



## Press Release

### Bahamas Financial Stability Council Holds Inaugural Meeting

The Bahamas Financial Stability Council (BFSC)<sup>1</sup> held its first meeting on 19<sup>th</sup> February, 2025, marking a significant milestone in strengthening The Bahamas’ domestic financial stability framework. The meeting was attended by council members from the Ministry of Finance, the Central Bank of The Bahamas, the Securities Commission of The Bahamas, the Insurance Commission of The Bahamas, and the Deposit Insurance Corporation.

Among the key topics discussed were the Central Bank’s Domestic Financial Stability Report, which offers insight into the current state of the country’s financial system, including its ability to withstand stress and any potential threats to the sector. Council members agreed on the importance of enhancing the depth and coverage of domestic financial stability assessments, making the framework more forward looking, improving data coverage, and incorporating simulations of the impact of various risks scenarios—including climate change—on financial stability.

The BFSC members agreed to establishing a working group on data collection, to identify a comprehensive approach to surveying the nonbanking sector, including insurance, pensions, investment funds, money lending, and pay day loan activities. The council members also acknowledged the importance of strengthening the surveillance of nonbank lending activities to gauge their impact on financial soundness indicators. The group endorsed the need for building increased technical capacity to analyse the potential impacts of climate change risk on domestic financial stability and acknowledged the merits of strengthening the assessments of the interconnectedness between the soundness of the financial sector and its implications for the fiscal sector.

The BFSC members have committed to developing a coordinated crisis management response plan for the domestic sector, as well as to continuous improvements in mechanisms for monitoring and enhancing domestic financial stability.

**20<sup>th</sup> February, 2025** ■

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<sup>1</sup> [Press Release: Bahamas Financial Stability Council Formed through Multi-Agency MOU- Central Bank of the Bahamas](#)