

BRITISH VIRGIN ISLANDS

London Media 2014 Series

A REPUTABLE JURISDICTION

PREMIER ORLANDO SMITH OBE

Q&A

Premier and Minister of Finance Dr. the Honourable D. Orlando Smith, OBE looks back on the success of the International Business Companies Act, created thirty years ago, and outlines how the British Virgin Islands is building on its reputation as a well regulated jurisdiction to ensure further growth in the financial services sector whilst developing its tourism offering with a landmark cruise pier expansion project.

What are the strengths of the British Virgin Islands as a financial services centre?

The most important thing about the BVI as an international finance centre (IFC) is that it is extremely well regulated. I think that this is the underpinning factor which gives investors confidence in the jurisdiction and BVI structures. We have implemented the highest standards of transparency, accountability and information exchange, as set out by the OECD, the IMF and other supranational and regulatory bodies. The extent and scope of this regulation exceeds that found in most other jurisdictions, including countries in the G7.

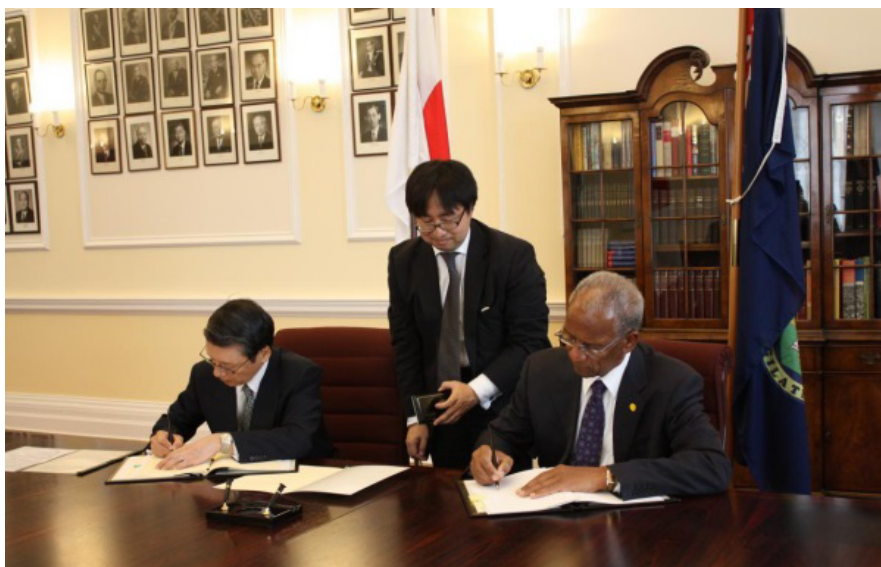
We recently signed a Tax Information Exchange Agreement (TIEA) with Japan – the BVI's 26th such TIEA – which is clear evidence of the jurisdiction's implementation of best-practice standards with regards to cross-border tax issues and financial regulation. It is also another step by the BVI to deepen its commercial footprint in Asia.

Alongside the BVI's extensive level of regulation, a key strength is the International Business Companies Act, which is the foundation of our incorporation business – the BVI IBC. More than any other piece of legislation, the success of the Act has enabled the territory to become the first-tier financial services jurisdiction it is today. One of the most important factors here has been the close involvement and collaboration with the BVI's private sector. This ensured that the Act was tailored precisely to the needs of those it was designed for and this pragmatic public-private partnership continues to stand the BVI IBC in very good stead today. It is very popular because it is easy to use and fit for the purpose required by investors, businesses, families and individuals, and we are benefiting from strong demand for IBCs, particularly in China and across Asia.



Premier Smith

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Signing the BVI's 26th TIEA Japanese Embassy- London June 2014

In a similar vein, we have fostered a good level of cooperation between industry and government in the BVI. The government understands the needs of international business stakeholders and can make sure that the regulatory mechanisms serve the industry while at the same time ensure that they are properly regulated, so those who use BVI structures can continue to have confidence in them.

Finally, a very important asset has been the development of the BVI's Commercial Court which gives investors further confidence that disputes can be handled at the very highest levels. BVI law is rooted firmly in English Common Law, and the country's Commercial Court has an excellent reputation across the Eastern Caribbean and globally.

How are these foundations being built on to ensure future growth in the sector?

The cooperation between business and government means we are able to follow what is going on in the industry, locally, regionally and from a global perspective. We hold regular meetings with industry leaders where they can put forward ideas to further strengthen and improve the services on offer. The government can then look at these from both a policy and a regulatory point of view to ensure that the regulatory aspect is entirely fulfilled.

On top of this, our offices in London and Hong Kong (BVI House London and BVI House Asia) mean we are very well connected in these two leading global business centres. Senior executives from the BVI also travel extensively, to conferences, trade shows and similar events, and we continue to undertake a global programme of engagement to develop and grow the BVI as an international business and financial services hub.

We are also at the forefront of cooperating with all the relevant regulators and stakeholder agencies. The BVI is committed to the implementation of the highest standards of regulation and transparency participating in initiatives such as the EU G-5 pilot for the multilateral automatic tax information exchange and the UK FATCA-style information disclosure.

With global growth largely being fuelled by emerging economies, what is the BVI doing to attract business from these markets?

The BVI has made great efforts to engage with markets in Asia, the Middle East, South America, Eastern Europe and across all key emerging markets. This has entailed an extensive educational and promotional programme, and this continues to be a core part of the BVI's marketing focus.

The BVI is committed to the implementation of the highest standards of regulation and transparency.

In addition to over 425,000 more cruise passengers yearly, the new cruise pier is expected to provide \$7–\$10 million annually to help with infrastructural development in the territory over the next 15 years.

In late 2013 the BVI opened an office in Hong Kong as a hub for mainland China and across the Asia Pacific. A physical presence in the region is allowing the BVI to deepen its footprint in Asia and has enabled the BVI to be even more responsive to the needs of clients in these markets. BVI House Asia has helped strengthen ties with regional government authorities and serve as a point of contact for the financial and business industry.

The use of BVI companies has become so popular with investors that they are frequently the most significant contributors to FDI in Asian countries. In 2010 for example, BVI companies were responsible for approximately US\$10 billion of FDI into China. The BVI is used as a hub for outbound investment from Asia into other parts of the world, most recently seen in investment flows into emerging markets such as Africa.

How would you assess the current performance of the tourism sector?

There is a strong resurgence in the tourism sector. We have seen visitor numbers increase by around 8%, which includes both overnight visitors and day trippers.

The US recovery has aided that resurgence as well as the more intensive marketing we've put in place. Our visitors are still predominately from US but we have seen a good increase in visitors from the UK recently, partly due to the efforts of our new UK agency and partly due to the recovery in the UK economy.

The recent decision by the UK government to adjust the passenger duty I believe is very positive for both the BVI and the Caribbean as a whole. It came as welcome news as it was something which the whole Caribbean had strongly advocated.

Which development and investment opportunities in the tourism sector would you highlight?

We are improving the infrastructure in the BVI on a continual basis, particularly with regards to hotels, travel facilities such as the airport, and shopping. We are working to attract larger numbers of tourists, and have sought to position the territory for all potential opportunities.

For instance, due to the length of the airport runway we are not able to take large carriers so we are in the planning stages of

expanding the runway. We are having discussions with possible contractors for the expansion of the airport, which would mean we would be able to take flights from hubs such as New York and Miami.

How important is improved air access for the BVI?

Air access is one of our challenges. Since the departure of American Eagle we continue to be served by LIAT and two other airlines, Cape Air and Seaborne. Cape Air has expanded its fleet to serve us better and operates direct flights between Puerto Rico and Virgin Gorda, which is particularly advantageous for Virgin Gorda. Seaborne began flying to the BVI about two years ago and are expanding to the rest of the Caribbean. We are also in discussions regarding establishing direct air access from Miami to the BVI.

The Antigua connection for the UK has been an important gateway to the BVI and we've recently had discussions with another BVI-based carrier to develop an easier onward transition between Antigua and the BVI.

How important is the development of the cruise pier for the BVI's tourism industry and what stage is the project currently at?

On May 8, my government broke ground for the cruise pier expansion project which is a major step in the process to ensure that the territory remains on the competitive edge in the cruise industry.

Firstly, this is an opportunity for new business ventures to develop local goods and services which will meet the needs of the new clientele. Secondly, it is an opportunity for established businesses to reassess their services and think outside the box to diversify their products and offerings.

The Cruise Pier Development Project guarantees continued employment and revenue for our taxi and tour operators including our ferries, day sail and dive operators, our store owners, our local vendors, restaurant owners, and many other local businesses. In addition to over 425,000 more cruise passengers yearly, the new cruise pier is expected to provide between \$7 and \$10 million annually to help with infrastructural development in the territory over the next 15 years and beyond.

Currently works are ongoing to extend, strengthen and widen the cruise pier. The scope of works for the marine development includes dredging the harbour for turn basins, navigational channels and berthing on both sides of the pier, lengthening the existing dock from 230 metres to 396 linear metres, widening the existing dock from 9.9 metres to 13.7 metres, building additional mooring dolphins along both sides and adding a new, monolithic deck to the widened pier. The expected completion date for the cruise pier is September 2015.

How would you describe the “BVI Brand”?

The BVI is a unique, premium brand, in our view. It is a first-rate financial services and business jurisdiction. It also offers first-class lifestyle opportunities. It is the exceptional nature of the country which makes it special; for example, the many different islands are naturally arranged in such a way that yachting is one of our major draws. We are currently developing super yacht regattas and have a new state-of-the-art super yacht marina on Virgin Gorda, which is becoming very popular.

Visitors can come to the BVI for a week's vacation and sail from island to island, discovering a different destination every day. The islands are all different; some are very flat with beautiful beaches like Anegada while others are more mountainous with fantastic views out to sea. I honestly believe it is one of the most attractive places in the world.

What message would you like to send to British investors considering the region as an investment destination?

The BVI is a very well-regulated financial services sector, committed to cooperating with a range of stakeholders in ensuring the jurisdiction is at the forefront of best-practice financial services.

We have a wonderful cultural and business environment for the people who come on vacation, including beautiful beaches, the best sailing waters in the world and we put out the welcome mat for everybody.

We want the world to see us as one of the best places to do business, to live, and to visit. Once you come you will enjoy it so much you will keep coming back. ■



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Yacht Club Costa Smeralda, Virgin Gorda

We are currently developing super yacht regattas and have a new state-of-the-art super yacht marina on Virgin Gorda.

FINANCIAL SERVICES

Alongside the BVI's extensive level of regulation, a key strength is the International Business Companies Act, which is the foundation of our incorporation business. More than any other piece of legislation, the success of the Act has enabled the territory to become the first-tier financial services jurisdiction it is today.

Dr. the Hon. D. Orlando Smith, OBE
Premier and Minister of Finance



The BVI, along with other respected IFCs, is at the forefront of emerging automatic information exchange under US FACTA and other FACTA-style agreements. We respect the rule of law and consistently meet, and in some cases exceed, international standards. The BVI is a jurisdiction you can have complete confidence in.

Neil Smith
Financial Secretary



THE BVI WAS ONE OF THE FIRST JURISDICTIONS TO INTRODUCE ANTI-MONEY LAUNDERING (AML) LEGISLATION IN 1999. IT HAS IMPLEMENTED COMPREHENSIVE AML LAWS AND ADOPTS STRINGENT RULES ON KNOW-YOUR-CUSTOMER (KYC) DUE DILIGENCE CONSISTENT WITH THE FINANCIAL ACTION TASK FORCE'S (FATF) 40 + 9 RECOMMENDATIONS.

The BVI Financial Services Commission is responsible for upholding the integrity of the British Virgin Islands as a well-regulated international finance centre.

TOURISM

We have a number of properties which we call “Jewels of the BVI” which we believe give the unique BVI experience. Travellers are looking for more than sun, sand and sea. They want something authentic, that special experience, a story to take home, a sense of place.

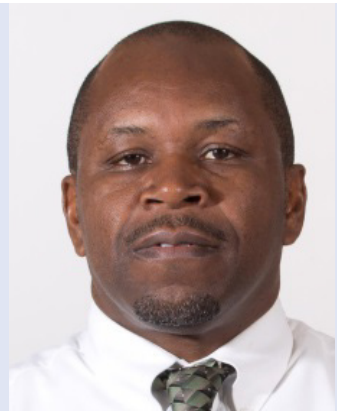
Sharon Flax-Mars
Director of Tourism



AVIATION

Developing the airport will allow us to accommodate not only commercial jets, but also more private jets. The aim is to be viewed as a destination of choice for both business and leisure travel.

Denniston Fraser, Managing Director
BVI Airports Authority



POWER

We are adequately able to supply power to developments in the BVI. Scrub Island is connected to the grid, as is Oil Nut Bay, the largest major investment in recent times, which demonstrates the reputation the utility has in terms of providing a reliable supply to customers.

Leroy Abraham, General Manager
BVI Electricity Corporation



FINANCIAL SECRETARY, NEIL SMITH

Q&A

Financial Secretary Neil Smith discusses how the BVI is keeping ahead of international regulation, the challenges facing IFCs today and their role in the global economic recovery.



Neil Smith

To what extent has the BVI economy recovered from the effects of the global financial crisis?

We are not at pre-crisis levels but we have weathered it fairly well, comparatively speaking, mainly because of the business that we are in: tourism and financial services. The type of visitor that comes to the BVI, in my opinion, is not too affected by a recession so, on the tourism side, we were not seriously impacted. On the financial business side, my theory is that in a financial crisis, because of the very reasons people use our structures i.e. to make their businesses and cash flows more efficient; they probably use the BVI more. The financial services businesses numbers didn't fall off that much during the crisis, there might have been a slowdown in growth but it didn't really drop. In tourism there was a drop but it was only temporary.

What are the main economic challenges still facing the BVI today?

Right now the challenges we face are more to do with reputation and increased competition on the financial side. Competition is stiffer so we have to be a little better at what we do. On the tourism side the challenge is access, getting to the BVI should be easier. American Eagle's departure from the region was a setback and we've not completely filled that gap yet. If you come from Europe you come through Antigua or St Maarten and if you come from the west, you tend to use the US Virgin Islands to get to BVI. The lack of a more direct route is affecting the tourism business a little.

What steps is the BVI taking to ensure data protection following "Offshore leaks" last year?

The data leaks didn't occur here in the BVI but with a service provider outside the region in fact. It was a criminal breach of a service provider's databanks which contained information of BVI companies. The information published actually indicated

that businesses in the BVI were being used to do the right things, although that was not highlighted.

Unfortunately circumstances like this do sometimes occur. Here in the BVI we recognise there are legitimate cases to investigate people and law enforcement should be able to access that information through the appropriate channels but we uphold every individual's right to confidentiality surrounding their personal information. We understand that there is a movement against jurisdictions like ours so we need to continue to show that we are a place that values the rule of law very highly. Meeting, and in some cases exceeding, international standards is not an option but a duty for us.

What emphasis is being placed on the development of new products to compete with neighbouring jurisdictions?

We know that we need to re-tool. We know the only thing that is constant is change. We recognise that and we are trying to get ourselves in a position where we can make those strategic decisions to determine what sort of products the BVI could offer five years from now. It requires strategic thinking but I am confident that the BVI will create new products required by the business community that will also improve our economy. We believe that competition is good and keeps everyone sharp so we can't rest on our laurels and need to improve our competitiveness. Our goal is to provide a good product for our customers so they come to the BVI because we offer a high quality product at a good price in a quick manner. In this business, the competitive advantage is speed, efficiency and forward thinking legislation. Company incorporation is currently our core business but it is clear that we need to have supporting businesses around that. For example, if you come to the BVI with a mega yacht, you should be able to incorporate your company, register your boat, and have all the services you need here in this one jurisdiction.

How important a role do you believe IFCs play in the revival of the global economy?

I think that the existence of IFCs has allowed global commerce to flourish. We make it possible for a lot of items that would not otherwise be affordable to be affordable. IFCs and IFC structures provide for efficient flow of capital across the world. They support trade and investment flows essential to growth and employment and, as such, are vital to the revival of the global economy.

What misconceptions surrounding IFCs would you like to address?

The bad reputation of IFCs is a carry-over from when they were not well-regulated and people used these centres to hide funds, launder money or as vehicles for drug activity or financing terrorism. To some extent, IFCs could still be used for such activities but, in the BVI, it would be more difficult to use our structures to carry out such activities than it would be in other OECD countries.

Campaigns against IFCs by non-profit organisations or NGOs, whose existence in some cases is threatened by us, have not helped. IFCs threaten the legitimacy of using an NGO to get funds where you want to go because, whereas IFCs use capital markets structures and economics to get funds efficiently to different parts of the world, it is well-known that, for every dollar donated to an NGO, only a fraction of that dollar makes it to its destination.

There is also the argument that people use IFCs to evade taxation. That is not a problem of the IFC, it is a corruption issue in the jurisdiction itself and I think that link needs to be decoupled. Do I believe that IFCs can be used to conduct nefarious activity? Yes, I do, because we won't be able to catch everything, as is the case anywhere in the world, but the fact that we are so highly regulated means it would actually be a lot more difficult to do it here.

How hard is it for a jurisdiction like the BVI to make its voice heard internationally compared to countries and institutions with more political and economic clout?

It is very difficult because you are a mouse in a jungle and the burden of proof is on you. We are placed under more scrutiny than onshore jurisdictions and have to work harder to protect our reputation. I believe that the only way you can do that is to demonstrate, through the use of your structures, that you actually meet all international standards when assessments are made by bodies like the Financial Action Tax Force or the Global Forum on Tax Transparency, whose assessments are objective as possible. We depend on independent assessments done by these multinational bodies to demonstrate to the rest of the world that we meet global standards.

We are a place that values the rule of law very highly. Meeting, and in some cases exceeding, international standards is not an option but a duty for us.

How is the BVI keeping abreast of increased regulation?

The BVI, alongside other respected IFCs, is at the forefront of emerging automatic information exchange under US FACTA and other FACTA-style agreements. We are currently in a fluid situation and standards are moving. What the BVI is trying to assess is which standards will be in place five years from now so we can position ourselves accordingly. We are preparing ourselves to meet future standards but, at the same time, being sensitive to the industry and not compromising the business that we are in. It is a thin line to walk but those of us in business here and in the government, have absolutely no tolerance for criminal or unethical activity. Zero tolerance. There is always a way to get around legislation though, and that is our issue, to prevent ourselves from being outfoxed, to prevent individuals from using the good reputation of the BVI to do indiscriminate things. If we have one case where someone has misused a BVI structure to do something that is criminal or unethical it doesn't just affect that particular individual or entity it affects the entire jurisdiction and that is our challenge.

Why should investors choose the BVI over other jurisdictions?

Because we respect the rule of law and we consistently meet, and in some cases exceed, international standards. We have zero tolerance of illegal or unethical activity. Jurisprudence is held in high regard here so you know you will get a fair hearing if anything goes wrong. Our laws are based on the British system and being an Overseas British Territory means there are certain controls in place. We will always have a stable political environment and there will be no political interference. You can be confident that any structure which you have used a BVI law to develop will still exist ten years down the line. The BVI is a jurisdiction you can have complete confidence in. ■

SHARON FLAX-MARS, DIRECTOR BRITISH VIRGIN ISLANDS TOURIST BOARD

Q&A

Sharon Flax-Mars, Director of the British Virgin Islands Tourism Board, discusses the importance of local stakeholders, increasing arrivals and creating a unique BVI experience.



Sharon Flax-Mars

How important is the tourism industry to the economy of the Virgin Islands?

The tourism industry is extremely important to the Virgin Islands. Whilst the financial services sector is a big contributor to the economy, it is the common man who works in tourism: the taxi driver, the shop clerk, the housekeeper etc. so it has more of a trickle-down effect. I believe it also enables locals to fund education or establish a business. I am a product of the BVI's tourism. My parents have a small hotel, which helped fund my education and led me to become one of the first in my family to obtain a college education. I believe that many parents in the BVI aspire to similar goals. Local stakeholders are an important part of tourism in the BVI. You won't find many trust companies or law firms that are locally owned or home-grown but you will find small hotels, inns, villas, taxi companies. There is more ownership and kinship within tourism than with other sectors.

The government is targeting a 10% increase in arrivals in the short to medium term. How is this being achieved?

Our high season runs from November until April. This year started well with our January numbers showing a 12% increase and an 8% increase in the overnight sector in February, which is where the bulk of our expenditure is, so it is very encouraging. Cruise ship arrivals are up as well and will increase further when our cruise pier expansion is completed in 2015. Summer tends to be a challenge throughout the Caribbean, as many of our visitors are also experiencing summer months in their home countries.

In terms of new segments, we're looking at the romance/destination wedding market. Our research has shown that we receive less than 3% of what comes to the Caribbean, which

presents an opportunity for growth. We are also targeting the culinary sector as one of the current top trends in luxury travel is food-based experiences. The big watchword is "farm to table" but for us it is "sea to table" because we have an abundance of fresh seafood. We are capitalising on our signature events such as our Lobster Festival on Anegada, which started last year. It takes place the last weekend in November that coincides with the United States' Thanksgiving holiday, and kicks off our tourism season.

How important is the UK market?

We want to increase our numbers from the UK; we are moving in that direction, but there's still a bottle neck in Antigua. Our primary challenge is airlift, so we are working with a local carrier based in the BVI to improve connections from Antigua and avoid multiple stops. We are also developing a service with the carrier to make the arrival experience in Antigua a little more personal. The idea is that you would be met at Customs and Immigration to be provided with a personal and more seamless transfer.

What differentiates the BVI from other Caribbean island destinations?

You have the smaller Caribbean islands and then there are the sizeable islands like Barbados and Jamaica. It is challenging for the smaller islands to be able to compete within that dynamic so we have to differentiate our product and find our niche. For the BVI, that is the luxury traveller and the sailor.

We have a number of properties which we call "Jewels of the BVI" which we believe give the unique BVI experience. They are small, homey, there's an honour bar system and from the moment you check in, you are treated like family. Travellers are looking

The BVI is a tropical oasis in the heart of the Caribbean and we welcome each guest to enjoy his or her own personal vacation experience.



© BVI Tourism Board

Anegada Lobster

for more than sun, sand and sea. They want the bartender who can tell them an interesting tale about something that happened twenty years ago whilst he fixes them a Painkiller (the BVI's signature cocktail). They want something authentic, that special experience, a story to take home, a sense of place.

What efforts are underway to improve access to the BVI from the US?

We recognise that we have a challenge with airlift and there are plans underway to develop the airport to improve access. Meanwhile, we have recently opened two greeter centres in St Thomas in the US Virgin Islands, one at the airport and one at the ferry terminal. We appreciate not having a direct flight can be an inconvenience, so our greeters meet visitors off their flight, provide information and assist them with transferring to the ferry terminal. It is a concierge type service, similar to what we are developing in Antigua. By the time we enter high season in November, we will have the full service rolled out.

How difficult is it to balance tourism development whilst protecting the BVI's unique environment?

The BVI was one of the front runners in eco-tourism and maintaining that balance. As much as we are open to development, the government recognises that if we upset that balance we can lose what we sell, which is a pristine environment. You will notice, for example, that there are really no high-rise buildings or fast food chains in the BVI. There is constant monitoring to protect our most heavily trafficked tourist areas, such as The Baths in Virgin Gorda. We have to be careful not to oversaturate these areas by fostering interest in the many other stunning sites throughout the archipelago.

Are there still opportunities for investment in the sector?

Yes and we are always open to investment proposals. There are opportunities for luxury villas and five-star properties with convention services, particularly here on Tortola, as most of the luxury vacation experience is centred on Virgin Gorda and private islands like Peter Island and Guana Island. We haven't developed our historical sites as much as other Caribbean islands, so it would be interesting to find an investor or patron to assist in developing those and it would also give land-based visitors more to do. We have ruined forts and an abandoned copper mine on Virgin Gorda, which could be turned into interesting historic attractions.

What message would you send to those considering the BVI as a vacation destination?

The BVI is Nature's Little Secrets. If you are looking for a common experience there is nothing common to be found in the BVI. You can, however, have four or five different experiences and atmospheres within the space of one week and still relax at sea. The BVI is a tropical oasis in the heart of the Caribbean and we welcome each guest to enjoy his or her own personal vacation experience. ■

We want to increase our numbers from the UK; we are moving in that direction.

DENNISTON FRASER, MANAGING DIRECTOR BVI AIRPORTS AUTHORITY

Q&A

Mr Denniston Fraser, Managing Director of the BVI Airports Authority (BVIAA), discusses its role in supporting the key economic sectors of tourism and financial services and the importance of expanding Tortola's Terrance B. Lettsome Airport.



Denniston Fraser

What are the existing airport facilities in the BVI?

The BVI Airports Authority operates three airports, the main Terrance B. Lettsome Airport on Beef Island, Taddy Bay Airport on Virgin Gorda and Auguste George Airport on Anegada. The authority is responsible for air traffic control, security, fire and rescue services, maintenance, finance and administration. We've been operating since 2005 when the BVIAA became a separate entity from the Civil Aviation Department in order to separate operation from regulation. The Civil Aviation Department remains under the umbrella of the UK Civil Aviation Authority through a subsidiary company, Air Safety Support International (ASSI) which regulates aviation in the territory.

What size of aircraft can TB Lettsome Airport currently accommodate?

Currently it accommodates private aircraft including the Gulfstream V and the Global Express. The Dash 8 and the ATR 72, which is primarily flown by LIAT, is the largest commercial aircraft that we regularly accommodate due to the current length of the runway.

How important is the proposed runway extension and what stage is it at?

The authority has been looking for some time at expanding facilities, in particular extending the runway. There is a need for a runway that can better support the economy and the BVI's key sectors of tourism and financial services. We understand that both financial sector professionals and tourists want quick access to the BVI without layovers en route. A direct flight would allow them to spend more time in the territory rather than in airports. As such, I would say that the runway extension is fairly urgent for the territory. The details of the expansion lie within our parent Ministry.

How challenging is it to balance development with the need to protect the BVI's unique environment?

Unfortunately development of any sort inevitably has an impact. Extension of the airport is necessary but we have approached it in a controlled manner conducting all the relevant environmental and other impact studies. For example, one option put forward, which would have changed the direction of the runway, would have also eliminated a natural salt pond. Ponds are important filters for our beaches and help create the white pristine sand which the BVI beaches are known for, so this option was completely ruled out.

There is a need for a runway that can better support the economy and the BVI's key sectors of tourism and financial services.

Developing the airport will allow us to accommodate not only commercial jets, but also more private jets. The aim is to be viewed as a destination of choice for both business and leisure travel.

It is also important for us to protect the Trellis Bay area, adjacent to the airport, as it is an important yachting harbour. We are therefore looking at how we can ensure minimal impact and guarantee that the bay is available for the use of yachts whilst maintaining the circulation of water.

That said, yes, it is challenging to develop whilst maintaining the environment but the BVIAA will go the extra mile to ensure that we develop in a harmonious manner with the environment.

How important is it to establish more direct air routes to BVI?

Currently flying into the BVI we have LIAT and Seaborne Airlines. Seaborne Airline was employed to fill some of the void left by American Eagle. We need direct flights from the US mainland as this will shorten the time to get here. With stopover flights it can take an entire day to reach the BVI from the US and visitors lose a day of their vacation. If we had a direct morning flight, from Miami for example, passengers could be here by midday.

Are you able to accommodate current demand from private jet owners at the BVI's airports?

We've never turned back a private jet and we don't ever plan to. We have had to close taxi ways at times to park jets when it gets tight during winter months. To remedy that situation, as part of the expansion, we would expand the ramp to the east and south

to enable private jets more room for parking. Developing the airport will allow us to accommodate not only commercial jets, but also more private jets. The aim is to be viewed as a destination of choice for both business and leisure travel.

How would you rate BVIAA's safety record?

Our motto is "safety is our number one priority" and we have very strict regulators who ensure we live up to our motto. We are constantly inspected and audited. The authority takes safety very, very seriously.

What message would you send to those considering the region as a vacation destination?

For a great vacation, the BVI is definitely the place to be. We continue to strive to attract high end tourists. Tortola is more villas in the hills with beautiful sea views but we also have some really nice five star properties on Peter Island and Virgin Gorda, places such as Little Dix Bay Resort for example. There are other private facilities coming up like Oil Nut Bay on Virgin Gorda. If we're going to be extending the runway we know we will see a number of new high end hotels going up.

I have travelled quite a bit but I always look forward to returning home, perhaps I'm biased but I really haven't seen anywhere in the world that is as welcoming as the blue waters of the BVI. ■





Located in the capital Road Town, Treasure Isle Hotel nestles on the hillside overlooking Road Harbour, BVI's main port of entry, offering beautiful views of the harbour, the nearby marinas and the centre of town. It is centrally located for business travellers, while maintaining a tranquillity which can cause you to forget just how close the headquarters of the Financial Services Commission are, five minutes to the east, and the Government Administration Complex and main commercial district, just five minutes to the west.

Established in the early 1960s at Pasea Estate, the hotel grew alongside the tourism and financial services sectors. Its original six rooms have increased to 65 rooms and suites, each with striking views of Road Harbour. The Veranda Restaurant which seats 80, serves a varied cuisine with distinct tropical flavours while the Spyglass Bar has a unique view of the harbour and more relaxed atmosphere. Both are surrounded by splendid tropical gardens which create a feeling of nature and space throughout the five acre property.

"Subsequent to our purchase of the hotel in 2004, we completed a renovation and expansion," explains owner Margaret Penn. "This included increasing room capacity from 44 to 65 rooms and suites and developing our conference facilities. We are committed to the continuous upgrade of our property and our overall products to enable us to effectively compete in the global market."

Conferences and Events

Treasure Isle's facilities and location make it the premier meeting facility on Tortola. "We regularly host major events for clients in the financial service industry and government," says Mrs Penn. "We also provide meeting spaces for events organised

by schools, non-profit organisations and private functions such as weddings and corporate promotions. Our conference facilities accommodate theatre, classroom and boardroom configurations featuring audio and video capabilities. Our various meeting spaces accommodate up to 100 classroom style, banquets that seat 190 or intimate meetings for a dozen people."

A global industry

Treasure Isle also attracts leisure tourists as its central location facilitates day trips to numerous local attractions and sailing events which make it unique in the Caribbean. "The BVI provides a feeling of relaxation amidst a culture of friendliness, in a safe and picturesque environment," says Mrs Penn. "Our sailing product is unrivalled and our land based tourism experience converts those who are fortunate to discover the BVI into repeat visitors."

The Caribbean's tourism market remains competitive, however, and local hoteliers are aware there is no room for complacency. "We are competing in a global industry and must provide a product of the highest of standard in order to attract visitors. Unfortunately, this translates into high operating costs which must be balanced against the rates we can reasonably charge and limitations on volumes due to airlift and marketing

Treasure Isle's facilities and location make it the premier meeting facility on Tortola.



challenges. In addition, many leisure travellers opt for the cruise or sailing vacations when a hotel, especially in the BVI, could offer a vacation base with just as much variety and adventure."

Entrepreneurship

Despite these challenges, Mrs Penn is optimistic about the hospitality industry in the BVI. "Our heritage includes a strong entrepreneurial focus inherent in our culture. It is much easier to establish a tourism related business than one in financial services. As a result, most of the tourism related businesses, with the exception of the larger expatriate owned establishments, are managed by the owners making them more akin to boutique products, each providing its own unique experience to the guest."

"In prior years, almost everyone desired entry level jobs in the financial services industry. However, the reality is tourism touches more lives in the BVI. Moreover, as the financial services industry has matured, with increased regulations and other requirements, there is now a shift in the economy with young people more attracted to tourism related businesses and the pursuit of college level education in tourism related majors." ■



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