



REMARKS PRESENTED BY

**Mr. Julian W. Francis
Governor,
The Central Bank of The Bahamas**

On the Occasion of the

**OPENING OF LONDON LAW OFFICES OF
LENNOX PATON ATTORNEYS**

**January 31, 2002
London, England**

Ladies and gentlemen, I am indeed pleased to have been invited by Lennox and his colleagues to come to London in the middle of winter, from the warmth of The Bahamas Sunshine, for what I consider a most worthwhile purpose.

What we are toasting this evening is literally a symbol of an important new phase in the maturity of a financial center which, though not London, has demonstrated over more than sixty-five years, a time span which even predates international financial services as we know them today, that it can innovate, compete and thrive.

My intention this evening, is not to abuse your patience by providing a history of the development of The Bahamas International Financial Center; I would simply wish, as one of the jurisdiction's principal regulators, to provide to those of you who have not yet become familiar with The Bahamas, the assurance that for an increasingly broad range of solutions to demanding needs, our jurisdiction deserves your attention and your confidence, and to

assure you also, of the very strong support of the institution which I represent for this significant, and long overdue initiative by a Bahamian law firm. I trust that this lead by Lennox Paton will be followed by others.

The Bahamas is home to many of the world's major banking and financial services institutions – a large number of European origin - and boasts more accountants and lawyers per capita than most countries you could think of – hence our ability to export them, even to the U.K.

The Bahamas has long recognized the critical importance of the credibility of its private and public, particularly regulatory, institutions.

Regulatory legislation and policy applied to the conduct and oversight of business in and from our jurisdiction is today, in some respects, more comprehensive than that in place in major onshore centers.

We seek, in all material instances, to be completely consistent with international best practices, and have invested heavily, and made many important adjustments recently, to ensure that this is and will continue to be so.

The Bahamas also, values highly its sovereign right to determine its policies in these areas which are of vital importance to its economy.

Bahamian international financial services had its beginning, and for a long time specialized, in trust structuring, domiciliation and administration, as a result of the attractiveness of the English law of trust which at that time was virtually alone in providing a flexible vehicle for business, investment, trading etc, while at the same time providing robust fiscal abatement possibilities, when applied in those former colonies which were free of many of the scriptures of the metropolitan center. Life is no longer quite as simple.

I think it fitting in view of these beginnings, that the very first international office of a Bahamas legal firm, which I can tell you has

invested heavily in the development of the Bahamas financial center, and has largely devoted itself to provision of expert services to the international community, should establish itself in here in London, this great center of commerce and finance, which in several important ways can claim responsibility, I would say credit, for our beginnings.

Lennox, Michael, and their colleagues know that I have long been an outspoken advocate of the need for Bahamian legal representation aboard, and international legal representation, as a necessary component of our home-based professional resources, devoted to financial service delivery and innovation.

As a Bahamian financial service practitioner, I am deeply grateful to your firm for having taken this step. I imagine that it will not always be easy to build business in such a competitive environment, but I am convinced that this challenge will be mitigated by the truly excellent mid-term prospects for growth and development of the market you shall strive to serve. This, of course, is the growing

population of sophisticated institutions and individuals, who seek competitive professional services, credible financial institutions, and a secure, reliable and progressive environment for the management of their assets.

I wish you the best of British and Bahamian luck in this exciting enterprise.