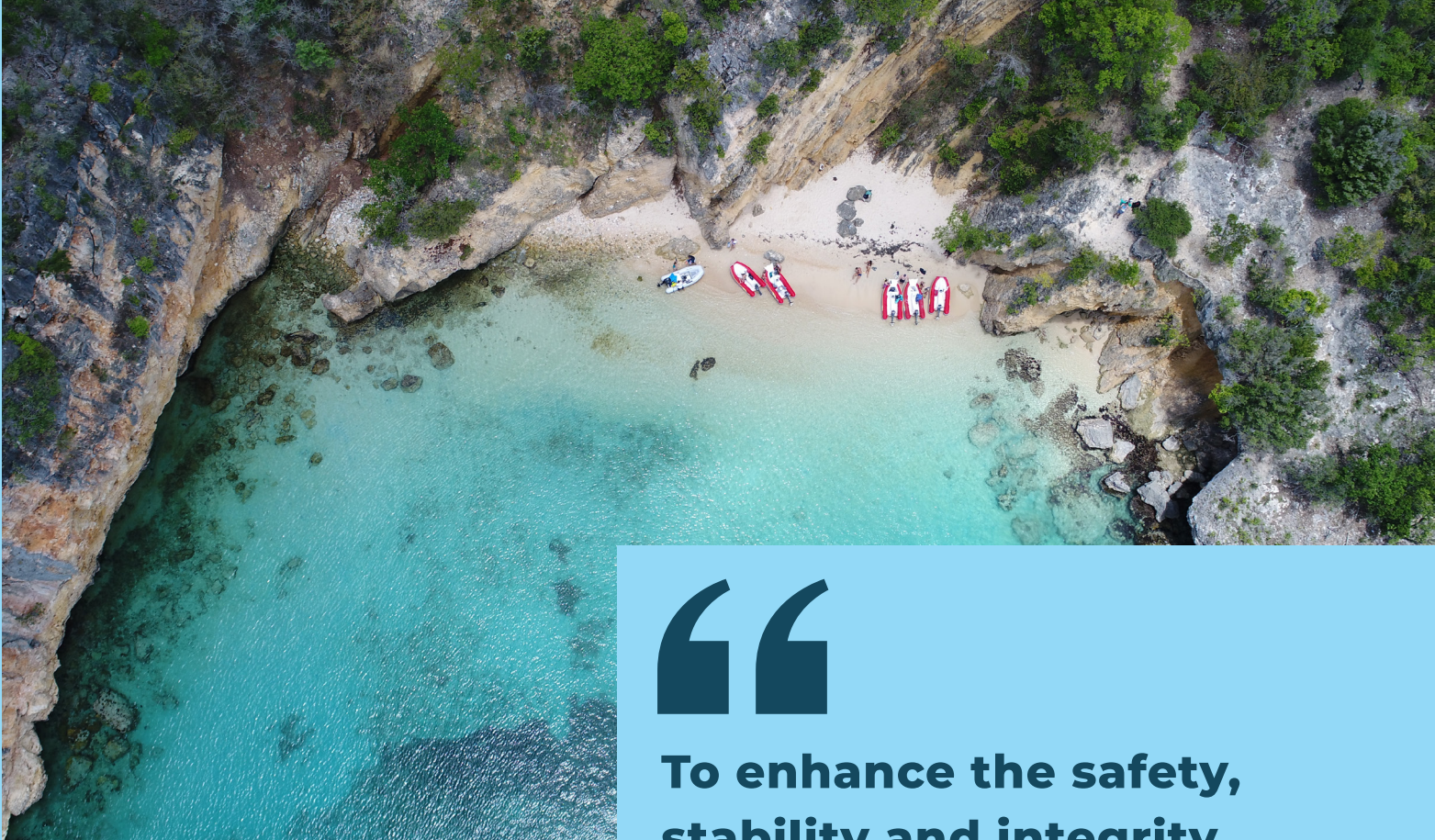


ANGUILLA FINANCIAL SERVICES COMMISSION



ANNUAL REPORT 2023

OUR MISSION



To enhance the safety, stability and integrity of Anguilla’s financial system and contribute to Anguilla being a premier financial centre, through appropriate regulation and legislation, judicious licensing, comprehensive monitoring and good governance.

CHAIRMAN'S REMARKS



Despite the many global challenges that persisted, the financial services sector demonstrated remarkable resilience, turning obstacles into golden opportunities.

For Anguilla, the opportunities that unfolded in 2023 were limited only by the island's determination, strength, and endurance - qualities that transformed seemingly negative situations into measurable positive outcomes.

The Commission played a pivotal role in this progress, introducing new legislation to foster continued innovation within the industry. Its efforts throughout the year focused on overseeing various financial services sectors, ensuring compliance with international standards, and strengthening

collaboration with domestic, regional, and international stakeholders.

Key legislative enhancements further strengthened the Commission's ability to administer financial services legislation effectively and supported the prudent supervision of licensees and registrants. Legislative developments in 2023 were primarily aimed at aligning governing laws with international standards, particularly in preparation for the fourth-round AML/CFT mutual evaluations conducted mid-year.

In April 2023, the Cooperative Societies Act and Regulations were enacted, repealing the former Act and thereby enhancing the safety and stability of Anguilla's financial system. To reinforce its strategic direction, the Commission convened a strategic planning retreat, bringing together Board members and staff to assess core competencies, vulnerabilities, and broader challenges within both the Commission and the financial services sector. Discussions focused on regulatory priorities, resource allocation, and actionable goals, culminating in the drafting of a three-year strategic plan.

A major milestone in 2023 was the launch of the Anguilla Regulatory Information and Analytical Reporting System (ARIAS) in the fourth quarter. ARIAS, the Commission's RegTech/SupTech platform, was developed through close collaboration between developers and Commission staff.

Recognizing the synergies between the Commission and the Commercial Registry, the Executive Council approved a framework to integrate the Registry into the Commission, thereby

CHAIRMAN'S REMARKS

enhancing efficiencies and delivering benefits to the financial services sector.

Acknowledging its staff as its most critical asset, the Commission prioritized professional development through promotions and training initiatives, supported by regional and international organizations. Key training focused on Digital Assets, Cooperative Societies, and AML/CFT compliance.

While significant progress was made, challenges remained—notably the continued decline in captive insurers, which contributed to a reduction in sectoral revenue. On a positive note, the amendments to the Goods and Services Tax Act, which removed taxes on insurance product sales, provided relief to certain market participants.

Work also advanced on proposed amendments to the insurance regulatory framework, with public consultation scheduled for January 2024. These amendments are intended to strengthen oversight of the insurance sector and will form part of a broader legislative review and reform initiative.

Throughout the year, the Commission emphasized cooperation with national regulatory authorities, active engagement with industry, and professional development for staff, alongside participation in key regulatory meetings.

As 2023 drew to a close, Anguilla remained firmly on course toward sustained success, continuing to build a stronger and more resilient financial services industry.