

FINANCIAL CENTRE ASSOCIATION OF VANUATU

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2017 Annual Chairman's Report

Dear Members,

Another year has passed us by. This report will briefly cover 2016 and 2017 as well as summarize the role of the association. I would like to thank you all for your continued support.

The FCA started in 1993, so this year marks the 25th anniversary of the Association. Some of you have been members for all 25 of those years and would no doubt agree that a lot has changed over that time.

2016-2017 – What we have done

The Association has been extremely active over this period due to the FATF/APG black listing of Vanuatu, with numerous meetings held and extensive collaboration with the authorities to help Vanuatu to move out from under that black cloud. We have provided significant input to the latest NRA (National Risk Assessment) by reviewing and commenting extensively on the draft done by Mr. Chalmers' team last year. The association has also arranged a discounted subscription program with Thomson Reuters so that members of the Association can access the World Check database online, and thereby significantly improve their compliance checks in an efficient manner. This has been of immense help to the NCC (Vanuatu National Coordination Committee – APG/FATF) to demonstrate the willingness of the private sector to lift their game and help fight money laundering and terrorism within the global community.

We have also been vocal in the ongoing taxation debate with the Government's Revenue Review Committee (RRC), and have sponsored studies that are now publicly available on the RRC's website. Our activity in this area has helped raise public awareness of the implications a move towards income tax will bring.

On a Monthly Basis- What we do

The monthly meetings are extremely valuable, gathering together a diverse range of business owners, decision-makers and influencers that all have Vanuatu's future at heart.

We discuss matters that impact the Vanuatu economy and its growth, and we openly share opinions and information in order to collectively improve in our role as business leaders in Vanuatu.

We have on our monthly agenda such items as the airport upgrade, income tax & other Government revenue measures, progress of legislation, FATF blacklisting status and progress, VFSC and FIU news, tourism issues, immigrations/work permits, AML/CTF progress, land subdivision and transfers, to name just a few.

We are regularly approached by the Reserve Bank, VFSC, FIU and external bodies such as ADB, IFC, WB, embassies and high commissions to participate in various stakeholder meetings. Following Government of Vanuatu to request we propose board member to Airports Vanuatu Ltd, National Bank of Vanuatu and from time to time to other state owned enterprises or committees.

We have over the years enlarged our membership base to include not only traditional finance centre businesses such as banks, insurers, lawyers, trust companies & accountants, but also real estate agents, consultants, and other businesses that are considered Reporting Entities under the FIU definition. The result is a wide range of expertise with considerable depth.

Our association is open and transparent, and aims to support not only its members but the country as a whole, by sharing knowledge and ideas in a friendly and courteous manner. While we may compete with each other in business, we work together as a force for the development of Vanuatu. We are colleagues that are serving clients; a population, a country and we can do it better by working together.

This type of association is crucial for Vanuatu and does provide tangible results. While some may say it could be better, or it could do much more, it is important to realise that the work of the Association's members is voluntary in nature, and it therefore relies on the time and financial resources of its members.

We have approximately 25 members at present, and while some are not necessarily active in the Association, by simply paying their annual membership they are ensuring that the Association is able to meet monthly to discuss the issues mentioned above and provide a united voice on matters that affect everyone in Vanuatu. Everybody receives the updates via email and are kept in the loop about any significant matters that are communicated by the Vanuatu Government (FIU, VFSC, RBV, SLO) to the Association for further dissemination to its members.

In closing, I would like to thank you all for your ongoing trust and support and for maintaining your subscription to the Association, in some cases for the past 25 years! Thanks to Tom B. that has been again this year a wonderful secretary and Robert B. that has acted wonderfully as deputy chairman on several occasions.

Please do not hesitate to attend the monthly meetings and speak your mind and to join us in this quest to help Vanuatu become even better!



Martin St-Hilaire