

# YEAR AT-A-GLANCE PROGRESS IN 2017/2018

K. PETER TURNQUEST, MP DEPUTY PRIME MINISTER AND MINISTER OF FINANCE "The opportunity to serve the Bahamian people is a privilege. As I perform my duties as Deputy Prime Minister and Minister of Finance, and serve the people of East Grand Bahama, I will continue to advocate for accountability, transparency and integrity within the public service.

Every day, the Ministry of Finance is tasked with making tough economic decisions regarding the management of the country's fiscal resources. During this administration's first year in office, I am proud to have worked alongside the professionals in the Ministry of Finance and its agencies to deliver substantial results for the Bahamian people."

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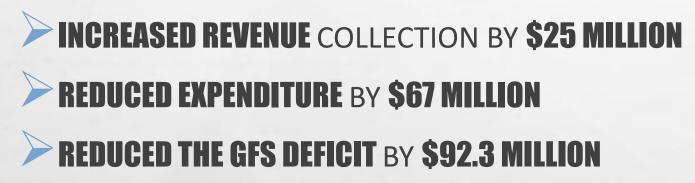
### **MAJOR ADVANCES**

- ✓ Stabilized the country's dire fiscal situation
- Established solid foundation for economic recovery
- Passed major legislation to enable economic renewal
- Implemented a robust legal and regulatory framework to counter harmful tax practices more effectively
- Established a proactive framework for international compliance in financial services
- Launched transformative economic development initiatives
- Fostered international cooperation by representing The Bahamas internationally



## **FISCAL HIGHLIGHTS**

Through the first half of the Government's first year in office, the government:



The Government also paid off tens of millions of dollars in bills left by the former administration.



Source: BIS: State of the Economy Report – February 21, 2018, hosted by the BCCEC at Atlantis Paradise Island

### **MOF PRIORITIY INITIATIVES**

### **ECONOMIC DEVELOPMENT**

EASE OF DOING BUSINESS
 BUSINESS LICENSE PROCESS STREAMLINING
 STIMULATION OF BAHAMIAN OWNERSHIP
 TAX REFORM

### **REVENUE ENHANCEMENT**

S & P RATING AFFIRMATION
 VERIFICATION OF EMPLOYEES
 BOND OFFERING

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CUSTOMS MODERNIZATION
 ePROCUREMENT SYSTEM
 DISASTER PREPAREDNESS & RELIEF
 INTERNATIONAL COMPLIANCE
 PROACTIVE INTERVENTION



### KEY ACHIEVEMENTS OF PRIORITY INITAITIVES

- **\$25 million allocated to invest directly in Small Business Development** through 2022
- Small Business Development Center of The Bahamas approved for launch in 2018
- Streamlining of the Business Licence process commenced with plans to fully automate all customer interaction on business and tax matters
- Time frame to open a new business reduced to seven (7) business days
- eProcurement and online Supplier Registry launched. Full online tendering to commence by end of year 2018
- **Deloitte & Touche Bahamas engaged to conduct a tax reform study**, including a review of possible replacements for the existing business license regime
- Successfully priced a USD750 million issue of 6.00% bonds in the US capital markets in November 2017. The order book closed with indications in excess of \$2.8 billion, with over 200 accounts participating, including many new investors in Bahamas' debt.



### ADVANCEMENTS IN INTERNATIONAL COMPLIANCE

Joined the Base Erosion & Profit Shifting Framework "BEPS"

Signed the Mutual Administrative Assistance in Tax Matters "MAC"

Signed the Multilateral Competent Authority Agreement "MCAA"

Made commitment to Automatic Exchange of Information

Participated in OECD Global Forum

#### Launched Transparency and Tax Compliance Program

Despite the unfortunate setback from the short-lived inclusion on the EU's List of "noncooperative jurisdictions for tax purposes", The Bahamas moved proactively to resolve the EU dispute. Its active and aggressive intervention, which included a high-level mission to Brussels, was ultimately successful in securing The Bahamas' removal from the list.



### LEGISLATIVE ACCOMPLISHMENTS

Automatic Exchange of Financial Account Information (Amendment) Act, 2017 – Passed Automatic Exchange of Financial Account Information (Amendment) Regulations, 2017 – Passed International Tax Co-operation Amendment Act, 2017 – Passed Credit Reporting Bill, 2018 – Passed The Financial Transaction Reporting Amendment Act, 2018 – Passed The Proceeds of Crime Amendment Act, 2018 – Passed **Travellers Currency Declaration (Amendment) Bill, 2018** – Passed Register of Beneficial Ownership Bill, 2018 – Tabled Multinational Entities Financial Reporting Bill – Tabled Fiscal Responsibility Bill, 2018 – Approved by Cabinet for public consultation, May 2018

### **THOUGHT LEADERSHIP**

- Compliance Aid: Caribbean Anti-Money Laundering & Financial Crimes Conference – Keynote Address (Florida, USA)
- 9<sup>th</sup> Annual Meeting of the Board of Governors of the IDB and 33<sup>rd</sup> Annual Meeting of the Inter-American Investment Corporation (IIC) – Presentation of Official Regional Statement (Mendoza, Argentina)
- Sustainable Grand Bahama Conference hosted by the University of The Bahamas-North – Keynote Address
- 20th Annual Grand Bahama Business Outlook Keynote Address
- 12th Annual Northern Conference of The Bahamas Association of Compliance Officers (BACO) – Guest Speaker
- Bahamas Industry Briefing on Base Erosion and Profit Shifting (BEPS) and other International Initiatives – Guest Speaker
- 20th Meeting of the General Conference of Ministers of the Caribbean Telecommunications Union (CTU) – Remarks



### **COMMUNITY ENGAGEMENT**

#### Highlights

- DPM says new dorms at UB North will help
  Government fulfill its promises on tertiary education
- DPM congratulates Tabernacle Baptist Academy basketball champions and encourages athletes to maintain strong focus on their studies
- DPM touts Government's long-term goal to "drastically reduce" the country's reliance on food imports
- DPM celebrates the comeback of farming and fishing industries after several hurricanes



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Deputy Prime Minister, Peter Turnquest pictured cutting the opening ribbon alongside Acting Chairman of the Grand Bahama Port Authority, Sarah St. George and the University of The Bahamas President, Dr. Rodney Smith along with other invited dignitaries. (Photo courtesy of GBPA)