



QUARTERLY LETTER ON REGULATORY AND SUPERVISORY DEVELOPMENTS

**BANK SUPERVISION DEPARTMENT
15 January, 2024**



QUARTERLY LETTER

Introduction

We take this opportunity to wish all of our stakeholders a happy and most productive 2025. For this year, the Central Bank of The Bahamas (“the Central Bank”) has developed a fulsome agenda on the supervisory front. It is mostly targeted at addressing our AML action plan as well as implementing a robust supervisory approach for the OECD’s Common Reporting Standards (“CRS”) and the Automatic Exchange of Information on behalf of the Competent Authority or Ministry of Finance. The Central Bank also remains attentive to progressing legislative reforms for the credit union, payments, and banking and trust sectors as foreshadowed in previous quarterly letters. Over the coming months, we hope to conclude on some of these reforms.

Notably, in fourth quarter of 2024, the Central Bank continued to advance several of the remaining strategic supervisory and policy initiatives. Draft updates to key legislation such as the Bahamas Cooperative Credit Union (Amendment) Bill progressed further, with key stakeholders providing early feedback ahead of that wider engagement with the industry/public that will take place early in 2025. The proposed amended are expected to bring oversight of the sector further in line with international regulatory standards.

Finally, in an effort to promote a unified commitment to strengthening the domestic financial stability framework for The Bahamas, the Central Bank formally entered into a multi-agency Memorandum of Understanding, establishing the Bahamas Financial Stability Council (BFSC). As noted in our Press Release on 9 December, 2024, the membership of the BFSC includes the Ministry of Finance, Securities Commission of The Bahamas, Insurance Commission of The Bahamas, and the Deposit Insurance Corporation. This multi-agency council will support strategic coordination and proactive risk management to counter emerging risks to financial stability. This initiative further demonstrates our commitment to maintaining the highest standards of financial sector oversight.

AML Empirical Research Conference

The Central Bank will host its sixth annual International Research Conference on Empirical Approaches to Anti-Money Laundering and Financial Crime on 16-17 January 2024, at the Margaritaville Beach Resort in Nassau, Bahamas. Since its inception, the conference continues to facilitate vibrant discussions and spotlight topical and emerging issues arising within the sector. This year’s conference has a dynamic line-up of both local and international presenters, some of whom include senior officials from international standard setting bodies. We are appreciative of the continuous support from the Inter-American Development Bank, once again, partnering with the Central Bank of The Bahamas to provide the conference's Spanish/English translation services. For more information on the conference we invite you to visit the website at [Bahamas AML Conference 2025](https://www.centralbankbahamas.com/aml-conference-2025).

Annual Industry Briefing 2025

The Central Bank will provide notice to SFIs, under separate cover, for the Annual Industry Briefing for 2025. During this time we will update stakeholders on key initiatives that began in 2024 and share our planned supervisory focus for 2025, along with proposed strategic objectives, legislation, and policy we intend to introduce in 2025.

National Risk Assessment (“NRA”)

Following the industry briefing held on 12 December 2024 regarding the NRA and Financial Action Task Force Recommendations 24 and 25, a copy of the National AML Strategy 2025 – 2028 and Summary of Findings is now available for your review. Copies of these reports were issued along with a notice advising of the same on 31 December, 2024. The reports aim to identify the inherent money laundering risks in The Bahamas and documents our efforts to implement robust mitigation measures that direct our regulatory resources to areas that require heightened attention. We still invite your comments or queries on the strategy report, which should be directed to:

The Analytics Unit

Bank Supervision Department
Central Bank of The Bahamas

Email: AMLoutreach@centralbankbahamas.com

Submission of Applications for Approval

SFIs are reminded that while Central Bank’s Enterprise Application Portal is nearing full implementation in 2025, in the interim, all applications for approval and their supporting documents must continue to be submitted to the BSD mailbox (bsd@centralbankbahamas.com). Submissions to this email address will ensure a timelier review of your applications by the Authorizations Team.

We look forward to your continued engagement during the remaining months of 2025.

Karen Rolle

Karen Rolle

Inspector of Banks & Trust Companies

Any questions regarding this letter should be directed to:

Inspector of Banks & Trust Companies

Bank Supervision Department
Central Bank of The Bahamas

Nassau, Bahamas

Email: banksupervision@centralbankbahamas.com