structural Consultants).

Our role as the lead advisor included:

- Overall project management including management of sub-consultants.
- Drafting a business case that includes a qualitative and quantitative analysis of the strategic context, financial implications, procurement process and management & governance processes, in accordance with the HM Treasury’s Green Book Guidance (Five Case Model).
- Preparing a financial model to assess affordability and value for money.
- Stakeholder management and communication support through information sessions and detailed interviews where required.

Outcome

The OBC was approved by Cabinet in November 2018. The FBC for the construction of the New John Gray High School was approved in June 2020 and construction is now completed. The FBC for the repurposing of the George Hicks Site was approved in February 2023 and the remaining FBC for the new playing fields is ongoing.

Key Contact

Sam Story
Associate Partner

School Market Feasibility Study & Financial Viability Assessment

Confidential: School in the Cayman Islands

Context

A local school in the Cayman Islands is in the early stages of planning a potential relocation and expansion of their premises.

KPMG was engaged to perform a Market Feasibility Study in order to determine whether sufficient demand exists in the market to facilitate a successful expansion of the campus. This project also involved a Financial Viability Assessment whereby KPMG was required to build a detailed financial model.

The report had a strategic focus and various options were analyzed and appraised to enable the school to make informed strategic decisions.

KPMG's Role

The Market Feasibility Study included:

- Analysis of the shortage of the existing stock of school places in the Cayman Islands (covering age groups from 3 to 18 years old, i.e. kindergarten/ reception through to year 13);
- An assessment of participation rates and known expansion plans of the existing schools in Grand Cayman as well as consideration of new market entrants and potential impacts on demand;
- The demand for school spaces in Cayman based on historical population growth rate analysis and demand projections, based upon forecast population growth, including sensitivity analysis; and
- Assessment of the impact of a relocation of the School, upon demand.

In order to gauge stakeholder interest and opinions KPMG assisted in launching a stakeholder survey, and the responses were analyzed and included within the report.

The Financial Viability Assessment included:

- Producing a detailed financial model which forecast performance for 15-years to determine the impact of the expansion and redevelopment on the finances of the school;
- Assessing the financial forecasts in order to conclude on the financial viability of the project.

KPMG produced a robust report that will enable the school to make strategic decisions in relation to the proposed expansion.

Key Contacts

Niko Whittaker
Partner

Sam Story
Associate Partner

Economic Impact Study for a Major New Healthcare Facility

Financial Consultant Services for a Confidential Healthcare Project

Context

In an attempt to diversify the Cayman Islands' economic base this project aimed to promote medical tourism and improve facilities for the local community. The project proposed the development of three new medical facilities which would increase the offering of medical services on Grand Cayman and introduce local access to healthcare education.

KPMG were engaged to perform a study to provide an evaluation of the expected high-level economic impacts of the developmental and operational stages of the project.

KPMG's Role

The Economic Impact Study was made up of three components:

Direct impacts: refer to the actual value added (GDP impacts) and employment created as a result of the project;

Indirect impacts: refer to those impacts generated through sourcing from the activities' supply chain, including the cascading effects from how various industries supply each other; and

Induced impacts: which are wider and capture the economic activity from the spending of employees along the supply chain.

Key metrics for the impact analysis were GDP contribution (i.e. value added), income and employment.

Outcome

The outcome of this project produced a robust report that enabled the client to make informed strategic decisions in relation to the proposed development.

Key Contacts

Niko Whittaker
Partner

Sam Story
Associate Partner

Economic Impact Study and True Value Assessment - Healthcare

Confidential Healthcare Provider

Context

A healthcare provider in the Caribbean is looking to qualitatively and quantitatively assess and define the social and economic impacts that their operations have generated, since inception, in their jurisdiction.

KPMG's Role



Economic Impact Study

KPMG will perform a retrospective evaluation of the economic impacts of the healthcare provider beginning at the point of initial construction and development through the operational stage, to the current time. The assessment will include value added impacts (GDP), employment impacts and the impact on Government revenues.



True Value Assessment

KPMG have been engaged to assess the indirect social and environmental costs and benefits that the provider has had on society. KPMG launched a True Value methodology in 2014 which allows our experts to measure businesses' impacts on society. This involves building a true value model using impact valuation calculations.

Key Contacts

Arnaud van Dijk
Partner

Sam Story
Associate Partner

Health Insurance Market Entry: Feasibility Study

Feasibility Study for Confidential Healthcare Client

Context

A healthcare business in the Caribbean was interested in assessing the feasibility of entering the Cayman Islands Health Insurance Market and required a detailed report to help them make an informed decision and also to support in a license application, should they choose to proceed.

KPMG's Role

KPMG was engaged to perform a feasibility study that provided a comprehensive overview of the local insurance landscape as well as a dive into the integrated care models that exist globally and key lessons learned.

The project involved detailed desktop research as well as targeted interviews and meetings with industry experts and stakeholders. The client is now in the process of pursuing this market entry.

Key Contacts

Sam Story
Associate Partner

Dr. Edward Fitzgerald
Director



Healthcare Market Overview and Target Search

Market Study for Caribbean Healthcare Client

Context

A healthcare business in the Caribbean was interested in assessing the current state of the healthcare market in Bermuda in order to assist in identifying potential methods of market entry and to assist in continuing the island's drive towards a comprehensive healthcare offering.

There are currently a number of gaps in the Bermuda healthcare market due to a lack of available service providers and appropriate infrastructure. This report was intended to aid the client in understanding these gaps and how they may be transformed into opportunities.

KPMG's Role

KPMG was engaged to perform a market study that provided a comprehensive overview of the local healthcare market in Bermuda: focusing on the payor and provider market as well as the governance and regulatory environment. The findings of this report set out potential opportunities and gaps in the market that currently exist.

The project involved detailed desktop research as well as targeted interviews and meetings in order to construct a complete picture of the market as it currently stands and where it is going in the future.

Key Contacts

Sam Story
Associate Partner

Dr. Edward Fitzgerald
Director



The New Cayman Brac High School

Preparation of an Outline Business Case and Final Business Case

Context

In 2022 the Cayman Islands Government issued a request for proposals for business case consultancy services to prepare an outline business case (“OBC”) and final business case (“FBC”) for the proposed New Cayman Brac High School.

The purpose of the OBC is to secure funding from the Ministry of Education and the Ministry of District Administration and Lands for the new school.

The current Layman Scott High School is over 50 years old and cannot currently meet the needs of the student population as well as the wider community.

The project entails an in-depth analysis of the education sector in Cayman Brac and an assessment of the direct impacts of the investment through detailed options analysis.

KPMG’s Role

KPMG was engaged to assist CIG in the preparation of the OBC and FBC in accordance with the HM Treasury Green Book Guidance (Five Case Model).

KPMG is performing the role of Business Case Consultant.

Our services include:

- Stakeholder consultations: we conducted stakeholder interviews and surveys with a wide range of stakeholder groups, including teachers, parents, students and administrators.
- Selection of a Preferred Option: the results of the stakeholder consultations along with the financial analysis were used to determine the selection of a Preferred Option.

- Value for money and affordability analysis: along with technical consultants, we are working with CIG representatives to ensure the project provides value for money and is affordable within the constraints set by the Ministry.
- We are also assisting the Ministry of Education in presenting the results of the findings in the report to Caucus and Cabinet for approval.

Outcome

The OBC is currently in progress

Key Contact

Sam Story
Associate Partner



The Lighthouse School Expansion

Preparation of an Outline Business Case and Final Business Case

Context

In 2022 the Cayman Islands Government (“CIG”) issued an RFP for business case consultancy services to prepare an OBC and FBC for the proposed Lighthouse School Expansion.

The project entails an in-depth analysis of the education sector in the Cayman Islands and an assessment of the direct impacts of the investment.

The Lighthouse School is the only Government school that is dedicated to children with special educational needs in the Cayman Islands. In its current state, the school is unable to facilitate the number of students that require special educational support. A number of classes operate from satellite classrooms and there is an extensive waiting list due to the school being at maximum capacity.

This project aims to create a positive learning environment for students, increase the capacity for learning, develop a new approach towards technical and vocational education, and enhance opportunities for young people with special educational needs.

KPMG’s Role

KPMG is engaged to assist CIG in the preparation of the OBC and FBC in accordance with the HM Treasury’s Green Book Guidance (Five Case Model).

KPMG is performing the role of Business Case Consultant.

Our services include:

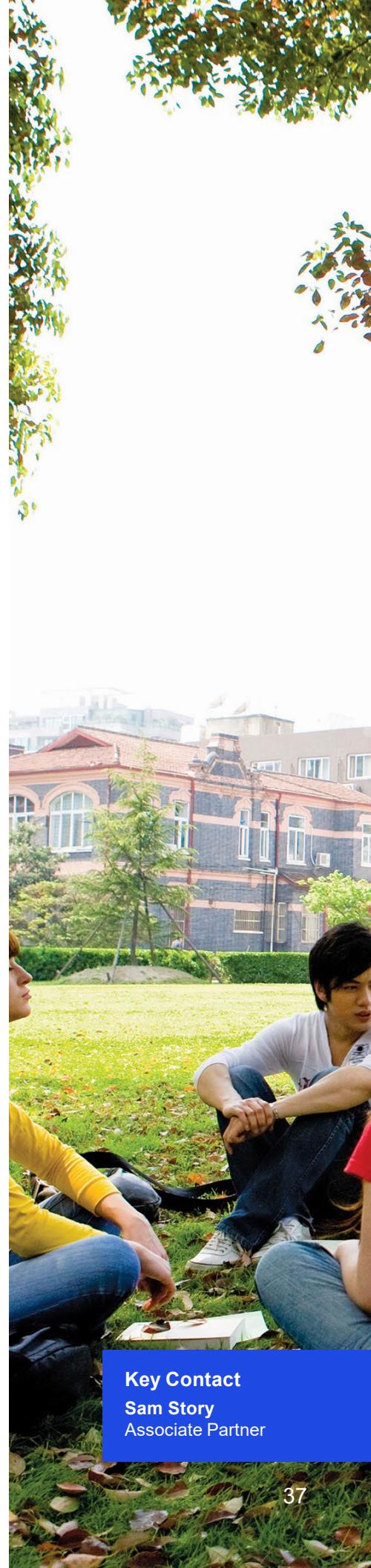
- Stakeholder consultations: we will conduct stakeholder interviews and surveys with a wide range of stakeholder groups, including teachers, parents, students and administrators.
- Selection of a Preferred Option: the results of the stakeholder consultations along with the financial analysis will be used to determine the selection of a Preferred Option.
- Value for money and affordability analysis: along with technical consultants, we are working with CIG representatives to ensure the project provides value for money and is affordable within the constraints set by the Ministry.
- We are also assisting the Ministry of Education in presenting the results of the findings in the report to Caucus and Cabinet.

Outcome

The OBC is currently in progress

Key Contact

Sam Story
Associate Partner



Bermuda Ministry of Health

Implementation of Universal Healthcare Coverage

Context

Bermuda's Ministry of Health has started work on establishing Universal Healthcare Coverage (UHC) on the Island. This encompasses a multidisciplinary program that builds on engagement with many stakeholders such as patients, payers, healthcare service providers, and policymakers. The program reflects the government's commitment to ensuring accessible, high-quality healthcare services for every resident of Bermuda, fostering a healthier population and a more resilient healthcare system.

KPMG's Role

In this ongoing program, KPMG is a strategic partner to the Ministry of Health.

The KPMG team is engaged in a variety of workstreams that are integral to the successful implementation of UHC. These encompass activities such as mapping out healthcare pathways for afflictions that are most prevalent in Bermuda, conducting an evaluation of national medical procurement practices, conducting research to optimize government funds utilization, and designing metrics to gauge the efficiency and effectiveness of the future health system.

The KPMG team further provided overall project management to ensure seamless alignment and timely completion of all project tasks, promoting efficiency and successful goal achievement.

Outcome

While the project is still in progress, KPMG's contributions have helped progress the UHC program toward its intended goals. Recent efforts by the KPMG team have led to multiple tangible results including:

- Three mapped out healthcare pathways
- An assessment of current procurement protocols including suggestions for improvement
- Informed insights into government funds allocation
- The establishment of performance metrics that will shape the future health system.

Key Contact

Dr. Edward Fitzgerald
Director

Vicky Hitch
Senior Manager



Additional Social Development Credentials:

Trinidad and Tobago hospital redevelopment - individual master plans for three public hospitals in Trinidad and Tobago

The Ministry of Health of Trinidad and Tobago commissioned Master Plan Studies of the Country's three largest acute care hospitals: Port of Spain General Hospital, Eric Williams Medical Sciences Complex and San Fernando General Hospital.

KPMG in Trinidad and Tobago, in consultation with other team members, was responsible for developing the overall vision of care for each of the hospitals and the business case for the proposed redevelopment options.

Bermuda Health Council/ Ministry of Health - healthcare reform communications strategy

Bermuda Health Council's ("BHeC") strategy envisaged a reform of Bermuda's healthcare system to achieve greater sustainability, accessibility, affordability and improved health outcomes. To implement that strategy BHeC was looking for assistance with communicating the significant changes in financing of healthcare in Bermuda.

KPMG in Bermuda helped to craft a comprehensive communications plan introducing the financing reforms.

Hospital redevelopment P3, Bermuda - King Edward VII Memorial Hospital Acute Care Wing business strategy, financial advisory and procurement assistance

The Bermuda Hospitals Board sponsored the King Edward VII Memorial Hospital Redevelopment PPP to build the Acute Care Wing extension.

KPMG in Bermuda acted as business and financial advisor, supporting the business case and procurement phase through to financial close. KPMG was retained as the Fairness Monitor to advise and report on compliance with established fairness principles.

Health City Cayman Islands' Strategic Partnership with ENT in Cayman Ltd

ENT in Cayman Ltd was exploring strategic partnership opportunities in order to release value from the established business.

KPMG acted on behalf of ENT Cayman Ltd. Following a confidential, targeted market sounding exercise, Health City Cayman Islands was identified as a potential purchaser and was invited into the process. The sell side advisory services provided include: valuation, deal support and connecting potential buyers and negotiation support.

Financial, Operational and Tax Buy Side Due Diligence - Confidential healthcare deal

A healthcare business in the Caribbean was interested in exploring avenues for acquisitive growth in the region.

KPMG were initially engaged to perform a market study to present the key features and conclude on the current status of the healthcare market in a particular Caribbean jurisdiction while also identifying targets for a potential transaction.

Having identified a target, KPMG has since been engaged to provide deal support and buy side due diligence services in order to identify the risks and opportunities which could impact the investment decision.

KPMG in the Cayman Islands provided: Financial and operational due diligence, tax and IT due diligence, indicative valuation and a synergy review





Bermuda public sector organization – financial feasibility study of a seniors’ long-term residential care facility

- A public sector company with available property engaged KPMG in Bermuda to assess the financial feasibility of procuring an independently developed and operated seniors’ long-term care facility.
- KPMG in Bermuda’s needs assessment validated the gap in long-term care options to serve Bermuda’s aging population. The feasibility assessment identified the options for building and operating a care facility which would address the identified gaps. Building on that evidence base, KPMG in Bermuda undertook soft market testing to assess the potential interest of experienced care home operators in investing in or developing the facility.

Cayman Islands Government – modernization of social assistance programs

- In 2015, the Office of the Auditor General published a report identifying a number of inefficiencies in the management of social assistance programs and poor Value for Money achieved. Following that, the Cayman Islands Government (“CIG”) sought assistance to improve the services’ efficiency and enhance performance reporting.
- KPMG in the Cayman Islands was engaged by CIG to identify and analyze existing issues with the social assistance programs, identify options to meet CIG’s objectives, interview key stakeholders, perform financial analysis and draft an Outline Business Case (“OBC”) for implementation of the options.
- The OBC was approved by the Cabinet of CIG. The Premier of the Cayman Islands designated the modernization of social assistance programs as a priority action item for CIG. The initiative was included in CIG’s Project Future, a comprehensive initiative to improve Government services’ efficiency.

Trinidad and Tobago Ministry of Public Administration – change management services

- The Ministry of Public Administration in Trinidad and Tobago embarked upon a comprehensive Business Process Management (“BPM”) program to enable the public service to improve delivery of their services by improving the services’ underlying business processes.
- KPMG in Trinidad and Tobago provided technical training on BPM. The scope of the work included: executive sessions with Permanent Secretaries and Directors of various agencies on the outputs and benefits of BPM and Change Management; 5-day technical training sessions in Business Process Management and Change Management; post- training support to various ministry/agency project teams as they worked on improving their services.
- By the end of the engagement over 200 public officials were trained to utilize a structured Business Process Management and Change Management approach. This resulted in a more efficient public service with members of staff fully equipped to be able to transform the public sector by rolling out improvement initiatives in a more effective manner.

Malta Community Chest Fund – cost benefit analysis on enhanced Hepatitis C treatment

- The Maltese Government was interested in comparing the financial costs and potential socio-economic benefits of adopting an enhanced treatment regime for Hepatitis C patients.
- KPMG in Malta was engaged to carry out a cost benefit analysis factoring in the financial and economic impacts arising from the change in treatment regimes, while also considering qualitative analysis of potential social impacts. This analysis was supported by a Markov transition matrix analysis.
- KPMG’s report highlighted that the increased financial cost of the new regime would be substantially offset by associated socio-economic and health-related benefits.

An aerial photograph of a tropical island. The top half of the image shows dense green and yellow foliage. A wooden deck with a person sitting on it extends from the land into the clear, turquoise ocean. The bottom half of the image is a solid blue rectangle containing white text.

03

Sustainability

Emerging as a key force is the renewed focus on climate change and the environment. Islands are at the literal edge of climate change with rising sea levels and the potential to use an influx of foreign direct investment to retool how energy is generated and food is supplied.

Rio Cobre Water Treatment Plant P3

Financial Advisory

Context

Water supply to the major population centers of the Kingston Metropolitan Area (“KMA”) has not met demand due to insufficient production and systemic losses.

Notwithstanding the National Water Commission’s (“NWC”) replacement of major water treatment plants and various other works across Jamaica, it is estimated that the KMA has a shortfall of up to 50 MIGD (Million Imperial Gallons per Day), with greater shortages during the dry season.

These shortfalls are primarily the result of 53% of the water produced being lost before it reaches the customer.

NWC determined that to increase supply in KMA over the medium to long term, the following initiatives would be implemented:

- re-activation of disused wells;
- various non-revenue water reduction projects; and
- the procurement of the Rio Cobre, 15 MIGD capacity, water treatment plant at Content, St. Catherine at an estimated cost of US\$60 million.

Key Contact

Raymond Campbell
Partner

KPMG’s Role

KPMG in Jamaica assisted NWC management with obtaining approval from the necessary government bodies to proceed with the project, as well as assisting NWC in its negotiations with the Project Consortium, including:

- reviewing the Project Consortium’s pricing model for accuracy and consistency with the Water Purchase Agreement (“WPA”);
- reviewing WPA and providing assistance with the definitions and sources of data used in the agreement;
- providing tax advice related to the WPA;
- performing a high level affordability analysis of the project based on the NWC’s methodology for developing a Public Sector Comparator and a Shadow Bid Model; and
- assisting with the preparation of a business case submitted to the Development Bank of Jamaica and Public Investment Management Secretariat (“PIMSEC”) for approval.

Outcome

KPMG in Jamaica’s work was completed within client timelines and assisted with obtaining approval from PIMSEC to proceed with negotiations with the Project Consortium. KPMG in Jamaica also assisted NWC in negotiating the terms of the water purchase agreement with the Project Consortium.

Solid Waste Management (Energy From Waste)

Outline Business Case, Full Business Case, and Procurement Support

Context

The Cayman Islands primarily uses a landfill disposal system for its three islands with the Department of Environmental Health (“DEH”) being responsible for the collection of residential and commercial solid waste along with private haulers.

However, there are no franchise collection contracts or service agreements in place between DEH and the haulers. DEH’s solid waste revenue is largely generated from fees on vehicle disposals and removals, incinerations and container rentals as well as an annual allocation from the Cayman Islands Government’s (“CIG”) budget. There is limited revenue from recycling (most recently, scrap metal sales) and no tipping fees are charged for landfill disposal.

In addition to environmental concerns, Grand Cayman’s landfill is expected to reach maximum capacity in approximately three years and Cayman Brac’s landfill is already at capacity.

The Challenge

CIG has undertaken to develop and implement an environmentally responsible, 50-year integrated solid waste management strategy based on the preferred hierarchy of:

- Reduce
- Reuse
- Recycle
- Recover
- Dispose

KPMG’s Role

KPMG in the Cayman Islands was appointed as the financial consultant on the engagement supporting a team led by WSP Environment & Infrastructure Ltd as the Prime Consultant.

KPMG assisted the Prime Consultant in the identification of funding and financing options for the integrated solid waste management strategy as well as with the preparation of the outline business case and full business case in accordance with the HM Treasury’s Green Book Guidance (Five Case Model).

We also assisted in preparing and evaluating the financial sections of the tender process. The tender was executed through a competitive dialogue approach.

KPMG is the financial advisor to CIG in its negotiations with the Preferred Bidder for the Public Private Partnership contract to Design-Build-Finance-Operate and Maintain the Integrated Solid Waste Management System.

Outcome

The OBC and FBC have now both been approved. Contracts are expected to be signed and construction of the new facilities is due to commence in 2023.

Key Contact

Sam Story
Associate Partner

UNICEF Feasibility Study

Feasibility Study for the Exploration of upfront Capital for Private Sector Fundraising

Context

The majority of UNICEF's income is composed of monthly pledge instalments from individual donors. The long-term growth of private sector income depends on the level of investments made to acquire new donors, replace lapsed donors and increase the overall pool of donors generating monthly income. Limitations due to liquidity and annual fundraising asks has led to donor fatigue and inconsistent funding/timing of funding flows over the long term.

KPMG's Role

KPMG in the Cayman Islands was engaged to explore the feasibility of forward financing solutions to leverage multi-year contractual agreements between leading High Net Worth Individuals (HNWIs) and National Committees as well as provide initial recommendations for new SDG/ESG child-aligned investment opportunities that will have a strong appeal for HNWIs.

As part of our feasibility study KPMG:

- Performed in-depth external market analysis to assess the size of the asset management industry, key trends, the availability and demand for relevant impact investing products.
- Conducted external stakeholder analysis with 20 investment organizations and 10 UHNWIs to assess their views on impact investing, specifically the current state of progress, likely evolution, goals to be targeted, strategies to be used, preferred delivery vehicles and critical success factors.

- Conducted internal stakeholder analysis with national committees and other key stakeholders to discuss their appetite and ability to explore alternative modalities for fundraising, engaging with institutional investors and UHNWIs and structural considerations.
- Assessed selected innovative financing solutions against a three dimensional framework.

Key Contacts

Arnaud Van Dijk
Partner

Staci Scott
Director

Outcome

Through our study we identified two main investible opportunities for UNICEF to consider as well as three key areas for UNICEF to focus on going forward in order for these opportunities to be successful.



Additional Sustainability Credentials:

Bermuda water and wastewater treatment – financial feasibility study

The Government of Bermuda completed the development of a strategy for Sustainable Water and Wastewater Servicing for St. George's Parish. The strategy document examined the treatment and distribution of potable water, the collection and treatment of wastewater and the practical reuse of the treated wastewater.

Bahamas energy sector reform

The Government of the Commonwealth of The Bahamas embarked on a restructuring of the energy sector with the goal of reducing the cost of energy to the consumer while developing a reliable, cost effective, secure and environmentally responsible energy sector.

KPMG in The Bahamas acted as advisor to the Bahamian Government in the initial stage of the reform process and provided the following services: regulatory advice with respect to new legislation; advice on restructuring and related matters; and various financial modelling and other advisory services.

Utility Company procurement function

A Caribbean Utility Company sought an assessment of its procurement processes to determine if they were consistent with leading practice and to identify if there were gaps which may result in achieving suboptimal value from its procurement function.

The KPMG engagement team conducted a Procurement Maturity Assessment ("PMA") using methodology which provides a consistent framework based on maturity levels for the power and utility industry.





Utility Internal Controls over Financial Reporting/SOX

The Utility Company, as a newly acquired subsidiary of a North American regulated entity, was required to develop an appropriate framework for identifying, testing and reporting on the effectiveness of internal controls over financial reporting. KPMG assisted management by:

- i. mapping out processes and controls;
- ii. testing of controls;
- iii. advising on appropriate remediation and undertaking appropriate testing to ensure controls were robust for consolidation into regulated entity's accounting and SOX reporting.

Malta Environment and Resources Authority – regulatory impact assessment of the Medium Combustion Plant Directive

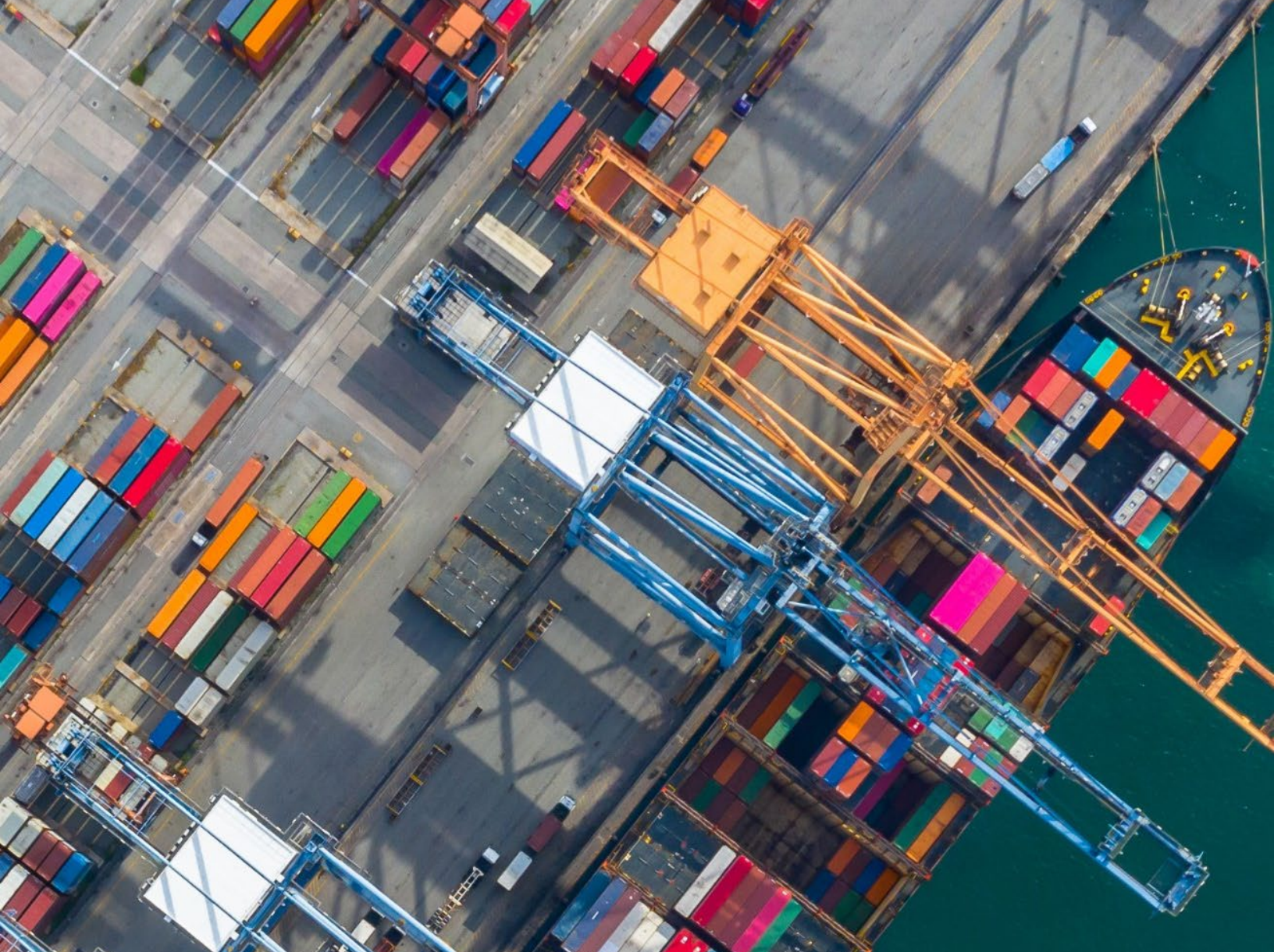
The Environment and Resources Authority contracted KPMG in Malta to carry out a socio-economic and regulatory impact assessment of the Medium Combustion Plant Directive, which was adopted at EU level on 25 November 2015. The overall aim of this study was to assess the effects on the operators of Medium Combustion Plants, identify such operators through a scoping exercise, and to evaluate implications on ERA in relation to human resources and compliance monitoring costs. The study also outlined the benefits to the environment and human health and estimated a financial net present value and economic net present value resulting from expected changes.

This engagement was conducted by means of a counterfactual gap analysis in order to deduce the incremental costs and savings arising out of the policy changes, and ignoring effects which would happen in either scenario.

Malta Ministry for Transport, Infrastructure and Capital Projects –impact assessment of Mobility Package I

The Ministry for Transport, Infrastructure and Capital Projects contracted KPMG in Malta to carry out an impact assessment of Mobility Package I, which included several measures related to the road haulage industry.

A socio-economic impact assessment was carried out to determine the potential effects of the Mobility Package on Malta. The results of KPMG's report have been used as a basis for the drafting of a formal complaint to the EU Court of Justice.



04

Economic Development

The new reality requires governments to move swiftly to open up their economies.

Bermuda Tax Reform

Financial Advisory Services

Context

Payroll tax is the single largest source of tax revenue for the Government of Bermuda; contributing 40% of total annual revenue.

In 2016, the Bermudian Government announced its intention to restructure payroll tax in order to: reduce the burden on low income employees by replacing the flat tax rate with a progressive tax rate; and increase annual payroll tax revenue over a three year period in order to reduce the budget deficit.

In 2018, KPMG in Bermuda Advisory staff were seconded to the Ministry of Finance (“MoF”), extending the original engagement scope to assist with:

- — Modelling the possibility
- — of widening the marginal
- — payroll tax rates



Analyzing a proposal developed by the Association of Bermuda International Companies (ABIC) “tax incentives to grow jobs”



Updating calculation tools for payroll tax liability

KPMG’s Role

KPMG in Bermuda was engaged to model the new payroll tax structure proposed in 2016, provide online guidance for taxpayers, and assist with its implementation in a way that minimized administrative costs of collecting the tax.

Following successful completion of the first phase, KPMG in Bermuda was engaged again, in 2018, to overhaul the tax structure to make tax rates more progressive by:

- financial modelling of marginal tax rates;
- using prior data, modelling a range of scenarios and options, and analyzing the associated outcomes, for consideration; and
- based on feedback from the Ministry of Finance, development of a summary of the changes and impact, for further presentation to various stakeholders.

Outcome

- The Bermuda MoF introduced new, more progressive tax rates in 2017.
- The analysis of the ABIC tax proposal was used by the MoF to constructively challenge and develop tax incentives for job creation.
- Development of an Excel tax calculator tool, hosted online by the MoF and used by the taxpayers, to estimate their tax liability.

Key Contacts

Steve Woodward
Partner

Richard Hobday
Director

Arawak Shipping Port

Capital Raising and Other Advisory Services

Context

Several years ago, the Government of The Commonwealth of The Bahamas (“the Bahamian Government”) decided to relocate container, bulk and break-bulk shippers that operated along the waterfront in the downtown capital of Nassau to a less congested site further west on the island of New Providence.

A coalition of shipping interests formed APD Limited (“APD”) to submit a design, build, finance and maintain proposal for a new port (“Arawak Port”). In May 2010, APD reached a Memorandum of Understanding with the Bahamian Government for the project to move ahead under a 45-year land lease and concession agreement.

As tourism is The Bahamas’ primary industry, a significant benefit of Arawak Port is that it facilitated the Nassau Downtown Revitalization plan which aims to increase tourism in the downtown core. In addition, the revitalization plans include converting downtown Nassau to a “living city” by bringing a new residential component to the area.

KPMG’s Role

KPMG in The Bahamas continues to act as financial advisor to APD, a role held since 2008, and has provided a wide range of services including assistance with:



structuring, negotiating and securing US\$90 million of capital in equity, bridge loan financing, senior bank debt and preference shares;



completing a B\$10 million initial public offering (“IPO”);



developing a financial plan inclusive of a 30-year integrated financial model;



preparing an economic impact study;



advising the commercial terms of key operator license agreements;



benchmarking equipment lease agreements and port tariffs; and



performing an annual review of its tariff structure and dividend strategy.

Outcome

Arawak Port, an International Ship and Port Facility Security (“ISPS”) compliant facility comprising Nassau Container Port (on Arawak Cay) and Gladstone Freight Terminal (inland terminal), achieved substantial completion in May 2012.

This followed closure of APD’s IPO in January 2011, which was the most highly oversubscribed public offering in the history of The Bahamas. APD’s preference share offering in 2013 was also oversubscribed, at an interest rate margin that was comparable to sovereign domestic offerings.

For two consecutive years, Florida Shipowners Group rated Arawak Port as the Caribbean’s most productive port, beating 24 regional rivals. APD has over 100 employees and processes more than 70,000 TEUs on an annual basis.

Key Contacts

Simon Townend
Partner

Shana Lee
Managing Director

Interconnect Malta

Economic and Financial Study on Hydrogen-ready Pipeline

Context

The Melita TransGas Pipeline ('MTGP') is a proposed 159km long pipeline project, from Delimara (Malta) to Gela (Italy), that will end Malta's gas isolation by connecting the island to the trans-European Gas Network and so, allowing the transportation of gas, renewable gases, and hydrogen, from the Italian gas network necessary to meet Malta's gas demand for power generation and future inland market.

The project will enable the gasification of the country and tapping into hydrogen when this will be available in the European transmission network. In view of the EU energy policy changes (Green Deal, new TEN-E regulation), in 2021, the Project Promoter (Interconnect Malta) initiated plans to upgrade the design of the project to a hydrogen ready pipeline by reassessing the financial and economic feasibility of importing green hydrogen through the pipeline as an option for the decarbonization of the Malta's power generation sector and other inland sectors whilst addressing the island's need for security of electricity supply.

KPMG's Role

To support with the updating of financial and economic feasibility studies, KPMG were called upon to carry out the following activities:

- A market research study on hydrogen and biomethane, including research around the progress of plans and projects in the pipeline relating to hydrogen production in Italy and the availability and cost of biomethane and hydrogen. This also comprised a market research survey to gauge the interest of potential investors in hydrogen production, storage and transportation, including to understand the possibility of having hydrogen delivered to Malta from the year 2030.
- Updating of the cost-benefit analysis and investment request documentation to consider the additional costs and socioeconomic benefits derived from the updated capability to transport hydrogen.
- A financial analysis for calculating the levelized costs of green hydrogen production as well as the optimum penetration scenarios for hydrogen for a 35-year period. CAPEX, OPEX, and the timeline used as input for this analysis were provided by the Front-End Engineering Design ('FEED') contractor.

Key Contacts

David Pace
Partner



EU Economic Substance Regulations Implementation

Regulatory and Risk Consulting Services

Context

In December 1997, the Council of the European Union (“EU”) and the representatives of the governments of EU Member States adopted a resolution with the objective to curb harmful tax practices. In recent years, the focus on applying these principles has turned to non-member countries and territories to which EU treaties do not apply.

These principles include ensuring that jurisdictions do not facilitate the use of structures which attract profits but which do not reflect real economic activity that is being undertaken in that jurisdiction (“substantial economic presence”).

In 2019, KPMG in Bermuda was engaged by the Bermuda Registrar of Companies (“RoC”) to help develop its compliance program in accordance with the EU Anti-Tax Avoidance Directive (“ATAD”).

KPMG’s Role

KPMG in Bermuda was engaged by RoC to assist with:

1. Finalizing the European System of Accounts (ESA) guidance notes.
2. Building preliminary generic use cases for testing the new monitoring system.
3. Defining initial parameters, logic and approach to the declaration form.
4. Supporting data collection and data analytics, including integration of existing and new systems.
5. Supporting RoC’s preparation for Organization for Economic Co-operation and Development (“OECD”) assessment.

Outcome

- KPMG in Bermuda assisted RoC with the development of Economic Substance Guidance Notes to provide guidance to corporate entities on what will constitute substantial economic presence.

Key Contacts

Will McCallum
Managing Director

Anam Khan
Director

Bermuda Department of Immigration

Immigration Process Transformation

Context

Approximately 20% of jobs in Bermuda are filled by expatriate workers who require work permits. The international business sector, which accounts for over 25% of GDP, identified transparent and timely processing of work permit applications as a key enabler to growing employment and economic activity. The Association of Bermuda International Companies (“ABIC”) partnered with the Bermuda Department of Immigration (“the Department”) to streamline the work permit process.

KPMG’s Role

KPMG in Bermuda was engaged to assist with identifying process improvement opportunities to eliminate operational bottlenecks in the work permit process. The objective was to improve customer (i.e., employers) service and introduce a risk-based approach to vetting applications which will improve protections for Bermudians.

KPMG in Bermuda led the LEAN process improvement which quickly gained robust engagement of Department employees and business stakeholders who rely on the timely and consistent processing of work permit applications to meet their resourcing needs.

KPMG in Bermuda:

- Conducted workshops to establish work permit process flows, bottlenecks, data mapping and work permit process taxonomies.
- Analyzed and prioritized potential process improvement opportunities and develop a Proof of Concept roadmap.

- Assisted with the selection of five opportunities for the Proof of Concept based on feasibility analysis and impact on work permit processing times.
- Conducted solution sessions and built out solution options to determine implementation priorities and strategy.
- Developed Proof of Concept to streamline process for bulk work permit submissions for the hospitality industry.

Outcome

The final Proof of Concept was completed in five weeks and resulted in:

- ✓ 95% reduction in work permit error rates,
- ✓ 89% reduction in processing times and the removal of more than 10,000 pages of unnecessary documentation from 500 existing work permit files,
- ✓ Identification of benefit potential which equated to 80% reduction in overall work permit wait times based on the selected portfolio of solutions, and
- ✓ A payback period of less than 12 months for implementing the solutions.

Client testimonial

“ Since early spring, the partnership between the Department of Immigration and private sector key stakeholders has been meaningful. I am extremely pleased with the list of opportunities that have been generated, and in particular, those that have been implemented. The success of the vetting experiment is phenomenal. The coordinated efforts between the Immigration team and the MEF Group made the success possible.

I extend sincere gratitude to the KPMG team for their timely assistance; they are now considered a part of the Immigration family. I would also like to thank all employers in the private sector who have supported our endeavors over the past 7 months, either financially and/or with ideas.

I expect our work to continue so that our processes are improved for the benefit of both the external and internal customer. ”

Dr. Danette Ming
Chief Immigration Officer

Key Contacts

Steve Woodward
Partner

EU Economic Substance Compliance Platform

IT and Risk Consulting Services

Context

From 1 January 2019, the Crown Dependencies and the majority of the Overseas Territories introduced economic substance rules into their local laws.

From a Channel Islands' perspective, the rules require a company (resident in either Jersey or Guernsey) that undertakes a "relevant" activity to demonstrate the following:

- the relevant activity is directed and managed on the island where it is resident;
- the Core Income-Generating Activities ("CIGA") relating to that relevant activity are performed on the island where it is resident; and
- it has adequate people, premises, and expenditures relating to any relevant activity it undertakes on the island where it is resident.

It is imperative that Corporate Service Providers ("CSPs") assess the impact of these rules on the entities that they administer. Due to the variety and complexity of the businesses undertaken by entities administered within the fiduciary sector, this sector has been impacted by these rules in a number of ways.

The activities affected most, include:

- Finance and leasing
- Pure equity holding companies
- Shipping companies
- Headquartering (headquarter services to other non-resident members of the same group)
- Fund management companies
- Intellectual property holding companies

Outcome

Given the multi-jurisdictional nature of the client base, KPMG in the Channel Islands has developed a tool that enables CSPs to assess the extent to which the companies they administer are exposed to the economic substance requirements. This interactive tool helps CSPs by assessing whether a company is in, or out, of scope; additionally, it provides a risk rating specific to the circumstances of each entity. This tool helps identify where current practices may be insufficient and highlights instances where further attention is required.

Some of the key features of the tool include a review mechanism within the assessments that allows for an approval process to exist within the organization, an entity and assessment audit trail, as well as a dashboard to be used as a management tool.

As it stands, the tool can be utilized in other British Overseas Territories and Crown Dependencies.

Key Contacts

Antony Mancini
Partner

Paul Eastwood
Director

Paul Beale
Director

Bermuda Post Office

Development of Postal Business Plan

Context

The Bermuda Post Office (“BPO”) is responsible for Bermuda’s Universal Service Obligation (“USO”). Similar to most countries, the BPO operates in an environment where courier services have steadily increased their presence in the profitable package delivery service without bearing the cost of delivering mail door to door.

BPO’s objective is to improve its long-term financial sustainability through investment in technology and other enablers which will leverage BPO’s logistical capabilities, team and network.

KPMG’s Role

KPMG in Bermuda worked with BPO’s management team to develop a business plan for the next three years. The engagement involved the following workstreams to assess BPO’s market position and create a glidepath to financial sustainability:

- assessment of the current BPO competitive position;
- gap analysis of the current and future vision of BPO services;
- BPO’s projected financial results based on current and desired state scenarios; and
- identified funding requirements to achieve the desired state.

Outcome

The business plan provided an assessment of BPO’s market position, lessons learned from other postal systems which have transformed to meet current market demands and a roadmap including the major steps, investments and milestones to achieving the BPO’s desired outcomes.

Key Contacts

Steve Woodward
Partner

Long Term Investment, Innovation and Social Development Strategy

Background

The Cayman Islands Government's Ministry of International Trade, Investment, Aviation and Maritime Affairs ("MITIAMA") was targeting economic growth through foreign direct investment. Its aims were to drive the competitiveness of the Cayman Islands; improve the ease of doing business; and attract new businesses and entrepreneurs to establish themselves in the jurisdiction.

In April 2021, when the new Cayman Islands Government was formed, MITIAMA was renamed as the Ministry of Investment, Innovation and Social Development ("MIISD").

As opposed to looking at attracting foreign direct investment to grow the economy, MIISD had more of a focus on social development as a means to improve quality of life for everyone and reduce the wealth disparity within the Cayman Islands.

MIISD aims to fulfil Cayman's potential to be the best that it can be, which results in success and prosperity for all. This new focus is embedded in social development and sustainability. Its main aspirations are to improve education, healthcare and infrastructure; diversify the economy; and improve the overall sustainability of the Cayman Islands.

KPMG's Role

KPMG was originally engaged by MITIAMA to assist in developing an International Trade and Investment Survey & Strategy for the Cayman Islands.

Under the new Ministry, the goal of the strategy was to improve the Cayman Islands' competitiveness and attract investment, to light the path for the continued, sustainable, long-term advancement of the Cayman Islands and it's people.

KPMG and our member firms assisted MIISD in developing the long term strategy for the Cayman Islands. Our scope of work was carried out in 3 phases:

1. Data gathering and public/private stakeholder engagement and surveys;
2. Benchmarking analysis; and
3. Development of the long term strategy based on findings of the data gathering, stakeholder surveys and benchmarking exercises.

Outcome

Since the Strategy Report was issued and presented to the new Minister, the Cayman Islands Government has started to explore a number of the suggestions and recommendations that were contained within it.

So far, the following requests for proposals have been issued:

- A value of solar study, to explore the costs and benefits of pursuing increased solar power generation in the Cayman Islands
- A review of the Cayman Islands National Energy Policy, to assess whether it is still fit for purpose and what updates are required, five years on, since it was issued
- An outline business case for a third submarine fiber cable connecting to the Cayman Islands, to boost the technology sector and future-proof the Cayman Islands' digital connectivity and communications as the two existing fiber cables approach the end of their useful lives.

Each of these projects were either directly or indirectly referenced in the strategy report.

Key Contacts

Niko Whittaker
Partner

Sam Story
Associate Partner

Economic Impact Studies

A Selection of Credentials:

APS Bank – report outlining the size of public sector in Malta

- KPMG in Malta was engaged by a Maltese bank to estimate the size of the public sector in Malta and determine the impact of Maltese Government spending on the economy.
- KPMG in Malta's report compared the size of the public sector in Malta with other jurisdictions and presented possible linkages between international events and their impact on local public finances. The report considered specific international events, including commodity prices, inflation, exchange rate variations, and the international money supply.

Malta Gaming Authority – assessment of the implications of land-based casino liberalization

- In order to sustain and grow the economic advantages brought about by the gaming industry, the Malta Gaming Authority was interested in assessing the potential benefits and costs of increased liberalization of the land-based casino market.
- KPMG in Malta prepared a briefing document outlining: the current situation and liberalization options; economic analysis of the impact of each option, and relevant policy recommendations given within the context of a case study from a different country.

Bermuda Tourism Authority – economic impact assessment of a major golf tournament

- In 2019, the Bermuda Tourism Authority ("BTA") entered a sponsorship agreement to host the PGA TOUR Bermuda Championship annually for five years. The BTA engaged KPMG in Bermuda to assess the economic impact of the event in relation to net contribution to GDP and achieving the BTA's strategic goals related to sports tourism. *Bermuda Championship: Economic impact assessment reports for 2019 and 2020* are available online to the general public. The report quantifies and summarizes the economic, media and legacy value of the event.

Malta Tourism Authority – assistance with a visitor survey of the Isle of MTV event

- The Isle of MTV is a live annual music event organized by MTV Europe and is hosted locally by the Malta Tourism Authority since 2007. The Authority had asked KPMG in Malta to help them gain a better understanding on the profile of visitors of the event.
- KPMG in Malta's role in this project was to carry out a visitor survey and compile a number of key statistics and figures on the individuals who attend the Isle of MTV concert with the aim of building a visitor profile. KPMG in Malta conducted over a thousand on-site surveys and gathered key statistics on the attendees which were summarized in a report delivered to the Malta Authority in October 2016.

Isle of Man Government

Economic Strategy for the Isle of Man

Background

In the wake of the COVID-19 pandemic, the Isle of Man Government wished to assess the structure and performance of the Island's economy and the potential challenges and opportunities presented by global trends with a view to developing an ambitious economic strategy that would set the Island on a growth trajectory for the next decade. They sought to appoint a strategic partner to support them on that journey.

KPMG's Role

The Isle of Man Government selected KPMG as its strategic partner, recognizing that our proposal provided the Government with access to a team combining strong knowledge of the local market and extensive expert input from our global network of member firms and alliance partners.

Our work on the project has included:

- Preliminary workshops to explore and test Government's initial vision and underpinning strategic themes with political representatives and stakeholders from the Island's business community
- Economic research and analysis, across both macro and micro economics, using the client's available data and KPMG proprietary data relevant to strategic themes emerging from the preliminary workshops
- Consultation with stakeholders from the Island's business community to identify strengths and challenges for the Island

- Consultation with experts throughout our global network in relation to trends and potential opportunities for the Island across a range of sectors and geopolitical analysis from our alliance partner, Eurasia Group
- Analyzing current economic performance and developing and appraising scenarios
- Macroeconomic modelling, forecasting
- Identification and evaluation of policy levers available to Government to realize opportunities and address challenges
- Consolidation of the evidence base and policy work into a strategic economic framework to inform the Government's economic strategy

Finally, the work involved supporting the Government in developing a monitoring program, enabling it to evaluate economic performance and progress against its strategy on an ongoing basis – ensuring real change was achieved.

Deliverables of the KPMG Economic Strategy, 'Our Big Picture', are constructed across five key phases;

- Phase 0 - The Economic Vision – a presentation summarizing views gained from the initial consultation with the business community and Government representatives
- Phase 1 - Research and Review (Macro Economics) – a written report highlighting the Island's strengths, weaknesses, opportunities and threats

- Phase 2 - Development of Policy Levers and Macroeconomic Model – identifying, assessing and prioritizing policy levers which could be pursued to achieve the vision developed in Phase 0, with the aim of addressing the challenges and opportunities identified in Phase 1
- Phase 3 - Formulate a Strategic Framework - drawing together the evidence base and policy levers development work to develop an action plan
- Phase 4 - Establish a Monitoring Program – offering the ability to monitor and evaluate performance on an ongoing basis

Outcome

Government published its draft economic strategy for consultation and, alongside it, our evidence base and strategic economic framework reports. The strategy was finalized and received broad approval from the Island's parliament, with several members specifically commenting during the debate on the extent and quality of our work.

The detailed evidence base we collated and our rigorous identification of potential policy responses provided a solid basis for productive political debate and the design of the future economic strategy built on a robust evidence base and with insight from over 35 SME teams.

Key Contacts

Simon Nicholas
Partner

David Watterson
Senior Manager

The Jersey Harbour Masterplan : Full Business Case

Preparation of an Outline Business Case and Final Business Case

Context

Much of the Jersey Harbour infrastructure is ageing and no longer meets current needs in terms of passengers, freight or vessels. As a result, Ports of Jersey is embarking on a programme to transform the harbours in St. Helier to future proof Jersey's gateway infrastructure and revitalise the area. The Harbour Master Plan aims to modernise the facilities, which have developed piecemeal over many years and are in need of significant investment.

Jersey's harbours are key to supplying the island with lifeline goods and services. However, the current layout of the harbour requires reconfiguration to release land locked and sea locked areas. Currently, freight volumes are capacity constrained due to the inefficient layout of the harbour.

The Harbour Master Plan aims to create a vibrant harbour community, which is better connected with more inclusive and accessible spaces for use by both islanders and visitors. Furthermore, regeneration will ensure the long-term viability of the harbour, serving both passengers and freight by (a) streamlining freight operations and logistics, (b) improving customer experience and (c) realising the area's potential as a leisure, cultural and tourism destination.

KPMG's Role

KPMG in the Crown Dependencies was engaged to assist the Ports of Jersey in the preparation of the OBC and FBC in accordance with the HM Treasury's Green Book Guidance (Five Case Model) as well as performing due diligence on the Harbour Plan Model to be submitted to the Government of Jersey Treasury and Exchequer.

Our services include:

Stakeholder consultations: We reviewed documents from a range of specialist stakeholder groups e.g., maritime experts, consultants, public surveys and internal strategy documents.

Strategic case, policy-fit and need for the Preferred Option description.

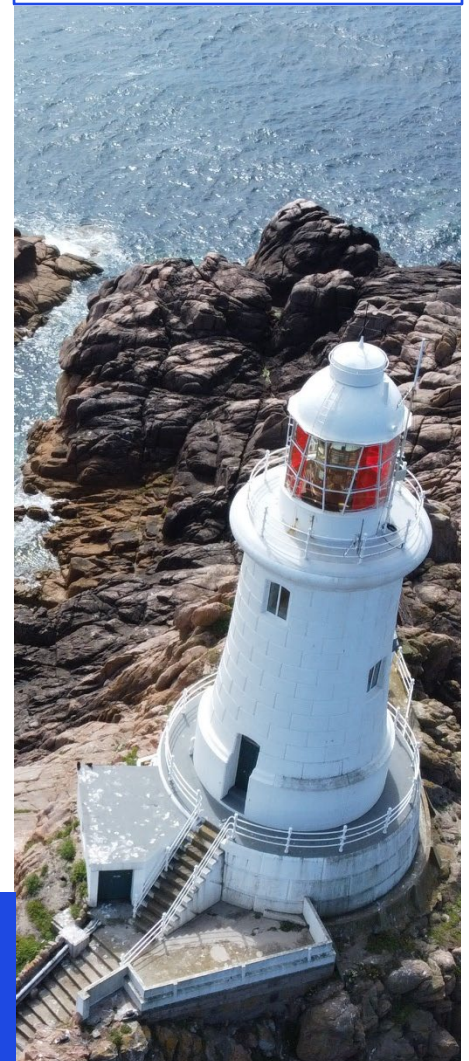
Selection of a Preferred Option: The results of the stakeholder consultations along with the Options Assessment completed by KPMG were used to determine the selection of a Preferred Option.

Value for Money and affordability analysis: Along with technical consultants, we are working to ensure the project provides value for money and is affordable within the constraints set by the Minister.

Due Diligence on the Harbour Master Plan Financial Model, including a review of general procedures and forecast trading.

Outcome

OBC and Due Diligence have been submitted to Ports of Jersey, pending Government of Jersey approval.



Key Contact
Mark Ashburn
Director

The Cayman Islands Airports Master-planning and Outline Business Case

Preparation of an Outline Business Case

Context

The Cayman Islands Airports Authority (“CIAA”) aims to increase capacity and connectivity of the Cayman Islands by investing in its airports infrastructure. This Project assessed the Master Plan options for all three of the Cayman Islands’ airports in order to determine what is required on each island to provide suitable aviation infrastructure that will meet the needs of the future.

The outline business case (“OBC”) was used to assess all of the available options at each of the three airports (in Grand Cayman, Cayman Brac and Little Cayman), and to determine the preferred option for each airport, using the processes and techniques from the HMT Green Book Guidance for business cases.

The Project was driven by the CIAA, who engaged a multi-disciplined team of consultants to produce the Master Plans and OBC.



KPMG’s Role

KPMG in the Cayman Islands was appointed as the financial consultant on the engagement and supported a team led by Stantec as the Prime Consultant.

KPMG assisted the Prime Consultant in the identification of funding and financing options for the various master planning options identified for each location.

We assessed the Affordability and Value for Money considerations of the proposed options as we worked towards identifying a Preferred Option.

KPMG worked with Stantec and the other consultants to gain information and data from the key aviation stakeholders in order to identify the most appropriate course of action for each airport in order to meet the future needs of the Cayman Islands.

KPMG also coordinated and drafted the OBC and helped arrange and facilitate public outreach sessions.

Outcome

The OBC was approved by Cabinet in July 2023.

Key Contacts

Niko Whittaker
Partner

Sam Story
Associate Partner

Ministry of Planning, Agriculture, Housing and Infrastructure

Strategic Workshops - Facilitation

Context

KPMG was engaged by the Ministry of Planning, Agriculture, Housing and Infrastructure (“PAHI”) to assist in developing a two year strategic workplan in collaboration with the senior management of PAHI and its departments.

The goal was to develop a shared understanding of the purpose of PAHI and develop the two-year strategic divisional and departmental work plans, incorporating best practice, global standards and innovation. The intended outcome was a comprehensive plan representing the purpose of PAHI as a whole; its strategic objectives; goals; and work plan.

KPMG’s Role

In November 2022, selected members of the leadership team from PAHI and representatives from their departments attended three full-day workshops to discuss and collaborate on the Strategic Workplan for 2023 and 2024. The days were split up by department: Planning and Infrastructure, Agriculture and Housing, Internal services and Special Projects.

The workshops were facilitated by the KPMG team, which was led by Sam Story (Head of Infrastructure for KPMG in the Cayman Islands, The Bahamas, Bermuda, the Channel Islands and the Isle of Man) and included Stephen Beatty (KPMG’s Global Head of Infrastructure). KPMG Infrastructure specialists from Singapore, opened each day with thought-provoking presentations and Q&A sessions.

The PAHI team worked collaboratively to agree on where the team is at currently; a common vision of where they want to be; and how to get there. Action plans were then workshopped by each department. Following the workshops the action plans were further refined and developed and a follow-up session was hosted by KPMG in January 2023, with PAHI leadership to finalize the action plan and present it to the Minister.



Key Contacts

Niko Whittaker
Partner

Sam Story
Associate Partner



Additional Economic Development Credentials:

L. F. Wade (Bermuda) International Airport redevelopment P3

The L.F. Wade International Airport was built in 1940. The need to replace the airport had been identified in the early 2000's. However, original architectural plans exceeded the Bermuda Government's ("the Government") affordability envelope. The Government selected a concession model with credit enhancement provided by the Canadian Commercial Corporation and set an affordability cap of approximately US\$250 million or about 50% of the earlier capital expenditure estimate.

KPMG advised on:

- Developing the Government's Cabinet level governance structure and advised the governance board on commercial, financial, and policy-related matters;
- Developing the overall business case (consisting of strategic, economic, commercial, financial, and management cases);
- Project managing the Government and tri-party working groups, developed the work plan and tracked deliverables; and
- Supporting the Government in negotiations with the Concessionaire on deal terms, and with ensuring the UK Government conditions for Entrustment were met.

The new airport terminal opened in 2020 on schedule.

Kingston dock yard project - development of a business plan

KPMG in Jamaica assisted German Ship Repair Jamaica Limited with the preparation of the business and financing plan which included an executive summary; description of the business; projected financial information; marketing strategy; operations; management and organization of the business and the opportunities for providers of debt capital for the complete project.



Saint Lucia Air and Sea Ports Authority - assessing development options

The Saint Lucia Air and Sea Ports Authority (“SLASPA”), owner of two ports in Saint Lucia, was reviewing available options for the development of its holdings and vacant, surrounding land. KPMG in Barbados and the Eastern Caribbean assisted by engaging key stakeholders, reviewing tourism data and potential new product offerings. Outputs of the process were summarized in a Concept Note which SLASPA and Invest Saint Lucia, an inward investment agency, used to plan their future strategic initiatives.

Pier and landside development, British Virgin Islands - valuation services and review of procurement process

The Government of the Virgin Islands engaged KPMG in the BVI to review the procurement processes applied, and the licensing agreements executed, in respect of the pier and landside development (“the Development”) in Tortola. KPMG in the BVI were also engaged to prepare a valuation report in respect of the Development. The final report was based upon extensive investigations and interviews with key stakeholders from the Port Authority and the BVI Government, and included variances in budget to actual spend, areas for further investigation, suggested improvements in the applied procurement processes and a range of estimated values. KPMG in the BVI also worked with a third party expert who undertook an independent cost estimate for the purpose for assessing the Development’s Value for Money.

Nassau cruise port expansion, Bahamas - financial advisory

The rapidly growing global cruise industry was recognized by the Government of the Commonwealth of The Bahamas as an opportunity to develop Nassau into a world-class cruise port. However, delivering that vision required significant upfront investment to expand capacity, upgrade facilities and enhance the overall tourist experience.

KPMG in The Bahamas acted as an advisor to Global Port Holding plc (the largest global cruise ship operator) during the competitive RFP process. KPMG in The Bahamas delivered an Economic Impact Study of Global Port’s proposal, advice on Bahamian tax matters, as well overall review of the RFP submission. Global Ports was selected as the preferred bidder in February 2019 and have since signed a Heads of Agreement and begun construction on the US\$250 million project, with a 25 year operating concession.

Port of St. John’s, Antigua - debt finance advisory on port investment

The Port of St. John’s, Antigua required capital to finance an expansion necessary to cope with increasing visitor traffic and larger cruise ships. KPMG in Barbados and the Eastern Caribbean assisted with identifying key project risks, review of financial statements, preparation of a detailed financial model, preparation of an Investment Memorandum for investors and engagement with prospective financial institutions able to finance the plan.

Barbados Ports - strategy and business planning

Barbados Ports Inc. (“BPI”) is the major port operator responsible for providing berthing facilities and exchange of passengers coming to the island on cruise ships. BPI identified a number of capital-intensive projects required to maintain competitiveness of the port and increase its capacity, requiring new sources of finance. KPMG in Barbados and the Eastern Caribbean reviewed industry trends, BPI’s internal financial and operating data as well as facilitated discussions with the Board and key stakeholders to prepare a financial model and a business case underpinning the Bridgetown Port Berth 6 expansion which is currently underway.



Bermuda Civil Airport Authority – benchmarking compensation and analysis of pension benefits

In order to grow its civil aviation register the Government of Bermuda spun off the Department of Civil Aviation (“DCA”) into the Bermuda Civil Aviation Authority (“BCAA”). The DCA and BCAA wanted to assess the compensation and pension benefits of all positions so that BCAA could attract and retain the necessary talent.

KPMG in Bermuda benchmarked compensation, including salary, benefits, vacation and other remuneration for each position with similar positions employed by international civil aviation authorities. Additionally, KPMG in Bermuda provided an actuarial assessment of whether the value of the benefits payable at retirement under the new defined contribution pension plan would be equivalent to what former DCA employees would have received under the civil service defined benefit pension.

The benchmarked compensation survey and recommendations were used by management to propose remuneration for BCAA employees to the Board of Directors. The actuarial assessment identified and recommended changes to pension contributions to ensure that transferred employees were fairly compensated for transferring to the BCAA’s pension plan.

Bermuda National Anti-Money Laundering Committee (“NAMLC”)

KPMG in Bermuda assisted the NAMLC with developing and drafting its AML policy, in compliance with the Caribbean Financial Action Task Force (“FATF”) methodology and recommendations. Taking into account Bermuda’s national risk assessment, KPMG facilitated discussions with NAMLC to determine the most effective approach to incorporating results of the assessment into the national AML policy. The Caribbean Financial Action Task Force’s mutual evaluation report (MER) for Bermuda ranked in the top six of 75 MERs published globally.

Barbados oil terminal – valuation and strategic sale advice

Barbados National Oil Company considered fully divesting its shares in the Barbados National Terminal Company Limited, (“the Terminal Company”) in line with the Barbados Government’s fiscal prudence plan. KPMG in Barbados was engaged to advise on this strategic transaction.

KPMG in Barbados assisted with preparation of a comprehensive valuation of the Terminal Company and managed the sales process, including: preparing a teaser document, information memorandum for interested parties, setting up and managing the data room, and facilitating the buyer due diligence process. At the end of the sale process, KPMG in Barbados presented the Terminal Company’s Board with final offers, a comparative analysis and helped negotiate the Sale and Purchase Agreement.

Malta Ministry for European Affairs and Implementation of the Electoral Manifesto (MEAIM) – Drafting of an Integrated Territorial Development Strategy for Gozo

KPMG in Malta was contracted by the MEAIM to draft an economic development strategy for Malta’s sister island of Gozo.

This involved carrying out a detailed socio-economic analysis of Gozo, identifying key strengths, weaknesses, opportunities and threats facing the island and its population. The findings of this analysis were further supported by a detailed stakeholder consultation exercise.

KPMG’s work resulted in a series of detailed recommendations and actionable strategic actions for the development of Gozo’s economy in line with Government policy and stakeholder feedback.



Contact us

The Bahamas

Simon Townend
Partner
+1 242 393 2007
stownend@kpmg.com.bs

Shana Lee
Managing Director
+1 242 393 2007
shanalee@kpmg.com.bs

.....

Barbados and the Eastern Caribbean

Christopher Brome
Partner
+1 246 434 3900
cbrome@kpmg.bb

.....

Bermuda

Steve Woodward
Partner
+1 441 294 2675
stevewoodward@kpmg.bm

Dr. Edward Fitzgerald
Director
+1 441 295 5063
edwardfitzgerald@kpmg.bm

Vicky Hitch
Sector Executive
+1 441 294 2710
vickyhitch@kpmg.bm

Cayman and the British Virgin Islands

Niko Whittaker
Partner
+1 345 914 4369
nwhittaker@kpmg.ky

Sam Story
Associate Partner
+1 345 914 4414
samstory@kpmg.ky

Arnaud van Dijk
Partner
+1 345 914 4734
avandijk1@kpmg.ky

.....

Crown Dependencies (Channel Islands & Isle of Man)

Simon Nicholas
Partner
+44 162 468 1002
snicholas@kpmg.co.im

Russell Kelly
Partner
+44 162 468 1013
russellkelly@kpmg.co.im

.....

Jamaica

Raymond Campbell
Partner
+1 876 922 6640
raymondcampbell@kpmg.com.jm

Malta

Marco Vassallo
Partner
+356 25631140
marcovassallo@kpmg.com.mt

Curt Gauci
Director
+356 25631895
curtgauci@kpmg.com.mt

.....

Trinidad and Tobago

Arnold Niranjana
Partner
+1 868 612 5764
aniranjana@kpmg.co.tt

www.kpmg.com/infrastructure

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Appendix: Additional Long-form Credentials



Bermuda Water and Wastewater Treatment

Financial Feasibility Study

Context

The Government of Bermuda completed the development of a strategy for Sustainable Water and Wastewater Servicing for St. George's Parish. The strategy document examined the treatment and distribution of potable water, the collection and treatment of wastewater and the practical reuse of the treated wastewater.

The Bermuda Ministry of Public Works engaged a consulting engineering firm to evaluate the present state of water infrastructure and propose an integrated resource plan for a water and wastewater servicing for St. George's Parish as a pilot. This pilot is intended to be used as a roadmap to implement a similar plan for Bermuda.

Outcome

- Indicative consumer rates were developed using traditional and P3 financing approaches.
- The public engagement process assisted in assessing consumers' views on the indicative rate structure which will inform a future business case.
- The plan was made available for the public to view in December 2017.
- KPMG in Bermuda suggested a number of options which could be explored to reduce consumer fees and attract financing.

KPMG's Role



Advised on the financial feasibility of the proposed plan to integrate the activities of supplying water, wastewater collection and treatment in St. George's Parish.



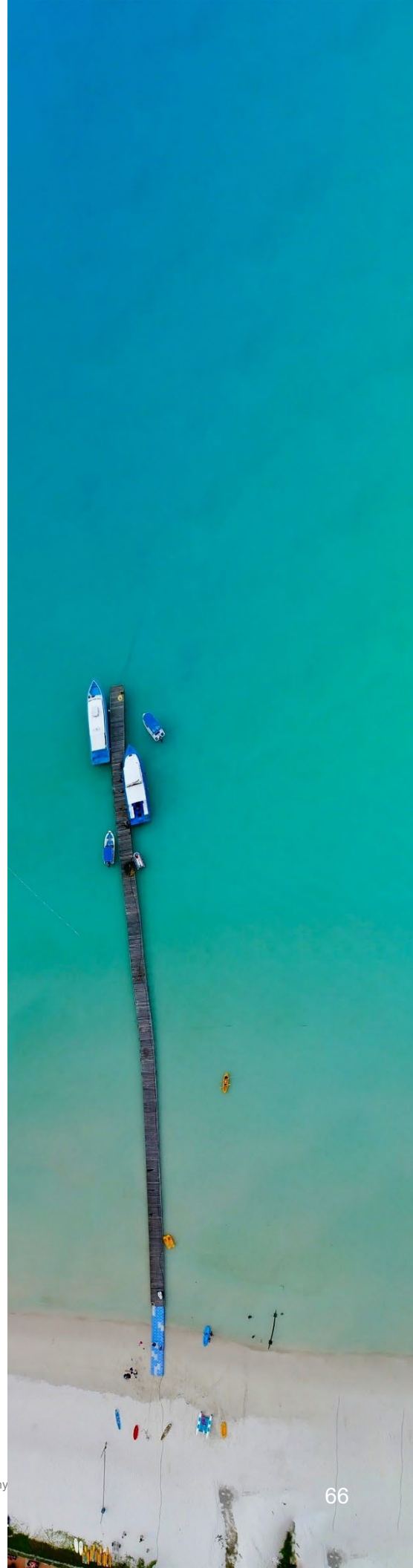
Assessed the financial implications of using traditional or P3 financing.



Developed an indicative rate structure to illustrate the estimated costs to consumers of the strategy.

Key Contacts

Steve Woodward
Managing Director



Bahamas Energy Sector Reform

Financial Advisory and Regulatory Services

Context

Until a few years ago, electricity supply across The Bahamas was provided by the Bahamas Electricity Company (“BEC”), except in Grand Bahama and a few other isolated locations. Over the years, BEC had become inefficient and heavily burdened with debt, resulting in a high cost of electricity to the consumer. BEC was also completely reliant on fossil fuel generation with no renewable energy production in the energy mix.

The Government of the Commonwealth of The Bahamas embarked on a restructuring of the energy sector with the goal of dramatically reducing the cost of energy to the consumer while developing a reliable, cost effective, secure and environmentally responsible energy sector.

KPMG’s Role

KPMG in The Bahamas acted as advisor to the Bahamian Government in the initial stage of the reform process and provided the following services:

- regulatory advice with respect to new legislation;
- advice on restructuring and related matters; and
- various financial modelling and other advisory services.

Outcome

As part of the restructuring of the energy sector, the Bahamian Government passed new electricity legislation, appointed an independent regulator for the sector, and established a new electricity utility for The Bahamas, which continues to be owned 100% by the Government. A new financing structure is also being implemented.

A business plan was developed for the new utility, Bahamas Power and Light Company Ltd. (“BPL”), which called for a complete restructuring of the energy mix and operations of the former BEC, and includes a significant renewable energy component across the many islands in which the utility operates. BPL has responsibility for the provision of electrical supply to 25 island locations across The Bahamas, providing power to over 100,000 customers. This restructuring is ongoing, and BPL is in the process of replacing its base load plant with more efficient, multi-fuel engines.

Key Contacts

Simon Townend
Partner

Shana Lee
Managing Director

Trinidad and Tobago Hospital Redevelopment

Individual Master Plans for Three Public Hospitals in Trinidad and Tobago

Context

The Ministry of Health of Trinidad and Tobago commissioned Master Plan Studies of the Country's three largest acute care hospitals: Port of Spain General Hospital, Eric Williams Medical Sciences Complex and San Fernando General Hospital.

The master plans included development of:



new service delivery model(s) to align care delivery and built infrastructure;



business case analysis of the feasibility of the proposed implementation strategy;



short and long-term architectural and site plan development strategies;



enhanced use of clinical and back-office technology; and



incorporation of research and medical education.

KPMG's Role

The engagement team comprising resources from KPMG's Global Healthcare practice and KPMG in Trinidad and Tobago, was retained as the financial consultant within a project consortium led by B+H Architects.

KPMG in Trinidad and Tobago, in consultation with other team members, was responsible for developing the overall vision of care for each of the hospitals and the business case for the proposed redevelopment options.

The scope of work included:

- facilitating workshops with key stakeholders to create a compelling vision for hospital care that would help drive the planning and design of each of the three hospitals;
- research into leading practices, trends, demographics, and services delivered today and in future clinical scenarios;
- projecting healthcare service unitization and hospital capacity over a twenty-five year planning horizon;
- facilitating workshops to educate key stakeholders regarding traditional and alternative (P3) infrastructure delivery models;
- developing financial models to perform options analysis between various hospital delivery options;

- performing sensitivity analysis over key financial model inputs and assumptions; and
- providing net present value and cash flow comparisons between various options.

Outcome

The master plans have been completed, the engagement team provided two separate deliverables: the Future Visioning Report and the Business Case Report.

Key Contact

Dushyant Sookram
Partner

Utility Company Procurement Function

Procurement Policies and Procedures, Spend Analysis, and Fuel Procurement Services

Context

The Utility Company (“the Company”), sought an assessment of its procurement processes to determine if its processes were consistent with leading practice.

The objective of the assessment was to identify if there were gaps which may result in achieving suboptimal value from its procurement function.

In 2017, KPMG was engaged to:



Report on the state of the procurement processes and share initial findings from an online survey, interviews and data analysis.



Discuss leading practices for key procurement function focus areas.



Discuss fit-for purpose initiatives based on leading practices and identify the most practical action items for the Company.

Additionally, KPMG provided project management and leading practice procurement advice for tendering a multi-year fuel supply contract.

KPMG’s Role

The engagement team conducted a Procurement Maturity Assessment (“PMA”) using methodology which provides a consistent framework based on maturity levels for the power and utility industry.

Areas of focus included:

1. Strategy: direction setting, governance and meeting regulatory requirements
2. Organization: organization structure and people
3. Enablers: data and technology enablement of key processes
4. Processes: the existence and efficiency of support processes

The engagement team also reviewed the Request for Proposals process for heavy and light fuel supply, assisting with the question and answers process and analyzing received bids.

Outcome

1. The engagement team completed the PMA and provided a report to the Company on the, then, current state of their procurement processes. This report also included discussion on leading best practices regarding key procurement function areas and identified gaps between current and leading practice. The engagement team provided recommendations to close these gaps and enhance the Company’s procurement function.
2. As a result of the updated fuel supplier procurement process, the Company was able to receive new and innovative fuel supply options, more closely aligned with their objectives. The Company secured improved margins on fuel supply with resulting savings being passed through to the power consumers in the form of lower fuel costs.
3. The engagement team assisted with developing the policy and procedures for the Company’s procurement function which address control weaknesses.

Bermuda Health Council/ Ministry of Health

Healthcare Reform Communications Strategy

Context

Bermuda Health Council's ("BHeC") strategy envisaged a reform of Bermuda's healthcare system to achieve greater sustainability, accessibility, affordability and improved health outcomes.

To implement that strategy BHeC was looking for assistance with communicating the significant changes in financing of healthcare in Bermuda.

The planned communication on financing reform was intended to be transparent and meaningful to start the process of educating the public and stakeholders about the importance of the reform, the need for it and anticipated benefits.

KPMG's Role

KPMG in Bermuda helped to craft a comprehensive communications plan introducing the financing reforms.

The plan included:

- High level announcement of the Bermuda Government's plans to embark on significant structural challenges to the healthcare system.
- A plan for immediate steps before and after the announcement.
- Drafting key messages and Frequently Asked Questions on why structural changes are important and their impact on the general public.
- Different types of communication methods to be used.

Outcome and phase 2

BHeC and the Bermuda Ministry of Health launched its health finance reform in line with the communications plan in 2019. Additionally, KPMG in Bermuda was subsequently engaged to assist with the process of refreshing the 2022-2027 Bermuda Health Strategy, in partnership with the Ministry of Health and Bermuda Hospitals Board.

This work comprised of:



Analyzing background data and engaging stakeholders to develop a comprehensive view of the Bermuda health system as it is now and its underlying issues.



Conduct a system leaders' survey to identify key issues and develop a vision of the desired, future state of the health system.



Produce materials informed by the above analysis and facilitate a Leadership Workshop designed to develop a consensus view of the current system's challenges and the path towards the future vision.



Supporting the Steering Committee, comprised of senior system leaders and decision-makers, in formulating the national health strategy to achieve the objectives of greater access, affordability and improving health outcomes

Key Contacts

Steve Woodward
Managing Director

Bermuda Hospital Redevelopment P3

King Edward VII Memorial Hospital Acute Care Wing Business Strategy, Financial Advisory and Procurement Assistance

Context

Based on a third party assessment that Bermuda's only acute care hospital needed approximately 50% more capacity to sustain the delivery of high quality health care and expand the range of treatment services provided locally (thus reducing the need for patients to travel overseas), the Bermuda Hospitals Board ("BHB") sponsored the King Edward VII Memorial Hospital ("KEMH") Redevelopment PPP to build the Acute Care Wing ("ACW") extension.

The five year project to develop the business case, procure a private sector partner, design and build the ACW ("the Project") was started in late 2008. BHB selected a design, build, finance and maintain delivery model to fit its requirements. Paget Health Services was selected in December 2010 as the private partner and ground breaking started in January 2011.

KPMG's Role

KPMG in Bermuda acted as business and financial advisor including assisting with:

- developing the business strategy and business case;
- establishing the governance structure to help ensure oversight of the Project;
- developing BHB's project management team structure;

- assisting with the identification and selection of legal and technical advisors;
- establishing the development budget, schedules, communications, records management, risk management and mitigation, and project agreement with the private partner. This work included:
 - marketing of the PPP opportunity;
 - development of the business, regulatory and procurement model;
 - drafting of regulation, contractual terms and procurement documentation; and
 - support through the Request for Qualifications and Request for Proposal stages including the evaluation of qualifications.
- KPMG in Bermuda provided input on the development and amendment of legislation critical to supporting the Project; and
- KPMG in Bermuda was retained as the Fairness Monitor to advise on fairness of the procurement process and to report on compliance with fairness principles established at the outset of the Project to ensure the Project met leading international procurement practice.

Outcome

The ACW opened for operation in September 2014. The new hospital wing includes 90 single ensuite private patient beds, new emergency and diagnostic imaging departments, out-patient services for dialysis and oncology and a new utility hub to support the hospital campus.

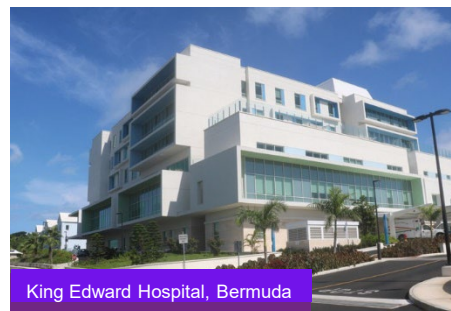
In 2015, KPMG in Bermuda advised BHB in relation to the Paget Health Services' plans to refinance senior debt. The Project Agreement ensured that BHB would share in the benefits, if the Private Partner refinanced. As a result, BHB benefited from a reduction in its annual service payment of over US\$500,000 annually for the remaining 29 years of the Agreement.



International recognition and awards

Best Accommodation Project, Partnerships Awards 2012 (July 2012)

Press release by World Finance (January 2013)



King Edward Hospital, Bermuda

Key Contacts

Steve Woodward
Managing Director

Health City Cayman Islands' Strategic Partnership With ENT in Cayman Ltd

Sell-side Deal Advisory Services

Context

ENT in Cayman Ltd provides comprehensive medical services for ear, nose and throat conditions from diagnosis to treatment. The team of specialist doctors, surgeons, therapists and nurses provide high-quality care to patients in the Cayman Islands.

ENT in Cayman Ltd was exploring strategic partnership opportunities in order to release value from the established business.

KPMG's Role

KPMG Acted on behalf of ENT Cayman Ltd. Following a confidential, targeted market sounding exercise, Health City Cayman Islands was identified as a potential purchaser and was invited into the process. The sell side advisory services provided include:



Valuation



Deal support and connecting potential buyers



Negotiation support

Outcome

The partnership between Health City Cayman Islands and ENT in Cayman was completed in 2023. It enables the provision of world-class healthcare that is embedded in a foundation of quality and specialist care. The strategic partnership allows both providers to expand their footprint and services available to patients in the Cayman Islands.

Key Contacts

Niko Whittaker
Partner

Sam Story
Associate Partner



Financial, Operational and Tax Buy Side Due Diligence

Confidential Healthcare Deal


Context

A healthcare business in the Caribbean was interested in exploring avenues for acquisitive growth in the region.


KPMG were initially engaged to perform a market study to present the key features and conclude on the current status of the healthcare market in a particular Caribbean jurisdiction while also identifying targets for a potential transaction.


Having identified a target, KPMG has since been engaged to provide deal support and buy side due diligence services in order to identify the risks and opportunities which could impact the investment decision.

KPMG's Role

 Financial and operational due diligence

 Tax and IT due diligence

 Indicative valuation

 Synergy review

Key Contact
Sam Story
Associate Partner



Ascendant Group Limited Internal Controls

Internal Controls Over Financial Reporting Framework Implementation

Context

- Ascendant Group Limited (AGL), as a newly acquired subsidiary of Algonquin Utilities and Power Corporation, was required to develop an appropriate framework for identifying, testing and reporting on the effectiveness of internal controls over financial reporting (ICFR).
- AGL had been working with KPMG from 2019 to initiate steps towards a more robust ICFR framework; the acquisition in 2020 raised the bar on requirements and standards for 2020 year end reporting. AGL engaged KPMG to support management in:
 - i. mapping out processes and controls;
 - ii. testing of controls;
 - iii. advising on appropriate remediation and undertaking appropriate testing to ensure controls were robust for consolidation into Algonquin's group accounting and SOX reporting.

KPMG's Role

KPMG in Bermuda provided the following services:

- Facilitated workshops, across key processes, to map out processes, controls and prepared process narratives and flowcharts as outputs of these workshops;
- Facilitated workshops with senior management to assess key controls throughout the process, with the objective of ensuring SOX testing was adequate but appropriate and efficient, recognizing that AGL is a subsidiary of a significantly larger group;
- Provided ongoing education and support to senior management at AGL to develop and enhance their understanding of SOX requirements and the rigor of control documentation and evidence required for SOX purposes;
- Project managed the engagement to ensure delivery of all stages to agreed timelines and standards and effective communication with both AGL and Algonquin management teams;
- Advised management on appropriate actions to remediate control deficiencies that arose from the controls testing undertaken; and
- Provided a Board report that commented on the results of work performed and highlighted areas for focus, to continually improve and enhance the ICFR program, into 2022.

Outcomes

- Processes were fully mapped and documented for ongoing use within AGL. Key controls were flagged with appropriate efficiency for ongoing testing into 2022;
- AGL senior management were aware of SOX requirements and standards required of them going forwards;
- Communication and co-ordination on requirements, between Algonquin and AGL, were clearly defined in a sustainable way for future years; and
- Our reporting set out the position in relation to specific controls, thematic findings and trends, and areas for focus in 2022, in a way that facilitated smooth transition into the ICFR program of testing for 2022.

Note: Effective June 2021 AGL, the parent company of Bermuda Electric Light Company Limited and AG Holdings Limited, operates under the name Liberty Group Limited (Liberty).

Key Contacts

Steve Woodward
Partner

Ian Gardner
Managing Director

Kingston Dock Yard Project

Development of a Business Plan

Context

Ship owners whose vessels call on Jamaica or traverse the region require dry dock facilities for routine and emergency maintenance and repair work to keep vessels operable. Additionally, all vessels must also undergo special surveys, based on the vessel class, every five years or less. The selection of a ship repair facility is highly dependent on the extent and type of servicing to be done to a vessel, the proximity of the repair facility to vessels in need of repair or maintenance, and the preference of the vessel owners.

The time lost from the ship's regular work schedule and the related loss of earnings are also factors in determining where to undertake vessel repair and maintenance.

The Challenge

German Ship Repair Jamaica Limited ("GSRJ") currently provides mobile ship repair services also known as wet works or wet repair services. The provision of dry dock services would be a natural expansion of their existing ship repair and maintenance services. In order to secure stakeholder support GSRJ needed to develop a business plan for the expansion of their business to provide dry dock services in Jamaica.

KPMG's Role

KPMG in Jamaica assisted GSRJ with the preparation of the business and financing plan which included an executive summary; description of the business; projected financial information; marketing strategy; operations; management and organization of the business and the opportunities for providers of debt capital for the complete project.

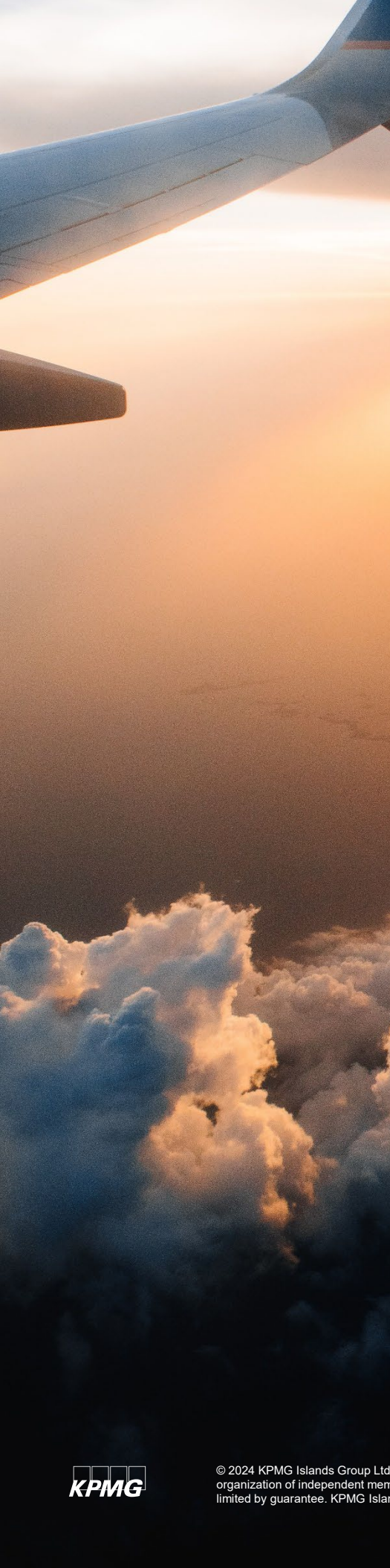
The scope of work included the development of an integrated financial model including projected income statements, ratio analyses, projected cash flows; and projected balance sheets.

Outcome

KPMG in Jamaica developed the business and financing plan and the related integrated financial model which included a range of sensitivities and scenario options. The expansion project has been approved and implemented by the stakeholders.

Key Contact

Raymond Campbell
Partner



Airport Financing in Barbados

Capital Raising, Due Diligence and Valuation Services

Context

The Grantley Adams International Airport (“GAIA”) is Barbados’ only airport and the aviation hub of the Eastern Caribbean, handling daily flights to and from the other Caribbean islands connecting to major cities in the US, Canada, UK and Europe. GAIA is wholly owned by the Government of Barbados and handles in excess of two million commercial passengers annually.

KPMG’s Role

KPMG in Barbados and the Eastern Caribbean acted as a financial advisor to GAIA, providing a wide range of services, including assistance with the following:



developing a business plan;



providing operational and financial due diligence; and



preparing a comprehensive valuation report.

Outcome

- The business plan assisted GAIA with its efforts to expand and formed the basis for its corporatization and privatization objective.
- The operational and financial due diligence subsequently resulted in the strengthening of GAIA’s operations.
- The valuation report was prepared, and its conclusion formed a part of the basis used to determine the strategic direction of the airport.

Key Contact

Christopher Brome
Partner

L. F. Wade (Bermuda) International Airport Redevelopment P3

Project management and commercial advisory services

Context

In 2014, the Government of Bermuda ("the Bermudian Government") entered into discussions with Aecon Concessions ("Aecon") and the Canadian Commercial Corporation ("CCC") in relation to using a P3 delivery model to build, finance, and maintain a new airport terminal and operate the Bermuda airport under the terms of a concession agreement.

The Bermudian Government selected the Government-to-Government ("G2G") procurement model which involved negotiating the Project Agreement with Aecon and CCC.

Following the execution of the Airport Development Agreement in 2015, the Bermudian Government required assistance with project management and commercial advice to fulfil its obligations and achieve financial close.

KPMG's Role

KPMG in Bermuda provided project management, commercial advice, negotiation support, and accounting advisory assistance to the Bermudian Government including:

- Developing the Cabinet level governance structure to ensure appropriate executive oversight and project enablement;

- Project managing the Bermudian Government and tri-party working groups, developing the work plan and tracking results;
- Advising on increasing Bermudian labor participation, including the internship program for construction professionals, and proposing a plan for advanced training of Bermudian trade workers which will contribute to long-term sustainable employment;
- Advising on commercial and business terms including appropriate risk transfer, scope and specification of the redevelopment, performance standards and enforcement mechanisms, allocation and mitigation of environmental risks, land and lease issues, needs and rights of Government agencies, establishment of the Bermuda Airport Authority, and stakeholder consultations;
- Supporting the Bermudian Government in negotiations with the Concessionaire on deal terms, and with ensuring the UK Government's conditions for Entrustment were met;
- Advising the Bermudian Government on the accounting treatment for the concession; and
- Delivering the P3 workshop to the civil service executive and department heads to increase institutional knowledge of alternative finance for capital development.

Outcome

The P3 transaction closed on 15 March 2017 and Bermuda Skyport Corporation Limited smoothly assumed operational responsibilities the following day. In May 2017, the official ground breaking for the new airport terminal took place. The new airport terminal is scheduled to open in 2020.



International recognition and awards

Infrastructure Journal's Deal of the Year (2017) – North American Airports

Airport Service Quality (ASQ) (2018) - Most Improved Airport (category < 2 million passengers)

2021 Gold Award, Infrastructure (International), Canadian Council for Public-Private Partnerships Awards for Innovation and Excellence in P3s

Key Contacts

Mark Allitt
Managing Director



National Anti-money Laundering Policy

Regulatory and Risk Consulting Services

Context

The Office of the National Anti-Money Laundering Committee (“NAMLC”) in Bermuda is responsible for fighting money laundering, terrorist financing and proliferation financing. In order to achieve its objective NAMLC developed the national plan to implement and coordinate policies and activities of Bermuda’s security agencies.

Bermuda is a member of the Caribbean Financial Action Task Force (“FATF”). FATF is an intergovernmental organization setting the global standard in combating money laundering and terrorist financing. As a member, Bermuda is required to develop and implement:



The national risk assessment to identify and assess the country’s money laundering and terrorist financing risks.



Anti-Money Laundering (“AML”) policies informed by the risks identified in the risk assessment.

KPMG’s Role

KPMG in Bermuda assisted NAMLC with developing and drafting its AML policy, in compliance with the FATF methodology and recommendations.

This included:

- Considering results of Bermuda’s national risk assessment and facilitating discussions with NAMLC to determine the most effective approach to incorporating results of the assessment into the national AML policy.
- Preparing a template structure of the national AML policy, following FATF methodology.
- Drafting Bermuda’s national AML policy based on executive instructions, facilitated discussions and the template.

Outcome

KPMG in Bermuda completed the engagement in March 2018 and delivered the national AML policy in March 2018.

Key Contacts

Mark Allitt
Managing Director

Maria Lingham
Senior Manager



Subsidiary of multinational non-profit entity

Development of an Organizational Capacity Assessment and Capability Building Plan

Context

In October 2020 KPMG in the Cayman Islands was engaged to conduct a Capacity Needs Assessment.

While the entity had operated successfully to this point as a virtual organization, with a limited number of geographically disbursed employees supported by a network of Service Providers, management were considering whether this model would continue to serve the entity going forward, and whether the organization had the appropriate capacity to achieve its aims.

The overall objective of the engagement was to strengthen organizational capacity to help achieve sustainable results.

KPMG's Role

KPMG was engaged to conduct a Capacity Needs Assessment. Based on the results of the Capacity Needs Assessment, KPMG created a Capability Building Plan.

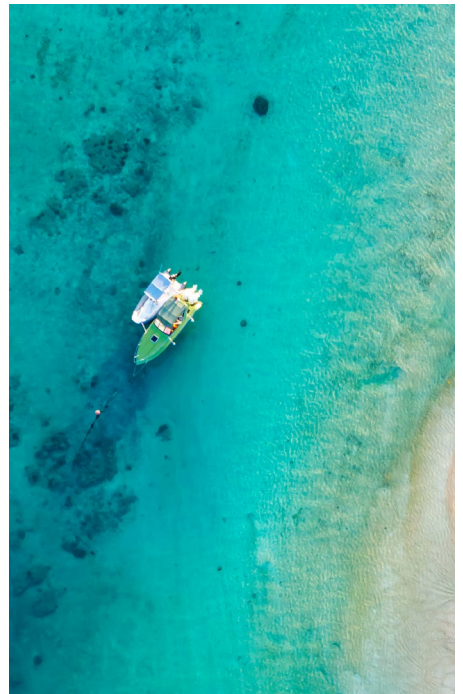
Additionally, KPMG undertook a detailed financial analysis of some of the proposed recommendations to enhance the organization's ability to make decisions and implement changes.

KPMG used KPMG's Organizational Assessment and KPMG's 9 Levers of Value framework to conduct a thorough review of all aspects of the business, to achieve alignment and to assess strengths and weaknesses.

The process involved data collection from multiple sources, stakeholder engagement, data analysis, opportunity identification and the drafting of a report. The engagement also involved revising role profiles and KPIs.

Outcome

The Organizational Capacity Assessment and Capability Building Plan, and the associated financial analysis was completed in August 2021.



Key Contacts

Megan Dand
Senior Manager

Malta Ministry of Education and Employment

Work Program Initiative

Context

The client contracted KPMG to be one of the three private service providers, entrusted with enabling the long-term registered and non-registered unemployed individuals in getting back into work by creating tailor-made upskilling programs that would supplement the skills they need for today's working environment.

KPMG's Role

The Work Program Initiative was built using a three-phased approach:



The Profiling Phase – a one-to-one interview referred to as a 'profiling' interview was carried out with each participant who enrolled into the initiative. Information was gathered on the participant's interests, skills, level of work motivation, preferred occupations, desired working conditions and other relevant information. Here the participant's needs were assessed and an individualized action plan was developed.



The Training Phase – Each participant started a customized program in line with their personalized action plan for upskilling for today's workplace. The training courses were specifically designed to cater for the needs of our target audience, and, as our know-how of the target group continued to grow, a number of additional courses were developed. The training courses developed were categorized into three main types – training focused on the development of job seeking skills, training focused on the acquisition of basic literacy and numeracy skills and training focused on the acquisition of specific work-related skills such as customer care, marketing skills, IT and communication skills.



The Placement Phase – A range of job-matching and job-brokerage methods was utilized to place participants into employment. Together with acting as a link between our participants and employers, we also took on the role of mediator in order to find the best working arrangement for all parties.

Outcome

- Over 743 long term unemployed individuals to the WPI enrolled into the WPI, of which over 310 participants were attracted to the WPI via our outreach campaign.
- 507 participants stayed on the program and fully trained.
- 80 individuals were referred to another program, as the WPI was not deemed suitable.
- 249 participants successfully got back into employment

Key Contact

Claudine Borg Azzopardi
Director

Malta Ministry of Education and Employment

Occupational Handbook

Context

The Ministry of Education and Employment wanted to develop an Occupational Handbook covering the tasks, person and context for 246 occupations, comprising 90% of the workforce in Malta.

KPMG's Role

KPMG in Malta conducted an extensive desk-based research exercise to build the foundations for all 246 job descriptions, populating the occupational handbook.

Following the initial draft, a two way validation process was initiated to ensure that all job descriptions were contextual to Malta.

- Validation 1 – All questionnaires were sent out to selected stakeholders representing the State, the Private Sector and Social Partners, including educational institutions, unions and professional associations. A total of 815 responses were received during this consultation process.
- Validation 2 – A series of consultation meetings were held with stakeholders from across 25 economic sectors.

All new data collected from both validation processes was analyzed and a post-consultation reviewing process was initiated. Where necessary, new data was included and relevant changes were made to the occupational sheets in order to create the final version of the occupational sheets drafted by means of desk research at the start of the research process.

Following these processes photos provided by the CA were also inserted in each occupational sheet and the necessary formatting and proof-reading was carried out prior to submission.

Outcome

- 246 occupational sheets.
- Other contents including Guide for use, Index and final list of occupations in alphabetical order.
- Economic, Sector and Job Outlook Report.
- Final publication in print and xml format.



Occupational Handbook



Key Contact

Claudine Borg Azzopardi
Director