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MINUTES OF THE 97th MEETING OF THE TWELFTH ANGUILLA
EXECUTIVE COUNCIL HELD ON WEDNESDAY 13th JULY 2022 AT 2.00 PM

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

EX MIN 22/237

CONFIRMATION OF THE MINUTES

Hon Parliamentary Secretary and Financial Specialist remained.

Council confirmed the Minutes of the 96th Meeting of Executive Council held on Thursday 7th July, 2022 and the Minutes of a decision taken by Round Robin on Wednesday 13th July, 2022.

MATTERS ARISING FROM THE MINUTES

EX MIN 22/238

EX MEMO 22/171 REMOVAL OF GST ON LOCALLY PRODUCED BOTTLED DRINKING WATER

Hon Parliamentary Secretary and Financial Specialist remained.

Council noted that the proposal to include locally produced bottled water as zero rated items in Schedule 1, Table 4 of the Goods and Services Tax Regulations 2022 was approved by Round Robin in Ex Min 22/236.

Action: PS, FIN; HON, PREM

EX MIN 22/239

EX MEMO 22/172 AMENDMENT TO SCHEDULE I OF THE INTEGRATED CUSTOMS TARIFF REGULATIONS

Hon Parliamentary Secretary and Financial Specialist remained.

The Hon Premier briefed Council. Executive Council in June 2022 approved the update of the ICT Regulations, which inter alia, updated schedule I HS Codes/tariffs. These Regulations were tabled before the House of Assembly on June 28, 2022. These tariff Regulations make reference to the applicable GST rate as provided within the GST Act. As the tariffs were being prepared contemporaneously with the GST Regulations, based on certain early indications that some items would be zero-rated the tariffs were prepared indicating the same. Some of these items are zero-rated, but only when locally produced.

As the following items are not confirmed as zero-rated on import, the Tariffs need to be corrected to state that the standard GST rate applies:

- Eggs - 04072100
- Fish - 03021100 to 03057900 & 16041100 to 16041500
- Bread - 19059090
- Canned/Preserved Fruits - 20082000 to 20089990
- Canned/ Preserved Vegetables - 20011000 to 20059999
- Newspapers

Council:

- 1) approved the update to the Integrated Customs Tariff Regulations to correct the GST rate on the following items to 13%, to be consistent with the primary legislation:
 - a) Canned fruits and veg
 - b) Fish
 - c) Eggs and Bread
 - d) Newspapers and publications
- 2) instructed the Attorney General's Chambers to prepare the required amendment to the Integrated Customs Tariff Regulations.

Action: PS, FIN; CIR; COC; HON, AG; HON, PREM

EX MIN 22/240

EX MEMO 22/173 REMOVAL OF CUSTOMS DUTY AND EXCISE TAX ON IMPORTS OF ELECTRIC VEHICLES

Hon Parliamentary Secretary and Financial Specialist remained. The PAS, Finance, Ms Marisa Harding-Hodge joined the meeting.

The PAS Finance briefed Council. Salient points from the paper are as follows:

The Government of Anguilla has an 11-point Change Policy, including Improving Resilience, which will have the dual effect of increasing energy security in Anguilla by transforming the type of energy consumed. The aim is to reduce fossil fuel dependence and enhance environmental sustainability; this includes lowering emissions and using electric vehicles (EVs) in the local fleet. This objective is in keeping with the Sustainable Development Goals (SDGs) targets to be met by 2030.

Currently, the importation of conventional, hybrid and electric vehicles alike attracts the following rates:

- Goods and Services Tax (GST) 13%
- Excise Tax (EXC) 9%
- Customs Service Fee (CSF) 1%
- Import Custom Duty (ICD) 10%

Increasingly, individuals are seeking to benefit from duty and tax reductions to assist in the importation of EVs. Since 2019, nine electric vehicles have been approved with a total estimated duty loss of EC\$78,989.56.

In order to maximise gains associated with the transition to electric vehicles and renewable energy; policy measures targeted at influencing consumer decisions must be accompanied by the creation of an appropriate environment through, building charging stations to increase the visibility of EV infrastructure, adding EVs to Government's fleet and training technicians and mechanics.

In order to encourage the transition to EVs, it is proposed that the existing import duties and excise taxes payable on the entry of the EVs into Anguilla are removed. The Goods and Services Tax would continue to apply in line with established practice. This synchronises with the concession offered to taxi drivers whereby duty and excise taxes are removed, but GST is maintained.

For GST registered businesses importing electric vehicles, GST could be reclaimed as an input tax credit.

Through direct measures and fiscal incentives it is possible to promote a transition in the road transport sector from fossil fuel powered (internal combustion engine) vehicles to those that are powered by the use of electric technologies.

Currently, less than one percent of vehicles imported into Anguilla are hybrid or electric vehicles; and these are predominantly electric vehicles. It is assumed that the pace of the transition towards the importation of EVs in Anguilla will be slower when compared to forecasted sales of EVs in advanced countries, due to limiting factors such as infrastructure and availability of adequately skilled technicians.

Council:

- 1) noted that removal of Excise Tax and Customs Duty on EVs will support the transition towards reduced reliance on fossil fuels and enable consumers to consider certain non-conventional vehicles;
- 2) noted that consideration had to be given to development of the infrastructure necessary to support EVs, including recycling, decommissioning, battery disposal and charging stations. Legislative changes may be required to support the establishment of charging stations, for example, to utilise hotel solar plants. As conventional vehicles become more readily available for importation, to ensure environmental sustainability and waste control, consideration has to be given to the introduction of regulatory measures on importation;
- 3) noted that with the grant of a continuous waiver of Excise Tax and removal of the Import Customs Duty waiver after a period of 6 years, when the proportion of electric vehicle imports is projected to significantly increase, the projected revenue loss for the 12 year period is EC\$8.02 million. The estimated revenue loss is EC\$13.1 million over a 12 year period, for a full waiver of Excise Tax and Import Customs Duty;
- 4) approved the removal of the application of Excise Tax to

imports of electric vehicles and hybrid vehicles;

- 5) approved the standing exemption for the removal of Import Customs Duty on electric vehicle and hybrid vehicle imports for a 6-year period until December 2028, with no conditions prohibiting resales;
- 6) instructed the Attorney General's Chambers to prepare the required amendments to the Excise Tax Act; and
- 7) instructed the Ministry of Finance to prepare the required resolution for the standing exemption in respect of the exemption from ICD for electric vehicles and hybrid vehicles.

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

EX MIN 22/242

EX MEMO 22/175 APPLICATION FOR DUTY AND TAX EXEMPTION FOR TRIVON SMITH

Hon Parliamentary Secretary and Financial Specialist remained.

Council:

- 1) agreed that duty and tax exemptions should be granted to Mr Trivon Smith on the importation of an Ice Maker Koolaire and other items supplied by PDG to enable longer fishing trips;
- 2) noted that the items requested in the application do not form part of the standing exemption that has been established for fisher folk;
- 3) agreed that the administrative fee under the Customs Administrative Cost Recovery Act should apply and GST will be payable;
- 4) noted that the estimated duty and tax loss to the Government is EC\$3,560.25; and

- 5) instructed the Ministry of Finance to prepare the required Resolution of the House of Assembly, pursuant to section 77(1) of the Customs Act, R.S.A. c. C 169.

Action: PS, FIN; PAS, FIN; COC; HON, PREM

EX MIN 22/243

EX MEMO 22/176 PROPOSED AMENDMENTS TO SCHEDULE 2 (SECTION 5) OF THE R.S.A. C. V10 VEHICLES AND ROAD TRAFFIC REGULATIONS R.R.A. V10-6

Hon Parliamentary Secretary and Financial Specialist remained.

The Hon Premier briefed Council. After the 2020 elections, to reflect the new Government administration, changes were made to the registration plates. Following the recent Ministerial and portfolio adjustments made on July 4, amendments to the registration plates of the Ministers of Government are required. Schedule 2 (section 7) of the R.S.A. c. V10 Vehicles and Road Traffic Regulations R.R.A. V10-6 states:

“ 7. Notwithstanding section 1 of this Schedule, in the case of a Government owned vehicle of a person holding an office listed in Column 1 of the following table, the plate must bear the letters set out opposite in upper case in Column 2 and those letters will be considered index marks for the purposes of this Schedule. These vehicles will not bear vehicle numbers.”

Council:

- 1) noted that the proposed amendments are to regularise the Ministerial and portfolio adjustments which have recently taken place and ensure compliance; and
- 2) considered and approved the amendments following below in Table 3, which are to be made to Schedule 2 (Section 5) of the R.S.A. c. V10 Vehicles and Road Traffic Regulations R.R.A. V10-6:

Table 3

COLUMN 1	COLUMN 2
Governor	GOVERNOR
Deputy Governor	DG
Premier	PREMIER
Minister of Home Affairs and Lands and Planning	MOHA
Minister of Sustainability, Innovation and the Environment	MSIE
Minister of Infrastructure, Communications, Utilities, Housing and Tourism	MICUHT
Minister of Social Development and Education	MSDE
Attorney General	AG
Parliamentary Secretary	PARLSEC
Ministerial Assistants	MA

Action: PS, MICUHT; HON, MIN MICUHT

EX MIN 22/244

EX MEMO 22/177 APPLICATION FOR ISSUE OF LICENCE UNDER THE ALIENS LAND HOLDING REGULATION ACT – REGISTRATION SECTION WEST END, BLOCK 17910 B, PARCEL 178 BEING 0.35 OF AN ACRE AND PARCEL 256 BEING 0.72 OF AN ACRE FOR A TOTAL OF 1.07 ACRES

Hon Parliamentary Secretary and Financial Specialist remained.

Council agreed to issue an Aliens Land Holding Licence to hold on a freehold basis, property situate in Registration Section West End, Block 17910 B, described as Parcel 178 with a dwelling house thereon being 0.35 of an acre and Parcel 265 (vacant lot) being 0.72 of an acre for a total of 1.07 acres located at Meads Bay, Anguilla for residential purposes, subject to the following:

a) Stamp Duties payable as follows:

PARCEL 178 – Dwelling House

(i) under the Stamp Act – 5%
of EC\$1,802,438.10

EC\$90,121.91

(ii)	under the Aliens Land Holding Regulation Act – 5% of EC\$1,802,438.10	<u>EC\$90,121.91</u>
	TOTAL	<u>EC\$180,243.82</u>
PARCEL 256 – Vacant		
(i)	under the Stamp Act – 5% of EC\$193,550.40	EC\$ 9,677.52
(ii)	under the Aliens Land Holding Regulation Act – 6.25% of EC\$193,550.40	<u>EC\$12,096.90</u>
	TOTAL	<u>EC\$21,774.42</u>
	GRAND TOTAL	<u>EC\$202,018.24</u>

- b) the property must be used for residential purposes;
- c) the Applicant shall be granted an exemption from Governments Policy that restricts Aliens to the purchase of no more than half an acre of land, on the grounds that the land is alienated;
- d) the Applicant is exempted from Governments Policy relating to the requirement to build;
- e) the Licencee must not rent their dwelling house without first notifying the Ministry of Economic Development, Investment, Commerce, Information Technology & Natural Resources in order to rent the said property; and
- f) the Licensee shall fully comply with the laws of Anguilla including the Land Development Control Act, the Property Tax Act, the Building Regulations, the Labour Relations Act 2018

and Work Permit Regulations, the Social Security Act, the Immigration and Passport Regulations and any statutory modification or re-enactment thereof and any rules or regulations made there under.

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

EX MIN 22/245

COVID-19 UPDATE

Hon Parliamentary Secretary and Financial Specialist remained.

Epidemiology

Global overview

As of June 26, over 541 million confirmed cases and over 6.3 million deaths have been reported globally. At the 12th Emergency Committee meeting on COVID-19 held on July 12, it was determined that the ongoing COVID-19 pandemic continues to constitute a Public Health Emergency of International Concern (PHEIC). Concerns about the current global COVID-19 epidemiological situation were expressed, included the following:

- Cases of COVID-19 reported to the WHO have increased by 30% in the last two weeks, this is largely driven by the Omicron BA.4, BA.5 and other descendent lineages and the lifting of public health and social measures (PHSM).
- This increase in cases is translating into pressure on health systems in a number of WHO regions.
- Additional challenges to the ongoing COVID-19 response include: recent changes in testing policies that hinder the detection of cases and the monitoring of virus evolution, inequities in access to testing, sequencing, vaccines and therapeutics, including new antivirals, waning of natural and vaccine-derived protection and the global burden of the Post COVID-19 condition.

Caribbean Region

As of July 4, 2022, a total of 3,898,904 cases and 34,424 deaths have been reported in the Caribbean region, representing increases of 1.3% (previously 3,850,743) and 0.4% (previously 34,281), respectively, since the last report.

Anguilla

As of July 13, Anguilla has confirmed 3,500 cases of COVID-19 of which 3,464 persons have recovered and 9 have died. There are currently 27 active cases and no persons admitted to the Isolation Unit.

With regard to sequencing, from April 2022, the BA2 omicron variant was detected in Anguilla (the original Omicron variant was detected earlier in 2022, as previously reported). Up to June 10, for submitted samples pertaining to the month of May, no additional/new omicron sub-variants or other variants have been detected in Anguilla.

Vaccination Deployment Update

As of July 8, 2022, a total of 10,837 first doses, 10,273 second doses and 2,901 first booster doses have been administered. In an estimated population of 15,500 total persons, this would represent 70% of the total population having received the first dose, 66% of the total population having received two doses and 19% having received a first booster dose. In addition, 80% of the total eligible population (13,560) have received one dose, 75% have received two doses and 25% have received a first booster. The breakdown by age of persons having received a first dose, is as follows:

- 358 persons age 5 - 11
- 581 persons age 12 - 17
- 2997 persons age 18 - 34
- 2914 persons age 35 - 49
- 2583 persons age 50 - 64
- 1405 persons age 65+

The occupational breakdown of first doses, is as follows:

- 355 Healthcare workers
- 548 Civil and Border Protection
- 1848 Hospitality
- 1094 Retired
- 7143 Other

Distribution (Pfizer)

As of July 8, 5,368 total doses of Pfizer have been administered including 1,257 first doses, 1008 second doses, 2,901 first booster doses and 202 second booster doses. This includes 581 first doses for 12 - 17 year olds; approximately 48% of the estimated 12 – 17 year old population and 408 (33%) second doses. This includes 356 (25%) first doses and 326 (23%) second doses for children aged 5 - 11 years old.

Council:

- 1) thanked the health team for their continued hard work;
- 2) noted the brief on the multi-country monkey pox outbreak in non-endemic countries. Noted that the Ministry of Health will continue to monitor and advise on the developments and engage in technical discussion and updates with regional and international partners. Noted the prevalence of monkey pox in the region; and
- 3) noted that COVID-19 is still prevalent and personal responsibility remains important. There are no new recommendations at this time.

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

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