

Why the BVI remains well-positioned to attract Asia's wealthy

Dr D Orlando Smith OBE, Premier and Minister of Finance of The British Virgin Islands (BVI), explains why the jurisdiction remains a leading international finance centre.

Investor confidence within the international community is key to the future of international finance centres such as the BVI. And Premier Dr D Orlando Smith is clear in his view that the role such centres play will continue to be essential to the success and growth of the financial services industry on a global basis.

environment. The jurisdiction provides access to market leading expertise and products. It is trusted by international businesses and tailored to meet their needs," says Smith.

"We acknowledge the need that many BVI clients have for security and privacy and respect this," he adds. "The debate



DR D ORLANDO SMITH OBE
The British Virgin Islands

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on beneficial ownership and our part within that is a clear demonstration of our approach. We have stated explicitly that we do not believe that public

registers of beneficial ownership are either useful or effective and, as a result, have repeatedly said that we do not support their introduction."

As a result, information about owners of companies in the BVI will not be made available to the general public.

ROBUST REGIME

The territory has always been proud of its regulatory regime. And Smith is keen to reinforce this view.

“Our belief is that our own systems are strong,” he explains.

At the same time, he recognises that new international standards are likely to emerge with an emphasis on greater information-sharing between relevant competent authorities such as law enforcement.

“We believe that the BVI’s proposal for a workable solution for global standards for beneficial ownership balances the need for both appropriate levels of privacy and transparency,” says Smith.

“It is focused on three key pillars: data security, appropriate legal constraints and the principle that any new standard must be applied globally to ensure a level playing field,” he adds.

The BVI recently unveiled its new innovative technology platform, BOSSs (Beneficial Ownership Secure Search System), which will allow the BVI to share information with UK law enforcement agencies within 24 hours.

The protocols for the use of BOSSs will ensure that BVI competent authorities will only perform beneficial ownership information searches following a legitimate request from UK law enforcement.

“BOSSs is the latest step by the BVI to ensure we remain one of the pre-emi-

nent jurisdictions for company incorporation, and continue to have a best in class regime for beneficial ownership,” says Smith.

LOOKING PAST THE ‘PANAMA PAPERS’

Smith also wants the international community to look beyond the perception which has emerged in the wake of the so-called ‘Panama Papers’.

“The BVI operates in a legal and transparent manner and is compliant with all relevant international standards,” he explains.

“Pre-conceptions, particularly among journalists, die hard. While this period

purpose, which is why we are currently engaging with the OECD, the international standard setter, as well as the European Commission.”

Yet Smith acknowledges that the issues raised by the Panama Papers incident will be addressed by global regulators.

“As we have shown with our development of BOSSs, the exchange of beneficial ownership information is one area where the BVI has taken global leadership,” explains Smith.

“We believe that the BVI corporate structures are still the most effective vehicle for much investment and it is our responsibility to ensure that they

“we are working tirelessly to evolve our services, diversify our expertise and products to deliver benefits globally, and ensure that we remain best in class.”

did present some challenges for the BVI, it also poses broader questions about the way the global financial system operates.

As a leading player in the various organisations that develop standards, the BVI is well placed to assess what might be coming down the road,” he adds.

“Importantly, we are committed to actively supporting the development of a global regulatory framework fit for

are utilised within the law while at the same time respecting the privacy of those they belong to,” he adds.

Looking ahead, Smith is positive.

“The BVI prides itself on being a centre of excellence for global business and we are working tirelessly to evolve our services, diversify our expertise and products to deliver benefits globally, and ensure that we remain best in class,” he says. ■