

2023 CONVENTION



Government's Perspective on Improving Puerto Rico's Economy

Hon. Manuel Cidre Miranda
Secretary



DEPARTMENT OF ECONOMIC
DEVELOPMENT
AND COMMERCE

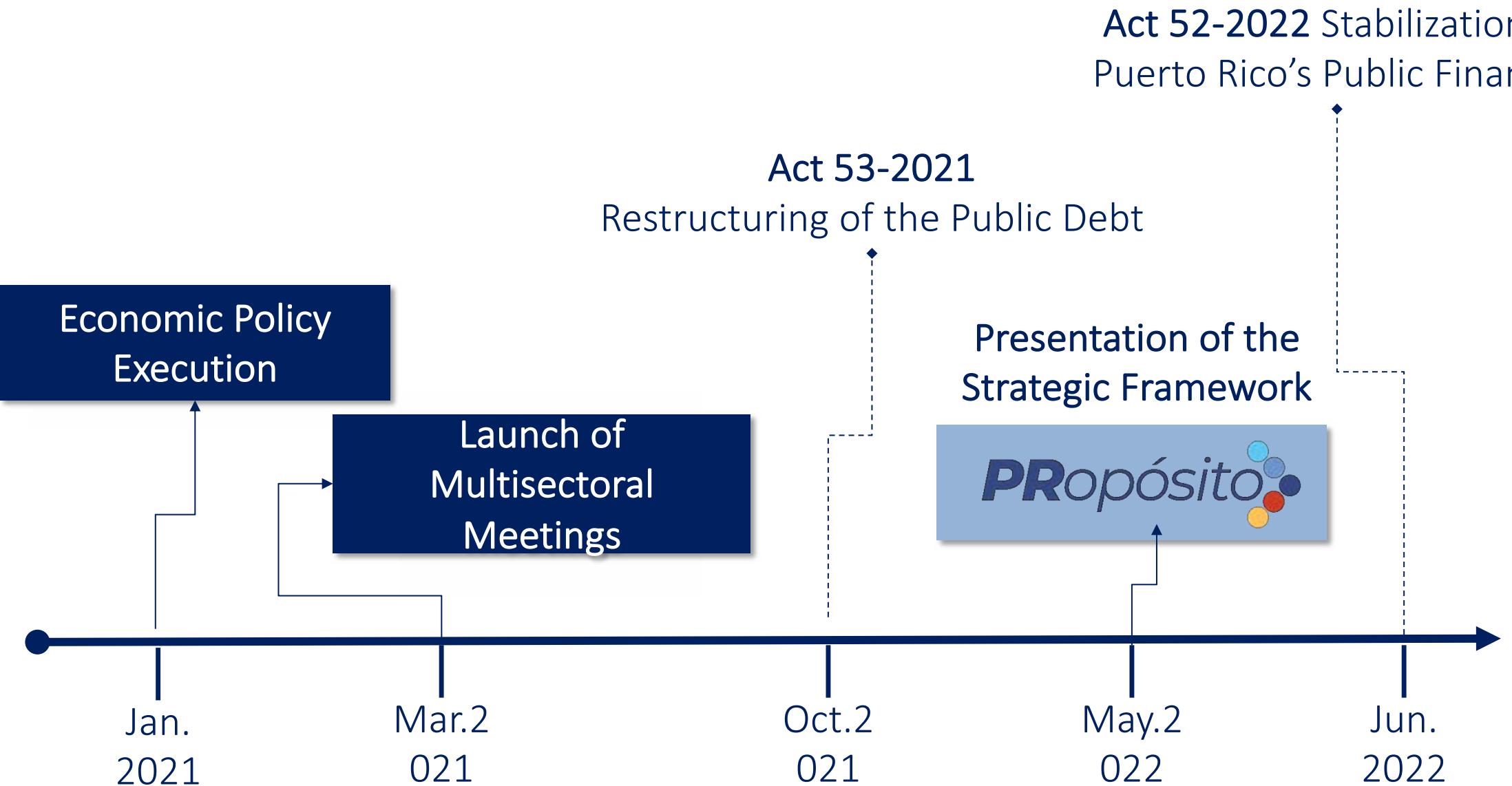


DDEC has focused its efforts to raise the competitiveness level of the island considering the need to complete ongoing restructuring processes and determine its future direction

2022-23

The Government acted with “PRopósito” by:

- ✓ **Introducing a Strategic Framework which prioritized the strategic sectors of the island:**
 - In a historic feat, DEDC shared a unique baseline of agreements and strategic guidelines which have paved the way for the advancement of an Economic Development Plan
- ✓ **Promoting collaboration among professional groups and associations in the Private Sector**
 - Instead of the imposition of an economic agenda, the business and social sector was empowered and included in the process for the development of a Plan
- ✓ **Defining the vision, mission and objectives to reach throughout core competitive initiatives**
 - Considered while it prioritized areas of opportunities by sector to order the execution of projects in benefit of Puerto Rico



DEDC set about the task to continue with sectoral meetings with players through the Strategic Sectors to compile and validate high-priority areas of opportunities to collaborate in the definition of projects aimed to elevate Puerto Rico's competitiveness level.

2035 VISION

Puerto Rico: The Island of Choice of the world to live, visit and do business



MISSION

Promote a diversified, multisectoral, and knowledge-based economy aimed towards trade and combined to the supply-chain of global goods, developing a sustainable and attractive economy for investment and tourism

STRATEGIC SECTORS



COMPETITIVENESS

Position Puerto Rico amongst the **first fifteen (15) jurisdictions** with greater **ease of doing business in the world¹** by maximizing its manufacturing sector. Towards that goal, we will put **particular focus** in:

- ACCESS TO CAPITAL
- PERMIT EXPEDITION
- ENERGY RESILIENCE

The **objective** to prioritize other variables of **competitiveness** urges us to stand out from our competitors considering were the **Private and Public Sectors** make common cause in:

- CONNECTIVITY**
Expand reliable high-speed Internet access throughout Puerto Rico
- CAPITAL IMPROVEMENTS**
Transform the infrastructure considering 21st century quality and resilience standards
- DIGITAL COMMERCE**
Support the distribution and sale of goods and services through the internet
- LOGISTICS**
Increase sophisticated cargo quality while increasing air capacity and connectivity
- TALENT DEVELOPMENT**
Local talent retraining aligned with global trends
- RESEARCH & DEVELOPMENT**
Knowledge development to generate resources and its commercialization

Fuente: ¹World Bank's Doing Business Report Criteria

We developed the 21st Century Techforce to help develop the skills that will be cornerstone to our economic transformation strategy

Phase I: Developed a Development Plan to identify **key strategic priorities**



Benchmarking

Benchmarked PR's labor force and educational performance metrics



Forecasting

Determined requirements to turn PR into a top 10 state for 21st Century skills



Phase II: Implementing plan to **generate +50K more skilled** workers over 10 years



Implementing

Implementing phased journey to ensure goals are met through out seven strategic priorities



Engaging

Working with K – 12 stakeholders, academic institutions, & credential providers to select priority grantees and scale pilots

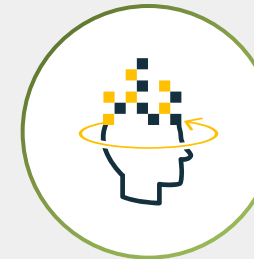


Today: We are implementing 3 priority initiatives with academic, industry, and expert partners, to **revolutionize Puerto Rico's end-to-end educational pipeline**



K – 12 Career Lighthouses

- \$100 – 200K per school grant for pilot programs that develop innovative solutions to better connect students with **pathways to a 21st century job**



Short-form credentials

- ~\$3M in grants to empower / grow providers and offer **flexible, quick ways to upskill individuals** with 21st century skills without the time commitment of a university degree



Stackable Credentials

- ~\$1.5M in grants to enable **multiple short-form credentials that build on or supplement each other**, and other foundational initiatives to support universities

Puerto Rico's air logistics capabilities is an essential element of the manufacturing sector's competitiveness



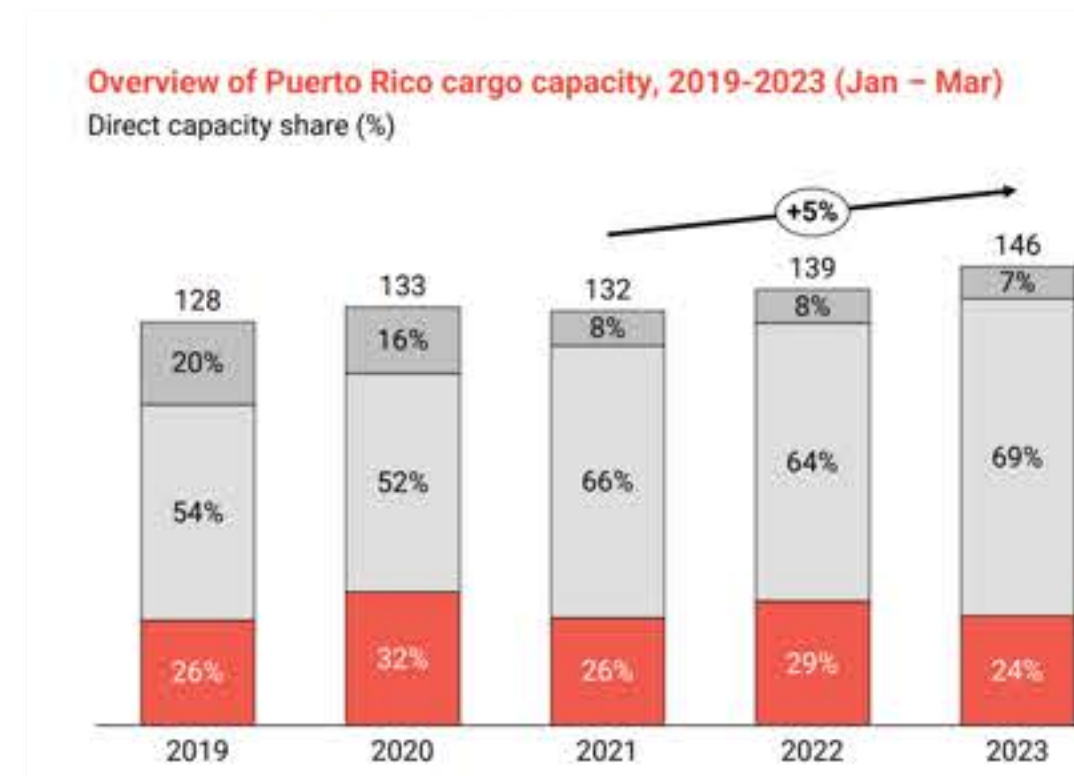
Objective: Strengthen Puerto Rico's logistics capacities in order to grow air capacity and attract direct connectivity to European markets, as well as more production

1 Develop a community around the same goal: *raise the quality*



- Certify 10 companies in CEIV standards
- Create community structure and define priorities to work together

2 Produce and publish real demand, capacity and traffic data



3 Market Puerto Rico's capabilities and efforts

Air Cargo News
 Puerto Rico life sciences air cargo community gathers momentum
 Last month (April), it was announced that the life sciences air cargo business in the Americas was set for a boost with the creation of a...
 4 days ago

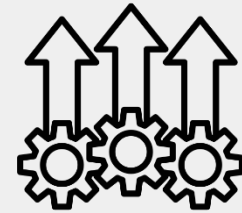
STAT Times
 Life Sciences Air Cargo Logistics Community launches in Puerto Rico
 The community will endeavour to improve the quality of sophisticated cargo handling while also marketing Puerto Rico's potential in the Life...
 1 month ago

Growing our Research and Development capabilities is essential to win in the knowledge economy, and DDEC is investing in doing so



Develop a World Class Research Facility

- MOU signed with the Molecular Sciences Research Center (MSRC)
- Evolution of the Board of Directors, to bring private sector influence and collaboration
- **\$6MM** dollar investment for expansion of research capabilities and scientific recruitment



Operational excellence



Biotech Incubator



Vivarium development



Researchers' attraction program



Gene and Cell therapy operation



R&D Survey

- Update and make a regular cadence of the Research and Development survey, to understand trends, opportunities and gaps that can lead to policy recommendations



R&D Program for COVID-19 Treatments

- \$6MM for a grant program to develop projects, industrial and academic, for COVID-19 research and development of treatments



Expand R&D for Aerospace and Food Technology

- Partnering with UPRM to support expansion and growth of Aerospace and Food Tech research and development

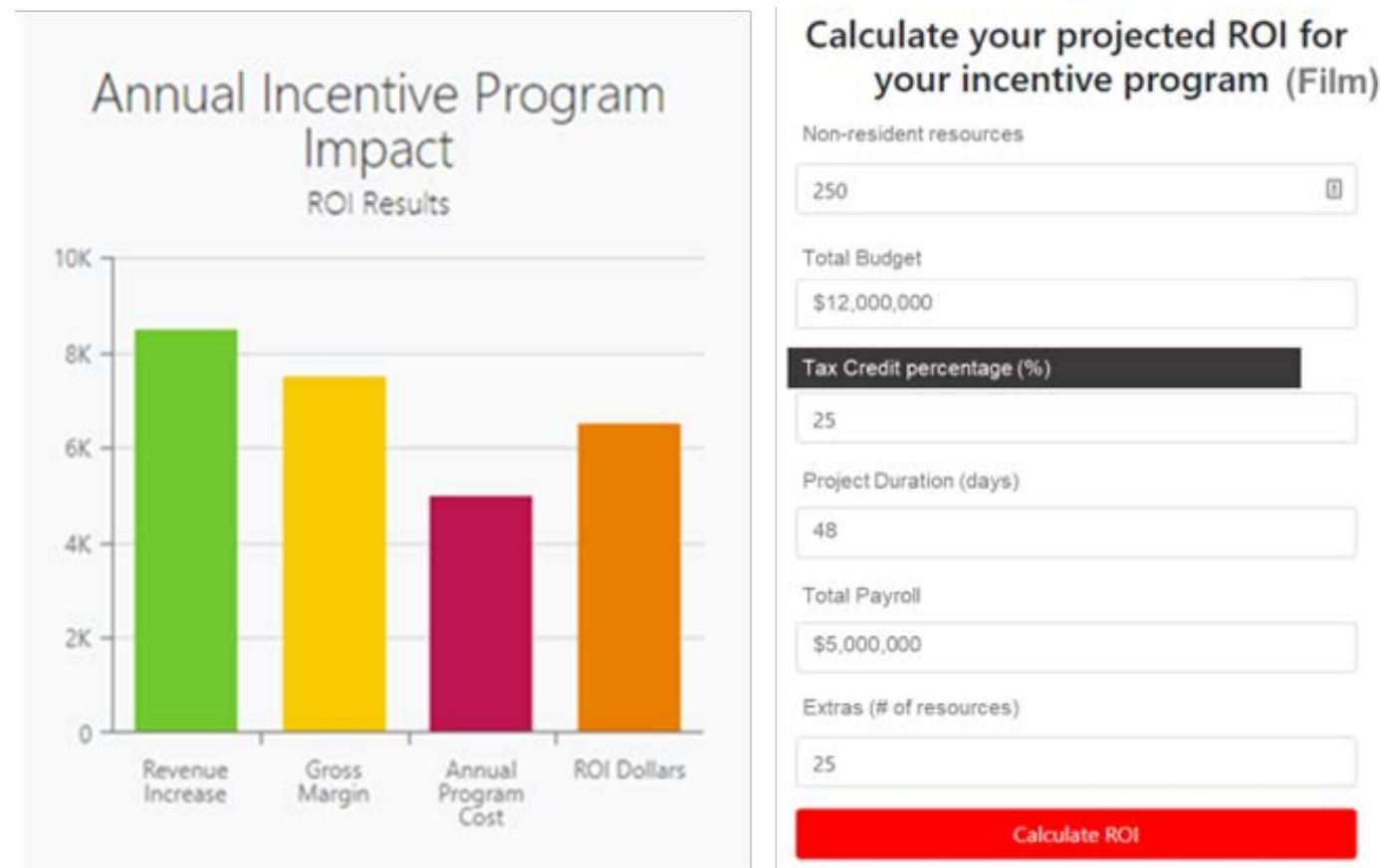
A transparent and data-driven management of the economic incentives program ensures optimal allocation of resources for economic growth

Objective: Establish a robust data infrastructure to support ongoing management of the economic incentives and recommend specific policies to capture identified opportunities and bootstrap economic development

1 Gather all relevant data and refresh ROI calculations

- Create and define an **actionable database** on economic incentives
- Assess the most recent **performance of economic incentives**
- Develop a comprehensive analysis on economic incentives per ROI rules

2 Develop a tool that illustrates results, projections and benchmarks



3 Make policy recommendations to improve the current incentive program's economic impact

- Develop a new system and methodology to gauge ROI
- Develop a new data structure that capture the “real” cost and benefits of economic incentives
- Conform a data dashboard, rather than a single point in time report
- Provide specific recommendations of program changes to each economic incentive

Facilitating an agile business ecosystem is key to elevate our competitiveness, and DDEC & OGPe have made significant progress in permitting process

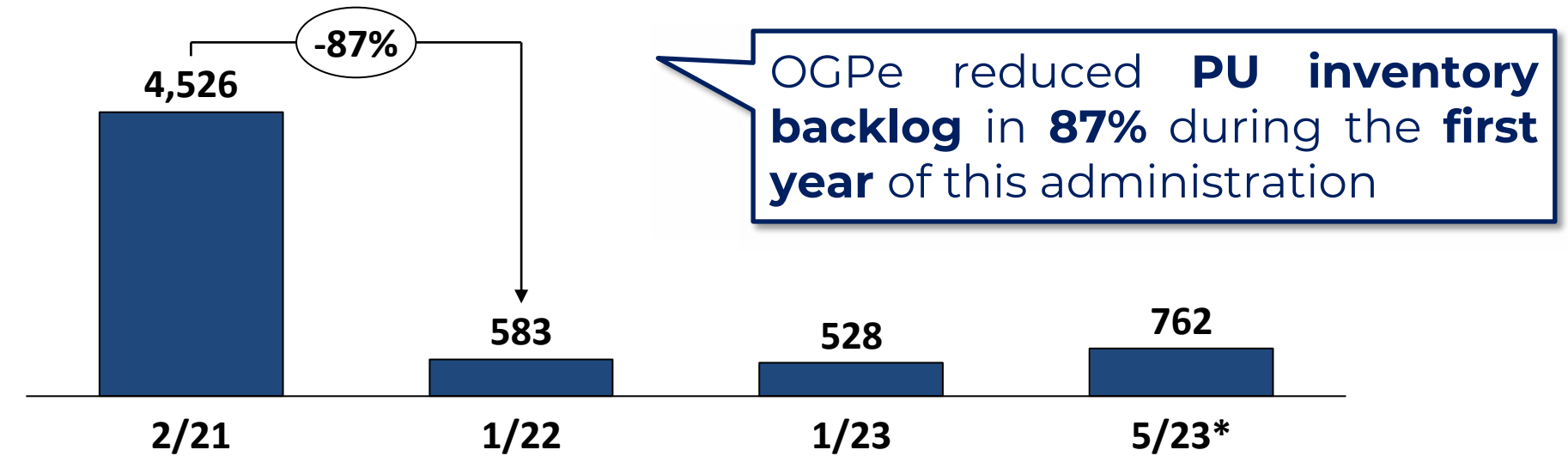


Permitting Transformation Efforts in OGPe

- 1 Process improvements in business automation and agile expedition of permits with greater demand (PU / PCOC)
- 2 Reduce permit timeframe evaluation and expedition processes while reducing backlog
- 3 Use of artificial intelligence and integration of IDEAL System with Single Business Portal (SBP)

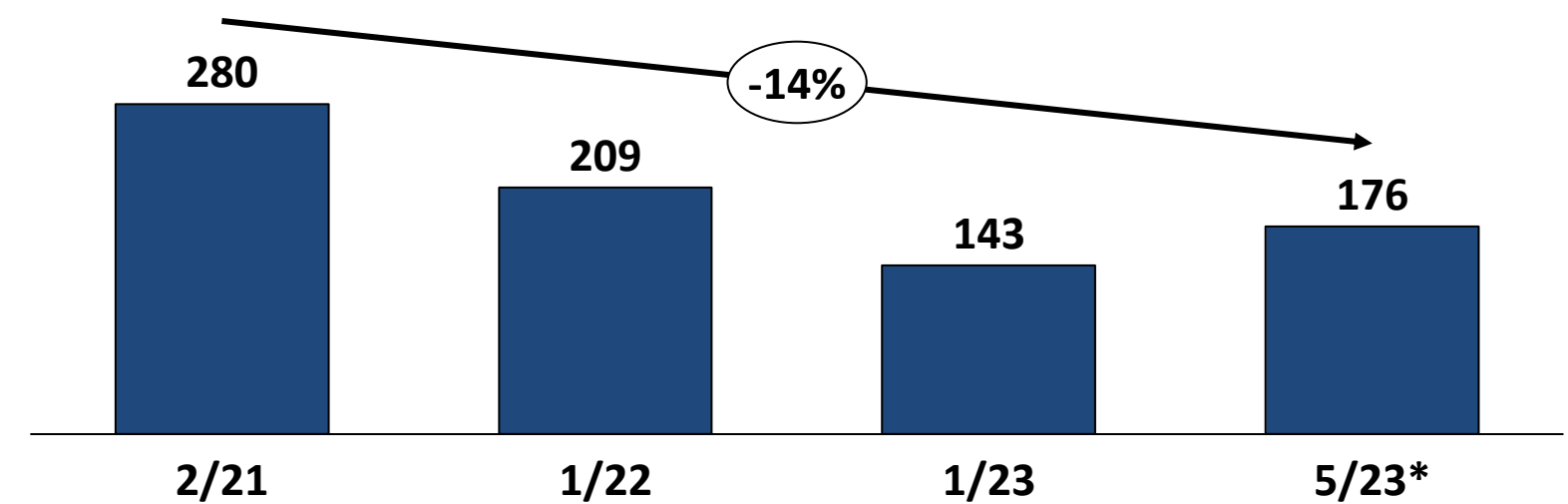
Pending “Permiso Único” (PU) Permit Requests in OGPe

of transactions without authorized professional



Pending “Permiso de Construcción Consolidado” (PCOC) Permit Requests in OGPe

of transactions without authorized professional





Contact



Manuel Cidre
Secretary



787-765-2900



manuel.cidre@ddec.pr.gov



ddec.pr.gov

DEPARTMENT OF ECONOMIC
DEVELOPMENT
AND COMMERCE



Thanks!



PUERTO RICO CHAMBER
OF COMMERCE



camarapr.org

[#camaristaenaccion](https://twitter.com/camaristaenaccion)