



YEAR AT-A-GLANCE

PROGRESS IN 2017/2018

K. PETER TURNQUEST, MP
DEPUTY PRIME MINISTER AND MINISTER OF FINANCE

CONTENTS

1. Major Advances	3
2. Fiscal Highlights	4
3. MOF Priority Initiatives and Key Outcomes	5
4. International Compliance Commitments	7
5. Legislative Accomplishments	8
6. Thought Leadership	9
7. Community Engagement	10

“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.”



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:

- **INCREASED REVENUE** COLLECTION BY **\$25 MILLION**
- **REDUCED EXPENDITURE** BY **\$67 MILLION**
- **REDUCED THE GFS DEFICIT** BY **\$92.3 MILLION**

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



MOF PRIORITY 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

➤ CUSTOMS MODERNIZATION

➤ ePROCUREMENT SYSTEM

➤ DISASTER PREPAREDNESS & RELIEF

➤ INTERNATIONAL COMPLIANCE

➤ PROACTIVE INTERVENTION



KEY ACHIEVEMENTS OF PRIORITY INITIATIVES

- ✓ *\$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 “non-cooperative 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)
- 9th Annual Meeting of the Board of Governors of the IDB and 33rd 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

