GOVERNMENT OF THE VIRGIN ISLANDS

STATEMENT

Tel: (284)468-2730
Official Government Website:
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Remarks by Premier Hon. Dr. Natalio D. Wheatley Update on Current Matters

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Update on Current Matters

Press Conference – 23 January 2025

As we are still in January, it is only fitting to extend heartfelt New Year's wishes to the people of the Virgin Islanders. May this year bring us prosperity, unity, and continued progress.

Before we proceed, I would like to take a moment to honour and pay tribute to two esteemed members of our Virgin Islands community who recently passed —**Ms. Lucia Harrigan**, a stalwart in Virgin Gorda whose kindness and love for family will long be remembered, and **Mrs. Celcila Georges**, whose sudden passing has deeply saddened us all. Mrs. Georges was fondly known for her unwavering dedication to education, fierce passion for teaching, and profound impact on her students' lives.

As a territory, we collectively mourn these losses and extend our deepest condolences to their families, loved ones, and all touched by their remarkable legacies.

I want to take this opportunity to recognise HLSCC's recent celebration of 35 exceptional years of service and existence in the Virgin Islands. I congratulate Dr. Georges and his entire faculty and staff as they continue to ensure the growth of tertiary education in the Virgin Islands.

This is further demonstrated by the recently launched formal partnership agreement with the University of the Virgin Islands School of Agriculture. This agreement offers a pathway to a Bachelor of Science in agriculture business, agroecology, animal science, aquaponics, and horticulture.

Today, I am pleased to provide the public with updates on the following: -

1. Tourism
2. Financial Services
3. UK Overseas Territories Association
4. COI

Tourism

17 January 2025 marked the successful conclusion of the National Tourism Summit, a significant milestone for the Virgin Islands. The summit was held at the newly reopened Peter Island Resort, and it brought together approximately 200 tourism partners in person, reflecting our tourism community's collective energy and enthusiasm. The Ministry of Tourism, Culture and Sustainable Development made this collaborative effort possible in close partnership with the BVI Yachting, Tourism and Hotel Association and the BVI Tourist Board.

On Day 1, the focus was on aligning our collective efforts to enhance the visitor experience and strengthen the brand of the Virgin Islands. Highlights included presentations on global tourism trends and their implications for our Territory, underscoring the need for innovation and adaptability. A panel discussion featuring leaders in the hospitality and yachting industries explored ways to improve collaboration across sectors, enhance customer satisfaction and enable greater investment in the sector. Attendees also presented and debated on

sustainable tourism practices, digital transformation, and marketing strategies to target high-value visitors.

Day 2 shifted to address sector-specific challenges and opportunities. Key sessions on the role of culture and diverse experiences in driving sector diversification. Stakeholders emphasised the potential of cultural heritage, local festivals, and culinary tourism to attract a wider range of visitors and enrich the overall tourism product. Small business owners, taxi operators, and community representatives explored ways to increase inclusivity and distribute the benefits of tourism more equitably across the Territory. The day concluded with a forward-looking session on the National Tourism Plan's foundational goals, emphasising sustainability, diversification, and resilience. These discussions set the tone for the consultations that will follow.

The summit served as a launchpad for formulating the National Tourism Plan. This plan will guide us in capitalising on the opportunities before us while addressing the challenges we face in a dynamic global tourism market. We are committed to ensuring this process is inclusive and robust. Over the coming months, consultations will occur on each major island, engaging tourism partners throughout the Territory.

This year, we achieved a remarkable milestone—our visitor arrivals surpassed one million, the second-highest number recorded after 2016. This is a testament to the resilience of our tourism sector, the strength of our partnerships, and the collective work of all who played a part in this vital industry.

- Cruise Ship Visitors amounted for 768,293 in 2024 compared to 719,519 in 2023, a 6.8% increase.
- Overnight Visitors: 305,876 in 2024 compared to 262,080 in 2023, a 16.7% increase.
- Day Trippers: 17,970 in 2024 compared to 13,297 in 2023, a 35.1% increase.

The newly formed Ministry of Tourism further demonstrates this Government's commitment to Tourism and strong support for the industry.

Financial Services

My government continues to persevere to ensure a business friendly and secure environment, compliance with regulatory demands, provide the products and services that will attract business to the sector and maintain our competitive advantage.

Beneficial Ownership Statement

Last Friday, the Government of the Virgin Islands launched its consultation on the rights of access to beneficial ownership information, marking a significant step in our ongoing commitment to transparency and international collaboration.

The issue of publicly accessible registers of beneficial ownership has been a focal point of global discourse over the years, particularly between the United Kingdom and its Overseas Territories and Crown Dependencies. At the heart of this debate lies the challenge of balancing the imperative for transparency in combating illicit finance with the protection of privacy and the prevention of misuse of sensitive information, especially in the absence of a universally accepted international standard.

Recent developments, including the European Court of Justice's (ECJ) ruling on publicly accessible registers, have underscored the importance of safeguarding legitimate privacy rights while advancing global transparency efforts. In response, the Virgin Islands is moving towards a system of access based on legitimate interests. This shift reflects an evolving understanding of the need to balance transparency and fairness while ensuring that access to sensitive information is purposeful, proportionate, and subject to stringent safeguards.

I reaffirm the Government of the Virgin Islands’ unwavering commitment to its role in the global fight against illicit financial activity. The consultation initiated last week on the rights of access to beneficial ownership information is a critical step in refining our framework to meet evolving international best practices and expectations. This initiative highlights the Virgin Islands' proactive approach to developing systems that meaningfully contribute to global financial integrity.

As we move forward, we remain resolute in adopting policies that strike the right balance—promoting transparency while mitigating risks related to the misuse of

information. I urge all stakeholders to actively participate in this consultation. Your insights will be vital in shaping a framework that not only addresses the concerns of the global community but also upholds the integrity of our financial services sector. Together, we can build a framework that fosters trust and collaboration, ensuring the long-term sustainability and reputation of the Virgin Islands as a responsible international financial centre.

Mutual Evaluation Report

As you will recall, in March 2023, the Virgin Islands underwent a Mutual Evaluation Review conducted by the International Monetary Fund on behalf of the Caribbean Financial Action Task Force. This process culminated in a comprehensive report published in February 2024, which outlined 64 specific actions necessary to enhance our AML/CFT/CPF frameworks and policies. These recommendations formed the foundation of the Virgin Islands National Action Plan, also publicly released in February 2024, demonstrating our commitment to strengthening the integrity of our systems and aligning with international standards.

We are encouraged by the progress made so far in implementing the National Action Plan, thanks to the dedication of government agencies, law enforcement, competent authorities and private sector partners. Their collaboration has been instrumental in driving meaningful change and addressing the findings of the mutual evaluation. However, as we approach the end of the post-observation period, we acknowledge that sustained effort will be critical to achieving our objective of full implementation of the National Action Plan.

The National Anti-Money Laundering and Countering the Financing of Terrorism Coordinating Council (NAMLCC) alongside the Honourable Attorney General, the National Coordinator and the National Coordination Unit, continue to diligently monitor progress against the National Action Plan. Significant legislative reforms and the publication of extensive guidance to the financial services sector, were prioritised in 2024, with further reforms remaining a key focus in 2025. These measures are vital components of our ongoing efforts to strengthen compliance and governance.

As part of our ongoing initiatives, the Government has led the Commitment and Collaboration Outreach Series, in partnership with the BVI Association of Compliance Officers, the BVI Association of Registered Agents and other key law enforcement and supervisory bodies. These sessions focus on cross cutting themes impacting supervised entities in the Virgin Islands. The next session in this series is scheduled for 13th February 2025. In addition, we are preparing to launch a public awareness campaign under the theme *Business Done Right* – with "RIGHT" representing Responsibility, Integrity, Global, Honesty, Transparency. This campaign is an important step in engaging and educating the public, fostering a collective effort across all demographics to combat financial crime in the Virgin Islands.

While much has been accomplished, there is still more to do. We remain steadfast in our resolve to execute the roadmap set out in the National Action Plan and will continue to provide updates on our progress as we work to fully remediate the recommendations from the mutual evaluation and further strengthen the Virgin Islands' AML/CFT/CPF framework.

Asia Trade Visit 2025 (Macau & Malaysia)

The Asia-Pacific region continues to be a high-value market for the BVI's Financial Services industry. The region generates significant business for the BVI. We have built some strong relationships there – which we must continue to strengthen. It is also important for us to ensure that we create awareness of our offerings and remind players why the BVI is the best place to do business.

The BVI's Financial Services post-covid strategy in the Asia-Pacific continues to centre on achieving greater diversification in markets, products, and services niche & specialty. Greater diversification and product refinement will allow the Virgin Islands to boost our financial services footprint in Asia as our largest market, expanding into presently underserved and unserved countries where our market presence is not as extensive. Expanded market targets for BVI's Financial Services include India, Japan, and South-East Asia. Expanded product focus includes Funds, Virtual Assets & Fintech, Investment by Residency, and Gaming.

In February 2025, as Premier, Minister of Finance and Minister with responsibility for Financial Services, I will be leading a small team on a visit to the Asia-Pacific that includes stops in Hong Kong, Macau, and Malaysia.

In Macau, we will first pay courtesy calls on the of Government of Macau, China's Special Administrative Region neighbouring Hong Kong. Macau is the number 1 ranked Gaming Capital of the world, ahead of Las Vegas and Atlantic City, and longtime partner jurisdiction of the BVI utilizing BVI's Financial Services to funnel USD$1.4 billion of inward investment into its economy. BVI entities are responsible for the largest amount of foreign direct investment routed into Macau ahead of both Hong Kong and Cayman Islands. Along with reaffirming financial service ties, one of our main objectives will be consulting Macau's Gaming Commission and seeking partnerships to jumpstart the BVI's Gaming Industry in the near future.

In Malaysia, we will pay courtesy calls on the Labuan Financial Services Authority and Malaysia Ministry of Trade and International Investment Authority. Malaysia has established itself as the second most important financial centre in South-East Asia after Singapore, on pace for development country status by 2035. It is rapidly emerging as the region's financial services hub for South-East Asia, the world's fastest growing region. BVI products have been sold out of Malaysia's financial centre consistently for the last 15 years and BVI is seeking to upscale our market presence, reflective of the region's dramatic growth. One of our main objectives in Malaysia will be to secure cooperation agreements that will boost the sale of BVI products in the region, and we will be having meetings with key officials to this end. While the BVI has long been present in neighbouring Singapore, a modernizing Malaysia has emerged as a natural partner for the Territory.

In addition to Financial Services matters, I will also be visiting the partner Universities in the BVI's Asia Abroad Programme, where 7 Virgin Islanders presently undertake full time university studies. Persons would recall that in 2021, while I was serving as Minister of Education, I had backed the establishment of the Programme, and I maintained my support for it when I assumed the role of Premier. Additionally, I will be hosted by the Chancellors of the University of Macau, University of St. Joseph, and Macau University of Tourism Studies, to discuss increasing areas of cooperation and greater educational opportunities for Virgin

Islanders at their institutions.

All indications are that this series of engagements will be very fruitful for the Virgin Islands.

UKOTA

I am pleased to announce that I have been appointed as President of the UK Overseas Territories Association (UKOTA) and will also assume the role of President of the Political Council. In addition, Ms. Tracy Bradshaw, UK Representative and Director of the BVI London Office, has been elected as the Chair of UKOTA. This change in leadership underscores our resolute commitment to collaborative governance and the advocacy of the interests of all UK Overseas Territories.

As we embrace these important roles, we are committed to upholding UKOTA's constitution and advancing the collective interests of the Overseas Territories within the United Kingdom. We will ensure that our voices are heard, and our needs addressed.

By cultivating closer ties with His Majesty's Government and the Foreign, Commonwealth, and Development Office, we will support collaboration on important issues affecting our territories. As President, we will preside over the Political Council, shaping policies and prioritising the interests of all territories in the association’s deliberations. The Chair will oversee the governance of the presidency, coordinating initiatives, collaboration, and ensuring accountability, thereby aligning efforts with the association's strategic goals.

Additionally, these roles provide us with enhanced access to key contacts within the United Kingdom and the European Union, paving the way for partnerships and initiatives that benefit both the British Virgin Islands and other territories. We are well-positioned to unify our voices in addressing shared challenges while promoting environmental sustainability and socio-economic development.

Our leadership in the United Kingdom Overseas Territories Association strengthens our representation and collaboration for all Overseas Territories, reinforcing a collective presence in discussions with His Majesty's Government and other

stakeholders.

I take this moment to commend Hon. Julianna O'Conner–Connolly, Premier of Cayman Island and former holder of the post, for her stellar leadership of the organisation during her tenure.

COI –

I am now pleased to provide an update on the status of the implementation of the recommendations of the Commission of Inquiry (COI).

You would recall that the Overseas Territories Minister, Stephen Doughty, visited the Virgin Islands from 4th to 6th of November 2024, primarily to meet the people of the Virgin Islands and make his own on the ground assessment of our progress in implementing the recommendations of the COI. The visit was a result of my visit to London in September 2024.

During that visit, Minister Doughty outlined the process of reviewing the progress in implementing the COI recommendations for consideration of the lifting of the Order in Council which is being held in reserve for the suspension of the Constitution of the Virgin Islands. He stated that the following items would be considered in the decision to lift the order:

1. The Final Review by the Governor
2. A Self-Assessment by the Government of the Virgin Islands
3. Assessments by FCDO officials of key areas
4. Submissions from the public to the Governor

During the visit the Government presented the Minister and his team with a Governance Reform Transition Plan (GRTP). The Plan facilitates the transition from the implementation of the recommendations of the COI to ongoing governance reform whereby the Government takes responsibility for continuous improvement of our government by building our governance institutions, systems and processes. We are at the tail end of the process of bringing the various legislation assented to by the Governor into force by the various Ministers. Once brought into force,

Transition Plan will guide the implementation of the fifteen pieces of legislation and the nine major policies through an Implementation Action Plan.

A critical component of the Transition Plan is the Communication Plan which targets both the public and Government public officers. Its objective is to raise awareness and education regarding the changes that resulted from the implementation of the recommendations of the COI. The Plan seeks to build public understand and awareness of:

1. what has changed in relation to the various COI policies approved and legislation passed.
2. how those changes impact the lives of members of the public.
3. how the government now works because of the changes.
4. how the public can access information on the changes and the various forms, procedures and processes that support them.
5. how the public can fully realise the benefit and value of the new services.
6. And how the implemented COI recommendations to improved governance in the Virgin Islands and positions us for greater self-governance.

There is a massive amount of education and awareness building that is required, both internally to the Government and within in the wider community, for the value and benefits of the changes coming out of the COI to be fully benefit the people of the Virgin Islands.

The Governance Reform Education and Awareness Transition (GREAT) campaign has already started and in the coming days and weeks, you will be hearing from me and my Ministers, Members of the House of Assembly, Permanent Secretaries, Heads of Departments, Technical Officers, Heads of Statutory Boards, the Governance Reform Delivery Manager, Director of Communications and GIS. We plan to reach every member of the public and public service by every possible media, including website updates, brochures, flyers/infographics, newsletters, video and audio reports, townhall meetings, departmental training sessions for public officers, emails, WhatsApp messages and SMS texts.

Regarding submissions from the public, the Governor will soon begin the process of collecting the feedback from the public. Details of how this will be undertaken will soon be made available.

In the meantime, the Government expects to complete its Self-Assessment by early March, the same timeframe in which the Governor's final Review and Report on the public submissions are expected to be completed.

Minister Doughty indicated in November that once the submissions are received, he will have discussions with the Foreign Secretary, the Government of the Virgin Islands and the Governor before a conclusion is drawn and a decision made about the Order in Council. He further indicated that he hopes to agree on next steps regarding the Order in Council before the end of the first half of 2025.

The Government will continue to work collaboratively with the United Kingdom Government to bring this chapter in the life of our developing Virgin Islands to a close. I am deeply appreciative of the Minister's open, frank and constructive engagement as we work collaboratively to achieve tangible and sustainable governance reform that will support a modern partnership based on mutual trust, respect, and cultural understanding, which recognises the Virgin Islands' right to self-determination.

Crime –

And finally, as it regards to crime: I want to offer condolences to the family of the young man that lost his life, the first murder that we had in 2025 – not a good way to start the year. And there have been other incidents of gunfire in certain areas. I met with the National Security Council yesterday, as I do every week.

We received updates from the Acting Police Commissioner and we continue to strategize on ways in which we can confront this challenge of crime in the community. That includes strengthening our legislation as we recently did in the House of Assembly. With the Police Amendment Act and the Computer Misuse and Cybercrime Bill. We will continue to strengthen legislation along with many other strategies to confront the challenge of crime.

But of course the public has a role to play, so if you see something say something and of course if you know anything about any of the recent incidents which have taken place, there’s a number to call at CrimeStoppers or directly contact the Royal Virgin Islands Police Force.