

Saint Kitts & Nevis

RISK & COMPLIANCE REPORT

DATE: May 2018

Executive Summary - St Kitts & Nevis	
Sanctions:	None
FAFT list of AML Deficient Countries	No
Higher Risk Areas:	US Dept of State Money Laundering Assessment Compliance with FATF 40 + 9 Recommendations Not on EU White list equivalent jurisdictions Offshore Finance Centre
Medium Risk Areas:	Corruption Index (Transparency International & W.G.I.) Failed States Index (Political Issues)(Average Score)
<p>Major Investment Areas:</p> <p>Agriculture - products: sugarcane, rice, yams, vegetables, bananas; fish</p> <p>Industries: tourism, cotton, salt, copra, clothing, footwear, beverages</p> <p>Exports - commodities: machinery, food, electronics, beverages, tobacco</p> <p>Exports - partners: US 55.3%, Canada 9.6%, Bangladesh 6.2% (2012)</p> <p>Imports - commodities: machinery, manufactures, food, fuels</p> <p>Imports - partners: Algeria 59.9%, US 12%, Trinidad and Tobago 8.3% (2012)</p>	
<p>Investment Restrictions:</p> <p>The Government of St. Kitts and Nevis strongly encourages foreign direct investment, particularly in industries that create jobs, earn foreign currency, and have a positive</p>	

impact on its citizens. The government has a number of incentive programs in place to attract foreign investment, and is home to the Eastern Caribbean Central Bank, the Eastern Caribbean Securities Exchange and the Eastern Caribbean Regulatory Commission.

The government has instituted a number of investment incentives for businesses considering the possibility of locating in St. Kitts or Nevis, encouraging both domestic and foreign private investment. Government policies provide liberal tax holidays, duty-free import of equipment and materials, and subsidies for training provided to local personnel. Foreign investors may also hold up to 100% of an investment.

All investment proposals are reviewed by the St. Kitts Investment Promotion Agency (SKIPA) to ensure that the project is consistent with the national interests and provides economic benefits to the country. St. Kitts and Nevis foreign direct investment policy is to attract FDI into the priority sectors as identified under the National Diversification Strategy. These include Financial Services, Tourism, Agriculture, Information Technology, Education Services and limited Light Manufacturing. However, investment opportunities also exist in energy and other services. Only qualified projects are granted approval to be established in St. Kitts and Nevis.

While all of these sectors are open to attracting FDI, St. Kitts and Nevis also employs a defensive posture for investments in certain sectors that are reserved for local investors. These include but are not limited to investments and trade in services such as taxi and tour operators and tour guides. Additionally, potential investors are cautioned that St. Kitts' actual level of openness to foreign investment is limited by local expropriation practices, which could put investments at risk.

Contents

Section 1 - Background 4

Section 2 - Anti – Money Laundering / Terrorist Financing 5

FATF status 5

Compliance with FATF Recommendations 5

Key Findings from latest Mutual Evaluation Follow-up Report (2012): 5

US Department of State Money Laundering assessment (INCSR) 6

Report 9

International Sanctions 10

Bribery & Corruption 11

Corruption and Government Transparency - Report by US State Department 11

Section 3 - Economy 12

Banking 12

Stock Exchange 13

Section 4 - Investment Climate 14

Section 5 - Government 27

Section 6 - Tax 29

Methodology and Sources 31

Section 1 - Background

Carib Indians occupied the islands of the West Indies for hundreds of years before the British began settlement in 1623. In 1967, the island territory of Saint Christopher-Nevis-Anguilla became an associated state of the UK with full internal autonomy. The island of Anguilla rebelled and was allowed to secede in 1971. The remaining islands achieved independence in 1983 as Saint Kitts and Nevis. In 1998, a vote in Nevis on a referendum to separate from Saint Kitts fell short of the two-thirds majority needed. Nevis continues in its efforts to separate from Saint Kitts.



Section 2 - Anti – Money Laundering / Terrorist Financing

FATF status

Saint Kitts & Nevis is not on the FATF List of Countries that have been identified as having strategic AML deficiencies.

In May 2014, The CFATF acknowledged "the significant progress made by St. Kitts and Nevis in improving its AML/CFT regime and notes that St. Kitts and Nevis has established the legal and regulatory framework to meet its commitments in its agreed Action Plan regarding the strategic deficiencies that the CFATF had identified. St. Kitts and Nevis is therefore no longer subject to the CFATF ICRG monitoring process."

Compliance with FATF Recommendations

The last Mutual Evaluation Report relating to the implementation of anti-money laundering and counter-terrorist financing standards in Saint Kitts & Nevis was undertaken by the Financial Action Task Force (FATF) in 2009. According to that Evaluation, Saint Kitts & Nevis was deemed Compliant for 2 and Largely Compliant for 1 of the FATF 40 + 9 Recommendations. It was Partially Compliant or Non-Compliant for 5 of the 6 Core Recommendations.

Key Findings from latest Mutual Evaluation Follow-up Report (2012):

Since the Sixth Follow-Up Report, the St. Kitts and Nevis Authorities have amended the Financial Services Regulatory Commission Act (FSRCA) to deal with R. 23, approved the members of the FIU Board and approved the members of the NGO Commission. As part of the ongoing implementation of SR. IX, the Authorities have noted that the Customs and Excise Department continues to facilitate and participate in training courses at the local, regional and international levels. See. Annex 1 attached, with regard to training received by the St. Kitts and Nevis Customs & Excise Department. In addition to the training, the Authorities have noted one incident of the seizure of narcotics (December 2012), there has been close collaboration between the Customs and Excise Department's Enforcement Unit and the FIU. The Authorities also indicated that Nevis' K-9 Unit also conducts weekly operations and that since 2009 an attachment programme has been established between the Customs Departments in St. Kitts and in Nevis, which has served to synchronize procedures in both Islands.

St. Kitts and Nevis is categorised by the US State Department as a Country/Jurisdiction of Primary Concern in respect of Money Laundering and Financial Crimes.

OVERVIEW

St. Kitts and Nevis (SKN) is a federation composed of two islands in the Eastern Caribbean. Its economy is heavily reliant on tourism, construction, and the offshore financial sector. SKN remains a transit point for drug traffickers going to the United States and Europe.

VULNERABILITIES AND EXPECTED TYPOLOGIES

SKN remains susceptible to corruption and money laundering because of the volume of narcotics trafficking around the islands. The growth of its offshore banking sector coupled with unusually strong bank secrecy laws also remains problematic.

Financial oversight in Nevis remains problematic due to SKN allowing the creation of anonymous accounts, strong bank secrecy laws, and overall lack of transparency of beneficial ownership of legal entities. Nevis is a desirable location for criminals to conceal proceeds because of the ambiguous regulatory framework regarding customer due diligence makes Nevis a desirable location for criminals to conceal proceeds.

Bearer shares are authorized if the bearer share certificates are retained in the protected custody of persons or financial institutions authorized by the Minister of Finance. Specific identifying information must be maintained on bearer certificates, including the name and address of the bearer and the certificate's beneficial owner.

An individual is eligible for economic citizenship with a U.S. \$400,000 minimum investment in real estate, a contribution ranging from U.S. \$250,000 to U.S. \$356,000 (based on an application for two adults and two dependents) to the Sugar Industry Diversification Foundation, or a contribution of U.S. \$150,000 to a newly created Hurricane Relief Fund. Real estate applicants must pay additional government fees of U.S. \$50,000 and up, depending on family size. Applicants must make a source of funds declaration and provide supporting evidence. The government established a Citizenship Processing Unit (CPU) to manage the screening and application process. The CPU does not maintain adequate autonomy from politicians to prevent political interference in its decisions.

KEY AML LAWS AND REGULATIONS

The AML legislation is at the federation level and covers both St. Kitts and Nevis. Each island has the authority to organize its own financial structure and procedures. St. Kitts has acts governing companies, limited partnerships, foundations, and trusts that are registered in St. Kitts. Nevis has ordinances that govern corporations, limited liability companies, trusts, and multiform foundations. Most of the offshore financial activity is concentrated in Nevis.

The Eastern Caribbean Central Bank has responsibility for regulating and supervising the SKN domestic sector. Offshore banks, which are supervised by the Financial Services Regulatory Commission (FSRC), are required to have a physical presence in the federation; shell banks are not permitted. According to SKN government authorities, as of September 30, 2017, the regulated entities supervised by the St. Kitts Branch of the FSRC are two insurance managers, 53 trust and corporate service providers, 15 domestic insurance companies, 11 money

services businesses, four credit unions, and one development bank. The Nevis Branch of the FSRC regulates 17 insurance managers, one international bank, 56 registered agents/service providers, three international insurance brokers, and 292 international insurance companies. There is no recent information on the number of IBCs, limited liability companies, or trusts.

St. Kitts and Nevis is a member of the CFATF, a FATF-style regional body.

AML DEFICIENCIES

Nevis can form an IBC in less than 24 hours, and bearer shares are allowed, though "discouraged." Internet gaming entities must apply for a license as an IBC.

ENFORCEMENT/IMPLEMENTATION ISSUES AND COMMENTS

SKN did not report passage of new enforcement legislation in 2017, and there have been no money laundering prosecutions or convictions since 2015. SKN authorities indicated they assisted foreign jurisdictions in pursuing money laundering investigations and in the identification of possible proceeds of crime. However, there should be more specific guidelines to provide law enforcement the authority to conduct an investigation based on a foreign request for assistance.

SKN's legislation incorporates provisions for civil penalties; however, they continue to be applied in an unreliable manner and do not apply to all pertinent financial sectors.

In May 2014, FinCEN issued an advisory to alert U.S. financial institutions that certain foreign individuals abused the SKN citizenship by investment program (CIP) to obtain SKN passports for the purpose of engaging in illicit financial activity or evading sanctions. FinCEN is engaging SKN to evaluate if recent CIP improvements sustainably address U.S. AML/CFT concerns. As of June 2017, North Korean nationals are prohibited from participating in the SKN CIP. U.S. law enforcement also is increasingly concerned about the expansion of these programs due to the exposure to local corruption and the visa-free travel and ability to open bank accounts accorded these individuals.

The Government should focus on addressing noted deficiencies. SKN must work toward transparency and accountability in financial regulation. Specifically, it must precisely determine the exact number of internet gaming companies present on the islands and conduct the necessary oversight of these entities. The government should ensure all relevant entities covered under the AML laws and regulations are subject to sanctions that are proportionate and dissuasive. SKN should promote close supervision of the CIP and be transparent in reporting monitoring results.

Current Weaknesses in Government Legislation (2013 INCRS Comparative Tables):

According to the US State Department, Saint Kitts & Nevis does not conform with regard to the following government legislation: -

Record Large Transactions - By law or regulation, banks are required to maintain records of large transactions in currency or other monetary instruments.

EU Tax Blacklist

St Kitts & Nevis was removed from the EU tax blacklist on 25 May 2018.

EU White list of Equivalent Jurisdictions

Saint Kitts & Nevis is not currently on the EU White list of Equivalent Jurisdictions

World Governance indicators

[To view historic Governance Indicators Ctrl + Click here and then select country](#)

Failed States Index

[To view Failed States Index Ctrl + Click here](#)

Offshore Financial Centre

Saint Kitts & Nevis is considered to be an Offshore Financial Centre

US State Dept Narcotics Report 2017 (introduction):

Introduction

The seven independent countries of Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines are collectively referred to in this report as the Eastern Caribbean (EC).

The region hosts abundant transshipment points for illicit narcotics, primarily from Venezuela destined for North American, European and domestic Caribbean markets. Local and international law enforcement believe traffickers are increasingly using yachts for drug transit, though "go-fast" boats, fishing trawlers, and cargo ships continue to play major transit roles. Homicide rates throughout the region remained at levels similar to those of 2015, although there was an increase in drug-related violent and non-violent crimes (including money laundering and bulk cash smuggling). Many of the homicides that do occur are a result of turf wars between organized groups fighting for control of drug distribution. Marijuana remains the most commonly used illicit drug within the region.

Eight consecutive years of declining macroeconomic growth leave EC law enforcement capacity increasingly beleaguered. EC governments made some improvements to still-antiquated criminal codes. However, in some countries, leaders failed to address public concerns about official corruption.

Conclusion

The United States encourages the countries of the Eastern Caribbean to continue to embrace CBSI partnership and to fulfill their budgetary commitments to the RSS. The United States also encourages the Eastern Caribbean countries to support programming to increase regional counternarcotics operations and build regional capacity, through joint training and cooperation. The United States further encourages the seven countries to continue to pass legislation to modernize their criminal codes, making use of regional best practices in fighting transnational organized crime.

International Sanctions

None Applicable

Bribery & Corruption

Index	Rating (100-Good / 0-Bad)
Transparency International Corruption Index	N/A
World Governance Indicator – Control of Corruption	68

Corruption and Government Transparency - Report by US State Department

While corruption related to foreign business and investment is not generally believed to be a major problem in St. Kitts and Nevis, there have been some widely publicized allegations against government officials.

St. Kitts and Nevis has laws, regulations and penalties to combat corruption. However, while the law provides criminal penalties for official corruption, enforcement is not always effective. Government agencies involved in enforcement of anti-corruption laws include the Royal St. Kitts and Nevis Police Force, the Director of Public Prosecutions, and the Financial Intelligence Unit.

The country is a party to the Inter-American Convention against Corruption.

Section 3 - Economy

The economy of Saint Kitts and Nevis depends on tourism; since the 1970s, tourism has replaced sugar as the economy's traditional mainstay. Roughly 200,000 tourists visited the islands in 2009, but reduced tourism arrivals and foreign investment led to an economic contraction in 2009-2013, and the economy returned to growth only in 2014. Like other tourist destinations in the Caribbean, St. Kitts and Nevis is vulnerable to damage from natural disasters and shifts in tourism demand.

Following the 2005 harvest, the government closed the sugar industry after several decades of losses. To compensate for lost jobs, the government has embarked on a program to diversify the agricultural sector and to stimulate other sectors of the economy, such as export-oriented manufacturing and offshore banking. The government has made notable progress in reducing its public debt, from 154% of GDP in 2011 to 83% in 2013, although it still faces one of the highest levels in the world, largely attributable to public enterprise losses.

Agriculture - products:

sugarcane, rice, yams, vegetables, bananas; fish

Industries:

tourism, cotton, salt, copra, clothing, footwear, beverages

Exports - commodities:

machinery, food, electronics, beverages, tobacco

Exports - partners:

US 44.4%, Poland 14.6%, Bangladesh 10.1%, Azerbaijan 4.3% (2015)

Imports - commodities:

machinery, manufactures, food, fuels

Imports - partners:

US 37.7%, Trinidad and Tobago 22.7%, Barbados 4.4% (2015)

Banking

All domestic banks are licensed pursuant to the Banking Act and are supervised by the Eastern Caribbean Central Bank (ECCB). The offshore banks are licensed pursuant to the International Banking Act and are supervised by the Financial Sector Supervision Unit (FSSU), Ministry of Finance. In 2002, Saint Lucia decided to adopt an integrated approach to supervision by establishing a Single Regulatory Unit. This proposed structure would extend the supervision responsibilities of the FSSU to include credit unions. The domestic banks would still be supervised by the ECCB but a functional relationship with the FSSU would be established. Once fully implemented the FSSU would be responsible for supervising the entire financial sector

Stock Exchange

The Eastern Caribbean Securities Exchange (ECSE) is the first regional securities market in the Western Hemisphere, established by the Eastern Caribbean Central Bank to serve the eight (8) member states of Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat; St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines. It is headquartered on the island of St. Kitts. It has been in operation since 1971, and the ECSE currently lists securities for about 14 companies.

Executive Summary

The Federation of Saint Kitts and Nevis (St. Kitts and Nevis) remains one of the fastest growing economies in the Eastern Caribbean with an estimated Gross Domestic Product (GDP) of USD \$637.13 million. Saint Kitts and Nevis is a member of the Organization of Eastern Caribbean States (OECS), the Eastern Caribbean Currency Union (ECCU) and the Eastern Caribbean Central Bank. According to the ECCB, Saint Kitts and Nevis is projected to grow by 4.65% in 2016 and its outlook remains stable. Income from the citizenship by investment program, construction sector, manufacturing and tourism is expected to keep the economy buoyant during the year. Saint Kitts and Nevis is ranked 124th in the World Bank's Doing Business report for 2016; falling two places from its 2015 ranking.

- The Government of Saint Kitts and Nevis strongly encourages foreign direct investment. Saint Kitts and Nevis' foreign direct investment policy is to attract Foreign Direct Investment into the priority sectors as identified under the National Diversification Strategy. These include financial services, tourism, real estate, agriculture, information technology, education services and limited light manufacturing.
- The government instituted a number of investment incentives for businesses considering the possibility of locating in Saint Kitts or Nevis, encouraging both domestic and foreign private investment.
- Companies registered in Saint Kitts and Nevis have the right to repatriate all capital, royalties, dividends and profits free of all government taxes or any other charges on foreign exchange transactions. There are no exchange controls in Nevis and the invoicing of foreign trade transactions may be made in any currency.
- Saint Kitts and Nevis uses eminent domain laws that allow the government to expropriate private property for the betterment of the public. Currently the United States Embassy in Bridgetown is aware of one outstanding case involving the seizure of private land by the Government of St. Kitts and Nevis. The previous government agreed to pay the U.S. citizen claimant in installments, and completed the first two installments. The current government defaulted on one installment, and despite a court in St. Kitts and Nevis ordering the government to complete the 2015 installment, the government has yet to do so. The government claims that another individual made a claim on the property, and the government will investigate the other claim before completing the installment to the U.S. citizen owner. For this reason, the U.S. Embassy in Bridgetown continues to recommend caution when investing in real estate or conducting business in Saint Kitts and Nevis.
- Saint Kitts and Nevis uses transparent policies and effective laws to foster competition and establish clear rules for foreign and domestic investors in the areas of tax, labor, environment, health, and safety. Saint Kitts and Nevis' monetary and exchange rate policies are determined by the ECCB. The ECCB regulates domestic banks in Saint Kitts and Nevis. Exchange controls restrictions on capital and non-trade current transactions have been suspended under the Exchange Control Act.

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2014	Not ranked	transparency.org/cpi2014/results
World Bank's Doing Business Report "Ease of Doing Business"	2015	124 of 189	doingbusiness.org/rankings
Global Innovation Index	2015	Not ranked	globalinnovationindex.org/content/page/data-analysis
U.S. FDI in partner country (\$M USD, stock positions)	2015	USD \$5 million	BEA/Host government
World Bank GNI per capita	2014	USD \$14,920	data.worldbank.org/indicator/NY.GNP.PCAP.CD

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude toward Foreign Direct Investment

The Government of Saint Kitts and Nevis strongly encourages foreign direct investment, particularly in industries that create jobs, earn foreign currency, and have a positive impact on its citizens. Saint Kitts and Nevis is home to the ECCB, the Eastern Caribbean Securities Exchange (ECSE) and the Eastern Caribbean Regulatory Commission (ECRC).

The government instituted a number of investment incentives for businesses considering the possibility of locating in Saint Kitts and Nevis, encouraging both domestic and foreign private investment. Government policies provide liberal tax holidays, duty-free import of equipment and materials, and subsidies for training provided to local personnel. Foreign investors may also hold up to 100% of an investment.

Deregulations in the telecommunications industry facilitated market access to new competitors, though historically the industry was monopolized. There are currently three service providers: Flow (formerly Cable and Wireless), Digicel, and Cable Communications (The Cable). Caribbean Cable Communications (Nevis) Limited, which only operates in Nevis, was acquired by Digicel in 2013.

Other Investment Policy Reviews

In 2014 the OECS, of which Saint Kitts and Nevis is a member, conducted an investment policy review through the World Trade Organization. This report, which speaks to the general investment climate in Saint Kitts and Nevis, can be found at: https://www.wto.org/english/tratop_e/tpr_e/tp399_e.htm.

Laws/Regulations on Foreign Direct Investment

Saint Kitts and Nevis' foreign direct investment policy is to attract foreign direct investment (FDI) into the priority sectors as identified under the National Diversification Strategy. These include financial services, tourism, real estate, agriculture, information technology, education services and limited light manufacturing. However, investment opportunities also exist in renewable energy and other services. The main laws concerning foreign investment include

the Fiscal Incentive Act, the Tourism Incentive Act, the Hotel Aids Act and the Companies Act.

While officially all sectors are open to attracting FDI, certain sectors, such as taxi and tour operators and tour guides, are sometimes reserved for local investors. Additionally, potential investors are cautioned that Saint Kitts and Nevis' actual level of openness to foreign investment is limited by local expropriation practices, which could put investments at risk.

Business Registration

According to the World Bank's Doing Business Report 2016, Saint Kitts and Nevis is ranked 90th in starting a business in the jurisdiction. This takes seven procedures and approximately 19 days to complete. An attorney-at-law is necessary to prepare the incorporation documents. Typically, a notary will file the prepared documents with Intellectual Property Office on behalf of the company. There are plans to develop a Single Window facility to expedite the process given the multiple agencies that are currently involved in the process.

Established in 2007, the Saint Kitts Investment Promotion Agency (SKIPA) facilitates domestic and foreign direct investment into priority sectors, and advises the government on the formation and implementation of policies and programs to attract investment within Saint Kitts and Nevis. SKIPA provides crucial business support services and market intelligence to all investors. All investment proposals applying for government incentives are reviewed by the Saint Kitts Investment Promotion Agency (SKIPA) to ensure that the project is consistent with the national interests and provides economic benefits to the country.

Under the framework of the Small Business Development Act (2009), a small business is defined as having no more than 25 employees. While foreign owned micro, small and medium sized enterprises do not fall under the rubric of this act, business services for such enterprises are provided through SKIPA. However, SKIPA has a website that is useful to navigate the laws, rules, procedures and registration requirements for foreign investors. This can be found at: www.investstkitts.kn.

Industrial Promotion

SKIPA is the investment promotion arm of the government with identified key industries to attract investment into the country.

Limits on Foreign Control and Right to Private Ownership and Establishment

There are no limits on foreign control in Saint Kitts and Nevis. Foreign investors may hold up to 100% of an investment. Local enterprises generally welcome joint ventures with foreign investors in order to access technology, expertise, markets, and capital. There is no general limit on the amount of foreign ownership or control in the establishment of a business.

With one exception, foreign investment in Saint Kitts and Nevis is not subject to any restrictions, and foreign investors receive national treatment. The only restriction is the requirement to obtain an Alien Landholders License for foreign investors seeking to purchase property for residential or commercial purposes.

Privatization Program

The Federation of Saint Kitts and Nevis does not currently have a targeted program of privatization.

Screening of FDI

SKIPA has the authority to offer guidance and direction to new and established investors who are interested in pursuing investment opportunities in Saint Kitts and Nevis. The process is transparent and is contingent on the size of capital investment and the economic impact that it will have on the country.

To establish a business as a foreign investor, the applicant must:

- Incorporate the company with Saint Kitts Financial Services Regulatory Commission
- Apply for a Business & Occupations License (Facilitated by SKIPA)
- Register with Inland Revenue as a tax payer
- Register with the Saint Christopher Social Security Board as an employer
- Apply for an Alien Landholding License (foreigners owning shares in an ordinary company or foreigners serving as directors of an ordinary company)
- Submit Proposals for Review (SKIPA)
- Apply for Incentives (if Government assistance is required)
- Apply for Work Permits

Citizenship through Investment

Under the Citizenship by Investment Program, foreign individuals can obtain citizenship in accordance with subsection (5) of Section 3 of the Citizenship Act of 1984, which grants the right of citizenship (without voting rights) by investment. Applicants through the program are required to go through a due diligence process before citizenship can be granted. The minimum that would entitle an investor to qualify is USD \$400,000 in real estate or a USD \$250,000 contribution to the Sugar Investment Diversification Foundation. Applicants must also provide a full medical certificate, and evidence of the source of funds.

Competition Law

Chapter 8 of the Revised Treaty of Chaguaramas provides the competition policy applicable to the Caribbean Community (CARICOM) States. Member States are required to establish and maintain a national competition authority for facilitating the implementation of the rules of competition. At the CARICOM level, a regional Competition Commission is established to apply the rules of competition in respect of anti-competitive cross-border business conduct. The CARICOM competition policy addresses anti-competitive business conduct, such as agreements between enterprises, decisions by associations of enterprises, and concerted practices by enterprises that have as their object or effect the prevention, restriction or distortion of competition within the Community; and actions by which an enterprise abuses its dominant position within the Community. No legislation is yet in operation to regulate competition in Saint Kitts and Nevis. The OECS agreed to establish a regional competition body to handle competition matters within its single market. The draft OECS bill was submitted to the Ministry of Legal Affairs for review.

2. Conversion and Transfer Policies

Foreign Exchange

Saint Kitts and Nevis is a member of the ECCU and the ECCB. The currency of exchange is the Eastern Caribbean dollar (XCD). As a member of the OECS, the Federation of Saint Kitts and Nevis has a foreign exchange system that is fully liberalized. The Eastern Caribbean Dollar has been pegged to the United States dollar at a rate of XCD \$2.70: USD \$1.00 since 1976. As a result, the Eastern Caribbean Dollar does not fluctuate; creating stable currency environment for trade and investment in the Federation of Saint Kitts and Nevis.

Remittance Policies

There are no exchange controls in Saint Kitts and Nevis. Companies registered in the Federation of Saint Kitts and Nevis have the right to repatriate all capital, royalties, dividends and profits free of all government taxes or any other charges on foreign exchange transactions. There are no exchange controls in Nevis and the invoicing of foreign trade transactions may be made in any currency. Importers are not required to make prior deposits in local funds and export proceeds do not have to be surrendered to government authorities or to authorized banks. Saint Kitts and Nevis is also a member of the Caribbean Financial Action Task Force (CFATF). Saint Kitts and Nevis signed onto an inter-governmental agreement with the United States to facilitate compliance with the Foreign Account Tax Compliance Act (FATCA).

3. Expropriation and Compensation

Saint Kitts and Nevis uses eminent domain laws that allow the government to expropriate private property for the betterment of the public; the government is required to compensate owners. There are also laws that permit the acquisition of private business, and the government claims such laws are constitutional. The concept of eminent domain and the expropriation of private property is typically governed by laws that require governments to adequately compensate owners of the expropriated property at the time of its expropriation or soon thereafter. In some cases, the procedure for compensation of owners favors the government valuation at the expense of the owner.

Currently the United States Embassy in Bridgetown is aware of one outstanding case involving the seizure of private land by the Government of St. Kitts and Nevis. The previous government agreed to pay the U.S. citizen claimant in installments, and completed the first two installments. The current government defaulted on one installment, and despite a court in St. Kitts and Nevis ordering the government to complete the 2015 installment, the government has yet to do so. The government claims that another individual made a claim on the property, and the government will investigate the other claim before completing the installment to the U.S. citizen owner. However, the Government remains committed to a final resolution of this case. The U.S. Embassy in Bridgetown continues to recommend caution when conducting business in Saint Kitts and Nevis.

4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

Saint Kitts and Nevis bases its legal system on the British common law system. The Constitution guarantees constitutional independence of the judiciary. The judicial system consists of lower courts, called Magistrates' Courts, as well as a Family Court. The Eastern Caribbean Supreme Court (Saint Kitts and Nevis) Act, establishes the Supreme Court of Judicature, which consists of the High Court and the Eastern Caribbean Court of Appeal. The High Court hears criminal and civil matters and makes determinations on the interpretation of the Constitution. Appeals are made in the first instance to the Eastern Caribbean Supreme Court, an itinerant court that hears appeals from all Eastern Caribbean States. Final appeal is to the Judicial Committee of the Privy Council.

The Caribbean Court of Justice (CCJ) is the regional judicial tribunal, established in 2001 by the Agreement Establishing the Caribbean Court of Justice. The CCJ has original jurisdiction to interpret and apply the Revised Treaty of Chaguaramas. In its appellate jurisdiction, the CCJ considers and determines appeals from Member States of the Caribbean Community and Common Market (CARICOM), which are parties to the Agreement Establishing the CCJ. Saint Kitts and Nevis is subject to the original jurisdiction of the CCJ.

The United States and Saint Kitts and Nevis are both parties to the World Trade Organization (WTO). The WTO Dispute Settlement Panel and Appellate Body resolve disputes over WTO agreements, while courts of appropriate jurisdiction in both countries resolve private disputes.

Bankruptcy

The Federation of Saint Kitts and Nevis has a bankruptcy framework that allows for certain actions by both the debtor and the creditor. The World Bank's Doing Business Report addressed some limitations in filing for bankruptcy in the Federation of Saint Kitts and Nevis. The Federation of Saint Kitts and Nevis is ranked at 189th in resolving insolvency.

Investment Disputes

The Embassy is currently not aware of any investment disputes involving Saint Kitts and Nevis.

International Arbitration

The Eastern Caribbean Supreme Court is the domestic arbitration body within the Federation of Saint Kitts and Nevis and the local courts recognize and enforce foreign arbitral awards. The Arbitration Act 1950 applies in St. Kitts and Nevis by virtue of Cap 3:01. This Act provides for the enforcement of foreign awards.

ICSID Convention and New York Convention

The Federation of Saint Kitts and Nevis is a party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, however it is not a member of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards; also known as the New York Arbitration Convention.

Duration of Dispute Resolution – Local Courts

According to the World Bank's Doing Business Report 2016, dispute resolution generally took 578 days, however this may vary. The slow court system and bureaucracy are widely seen as main hindrances to timely resolutions to commercial disputes. In practice most of the litigation before the court is sent to mediation for the parties to try to settle the matter before trial. Usually mediation is held about 2 – 3 months after the claim is filed. Saint Kitts and Nevis is ranked at 42nd in enforcing contracts.

5. Performance Requirements and Investment Incentives

WTO/TRIMS

While there are no formal performance requirements, government officials encourage investments they believe will create jobs and increase exports and foreign exchange earnings. There are no requirements for participation either by nationals or by the government in foreign investment projects.

There is no requirement that enterprises must purchase a fixed percentage of goods from local sources, but the government encourages local sourcing. Foreign investors may hold up to 100% of an investment. Except for the requirement to obtain an Alien Landholders License, foreign investment in Saint Kitts and Nevis is not subject to any restrictions, and foreign investors receive national treatment.

Investment Incentives

In an effort to increase investment, Saint Kitts and Nevis implemented a series of investment incentives. The Fiscal Incentives Acts provides a list of incentives including a tax holiday of up to 15 years; additional tax rebates of up to five years; exemption from custom duties on material and equipment deemed necessary to establish or update an enterprise; repatriation of profits, dividends, royalties, and imported capital by arrangement with the Ministry of Finance; protection of investment through government agreement between Saint Kitts and Nevis and the United States and no personal income tax. Under the Fiscal Incentives Act, four types of enterprises qualify for tax holidays. The length of the tax holiday for the first three depends on the amount of value added in Saint Kitts and Nevis. The fourth type, known as enclave industry, must produce goods exclusively for export outside the CARICOM region.

Enterprise	Value Added	Maximum Tax Holiday
Group I	50% or more	15 years
Group II	25% to 50%	12 years
Group III	10% to 25%	10 years
Enclave	Enclave	15 years

Companies that qualify for tax holidays are allowed to import into Saint Kitts and Nevis duty-free all equipment, machinery, spare parts and raw materials used in production.

The Hotel Aids Act provides relief from customs duties on items brought into the country for use in construction, extension and equipping of a hotel of not less than ten bedrooms. In addition, the Income Tax Act provides special tax relief benefits for hotels of more than 30 bedrooms. These hotels are exempt from income tax for ten years. If the hotel contains fewer than 30 bedrooms, gains or profits would be exempt from income tax for five years.

The hotel and restaurant tax is levied on the total accommodation charges of a hotel or guest house and on the cost of food and beverage sold by a restaurant. The total rate of tax is 9% (with 2% contributing to the Hotel and Accommodation Enhancement Levy.) This tax is levied on the total accommodation.

Additionally, those who invest in Saint Kitts and Nevis do not pay a capital gains tax, and are subject to a corporate tax rate of 35% of net profits. Qualified companies enjoy full exemption from taxes on corporate profits for a period not exceeding 15 years. Corporate tax does not apply to exempt companies or to enterprises that were granted tax concession. There is no personal income tax. Saint Kitts and Nevis provides companies with a further tax concession effective at the end of the tax holiday period.

Normally, individuals and ordinary companies remitting payments to persons outside of Saint Kitts and Nevis must deduct 10% withholding tax from profits, administration, management or head office expenses, technical services fees, accounting and audit expenses, royalties, non-life insurance premiums, and rent. However, this tax does not apply to profits of an approved enterprise, which has been granted concessions under the Fiscal Incentives Act. Unincorporated Business Tax Act is levied on the gross revenue of services provided by professionals such as doctors, lawyers, dentists, and other specified persons listed in the Schedule at a rate of 4%.

Exemption from Import Duties

Full exemption from import duties on parts, raw materials, and production machinery is also available.

Research and Development

Saint Kitts and Nevis does not currently have a government financed or subsidized research and development program.

Performance Requirements

The Federation of Saint Kitts and Nevis does not mandate local employment. The provisions of the Labor Code outline the requirements for acquiring a work permit and prohibit anyone who is not a citizen of Saint Kitts and Nevis (and the OECS) from engaging in employment unless they have obtained a work permit. In practice, work permits are granted to senior management if no qualified nationals are available for the post and a recommendation from among citizens of the country is made for a counterparty trainee. There are no excessively onerous visa, residency or work permit requirements.

Data Storage

There are no requirements for foreign IT providers to turn over source code and/or provide access to surveillance (backdoors into hardware and software turn over keys for encryption, etc.).

6. Protection of Property Rights

Real Property

Civil law protects physical property and mortgage claims. The only restriction is the requirement to obtain an Alien Landholders License for foreign investors seeking to purchase property for residential or commercial purposes. The cost of these licenses is 10% of the value of the land or of the interest in the real estate to be purchased. Licenses are granted once properly submitted to Cabinet for consideration and payment of the license fees. Foreign investors do not require a landholding license for the purchase of land in certain parts of the island, such as Frigate Bay or certain parts of the South East Peninsula. However, in lieu of the purchase of lands at Frigate Bay, foreign investors are required to pay XCD\$ 50.00 .

Intellectual Property Rights

Saint Kitts and Nevis has a legislative framework regarding its commitment to the protection of intellectual property rights. While the legal structures governing intellectual property are considered strong, enforcement is largely untested. The administration of intellectual property laws in Saint Kitts and Nevis are under the responsibility of the Ministry of Justice and Legal Affairs. The registration of patents, trademarks, and service marks is administered by the Intellectual Property Office.

Saint Kitts and Nevis is a signatory to the Paris Convention for the Protection of Industrial Property (1883); the Patent Cooperation Treaty (PCT) (1970); and the Berne Convention for the Protection of Literary and Artistic Works (1886). The Federation of Saint Kitts and Nevis is also a member of the United Nations World Intellectual Property Organization (WIPO).

Article 66 of the Revised Treaty of Chaguaramas (2001) establishing the Caribbean Single Market and Economy commits all 15 members to implement stronger Intellectual Property protection and enforcement. The Economic Partnership Agreement (EPA), which was signed between the CARIFORUM States and the European Community in 2008, contains the most detailed obligations in respect of Intellectual Property in any trade agreement to which Federation of Saint Kitts and Nevis is a party. The EPA gives recognition to the protection and enforcement of intellectual property. Article 139 of the EPA requires parties to “ensure an adequate and effective implementation of the international treaties dealing with intellectual property to which they are parties and of the Agreement on Trade Related Aspects of Intellectual Property (TRIPS).”

The Customs department of the Federation of Saint Kitts and Nevis can seize prohibited or counterfeit goods; however, it is a matter of the courts to make the determination on the forfeiture and disposal of the goods. Arrangements are to be made by the complainants with Customs to secure the goods until a judgment is made. Saint Kitts and Nevis is in the process of reviewing the existing laws in relation to the importation of counterfeit and prohibited goods.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

Resources for Rights Holders

Contact at Mission:

U.S. Embassy Barbados, the Eastern Caribbean and the Organisation of Eastern Caribbean States (OECS)

Name: Stephen Simpson

Title: Economic/Commercial Officer

Telephone: (246) 227-4274

Email address: SimpsonSC@state.gov

Country/Economy Resources

American Chamber of Commerce for Barbados and the Eastern Caribbean

Name: Dustin Delany

Title: Chairman

Telephone: (246) 228-2260

Email: dd@amchambec.com

Local attorneys list: http://barbados.usembassy.gov/st_kitts_nevis_attorneys.html .

7. Transparency of the Regulatory System

Saint Kitts and Nevis uses transparent policies and effective laws to foster competition and establish clear rules for foreign and domestic investors in the areas of tax, labor, environment, health, and safety.

Additionally, the incorporation and registration of companies in the federation differs somewhat on its two constituent islands. In Saint Kitts, the process is regulated by the Companies Act No. 22 of 1996. The incorporation of companies in Nevis is regulated by the Nevis Island Business Corporation Ordinance, Cap. 7.01. There are no nationality restrictions for directors in a company, and in general, national treatment is applied. All registered companies must have a registered office in Saint Kitts and Nevis.

8. Efficient Capital Markets and Portfolio Investment

As a member of the OECS, Saint Kitts and Nevis is a member of the Eastern Caribbean Securities Exchange (ECSE) and the Regional Government Securities Market. The ECSE is a regional securities market established by the Eastern Caribbean Central Bank and licensed under the Securities Act of 2001, a uniform regional body of legislation governing securities market activities to facilitate the buying and selling of financial products for the eight member territories. The number of equities listed is 13 while the number of debt securities listed is 90. Market capitalization stood at USD \$4.3 billion. Saint Kitts and Nevis is a member of this stock exchange, and is open to portfolio investment.

Money and Banking System, Hostile Takeovers

As a member of the OECS and the Eastern Caribbean Currency Union, the ECCB has financial oversight of Saint Kitts and Nevis, controlling its monetary and exchange rate policies. The ECCB controls the currencies of several island states including Saint Kitts and Nevis. The ECCB also regulates domestic banks. Exchange controls and restrictions on capital and non-trade current transactions have been suspended under the Exchange Control Act.

According to the most recent data available from the government, assets of commercial banks totaled USD \$ 2.64 billion in January 2016, and remained relatively consistent throughout the previous year. The reserve requirement for commercial banks was 6% of deposit liabilities.

9. Competition from State-Owned Enterprises

Statutory corporations or state-owned enterprises in Saint Kitts and Nevis include the Solid Waste Management Corporation and Saint Kitts and Nevis Social Security Board. These companies do not generally pose a threat to investors, as they are not designed for competition. They support government programs such as the national pension plan and solid waste management and assist the government in achieving developmental goals.

OECD Guidelines on Corporate Governance of SOEs

While Saint Kitts and Nevis recognizes the Organization of Economic Cooperation and Development (OECD) guidelines, SOEs in Saint Kitts and Nevis are not found in the key areas earmarked for investment.

Sovereign Wealth Funds

The Eastern Caribbean Central Bank, of which Saint Kitts and Nevis is a member, does not maintain a Sovereign Wealth Fund.

10. Responsible Business Conduct

In Saint Kitts and Nevis, there is an awareness of responsible business conduct among both producers and consumers. The private sector is involved in projects that benefit society including in support of environmental, social and cultural causes. Individuals benefit from business sponsored initiatives when local and foreign owned enterprises pursue volunteer opportunities and make monetary or in kind donations to local causes.

The NGO community, while comparatively small, is involved in fundraising and volunteerism in gender, health, environmental and community projects. The government at times partners with non-governmental organizations (NGO) in activities. The government encourages philanthropy.

11. Political Violence

Saint Kitts and Nevis does not have a history of political violence.

12. Corruption

While corruption related to foreign business and investment is not generally believed to be a major problem in Saint Kitts and Nevis, there have been some widely publicized allegations against former government officials.

Saint Kitts and Nevis has laws, regulations and penalties to combat corruption. However, while the law provides criminal penalties for official corruption, enforcement is not always

effective. Government agencies involved in enforcement of anti-corruption laws include the Royal Saint Kitts and Nevis Police Force, the Director of Public Prosecutions, and the Financial Intelligence Unit. Parliament passed the Integrity in Public Life Bill in September 2013, but government officials are not required to disclose financial assets. The Financial Intelligence Unit investigates financial crimes, but no independent body was established to handle allegations of government corruption.

In June 2015, twelve Commonwealth Caribbean countries, including Saint Kitts and Nevis, established a new regional body to enhance transparency and to help fight corruption. The formation of the Association of Integrity Commissions and Anti-Corruption Bodies in the Commonwealth Caribbean was heralded as a major step forward in regional efforts to support integrity and address corruption. It is hoped that the new body will help to further strengthen public confidence in cross-border initiatives to enhance accountability, knowledge sharing and coordination.

UN Anticorruption Convention, OECD Convention on Combatting Bribery

While Saint Kitts and Nevis is not party to the UN Anticorruption Convention, it is a party to the Inter-American Convention against Corruption.

13. Bilateral Investment Agreements

Bilateral Taxation Treaties

Saint Kitts and Nevis has no bilateral investment treaty with the United States of America. It has Double Taxation Agreements that meet the OECD's Standards and Tax Information Exchange Agreements (TIEAs) with several countries including Denmark, Norway, Sweden and the United Kingdom. It has Double Taxation Conventions (DTCs) with Monaco, San Marino and some CARICOM countries.

Saint Kitts and Nevis is also party to the following:

Caribbean Community (CARICOM)

The Treaty of Chaguaramas established CARICOM in 1973. Its purpose is to promote economic integration among its fifteen (15) Member States. Investors operating in St. Kitts and Nevis are given preferential access to the entire CARICOM market. The Revised Treaty of Chaguaramas goes further to establish the CARICOM Single Market and Economy (CSME), by permitting the free movement of goods, capital and labor within CARICOM States.

Organization of Eastern Caribbean States (OECS)

The Revised Treaty of Basseterre establishes the Organisation of Eastern Caribbean States (OECS). The OECS consists of seven full Member States: Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Kitts & Nevis, Saint Lucia and Saint Vincent & the Grenadines; and three associate members: Anguilla, Martinique and the British Virgin Islands. Martinique joined as an associate member in February 2015. The purpose of the Treaty is to promote harmonization among Member States in areas concerning foreign policy, defense and security, and economic affairs. The seven independent countries of the OECS ratified the

Revised Treaty of Basseterre establishing the OECS Economic Union on January 21, 2011. The Economic Union established a single financial and economic space within which all factors of production, including goods, services and people, move without hindrance.

Economic Partnership Agreement (EPA)

The Economic Partnership Agreement (EPA) was concluded between the CARIFORUM States and the European Community and its Member States in 2008. The EPA is designed to replace the now expired transitional trade regime of the Cotonou Agreement. The overarching objectives of the EPA are to alleviate poverty in CARIFORUM, to promote regional integration and economic cooperation and to foster the gradual integration of the CARIFORUM states into the world economy by improving their trade capacity and creating an investment-conducive environment. The Agreement promotes trade related developments in areas such as competition, intellectual property, and public procurement, the environment and protection of personal data.

Caribbean Basin Initiative (CBI)

The Caribbean Basin Initiative (CBI) is intended to facilitate the economic development and export diversification of the Caribbean Basin economies.

Initially launched in 1983 through the Caribbean Basin Economic Recovery Act (CBERA), and substantially expanded in 2000 through the U.S.-Caribbean Basin Trade Partnership Act (CBTPA), the CBI was further expanded in the Trade Act of 2002. It promotes economic development through private sector initiative in Central America and the Caribbean islands by expanding foreign and domestic investment in non-traditional sectors, diversifying CBI country economies and expanding their exports. The CBI provides beneficiary countries with duty-free access to the U.S. market for most goods. It permits duty free entry of products manufactured or assembled in Saint Kitts and Nevis into markets of the United States. Saint Kitts and Nevis is the largest exporter under this regime in the Eastern Caribbean.

Caribbean / Canada Trade Agreement (CARIBCAN)

CARIBCAN is an economic and trade development assistance program for Commonwealth Caribbean countries in which Canada provides duty free access to its national market for the majority of products that originate in Commonwealth Caribbean countries.

14. Foreign Trade Zones/Free Ports/Trade Facilitation

There are no foreign trade zones or free ports in Saint Kitts and Nevis. However, there are four fully developed industrial sites where production facilities can be constructed to specification and leased at nominal rates. Kittitian officials project that factory space will increase annually by 15,000 sq. ft. in Saint Kitts and 5,000 sq. ft. in Nevis. The sites are managed and serviced on behalf of the Government by the Development Bank of Saint Kitts and Nevis.

15. Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2015	\$7,396	2014	\$8,522	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	2014	Not available	2014	\$5	http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm
Host country's FDI in the United States (\$M USD, stock positions)	2014	Not available	2014	-\$1	http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm
Total inbound stock of FDI as % host GDP	2014	Not available	2014	Not available	Not available

* Eastern Caribbean Central Bank Statistics:
<http://www.eccbcentralbank.org/Statistics/index.asp>

Table 3: Sources and Destination of FDI

The Federation of Saint Kitts and Nevis does not appear in the IMF's Coordinated Direct Investment.

Table 4: Sources of Portfolio Investment

The Federation of Saint Kitts and Nevis does not appear in the IMF's Coordinated Portfolio Investment Survey for Sources of Portfolio Investment.

Section 5 - Government

Chiefs of State and Cabinet Members:

For the current list of Chief of State and Cabinet Members, please access the following - [Central Intelligence Agency online directory of Chiefs of State and Cabinet Members of Foreign Governments](#)

Legal system:

English common law

International organization participation:

ACP, AOSIS, C, Caricom, CDB, CELAC, FAO, G-77, IBRD, ICAO, ICRM, IDA, IFAD, IFC, IFRCs, ILO, IMF, IMO, Interpol, IOC, ITU, MIGA, NAM, OAS, OECS, OPANAL, OPCW, Petrocaribe, UN, UNCTAD, UNESCO, UNIDO, UPU, WHO, WIPO, WTO

Section 6 - Tax

Exchange control

For further information - <http://www.gov.kn/>

Treaty and non-treaty withholding tax rates

Saint Kitts and Nevis has signed **34 agreements** (13 DTC and 21 TIEA agreements) providing for the exchange of information.

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5	
Antigua and Barbuda	DTC	6 Jul 1994	30 Nov 1994	Yes	No	
Aruba	TIEA	11 Sep 2009	19 Oct 2011	Yes	Yes	
Australia	TIEA	5 Mar 2010	11 Jan 2011	Yes	Yes	
Barbados	DTC	6 Jul 1994	30 Nov 1994	Yes	No	
Belgium	TIEA	18 Dec 2009	not yet in force	Yes	Yes	
Belize	DTC	6 Jul 1994	30 Nov 1994	Yes	No	
Canada	TIEA	14 Jun 2010	21 Nov 2011	Yes	Yes	
Curaçao	TIEA	11 Sep 2009	not yet in force	Yes	Yes	
Denmark	TIEA	2 Sep 2009	23 Feb 2011	Yes	Yes	
Dominica	DTC	6 Jul 1994	30 Nov 1994	No	No	
Faroe Islands	TIEA	24 Mar 2010	17 Jun 2011	Unreviewed	Yes	
Finland	TIEA	24 Mar 2010	21 Mar 2011	Yes	Yes	
France	TIEA	1 Apr 2010	16 Dec 2010	Yes	Yes	
Germany	TIEA	13 Oct 2010	not yet in force	Yes	Yes	
Greenland	TIEA	24 Mar 2010	not yet in force	Unreviewed	Yes	
Grenada	DTC	6 Jul 1994	30 Nov 1994	No	No	
Guernsey	TIEA	7 Feb 2012	14 Apr 2013	Yes	Yes	
Guyana	DTC	6 Jul 1994	30 Nov 1994	Unreviewed	No	
Iceland	TIEA	24 Mar 2010	not yet in force	Yes	Yes	
Jamaica	DTC	6 Jul 1994	30 Nov 1994	Yes	No	
Liechtenstein	TIEA	11 Dec 2009	14 Feb 2011	No	Yes	
Monaco	DTC	17 Sep 2009	1 Dec 2011	Yes	Yes	
Netherlands	TIEA	2 Sep 2009	29 Nov 2010	Yes	Yes	
New Zealand	TIEA	24 Nov 2009	not yet in force	Yes	Yes	
Norway	TIEA	24 Mar 2010	12 Jan 2011	Yes	Yes	
Portugal	TIEA	29 Jul 2010	not yet in force	Yes	Yes	
Saint Lucia	DTC	6 Jul 1994	30 Nov 1994	No	No	

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5	
Saint Vincent and the Grenadines	DTC	6 Jul 1994	30 Nov 1994	Yes	No	
San Marino	DTC	20 Apr 2010	7 Jul 2011	Yes	Yes	
Sint Maarten	TIEA	11 Sep 2009	not yet in force	Yes	Yes	
Sweden	TIEA	24 Mar 2010	31 Dec 2010	Yes	Yes	
Switzerland	DTC	26 Aug 1963	1 Jan 1961	No	No	
Trinidad and Tobago	DTC	6 Jul 1994	30 Nov 1994	No	No	
United Kingdom	TIEA	18 Jan 2010	19 May 2011	Yes	Yes	

Methodology and Sources

Section 1 - General Background Report and Map

(Source: [CIA World Factbook](#))

Section 2 - Anti – Money Laundering / Terrorist Financing

	Lower Risk	Medium Risk	Higher Risk
FATF List of Countries identified with strategic AML deficiencies	Not Listed	AML Deficient but Committed	High Risk
Compliance with FATF 40 + 9 recommendations	>69% Compliant or Fully Compliant	35 – 69% Compliant or Fully Compliant	<35% Compliant or Fully Compliant
US Dept of State Money Laundering assessment (INCSR)	Monitored	Concern	Primary Concern
INCSR - Weakness in Government Legislation	<2	2-4	5-20
US Sec of State supporter of / Safe Haven for International Terrorism	No	Safe Haven for Terrorism	State Supporter of Terrorism
EU White list equivalent jurisdictions	Yes		No
International Sanctions UN Sanctions / US Sanctions / EU Sanctions	None	Arab League / Other	UN , EU or US
Corruption Index (Transparency International) Control of corruption (WGI) Global Advice Network	>69%	35 – 69%	<35%
World government Indicators (Average)	>69%	35 – 69%	<35%
Failed States Index (Average)	>69%	35 – 69%	<35%
Offshore Finance Centre	No		Yes

Section 3 - Economy

General Information on the current economic climate in the country and information on imports, exports, main industries and trading partners.

(Source: [CIA World Factbook](#))

Section 4 - Foreign Investment

Information on the openness of foreign investment into the country and the foreign investment markets.

(Source: [US State Department](#))

Section 5 - Government

Names of Government Ministers and general information on political matters.

(Source: [CIA World Factbook](#) / <https://www.cia.gov/library/publications/world-leaders-1/index.html>)

Section 6 - Tax

Information on Tax Information Exchange Agreements entered into, Double Tax Agreements and Exchange Controls.

(Sources: [OECD Global Forum on Transparency and Exchange of Information for Tax Purposes](#) [PKF International](#))

DISCLAIMER

Part of this report contains material sourced from third party websites. This material could include technical inaccuracies or typographical errors. The materials in this report are provided "as is" and without warranties of any kind either expressed or implied, to the fullest extent permissible pursuant to applicable law. Neither are any warranties or representations made regarding the use of or the result of the use of the material in the report in terms of their correctness, accuracy, reliability, or otherwise. Materials in this report do not constitute financial or other professional advice.

We disclaim any responsibility for the content available on any other site reached by links to or from the website.

RESTRICTION OF LIABILITY

Although full endeavours are made to ensure that the material in this report is correct, no liability will be accepted for any damages or injury caused by, including but not limited to, inaccuracies or typographical errors within the material, Neither will liability be accepted for any damages or injury, including but not limited to, special or consequential damages that result from the use of, or the inability to use, the materials in this report. Total liability to you for all losses, damages, and causes of action (in contract, tort (including without limitation, negligence), or otherwise) will not be greater than the amount you paid for the report.

RESTRICTIONS ON USE

All Country Reports accessed and/or downloaded and/or printed from the website may not be distributed, republished, uploaded, posted, or transmitted in any way outside of your organization, without our prior consent. Restrictions in force by the websites of source information will also apply.

We prohibit caching and the framing of any Content available on the website without prior written consent.

Any questions or queries should be addressed to: -

Gary Youinou

Via our [Contact Page](#) at KnowYourCountry.com