



REMARKS

BY

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

AT

THE ANNUAL GENERAL MEETING

OF

BAHAMAS FINANCIAL SERVICES BOARD

ON

WEDNESDAY, 20<sup>TH</sup> SEPTEMBER, 5:00 P.M.

VICTORIA ROOM,

THE BRITISH COLONIAL HILTON HOTEL

NASSAU, N.P., THE BAHAMAS

SALUTATIONS:

Ms. Tanya McCartney, CEO of BFSB,

Ms. Antoinette Russell, Chairman of the Board,

Mr. Bruno Roberts, Chairman AIBT,

Mr. Ivan Hooper, Chairman AIBT,

Ladies and gentlemen, good evening.

I would like to thank The Bahamas Financial Services Board for the invitation to bring remarks.

We can all agree that over the past few years, BFSB has been an integral partner of the Ministry of Financial Services by its commitment to the growth, development, and sustainability of the financial services sector.

This partnership involves collaboration to develop new policies and enhance existing ones, participating in countless promotional activities, relentlessly establishing relationships with financial institutions and clients all over the world through its various networks and most importantly, bringing the concerns and needs of the industry to the relevant agencies of government.

The successes we have seen thus far to bridge the gap between the private and public sectors have been remarkable.

It is a formula that continues to work in sending the message to the international financial community that The Bahamas is *“The Clear Choice”* for doing business.

BFSB, you have truly been a driving force for change, and your efforts are greatly appreciated.

We are mindful however, that there is still much work to be done.

Over the past few months as the new Minister of Financial Services, I have recognized that there is a critical need to enable the financial services industry to operate more efficiently by:

1. resourcing and restructuring the government agencies that provide support,

2. allowing for a more competitive environment through legislative reform that is comparative or superior to that of competing jurisdictions, as well as through the innovation and development of new products and services in an environment that is customer friendly,
3. easing the immigration process so that it is more business friendly, timely and efficient so as not to hinder operations. And to allow options that make it feasible for investors to choose The Bahamas to not only do business, but also to reside.
4. and lastly, changing the way we do business, because it is clear that what we are doing is not enough.

We cannot continue to do things the same way and expect different results. We have to open our minds

and The Bahamas must find ways to open its doors to a global economy that allows professional exchanges that foster growth.

And by this, I mean the exchange of legal expertise in certain areas like trust, arbitration, maritime and other financial services aspects.

We must be forward thinking to open our economy so that we can advance ourselves.

We must do this to survive.

There are many untapped opportunities out there and my Ministry is open to listening to the voices of the private and public sectors so that together we devise solutions to drive change and provide opportunities to grow our economy.

My Ministry has met with numerous entities over the past several months, and I can say that the universal

challenge facing the industry has been centered heavily around the increased pressure from global regulatory bodies such as the OECD; the need to focus on the ease of doing business in The Bahamas; and the enhancement and integration of government departments through technology.

We are listening very carefully and have identified areas deemed to be quick fixes or low hanging fruits to which we have already begun to make improvements.

It is time now to bring forth solutions instead of continuing to focus on the challenges.

❖ OECD Common Reporting Standard (CRS)

- The Government has decided that Multilateral will be the way forward and the process of completing the requirements for signing the instrument with the OECD is in progress. There has

not been much noise in the market lately, and we know that many institutions are preparing to comply.

- o The Guidance Notes, I am being told, will be issued very soon and the amendments to the legislation have been drafted to accommodate the signing of the Convention on Mutual Administrative Assistance in Tax Matters.
- o 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, not just in words, but also by our actions.

❖ Ease of Doing Business:.

I will address some of the low hanging fruit that the Ministry is addressing:

IMMIGRATION:

- I am delighted to mention that BFSB submitted recommendations which have been agreed by Cabinet in principle, namely:
- The issuance of short term work permits for persons entering The Bahamas for the purpose of business visits, meetings, conferences, training.
- Relaxing of labour certification for certain classes of professionals in the Financial Services Sector in order to attract international expertise to train our workforce.

- These areas are: General Managers, Heads of Fiduciary Services, Heads 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 should 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 invest in bonds,

endowments, establish a business and not solely real estate.

- Grant permanent residence to spouses of Bahamians after a period of 5 years.
- Relocation of the section of Immigration relating to Permanent residency and/or citizenship.

What we need now from you is feedback on the mechanisms, policies and guidelines for these initiatives to be implemented.

Other areas which have been identified to create more business opportunities for The Bahamas are:

- Making The Bahamas a hub for International Arbitration.
- The Ministry has already begun its rounds of dialogue with the top law firms in the country to get feedback on the probability.

We can see that this would be beneficial in the Financial Services sector specifically in the Trust and Maritime business.

- 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 Centre for training and research for the region.
- This centre could 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.

- Revamping the Companies Registry possibly as a private/government entity in order to improve efficiencies.
- Revision of The Bahamas Investment Authority (BIA).
- Consolidation of Inland Revenue process.
- Streamlining the Real Property Tax process.
- Managing the de-risking of correspondent banking without losing the services.

## OUTLOOK FOR THE FUTURE

As Minister, I see untapped opportunities and areas where we must improve efficiencies. Along with this, we must look to rebrand ourselves and remove the negative international “perception” hanging over our financial services industry.

In order to sustain our survival, relevance and existence, we must refocus on what has worked for us in the past and capitalize on those successes, and also find new, innovative products and services to market, increase our base of intellectual capital and shift gears on finding ways to become more productive and efficient in how we transact business.

The success of the economy of The Bahamas is through the liberalization of the economy and the empowerment of its people.

This can be achieved through ensuring that the systems, legislation, policies, infrastructure and access to services are in places which allow opportunity to exist for those that seek it.

The Ministry and BFSB will continue to intensify the promotion and marketing of the industry and we look forward to further partnership in local, regional and

international activities and conferences to bring The Bahamas to the forefront of the investors' minds that The Bahamas is the jurisdiction of "*Clear Choice*".

With that I wish BFSB continued success as we continue our work together.

Thank you.