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Madam President, the financial services sector is one of the most important areas within our economy. Indeed, the sector has consistently provided a steady stream of high paying quality jobs within our Country.

The economic model championed by Sir Lynden and others proved so successful that other throughout the region have copied and replicated it. This replication and general competition from new jurisdictions has resulted in a far more competitive financial services industry than what existed when we first obtained nationhood.

Indeed it is quite telling that London more specifically the United Kingdom has over these decades transformed itself into a premier financial services jurisdiction offering low taxes and other advantages which they previously rebuked countries such as The Bahamas for providing. It is also telling that the UK and her colonies have or wish to have the lion-share of the offshore business.

That however is as they say water under the bridge. Crying over spilt milk has little value. We are in a competitive industry- so we must be competitive.

Today, Madam President, I lay before this Chamber several Bills which seek to make our financial services sector more competitive. Most notable of the Bills is the Bill for an Act to facilitate the Formation of an Investment Condominium in the Bahamas.

This Investment Condominium or ICON is designed to allow collective participants to pool their resources for the purposes of investing and Connected Purposes.

Madam President, I am advised that these bills will establish The Bahamas as the first common law jurisdiction in the World to have created an investment fund vehicle which perfectly aligns with the traditional structuring of Brazilian funds. The Bahamas has termed this fund the Investment Condominium or ICON. The immediate objective would be for our financial services sector to be able to attract business from Brazil one of the leading economies in the world.

Madam President. This Bill is another example of The Bahamas' never-ending commitment to be first in class in the provision of market responsive products. Indeed, I am advised that all of Brazil's 13,000 plus investment funds are legally organized as condominiums. This legislation would create a legal framework which mirrors the structure used in Brazil which will make The Bahamas a very attractive jurisdiction for many of these funds to be domiciled.

Madam President, although designed to mirror the structures present in Brazil to attract Brazilian business, this product is not only Brazil targeted. The Minister of Financial Services has advised that initial soundings from international advisors also indicate that this would be useful in other jurisdictions that prefer non-corporate but transparent vehicles for the organization of investment funds. Therefore keen interest has been shown from advisors targeting Mexico, Peru as well as Chile.

Madam President, in tabling this bill in that other place, the Minister of Financial Services explained that

“A condominium under the original civil law concept was the formalization of the concept of joint ownership and administration of property (in all forms) between co-owners within an unincorporated entity that looks very similar to a partnership but operates in many respects like a company. To be clear a condominium is not a legal entity separate and apart from co-owners and the administrator is empowered to act on behalf of and represent it in all matters. As a result of further amendments, a condominium investment fund was created; this modified the original condominium concept providing that a condominium (in the investment funds context) was a ‘pooling of funds intended for investments in a diversified portfolio composed of financial assets and other instruments available on the financial market.’

In drafting this legislation however, we remain mindful of our international reputation and these funds will be properly monitored by the Securities Commission.

Madam President, to facilitate this and other changes to modernise and improve the financial services sector, several Ancillary Amendments are being made by the following Bills:

- Exempted Limited Partnership (Amendment) Bill, 2014
 - % International Business Companies (Amendment) Bill, 2014
 - & Companies (Amendment) Bill, 2014
 - Investment Funds (Amendment) Bill, 2014
 - (Investment Funds (Amendment) Regulations, 2014
- Madam President, the amendments to the Exempted

Limited Partnership and International Business Company legislation are to provide for the conversion of such entities to an investment condominium in the manner provided and for connected purposes.

The amendments to the Investment Funds Act and Regulations are to allow for an Investment Condominium to be used as a fund.

Madam President, during the debate on the VAT legislation, we made the point that we must modernise the Bahamas. The amendments to the Companies Act and the International Business Companies Act seek to do that by making it easier to do business in The Bahamas. These amendments will empower the Registrar General to receive and process electronic communications relating to such matters under the Companies Act and the International Business Companies Act as the Registrar General shall determine. Online transactions include receiving and processing applications for incorporation and certificates of good standing and so on.

Madam President as a member of the Bar having previously dealt with tothese matters, I can attest to the fact that these are far reaching and long overdue.

Madam President, I therefore lend my unequivocal support to the Investment Condominium Bill, 2014; The Exempted Limited Partnership (Amendment) Bill, 2014; The International Business Companies (Amendment) Bill, 2014; The Companies (Amendment) Bill, 2014; The Investment Funds (Amendment) Bill, 2014 and The Investment Funds (Amendment) Regulations, 2014.

I believe that these reforms improve the strength and competitiveness of our financial services sector which is in the best interest of the Bahamian People.

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