



Remarks

By

**THE HON. BRENT SYMONETTE, MP
MINISTER OF FINANCIAL SERVICES, TRADE & INDUSTRY,
AND IMMIGRATION**

NASSAU CONFERENCE

Wednesday, 4th October 2017 at 9:05 am

Baha Mar Arts & Entertainment Centre, Cable Beach

Nassau, N.P., The Bahamas

Conference Theme: "Business Unusual"

Ladies and gentlemen, a pleasant good morning.

It gives me great pleasure to extend greetings to mark the opening of the Nassau Conference.

My Ministry recognizes the significant impact The Association of International Banks and Trust Companies has on the financial services industry. We applaud your sponsorship of the Nassau Conference, and your collaborative efforts with industry stakeholders to ensure that The Bahamas remains a premier international financial centre in this jurisdiction.

“Business Unusual”, as you have themed this conference, is most relevant to The Bahamas at this time. Changing the way we do business must be our focus in both the private and public sectors, as it is clear that what we are doing now, is simply not enough to sustain our future economy.

We must be forward thinking if we are to advance ourselves as a nation, and as a legitimate player on the world stage.

There are many untapped opportunities to explore beyond our shores, and we must open our economy if we are to reach the vast opportunities available out there in the global economy.

My Ministry is open to the voices of our private and public sectors, because it is only together that we can develop solutions to grow and sustain our economy in an everchanging world for a productive future.

It is “business unusual”, so we must stop doing the usual things and begin to align ourselves to receive new business opportunities and sustain existing ones. We must think out of the box and beyond The Bahamas if we are serious about sustainable growth and our economic well-being.

How do we do this?

It is my vision that there be a shift in mindset to allow for a more competitive environment starting with legislative reforms superior to or on par with that of our competing jurisdictions.

This shift must be centered around changing the way we transact business in this country, to make it more efficient and quality driven.

Now is the time for solutions instead of focusing on the challenges, we already know what they are, and they aren't new.

In this vane, over the past few months, my Ministry has met with numerous financial services companies and law firms, many of whom are here. My Ministry has identified some areas that can be addressed quickly to open the doors which will allow greater opportunities available in the global economy.

We have concluded that the overarching challenges facing the industry, has been centered heavily around:

1). the need to enhance the services and resources of supporting governmental agencies to allow for a more productive and efficient outcome,

2). the need to focus on areas that will improve the ease of doing business in The Bahamas, and lastly,

3). the increased pressure from global regulatory bodies such as the OECD and the FATF to comply with everchanging international regulatory standards and practices.

We are not taking the future of our financial services industry lightly, so some of the things we have already begun work on

to get the ball rolling to make improvements for the betterment of the Bahamian economy are:

1) Enhancement to Government Agencies. eg. Companies

Registry – resources such as people and better equipment.

- **Discussions are currently being held to identify the best way to restructure some of the support governmental agencies such as the Companies Registry.**
- **We know that this has been an area of concern for many of you for a very long time, and it is time for action.**
- **We have begun a collaborative effort between the government and private entities to bring forth state of the art technology to ensure the efficient storage of documents, the ability to retrieve complete company documents, improve the turnaround time for the registration of companies, and the ability to share**

documents with other government agencies. This will avoid the duplication of efforts by clients as different government agencies are asking for the same documents. This will no doubt improve the way we do business and will make us more competitive with our regional counterparts.

- **We are hoping to see a consolidation of processes with The Bahamas Investment Authority (BIA) and Inland Revenue, streamline real property tax process, and have discussions with our regulators such as The Central Bank of The Bahamas and the Securities Commission to address common concerns around the regulatory functions, approvals processes, and exchange control (new restrictions being applied, ability for Bahamians to repatriate funds and deal in foreign currencies).**

IMMIGRATION

I am pleased to announce that Cabinet has passed in principle the following recommendations to the immigration process:

- **The issuance of short term work permits for persons entering The Bahamas for the purpose of business visits, meetings, conferences, training.**
- **Relaxing of labor certification for certain classes of professionals in the Financial Services Sector to attract international expertise to train our workforce. These areas are: General Managers, Head of Fiduciary Services, Head of Private Banking, Heads of Operations/CEO, Head of Investments/Portfolio Managers, Business Development and Client Relationship Managers.**

- **Permanent residency on the purchase of a residence. The minimum threshold to be increased from \$500,000.00 to \$750,000.00 to qualify for permanent residency. This would extend to investments of \$1.5 million accelerated to a processing time of 21 days.**
- **Introduction of Tax residency certificate for individuals and corporations.**
- **Establish a preferred investor residency programme whereby persons interested in residency can not only invest in real estate, but can also invest in bonds, endowments, or establish a business.**
- **Grant permanent residence to spouses of Bahamians after a period of 5 year.**

- **We are also looking at relocating the section of Immigration that handles Permanent residency.**

We are already working with private sector partners on the mechanisms, policies and guidelines for these initiatives to be implemented. A task force has been formed to do the preliminary work, BFSB is coordinating this. All of your feedback, suggestions and whatever resources you may have is also welcomed.

3). Common Reporting Standard (CRS):

- **Earlier, I mentioned the concerns around global regulatory bodies. Tax transparency and co-operation are my Ministry's commitment to once again ensure that we do not jeopardize our reputation and protect our jurisdiction from illicit activity. Our survivability is**

paramount and we must continue to demonstrate that we are a trustworthy, competent and compliant jurisdiction. To this end, The Government has decided that Multilateral will be the way forward as you all know. This was decided to ensure that we are able to fulfill our commitment to implement exchange under the CRS in September 2018.

- **The amendments to the legislation have been drafted to accommodate the signing of the Convention on Multilateral Mutual Assistance in Tax Matters.**
- **The process of completing the requirements to be accepted as a Party for the signing of the MAC with the OECD is in progress. In the interim, we are continuing to sign bilateral agreements.**

- **We are aware that many institutions are preparing to comply with the Common Reporting Standard and the draft Guidance Notes should be issued by next week.**

4.) Legislative Amendments

The government of The Bahamas will be introducing various legislative amendments that will affect and aid to improve the financial services industry.

Other areas identified include:

Arbitration

- **Making The Bahamas a hub for International Arbitration which would entail opening the Bar to external entities and lawyers. The Ministry has already begun its rounds of dialogue with the top law firms in the country to get feedback on the**

probability. We also plan to liaise with the Bar Association to ensure all parties are in agreement and are a part of the process. We can see that this would be beneficial in the Financial Services sector specifically in the Trust, Maritime and possibly Aviation. And let's be clear, the intent is not to open up the entire legal profession to foreign practitioners.

Centre for Excellence for Financial Services

- **We now have the final report and roadmap from consultants who were engaged by the Government to undergo a study on the feasibility to have a Financial Services center for training and research for the region.**

- **This center will be domiciled in The Bahamas. We see this as an excellent training ground to drive our workforce to levels that will rival our international counterparts and raise the bar for quality professional services.**

FUTURE SURVIVAL

Ladies and gentlemen, changing the way we do business is paramount to the survival of the financial services industry in The Bahamas and our economy as a whole.

I have recognized and have an appreciation for this dynamic global environment which lends for jurisdictions such as The Bahamas to realize that it is no longer “business as usual”.

The government has a role to play, and we are committed to doing so. There must also be a constant evolution in our workforce, in our mindset and in the products and services we offer. We must remain compliant with our global regulators; stay steps ahead of our competitors; and remain resolute to ensure that The Bahamas remains in the minds of our clients as the premier International Financial Centre for doing business.

It is only through the continued collaboration between the government and the private sector that we can accomplish this and ensure the success of our country.

I wish the continued success of the Nassau Conference and my Ministry looks forward to meeting and working with AIBT and its members in the future.

Thank you.

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