GOVERNMENT OF THE VIRGIN ISLANDS

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2027 Budget Address by Honourable Dr. Natalio D. Wheatley

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2027 Budget Address by Premier and Minister of Finance

Honourable Dr. Natalio D. Wheatley

At the Sixth Sitting of the Third Session of the Fifth House of Assembly

27 October 2026

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Turning Progress into Prosperity: Building a Sustainable Nation

Good morning!

Madam Speaker, it is my honour and privilege to present to the esteemed people of The Virgin Islands a historic Budget and the fourth of this Administration.

To the people of The Virgin Islands, wherever you are listening today: this Budget Address is about your life, your hopes, your aspirations, and the future we are building together.

Madam Speaker, our people have endured much. The hurricanes left damaged infrastructure and a long rebuilding task. The pandemic disrupted livelihoods and public finances. The Commission of Inquiry demanded far-reaching reform, while international pressures on financial services continued. Behind those national challenges were families stretching incomes, businesses holding on and public officers keeping essential services running. Our people carried a heavy load, and still they kept this Territory moving.

Madam Speaker, to our people, I say thank you! Thank you for that strength, and for the ways you have held one another up: in families, churches, businesses, and community organisations. You have given these islands your effort, your patience, and your belief. My Government has been your partner on this journey and you can count on our continued commitment to deliver results that make your life better.

The overarching theme across my Administration has been Building a Sustainable Nation, guided by the National Sustainable Development Plan, Vision 2036. In

2024, we concentrated on Planning, Priorities and Progress. In 2025, we focused on the Blocks of Success. In 2026 we secured the Pillars of Progress. Now, in 2027, our theme is, “Turning Progress into Prosperity”.

Our rebuilding efforts are significantly advanced following the challenges of the recent past. Now we are beginning to see the progress that we have been working towards.

Madam Speaker, our prosperity rests on the strong democratic foundation fought for by our ancestors. Our journey to build our democracy began with the Great March of 1949, led by heroes such as Theodolph Faulkner, Glanny Fonseca and Carlton DeCastro. This journey was continued by other heroes such as Noel Lloyd, H. Lavity Stoutt, Willard Wheatley and countless other Virgin Islands heroes. It was no surprise then, Madam Speaker, that when our democracy was threatened in 2022, our people stood firm as our ancestors did. Madam Speaker, on March 13, 2026, we secured the revocation of the Order in Council that threatened to suspend our Constitution and erase seventy-five years of hard earned democratic rights.

Madam Speaker, today, we stand at the crossroads of strengthening our democratic foundation with a new Constitution. Our ability to deliver prosperity for the people of The Virgin Islands requires that we negotiate a constitution that support our progress, our aspirations, and our plans for greater self-governance.

Madan Speaker, this is my final Budget Address before the House of Assembly is dissolved leading up to the next general election. The past four years have marked a period of transformative challenges, change, growth, resilience, and determination for The Virgin Islands. Through it all, my Government has been steadfast in our commitment to Building a Sustainable Nation for our people. Great progress has been made to ensure that our institutions meet our people’s aspirations, our finances remain sound, our society grows fairer and our natural inheritance remains protected. Your ambitions have given purpose and pace to our work in 2026. Madam Speaker, let us take stock of the progress we have made and the difference it is already making in the lives of our people as we begin to turn that progress into prosperity.

The 2026 Economic Context

Madam Speaker, before we take stock of our record for 2026, let me give some context to the economic conditions that impacted our Territory over the past year. The Virgin Islands economy continued to show resilience in the face of global trade tensions, regulatory change, and climate pressures.

Madam Speaker, our economy continued to grow in 2026. Nominal GDP is projected to increase by 3.3 percent to $2.1 billion, while real GDP is expected to grow by 1.9 percent to $1.8 billion. Inflation declined to 2.07 percent in 2025 and is expected to average 3.41 percent in 2026, after averaging 3.57 percent during the first eight months of the year. These price pressures largely reflect higher imported food, freight and energy costs, together with strong demand from our tourism and construction sectors.

For a family buying groceries, paying an electricity bill, or travelling to work, these figures describe the daily struggle to make incomes stretch. We understand that pressure, especially on lower-income households, and our response must be felt where it matters: in people’s lives.

Madam Speaker, notwithstanding the global economic challenges and uncertainty, there have been opportunities upon which to build. In the first half of 2026, new company incorporations reached 14,988, up 7.0 percent on a year earlier, while financial-services fees are projected at $276.7 million for the year. This has allowed us to continue to make the progress to fuel our prosperity.

Information available up to June 2026 shows that employment is projected to grow by 1 to 3 percent over 2025 levels, and property sales values rose 59.6 percent to $75 million. Tourism is also expanding, as the 2026 records will show. These activities support livelihoods and help sustain public services.

Navigating the challenges posed by global trade tensions, regulatory changes, and climate pressures requires steady leadership. Turning progress into prosperity means capitalising on opportunities while easing the pressures on our people.

Madam Speaker, I will now account for our 2026 fiscal performance and the work we delivered and advanced for our people.

The 2026 Fiscal Performance

Madam Speaker, thus far our 2026 fiscal performance is strong. The revised projection for Government revenue is $454.4 million, approximately $6.7 million more than the approved estimate of $447.7 million. This is $20 million more than the revenue collected in 2025. The result is a stronger revenue position from which to support the services on which families depend.

Financial Services continues to be the main source of Government revenues with projected revenue of $226.1 million. Other major revenue sources include: payroll tax at $72.6 million, taxes on international trade at $59.8 million, work-permit fees at $13.8 million and Hotel Accommodation Tax at $12.7 million. Stamp duty is projected at $12.3 million. These resources help sustain healthcare, education, and the daily work of Government, as well as to fund the temporary concessions introduced to ease the cost of living and provide relief for families impacted by the conflicts in the Middle East.

Madam Speaker, recurrent expenditure for 2026 is projected at $454.3 million, while capital expenditure is estimated at $49.1 million. These expenditures have provided our people with dependable services today while making investments for tomorrow. Total public sector debt is projected at $193.6 million at the end of 2026. This demonstrates prudent fiscal management and compliance with the Protocols for Effective Financial Management and the Medium-Term Debt Strategy. My Government firmly believes we must finance opportunity responsibly, protect the services our people rely on and build our capacity to manage our fiscal affairs.

Our fiscal performance has provided us with the resources to capitalise on opportunities to drive the progress that will lead to prosperity.

Taking Stock of the Administration’s Record

Madam Speaker, the test of a sustainable nation is whether life is getting better for people across the economy, schools, healthcare, and communities. My Government delivered real progress on problems that had waited far too long for solutions. Here are just some highlights of the progress we have delivered to our

people.

When living costs shot through the roof due the raging conflict in the Middle East, my Government responded. We protected families from the escalating prices of food, hygiene, household and medical essentials; we reduced duties and removed freight and insurance from customs valuation; and we halved wharfage from two to one percent and container-handling charges from $300 to $150. We committed $5.5 million for electricity subsidies, providing much-needed relief to households and businesses over several months. These interventions helped to provide a cushion for families when they needed it most.

The Consumer Protection Amendment Act received assent on 27 August 2026, and once implemented, will provide stronger safeguards against unsafe products and exploitative business practices while controlling the prices of essential goods.

Madam Speaker, after 25 years, my Government increased pensions for retired public officers. Our cherished retirees received increased pensions on 31 August 2026, with arrears paid on 30 September. We committed approximately $6.7 million, established twice-monthly payments and instituted a three-year review cycle. Our retirees should never wait another quarter-century to be remembered.

Madam Speaker, my Government is also paying public officers’ outstanding 2022 increments by 15 November 2026. This long-overdue recognition of our officers' hard work and dedication honours our commitment to them.

Madam Speaker, we are on pace for yet another record-breaking performance in tourism. Arrivals reached 1,071,716 by September 2026, passing the one million mark at the earliest point ever. The year-end forecast is 1.4 million visitors, surpassing last year’s record of 1.2 million visitors. Overnight arrivals rose 7.9 percent, cruise arrivals approximately 38 percent, and estimated revenue is more than $474.9 million. These numbers mean customers for taxi drivers, restaurants, charter operators, vendors, and local businesses.

My Government approved our Territory’s first National Tourism Policy, 2026–2036. Also, after 20 years without a national tourism plan, we have commissioned the consortium of JD Austin Associates and Trove Tourism Development Advisors to

prepare the National Tourism Strategy. This will provide a blueprint for the sustainable growth of our tourism sector.

Madam Speaker, in financial services, my Government launched the Legitimate Interest Access Register, helping to strengthen transparency in beneficial ownership, while protecting the constitutional right to privacy. We also opened the new frontiers for BVI business, conducting successful trace missions to India and Latin America, setting the stage for the future growth of the industry. We also approved a urgently-needed third Commercial Court to provide more timely resolutions to legal disputes.

Madam Speaker, in support of our entrepreneurs, my Government opened the Huntums Ghut's Entrepreneurial Zone and business incubator . We also supported training for 26 entrepreneurs, disbursed $165,000 in Micro Small Medium Enterprise (MSME) grants and secured $65,000 from the Caribbean Development Bank for training entrepreneurs.

We removed the requirement for work permit holders to obtain visas. This will allow our business owners to on-board workers more efficiently from visa-restricted countries.

Madam Speaker, our food producers also will benefit from grants before year end. The recently approved Supplemental Appropriation brings the total allocation for grants for our fishers and farmers to $500,000. My Government also completed the designs and tenders for the Agricultural Complex, farmers' reservoir and the fishing complex at the Omar Hodge Fisherman's Wharf, setting the infrastructural foundation for sustainable food security.

Madam Speaker, in 2026, my Government continued to build a stronger education system, expand opportunities for our young people and advance sporting excellence through sustained investment and measurable results.

Our investment in teaching and learning continues to deliver significant academic achievements. Public secondary schools recorded a 97% graduation rate, with 100% of male students graduating. The Virgin Islands achieved an overall CSEC pass rate of 87.4%, outperforming the regional average of 72.18% by more than 15

percentage points. Our students also surpassed regional performance in English, Mathematics, Sciences, Business and Technical and Vocational subjects, with 14 subjects achieving 100% passes. Mathematics improved from 46% in 2024 to 62% in 2026, nearly 20 percentage points above the regional average. Additionally, our students ranked first in the OECS in both English and Mathematics at the Grade Two level.

These achievements reflect our continued investment in teacher training, professional development, instructional resources and targeted interventions to strengthen teaching and learning.

Madam Speaker, 2026 was also a historic year for tertiary education. At a time when many higher education institutions internationally are facing enrolment challenges, H. Lavity Stoutt Community College, the only internationally accredited national college in the OECS, is experiencing remarkable growth, recording its highest enrolment in more than a decade, with 854 students, representing a 32% increase over five years.

The College launched its first bachelor's degree programme in Elementary Education, secured approval to deliver distance education and welcomed its first fully online cohort pursuing an Associate of Science in Disaster Management. We also established a landmark partnership with University College London, ranked number one globally for Education and Training in 2026, alongside several other international university partnerships and articulation agreements

Our investment in workforce development also created new opportunities. Through the Government's Let's Build VI Scholarship Programme, fully funded scholarship opportunities were made available across all nine electoral districts. The first cohort of 10 students commenced Marine Professional Training at HLSCC in September 2026, gaining access to internationally recognised certifications and practical industry experience.

Madam Speaker, this Government has undertaken the most extensive programme of school rehabilitation and renovation to date. Through a deliberate, phased approach, we have advanced significant improvements across our public schools, including those on our sister islands, addressing longstanding infrastructure needs

and creating safer, more modern and more conducive environments in which our students learn and our educators teach.

We are also seeing the impact of building with purpose. One year after the opening of the Eslyn Henley Richez Learning Centre, enrolment increased from 15 to 26 students, an increase of approximately 73%. This reflects the importance of investing in appropriate facilities, specialised personnel and resources to strengthen inclusive education.

In youth affairs and sports, Government's investment had grown by more than 300% between 2022 and 2026, significantly strengthening our capacity to deliver youth development programmes and provide grants, financial assistance and developmental opportunities for emerging and elite athletes and sporting organisations.

The Virgin Islands also celebrated a historic achievement when Adaejah Hodge captured gold in the women's 200 metres at the 2026 Commonwealth Games, setting a Games record and becoming the Territory's first female Commonwealth Games medallist.

We completed the lighting project at the A.O. Shirley Recreation Ground, signed the contract for the resurfacing of the track and are advancing plans for covered spectator stands, strengthening the facility’s potential to host regional athletics competitions in the future.

Madam Speaker, in our health sector, we delivered improved healthcare infrastructure at the Dr D Orlando Smith Hospital, with new chillers and oxygen generators, roofing and patient-facility works. At the Nurse Iris O’Neal Clinic we replaced the air conditioning system and commenced waterproofing of the roof.

We established a dedicated Social Assistance Division that delivered $1.44 million of Basic Income Support to 500 individuals as at September 2026.

Madam Speaker, I am proud to announce a significant milestone as The Virgin Islands Social Security Fund’s combined balance surpassed $1 billion for the first time as of August 2026. This achievement reflects prudent financial management and reinforces the long-term sustainability of social security benefits for current

and future generations.

Madam Speaker, my Government tackled the long-standing deterioration and neglect of our infrastructure – from sewerage to water to roads, and more.

We commissioned the Long Swamp Sewerage Pump Station, ending decades of frustration and health risks for the residents of East End-Long Look. We resumed work on the Cane Garden Bay sewerage system, completed rehabilitation of the treatment plant at Paraquita Bay. Preparatory works commenced on the sewerage systems in Road Town, Fort Burt, and Parham Town.

With our water infrastructure, we installed two miles of pipelines, including Sea Cows Bay, Diamond Estate-Chalwell Junction and Montessori Gap lines, and recommissioned the 480,000-gallon Hannah Hill Reservoir, and work on two others is advanced. We merged BVI Electricity and Water and Sewerage to establish The Virgin Islands Energy and Water Company (VIEWCO) to advance coordinated energy and water services.

On our road infrastructure, we rebuilt the road from Paraquita Bay to Hodges Creek and paved the road Qwomar to Bellevue on Fort Hill. We began the nine-mile West End to Road Town road rehabilitation and began major work at Sea Cows Bay, integrating sidewalks, drainage, retaining walls, slope stabilisation, and coastal protection. We thank residents for their patience.

Madam Speaker, we initiated the long-overdue expansion of the Terrance B. Lettsome International Airport by completing tendering for the 787-foot westward runway extension’s design and development.

Madam Speaker, we took action to advance our governance. My Government led two rounds of negotiations with the United Kingdom Government to advance our constitutional development. We advanced the Human Rights Commission fulfilling a commitment dating to 2007.

We strengthened the legislative independence and accountability of the House of Assembly through the passage of the House of Assembly Management Act.

We advanced the Security and Justice Transformation Programme to strengthen the partnership between the elected Government, the Governor, our security and justice institutions, and the community.

Madam Speaker, my Government took action to protect and protect the environment. We launched the Climate Change Trust Fund, established the Sargassum Committee, commissioned Anegada's hybrid renewable-energy and battery system, and installed solar systems to 21 households through the Solar Technology Energy Programme (STEP).

We established the Crown Lands Advisory Board opening the door to addressing long-standing land distribution issues.

We honoured the 100-year anniversary of the Fancy Me's and celebrated 250 years of the self-manumission of the Long Look Free People, acknowledging our rich history, heritage and national identity.

Madam Speaker, this is just a portion of what my Government has achieved in the last year.

The 2026 Economic Conditions Shaping the 2027 Budget

Madam Speaker, we must now look at the environment informing our projections for revenue in 2027. While global trade, energy costs and climate pressures continue to affect household and project costs, we will plan carefully, remain resilient and position The Virgin Islands to keep moving forward.

Economic activity continues to provide a foundation for growth.

The financial services industry is diversifying, with 2,705 limited partnerships, 2,296 active investment funds and twenty-seven licensed virtual asset service providers. Domestic banks remain profitable and well capitalised, while non-performing loans fell 24.3 percent year-on-year. In addition to the stability of the financial system, business confidence was strengthened in part due to deposit protection provided by The Virgin Islands Deposit Insurance Corporation (VDIC).

Livelihoods also depend on confidence in The Virgin Islands as a place for legitimate business. We are Compliant or Largely Compliant with all 40 Financial

Action Task Force (FATF) Recommendations, and legitimate-interest access to beneficial-ownership information began in April 2026. However, FATF increased monitoring continues, and the EU high-risk listing took effect on 29 January 2026. To exit both lists, we must complete remediation and show that our measures work. This protects jobs, investment, and revenue for everyday services.

We enter 2027 with opportunities for growth, but also higher price pressures, financial-services compliance requirements, and project-delivery risks. Looking forward, the Budget must protect revenue, account for realistic delivery costs and direct resources towards improving people's lives. These conditions must guide our choices.

The Economic Assumptions for 2027

Madam Speaker, the 2027 outlook gives us grounds to work towards a more confident future. Real growth is projected to increase to $1.8 billion, 4.1 percent over 2026 levels, with nominal GDP rising 5.0 percent to approximately $2.2 billion, supported by strong performance in infrastructure investment and tourism.

Employment is expected to grow by 2 to 3 percent, creating the prospect of more people finding work. Inflation is forecast to ease to 2.9 percent, which would ease the pressure on household budgets somewhat. Visitor arrivals are projected at 1.5 million, or 2.7 percent above the revised forecast for 2026. In the financial services industry, new incorporations of approximately 30,185 are projected for 2027. Revenues from financial services are estimated at $273.9 million. Property activity from real estate transactions are expected between $100 million and $120 million. Our task is to turn those opportunities into jobs, local business, and resources for better services, while remaining ready to adjust if conditions change.

These forecasts guide our revenue assumptions and support how we will finance our priorities, plans, and strategies in 2027.

The 2027 Revenue Outlook

Madam Speaker, the 2027 Estimates bring our ambition for the people together with our duty to protect the public finances. They are founded on fiscal discipline, transparency and prudent optimism and comply with the Public Finance

Management Act and the Protocols for Effective Financial Management. We must be able to sustain the services we promise, including when conditions become more difficult.

For 2027, revenue is projected at four hundred fifty-seven million, eight hundred nine thousand, dollars ($457,809,000). The projections rise to $471.4 million in 2028 and

$489.8 million in 2029, providing a medium-term basis for planning the services and investments our people require. Our revenue projection is led by the performance of the Registry of Corporate Affairs, which is expected to contribute $223.1 million, continuing its vital role in financing public services.

Other top revenue earners projected for 2027 are: Payroll tax, which is projected at

$77 million, taxes on international trade at $60.9 million and stamp duty at $16.5 million. Work permits are expected to contribute $14.6 million, Hotel Accommodation Tax $13.1 million, while revenue from the Tourist Arrival Levy is expected at $4.32 million. Each source supports our collective capacity to provide healthcare, education, infrastructure, and other essential services for the people of The Virgin Islands.

These projected revenues define the starting resources for the Budget. They must be supported by realistic collection assumptions and careful monitoring, particularly where economic or regulatory conditions could affect receipts. I will now show how revenue and financing are brought together and how the resources are proposed to be allocated.

Budget by Numbers

Madam Speaker, the figures now bring together the resources, financing, expenditure, and allocations behind the programme I will set out. The money belongs to our people. We must explain both the obligations it will meet and the improvements it is intended to support.

2027 Budget and Financing

Together with projected revenues of $457,809,000 loan financing of $47,292,100 and contributions from existing fund balances of $54,040,000, the Government proposes a total budget of five hundred fifty-nine million, one hundred forty-one thousand, one hundred dollars ($559,141,100). Madam Speaker, this is the biggest budget in the history of the Virgin Islands.

The Budget provides recurrent expenditure of $460,412,600, principal debt repayments of $9,578,600, and capital expenditure of $81,083,800. Recurrent spending supports ongoing services and debt repayments to meet our obligations, while capital investment improves the assets on which future delivery depends. We must balance today's needs with the investment and financial strength required for tomorrow. In 2024, my Government signed a $100 million loan facility with CIBC FirstCaribbean Bank to fund critical infrastructure projects. Our largest infrastructure projects in 2027 will continue to be financed through that facility.

Proposed Allocations

Our resources cannot fund every request, so we have weighed allocations against the priorities of the NSDP and the difference they should make to people's lives. The figures remain subject to final approval of the Appropriation Act by the House of Assembly. I will now set out both where the funds go and the public purpose they must serve.

The Constitutionally Established Departments will receive $20.8 million. Their work supports the constitutional institutions and safeguards through which public authority is exercised and held accountable. Those protections matter to every resident who expects Government to act fairly and within the law.

The Governor's Group, including the Office of the Deputy Governor, will receive $68.5 million. This allocation supports responsibilities across public administration and the services within the Group, including the preparations and institutional capacity discussed in this Address. Public administration must provide the dependable foundations that allow people to obtain services and exercise their rights.

The Premier’s Office will receive $23.1 million, while $19.5 million is allocated to the Ministry of Tourism, Culture and Sustainable Development. These resources support national coordination and the work to connect tourism, heritage, and development to wider opportunity. Our purpose is a Territory where economic activity strengthens communities, and our people can see a place for themselves in its future.

The Ministry of Financial Services, Economic Development and Digital Transformation will receive $25.2 million. The allocation supports work to sustain our financial services, develop enterprise and modernise how services are delivered. Those responsibilities connect international competitiveness to local jobs, stronger businesses, and greater convenience for the public.

The Ministry of Finance will receive $46.4 million to support the responsible management of the resources behind our programmes. The Ministry of Environment, Natural Resources and Climate Change will receive $13.1 million to advance protection and management of our natural environment, the inheritance on which our communities and economy depend. Sound finances and a protected environment both strengthen our ability to sustain prosperity.

The most productive asset any nation has is its people, and the classroom is where that asset is built. The Ministry of Education, Youth Affairs and Sports will receive $79.7 million, supporting learning and development that can open opportunities throughout a person’s life. The Ministry of Health and Social Development will receive $87.1 million, supporting care and protection when people need help. These allocations reflect a simple responsibility: to invest in our people’s ability to advance and their security when they are vulnerable.

The Ministry of Communications and Works will receive $96.5 million, reflecting the scale of the road, water, sewerage, and airport programme. These investments must improve the journeys people make, the services homes and businesses rely on, and the connections through which opportunity reaches our islands. We must carry them through to working improvements in daily life.

Pensions, Public Debt and Funds Contribution will receive $73.4 million, the Miscellaneous Head $5.9 million, and statutory fund contributions $8.1 million.

Meeting pension and debt obligations helps honour commitments on which people and institutions depend. The final Estimates must make clear how each provision supports the responsibilities Government is required to meet.

This is how we propose to distribute the funding to the various ministries of Government. I will now explain the outcomes we are aiming to achieve for the economy, businesses, families and communities through these allocations, and how our priorities mitigate the conditions I have described.

2027 Plans Priorities and Strategies

Madam Speaker, our people have worked hard for the progress we have made. Now they are entitled to ask: what will this Budget mean for The Virgin Islands? My community? My household? The infrastructure that supports my daily living? My economic prospects? Will I share in the prosperity? Will my health be safeguarded? What does this Budget mean for me and my family?

Those questions give this Budget its purpose. Prosperity means the security to meet today’s needs and the opportunity to build a better tomorrow. In 2027, we will carry forward the work already begun, with our people’s lives as the measure of its success.

Our Economy

Madam Speaker, a prosperous nation requires an economy that creates opportunity, rewards enterprise, and hard work, and enables every family to earn a decent living and build lasting wealth.

Madam Speaker, our economy needs investment – both local and foreign. We will continue to support new and ongoing development and expansion of properties such as Oil Nut Bay, Biras Creek, Nanny Cay, Eustatia Island, Long Bay Beach Resort, Lambert Beach Resort, Little Dix Bay, Brandywine Bay, West End and others. A developer will be selected to construct a five-star resort at Prospect Reef.

Madam Speaker, our record tourism performance has partly been driven by the popular direct Miami-Beef Island American Airlines flight, which numbers as many as seven daily flights in the winter. My government is taking the bold decision to

expand the airport runway in a phased approach. This long-overdue project will commence in 2027 following the contract award in December 2026. This includes the 787-foot extension, which will facilitate greater passenger capacity on flights, safer operations and more connection options.

Improvements to the Terence B. Lettsome International Airport also include outstanding apron and lighting works, terminal plans to double arrival capacity and cargo-centre design. Better gateways must bring more opportunity within reach.

As tourism grows, our people must see a place for themselves as owners. Madam Speaker, I am pleased to announce a First-Time Tourism Villa Owners Programme for eligible Virgin Islanders developing their first visitor-accommodation business. We will facilitate access to the concessions normally available to investors in accommodations. For someone who has land but lacks the resources to develop it, this can open a path from an idle asset to an enterprise and a family income.

We will also launch the Gaming and Betting Commission and an updated Gaming and Betting Act and regulations, creating a well-regulated sector that attracts investment and promotes responsible gambling.

Madam Speaker, our National Tourism Strategy and Tourism Development Bill together with stronger Ministry leadership will guide tourism investment, service standards, and destination management. Industry partnerships and better statistics with guide our strategy.

My Government will also pursue marine and mega-yacht opportunities and other tourism related investments. When a vessel needs repairs or provisioning, or a resort needs services, more Virgin Islanders must be equipped to secure that business.

Madam Speaker, starting a business must become easier. The Trade Licensing Management System is targeted for implementation by 30 June 2027, and the digital one-stop service for trade licensing by the third quarter 2027. The Trade and Investment Promotion Agency will provide a one-stop-shop for investors starting from the first quarter of 2027. Licensing reforms will provide a framework for trade licenses, regulating what areas of business are reserved for Virgin Islanders, open

to foreign investors, and joint ventures.

The Special Economic Zones Policy will provide the framework for attracting foreign direct investment which will create work for local professionals, contractors, and suppliers. Computerised Non-Belonger Land Holding Licence processing and clearer licensing procedures will advance from the first quarter, alongside consultation.

Madam Speaker, a growing or economy should mean a growing local business community. We will support 100 Micro Small and Medium Enterprises through grants and mentoring, train approximately forty entrepreneurs and use the confirmed $65,000 Caribbean Development Bank grant for further entrepreneurial training. We will prepare entrepreneurial facilities on Anegada and Jost Van Dyke, taking the Huntums Ghut Entrepreneurial Zone model to Sister Island residents.

For those still seeking opportunity, Madam Speaker, we intends to relaunch RATED as an assessment-led statutory agency with its own Board, executive management and operational autonomy under the Ministry of Financial Services, Economic Development and Digital Transformation. It will link temporary work, apprenticeships and training sectors such as agriculture, technology, marine services, hospitality, construction, utilities, and landscaping. Those skills must lead to stronger livelihoods.

Madam Speaker, the National Employment Policy will produce a five-year action plan, school-to-work pathways and a tripartite Employment and Partnership Council.

Madam Speaker, our farmers, and fishers must also have a stronger future as we seek to build food security. Agriculture grants, the Agricultural Complex, an $800,000 reservoir project, Virgin Gorda hydroponics and fisheries investments will support increased local production and capacity. The Omar Hodge Fisherman’s Wharf will include a fishing complex and landing facilities. A similar site will also be developed in The Valley, Virgin Gorda. These will help fishers bring more to market.

The Memorandum of Understanding we will sign with the Dominican Republic in November 2026 will enhance food security and strengthen historical ties between our two countries. We want more dependable food supplies and savings that reach

the family shopping basket.

Madam Speaker, we will defend our financial services industry on which so many livelihoods and public services depend.

The Ministry of Financial Services, Economic Development and Digital Transformation will implement three priority initiatives under the Financial Services Road Map to expand our products, services and markets, and will deepen engagement in three priority international markets. Working with BVI Finance and the Financial Services Commission, we will tell the BVI story with facts: a credible, well-regulated and innovative jurisdiction.

Our credibility rests on compliance. The Attorney General's Chambers will deliver at least 99 percent of its assigned measures under the Post-Mutual Evaluation Action Plan. The Office of the Director of Public Prosecutions, the Royal Virgin Islands Police Force and His Majesty's Customs will build specialist capacity in financial crime, asset recovery and terrorist and proliferation financing risk, with support coordinated through the Governor's Office. Together, these actions are designed to complete our FATF corrective action plan and secure our exit from the grey list.

Madam Speaker, opportunity must be accompanied by fair treatment. The Consumer Protection Regulations will be implemented and the Consumer Affairs Tribunal will be operationalised.

The Health and Security of Our People

Madam Speaker, a prosperous nation requires health care that is accessible, affordable, and dependable, so that every person can live well and receive quality care when they need it.

We cannot have quality health care without taking care of our health care providers. For far too long our healthcare workers have gone without an uplift to their compensation package. In 2027 we will correct that with a phased, financially sustainable salary adjustment that will support the recruitment and retention of doctors, nurses, and other healthcare professionals. We must give those who care for us stronger reasons to build their future here.

The financing of our health services will become more sustainable with the implementation of the alliance agreement and the transition from a global budget for the Health Services Authority to a fee for service structure. This means that the Health Services Authority will be properly compensated for the services provided to their customers, through direct billing to the National Health Insurance, allowing for a viable means of financing their operations.

The National Health Strategic Plan 2027–2036 will strengthen annual delivery and coordination between the Ministry, Health Services Authority and National Health Insurance. Upgrades to the hospital and Road Town Clinic, and completion of the remaining repairs to the Nurse Iris O'Neal Clinic will translate into more dependable care. An upgraded 911 centre and supporting legislation will strengthen access to emergency assistance.

Madam Speaker, in the last four years, we have significantly strengthened the social protection safety net. We gave a 30 million dollar raise primarily to the lowest income earners in the public service; we raised public assistance benefits; we raised the minimum wage; we raised pension benefits for government retirees; and we provided subsidies for electricity and duty concessions on essential goods. Madam Speaker, we now introduce another significant initiative to protect the most vulnerable in our society. The idea of raising the payroll exemption has been discussed in recent times. Subject to cabinet and house of assembly approval, we will introduce a $5,000 pay roll tax rebate at the end of 2027 for lower income earners.

Madam Speaker, prosperity must reach the family whose circumstances have taken a difficult turn. Our digital social-protection system will speed up grant processing times by 20 percent.

Madam Speaker, I mentioned before the historic billion-dollar achievement with respect to the Social Security Fund. I am pleased to announce that the Board is considering the needs of the community and contributors to the Fund. This includes an increase in burial grants, considering unemployment grant and increase in the minimum payment for retirees. This is a strong recognition of the vision of the late

H. L Stoutt for social security.

Madam Speaker, we will bring the eight-unit East End/Long Look Transition Centre and the social home in Virgin Gorda into service. A roof overhead and timely help can give someone the stability to begin again.

Madam Speaker, a caring society is measured by how well it protects people when they are most vulnerable. In 2027, we will strengthen elder care and move forward the facilities our seniors and communities depend upon, including the Greenland Senior Citizen Centre, the Gertrude and Christina Warner Community

Centre and the North Sound Community Centre. By mid-year, we will introduce our Child Protection in Emergencies Framework, equip three child-safe shelters and train caregivers and frontline personnel in Psychological First Aid, so that when crisis comes, our children have places and people prepared to protect them.

We will also strengthen the response to domestic violence through improved legislation, protocols and coordination, because a person in danger should not have to navigate a fragmented system to find protection. And as we modernise social services, we will use technology to make essential information and support easier to reach. Whether it is a senior who needs care, a child who needs protection or a family facing crisis, our people must know one thing: when help is needed, help is within reach.

Infrastructure and Homeownership

Madam Speaker, a prosperous nation requires infrastructure that connects our communities, supports our businesses, and delivers the reliable services our people need every day.

For many families, their greatest ambition is a home of their own. Madam Speaker, we will establish a residential Housing Programme for Virgin Islanders. Government will make Crown land available, fund roads and electrical access, and engage an architect to provide a selection of home designs. We will partner with a developer for construction and banks for financing, with Government mortgage guarantees for eligible participants under agreed terms.

The Land and Home Acquisition Programme will prioritise subdivision infrastructure and strategic land acquisition. One million dollars will support Government-estate roads and services for subsidised land access for Virgin Islanders and Belongers. We will continue the stated one-year stamp-duty waiver for first-time Belonger purchasers of homes and land under applicable rules. Madam Speaker, the security of home ownership should be an ambition more of our people can realise.

That security must include dependable utilities. Close to $6 million will support water-network and reservoir repairs, including Fort Hill, Balsam Ghut and Minton Hill. Stronger production and VIEWCO integration will proceed under approved arrangements. For parents storing water before work and businesses losing operating hours, these investments must make reliable supply normal.

Madam Speaker, $7.7 million will continue sewerage infrastructure development in East End-Long Look, Cane Garden Bay, and Road Town, including the Parham Town-Long Swamp main. Household connections in East End-Long Look are free until the end of this year. Work in Cane Garden Bay and Pasea are targeted for completion in the fourth quarter of 2027. Parham Town works, Fort Burt, Road Town and Slaney Point pumps, and Paraquita Bay treatment and sludge facilities will be funded and continue in 2027. Madam Speaker, families who have waited decades deserve to see the work finished and their surroundings made healthier.

Madam Speaker, $18 million, including $13 million in loan financing, supports roads, district civil mitigation works, ghut cleaning and repairs, North Coast revetment and road and asphalt-plant maintenance. Our goal remains thirty-four miles of roads across four main islands over three years, including West End to Road Town and Sister Island works. Drainage, guardrails, markings, and traffic calming accompany a target to repair 90 percent of identified road and sidewalk defects. Safer roads mean greater confidence on the journey to school, work, or home.

Madam Speaker, the Road Town Master Plan, pedestrian walkway, Road Town roundabouts, and Main Street sidewalks will advance with the $800,000 development provision for the Road Town Partnership. The East End Harbour bypass road will commence shortly and be completed in 2027. The Salt Island jetty

will be rebuilt, and West End Ferry Terminal will progress under revised funding through the BVI Ports Authority.

Madam Speaker, STEP solar program will target 266 homes within 18 months, with Government funding half the typical $10,000 solar-system cost and household contributions being repaid through electricity savings. BVIEC will expand installer capacity.

Seven million dollars have been allocated for the reopening of the R. T. O'Neal Administration Complex.

Madam Speaker, dependability also requires maintenance. One million dollars is allocated for maintenance of sewerage plants, Water and Sewerage machinery and buildings. About $900,000 is allocated for fire stations and a lifeguard vehicle; and $380,000 for DMV software and equipment.

Another $385,000 advances the East End-Long Look Post Office and mailboxes, while telecommunications reform will strengthen competition, investment, and consumer protection.

Education and Skills

Madam Speaker, education remains the foundation of our Territory's development, and my Government continues to demonstrate that conviction through the highest level of investment in education in the history of The Virgin Islands. In 2027, we will build on this commitment with an allocation of $79.7 million strengthening our institutions, improving educational outcomes and expanding opportunities for Virgin Islanders.

Strengthening teaching and learning remains a major priority. We will continue investing in teacher training, professional development, educational leadership, instructional resources and targeted student support, with emphasis on literacy, numeracy, technology integration and inclusive education. These investments will ensure that our educators and students have the tools and support necessary to sustain and improve academic achievement as we continue moving Full S.T.E.A.M. Ahead.

Madam Speaker, as H. Lavity Stoutt Community College continues to grow, our Government is matching that progress with increased investment. Since 2022, we have increased the College's annual subvention by 38%, representing an additional $3.1 million, bringing the proposed 2027 allocation to $11,275,800.

This increased investment will support the expansion of bachelor's degree programmes, online and distance education, and technical, vocational and professional training aligned with our workforce needs. Building on significant investments in the College's Student Information System and digital infrastructure, we will further strengthen its capacity to expand access to tertiary education through modern, flexible modes of delivery.

Importantly, Cabinet has also approved the long-outstanding transfer of land to HLSCC, with the necessary processes now underway. Together, these commitments will strengthen the foundation for the College's continued development, including student dormitories, improved facilities and its long-term transformation into the Territory's first public university.

We will also sustain our significant investment in school rehabilitation and modernisation, continuing the extensive, phased programme of improvements across our public schools, including those on our sister islands. We will also advance major capital development priorities, including the redevelopment of Althea Scatliffe Primary School, the design of a new secondary technical and vocational school, and the continued design and development of our National Library.

Our investment in workforce development will continue, building on the Let's Build VI Scholarship Programme to expand access to qualifications, internationally recognised certifications and practical training in sectors critical to our economy.

Madam Speaker, following the historic increase in our investment in youth development and sports in 2026, we will sustain that enhanced level of funding in 2027. This commitment will support youth empowerment and leadership programmes, grants and financial assistance for developing and elite athletes, and continued support for sporting organisations.

We will also continue investing in sporting infrastructure and upgrading facilities across the Territory, strengthening grassroots participation, athlete development and sporting excellence, while creating greater opportunities to host regional competitions and advance sports tourism.

Madam Speaker, our progress demonstrates what can be achieved through sustained investment, deliberate planning and purposeful implementation.

In 2027, we will keep building: building stronger institutions, better learning environments, greater opportunities for our young people and the human capital that will shape the future of these Virgin Islands.

Environment and Resilience

Madam Speaker, a prosperous nation requires an environment that is healthy, protected, and resilient, sustaining our livelihoods today and preserving our natural inheritance for generations to come.

Our communities deserve cleaner surroundings. Three million dollars will support critical Pockwood Pond incinerator repairs and upgrades. Rehabilitation and procurement of a fifty-ton-per-day unit will advance, with haul-road and dumping-cell works. Five hundred thousand dollars will rehabilitate the Jost Van Dyke's transfer station. The Cox Heath landfill-site confirmation and Virgin Gorda recovery design will advance. Household trash collection will reach one hundred more homes.

Madam Speaker the war on derelicts has begun. We will increase collection and disposal of derelict-vehicles, creating a healthier environment. Seven hundred thousand dollars will go towards removal of derelict vessels, protecting waters where people work and communities live.

Madam Speaker, the nagging problem of sargassum management will be addressed with a $1 million. This includes a specialised workboat with booms, conveyor collection, an Anegada beach rake and drones.

The Long Bay Beef Island Management pilot programme and Territory-wide beach planning will continue. Some $616,200 supports Josiah's Bay and Long Bay Beef

Island sanitation and vending water access. The Belmont Nature Trail will also progress. A cleaner beach protects both a community's enjoyment and a vendor's livelihood.

Madam Speaker, Blue Belt participation, Marine Spatial Planning, and the proposed Exclusive Economic Zone framework will balance protection and create opportunities for our Blue Economy. Our Environmental Policy, climate legislation and Climate Change Trust Fund financing will advance mitigation and adaptation measures to promote environmental sustainability.

Seven million dollars has been allocated to restart and complete the National Emergency Operations Centre; $330,000 will strengthen early-warning systems, including outage-resilient alerts. Sister Island monitoring, exercises and Emergency Cell Broadcast preparations will strengthen readiness as Disaster Management Bill and Emergency Disaster Fund issues are resolved. Madam Speaker, resilience means preparing before danger arrives.

Community and Governance

Madam Speaker, Government does not have a monopoly on good ideas, and Government does not have to do everything itself. In every community across these Virgin Islands there are people, churches, non-profit organisations, community groups and social-purpose organisations that understand the needs around them and are ready to be part of the solution. That partnership is at the heart of our new Community Empowerment Grant Programme.

This grant programme is partly aimed at filling the void left by the removal of the Members Assistance Grant. Through this programme, we will empower communities to bring forward initiatives that respond to genuine local needs, strengthen our neighbourhoods and improve the lives of our people. The Policy is deliberately designed to encourage local solutions, community leadership and measurable public benefit, underpinned by a robust framework for transparency and accountability. We have allocated $250,000 to get the programme up and running. Through community empowerment and engagement, we will build a stronger Virgin Islands.

Madam Speaker, The Virgin Islands has many strengths, one of which is a network of Virgin Islanders encircles the world. In 2027, my Government will introduce a Tourism Ambassadors Programme, recognising Virgin Islanders who have distinguished themselves on the world stage and harnessing their influence, networks and international reach to promote our Territory and open doors for opportunity.

Alongside this, we will establish a Virgin Islands Diaspora Policy to better connect Virgin Islanders across the globe with the development of their homeland, tapping into their skills, experience, investment and networks while strengthening their connection to home. The policy also seeks to facilitate Virgin Islanders seeking to live, work and establish businesses in The Virgin Islands.

Madam Speaker, we will leverage technology to deliver government services more efficiently. Digital transformation will move deeper into everyday services, with a target of 70 percent public-sector service adoption. A $1.2 million investment will support our data centres and a People Unique Identifier prototype for 1,000 to 2,000 people, connecting at least two priority systems. We will strengthen disaster recovery and cloud backup and upgrade 90 percent of priority hardware and systems.

Residents will see that change in practical ways. Electronic tax payments and online Certificates of Good Standing are already available; the DMV kiosk allows customers to prepay; and online payments for child support, traffic tickets and dog registration are being prepared, with ship registration and cruising permits to follow. Passport renewal, land and planning records, immigration services, courts and business licensing will move further online, alongside a centralised Human Resources Information System and appropriate use of artificial intelligence to reduce repetitive work. Every transaction moved online is a trip saved, a queue avoided and time returned to a family or business.

Reliable telecommunications will support that digital future. We will advance the telecommunications framework, strengthen consumer protection, regulation and competition, and support modern infrastructure and emergency communications. The principle is straightforward: digital Government must be convenient, inclusive,

secure and resilient.

Better systems require better-equipped people. The Virgin Islands Public Service Learning Institute will develop as a Centre of Excellence, onboarding more than 2,000 officers, certifying more than 100 leaders, managing more than 90 scholarships and coordinating more than 200 apprenticeship placements. We will also improve recruitment and records management so vacancies are filled more quickly and residents are not repeatedly asked for information Government already holds.

Accountability will be strengthened alongside efficiency. The Registrar of Interests, Complaints Commission, Office of the Auditor General, Internal Audit and Service Commission Secretariat will strengthen compliance, outreach, audit capacity and processing. A centralised Data Protection platform and stronger monitoring of Statutory Boards, including governance training for 90 percent of new board appointees, will help build accountability into Government rather than add it after something goes wrong.

Madam Speaker, safety and justice are equally fundamental. More than $2.4 million is provided for police vehicles, communications, surveillance, headquarters design and works to the East End Police Station. The Royal Virgin Islands Police Force will conduct 24 community engagement sessions, maintain victim contact within five working days and strengthen joint operations, marine response, surveillance and communications. Reliable vehicles, facilities and communications mean officers are better able to respond when communities need them.

Justice must move with the same urgency. Public Prosecutions will strengthen staffing, digitise files and introduce electronic disclosure, targeting a 60 percent reduction in no-case dismissals. A third Commercial Court is targeted to open by 31 January 2027, while the Magistracy aims to reduce its backlog by 30 percent and expand electronic filing, mediation and audio-visual capability. The Attorney General’s Chambers will continue law revision and strengthen its financial-crime work alongside Police, Customs and the Governor’s Office. Madam Speaker, justice delayed carries a human cost.

We will also advance the Halls of Justice, Magistrate’s Court accommodation and designs for the proposed law-enforcement building, while carrying forward restorative justice, electronic monitoring, Whistleblower and Service Commission reforms through the required consultation and approvals. The Human Rights Commission will move toward full operation. These reforms must make rights, fairness and accountability real in practice.

Secure borders and efficient services must work together. $1.6 million is provided for the Immigration detention facility and $1.5 million for Border Management. Immigration will advance traveller pre-vetting, preparations for Electronic Travel Authorisation, online services, file digitisation, training and intelligence cooperation. The Multipurpose Detention Facility and delayed Border Management and eVisa modules will progress toward their planned 2028 completion, while separate online passport and visa services are pursued for 2027.

We will strengthen wider border and national-security capability as well, including financial-crime and asset-recovery expertise, marine cooperation and international intelligence sharing. Customs will receive approximately $560,000 for facilities, vehicles and scanning, while nationality systems and accommodation receive $380,000. The test is not technology or equipment on its own, but safer borders and faster, clearer service for residents, businesses and visitors.

Land and Government records will also become easier to manage and access. Investment will support Survey Office modernisation, electronic land records, Crown land administration and planning systems, including the GIS record of approximately 14,000 buildings and application tracking. These improvements will bring greater clarity to land administration while helping emergency services, businesses and residents locate properties and follow applications more easily.

Madam Speaker, democracy is also a delivery responsibility. The Deputy Governor’s Office is targeting 95 percent completion of election-readiness activities, including voter education, equipment, the elections portal and legislative preparations.

Building on constitutional negotiations begun in 2026, Government will seek to progress agreed constitutional reforms through drafting, consultation and

implementation planning, subject to agreement with the United Kingdom Government. Our objective remains a modern democratic framework that reflects the aspirations of The Virgin Islands people and advances responsible self-government.

Our voice abroad must also serve our people at home. Government will finalise the External Affairs Policy, strengthen the International Affairs Secretariat and deepen regional and international relationships. We will advance cooperation with the Dominican Republic on food supply, trade, health, culture and transportation as agreements are negotiated and approved, seeking practical benefits in food security, connectivity and economic opportunity.

Finally, credible Government requires disciplined public finances. Inland Revenue will target a 25 percent increase in collection of outstanding tax revenue, while my Administration controls recurrent expenditure growth and matches capital allocations to realistic project readiness. The standard is simple: fund what can be delivered, protect the public’s money, and then deliver what we promised

A Brighter 2027

Madam Speaker, our people’s efforts are leading to a brighter and more prosperous future. A young person should see a future in these Virgin Islands. A family should see a path to ownership. A community that has waited should see work completed.

Our people have continued to believe that these islands can move forward. Today, long-awaited pension relief, stronger student results, obstacles removed and essential works progressing give us a foundation for greater hope. We must carry those gains further so that more of you can feel the difference in your own lives.

We have laid foundations that give us the opportunity to deliver those changes. Vision 2036 reaches beyond one election because the future of our children reaches beyond one term of office. We laid blocks of success and raised pillars of progress; now we must strengthen the structure so that more people can share the gains. Virgin Islanders at home and abroad have a part in that work. Our knowledge, effort, and belief in these islands can help make the next stage

stronger than the last.

Now we must carry the work through, with steady leadership and an urgency equal to our people's expectations. Let 2027 be the year more Virgin Islanders can say: I can see the progress, and I can feel the difference. That is the prosperity my Government is working to deliver.

Madam Speaker, 2027 will be a year to turn progress into prosperity for a brighter future for the people of these Virgin Islands. That is the 2027 I want our people to experience.

Appreciation

Madam Speaker, in closing I wish to thank the Financial Secretary, Mr. Jeremiah Frett, and the Ministry of Finance team for their dedication in preparing this Budget.

Madam Speaker I must pause to recognize the Financial Secretary, Mr. Jeremiah A. Frett who will be remitting office. Under his leadership, the Ministry of Finance achieved key financial milestones, including securing investment-grade sovereign credit ratings from S&P Global Ratings, maintaining high creditworthiness ratings from CariCRIS, operationalizing The Virgin Islands Deposit Insurance Corporation, delivering annual revenue growth, and managing record national budget estimates. Many do not know what it takes to be a Financial Secretary and the sacrifices it takes. Financial Secretary we applaud your contributions made to the development of these Virgin Islands.

I thank my Ministers and Junior Ministers, Deputy Governor Mr. David Archer, Permanent Secretaries, and public officers across Government. I thank my Ministerial Staff team. Their collective work supports the services and decisions through which this budget must reach our people.

I thank Honourable Members, you, Madam Speaker, the audience present, and those following online and by radio, for your kind attention.

May God continue to bless these beautiful Virgin Islands.

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Additional Documents or Media

- gvi_statement_2027_budget_address_by_honourable_dr_natalio_d_wheatley.pdf