JURISDICTION PROJECT



Anguilla

Overview:

Anguilla is a self-governing overseas dependent territory of the United Kingdom and is the most northerly of the Leeward Islands in the Lesser Antilles. The island has few natural resources and its economy depends on tourism, offshore banking and lobster fishing.

Territory:

Land: 56 sq. km (35.0sq. mi.). 25 km (16 miles) x 5 km (3miles). Highest Elevation: 214 feet (65 meters) Coastline: 61 km

Location:

The most northerly of the Leeward Islands in the Lesser Antilles, between the Caribbean Sea and the North Atlantic Ocean. It is approximately 300 km (190 miles) east of Puerto Rico, 200 km (120 miles) east of the U. S. Virgin Islands and 10 km (6 miles) north of St. Maarten / St. Martin,

Latitude and Longitude:

18 15 N Latitude and 63 10 W

Time Zone:

GMT -1

56 **EEZ**:

Total Land Area:

Climate:

tropical which is moderated by northeast trade winds. Humidity of 70%. Annual mean temperature 27° C. / 80° F., rainfall <35 inches. Hurricane season is July to October.

Natural Resources:

salt, fish and lobster

ECONOMY:

| Total GDP: | |
|------------|--------------------|
| 2001 | 104,000,000.00 USD |

| Per Capita GDP: | |
|-----------------|--------------|
| 2004 | 8,800.00 USD |

| % of GDP per Sector: | | | | | |
|----------------------|---------|-----------|----------|--|--|
| | Primary | Secondary | Tertiary | | |
| 2002 | 0.4% | 0.18% | 0.78% | | |

| % of Population Employed by Sector | | | | | |
|------------------------------------|---------|-----------|----------|--|--|
| | Primary | Secondary | Tertiary | | |
| 2001 | 7.3% | 5.1% | 87.6% | | |

External Aid/Remittances:

External Budget: revenues: \$22.8 million expenditures: \$22.5 million (2000 est.) Exports: \$2.6 million (1999) Partners: UK, US, Puerto Rico, Saint-Martin Imports: \$80.9 million (1999) Partners: UK, US, Puerto Rico Debt - external: \$8.8 million (1998) Economic aid: 3.5 million (1995)

Growth:

Real growth rate: 2.8% (2001) Inflation rate: 2.3% (2001)

| Labour Force: | |
|---------------|-------|
| 2001 | 6,049 |
| 1999 | 6,735 |
| 1992 | 4,440 |

| Unemployment | | |
|-------------------------------------|------|--|
| Year: Unemployment Rate (% of pop.) | | |
| 2001 | 6.7% | |

Industry

tourism, offshore financial services, salt, lobster, fish, livestock, and rum. %GDP % Labour Force Agriculture/fishing/forestry/mining 4% 7.3%

Manufacturing 3% 5.1% Construction 18% 12.6% Transportation and Communications 10% 11.8% Hotel and Restaurant 16% 24.1% Public & Social Services 29% 13.8% Banking and Insurance 20% 5.9% Education 5.3% Real Estate 3.9% Other 10.2%

Niche Industry

boat building

Tourism:

Increased activity in the tourism industry, which spurred the growth of the construction sector, contributed to the economic growth in 1997/98. However, in 1992, the British GovernmentÂ's aid agency, the Overseas Development Administration, recognized that the tourist industry would eventually be maximized and hired the UK consultancy firm Mokoro Limited to make recommendations to the Government of Anguilla on its economic strategy. In 1993, the Mokoro Report identified the financial sector as a major economic development opportunity. The Anguillian Government accepted the Mokoro Report and, in 1994, implemented specific legislation to promote the financial services sector.

| mports and Exports: | | | | | | |
|---|---------------------|--|--|--|--|--|
| External Budget: revenues: \$22.8 million expenditures: \$22.5 million (2000 est.) Exports: \$2.6 million (1999) Partners: UK, US, Puerto Rico, Saint-Martin Imports: \$80.9 million (1999) Partners: UK, US, Puerto Rico | | | | | | |
| Tot. Value of Imports | 2,600,000.00 (1999) | | | | | |
| From Eu: | | | | | | |
| Import Partners (EU:) | | | | | | |
| Partners Outside EU: | | | | | | |
| Import Partners: | UK, US, Puerto Rico | | | | | |
| Tot. Value of Exports | 0 | | | | | |
| To Eu: | | | | | | |
| Export Partners: | | | | | | |
| Partners Outside EU:: | | | | | | |
| | | | | | | |

TRANSPORTATION/ACCESS

External:

Number of Airports:

Export Partners:
Main Imports:
Main Exports:

International airports in St. Marten, San Juan and Antigua service Anguilla, along with scheduled feeder air services to and from St. Kitts and St. Thomas. Air charters are also available.

Number of Main Ports:

Internal:

Air

Road:

there is one major road that runs from the eastern end to the western end of the island, with smaller roads branching off. Taxis and bike, scooter and car rentals are available. In addition to purchasing a temporary Anguillian drivers license for \$20, visitors must possess a valid driverÂ's license from their resident country to rent a car in Anguilla. Driving is on the left and the speed limit is 30mph.

Sea:

there is a daily ferry service to and from St. Martin

Other Forms of Transportation:

Economic Zones:

Anguilla actively promotes itself as not only one of the finest tourist destination, but as a successful offshore investment jurisdiction. The establishment of the offshore finance industry aims to diversify and complement the tourist industry. While the local economy relies primarily on industrial fishing, boat building and live stock cultivation, the government does not intend to impose taxes or disrupt AnguillaÂ's growth as an offshore financial center.

Energy Policy:

| | | Туре | | | Sector | | | | | |
|-----|--|------|---------------------|--------|--------------------------------------|-------------------|---------------------|----------------------------|-------------------|-----------------------------|
| Yea | Total Energy Production (Mwh) | | Geothermic (Mwh) | LUTHER | Total Energy Consumption (Mwh) | Domestic (Mwh) | Commercial (Mwh) | Public Service (Mwh) | Industry (Mwh) | Public Lighting (Mwh) |



Banking and Insurance:

Number of Banks and Credit Unions:

Number of Agricultural Credit Unions:

Number of Insurance Companies:

Anguilla is a tax-free jurisdiction and, therefore, an excellent tax haven for the establishment of offshore banking. Banking is essentially anonymous and transactions are conducted without restriction. More than 4700 registered enterprises and 75 banks do business in Anguilla, taking advantage of the lack of exchange rates that customarily hinder currency flow.

Financial Services:

In order to ensure that Anguilla remains a successful financial services center, the government strictly regulates banking, only catering to quality businesses. In September 2004 a new Insurance Act was passed by Anguilla. This Act regulates the licensing of domestic insurance, offshore insurance (particularly captive insurance) and insurance intermediaries. This new Act allows for a number of different insurance licenses to be issued.

Communications/E-Commerce:

state of the art. Extensive government and private sector information available online. English.

Public Ownership:

there are normally no restrictions on the purchase of property in Anguilla. However, before land is purchased by international investors an Alien Land Holding License (also called a Non- Belongers License) must be obtained from the Ministry of Agriculture, Trade & the Environment. It can take up to 18 months to receive this license. There is a \$50 fee for each person or company named on the application as well as a fee of \$150 per person or company named in the license. Necessary papers must be provided by all applicants in order for a background check to be performed, and submission of at least four successive newspaper advertisements that give the property description and property price of the real estate must be published. All properties must be purchased through an agency.

Land Use:

arable land: 0% permanent crops: 0% other: 100% (primarily commercial salt ponds).

Agriculture/Forestry:

tobacco, vegetables, cattle The British government has invested in irrigation and water projects, including desalination plants. Legumes, sweet potatoes, and sorghum are the main crops (although crops are small). When good rainfall results in a crop surplus the territory exports small amounts of vegetables and fruits to neighboring islands. Anguillians also raise cattle, goats, sheep, and pigs for domestic use and export.

Marine Activity:

Fishing:

maritime claims: territorial sea: 3 nautical miles exclusive fishing zone: 200 nautical miles The island exports lobsters, although overfishing has depleted the once valuable lobster beds.

Marine Life:

Critical Issues:

sustainable development and environmental conservation. improving the supply of potable water. Issues of supply and demand are largely due to poor distribution.

JURISDICTIONAL RESOURCES

Capital:

The Valley

Political System:

Admin. Divisions: none Constitution: 1982, amended 1990 Overseas territory of the UK, and member of the EU. Although Anguilla is self-governing, Britain remains responsible for external affairs, defense and internal security and international financial services. Queen Elizabeth II has been the head-of-state since February 6, 1952, represented by Governor Alan Eden Huckle since May 28, 2004. Chief Minister Osborne Flemming has been the head-of government since March 3, 2000. Anguilla was formally separated from the Associated State of St. Kitts, Nevis and Anguilla on December 19, 1980 and was given the Anguilla Constitutional Order on April 1, 1982. This order increased the number of ministers from three to four and removed the Commissioner from the Legislative Council. In 1990 additional changes were made, including provisions for a leader of the opposition, a parliamentary secretary and a Deputy Governor. Anguilla has a parliamentary system of government with a unicameral Legislative Council consisting of 11 seats, 7 of which are elected by popular vote every five years, 2 ex officio, 2 appointed. A governor is appointed by the monarch. Following legislative elections the leader of the majority party or the leader of the majority coalition is usually appointed premier by the governor. English Common Law. The system is administered by the Eastern Caribbean Supreme Court. In both criminal and civil cases, there is the right of appeal to the Court of Appeal with the ultimate right of appeal to the Privy Council in England. Judicial Branch: Eastern Caribbean Supreme Court based in Saint Lucia. There is one Supreme Court Judge who is a resident of the islands and presides over the High Court.

Political Parties

Anguilla United Movement (AUM) The United Front (UF) Anguilla Democratic Party (ADP) Anguilla National Alliance (ANA) Anguilla Patriotic Movement (APM) Movement for Grassroots Democracy (MFGD) The United Front hold 4 of the 7 elected seats on the legislative council. The Anguilla United Movement hold 2 of the 9 elected seats on the legislative council, and one seat is occupied by an independent. Last election was held in 2005.

Important Legislation:

Companies Act, Cap 335 of Anguilla: enacted 1994, amended 1998 and 2000: This act does not recognize differences between a local or offshore company in the Company Registry (or the nationality of their owners) because there are not personal or corporate income taxes. Companies are categorized as public or private and must have a registered office in Anguilla. The number of shareholders in a private company is limited to a minimum of two to a maximum of fifty. A public company is limited to a minimum of five. Incorporation fees are \$196 US, and carry an annual fee of \$186 US. As of December 1995 there were over 4,700 registered enterprises, including approximately 75 banks. International Business Companies Act: enacted 1994, amended 1998 and 2000: This act makes provisions for the incorporation and regulation of International Business companies. The IBC Act is in addition to the already existing Companies Act. New Trusts Ordinance: enacted 1994, amended 2000: This ordinance provides a flexible business framework that permits commercial or charitable purpose trusts, unit trusts, spendthrift trusts, asset protection trusts and what are termed variant trusts. It exempts such private companies from record keeping and financial accounting under certain conditions. It also provides companies with a choice of governing law provisions to resolve jurisdictional conflicts at the international level. The Fraudulent Dispositions Ordinance: enacted 1994: This ordinance ensures that an Anguillan trust is protected by imposing a three-year limitation period within which a creditor can attack a disposition of assets by proving a fraudulent transfer. The burden of proof is on the creditor to establish the fraudulent disposition. The Offshore Bank and Trust Company Ordinance: enacted 1995: This ordinance regulates Anguillan trust companies and ensures, under the supervision of the Governor, that they are adhering to AnguillaÂ's strict licensing guidelines. A trust company must have a capital off at least \$1.2 million Eastern Caribbean (US\$447,760), of which at least \$480,000 EC must be paid in cash. Under the new laws, the British Governor has wide powers to inspect and regulate and refuse licensing without court intervention. Control of Employment Ordinance: enacted 1980: This ordinance states that work permits will not be granted for a

period of more than four (4) years except in cases where the skills of the person are considered to be critical to the development of Anguilla. This ordinance applies equally to government employees. Immigration and Passport Ordinance: enacted 1980: Under this ordinance a person may hold a Permit of Permanent Residence (PPR), and may enter and remain in Anguilla free of any immigration restrictions. However, they are not to engage in any occupation in Anguilla for profit or reward, or be employed for a wage, salary or other remuneration.

Principal Taxes:

Anguilla has no individual income tax, no corporate income tax, no capital gains tax, no withholding tax, no gift tax, no estate tax, no probate fee, and no value added tax. There are, however, small customs duties on selected items.

Associated Power:

United Kingdom

Citizenship:

Currently citizens of Britain's overseas territories, including Anguilla are entitled to British citizenship. The British Overseas Territories Bill, passed in February 2002, provides automatic acquisition of British citizenship, including automatic transmission of citizenship to their children; the right of abode, including the right to live and work in the U.K. and the European Union (EU); the right not to exercise or to formally renounce British citizenship; and the right to use the fast track European Union/European Economic Area (EU/EEA) channel at the airport, free of U.K. immigration controls.

Paradiplomacy:

CARICOM (Caribbean Community; associate), CDP, Interpol, OECS (Organization of the Eastern Caribbean States; associate), Marine Conservation Society.

HUMAN RESOURCES

13 008 (2004est.), 12 870 (1999)

| Island | Area (km sq.) | Population | % of Total Population | |
|----------|---------------|------------|-----------------------|--|
| Anguilla | 102 | 13,677 | 100% | |

Age structure: 0-14 years: 23.8% (male 1569; female 1523) 15-64 years: 69.4% (male 4361; female 4385) 65 years and over: 6.8% (male 396; female 494; 2004 est.) Median age: total: 30.4 years male: 30.4 years female: 30.3 years (2004 est.)

| Population: | |
|-------------|---------------------|
| Year | Resident Population |

| Age of Population: | 0-14 | 15-24 | 25-49 | 50-64 | 65 and up |
|--------------------|------|-------|-------|-------|-----------|
| 2004 | 3092 | 0 | 0 | 0 | 890 |

Migration:

140 (2004 est.)

| Crude Birth Rate: | | |
|-------------------|--------|--|
| 2004 | 14.45% | |

Life Expedctancy:

total population: 76.9 years

| Crude Death Rate: | |
|-------------------|-------|
| 2004 | 5.46% |

Ethnicity:

black, mulatto, white, other (2004)

Class Division:

Languages:

English (official)

Religion

Anglican 40%, Methodist 33%, Seventh-Day Adventist 7%, Baptist 5%, Roman Catholic 3%, other 12% (2004 est.)

Literacy:

total population: 95% (def: over 12 has received some schooling; 1984)

Education System:

divided into primary and secondary stages. There are six elementary schools and one comprehensive school that children attend at age 11. Students sit overseas Caribbean and British examinations to obtain Grade 12 and 13 equivalencies respectively. Upon completion, students may attend The College of the Virgin Islands, located in the British Virgin Islands, or one of the three campuses of The University of the West Indies (UWI), located in Jamaica, Barbados and Trinidad. In cooperation with several local businesses, the Department of Fisheries provides marine life education for Anguillian children in order to create awareness about the islands marine resources and heritage. This program also helps spread awareness about conservation at the local level.

| Total Pre-schools:() | |
|-----------------------|--|
| Total Primary Schools | |



| First Level: | |
|----------------------------|--|
| Second Level: | |
| Third Level: | |
| Total Secondary Schools: | |
| Total Professional Schools | |
| Universities: | |

| Number of Schools per Island: | | | | | | | | | | |
|-------------------------------|------------|------|------------|---|-------------|-----|-------|------|--------|------|
| | Pre-school | | Elementary | | High-school | | Prof. | Univ | ersity | |
| | Pub | Priv | 1 | 2 | 3 | Pub | Priv | | Pub | Priv |

| Students Enrolled: | | | | | | | | | |
|--------------------|------------|------------|-------------|-------|------------|--|--|--|--|
| Year: | Pre-School | Elementary | High-school | Prof. | University | | | | |
| 2001 | 435 | 1,433 | 1,058 | 109 | 17 | | | | |

| Teachers | | | | | | | | | |
|----------|-------------|------------|---|---|----------------|-------|-------------|--|--|
| Year | Pre-School | Elementary | | | High-School | Prof. | University | | |
| Teal | F16-3C11001 | 1 | 2 | 3 | riigii-3ciiooi | F101. | Offiversity | | |

Medical Services:

one public hospital, one private hospital and five health clinics operate in Anguilla. All facilities have modern equipment and qualified staff. Medical practitioners, private doctors, and nursing staff are appointed by the government. There is also a dental surgeon and two dental auxiliaries with a separate dental surgery unit on island. Air charters are available for major emergencies requiring transportation abroad.

HISTORY AND CULTURE

History:

Archaeological evidence suggests that Anguilla was first inhabited about 2000 BC by the Arawak Indians who had gradually moved up through the Caribbean island chain from South America. Columbus sighted the island in 1493, but it was not colonized by the English until 1650. In 1656 they were forced out by the Caribs. For the next 150 years the English and French struggled for power over the region. In 1824, the United Kingdom was able to organize an administrative framework for their territories within the region. This administration united Anguilla with St. Kitts (and Nevis). Although Anguillans resented their lack of autonomy, it took more than 145 year for them to successfully attain self-governance. Despite numerous entreaties to the United Kingdom, their concerns were not addressed until political tension in the 1960s forced the British Government to intervene. Union with St. Kitts did not benefit AnguillaÂ's economy. Until 1967, when Anguilla resorted to invading St. KittÂ's, there were no paved roads, no industries, no electricity, no pipe-borne water, no telephones and no proper port facilities. Seeking separation, Anguillans disarmed and deported any St. Kitts policemen stationed in Anguilla. The British finally intervened in 1969, sending 400 soldiers from the Paratroop Regiment to restore order to the island. Although Anguilla succeeded in breaking the union with St. Kitts, it remained legally bound to it until 1980 when it officially became a separate British Dependent Territory. Most Anguillans are descendants of slaves. Upon the abolition of slavery in 1838 most of the white plantation owners returned to England and sold their land to former slaves. Despite hardship, Anguillans succeeded in maintaining their economic independence by working in sugar cane fields on surrounding islands and actively engaging in trade with the rest of the Caribbean by boat.

Referenda:

Recent Significant Events:

Music, Dance, Handicraft and Patrimony:

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Anguilla Statistics Dept http://gov.ai/statistics/ 20th March 2008



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