

CHIEF MINISTER ADDRESS ON UK ASSENT OF 2015 BANKING ACT

Fellow Anguillians,

I am grateful that the United Kingdom Government has now proceeded to grant assent to the 2015 Banking Act which was passed in the House of Assembly in November 2015. I thank Her Excellency, the Governor for the role she has played in making this a reality today. Assent has been long in coming but now allows us to proceed swiftly with implementing the Bank Resolution Plan. Above all, however, I must commend you the people of Anguilla for the patience and faith you have demonstrated since the placement of NBA and CCB under conservatorship in August 2013. Anguilla needs to now turn a **new leaf** from this period of uncertainty surrounding our two indigenous banks and to do what is necessary to give rise to **the dawn of a new day**. It's time to move on!

As I would have indicated in numerous Press Conferences over the past months and the many debates in the House of Assembly concerning the Bank Resolution Plan, simply put, it involves transforming the “good bits” (performing loans matched by an equivalent level of deposits) of NBA and CCB into a new financial institution, the National Commercial Bank of Anguilla, and transferring the “bad bits” (non-performing loans) to the another new financial institution, the Eastern Caribbean Asset Management Corporation. Deposits not transferred to the new Bank, such as the Social Security deposits and deposits of large depositors have been protected by legislation in the form of the Bank Resolution Obligations Act 2016.

Many of you have expressed sadness in what you view to be the demise of NBA and CCB. But I say to you that **this is an inevitable change given the circumstances of these institutions**. It therefore means that out of necessity we must embrace this change. In formulating the Bank Resolution Plan with our Stakeholders Group (the ECCB, the United Kingdom Government, the International Monetary Fund, the World Bank and the Caribbean Development Bank) we have been guided by certain key principles. You indicated that the

continuation of an indigenous banking presence in Anguilla was important to you. We have respected your wishes, in this regard, and the new financial institution, the National Commercial Bank of Anguilla will be a wholly owned Government bank – that is, it will be owned by **you the people of Anguilla**. In due course, NCBA will be privatized to allow Anguillian persons and investors to participate. So we would have come full circle and as such – the dream lives on.

Plans are well underway with our stakeholder group to launch NCBA. The Board of NCBA has been diligently working behind the scenes to fulfill the requirements necessary for the ECCB to license the Bank. It is a well constituted Board of experienced Anguillian and regional and international individuals in whom we have every confidence. In transitioning to NCBA the aim is that customers of NBA and CCB will experience little change in their daily banking routine. You will hear more about this in due course.

I will close by again thanking all Anguillians for the patience and faith you have shown throughout this period of challenge. I implore you to continue to have faith, as we take this next step into a new future in banking. As a Government we can assure you that we are committed to protecting your deposits and ensuring that Anguilla has a safe and sound banking system. In this regard, we are happy to have the full support of the Stakeholder Group – The Eastern Caribbean Central Bank, the United Kingdom Government, the International Monetary Fund, the World Bank and the Caribbean Development Bank in taking this forward.

May God Bless You and May God Bless Anguilla.

Victor F. Banks
Chief Minister