



BIRLING
CAPITAL ADVISORS, LLC

PRESENT



The Transforming Puerto Rico INITIATIVE

We are launching **The Transforming Puerto Rico Initiative** in response to most citizens grave concerns about Puerto Rico's long-term economic growth and prospects, Birling Capital's Transforming Puerto Rico Initiative comprises a series of citizens engagements and programs that Birling Capital will be hosting aimed at create common ground and discussing how, together, we can transform the Puerto Rico economy.

The Transforming Puerto Rico Initiative

will lead the way to
implement, promote and preserve
changes to our current
economic situation,
that dialogue would then apply
a set of goals,
and we call them

“Puerto Rico FIRST Goals.”

Let us examine our progress during the last 36 months:

Puerto Rico has all the tools necessary to realize its potential, grow our economy and, at the same time, break with the fiscal recklessness that has hindered our economic evolution.

Benchmarks for Puerto Rico			
Governor Vazquez	Feb/18/2020	Jan/02/17	Change
Price Per Liter Regular Gasoline	\$0.667	\$0.65	2.77%
Cement Sales	1,097,000	848,700	29.26%
Unemployment	8.40%	11.70%	-28.21%
Birling Puerto Rico Stock Index	1,877.95	1237.35	51.77%
General Fund Revenue	\$11,300,000.00	\$9,300,000.00	21.51%
Real Terms GNP Growth Rate	1.70%	-4.70%	136%
Labor-force participation rate	40.50%	40.60%	-0.25%
Home ownership rate	63.90%	62.90%	1.59%
Median household income	\$20,873.80	\$18,826.00	10.88%
National debt	\$69 Billion +	\$69 Billion+	Unchanged
Credit Ratings	D	D	Default
Access to markets	No access	No Access	Unchanged

Key Topics to discuss:

- **Puerto Rico's Economic Recovery**
- **Job Creation**
- **The Fiscal Situation and National Debt**
- **Puerto Rico's Competitiveness**
- **How they view leadership**
- **The Implementation of Puerto Rico First Goals**

The Transforming Puerto Rico Initiative & the Puerto Rico First Goals, goals that Puerto Rico needs.

Let's start with this action, which can transform the country.

This vision must be achieved and followed regardless of which party or ideology has control of Puerto Rico and are goals that the people will protect and preserve so that they will endure over time; these will be the goals of the people.

Why do we need these Goals? Lets see:

According to the recent World Bank's Ease of Doing Business 2020 study, Puerto Rico ranks #65 among the nations that are easier to do business, but far from being positive this position shows how Puerto Rico has descended on the rankings between 2006 to 2020 the rankings have as follows:

Puerto Rico rank is #65; however, in 2006, Puerto Rico was ranked #18, In 15 years, we have fallen 47 slots.

- 2006 #18
- 2007 #19
- 2008 #31
- 2009 #33
- 2010 #45
- 2011 #47
- 2012 #43
- 2013 #41
- 2014 #40
- 2015 #47
- 2016 #57
- 2017 #55
- 2018 #64
- 2019 #64
- 2020 #65

THE TOP 10 COUNTRIES: 2020

1. New Zealand
2. Singapore
3. Hong Kong SAR, China
4. Denmark
5. Korea, Rep.
6. United States
7. Georgia
8. United Kingdom
9. Norway
10. Sweden
65. Puerto Rico

So let's revise our worst metrics:

- Starting a business, our rank is **#59**
- Dealing with construction permits, our rank is **#143**
- Trading across borders, our rank is **#70**
- Getting Electricity, our rank is **#92**
- Registering Property, our rank is **#161**
- Paying taxes, our rank is **#163**

The reports further found that Latin America and the Caribbean, lag in terms of reform development and implementation, and impact. Moreover, not a single economy in our region ranks among the top 50 for the ease of doing business, once Puerto Rico was among the top 35.

The private sector should lead the way

to be the change you want in the world with the single goal of improving Puerto Rico's ranking within three years and at least regain our position within the top 35 in Ease of Doing Business.

Puerto Rico FIRST Goals:

- **Transform Puerto Rico** with robust economic development and sustained the growth of 4% over the next four years
- **Have an industrial structure** in which employment in activities related to the knowledge bases economy with not less than 25% of GNP within ten years.
- **Create 300,000 new jobs** in the private sector in the next six years.
- **Increase the labor** participation rate to 55% in six years.
- **Reduce the unemployment** rate to 5% in six years.
- **Reduce the government apparatus** by transferring to the private sector any corporation, operation, or service that the private sector can perform more efficiently.
- **Increase median household income** by 30%, from the current \$20,873.80.
- **Transform the educational system** from primary to university level into one focused on entrepreneurship, trades, and transformation.

In total, **The Puerto Rico FIRST Goals** create more than \$15.5 billion in new economic activity, wealth creation, job growth, and education, which is before analyzing the benefits of extracting the Government from businesses that the private sector can do better. **The Puerto Rico FIRST Goals are the key to transforming Puerto Rico.**

As we adopt **The Transforming Puerto Rico Initiative**, we become the change agents we want in the world and Puerto Rico.