



The CofC hosted an all-day conference Wednesday on PROMESA. (Credit: © Mauricio Pascual)

The Puerto Rico Chamber of Commerce (CofC) unveiled Wednesday its proposal to drive job creation and attract new capital investment to the island called Puerto Rico Empresa Inc., a public-private partnership to promote across-the-board collaboration.

The idea was unveiled during the trade group's all-day convention to analyze the effects of the Puerto Rico Oversight, Management and Economic Stability Act (PROMESA), held at a hotel in San Juan while a significant protest took place outside. Demonstrators clashed with law enforcement officials and prevented the entrance of numerous speakers and participants into the event.

However, the conference schedule went on as planned, albeit delayed.

During his presentation, former CofC President José Julián Álvarez explained Puerto Rico Empresa Inc.'s purpose and responsibilities. It will be a nonprofit organization under the auspices of the CofC.

"Puerto Rico Empresa Inc. will promote, collaborate, support, complement and enhance the efforts of the Commonwealth to advance the economic development of the island, utilizing private sector and public sector expertise in collaboration with the Puerto Rico Department of Economic Development and Commerce," he said.

The independent entity would provide support and guidance for implementing projects by generating measurable metrics to evaluate progress and secure accountability, he added.

The efforts would concentrate on specific economic sectors, namely: manufacturing; energy, healthcare, agriculture, tourism, retail/wholesale, and advanced services that include construction management, engineering, financial and environmental services.

Puerto Rico Empresa Inc. would be governed by a board of directors consisting of between 11 and 25 members, including the governor, who would be named chair.

"Puerto Rico urgently needs to overcome the current economic contraction and achieve real economic growth. Economic development today is about attracting, retaining, and growing clusters of value-added economic activities that drive job creation and attract new capital investment," Álvarez said.

"Strong economic foundation, including a skilled workforce, accessible technology, available capital, and quality of life sustain enterprise-wide economic development," he added.

Puerto Rico's economy has been experiencing a severe economic contraction for more than a decade, with the exception of fiscal 2012, when it showed slight growth. But over the period, the economy has shrunk by 15 percent, while the population has decreased by 9 percent. Current unemployment is at 11.5 percent with a labor participation rate of about 40 percent.

“Over the years, the ever-deteriorating economic situation was worsened by the accumulation of public debt used to finance operating deficits,” he said, referring to the \$68 billion in public debt currently outstanding, and which has been declared unpayable by the current administration.

“This accumulation of debt, along with increased government expenditures, masked the impending crisis Puerto Rico has come to face,” he said.

PROMESA is the law approved in U.S. Congress and signed by President Obama on June 30, 2016 that assigns a fiscal oversight board to assist Puerto Rico through its debt restructuring efforts with creditors. On Wednesday, Obama named the seven members of the board, which include several Puerto Rican executives, as this media outlet [reported](#).

The law also created an economic development task force, which opened a comment period through Sept. 2, allowing stakeholders and interested parties to submit proposals. The group of Republican and Democratic lawmakers in Washington will have a preliminary report ready by Sept. 15.



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