



**"WE MUST REMAIN ATTRACTIVE AND COMPETITIVE"**

**REMARKS**

**BY**

**The Hon. Dr. Kenny D. Anthony**

Prime Minister & Minister for Finance, Economic Affairs,  
Planning & Social Security

at the

Inauguration Ceremony

of

**Petrus Private Bank Limited**

**Tuesday, February 16, 2016 at 10:00 a.m.  
at the Capella, Marina Village, Marigot Bay**

## **PROTOCOL ACKNOWLEDGEMENTS**

The Hon. Emma Hippolyte - Minister for Commerce, Business Development, Investment & Consumer Affairs;

Mr. McHale Andrew – CEO of Invest Saint Lucia;

Mr. Lester Martyr – Registrar of International Business Companies (IBCs/Its) (Saint Lucia, IFC);

Mr. Brian Louisy - Executive Director of the Saint Lucia Chamber of Commerce;

Mr. Paul Thompson – Director (Financial Intelligence Authority);

Mr. Calixte Leon – Executive Director, Financial Services Regulatory Authority (FSRA);

Mrs. Nathalie Dusauzay – Senior Manager, Financial Services Regulatory Authority (FSRA);

Mr. Curtis Paul - Financial Regulator, Financial Services Regulatory Authority (FSRA);

Mrs Hanna McDonald – Financial Regulator, Financial Services Regulatory Authority (FSRA);

Chairman of the Board of Petrus Private Bank Limited, Mr. Thierry Bounous;

CEO, Petrus Private Bank, Jean-Francois Ruel;  
and

Executives of Petrus Private Bank.

Distinguished guests, ladies and gentlemen,  
good morning.

I am honoured to have been invited to address you at this inauguration ceremony of **Petrus Private Bank Limited**. I take the opportunity to once again welcome you to our beautiful shores.

## **AN EXCELLENT LOCATION**

I am confident that you will agree with me when I say, that you have chosen one of our island's most breathtaking locations (Marigot Bay) to house your Bank. This is an excellent choice of location for your bank. If I may borrow from the exquisite vocabulary

of a former colleague, I am sure you will benefit from this salubrious and seductive setting.

## **A GROWING SECTOR**

Choice of location apart, I am delighted that Petrus Private Bank has chosen Saint Lucia to carry on its international banking business. Petrus Private Bank Limited is now one of 15 licensed international banks operating from Saint Lucia. This is a growing testimony to our nation's status as a global financial centre. Indeed, the International Financial Sector is one of my Government's pillars to our strategy for attracting new foreign investments to our shores.

## **REGULATORY FRAMEWORK**

Regulated entities such as yours are governed by the international financial services laws and the Financial Services Regulatory Authority Act of 2011. The latter gave birth to the Financial Services Regulatory Authority (FSRA). This is a statutory body whose business is to protect and enhance the reputation and integrity of Saint Lucia in financial matters. We believe that a sound, efficient, and predictable regulatory regime and environment is a

major drawing card for foreign investors to establish business in our country.

## **SUPPORT SERVICES AND PROVIDERS**

Ladies and Gentlemen, as you may well know, Saint Lucia has a large and well-established professional services industry (such as lawyers, accountants, financial advisors, architects, engineers, doctors ...). Their acumen is well regarded. They have served this country well for many decades. They have also helped to forge strong ties with our regional community and have acquired considerable

sophistication and skill in dealing with external clients. They have come to understand and accept that free enterprise, a level playing field for business, open markets and global connectivity are integral to a winning formula.

## **THE CHALLENGE OF COMPLIANCE**

Unquestionably, we now operate in an environment that is complex, demanding and some might argue, excessively regulated.

Small nations like ours do face inherent challenges in its efforts to comply and conform to the new standards set by the international community. Saint



Lucia, having being identified as an international financial centre, is under constant scrutiny through periodic assessments. When one considers the range of requirements that have been imposed, it is difficult not to conclude that the environment for international banking has become suffocating, over-regulated and oppressive. Consider that we are obligated to:

1. The Financial Action Task Force (FATF) and its 40 recommendations for Combating Money Laundering and the Financing of Terrorism (AML/CFT);

2. Peer reviews for compliance with recommendations made by the GLOBAL FORUM, consequent to the signing of Tax Information Exchange Agreements (TIEAs);
3. US Foreign Account Tax Compliance Act (FATCA) to fight tax evasion by US persons holding investments in accounts outside of the United States of America.

We comply with all of these requirements to avoid being blacklisted and to remain attractive and competitive.

It is useful if we quickly review all of these regulatory requirements.

## **AVOIDING THE BLACKLIST**

The Caribbean Financial Action Task Force (CFATF) is a regional body formulated in the early 1990s, in keeping with the Financial Action Task Force (FATF) model. In the November 2008 Mutual Evaluation Report, Saint Lucia was rated non-compliant for ten (10) of the sixteen (16) Key and

Core Recommendations and received six (6) partially compliant ratings.

Consequently, Saint Lucia has succeeded in closing the gaps in ten (10) of the Key and Core recommendations and has been removed from the CFATF – ICRG (International Cooperative Regulatory Group) process. Currently, we are preparing for the 4th Round Mutual Evaluation (2018) in respect of the revised 40 FATF Recommendations.

As part of this new round, Saint Lucia is required to undertake a national risk assessment (NRA). In conducting this assessment, the aim will be to identify, understand and assess the money laundering and terrorist financing risks faced by the country. This exercise will eventually allow us to be eligible to achieve a national rating for Saint Lucia.

### **IMPACT OF OECD GLOBAL FORUM**

On the other hand, the OECD Global Forum is charged with the comprehensive monitoring and peer review implementation of the standards of transparency and exchange of information for tax purposes. In that regard, we are proud to highlight

that we have signed more than 20 Tax Information Exchange Agreements (TIEAs) which have been scheduled to our International Tax Cooperation Act.

Additionally, we have committed to:

1. the common reporting standard; and
2. becoming party to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters.

## **COMPLIANCE WITH FACTA**

On March 18, 2010, the US Government enacted the Foreign Account Tax Compliance Act (FATCA) to

fight tax evasion by US persons holding investments in accounts outside of the United States of America.

To avoid a direct reporting arrangement between the US Internal Revenue Service and financial institutions operating in Saint Lucia, I signed, on November 19, 2015, an Inter-Governmental Agreement (The Agreement) with the United States of America, to facilitate this information exchange. As such, Saint Lucia was able to sign a Model IA (a reciprocal agreement) which will cause the US authorities to exchange such information about Saint

Lucian persons directly to our Competent Authority, the Inland Revenue Department.

To date, Saint Lucia is the only member country of the Eastern Caribbean Currency Union to have signed such a Model (Model IA).

The Financial Services Regulatory Authority, the Financial Intelligence Authority, the professional services industry, the Ministry of Finance and Central Government continue to working relentlessly and assiduously in developing Saint



Lucia as a truly global financial centre on par with the major international players.

## **TIMES HAVE CHANGED**

**I believe we all accept that times have changed. I marvel every day at the rate that financial products and services are undergoing change. If we want to survive in this new environment, we will need to be bold and imaginative. While we are required to obey regulatory requirements, it is imperative that we do not become so consumed with our regulatory commitments that we lose our ability to innovate and create new products for the financial**

**marketplace. Innovation remains a key to our survival. We are no longer competing with our own in the region but with the entire world.**

## **CONCLUSION: ANOTHER STATEMENT OF CONFIDENCE**

I am pleased to welcome Petrus Private Bank Limited to our shores. I thank its principals for choosing Saint Lucia as its base to conduct business. Your presence and operations will add value to our economy. This decision is another statement of confidence in the integrity of our country, our economy and its future. We will do our utmost to

justify the faith and confidence you have placed in  
our country and our people.

I thank you!