



CECIL WALLACE-WHITFIELD CENTRE
P.O. BOX CB – 10980, NASSAU, THE BAHAMAS

PRIME MINISTER

5 March 2026

Dear Mr. Rupert Hayward

It is regrettable that questions around your nationality have arisen. Let me start with what has never been in doubt. I have not questioned your nationality. You are Bahamian. Your father was Bahamian. Your children are Bahamian. That is not the issue reflected in “the many documents circulating in this moment.” Further, I am not definitively aware of your “political persuasion”, and “such things” contained in the documents referred to being attributed to me related specifically lies between the Government, and the Port Authority, upon which the arbitrators opined.

Let me also say from the outset that this is not personal. I have said before that I prefer collaboration. For more than two years, I pursued the path of negotiation until the GBPA made a series of decisions which left the Government with no serious choice other than to seek a legal determination.

The issue is the position taken by the Grand Bahama Port Authority, in which your family is a major shareholder, about its standing in Freeport and its relationship to the Government and people of The Bahamas.

Through public statements and in the arbitration, the Port Authority advanced a view of itself that no responsible Government can accept. It claimed a degree of control in Freeport that would place a private company above the elected Government. It resisted the position that substantial sums are owed to the public purse. It argued that concessions under the Hawksbill Creek Agreement allow it to limit the reach of Bahamian law in areas such as licensing, immigration, customs, utilities, foreign land purchases and environmental regulation.

When all the legal drafting is stripped away, the Port Authority’s case was simple. It wished to decide how Freeport is governed. It wished to keep that power in private hands. The Port Authority went further; it counter-claimed, insisting that it had the right to control, without government intrusion, the licensing of businesses, immigration and customs, and utilities, and that the Government was diverting investments elsewhere on Grand Bahama. It claimed damages for such intrusion in the amount of one billion.

In short, it demanded control and it demanded compensation of 1 billion dollars.

My government could not accept that. The people of Grand Bahama cannot be asked to live in a city where a private authority claims a higher footing than their own Government.

The arbitration has now exposed the reality. The tribunal confirmed that the Port Authority carries an ongoing duty to make payments to the Government up to 2054. It confirmed that the Government retains authority in Freeport in the core areas where the Port sought to erect a special shield. The Port entered the tribunal seeking sweeping powers and a very large award. It emerged with a much narrower outcome and a clear recognition that Freeport remains subject to Bahamian law and to the authority of Parliament.

That result matches a wider truth. Freeport is a Bahamian city. It sits within a Bahamian island. Its residents are Bahamian citizens. The idea that any private company can stand above the state, or present itself as a second centre of power, cannot be reconciled with our independence, our constitution or basic fairness to the people who live and work in Grand Bahama.

When I spoke to the Grand Bahama Chamber of Commerce in May 2024, I said I could not explain why the current shareholders of the Port Authority are not more productive partners for Grand Bahama. I reminded them that this was not always the case. Many remember Sir Jack Hayward with respect. His care, his sense of duty and his capability made him a good partner for the city and for the country. My criticism is not directed at that earlier chapter. It is directed at the failure of the present owners to meet that standard and at the posture the Port has chosen to adopt.

For decades, Freeport has operated under a model in which two families, through the Port, have exercised extraordinary influence over the city's fate. Whatever the logic at the beginning, that model is no longer delivering for many who live there. Too many licensees, workers and families have seen investment stall, services decline and promises fade. In that setting, it is neither fair nor sustainable for the Port Authority to insist on its privileges, to contest its obligations and then to suggest that the Government should pay it for the right to reset the balance.

My responsibility is to every family in Grand Bahama and to every taxpayer across the Commonwealth. When private claims collide with the interests of those citizens, I am required to choose the public interest. That is what I have done and will continue to do.

You have said that the Grand Bahama Port Authority is not going anywhere and that the Government is not going anywhere. On that we agree. Both will remain. What is changing is the framework within which we coexist.

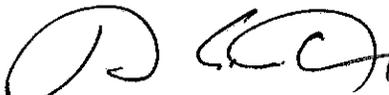
Under this administration, the Port Authority will remain in Freeport under a new status quo and under clear rules. Those rules start from a simple order of authority. Sovereignty rests with the Bahamian people and the Government they elect. Every concession, licence and private agreement sits beneath that principle, never above it.

We are pressing for the collection of sums owed. We are contesting in court any attempt to reassert a theory of Port supremacy. We will be in direct dialogue with licensees, unions, churches and civic groups in Grand Bahama about the future they want for their city, because that future cannot be shaped solely in boardrooms.

I recognise your family's long association with Freeport and the role earlier generations played in its development. That history is part of our national story

Freeport's destiny must be guided first by the needs hopes and aspiration of its citizens and by the wider Bahamian family to which it belongs. That conviction underpins the course my government has set.

Respectfully,

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by 'E Davis'.

Philip Edward Davis KC, MP

Prime Minister

Commonwealth of The Bahamas