

# FINANCIAL CENTRE ASSOCIATION OF VANUATU

Fca.vu  
Port Vila, Vanuatu  
Southwest Pacific  
E-mail: [martin.st-hilaire@fca.vu](mailto:martin.st-hilaire@fca.vu)



26 May 2021

## 2020 Annual Chairman's Report

Dear FCA members,  
Dear industry colleagues,

FCA Started in 1993, so we're now in our 28th year of existence—and I'm proud to say the association has never been as relevant as it is now, not only to the financial industry but to the overall well-being of the community.

Last year was a time of upheaval for many people, most notably the hard-hit tourism sector. My sincere hope is that they will return to pre-pandemic levels once this is all behind us. But, still, there have been positive developments as well, and I'd like to start by sharing some of these.

First, we've brought a new dimension to the debate surrounding the List of Reserved Occupations by sponsoring our extensive [research paper](#). We clearly demonstrated that imported, skilled labour is highly desirable in Vanuatu. It is a way to both fill in outstanding gaps in the local market and to bring investment and expertise in the sectors we need to develop further—which, by the way, includes our industry. We showed with clear-cut facts and data that skilled foreign workers are not a threat but, rather, an opportunity, as many of our member organisations can surely attest.

The other win for our association was the Remote Worker Visa. The seed for this idea was first planted between us, after which it was carried by our members to the VCCI and the VIPA. It eventually made its way into private discussions with our leaders, thus allowing it to become a gazetted regulation. Some of us were directly involved in various stages of this project, and I understand that some members are now working to iron out a few of the small (and, likely, large) missteps of the first version of the regulations. Now we're well on our way to opening our doors to individuals from all around the world who can enjoy these wonderful islands while working remotely for overseas employers or clients. Their presence will bring revenue to local businesses and leave a positive influence on our youth in the years to come. Hopefully, we'll start marketing Vanuatu to these digital nomads once the pandemic gets under control.

These developments were made possible because of the productive relationships that we carefully nurture with institutions like the VFSC, the RVB and the FIU, not to mention our government leaders. This kind of progress has made the FCA a more integral player than ever, not only for our members but for the whole community.

As a group of diversified business people, the FCA benefits everyone by creating a smooth way to communicate each month and, further, it presents a space where business professionals can exchange their views and valuable insights.

This allows us to share a wealth of intelligence and push one another forward with fresh perspectives. Collectively, we can craft practical solutions or policy ideas that outshine what is possible on the individual level. While it's true that we all have different professional paths, we share a common vision: building sustainable growth for Vanuatu through the development of a diversified tertiary sector. This stretches far beyond just finance and includes technology, education, research, marketing, professional services, and other key knowledge industries of the 21st century.

If you haven't done so yet, you should make a point to attend at least one meeting a year and see for yourself the sheer level of knowledge that is exchanged at these events—the room is alive with the energy of collaboration and new ideas. The atmosphere is friendly, we enjoy a delicious lunch every time, and we have the unique opportunity to hear innovative thinkers from all different places, leading to an altogether better understanding of Vanuatu, our potential, and how we can contribute to making it a better place for the next generation. We come away with better-informed decisions that help us to uphold our role as a pillar of the present and future success of Vanuatu.

The following are our main topics of discussion in the last 12 months, grouped into four sections:

### **1- Legislation:**

- Tax Administration Act, TIN implementation, Residency concept
- Work permit / Residency visa / Employment Act / List of reserved occupations
- Digital nomads / Teleworkers / Remote workers
- Citizenship Act / FIU / Citizenship commission
- Foreign investment Act
- Business License Act - Turnover tax (economic substance as EU's Trojan Horse)
- Amendment to Financial Dealer Licensing Act (for digital assets & license managers)
- Merging the Companies Act and the International Companies Act?

### **2- Compliance:**

- VFSC, FIU, RBV, NCC
- The EU's lists (AML/CTF and Tax)
- OECD, APG, FATF, CRS, FATCA
- Local & international compliance
- Regulatory audits
- Risk-based methodology
- Correspondent Banking matter

### 3- Updates from other organizations:

Every month, FCA members that sit on various boards share news and updates with the group. Below are some of our regular contributors:

- Airports Vanuatu Limited (AVL) - Mark Stafford
- National Bank of Vanuatu (NBV) - Lindsay Barrett
- Vanuatu Chamber of Commerce and Industry (VCCI) - Loic Bernier & John Warmington
- Vanuatu Investment Promotion Authority (VIPA) - Francesca Grillo & John Warmington
- Vanuatu Revenue Governance Committee (VRGC) - Martin St-Hilaire
- Bankers' Association of Vanuatu (NBV) - Geoff Toone
- Vanuatu Business Resilience Council (VBRC) - Glen Craig
- Tripartite Labour Advisory Council (TLAC) - Robert Bohn
- Vanuatu Hotels & Resorts Association (VHRA) - Loic Bernier
- Financial Market Association of Vanuatu (FMAV) - Martin St-Hilaire
- Vanuatu Association of Accountants (VAA) Scott Proud

### 4- Other issues:

We also save some time each month for attending members to bring up topics of their choice and to highlight some noteworthy recent events:

- Vanuatu Government delegation to China (January 2020)
- Coronavirus announcement by VBRC -(February 2020) - Glen Craig was right!
- New VIPA CEO - [Howard Aru](#)
- Creation of the Financial Markets Association ([FMA](#))
- Creation of the Vanuatu Association of Accountants ([VAA](#))
- New Caledonia bubble
- Advocacy papers - [Digital nomads](#), [digitized Vatu](#), [land value tax](#), [skilled foreign workers](#)
- Strategy Lab's report on the List of reserved occupations

The list is long, and I didn't even have a chance to get to all the topics we've covered. The high level of engagement is unending, and it's a testament to the belief we have in our cause—I want to once again thank everyone who takes part in our meetings or gets involved in any way to address these vital issues for our community.

I am aware that our association has never reached unanimity; we represent the bankers, the accountants, the lawyers and brokers that some members of our community associate with greed and a general lack of social concern. Back in the real world, though, our work is very much needed.

I have a distinct memory of a certain time in the past when our association was met with relative indifference; we questioned ourselves and wondered if it was worth it to continue. But one thing is clear: we've come a long way.

Nowadays, our association is at the heart of many discussions concerning the direction of the country, thanks in part to our good relationships with all relevant institutions as well as our involvement with other key organizations. Many of you are active and respected members of the community, helping to further solidify our place.

All the work carried out by the members of the association is done outside of the meetings themselves, with most being done in a one-to-one setting. Each of us is part of a unique network, allowing the opportunity to discuss and address issues in our own way.

Of course, the more our association stays engaged and visible in the community, the more we'll receive not just praise and encouragement but, inevitably, criticism. That is a normal, healthy part of the process and only gives us more cause to defend our ideas.

I thank you for your support and your respect over the last year. It has been an honour for me to serve this group of people, and I'm also grateful for the opportunity to be able to make a difference in this country—it is an experience that has been deeply rewarding.

I believe that stability and perseverance are important factors on the path to achievement and to bringing forth meaningful change.



26/05/21

Kind Regards

Martin St-Hilaire  
Chairman  
Vanuatu Financial Centre Association

The Current Members are (as at May 2021) National Bank of Vanuatu, Bank of South Pacific, Bred Bank Wanfuteng Bank, Pacific Private Bank, QBE, Tower Insurance, Vanuatu Insurance Broker, Geoffrey Gee & Partners, Hurley lawyers, Ridgway Blake, Caillard Kaddour, Waterfront Real Estate, Pacific Advisory, AJC, Barrett & Partners, Law Partner, Icount, James Kluck & Associates, Moores Rowland, Hawkes Consulting, The Bottom Line, Company Service Limited, IFTC, European Trust, PITCO, Pacific Management Trust, and Titan FX

**Special Thanks to 2020 Executives:**

Mark Stafford	Barrett & Partner	Vice Chairman
Thomas M. Bayer	PITCO	Secretary
Damien Mullins	AJC	Treasurer
Flora Goedefroit	Wanfuteng Bank	Member