
2026 Budget Address

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Pillars of Progress

BUILDING A SUSTAINABLE NATION

Delivered by

Honourable Dr. Natalio D. Wheatley, Premier and Minister of Finance

06 November 2025

Thank you, Mister Speaker.

Salutations based on protocol (Speaker, Deputy Premier, Other Ministers, Attorney General, Deputy Governor, Justices, Leader of the Opposition, Deputy Speaker, Junior Ministers, Other Members of House of Assembly (by seniority), Chairs of the Service Commissions, Principal Officers of Government (Financial Secretary, Cabinet Secretary, PS, Premier's Office, other PSs), Former members of HOA, Chair and Heads of Statutory Boards, Senior Public Officers, Invited guests, Ladies and gentlemen, boys and girls), Good morning!

Introduction

Mister Speaker, it is an honour to deliver the third Budget Address of this administration as we maintain our dedication to Building a Sustainable Nation. The 2026 theme, Pillars of Progress, builds upon last year's focus—Laying the Blocks of Success—and both are informed by the National Sustainable Development Plan (NSDP), "Vision 2036: Building a Sustainable Virgin Islands." The ratification of the NSDP in February 2023 marked the commencement of our journey toward sustainability—a pursuit initiated by our forebears and one that will secure a legacy for future generations.

Nevertheless, Mister Speaker, our path to sustainability has reached a pivotal stage. Historically, the Virgin Islands experienced steady growth in economy, population, and GDP; however, rapid development has presented challenges such as rising unemployment, increased cost of living, and heightened vulnerabilities among certain groups. The hurricanes of 2017, the global pandemic of 2020, and the governance crisis of 2022 were transformative events that compelled us to reassess our trajectory. We conducted a thorough assessment.

Despite these adversities, Mister Speaker, through resilience and collective effort, the Virgin Islands have persevered. In 2022, five years after the destructive hurricanes, the Government took strategic action to prioritize nation-building via the NSDP. This plan identifies six foundational pillars—Economy, Infrastructure, Health, Education, Environment, and Governance—each with clear objectives. Over the past three years, the NSDP has served as our guiding framework for sustainable development.

Mister Speaker, as we advance, Governance has been embraced as the cornerstone of our national sustainability efforts. The governance breakdown in 2022 and subsequent Commission of Inquiry's recommendation to suspend our Constitution represented significant challenges. At this critical moment, we chose to protect our democratic progress rather than regress. Following the example of our predecessors, we moved forward, demonstrating resolve in defending our constitutional integrity. For three years, considerable efforts were made to sustain and safeguard our constitutional order.

Our decision, Mister Speaker, to implement the COI recommendations within a democratic context, supported by both the Government of National Unity and the United Kingdom, was historic—a moment that will be remembered for saving the democracy that Faulkner, Fonseca, and De Castro along with the 1500 marched for. It is noteworthy, Mister Speaker, that we celebrate the 75th anniversary of representative government in the same year that the Foreign Secretary revoked the Order in Council threatening its suspension. This coincides with current debates on renegotiating our Constitution, exemplifying how circumstances are aligning for the benefit of the Virgin Islands.

The reforms undertaken within our democratic framework have enhanced accountability, transparency, fairness, and public trust—principles fundamental to a contemporary democracy and a sustainable nation. These successes substantiate the Virgin Islands' readiness for an advanced Constitution that ensures internal self-governance and prepares us for final steps towards self-determination, as affirmed by the United Nations sixty-five years ago.

To clarify, Mister Speaker, the removal of the Order in Council signals not the conclusion but the commencement of our governance reform ambitions. We remain committed to enacting the policies and legislation outlined in the Governance Reform Transition Plan, ensuring tangible improvements for our citizens. As Premier, I reaffirm our government's dedication to sound governance, honesty, integrity, and accountability. The lifting of the Order in Council demonstrates what can be accomplished through unity and determination, inspiring confidence for future achievements on behalf of generations yet to come.

With Governance firmly established as our foundation, Mister Speaker, we are well positioned to reinforce the additional pillars essential to a vibrant, sustainable future for the Virgin Islands. I now proceed to review 2025, during which our central theme was Laying the Blocks of Success.

2025 in Review

2025 Macroeconomic Review

Mister Speaker, in 2025 this Government laid many blocks of success that are supporting a sustainable Virgin Islands. This is reflected in the economy which continued to display remarkable resilience and momentum despite persistent global headwinds. Our Territory successfully navigated inflationary pressures, rising international interest rates, geopolitical conflicts in Ukraine and the Middle East, and the lingering effects of the global pandemic. The deliberate and strategic policies implemented by this Government are demonstrably working, successfully laying a solid foundation for future stability and prosperity.

Mister Speaker, our economic recovery in 2024 was robust and decisive. We recorded a Real GDP growth of a strong 3.3% over 2023. This accelerated growth was fuelled primarily by a noticeable boom in our tourism services, the sustained, steady performance of our financial services industry, and substantial activity in the real estate sector. This expansion, supported by an estimated 1.7% population growth, confirms the success of this Government's focused policy efforts as we entered 2025. Many of the macroeconomic forces that powered our immediate post-pandemic rebound—such as the rapid normalization of tourist arrivals and the acceleration of construction activity—now enter a necessary phase of consolidation, our forward projections are more moderate.

Looking ahead, Real GDP growth is expected to moderate to 0.4% in 2025, reflecting a period of consolidation after rapid post-pandemic gains. Inflation is forecast to ease to 1.84% by the end of 2025, although food and service sector prices remain high, impacting low-income households. The government continues to prioritise assistance for at-risk populations while working to enhance the resilience of our food and energy systems.

Mister Speaker, the Financial Services industry continues to be one of the most vital pillars of our economy. Mister Speaker, I must pause here to acknowledge the profound legacy of Dr. Robert Mathavious, OBE, the pioneer of this industry, whom we laid to rest on October 16th. Dr. Mathavious laid the foundation for the financial services industry, transitioning this Territory from one heavily reliant on external aid to one of self-reliance and international recognition. I ask us to pause for a moment of silence in remembrance of this national hero.

Mister Speaker, despite significant external factors—including changing global regulatory standards and geopolitical developments—the financial services sector has demonstrated resilience. The industry's activities in the Asia-Pacific region, which comprises over half of corporate services business, contributed to positive results in 2024, continuing into 2025.

As of August 2025, new incorporations reached 19,373, representing a 7.6% increase compared to the same period in 2024. Revenue collections from financial services fees through August 2025 amounted to \$160.28 million, with projections indicating that total revenues could reach \$263.62 million by the end of 2025, a marked increase of 4% over 2024 collections of \$253.56 million.

The Government and the Financial Services Commission continue to implement reforms, including a Strategic Action Plan aimed at improving financial crime prevention and further developing the regulatory framework, in preparation for the upcoming CFATF Mutual Evaluation process. Measures are being taken to uphold international standards and maintain the jurisdiction's global reputation for transparency and reliability.

Mister Speaker, the tourism sector has experienced recovery and expansion, reestablishing itself as a significant contributor to the economy. In 2024, tourist arrivals exceeded one million for the first time since 2016, reaching approximately 1,100,000 visitors. This was the second highest number of visitor arrivals in our history with record highs for cruise and daytrippers.

Data for the first three quarters of 2025 have exceeded the amounts for the same period in the previous year across all categories – with the fourth quarter still in progress. Total arrivals for quarters one to three are up to 837,216 in 2025 compared to 786,579 for the same period in 2024. Cruise arrivals increased by 7.2% to 580,575 visitors, and day trippers have leaped by almost 55% from 11,999 to 18,539 persons. And this is with one quarter still left to go in the year. Some have downplayed our success with overnight visitors, which reached over 300,000 for the first time since the trifecta of disasters in 2017. Through three quarters in 2025, overnight visitors increased by 2.1% to 238,102 when compared to the same period in 2024. Available statistics reveal that only St. Lucia, Martinique, and St.

Maarten have more overnight arrivals than the Virgin Islands within the OECS region. We are doing well, and projections indicate continued growth, with total visitor arrivals expected to reach 1,120,000 by the end of 2025.

These outcomes are associated with improved regional and international connectivity, renewed cruise partnerships, and diversification of tourism products, including initiatives such as BVI Restaurant Week and annual events.

Major luxury properties have undergone revitalization and reopening, including Peter Island Resort in December 2024 and the Bitter End Yacht Club. Other projects, such as the relaunch of Biras Creek Resort, are also set to increase capacity in the high-end resort segment.

Mister Speaker, the Government made considerable progress in improving the strategic coordination and management of tourism. The transfer of managerial responsibilities for tourism to the Ministry of Tourism, Culture, and Sustainable Development (MTCSD) will provide the institutional structure to make tourism a stronger economic pillar and driver of GDP. Moving the responsibility for tourism product development to the Ministry will deepen the Government stake in developing and maintaining the supporting tourism infrastructure necessary to diversify and enhance the visitor experience which results in economic gains. The remaining staff at the BVI Tourist Board can now focus solely on marketing the destination to drive competitiveness.

Mister Speaker, the Government's progress in producing a National Tourism Policy designed to guide the development of the sector from 2025 to 2035 is significant to strengthening the management of the sector. Equally, the expected production of a National Tourism Plan will provide the necessary strategic and sustainable development of the sector. The policy is complete and undergoing internal review in preparation for presentation to Cabinet in December and the Request for Proposal for the Plan will be issued by the end of next week.

Mister Speaker, the outlook for the sector indicates continued growth, with tourism expected to remain the primary source of incremental GDP growth in 2025 and 2026 and beyond. Continued infrastructure development, including airports, seaports, and main roads, remains a priority. Marketing strategies are focused on

attracting overnight guests through premium experiences, encouraging longer stays, and enhancing luxury and boutique offerings.

Mister Speaker, overall economic conditions are reflected in the labour market, where employment increased by 2.6% in 2024 to over 22,100 individuals, primarily in Government Services and Transportation. The reduction in hurricane recovery projects resulted in fewer Construction jobs, but overall employment is projected to grow by up to 3% through 2026, supported by developments in tourism and infrastructure.

Mister Speaker, in the real estate sector, sales volume rose by 15.3% in 2024 to over \$102 million, aided by the Stamp Duty waiver for Belonger homeowners. Given that Non-Belonger sales represent a substantial portion of the market's value and early data from 2025 points to a slowdown, the government is preparing to introduce policies and streamline processes to support continued activity in the real estate market.

2025 Fiscal Review

Revenue

Mister Speaker, the Virgin Islands economy demonstrated remarkable resilience and strength amidst global inflationary pressures, trade tensions, and other external shocks. Revenue collections demonstrated robust performance in 2024, with total collections reaching a preliminary estimate of \$414.61 million, surpassing the original budget by 6.9%. This positive outcome was fuelled by strong tax revenue, which accounted for over 90% of the total intake. The primary drivers of this growth were collections from taxes on goods and services, payroll taxes, and taxes on international trade.

Mister Speaker, total revenue for 2025 is projected to peak at \$425.44 million, representing a 2.6% increase over the 2024 collections. This growth is supported by an expected 6.6% boost in the three key tax categories: goods and services, payroll tax, and taxes on international trade. Notably, the financial services sector is expected to remain the largest single revenue source, contributing \$258.04 million. Furthermore, administrative reforms, including the full implementation of

the SIGTAS 3.0 tax system, are projected to drive a significant 13.5% increase in payroll tax collections. This projection is also supported by the recent minimum wage increase and salary adjustments for public officers, highlighting that both economic activity and administrative efficiency are key to a positive fiscal performance in 2025.

Expenditure

Turning to the important matter of recurrent expenditure. Mister Speaker, the preliminary projected estimate for 2025 is \$393.29 million, indicating a considered and responsibly managed approach to spending at 8.7% below the revised budget. In 2024 we recorded the highest level of recurrent expenditure with actual figures totalling \$389.41 million. Notably, Employee Compensation has been allocated \$182.35 million in the revised budget, reflecting a year-on-year increase of 13.4% over 2024's actual expenditure and underscoring our commitment to enhancing employee welfare and ensuring compensation remains responsive to prevailing economic conditions. This allocation also affirms Government's resolve to address recommendations from the Commission of Inquiry, CFATF Mutual Evaluation, and Law Enforcement Review reports, thereby supporting a well-equipped and effective public service.

The Goods and Services expenditure category has increased accordingly, with the revised 2025 budget set at approximately \$105,840,000—an approximate \$11,260,000 rise from the original approved budget. This adjustment strategically addresses essential national needs and facilitates necessary reforms. Included in these costs are expanded resources for housing and repatriation of immigration detainees, additional consultancy expenses to implement CFATF recommendations, and the establishment of a dedicated meteorology department. Additionally, investments are being made in administrative technology, including enhanced software for the Labour Management System and Beneficial Ownership Search System (BOSS), as well as increased security expenses and continued support for the RATED programme, which offers temporary employment and training opportunities for residents.

Mister Speaker, the Capital Expenditure Programme (CAPEX) is integral to the National Sustainable Development Plan, serving as a driver of economic growth through job creation and improvements to infrastructure and capital assets. Despite last year's variance in capital spending, with \$27.09 million executed, government remains optimistic and sees this as a clear opportunity to execute even more capital projects in 2026.

Moving forward, there is a renewed focus on strengthening project preparation, procurement processes, and team mobilization. Enhanced sequencing of projects improved inter-agency coordination, and early activation will be prioritized to mitigate year-end spending bottlenecks and ensure taxpayer resources are used efficiently to deliver timely infrastructure enhancements.

Mister Speaker, for 2026, CAPEX will be structured to align with national priorities related to sustainable development, quality of life improvements, and greater economic efficiency throughout the Territory.

It is imperative to ensure optimal execution of projects to maximize the benefits of approved financing and achieve the envisioned transformation. Mister Speaker, we are committed to delivering resilient and modern infrastructure that supports the socio-economic wellbeing of the Virgin Islands and meets the needs of all residents.

Public Debt

Mister Speaker, the Virgin Islands has always taken pride in being a country with low public debt. At the close of 2024, our total public sector debt stood at \$163.54 million, reflecting a 5.5% reduction from 2023 through ongoing debt servicing. This debt is carefully managed across thirteen loans with four creditors, including the Caribbean Development Bank (CDB) as our sole foreign creditor, CIBC First Caribbean Bank, Republic Bank, and the Social Security Board.

Mister Speaker, we project that public debt will be around \$170.94 million by the end of 2025. Our commitment to effective debt management remains strong being guided by the Protocols for Effective Financial Management and the 2025-2027 Medium-Term Debt Strategy, which includes the annual borrowing plan. We will

continue to prioritize fiscal discipline, ensuring that all borrowing supports long-term growth and is secured at the lowest possible cost. Going forward, we will be considering a pro-growth strategy that will allow the Government to invest in major infrastructure improvements essential to drive economic growth.

Mister Speaker, my Government has emphasised to the United Kingdom the need to consider adjustments to the Protocols for Effective Financial Management to facilitate growth initiatives. For instance, the airport expansion is not merely an infrastructure upgrade, it is a strategic investment in the Territory's future, and therefore this project should not be treated as borrowing under the Protocols, but as a developmental investment that will yield significant social and economic transformation of the Virgin Islands.

2025 Performance Review

Mister Speaker, my Government's vision for the Virgin Islands is one where prosperity, resilience, and inclusivity go hand in hand - a vision realised by laying strong foundations across every sector of our society. As we continue to progress on our journey of building a sustainable nation, it is essential to recognise that our advancement is anchored in deliberate, strategic action.

Our work over the past and previous years reflects a continuum of building a sustainable nation. In 2025 we focused on laying the blocks of success in the six pillars of the NSDP: a robust, competitive economy; modern and resilient infrastructure; a healthy and empowered population; an education system attuned to future needs; a protected and thriving environment; and a government guided by good governance and leadership. Together, these pillars form the basis for sustainable growth, ensuring that every Virgin Islander can share in the promise of a brighter, more secure future. Let me recap some of what we accomplished in 2025 as we laid the blocks of success.

Economy

Mister Speaker, a robust and diversified economy is fundamental to national prosperity. Through prudent fiscal management, business reforms, and targeted sectoral investments, my Government continues to generate employment

opportunities, increase revenues, and enhance economic resilience for the future.

To strengthen fiscal stability, significant legislative reforms have been implemented to modernize our fiscal framework, improve international compliance, and support key industries. The Mutual Legal Assistance (Tax Matters) (Amendment) Bill was enacted to align with global tax standards, while the Asset Seizure and Forfeiture (Amendment) Act has clarified the administration of seized assets. Additionally, the Miscellaneous Amendments (SIGTAS) (Validation) Act has reinforced our tax collection mechanisms, contributing to a more robust business environment and bolstering our competitiveness as an international financial centre.

Mister Speaker, with respect to public procurement, the Public Procurement Act enacted in September 2022 is currently under review following feedback from suppliers and stakeholders. Open tender thresholds have been increased from \$100,000 to \$250,000 to facilitate greater efficiency and participation. Revenue-related legislation has also been updated.

BVI vessels are now exempt from import duties, vessel licensing regulations have been modernized, and the tourism sector framework has been refined through targeted legislation such as the Commercial Recreational Vessels Licensing Act. Furthermore, the Department of Immigration has streamlined its fee structure for a broad range of services.

Mister Speaker, in 2025, my Government advanced strategic initiatives across financial services, labour, immigration, and trade to fortify the economy and foster a conducive business environment. Key achievements included publishing the Beneficial Ownership Access Policy in accordance with AML/CFT reforms and privacy considerations, engaging a public relations firm for global outreach, and launching digital platforms for immigration and work permits.

The Labour Management System has optimized permit processing, while training programs and partnerships have enhanced employment opportunities and dispute resolution capabilities. Trade facilitation was advanced through the expansion of MSME policies, the provision of grants, and initiatives to improve licensing and customer service. Collectively, these actions demonstrate the Government's

commitment to nurturing a supportive business climate.

Considerable progress has been made in reinforcing economic resilience and global competitiveness. The Financial Services Commission (FSC) has enacted legislative reforms to strengthen anti-money laundering and counter-terrorism measures, achieving alignment with FATF standards and reinforcing regulatory compliance as well as the reputation of the Virgin Islands' financial sector.

Mister Speaker, two years ago, the legal framework governing virtual assets was modernized through the Virtual Assets Service Providers Act, effective from 1 February 2023. This legislative foundation has since facilitated tangible advancements, including the institutional adoption of tokenization using BVI vehicles. A notable illustration is the launch of a tokenized index fund in 2025 utilizing a BVI limited partnership structure, evidencing the synergy between established fund and partnership law and innovative on-chain solutions. This demonstrates that regulatory credibility coupled with innovation attracts significant capital, positioning the BVI as a competitive jurisdiction.

In June, BVI Finance hosted the inaugural Fintech on the Seas summit at Necker Island and Oil Nut Bay. Over two and a half days, more than 150 leaders—regulators, founders, fund managers, and policy-makers—from at least seventeen countries participated in practical sessions addressing tokenized funds, governance, and compliance at scale. This event was a notable success, firmly establishing the BVI as a prominent hub for digital assets on the global stage.

Mister Speaker, earlier this year I led a very successful delegation to the Asia-Pacific region, including China, Macau and Malaysia, represents 45% of our market. I am pleased to say the Virgin Islands continues to be the jurisdiction of choice for this part of the world. We must continue to strengthen our relationship with this region. I am pleased that on the ground, we have the level of professionalism that can supports this both from a regulatory as well as promotional point of view.

Mister Speaker, regarding tourism, my Government convened a National Tourism Summit, followed by comprehensive consultations across multiple islands, which informed the development of the National Tourism Policy. Anchored in regional best practices, this policy supports inclusive growth and sustainable sector

development. The formulation of a National Tourism Plan further underscores our dedication to building a sustainable, professionally managed, and economically vibrant tourism industry for future generations.

My Administration is committed to strengthening tourism linkages to boost economic activity through cultural events, museum workshops, restoration projects, and festivals that support national identity. Major upgrades, including the redevelopment of Prospect Reef Resort, are planned. The Board has submitted recommendations for bidders, with Requests for Proposal to be issued in December. This development aims to grow the tourism sector and create jobs and business opportunities, highlighting our commitment to building a resilient and competitive economy.

Mister Speaker, significant efforts have also been directed toward enhancing agricultural infrastructure to better support local farmers. The designs for an Agricultural Complex and a reservoir in Paraquita Bay, intended to provide a reliable water source, are nearing completion. An Agricultural and Fisheries Grant Policy is currently before Cabinet, with approval and disbursement of grants expected by year-end. Throughout the year, capacity-building initiatives targeting farmers and fishers have been introduced, focusing on essential business management, safety, and sustainability practices.

In 2025, Cabinet approved the Virgin Islands' accession to the UK Blue Belt Programme, providing technical support for marine conservation, spatial planning, fisheries management, and biodiversity protection. Progress has also been made towards establishing the Exclusive Economic Zone (EEZ), which will facilitate clearer jurisdiction and improved marine resource management.

The Virgin Islands Shipping and Maritime Authority completed its first year, improving compliance ahead of the MCA Audit to regain Category I status and unlock market opportunities. Oversight was strengthened with a new Chief Marine Accident Investigator and Maritime Advisory Board. These actions support a sustainable, inclusive economy through green and blue initiatives.

Infrastructure

Mister Speaker, modern infrastructure is the backbone of a thriving nation. My Government's investments in 2025 in energy, water, transport, and technology are connecting communities, reducing costs, and supporting sustainable growth. Lasting roads, reliable utilities, and systems that support a thriving Virgin Islands are our priority.

The BVIEC is advancing sustainable energy in the Virgin Islands, with its STEP solar programme growing and over two hundred applications for solar systems to be installed. The Anegada Solar Farm now supplies power for 19 hours daily, with full operation expected by year-end. Wind energy for Jost Van Dyke is being considered, alongside ongoing upgrades and grid maintenance throughout the Territory.

Mister Speaker, in June 2025, water was made a national priority. Through the Ministry of Communications and Works, my Government is working assiduously to rebuild the water distribution system that has been subjected to decades of underinvestment and degradation. An assessment of the water infrastructure was completed through a collaboration with Operators Without Borders, a Canadian non-profit. The assessment revealed that many components of the system are inoperable and must be replaced. These include pump stations, pumps, pressure valves, and other critical fittings and fixtures essential for maintaining steady water flow and pressure. These are being procured.

A specialized team has been deployed for the installation of high-density polyethylene pipes on the Ridge Road. Approximately three thousand linear feet of HDPE pipe have been installed from the Diamond Estate Pump Station to the Montessori School gap so far, with the deployment of an additional specialised team underway.

Tenders for reservoir repairs at Hannah Hill, Fort Hill, Sabbath Hill, Balsam Ghut, and Minton Hill are before Cabinet and contracts will be awarded shortly. These works will enhance water storage capacity, improve reliability, and support long-term resilience across the network. All of this, Mister Speaker, is part of a twelve-month action plan that includes infrastructure and system upgrades, reservoir security and site accessibility, system monitoring and control, metering and

network expansion, and asset mapping and system review.

Mister Speaker, after decades of waiting and disappointment, the residents of East End and environs are seeing real progress with the construction of the East End Sewer System. The project comprises two phases. Phase one, the Long Look/Greenland Collection System is about 90% finished. The Long Swamp Pump Station is completed, including installation of all major components, with final commissioning pending electrical connections and backup power integration. Additional civil works have finalized the sewer network for Long Look and Greenland. Commissioning is set to finish by November 2025, with testing between the pump station and Paraquita Bay Treatment Plant planned for December 2025, leading to household connections soon after.

Designs for the Road Town Sewerage Network upgrade are complete, and tenders are being finalised. In Cane Garden Bay, the project designs are currently being upgraded to deliver a more streamlined and functional system. Upon approval of the final designs, procurement will commence for the major components, paving the way for full project implementation.

Mister Speaker, we are leveraging communications technology with the digitising of Government services. Residents can now use the Water and Sewerage Department's online portal for easier payments, and the Department of Motor Vehicles will complete full digitisation by 2026. Soon, vehicle and driver licence renewals will be entirely digital, improving efficiency and convenience. The Town and Country Planning Department introduced application tracking software to streamline and improve transparency in planning and land use permits, making processes more efficient and citizen friendly. These projects advance our digital transformation for more transparent and citizen-focused services.

Mister Speaker, the Telecommunication Regulatory Commission Act is under review to enable 5G and satellite technology in telecommunications, which will boost connectivity and help the Virgin Islands compete globally. Modern technology adoption will foster innovation and expand opportunities for all.

Mister Speaker, we are advancing our transportation infrastructure for sustainable growth. The Cabinet, guided by the business case submitted by KPMG, has

approved the expansion of Terrance B. Lettsome International Airport, selecting a 7,000-foot runway extension to support larger aircraft and direct flights from major regions. This project will improve travel options, increase tourism and investment, create jobs, and is planned to begin construction in 2026 after identifying qualified partners through an Expression of Interest process.

A Master Plan for airport development will be submitted for approval, and an Environmental Impact Assessment is planned by the end of 2025. Airlift capacity is growing, with American Airlines increasing Miami-Beef Island flights to five dailies - plus extra on weekends - from December 2025, including an 8am option for early connections. Virgin Gorda port upgrades begin November 2025, separating cargo and passenger services. Jost Van Dyke's dock repairs are complete, with further work planned. The West End Ferry Terminal project is ongoing.

Road works are progressing. The Paraquita Bay to Hodge's Creek route is almost complete and will be fully paved before year-end. This also includes provisions for electrical conduits and new water transmission lines to ensure provisions for utilities. Additional road works are going through various stages of the procurement process such as Sea Cow's Bay, Fort Hill, Ridge Road and Windy Hill, Mount Healthy and Sabbath Hill while works have commenced in areas such as Greenland, Shepherd's Hill and Georges Hallow.

Mister Speaker, we have made significant progress in our drive to once and for all give the Virgin Islands the capital they deserve. Through strengthened internal coordination, we have established a strong structure among the many Government agencies responsible for the maintenance and development of the capital. We are working on a Master Plan that will transform Road Town into a modern and thriving little city. By year end, we would have initiated one of the three approved projects to begin the transformation of Road Town and executed a clean-up of certain areas to give the capital a lift.

Health and Wellness

Mister Speaker, a healthy nation is the bedrock of sustainable development. In 2025, my Government made investments in health and social protection aimed at improving individual well-being and strengthened the fabric of our society and

economy.

Improvements to healthcare infrastructure in 2025 included upgrades at Dr. D. Orlando Smith Hospital - such as roof repairs, lobby renovations, new signage, and an Oxygen Generation Plant - boosting resilience and safety. Repairs and procurement at Nurse Iris O'Neal Clinic are expanding healthcare access for Virgin Gordians. Governance was strengthened and increasing oversight, compliance, efficiency, and accountability at BVI Health Services Authority through the BVIHSA Amendment Act,

The Brewer's Bay Community Centre was renovated and reopened in August 2025, named in honour of George W. Christopher.

To encourage healthy living and lifestyles, the Tobacco Products Control (Amendment) Act was passed, which added graphic health warnings, higher penalties, and vaping regulations. Campaigns like BVI Moves and Eat Well Guide sought to reduce non-communicable disease risks. The Cancer Prevention Conference in June 2025 advanced early detection methods and the groundwork for a Cancer Registry.

Mister Speaker, we have been developing robust social protection systems. The Public Assistance Act and September 2025 regulations streamlined eligibility, increased transparency, and improved support for the most vulnerable. The new Social Protection Policy uses data-driven methods to boost efficiency, reduce duplication, and raise beneficiary satisfaction.

Education and Learning (2025)

Mister Speaker, education is the cornerstone of national development — the foundation upon which every other pillar of progress is built. In today's rapidly evolving world, innovative, creative, and dynamic learning environments are the Golden Keys to unlocking the full potential of our people and securing the future of our beloved Virgin Islands. Through education, we nurture the thinkers, builders, and leaders who will shape a resilient, prosperous, and forward-looking Territory.

In 2025, my Government built the foundations of transformation across three pillars: modern infrastructure, empowered teachers, and robust resources.

Together, these investments form the currency of real change — a lasting investment in our Territory's human capital and collective future.

Mister Speaker, throughout the Territory, our schools are being rebuilt not just as structures, but as symbols of resilience and modernity. Major rehabilitation works were completed to waterproof roofs, reinforce walls, standardize windows and doors, upgrade plumbing and electrical systems, and install solar and generator backups to ensure continuous learning even in times of disruption.

Restrooms have been renovated, air quality improved, and water systems restored, with cisterns and storage tanks added for resilience. Across campuses, fences have been rebuilt, rails repainted, lights replaced, CCTV installed and playgrounds rejuvenated with the addition of basketball courts — creating safe, healthy, and welcoming spaces for learning.

We completed the Eslyn Henley Richiez Learning Centre — the first purpose-built special education school in the OECS — a beacon of inclusion and innovation. Architectural drawings for the new Althea Scatliffe Primary School are being finalized, and planning is progressing for a vocational and technical secondary school on the eastern end of Tortola. Design work is also underway for dormitories at the H. Lavity Stoutt Community College, advancing the vision to expand student accommodation and meet growing local and regional demand for tertiary education.

Mister Speaker, our teachers are the architects of transformation. Through the Let's Teach VI initiative, we continue to attract passionate individuals into the profession while strengthening retention. In 2025, twelve new teacher-trainee positions were created, and new cohorts were launched for the Certificate in Teaching, Certificate in Leadership, and Postgraduate Diploma in Arts Integration. Improved compensation and growth opportunities have increased teacher retention. Teacher compensation in the Virgin Islands is said to be among the highest in the region — a reflection of this Government's unwavering commitment to valuing and empowering our educators.

We are building pathways for continuous professional growth. The H. Lavity Stoutt Community College is pursuing four-year degree-granting status, beginning with a

Bachelor's in Education, and an MOU has been finalized with Walden University to deliver B.Ed. and M.Ed. programmes for teachers. These investments ensure our educators remain globally competitive while deeply rooted in local excellence.

Mister Speaker, transformation requires the right tools. We have deepened investments in technology-rich learning environments: installing digital learning platforms, improving connectivity, updating hardware, and deploying interactive smart boards and robotics kits to strengthen data-driven education. Schools have received new copiers, modern computer labs, iPads, new furniture, and specialized teaching aids, including music equipment and resources across Math, English, Science, and Technical and Vocational Education (TVET).

The Full STEAM Ahead initiative continues to prepare students for the future through innovation, robotics, and creative problem-solving. Mister Speaker, the success of this mandate was powerfully demonstrated when Team BVI competed in the FIRST Global Robotics Competition in Panama, placing 42nd out of 181 countries and first in the OECS region. This remarkable achievement reflects the integration of robotics, coding, programming, and artificial intelligence into the national curriculum from Grades 7 through 11 — a testament to our students' growing capacity to compete on the world stage.

Mister Speaker, new partnerships between the H. Lavity Stoutt Community College and universities in the United Kingdom further enhance degree-progression opportunities, while entrepreneurial training programmes equip graduates with the skills to innovate, create jobs, and contribute to a dynamic economy.

The historic establishment of the BVI's first Medical School continues to demonstrate this Government's commitment to advancing long-discussed but essential initiatives. The Ponce Health Sciences University (PHSU) Medical School BVI has commenced classes for its first cohort of medical students at HLSCC's campus in Paraquita Bay and holds significant promise for growth. This partnership positions the Virgin Islands as a regional centre for medical education and innovation.

Mister Speaker, sports, youth, and the arts continue to play a central role in shaping well-rounded, confident, and creative young people. Through sports

grants, youth programmes, and targeted support to the arts, we have strengthened national organisations and provided direct funding to student and elite athletes and creatives. For the first time, six Virgin Islanders competed at the World Athletics Championships in Tokyo — the largest contingent in our history — supported by increased Government investment in training and preparation.

We are also seeing success across other disciplines. In baseball, Virgin Islands athletes are competing as part of the Great Britain national teams, proudly showcasing our Territory's growing talent on the international stage. Likewise, through investments in the arts, our young people are gaining creative outlets that foster discipline, confidence, and innovation. These achievements demonstrate that excellence in the Virgin Islands extends beyond academics — it lives in our classrooms, on our playing fields, and on our stages. Together, sports, education, and the arts are equipping our youth to excel not just in competition, but in innovation and in life.

Environment

Mister Speaker, protection of our environment is essential for sustainable development and the well-being of future generations. In 2025, the Ministry of Environment, Natural Resources and Climate Change advanced regulatory and institutional initiatives, including finalising the Environment and Climate Change Policy, drafting the Biosecurity Policy, developing an Integrated Environmental Information Management System with a central EIA data repository and Environmental Registry, designating new coastal reserves, and re-establishing coral nurseries through private partnerships. The Climate Change Trust Fund Board is now formed, and the Trust Fund will be launched soon.

The Ministry of Health and Social Development reinstated vehicle disposal fees in September 2025 in a proactive approach to the war on derelicts.

Land administration improvements include digitising applications for Non-Belonger Land Holding Licences, finalising the Virgin Islands Crown Lands Use Plan, merging relevant departments, and reviewing legislation to strengthen land tenure. A new Advisory Board has been established under the Crown Lands Management Act, 2024 for more effective decision making within the various communities of the

Virgin Islands. Advisory Boards ensure that local consideration and knowledge is applied to decisions about Crown lands matters which ensures that decisions consider community and historical perspectives.

Additionally, new regulations for cemeteries and burial grounds have been prepared to respect the Virgin Islands' diverse cultural and religious practices, ensuring appropriate burials and effective land management.

Mister Speaker, as a small island state vulnerable to climate risks, the Virgin Islands has advanced hazard reduction and climate adaptation. Key actions include strengthening emergency communications and implementing nature-based projects like the Sargassum Programme and Long Bay Beach restoration.

These integrated efforts support sustainable growth and ensure the Virgin Islands is prepared for future challenges.

Good Governance and Leadership

Mister Speaker, good governance is the cornerstone of national development and the pillar that supports the others. Reforms undertaken or supported by my Government over the past three years are building trust, improving service delivery, and ensuring that every Virgin Islander benefits from accountable, transparent leadership. Key initiatives include consultation on the Sexual Offences Bill, a 911 dispatch launch, forming a Human Rights Commission, raising firearm penalties, and updates to youth justice and immigration policies. Cooperation with regional partners and Memoranda of Understanding have also advanced security and transparency in the Virgin Islands.

In 2025, we signed a contract with Trojan Design and Development Ltd for the design of the juvenile detention facility to separate minors from adults. These plans will progress in the new year. Further, renovations to His Majesty's Prison are also slated for 2026.

A number of initiatives were also undertaken to advance good governance, public sector leadership, and efficiency.

We completed the Self-Assessment Report of Governance Reforms coming out of the implementation of the COI recommendations which we implemented in 2024. This along with other considerations, resulted in the revocation of the Order in Council that would have suspended the Constitution of the Virgin Islands.

The reforms undertaken over the past three years have placed the Virgin Islands in a strong position to advance constitutionally. We have strengthened our governance and the pillars of democracy and expect that the people of the Virgin Islands will see the significant benefits of determining their own future and will want those benefits enshrined in our new constitution.

Mister Speaker, my Government also obtained approval for the Governance Reform Transition Plan, new policies for transparency, and legislative progress towards the transition from Recovery and Development Agency (RDA) to the Virgin Islands Development Agency (VIDA). Enhanced service delivery and inter-ministerial cooperation were recognised with customer service awards.

Key reforms to public administration included updates to essential legislation and the introduction of flexible working arrangements. Projects like the Job Evaluation initiative and Electronic Records Management System are modernising operations, while renovations at the Ralph T. O'Neal Administration Complex and plans for a national meteorological service are underway to improve infrastructure and disaster preparedness.

Service access expanded with the opening of the Customer Experience Service Centre on Virgin Gorda and plans for Jost Van Dyke. Leadership training, international partnerships, and a new independent Secretariat have promoted professionalism. Digitisation projects and the Government's first Diplomatic Service Week have further streamlined information management and raised diplomatic sector awareness.

Major infrastructure projects progressed, including the Old Administration Building Annex, key facility repairs, and near-completion of the Second Criminal Court, all demonstrating our commitment to accountability, transparency, and ongoing improvement.

Through our Governance Reform Programme, we are systematically raising governance and operational standards across Statutory Boards. Key legislative changes in nineteen areas—including conflict of interest, Board oversight, procurement, and clarifying Government-Board roles—are underway. In 2026, the appointment of a Statutory Board Administrator will strengthen cross-agency reporting and ensure ongoing compliance. These reforms will be supported by updated digital systems and close collaboration with Statutory Board leaders.

Mister Speaker, considerable effort has been invested to secure our borders and control illegal migration. We have already secured plans for a new detention facility that will allow us to control costs of managing undocumented immigrants coming to our shores. The implementation of our embarkation-disembarkation (ED) card has allowed us to easily segment persons coming into the Territory into residents, visitors, work permit holders, permanent residents and other categories for more efficient tracking and handling.

Mister Speaker, the Virgin Islands is a small Territory with major global interests. In 2025, we faced challenges such as threats to autonomy, higher tariffs, increased financial scrutiny, limited funding, regional security risks, extreme weather, and climate change effects like sargassum. Addressing these issues demands strong international engagement.

Mister Speaker, last year, our diplomatic team focused on protecting self-governance, promoting sustainable development, maintaining financial centre status, diversifying trade, and strengthening security ties. Key actions included: negotiating with the UK and United Nations to secure rights and governance; advocating for climate finance with Small Islands Developing States partners through CARICOM, the OECS and ACS; advancing the Sustainable Development Goals with various UN agencies and ECLAC; safeguarding financial interests via cooperation with UK authorities, FATF, OECD, EU, and conducting trade missions in Asia and Latin America; Countering US tariffs by building regional trade partnerships; and supporting regional security efforts with CARICOM IMPACS, RSS, UNHCR, and the US Virgin Islands.

Despite global uncertainties, BVI diplomacy remained committed to protecting the Territory's national interests. Recognising the crucial role diplomacy plays in our day-to-day affairs and our vision for the future, a Virgin Islands Diplomatic Service Policy is being finalised to guide and direct the operations of overseas offices, including BVI London Office and BVI Hong Kong Office.

Mister Speaker, across the six goals and seventeen national outcomes of the NSDP, in the last year my Government made concerted and successful efforts to lay the building blocks for the success, growth and development of the Virgin Islands.

2026 Budget Estimates

Macroeconomic Outlook

As we look ahead Mister Speaker, the 2026 budget aims for accelerated and sustained growth in line with the National Sustainable Development Plan. We project Real GDP growth to rebound to 1.0%, driven by public and private sector infrastructure investments. Effective labour market management and vigilance against predicted high inflation will be essential.

To secure this growth, we will build fiscal buffers and invest in climate-resilient infrastructure for future competitiveness and security. Financial services and tourism remain main economic drivers, with a focus on diversifying and expanding these sectors.

Mister Speaker, financial services reforms include implementing Basel II for capital adequacy, expanding the Beneficial Ownership regime, and integrating regulatory technology and AI for monitoring. BVI Finance is pursuing new market opportunities in South America and strengthening virtual asset regulations in line with FATF standards.

Projections suggest new incorporations will see a slight increase in 2025 before stabilizing in 2026.

Tourism is set for significant growth and modernization, supported by new policy and investment. In 2026, a Tourism Development Bill will create a single tourism authority [department] to coordinate initiatives and branding. Legislative measures

like fees under the Commercial Recreational Vessel Licensing Act and the online ED card system will support increased efficiency, aiming for 1.19 million visitors—a 5.9% rise from 2025.

Mister Speaker, private sector hotel development continues, highlighted by luxury property reopenings and upgrades. Expanding luxury accommodations is key to attracting higher-value guests, increasing overnight stays, and boosting spending. Revenue is expected to reach \$462.30 million in 2026, with ongoing efforts toward growth in arrivals, improved infrastructure, and enhanced visitor experiences to surpass previous records.

2026 Fiscal Projections

Mister Speaker, I would now like to present the financial figures that will underpin the implementation of programmes, initiatives, and projects focused on advancing the growth of the Virgin Islands in 2026. The estimates presented outline our strategy for addressing external challenges while expediting domestic development across all sectors. Our projections are founded on principles of fiscal discipline, good governance, transparency, efficiency, and prudent optimism, considering the sustained resilience of our key economic drivers—Financial Services and Tourism—as well as current conditions in the global marketplace. This section details our approach to responsible revenue management, strategic expenditure allocation, and maximising the impact of every dollar to secure a brighter, more sustainable future for the people of the Virgin Islands.

The Government anticipates fulfilling its commitments to the public with a proposed budget totalling five hundred fifty million, five hundred ninety thousand and fifty-one dollars (\$550,590,051). This is the biggest budget in the history of these Virgin Islands. This is comprised of projected revenue collections of four hundred forty-six million, sixteen thousand, four hundred dollars (\$446,016,400), supplemented by existing loans totalling fifty-four million, eight hundred ninety-seven thousand and eight hundred dollars (\$54,897,800), and contributions from existing fund balances amounting to forty-nine million, six hundred seventy-five thousand, eight hundred fifty-one dollars (\$49,675,851).

In summary, Mister Speaker, the budget supports an estimated recurrent expenditure of four hundred forty-two million, two hundred sixty-two thousand and five hundred dollars (\$442,262,500). Additional allocations include debt servicing through principal repayments of twenty million, eight hundred eleven thousand dollars (\$20,811,000) and capital expenditure totalling seventy-nine million, nine hundred sixty-nine thousand, six hundred dollars (\$79,969,600).

The capital expenditure programme will be financed by forty-six thousand nine hundred ninety-seven thousand and eight hundred dollars (\$46,997,800) sourced from existing CIBC and CDB RRL loans; twelve million, nine hundred eight thousand and five hundred dollars (\$12,908,500) from the Consolidated Fund; twelve million, six hundred eighty-eight thousand and three hundred (\$12,688,300) from the Development Fund; one million, one hundred thousand dollars (\$1,100,000) from the Transportation Network Improvement Fund; five million nine hundred and five thousand dollars (\$5,905,000) from the Reserve Fund; and three hundred seventy thousand dollars (\$370,000) from the Miscellaneous Purpose Fund.

Mister Speaker, Government has taken the bold step to refinance two loans through balloon payments totalling seven million nine hundred thousand dollars (\$7,900,000). This move is expected to improve our debt servicing, which frees up immediate cash flow for other critical investments and budget needs.

Summary of Allocations

Mister Speaker, preparing a budget requires a careful balance to ensure that Government's priorities are properly resourced, while complying with the fiscal requirements under the Public Finance Management and other legislation and policies, and our obligations under the Protocols for Effective Financial Management. The reality is that our finances do not allow us to fund all programmes and projects requested from ministries, but we remain steadfast to fulfilling our mandate as a government in the best interest of the people of these Virgin Islands.

Mister Speaker, ministries, and other agencies will receive allocations in the 2026 budget to deliver its service to the public in the following amounts:

Constitutionally Established Departments will receive a total of 20.4 million dollars.

The Governor's Group, which includes the Office of the Deputy Governor, will receive 60.7 million dollars.

21.9 million dollars is allocated to the Premier's Office, while nineteen million dollars has been included for the Ministry of Tourism, Culture and Sustainable Development.

The Ministry of Financial Services, Economic Development and Digital Transformation will receive 23.2 million dollars to implement its programmes.

Thirty-eight million dollars will be allocated to the Ministry of Finance, and 18.2 million dollars to the Ministry of Environment, Natural Resources and Climate Change.

Ministry of Education, Youth Affairs and Sports will receive 76.2 million dollars to support its programmes and projects, and the Ministry of Health and Social Development will receive 87.6 million dollars.

Finally, 101.3 million dollars has been allocated to the Ministry of Communications and Works to support its programmes and projects.

Mister Speaker, another vital component of expenditure in the 2026 budget, which not assigned to a particular ministry, is the allocation to Pensions, Public Debt & Funds Contribution, which amounts to 69.7 million dollars. A total of 6.9 million dollars has been allocated to the Miscellaneous Head which is used to service contributions to the Caribbean Development and contingencies.

Mister Speaker, the remaining amount in the 550.6 million dollars budget for 2026, is allocated to fund contributions, which are mandated by law. This amounts to 7.5 million dollars.

2026 Planned Initiatives

Mister Speaker, with foundational elements established, we look ahead to 2026 to construct the pillars that will advance the Virgin Islands toward sustainable development. The Government's development agenda for the coming year is both

ambitious and comprehensive, focusing on economic growth, infrastructure resilience, social empowerment, environmental sustainability, and robust governance. Through strategic investments and targeted reforms in business, education, health, governance, and environmental initiatives, these plans are designed to enhance the Virgin Islands' competitiveness, elevate the quality of life, and secure an innovative, inclusive, and sustainable future for all residents.

Economy

Mister Speaker, our top priority is building a strong, competitive economy. This depends on stable finances, a positive business environment, and industry-wide innovation. Our plans aim to boost the Virgin Islands' resilience, support entrepreneurs, and drive sustainable growth for greater opportunities. By investing in business, labour, and heritage, we promote economic diversification and strengthen regional and global standing.

Efforts to promote the upgraded sovereign credit rating and re-establish the Economic Advisory Council are complete, both of which will enhance economic resilience and attract investment. Work is underway to introduce a contributory pension scheme and revise pensioner benefits, aiming to secure long-term financial stability for public servants.

Legislative reforms are advancing, including amendments to the Professional Accountants Bill and customs regulations, will support the financial services sector and maritime industry. The Ministry is also developing policies to ensure business compliance and modernizing procurement and finance management processes to improve efficiency and transparency.

We will implement a trade and economic development plan that addresses the economic development needs of the Territory in a manner that balances the benefits of private sector innovation with Government's obligation to develop the capability of its people.

Mister Speaker, my Government will soon be bringing a revised Investment Act for passage in the House of Assembly, which will underpin an infrastructure designed to attract and support local and foreign investment. We will finalize the organizational

structure, which is the most appropriate vehicle for achieving our objectives.

Mister Speaker, the Ministry of Finance will launch its Good Standing Policy, which aims to ensure that businesses remain compliant with legal and tax obligations. The policy will be circulated for stakeholder consultation before advancing to Cabinet for approval. This policy is expected to strengthen business integrity, support sustainable economic growth and aid revenue collection.

Labour initiatives will prioritise strong collaboration with local businesses and industries to identify critical skill gaps and growth sectors, particularly in marine, construction, and hospitality. Stakeholders from the business and education sectors will be engaged regularly, with targeted employer training workshops, workforce readiness sessions, and industry-aligned job fairs.

Mister Speaker, rapid economic development and shifts in employment patterns—driven by AI and other factors—have had significant effects on local jobs and have sometimes resulted in underemployment. To tackle these challenges, I created the RATED programme. By carefully assessing everyone's developmental needs, we aim to design targeted programmes that support their skill development, training, and employment opportunities, helping them re-enter the workforce. This approach has already shown positive outcomes, and we intend to expand it to sectors such as tourism, agriculture, trades like electricians, boat captains in the marine industry, and additional fields important to our economy.

The Labour Management System will be fully integrated with Labour Relations and Protection modules, and orientation and mediation services will be enhanced to promote fair employment policies and positive workplace relations. Additional efforts will focus on supporting underrepresented groups, forging strategic partnerships with professional organisations, and offering specialised workshops for officers.

In 2026, my Government will advance restoration of the Sugar Works Museum and the Old Administration Building, ensuring these heritage assets are preserved and revitalised for future generations. Additionally, we are reviving the Dolores Christopher Festival of Arts, honouring the late legislator while supporting the preservation and promotion of local art forms. The Emancipation Festival Summit

will be convened to reimagine the Festival's role and relocate it to a permanent site near the Administration Complex, further reinforcing national identity, attracting visitors, and supporting cultural and tourism-related businesses. Plans are also underway for the redevelopment of a mural at the Terrance B. Lettsome International Airport, featuring the Virgin Islands' national heroes, athletes, and cultural icons. By embedding oral histories into interpretive materials throughout all districts, we will strengthen cultural identity, enrich visitor experiences, and support heritage tourism - measures that also stimulate business opportunities and enhance the enabling environment for enterprise.

To commemorate the 100th anniversary of the sinking of the vessel *Fancy Me*, the Ministry of Tourism, Culture and Sustainable Development intends to expand the existing maritime history museum at HLSCC into a more comprehensive institution. This initiative ties into broader efforts to promote community-based tourism, such as the successful "Cultural Thursdays" in Carrot Bay, which will be replicated in other communities to highlight the distinct traditions and heritage of each Virgin Islands settlement.

These initiatives build on the work started in 2025 and previously, and directly contribute to creating an enabling business environment, while also fostering an educated and highly skilled population.

Mister Speaker, in 2026, my Government will continue to prioritise institutional strengthening, strategic planning, and enhanced international engagement to solidify the Virgin Islands' position in the global financial services sector and drive the development of a diversified, competitive economy. The Financial Services Directorate will be formally established with key staff in place by the second quarter of 2026, providing the organisational foundation for robust policy implementation. A comprehensive Financial Services Strategy Roadmap will be completed by the third quarter, offering clear direction for sectoral growth, innovation, and global competitiveness.

Mister Speaker, in 2026, my Government will build on the progress recognised in the Territory's 2nd Enhanced Follow-Up Report by the Caribbean Financial Action Task Force (CFATF). Following the Virgin Islands' placement on the FATF grey list in

June, the Territory has worked diligently to strengthen our anti-money laundering and counter-terrorist financing framework, and the report confirms that the Virgin Islands is now rated Compliant or Largely Compliant with all 40 FATF Recommendations. These achievements reflect the coordinated efforts of multiple Virgin Islands agencies, including the Attorney General's Chambers (AGC), the Financial Investigation Agency (FIA), the National AML Coordination Unit (NCU), the Financial Services Commission (FSC), and other relevant ministries and units. Key improvements include stronger oversight of banks and financial institutions, greater transparency for businesses and professionals who handle money or manage companies—such as lawyers, accountants, and real estate agents—and enhanced powers for the FIA to enforce sanctions. The Virgin Islands is actively addressing remaining targets and expects to come off the FATF grey list within the next two years, further reinforcing its standing as a secure, trusted, and globally credible international finance centre.

Mister Speaker, my Government intends to strengthen engagement across Latin America, which currently accounts for approximately 25 percent of the Virgin Islands' Beneficial Ownership Register. Our recent interactions highlight the strong interest in the BVI product and the region's strategic value to our financial services industry. We see clear opportunities to deepen relationships beyond traditional markets such as Panama, expanding into the southern region. Through focused outreach, regulatory cooperation, and high-level visits throughout 2026, we aim to broaden our presence and further increase that share, ensuring Latin America remains a central pillar of our international growth strategy.

Opportunities are real and near-term. Trade-policy frictions are creating a premium for neutral, rules-based platforms. As tokenization scales from pilots to mainstream distribution, fund managers and asset originators will look for jurisdictions where digital rails marry robust fund law and investor protections. As generational wealth transitions accelerate in Asia and Latin America, families will continue to need flexible trusts, companies and funds that travel well and integrate with onshore tax and reporting. On each of these fronts, the BVI has the credibility, capability, and connectivity to help clients expand.

This Budget supports an agenda of growth, credibility, and inclusion. We will continue to resource the Registry and the Commission to maintain service standards and deliver transparency reforms in a way that preserves competitiveness. We will build on the success of Fintech on the Seas and our international program so that more tokenized funds, real-world asset platforms, and cross-border financings are executed through the BVI. We will deepen engagement in Latin America and Asia, and we will keep telling the BVI story with facts: stable incorporations, rising partnership activity and a modern digital-assets regime that draws serious operators because it is both innovative and credible.

Together, these initiatives are designed to enhance the Virgin Islands' reputation, sustain economic resilience, and position the Territory as a leader in financial services, directly supporting the goal of establishing a diversified economy and globally competitive industries.

Mister Speaker, supportive policies, programmes, and governance frameworks will be finalised to boost productivity and ensure the long-term sustainability of agriculture and fisheries, directly underpinning the green and blue economy agenda.

We will advance food security and sustainability through the commencement of the Virgin Islands Agricultural Complex, supported by a \$575,000 budget allocation. Some \$400,000 is earmarked for construction of a fishing complex at the Omar Hodge Fisherman's Wharf in Baugher's Bay, providing essential infrastructure for local fisherfolk to land and sell their catch and thereby reinforcing the Territory's commitment to food security and the blue economy. Additionally, \$150,000 is allocated for a hydroponics project on Virgin Gorda which will be built on a partnership from private sector, selected farmers, and government. The aim is to replicate this pilot programme in various areas in the territory.

Alongside these initiatives, the government will continue to support major development projects such as the Oil Nut Bay Development, YCCS Development, Biras Creek Redevelopment, Norman Island Development, Nanny Cay Development, and Lambert Beach Development. These projects will strategically serve to diversify and strengthen tourism while balancing economic growth with

environmental stewardship.

Mister Speaker, as we look toward 2026, my government, through the Ministry of Environment, Natural Resources and Climate Change, will continue to champion several major development initiatives that reflect our balanced approach to economic growth and environmental protection.

Redeveloping the East End Long Look Harbour offers a key chance to boost balanced economic growth in the Virgin Islands by creating a second commercial centre alongside Road Town. The project can become a hub for commerce, tourism, and local businesses, decentralising the economy, generating jobs, improving infrastructure, and attracting investment. Revitalising this area will help diversify the economy and strengthen the Territory's sustainability and competitiveness.

The Road Town Partnership will continue with the revitalisation of Road Town with greater engagement of the private sector after the completion of the Road Town Development Master Plan which will be launched early 2026. Road Town will finally begin to look like the capital that reflects the global brand of the Virgin Islands.

In the maritime sector, legislative reforms will be advanced to consolidate the Merchant Shipping Act. The digitisation of VISMA's operations, the introduction of a refreshed brand, and the strategic placement of surveyors in global hubs will further enhance efficiency, reduce client costs, and position VISMA as a leading competitor, supporting the blue economy and sustainable national prosperity.

Mister Speaker, as we continue our transformation into a smart nation and a digital economy, the enhancement of the Virgin Islands Post Office Technology Services in 2026 aims to improve e-commerce and postal efficiency through digital tools. This project is currently in progress, with regional collaboration underway via the Caribbean Postal Union. The integration of BVI Post into this initiative will depend on the outcome of the regional effort, positioning the Territory to benefit from modernized postal and e-commerce services.

The Immigration Department will also accelerate its digital transformation initiatives including the launch of a comprehensive online application platform for

all services, seamless online payment integration, and the renewal of the Canadian Bank Note (CBN) contract to advance the Border Management System through ongoing management, upgrades, and new digital initiatives. These developments will build upon the progress made in 2025, driving efficiency and modernising immigration services for the future.

Infrastructure

Mister Speaker, my Government's mission is to build robust infrastructure systems that not only enhance the quality of life for all residents but also ensure continued access to essential services in the face of evolving challenges. By prioritising innovation, sustainability, and inclusivity across energy, water, communications, and transport, these initiatives lay the foundation for a smart, connected, and climate-resilient Territory.

In 2026, BVIEC will advance the STEP Renewable Energy Programme into full implementation. This will involve the installation of additional solar farms and rooftop solar panels across public buildings, schools, and community centres, reducing dependence on imported fossil fuels and lowering energy costs for residents.

The Water and Sewerage Modernisation Programme will continue with the replacement of aging pipelines, the introduction of smart metering for improved efficiency, and upgrades to water treatment facilities to ensure safe and reliable water access for every community.

Policy and legislative reforms will focus on establishing clear standards for utility regulation, enhancing transparency and accountability, and embedding sustainability into all aspects of energy and water service delivery. To further strengthen climate resilience, we will invest in state-of-the-art meteorological stations and data-driven forecasting systems, providing earlier warnings and more accurate information to protect lives and property from extreme weather events.

Phase 2 of the East End Sewer System will continue in the new year, extending wastewater services to Parham Town and James Young. Works will include installing new gravity mains, lift stations, and connecting lines to existing

infrastructure, leading to efficient conveyance to the Paraquita Bay Treatment Plant, among other tasks. Upon completion of both phases, the project will mark a significant advancement in the Territory's infrastructure.

Mister Speaker, modernizing communication technology will provide all residents and businesses with timely, reliable information. Upgraded meteorological tools like radar and analytics will enhance our national network, improving forecasts and emergency alerts via mobile apps and community systems. These advancements will help the Virgin Islands keep citizens informed during emergencies and support digital inclusion.

The 2026 infrastructure agenda will upgrade the Virgin Islands' transportation network, focusing on airport and port improvements to boost economic growth and public service. The West End and Road Town Ferry Terminals will get upgraded lounges, ticketing areas, modern security, improved accessibility, and greater docking capacity for larger vessels. Additional enhancements include better cargo handling, real-time digital signage, and upgraded waiting areas for travellers and operators.

Mister Speaker, airport modernization will include energy-efficient roofing and lighting, sheltered walkways, upgraded climate control, and expanded security screening with advanced imaging. Automated baggage handling will improve speed and reliability. The airport will also enhance fencing, emergency response systems, and digital flight displays to support operations and disaster readiness.

The final phase of renovations at the Ralph T. O'Neal Administration Complex will restore the facility's position as the operational hub of government, incorporating features such as accessible entrances, reinforced structural systems, and integrated backup power to ensure continuity of services during emergencies.

Territory-wide road repairs and upgrades will strengthen connections between communities, ports, and critical infrastructure, further supporting economic activity and public safety. Collectively, these projects—spanning ferry terminals, the airport, and government facilities—demonstrate my Government's commitment to building resilience, sustainability, and accessible services for all residents and visitors.

Mister Speaker, funds have been allocated to expand the Road Town Development Partnership Project. This important project seeks to invest in upgrading pedestrian walkways and facilities in our capital, which is inclusive, taking into consideration of seniors and persons with mobility constraints.

Health and Wellness

Mister Speaker, the health and wellbeing of citizens and residents is a major pillar of our strategy. My Government is steadfast in our commitment to promote healthy living and establish robust frameworks that enable all residents to lead fulfilling lives. Through strategic initiatives we aim to continue strengthening health infrastructure and social protection systems across the Territory.

A major part of our strategy in strengthening our social protection systems is reviewing and adjusting upwards income streams for vulnerable groups. In 2024 we gave the biggest raise to public officers in history. While there is more work to be done, particularly through a reclassification exercise which is underway to properly position public officers on the salary scale, we remain committed to the fair compensation of our public officers. Before the end of 2025 and early in 2026 we will pay outstanding increments for 2021. We will also give an increment to public officers at the top of the previous scale for 5 years or more or who have been in the same post for 10 years or more.

Mister Speaker, I am proud to announce that the long awaited increase to our retirees pension payments has been placed within this budget. We are committed to ensuring those who have helped to build these Virgin Islands have an adequate means of supporting themselves having served admirably.

In 2026, key healthcare initiatives include upgrading Peebles Hospital's lobby for better accessibility, installing a central backup generator at two hospitals, roof repairs at Nurse Iris O'Neal Clinic, and improvements at Greenland Clinic.

Mister Speaker, 2026 will see commencement of construction of a \$1.8 million Transitional Centre at East End/Long Look to provide temporary housing for vulnerable families. Allocations have been made to establish a senior citizens home in Greenland, for renovations to the Rainbow Home and Autism Centre, and for

repairs to the community centres at East End/Long Look, North Sound and Purcell Estate.

The Safe Haven Transitional Centre (SHTC) will launch a Vocational/Apprenticeship Programme to empower residents with skills for reintegration, alongside community service clean-up activities and an advocacy campaign promoting social inclusion and homelessness awareness.

The Office of Gender Affairs will strengthen coordination with ministries through the establishment of a Gender Focal Points network and deliver Gender-Responsive Budgeting training in partnership with CARTAC. Updates to the National Policy on Gender Equality and Equity are also planned, reinforcing the commitment to inclusive and equitable policy development.

In alignment with the objective of establishing adaptive and shock-responsive social protection systems, the Social Development Department (SDD) will prioritise the full implementation of its digital case management system across all service units in 2026. Building on legislative reforms and programme restructuring completed in 2025, the SDD will also develop a Shock-Responsive Social Protection Framework and broaden senior engagement initiatives to better support vulnerable populations.

These targeted initiatives build on foundational reforms and programme enhancements, collectively advancing the Territory's capacity to respond adaptively to social challenges and strengthen its protective systems.

Education and Learning

Mister Speaker, in 2026, my Government's education agenda will continue to move "Full STEAM Ahead," continuing to modernize our schools, elevate teaching and learning, and build a system that delivers equity, innovation, and excellence for all.

Our first priority is to continue transforming the physical environment of learning. While major works were completed in 2025, several campuses still face challenges that affect instruction. In 2026, we will focus on creating modern, climate-resilient classrooms — improving air quality, addressing water intrusion, expanding learning

spaces, and upgrading electrical systems to support the installation of air-conditioning and smart technologies. New furniture and safer facilities will ensure that every school is comfortable, functional, and future-ready.

Mister Speaker, planning and design will also commence for a new National Library, envisioned as a modern space that promotes reading, research, and lifelong learning. The recent visit of the MV Logos Hope, the world's largest floating book fair, showcased the public's enthusiasm for books and learning across the Territory. This momentum reinforces our commitment to fostering a culture of reading and curiosity — ensuring that learning thrives not only within our schools but throughout our communities.

Beyond buildings, we are investing in the core of education — teaching and learning. The Ministry will expand access to manipulatives, and digital content, and introduce new computer labs and smart classrooms. Teachers will receive specialized training in mathematics and literacy, data-driven instruction, and the use of technology for interactive learning. The Virgin Islands Literacy Programme and Mathivated Project will continue to strengthen foundational skills, while partnerships with H. Lavity Stoutt Community College and other institutions will support teacher qualification and professional advancement.

Mister Speaker, inclusivity remains at the heart of our education agenda. The Ministry will expand special education services, recruit additional therapists and support staff, and establish sensory spaces in schools to assist neurodiverse learners. Assistive technologies, adaptive tools, and targeted training will ensure that every child has equitable access to learning.

We will also continue to strengthen early childhood development, recognizing that the foundation for lifelong learning begins in the earliest years. In 2026, Government will increase assistance to Early Childhood Centres, enhance inspections and training, and distribute resource kits that promote play-based and literacy-rich learning. Public awareness campaigns will highlight the importance of early education and parental engagement.

Mister Speaker, we recognise that education is a partnership — between schools, families, and communities. New parental engagement initiatives will equip parents

with the tools to support learning at home, address behavioural and academic challenges, and foster stronger school-family relationships.

Mister Speaker, with the upgrade of student information systems at the primary, secondary and tertiary levels, this digital transformation will enhance the use of data to guide decisions, improve accountability, and ensure that interventions are timely and evidence-based. It will also strengthen communication among teachers, administrators, and parents — creating a more connected and transparent education ecosystem that supports every learner's success.

Our youth remain central to this transformation. Through structured pathways in sports, music, and the arts, we are creating positive outlets that nurture discipline, teamwork, and creativity. In 2026, Government will increase investment in youth development and expand the human resources dedicated to intervention, reintegration, and restoration initiatives. Following the recent National Anti-Crime Summit, we heard clearly that our young people want more opportunities — more spaces and outlets to express their potential. Mister Speaker, we are answering that call. Our commitment next year will strengthen in this area, ensuring that youth empowerment remains a national priority that builds safer, stronger, and more hopeful communities.

Mister Speaker, ongoing legislative and policy reviews are also underway, aligning our laws and policies with modern standards and advancing inclusivity, digital learning, and equity. The Partners for Progress in Education programme will continue to deepen collaboration with the private sector and civic partners — ensuring that education remains a shared national mission.

Through these sustained investments — in infrastructure, resources, training, inclusion, and innovation — my Government will continue to build a world-class education system rooted in excellence and equity. Mister Speaker, education is our greatest investment — an investment written not in numbers, but in lives; not measured in years, but in generations. Together, we are reimagining education and moving full STEAM ahead toward a brighter, more resilient Virgin Islands.

Environment

Mister Speaker, as part of our efforts to promote environmental sustainability, we will soon initiate public consultations on a draft framework for regulating single-use plastic and Styrofoam products, and introducing a deposit/return system for glass, aluminium, and polyethylene terephthalate (PET) beverage containers.

Good Governance and Leadership

Mister Speaker, as we chart the course for the Virgin Islands' continued development, my Government reaffirms our unwavering commitment to the principles of good governance, accountability, and citizen partnership. These pillars are essential for sustainable progress, fostering an inclusive society where transparency, accountability, and citizen participation form the backbone of our national agenda.

Mister Speaker, as part of our Governance Reform Programme, we are steadfastly advancing our roadmap to elevate governance standards, operational excellence, monitoring, and reporting across Statutory Boards. Our commitment is reflected in driving forward legislative amendments in nineteen core areas—from robust conflict of interest management and prudent Board oversight to strengthened procurement practices and clear delineation of Government and Board roles.

In 2026, the appointment of the Statutory Board Administrator will further empower Statutory Boards and enhance cross-agency reporting, ensuring continuous improvement and unwavering compliance with the highest standards outlined in our legislative reforms and the Statutory Board Policy. This transformation will be reinforced by the implementation of modernised, digitised systems as we work collaboratively with Statutory Board Chairpersons, Members, and Directors.

Mister Speaker, we recognise that ongoing reforms needs to include reform of our processes, how we do business and how we are structured. The machinery of Government needs an overhaul so that delivery of services can be more efficient, responsive and in keeping with best standards. In 2026, Government will be consulting leading international governance experts to reform and resolve the systemic issues that have plagues our public service.

Mister Speaker, my Government remains committed to peace, justice, safety, and good governance. Building on prior work, we will intensify efforts to reduce gun crime, strengthen community policing, and modernise key judicial processes - including finalising Criminal Procedure Rules and updating legislation to ensure accessible and fair justice for all.

We will commence implementation of election reform recommendations, enhance electoral administration, and reinforce democratic practices. Innovation will drive the modernisation of registry and court systems, with the Civil Registry and Genealogy Unit becoming operational and digital platforms such as the E-Visa, E-Litigation, and E-Archives making services more efficient and accessible.

To uphold public accountability, we will appoint an Information Commissioner in early 2026 to enforce the Data Protection Act, 2021, ensuring responsible handling of personal data. Institutional strengthening will continue, with the Service Commissions Secretariat expanding its reach via online services, legislative updates, and public awareness initiatives. The Human Rights Commission will become operational, focusing on advocacy and monitoring detention facilities.

Confidentiality and integrity will be improved through increased staffing, specialised training, and stronger information security within the Registrar of Interests. Public sector accountability will benefit from ongoing audits, system upgrades, and updated Cabinet Office guidelines, with the House of Assembly seeing improved capacity, digitisation, and security.

Mister Speaker, in workforce development, the Immigration Department will implement a revised training plan - including full firearms certification for the Enforcement Unit and specialist analyst training with CARICOM IMPACS - while construction begins on a new Immigration Detention Facility. His Majesty's Prison will start planning for expansion and a juvenile unit, recruit more officers, and upgrade fire safety and infrastructure. We will also be proceeding with the establishment of a Customs Courier and Cargo Centre to improve risk-based checks on cargo and enhance fraud detection.

Finally, the Government Information Service will enhance internal communications, deliver public education campaigns, and ensure the community receives strategic

information across multiple platforms to empower decision-making and build public trust. Collectively, these priorities will drive progress in peace, justice, safety, and governance, ensuring every citizen's voice is heard and valued.

In 2026, government efforts will centre on strengthening efficiency and effectiveness across the Public Service. Building on groundwork we have laid, the establishment of a Learning and Development Institute will accelerate professional growth through targeted training and expanded international partnerships, while ensuring all activities align with the Public Service Act and job evaluation recommendations.

The Records Management Centre will be further upgraded, prioritising secure digital storage and standardised protocols to support comprehensive digitisation of government records in line with contemporary data governance. Public Service transformation will advance through enhanced customer service, improved policy development, and integrated digital solutions, ensuring all ministries and departments operate with greater agility and accountability.

Through the Ministry of Finance, Mister Speaker, we will pursue amendments to the Public Procurement Act and related regulations aimed at streamlining tender thresholds and improving project implementation. The Public Finance Management Regulations and Act will also be revised to capture all government operations and repeal outdated procurement sections.

Work will also continue to strengthen the legislative framework for the maritime industry by advancing remaining amendments for the consolidation of the Merchant Shipping Act and monitor compliance with the International Maritime Organisation's III Code requirements throughout the year. We also aim to ensure that all marine accident investigations are conducted within the legislated time, which will assist to inform policy development and improvement of maritime regulations, procedures, and safety standards. Additionally, we will deliver annual safety training to fifty maritime stakeholders and increase safety awareness and education in the schools and community.

Mister Speaker, building a sustainable nation requires a Constitution that reflects the aspirations of the Virgin Islands' people. Our recent debate and committee

session allowed Members to shape a negotiating stance based on the Constitutional Review Report. The HOA Report will be tabled and made public for feedback. The soon-to-be-appointed negotiating team will gather input before heading to London. We are committed to transparency and delivering a Constitution that meets both our ancestors' vision and future needs.

In 2026, we will continue to build our diplomatic network to ensure the Virgin Islands' voice is heard where our interests are being discussed. Through our Diplomatic Service structure, we will continue to develop our networks within international institutions and will continue to constructively engage with them to our mutual benefit. To support this, my Government will prioritise the adoption and implementation of a national diplomatic service framework to coordinate and safeguard the Virgin Islands' interests abroad more effectively. Efforts will be focused on expanding and deepening strategic relationships with regional and international stakeholders. These initiatives will directly support the objective of strengthened foreign relations and build upon the foundational work undertaken in 2025.

Implementation

Mister Speaker, the initiatives, and priorities I have shared are detailed in a document called the Medium-Term Development Strategy. Implementation of the Strategy is monitored at a mid-year review where Ministers, Permanent Secretaries and Heads of Departments convene to assess the progress towards meeting the objectives and make any necessary adjustments to ensure that goals are met. This process holds everyone accountable to each other and has proven to be a valuable tool to drive effective implementation. The mid-year review is also used to initiate the planning process for the upcoming year which ensures continuity of plans from year to year.

Conclusion

Mister Speaker, as I bring this address to a close, I remind the people of the Virgin Islands that building a sustainable nation is like building a house. You begin with a vision, you produce a plan, and you follow the blueprint of the plan. Over the past three years, we have been following the NSDP blueprint to build a sustainable

Virgin Islands. In 2024 we laid blocks of success and in 2025 we stood up pillars of progress. Our vision for our sustainable nation was shaped by our struggles brought on by a series of once in a lifetime event I mentioned at the beginning of this speech. That vision is also shaped by our Virgin Islands journey from enslavement to emancipation to representation. As we celebrate 75 years of representative government, let us use the occasion to reflect on the house we are building and make sure it fulfils our aspirations and can withstand the storms of life that we are sure to encounter. Let us resolve to continue to master our own destiny as we build our sustainable nation.

Mister Speaker I admonish my fellow Virgin Islanders to put on your hard hats, put on your construction boots and your construction vests. Let's build a Virgin Islands that will provide shelter to this generation and generations to come, and let us build with love and let us build in unity.

Mister Speaker, let me close by saying that the preparation of a Budget and Budget Address is an enormous undertaking and requires a lot of time, effort, and diligence. I want to thank my Financial Secretary Mr. Jeremiah Frett and his team at the Ministry of Finance for all their support and hard work. I want to thank all my Ministers and Junior Ministers for their contribution and ideas. Special appreciation must also go to Deputy Governor, Mr. David Archer and his team of Permanent Secretaries and all public officers in all Ministries.

I thank Honourable Members, you Mister Speaker, the audience present and those following online and via radio for your kind attention.

May God continue to bless these beautiful Virgin Islands.

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Additional Documents or Media

- [w 2026 budget address.pdf](#)