

**FSDA COMMENTS ON  
THE COOK ISLANDS ECONOMIC DEVELOPMENT STRATEGY DRAFT (“EDS”)**

**7 DECEMBER, 2020**

This is in reference to the draft of the EDS.

***The comments from the Financial Services Development Authority (“FSDA”) on this draft strategy are as follows:***

The Cook Islands financial services industry (“FSI”) has been recognized as having a key role to play through the next 5 years and beyond in the post COVID-19 Cook Islands economy. The resilience of the FSI over the past 30 years and its ability to consistently contribute to the economy, despite many domestic and international challenges, make it an obvious cornerstone of the country’s future. It is critical that the strategy and objectives of the FSI are included and reflected in the EDS. In particular these are aligned with the following objectives of the EDS:

- Objective Two: Transforming our economy; and
- Objective Four: Investing in our islands.

The FSI is an important part of the private sector and has a role in formulating and implementing industry sector and business strategies that attract investment and improve productivity. We note that the international financial services were mentioned in the EDS as one of the 4 industries that plays a key role in the economy.

***The FSDA has developed a 5 year strategic plan and hereby requests that the following action points relating to the FSI are included in the EDS:***

**OBJECTIVE TWO: TRANSFORMING OUR ECONOMY**

Introduction

Included on the list of benefits should be:

“The key to securing these benefits is:

- Encouraging promoting and developing the Cook Island’s financial services industry (“FSI”).”

‘Fostering innovation’ should include:

“The growth and development of the FSI overall will be dependent on the introduction of new products and services within the existing sectors and the introduction of new business lines into the FSI (including financial technology).”

## Objective 2: Actions

The table of actions should include:

No.	Action	Lead Agency	Details	Indicative timing
2.3	Develop and introduce new products/ services and business lines into the FSI.	FSDA	Source new entrants / products/ services in line with demand. competitors' offerings and advancements in technologies	2022

## **OBJECTIVE FOUR: INVESTING IN OUR ISLANDS**

Maintaining an attractive business environment

### Competitive tax environment

After this section include:

#### ***“Marketing and promotion of Cook Islands financial services***

The Cook Islands financial services industry (“FSI”) has a key role to play through the next 5 years and beyond in the post COVID-19 Cook Islands economy. The resilience of the FSI over the past 30 years and its ability to consistently contribute to the economy, despite many domestic and international challenges, make it an obvious cornerstone of the country’s future.

The vision for the FSI is one of an industry that is economically beneficial, socially responsible and which enhances the Cook Islands reputation as a relevant, compliant and progressive international financial centre. The FSI must be able to respond to the needs of a global client base whilst at the same time support the position, capabilities and strategy of a developing country.

Long term, continuous strategic areas within and key to the success of the FSI have been identified to enable us to connect the FSDA’s mission to the vision. “

## Objective 4: Actions

The table of actions should include:

No.	Action	Lead Agency	Details	Indicative timing
4.4	Promotion and marketing of FSI both domestically and internationally.	FSDA	Implement ‘Positioning’ strategy goals to promote positive reputation through marketing initiatives	2021 ongoing

4.5	Financial technology – digital currencies for domestic and international application	MFEM/ FSC/ FSDA	Research international developments in financial technology initiatives and potential application	2022 ongoing
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