



PRESS RELEASE

CENTRAL BANK RELEASES RESULTS FROM STUDYING AML/CFT RISKS IN THE DOMESTIC BANKING SYSTEM

The Central Bank of The Bahamas has today released a summary of results from a special survey into potential money laundering and terrorist financing risks in the domestic banking industry. This survey is part of the Central Bank's efforts to better concentrate its supervisory resources where the risk of financial crime is highest, and also to reduce resources devoted to areas where financial crime risk is low.

As outlined in the study, the Central Bank's main conclusions are:

- 1) Across the domestic banking system and in a number of client industry segments, there is little evidence of material money laundering;
- 2) The real estate (broadly defined), gaming, and money transmission sectors all display sufficient size to generate at least the potential for material money laundering; but
- 3) In each of these sectors, Bahamian public authorities have put in place or are rapidly putting in place substantial controls to discourage any facilitation of financial crime.

It is doubtless the case that there is some leakage of illicit funds into the banking system, as Bahamian petty criminals self-launders illicit proceeds from their crimes. This results in several prosecutions and convictions annually. The Central Bank's study, however, considerably narrows the industry segments which should be considered material risks for financial crime facilitation in The Bahamas.

The Central Bank thanks the participating Bahamian domestic banks for their considerable efforts in providing data for this study.

For more information visit our website at www.centralbankbahamas.com.

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