



# Puerto Rico: Opportunity Growth and Transformation

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# Historic Challenges

## PUERTO RICO'S ECONOMIC REALITY

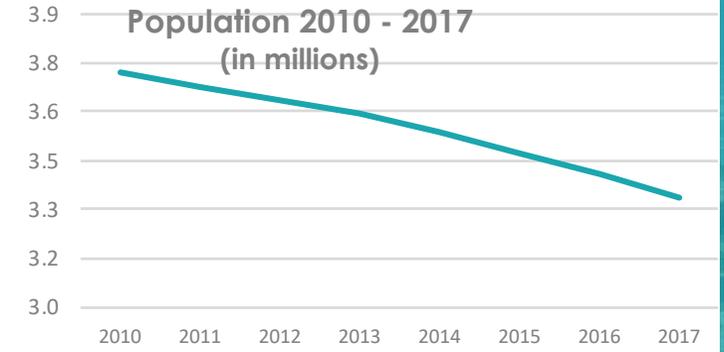
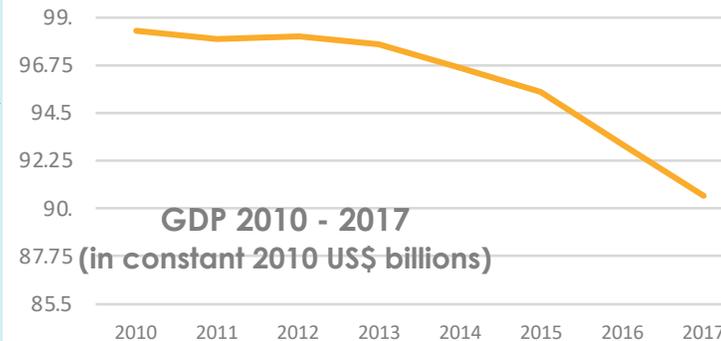
Talent and population have fled the Island for decades

Industry has fled since changes to incentive(s)

Hurricane María exacerbated Island's challenges

Negative press has affected the Island's brand

Puerto Rico's unique geopolitical status as a U.S. territory creates opportunity and confusion



**The Economist** Puerto Rico declares bankruptcy at last  
*The island's debts will now bring a protracted legal battle*

**The New York Times** Puerto Rico Is Once Again Hit by an Islandwide Blackout

**The New York Times** Protest in Puerto Rico Over Austerity Measures Ends in Tear Gas

**BBC WORLD SERVICE** Massive Increase in Puerto Rico Casualties

**BBC NEWS** Puerto Rico still in the dark six months after hurricane

**The New York Times** HURRICANE MARIA ANNIVERSARY One Year and Billions of Dollars Later, Puerto Rico Still Looks Like the Hurricane Just Hit

## ECONOMIC IMPACTS OF HURRICANE MARÍA

Up to \$100 billion in lost economic output • Up to 20% decline in economic activity

2,400 small businesses closed immediately after the hurricane

Over 5,000 small businesses estimated to have closed permanently



# Unique Moment in Time

GLOBAL SPOTLIGHT

FEDERAL INVESTMENT

INCENTIVES CODE

CREATION OF DISCOVER PUERTO RICO

CREATION OF INVEST PUERTO RICO

# Snapshot of Puerto Rico

## Profile

<b>Total Population</b>	~3,200,000
<b>Square Miles</b>	3,515 sq. miles (9,104 sq. km)

Source: U.S. Census Bureau

## Economy

<b>Job Growth (2014 – 2018)</b>	1%
<b>Unemployment Rate (2018)</b>	9.2%
<b>Jobs (2017)</b>	1,040,136
<b>Annual Mean Wages (May 2018)</b>	\$29,460 \$51,960 in U.S.

Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Puerto Rico Department of Labor and Human Resources

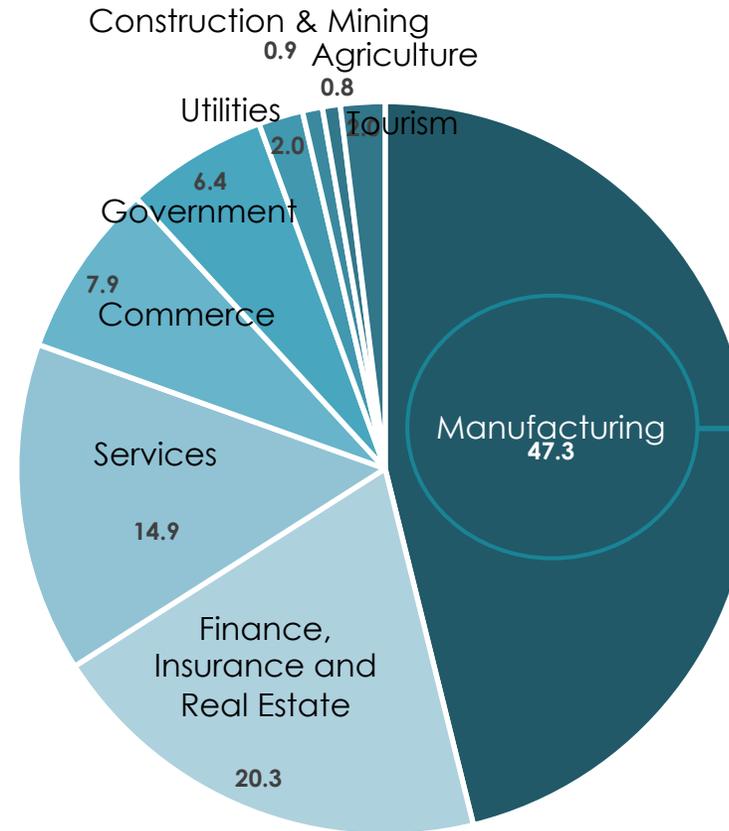
**EXPORTS VALUE** \$60.6 billion

**IMPORTS VALUE** \$46.5 billion

**GNP** \$68 billion

**GDP** \$101 billion

**GDP PER CAPITA** \$31,022



## MANUFACTURING SECTOR GDP

- 36.3%** Bio-Pharma/Life Science
- 22.0%** Computer & Electronics
- 26.9%** Basic Chemicals
- 5.4%** Medical Devices
- 2.5%** Beverages & Tobacco
- 2.5%** Food
- 1.5%** Electrical Equipment, Appliances & Components
- 3.0%** Others

Source: PR Planning Board 2018

# Invest Puerto Rico's Mission

Promote the Island as a competitive investment jurisdiction that attracts new business and capital investment

1

## CREATING AWARENESS

Project image of PR as opportunity-rich and open for investment  
Align stakeholders with the vision so they can act as promoters

2

## GENERATING LEADS

Target outreach to produce and track qualified leads  
Prioritize leads based on strategic vision in order to best target efforts

3

## FACILITATING ACTION

Provide proper service-level and follow-up in order to close deals and achieve desired outcomes

# Theory of Change

## BUSINESS ATTRACTION:

Sell what we have  
today



Attract growing and  
emerging businesses  
to generate  
momentum and  
demonstrate results

PUERTO RICO:  
Jobs, investment, positive press

INVESTPR:  
Brand and runway

## PRODUCT IMPROVEMENT:

Strengthen  
Puerto Rico's  
competitiveness



Develop deep  
competitiveness to  
deliver larger and  
more sophisticated  
firms

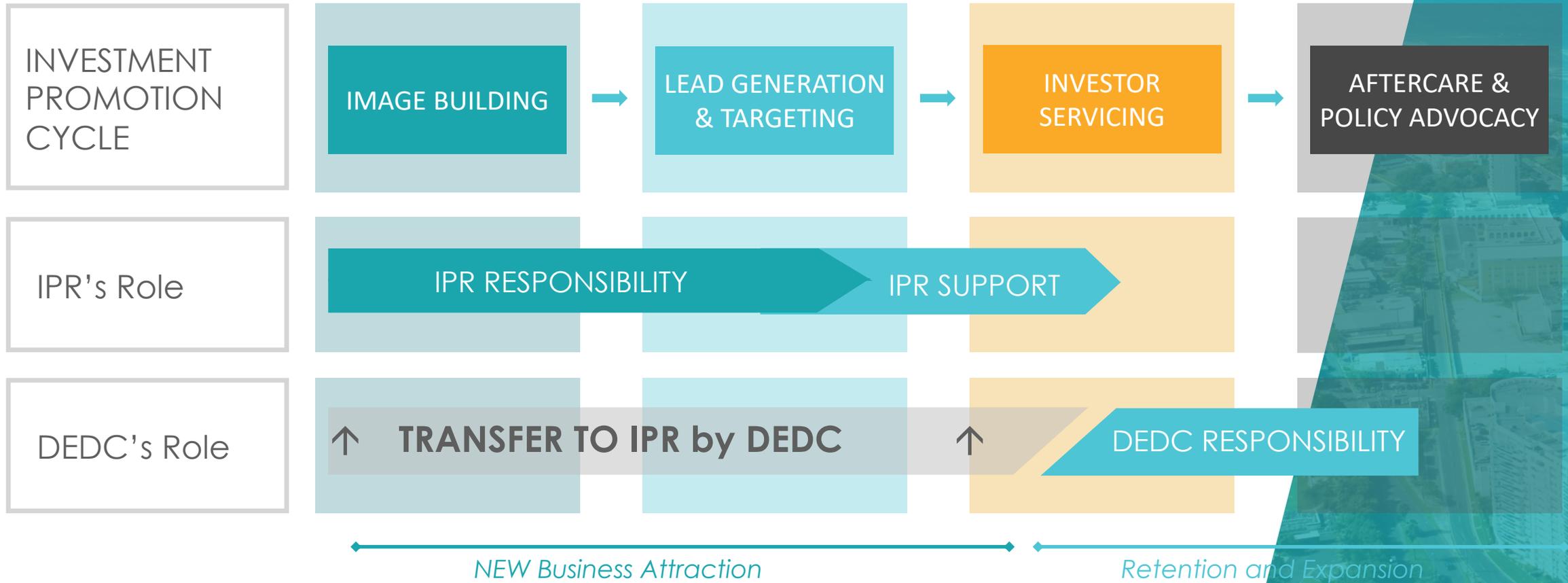
PUERTO RICO:  
Transformative investment, positive  
feedback loop of growth

INVESTPR:  
Greater in-bound leads, better sales  
conversion rates, increased impact

# Competitiveness: Drivers of Decision-Making



# Focus on Investment and Job Creation



# Focused Investment and Opportunity

## GROWTH TARGETS



Knowledge Services  
(InvestPR)



Leisure and Hospitality  
(DMO)

## RETENTION TARGETS



Manufacturing (DEDC)



Agriculture (DEDC)

## InvestPR's Refined Sub-Sector

Software and IT

Business Services

Professional and  
Technical Services

Finance and Insurance

# Our Global Network

## *Diaspora*

Leverage relationships with Puerto Ricans wherever they are

## *Committed*

Demonstrate long-term commitment

## *Entrenched*

Create strongholds in strategic markets worldwide



# Business Attraction Through a Competitive Value Proposition



**U.S.  
Jurisdiction**



**Geography**



**Lifestyle**



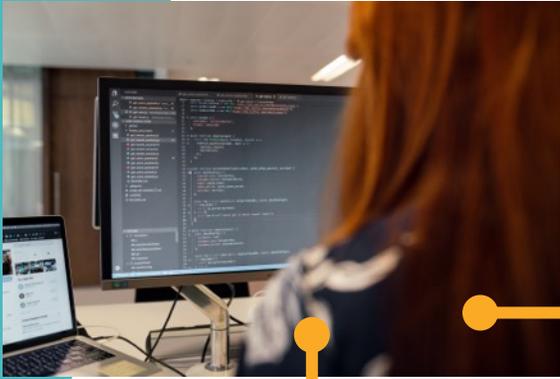
**Incentives**



**Talent**



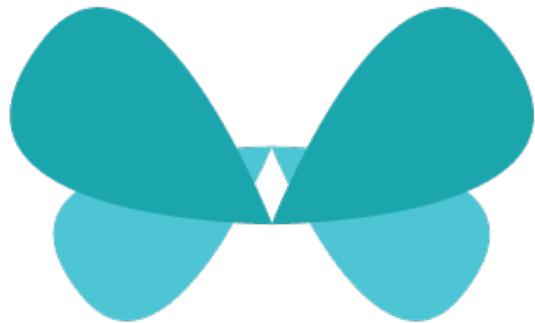
**Strong  
Business  
Culture**



Invest in Puerto Rico  
TODAY!

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# INVEST PUERTO RICO

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