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MINUTES OF THE 50th MEETING OF THE TWELFTH ANGUILLA
EXECUTIVE COUNCIL HELD ON THURSDAY 1st JULY 2021 AT 9.00 AM

- PRESENT: Her Excellency the Governor, Ms Dileeni Daniel-Selvaratnam
The Honourable Deputy Governor, Mr Perin Bradley
The Honourable Minister for Social Development, Cultural Affairs, Youth Affairs, Gender Affairs, Education and Library Services, Ms Dee-Ann Kentish-Rogers
The Honourable Minister for Home Affairs, Immigration, Labour, Human Rights, Constitutional Affairs, Information and Broadcasting, Lands and Physical Planning, and the acting Minister for Finance and Health Mr Kenneth Hodge
The Honourable Premier (Ag) and the Minister for Infrastructure, Communications, Utilities, Housing and Tourism, Mr Haydn Hughes
The Honourable Minister for Economic Development, Commerce, Information Technology, Environment and Natural Resources, Mr Kyle Hodge
The Honourable Attorney General, Mr Dwight Horsford
Clerk to Executive Council, Mrs Angela Hughes
- IN ATTENDANCE: Hon Parliamentary Secretary for Economic Development, Mrs Quincia Gumbs-Marie
Hon Special Ministerial Assistant to the Hon Minister for Social Development/Education, Mr Merrick Richardson
Financial Specialist, Mr Stephen Turnbull
- ABSENT: The Honourable Premier and Minister for Finance and Health, Dr Ellis Webster

EX MIN 21/209

CONFIRMATION OF THE MINUTES

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

Council confirmed the Minutes of the 49th Meeting of Executive Council held on Thursday 24th June, 2021 and the Minutes of the Special Meetings of Executive Council held on Friday 25th June, 2021 and Tuesday 29th June, 2021.

MATTERS ARISING FROM THE MINUTES

EX MIN 21/210

COVID-19 & ASTRAZENECA/OXFORD VACCINE UPDATE

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained. The following persons joined the meeting: -

PS, Health, Mr Foster Rogers
Chief Medical Officer, Dr Aisha Andrewin
Health Planner, Ms Rochelle Rogers

The health team updated Council on the rationale for recommending a “*stay in place*” policy, as proposed on June 30. There are 500 persons approved to arrive into Anguilla today and the number of applications continues to rise. There is no fraud-proof or reliable methodology to verify and guarantee the vaccination status of these persons.

Accordingly, it is recommended that persons stay in place for a period of time, until the results of their arrival tests are received. This safeguard is suggested owing to the inability to verify vaccination status with complete certainty. A COVID-19 test result can usually be shared verbally within approximately 12 hours; and no written test results for arrival tests are being provided at this time. It is therefore conscientious to consider every possible protection available in order to reduce the risk to the public. Especially, in circumstances where COVID-19 can be transmitted during a window of fifteen minutes of sustained contact. It is on this basis of the foregoing that the stay in place policy is recommended.

Based on the epidemiological situation a requirement to stay in place is not unprecedented and is standard practice in some countries. The process works to put the health of the public first and maintains the integrity of the health team.

Council:

- 1) thanked the Health team for the continued hard work and the efforts made to protect Anguilla;
- 2) noted that for fully vaccinated returning residents no approval of the home is required, as there is no requirement to quarantine;
- 3) noted that today is the first day of Phase 1 of the Exit Strategy and the health team shall provide a report this evening on the events of the day;
- 4) agreed that for next week the health team shall prepare a protocol for managing the arrival of pilots; and it shall address the process for pilots arriving into Anguilla and the message to be communicated to airports, airlines and the industry. Noted that in relation to pilots and airplane staff there were particular challenges. Sometimes pilots do not intend to stay in Anguilla, but are then not permitted to fly for regulatory reasons and then have to remain here. On occasion applications to enter Anguilla have not been completed at all (as there was no intention to enter Anguilla) or they may be incomplete, and accordingly, the requirements for entry under the existing Regulations have not been met; and
- 5) agreed that as of July 1, persons shall be strongly encouraged to stay in place at their accommodation, until the results of their arrival test are received, this will assist in limiting the movement of persons until the test results are known. The data that is collected in the course of the next few days will be instructive and the approximate turnaround time to obtain arrival test results should be established. Next week, further consideration will be given as to whether it is

necessary to mandate the stay in place process by Regulation.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, HLTH; PS, FIN; PS, EDCITENR; BD; ACC, GEN;
HON, DG; HON, AG; MINS OF GOV'T

EX MIN 21/211

EX MEM 21/114 AMENDMENT TO PROPERTY TAX LEGISLATION TO PROVIDE A 2021 PROPERTY TAX DISCOUNT AS A COVID-19 RELIEF MEASURE

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained. The PAS, Finance, Ms Marisa Harding-Hodge and the CIR (Ag) Mr Lonnie Hobson joined the meeting.

The PAS, Finance briefed Council, salient points as follows:

- Briefing on the recommendations to enact legislation under the Property Tax Act in order to:
 - a) provide a discount on current Property Tax for the 2021 fiscal year; and
 - b) to modify the due date for payment of the first installment of Property Tax to September 1, 2021.
- Update on the projections for 2021 Property Tax collections and other related issues.
- Since 2016, there have been various discounts offered and whilst the discounting is reported as a compliance measure, only compliant persons typically pay the tax. However, the discount does work to encourage early payment.
- Discounts were offered in 2017 and 2018 after hurricane Irma and now owing to the pandemic the income of businesses, households and the Government has been negatively affected.

- The aim is to provide enhanced relief. The discount would be brought into effect by a 5% rate reduction on all types of buildings and a 5% discount on 2021 current tax, if the bill is paid in full by the first due date, and this will apply whether the person is in arrears or not. This discount only applies to current tax and not arrears.

Council:

- 1) noted that it was preferable to consider this matter together with the policy on GST as this would enable consideration of the full tax landscape, the associated impacts and cost implications in a cohesive manner. However, given the urgency around issuing the Property Tax demand notices it was necessary to make a determination. This matter was not presented for Council's consideration earlier because the Ministry were focusing on the collection of arrears;
- 2) noted that the revenue loss related to discount A is 5% of EC\$7.1M minus EC\$1.5M which is EC\$280K;
- 3) noted that the 2021 revenue estimate anticipated the revenue loss associated with discount B and it is proposed that there is no significant loss associated with the expansion of the discount to taxpayers who are in arrears and do not pay the arrears in full;
- 4) noted that a 10% discount was applied in 2020 and the revenue estimates were met, even though a large payment of arrears was made in 2021. Performance in 2021 may be better than anticipated and the discounts proposed can be accommodated within the Property Tax regime;
- 5) approved the change in the first due date for Property Tax from 1 June, 2021 to 1 September 2021;
- 6) approved the provision of a 5% discount on all Property Tax demand notices, irrespective of payment date during 2021, as a COVID-19 relief measure;
- 7) approved the provision of a 5% discount on current Property Tax bills, to taxpayers in arrears, if the full amount is paid by the first due date; and

- 8) instructed the AG's Chambers to draft the legislative amendments required, to facilitate the proposed discounts and the amendment to the first due date for the payment of tax.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS FIN; PAS, FIN; CIR; HON, MIN FIN

EX MIN 21/212

EX MEM 21/115 ESTABLISHMENT OF THE SPECIAL ECONOMIC ZONE (VIRTUAL CITY)

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

In Ex Min 20/494 Council considered the Ministry's recommendations regarding the creation of a Special Economic Zone ("SEZ"). Council deferred the matter for further consideration as it was noted that the real benefit of a SEZ is the jobs which are brought to the jurisdiction.

In October 2018, the Government of Anguilla entered a Definitive Agreement with the Chord Group for the development of a project to establish a SEZ (the "Agreement"). It is proposed that the Agreement be amended to reflect the Virtual City initiative. The Virtual City is intended to be a precursor to the establishment of a full physical SEZ. It is a temporary measure until conditions are again conducive for the establishment of a physical SEZ and the intention is to phase it out.

The Special Economic Zone Act (the "Act") was passed in March 2020. Since then the Special Economic Zone Authority has been established. The Authority has considered and approved an application from the Chord Group for the establishment of a Special Economic Zone (Virtual City) and now recommends that Executive Council declares by regulation, the establishment of the Anguilla Special Economic Zone Virtual City in accordance with section 10 of the Act. The Special Economic Zone (Virtual City) Regulations 2021 seek to establish the Virtual City. The Regulations will also repeal the Special Economic Zone (Future Technologies) Regulations which were enacted pre-maturely.

The proposed Companies (Amendment) Regulations 2021 will levy a fee for SEZ companies to be registered as special SEZ companies, this registration is required by the Act.

In accordance with the provisions of the Act, companies setting up business in a Virtual City can only do so via a transparent and substantive Companies Act company. Every company in the Virtual City has to comply with Anguilla's economic substance requirements, before the company is established.

Council:

- 1) noted that it is more economical for companies to register as IBC's, and that the new ABC legislation will capture this financial offering. The overall marketing strategy for Anguilla's financial services needs to be considered;
- 2) approved the following:
 - a) Addendum No. 2, to the Agreement between the Government of Anguilla and the Chord Group;
 - b) the Special Economic Zone (Virtual City) Regulations 2021; and
 - c) the Companies (Amendment) Regulations 2021; and
- 3) instructed the AG's Chambers to prepare the Regulations for execution.

Action: PS, EDCITENR; HON, MIN EDCITENR

EX MIN 21/213

EX MEM 21/116 APPOINTMENT OF COMMISSIONERS TO THE BOARD OF THE PUBLIC UTILITIES COMMISSION (PUC)

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

The Hon Minister for MICUHT briefed Council. According to section 3(1) of the Public Utilities Commission Act 2014 (the "Act"), "the affairs of the Commission shall be managed by a Board consisting of five (5) commissioners."

The appointments of three of the current Commissioners are due to expire within the next 6 months. The appointment of the persons proposed will enable continued compliance with the legislative requirements. The Chairman and the Executive Director will remain the same.

Council:

- 1) approved the appointment of Mr Romez Webster to the Board of the Public Utilities Commission for a term of two years effective from July 7, 2021;
- 2) approved the appointment of Mr Sutcliffe Hodge as a Commissioner and Vice Chairman to the Board of the Public Utilities Commission for a term of two years, effective from November 27, 2021;
- 3) approved the appointment of Mr. Joseph I Hodge to the Board of the Public Utilities Commission for a term of two years, effective from December 18, 2021;
- 4) approved the publication of the names of the newly appointed Commissioners in the Gazette, pursuant to section 3(5) of the Act;
- 5) agreed that the Public Utilities Commission shall provide Board Governance and Public Financial Management Training for the appointed Board members, which is to be completed within three months of their appointment; and

- 6) noted that the PUC must inform the Ministry of ICUHT three (3) months in advance, of the expiry of any and all PUC members appointments or resignations from the PUC.

The Hon Minister for Home Affairs declared an interest, as his brother is Mr. Joseph I Hodge. The Hon Minister for EDCITENR declared an interest, as his uncle is Mr Sutcliffe Hodge. Accordingly, they took no part in the discussions or determination.

Action: PS, MICUHT; HON MIN, MICUHT

EX MIN 21/214

EX MEM 21/117 APPLICATION FOR ISSUE OF LICENCE UNDER THE ALIENS LAND HOLDING REGULATIONS ACT – REGISTRATION SECTION SOUTH CENTRAL, BLOCK 38812 B, PARCEL 11, CONTAINING 0.9 ACRES WITH DWELLING HOUSE THERE ON

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

Council approved the change of shareholder in accordance with Section 9(1) of the Aliens Land Holding Licence Regulation Act, RSA, c. A55, subject to:

(a) payment of the following Stamp Duties

(i) under the Stamp Act – 5% of EC\$959,687.40	EC\$47,987.37
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(ii) under the Aliens Land Holding Regulation Act – 5% of EC\$959,687.40	<u>EC\$47,987.37</u>
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TOTAL	<u>EC\$95,968.74</u>
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- (b) with the express condition that the property is to be used for residential purposes and that the Licencee must not

rent their dwelling house without first notifying the Ministry of Lands; and

- (c) the Applicant shall be granted an exemption from Governments Policy which restricts Aliens to the purchase of no more than half an acre of land.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, HA; DLS; HON, MIN HA

ORAL MENTION

EX MIN 21/215

IMPLEMENTATION OF GST

Given the impending deadlines for the implementation of GST Council agreed to hold a Special Meeting early next week on Monday or Tuesday to discuss the status.

Action: EXCO, MEM
