



# **THE CENTRAL BANK OF THE BAHAMAS**

**QUARTERLY LETTER ON REGULATORY AND SUPERVISORY DEVELOPMENTS**

**BANK SUPERVISION DEPARTMENT**

**February 17, 2020**



## **QUARTERLY LETTER**

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### **Credit Bureau**

We are pleased to advise that CRIF Information Services Bahamas Ltd. (“CRIF Bahamas”) received the first Bahamian credit bureau licence, on December 7, 2019. CRIF SpA, an Italian based company, which operates in multiple jurisdictions, owns CRIF Bahamas. CRIF Bahamas, in turn, is a spoke of CRIF SpA’s hub in Jamaica for the Caribbean region. CRIF Bahamas will become operational in The Bahamas during 2020. The first credit reporting will commence 12-18 months post-licensing. The credit bureau will offer significant benefits to both lenders and borrowers, through better and fairer access to credit information. Over time, we should begin to see an improvement in the credit environment in The Bahamas due to the availability of information from this data repository. Against this backdrop, the credit bureau is a significant turning point in Bahamian financial services. The Central Bank will collaborate with the credit bureau to advance public awareness efforts through financial literacy initiatives in 2020.

### **AML/CFT Empirical Research Conference**

The Central Bank and the Association of Supervisors of Banks of the Americas, with the support of the Caribbean Development Bank and the Inter-American Development Bank, hosted an inaugural international conference on empirical research into Anti-Money Laundering, Countering the Financing of Terrorism, and related topics. The conference considered 17 papers from authors and attendees from 27 countries, with spirited and useful discussions. The conference proceedings document, including copies of all the papers and discussion summaries, will shortly be posted on the Central Bank’s website. The Central Bank has committed to hosting the same conference in early 2021.

### **Annual AML/CFT Conference**

On the heels of the successful AML/CFT empirical research conference is our annual AML/CFT conference sponsored by the Group of Financial Services Regulators and CARICOM. Headline speakers will include David Lewis, who is the general secretary of the FATF. You are invited to save the date: June 2–3, 2020.

### **External Engagement Cycle**

We have revised and enhanced our external engagement policy. We intend to commence a broader outreach with stakeholders, as we collaborate on the next steps in our regulatory and supervisory efforts. Specific announcements of this enhanced engagement approach will flow to affected industry groups shortly.

### **Basel II & III Implementation**

Our work in this area continues as we aim to meet the revised implementation date of January 2021.

### **Whistle Blowing**

We have recently seen instances where board members and others have characterized engagement by SFI staff with the Central Bank as “whistle-blowing” or in some cases a breach of confidentiality. Such characterizations are quite wrong.

Where an employee, auditor or other interested party of a Supervised Financial Institution (SFI) reports to the Central Bank on any matter relevant to the SFI, they are in most cases simply fulfilling their statutory obligation to ensure that full and accurate information is provided to the Central Bank. This does not constitute a breach of confidentiality to the SFI.

### **Incidents of Fraud**

With respect to the directive issued by the CBOB via Notice dated 20th July, 2012 on the “Reporting of Material Events and Incidents of Fraud”, some SFIs have inquired on the level of materiality that would place an event under the referenced directive. In response we say: “If in doubt, report the matter.”

*Charles Littrell*

### **Charles Littrell**

**Inspector of Banks & Trust Companies**

Any questions regarding this letter should be directed to:

#### **Inspector of Banks & Trust Companies**

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