



THOMSON REUTERS Country Risk Ranking

2018



THOMSON REUTERS

AGENDA

- WHAT IS COUNTRY RISK RANKING?
- METHODOLOGY
- BAHAMAS OVERALL SCORES
- REVIEW AML SCORE
- IMPROVEMENT OPPORTUNITES
- CONCLUSION
- Q&A

WHAT IS COUNTRY RISK RANKING?

Country Risk Ranking is an **objective, customizable geopolitical risk index** that models country risk for 247 countries and territories.

METHODOLOGY?

- TR provides constant updating of source material, country/territory coverage, transparency and customization of country risk modeling.
- Data is aggregated from 300+ reputable online sources
- Country Risk Ranking includes 3 weighted Risk Rankings:
 - AML
 - Anti-Corruption
 - Comprehensive
- Users can create custom weight sets to reflect individual geopolitical risk profiles.



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CIFP ♦
Country Indicators for Foreign Policy

METHODOLOGY

Risk Factors	Political	Economic	Criminal
Dimensions	Type of Governance	GDP	Illicit Drugs & Narcotics
	Civil Liberties & Political Rights	Natural Resources	Fraud
	Media Freedom	Poverty	AML Controls
	Political Stability	Tax Concerns	Embezzlements
	Government Effectiveness	Debt	Threat Financing
	Government Opacity	Military Expenditures	Crime Rate
	Regulatory Quality	Country/Public Debt	Human Trafficking
	Rule of Law	Average Earnings	Corruption
	Political Terror Scale	Economic Freedom	Absence of Violence
	Armed Conflict	Credit Sovereign Ratings	Arms Export Controls
	Human Rights	Developing Countries	Counterfeiting
	Failed States Index	Sanctions	Exploitative Labor
Sources	300+ third-party public domain sources		

CURRENT BAHAMAS SCORES

- ❖ AML 6.55 = Medium Risk
- ❖ Anti-Corruption 7.17 = Low Risk
- ❖ Comprehensive 7.02 = Low Risk

AML DIMENSIONS

- Illicit Drugs & Narcotics
- Fraud
- AML Controls
- Illicit Financial Flow
- Terrorism
- Crime Rate
- Human Trafficking
- Corruption
- Absence of Violence
- Arms Export Controls
- Counterfeiting
- Exploitative Labor
- Natural Resources Industry Controls



Bahamas - Challenging Dimensions

- Illicit Drugs & Narcotics
- Fraud
- AML Controls
- Illicit Financial Flow
- Terrorism
- Crime Rate
- Human Trafficking
- Corruption
- Absence of Violence
- Arms Export Controls
- Counterfeiting
- Exploitative Labor
- Natural Resources Industry Controls



Bahamas (Improvement Opportunities)

Additional Source Material

- Are there publicly available data sources that should be included?
- Are there current government sources from the Bahamas that should be included?
- Collaboration to continually improve the implementation of data sources. We can assist in contacting source owners to discuss how their data is being reported.

Current Source Review

- Illicit Drugs & Narcotics – US Department of State
- Illicit Financial Flows – Global Financial Integrity
- What source material needs to be amended?
- Contacting source owners to request assistance in accurate reporting of data. Ensure that the way it is being reported



Bahamas - Improvement Opportunities for Government Authorities

- ***Bahamas should further enhance its AML regime by criminalizing bulk cash smuggling.***
- ***The Bahamas has the mandatory AML institutional and legal framework but needs to emphasize enforcement.***



Bahamas – Positive Outlook for the future

...the newly elected government has prioritized anti-corruption and transparency across its national agenda; these ***efforts should gradually lead to greater transparency in government and financial dealings.*** It has been ***recommended that the authorities release official information on the numbers of STRs, prosecutions, and convictions*** in order to gauge the effectiveness of the authorities' AML programs.

The Bahamas is ***not listed as a high-risk third country with strategic deficiencies*** in their AML/CFT regime under the EU Fourth Anti-Money Laundering Directive (4AMLD).

CONCLUSION

- Our rankings are data driven by third party source data to remove as much subjectivity as possible
- Give our clients ability to adjust (customize and override) to meet real world requirements and clients risk based approach and risk tolerance.
- CRR is a living system and is constantly being updated and improved.
- We seek/engage in collaboration and input from clients, governments, NGO's, and experts.



CONCLUSION

Further documents:

1. Country Risk Ranking Methodology document
2. Country Risk Ranking Source Listings
3. Country Risk Ranking Bahamas special report
4. Expert Talk documentation

