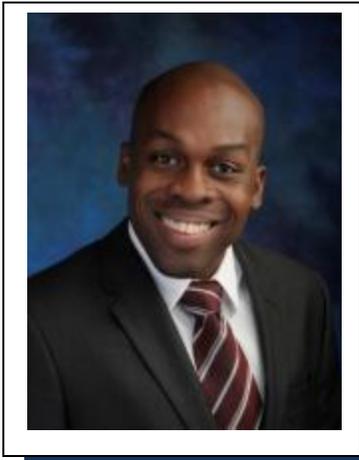


The mission of BIBA is to work with the Government towards the development of the international business sector in the interest of its members and the Barbados economy

President's Message



Dear Members,

As I reflect on the first half of the 2013-2014 administrative year, I am pleased to report that we have made steady progress on the three areas that we identified would be our focus over the course of this year: increasing our value proposition to members; strategic partner synergies; and better public outreach. While these were identified as three distinct areas of focus in my first message to members, it is safe to say that together they constitute an interlocking strategy with success in one area offering dividends in the other two.

As you would see from the report in this newsletter, and in previous issues, 2014 appears to again be shaping up to be a challenging year, but at BIBA, we recognise that the sustained development of our sector really requires a team approach. An approach that breaks down barriers and opens dialogue where government regulators and facilitators, and business people, can see themselves as being in a partnership for the mutual benefit of Barbados and our respective industries. I expect, therefore, that the second half of our administrative year will be characterised by a commitment to ensuring that we will continue working toward achieving the goals that we set ourselves.

Mr. Ryle Weekes
President 2013 – 2014

Executive Director's Report



Henderson Holmes, Executive Director

Meeting with Minister Inniss – January 13, 2014

At this meeting BIBA was represented by the President, Mr. Ryle Weekes; 1st Vice President, Ms. Connie Smith; and Executive Director, Mr. Henderson Holmes. The Minister was accompanied by staff of his ministry. The Minister updated us on the following:

- **IBC & SRL Licensing**

A policy paper for the indefinite licensing of International Business Companies (IBCs) and Societies with Restricted Liability (SRLs) was to go before Cabinet that included a proposal to increase the annual licence fee to \$1,000 and impose a

non-refundable one-time application fee of \$250.

- **International Service Providers Legislation**

The amendments to the legislation for the regulation of service providers and the relevant regulations are being prepared by the Chief Parliamentary Counsel's Office (CPC), which has been challenged to find a way to include within this legislation the regulation of service providers that handle foundations and trusts, which are domestic entities. We advised the minister that the ministry should go back to BIBA's original position that all service providers should be regulated.

- **Regulator of Service Providers**

The minister advised that it was decided that the Financial Services Commission (FSC) would be the regulator of IBCs, SRLs and their service providers. He said the legislation will so provide and any capacity deficiency the FSC may have will be remedied. We reminded the Minister that the intention should not be to regulate the IBCs or SRLs

but to place the regulatory focus squarely on the service providers.

- **Companies Act Amendments**

The recommended amendments were approved by Cabinet but some fine tuning was taking place due to issues related to registering external companies and the requirement for the submission of audited financial statements.

- **International Business Strategic Plan**

The extensive BIBA comments and suggestions submitted to the Ministry in December necessitated substantial changes to the details of the plans and the Ministry was making the relevant changes.

- **Peer Review Report**

The Global Forum received all necessary information from the required government departments and promised that its report should be completed by the end of February.

- **New Markets**

The Minister said that new treaties are to be pursued and he wishes to hear from BIBA's members which countries should be targeted for new Double

Taxation Agreements and Bilateral Investment Treaties. Currently, priority is being given to Columbia and Chile, and Barbados will also be seeking to expand its treaty relations with targeted African countries.

- **Business Facilitation Unit**

The new concept for this includes making use of the ministry's research department by giving it the mandate to be the collector and repository of concerns of the business sector, to establish monitoring mechanisms, and be responsible for resolving issues with other agencies. The Minister also advised that the Ministry had a Trade Facilitation Team, which is to be expanded to include representatives of BIBA and the Immigration Department.

- **High Net-Worth Individuals Special Entry Regime**

We reiterated to the Minister BIBA's view that this regime is one that urgently needs clarity of the process. The Minister advised that the Chief Immigration Officer was preparing a Cabinet Paper to address some issues of concern to that department. We requested that BIBA be given an

opportunity to review and comment on the policy position being proposed.

Invest Barbados Inward Mission

The President, several representatives from BIBA member firms, and I supported Invest Barbados as it hosted an inward mission from January 23 to 24, which welcomed 10 legal, tax and accounting professionals from Latin America. BIBA members presented in the orientation sessions for the group on the areas of insurance, double tax agreements, and Barbados' legal and tax infrastructure.

LexisNexis International Tax and Trust Congress

There will be no LexisNexis International Tax and Trust Congress staged in Barbados this year, or in the foreseeable future. BIBA was informed by the London-based legal services firm that they had decided to discontinue their conference division in light of the ongoing economic challenges.

BIBA Compensation Survey

Following the completion of the 2013 Compensation and Benefits Survey for the international business sector, commissioned by the Association and executed by Caribbean Catalyst, January saw the launch of the BIBA Compensation & Benefits Survey Report. This report contains comparative compensation data for 2010 and 2013, and tracks trends between 2007 and 2013 related to salaries, benefits and pay practices. The report covers the following industry sub-sectors: Banking/Financial Services, Service Providers, Insurance/Reinsurance, IBCs and SRLs. Copies of the survey can be purchased by contacting the BIBA Secretariat at 434-2422 / 436-2422 or via email at biba@biba.bb

January Luncheon Seminar



Featured speaker at the February luncheon, The Hon. Adriel Brathwaite addressing the audience while BIBA 1st Vice President Ms. Connie Smith and Executive Director Mr. Henderson Holmes (right) look on.

BIBA launched its luncheon seminar series on January 29, 2014, at the Barbados Hilton with a featured presentation by the Attorney General and Minister of Home Affairs, The Hon. Adriel Brathwaite. This event attracted 93 patrons, 30 of which were non-members.

Establishing from early that he only intended to bring “good news”, the Attorney General reaffirmed his government’s vision for Barbados as a leading international business centre. He also announced that Cabinet had approved the new five-year strategic plan for the sector, which included commitments

intended to deliver 40 per cent increases in both foreign exchange earnings and corporate tax revenue. He also referenced the plan’s target of 2000 new registered entities over the next five years as conservative, given the current average growth of approximately 400 new international business entities per year since 2007. Concomitant with that, Mr. Brathwaite also said the plan targeted 2000 new jobs for Barbados from the sector.

Other targets also identified by the Minister were: 50 new Foundations and Private Trust Companies; 20 new Double Taxation Agreements and 15 Bilateral Investment Treaties; and five new product solutions. He also spoke of Government’s commitment to give the Corporate Affairs and Intellectual Property Office a new information technology platform.

Mr. Brathwaite encouraged those in attendance not to be pessimistic despite the pace at which new products and legislative amendments took place. He noted that Barbados had strong brand recognition, supportive business structures, good business infrastructure, the rule of law, stable government, and an appropriate regulatory environment.

He added that Barbados already possessed fairly wide product offerings and services, which he lamented were not as well promoted, such as family office administration, headquarter relocation, and private trust management. He noted that the Private Trust Company and Foundations legislations were both ready and should be proclaimed within the next quarter of this year. He also said that he wanted to see the amended mutual funds legislation in place by year-end. Mr. Brathwaite suggested that this would be a niche that would allow Barbados to grow its back-office administration for funds substantially. However, he pointed out that his ministry did not generate legislation but relied on other ministries to provide the instructions to have legislation drafted.

The Minister also noted that government was giving active consideration to shifting the regulation of all non-bank international business entities to the Financial Services Commission, which he acknowledged would give the Ministry of International Business more scope to focus on treaty negotiations.



Chair of BIBA Canada, Mr. Tom Sears (left) in conversation with Mr. Jean-Pierre Hamel, Senior Trade Commissioner with the Canadian High Commission in Barbados at the January luncheon.



BIBA Past President and Chair of the Joint Policy Working Group, Mr. Ricardo Knight (right) listens carefully to Ms. Kathy Hambly – Executive Director of the Greater Charlottetown Area Chamber of Commerce; while Executive Director of the Barbados Chamber of Commerce and Industry, Ms. Lisa Gale, pays attention to Ms. Doreen Weekes (left), trade commissioner with the Canadian High Commission in Barbados at the January luncheon.

More photos from this event can be found at:
https://www.facebook.com/shares/view?id=672760959448862&overlay=1#!/BIBA.Barbados/media_set?set=a.672759606115664.1073741839.100001448925575&type=1

BIBA Charity

At the end of last year, our charitable foundation, the BIBA Charity, launched its Winston Scott Polyclinic Appeal to raise funds to provide for a walk-in cooler to be installed at the Polyclinic to continue the island-wide immunization and vaccination program.

This appeal was given a major boost by a charitable 25 km swim challenge organised and undertaken by our Past President Mr. John Howard on the Errol Barrow Day national holiday, January 21, 2014. This event raised over BDS \$25,000, with an initial injection of BDS \$5,000 by Mr. Howard and Summit Bank. The charity swim kicked off in the early hours of the morning from South Point Light House, with some swimmers joining at Dover in Christ Church, and ended in the evening at Port St. Charles in St. Peter where scores of supporters were waiting to greet Mr. Howard and fellow distance swimmer Mr. John Peterkin.

The overall target for the Winston Scott appeal is BDS \$70,000. More information can be found by visiting here:

http://www.slideshare.net/slideshow/embed_code/28851404



Supporters at the Port St. Charles Marina eagerly awaiting the arrival of the two swimmers.



Mr. John Peterkin coming out of the water, followed by Mr. John Howard, at the Port St. Charles dock after their gruelling 12-hour swim.



Head BIBA Charity Trustee, Ms. Lisl Lewis (second from left) proudly showing off a t-shirt supporting the two Johns while the swimmers celebrate flanked by fellow trustee Ms. Louisa Lewis-Ward (centre) and BIBA executive Director Mr. Henderson Holmes (right).

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