



## **PRESS RELEASE**

### **Suspension of New License Applications for Payment Services Providers and Money Transmission Businesses**

The Central Bank of The Bahamas advises the public that effective November 29, 2019, it is suspending the acceptance of license applications for non-bank payment services providers (PSPs) (for electronic money services) and non-bank money transmission businesses (MTBs). This moratorium will remain in effect until the end of 2020, at which time the Bank will review its position. In the interim the Central Bank will monitor adjustments among existing licensees to ensure orderly, sustainable developments in the payments and money services space.

As of November 29, 2019, the Central Bank had licensed 3 PSPs and was reviewing 2 other applications. The number of MTBs as of this date stood at 5, with services provided through a network that includes 23 agents. The moratorium does not affect approvals of new MTB agencies.

Collectively, payment services providers and money transmission businesses are expected to become active players in the provision of electronic and digital money services. Commercial banks and credit unions are also positioned to play increasing roles.

The Central Bank licenses and regulates payment service providers operating in and from within The Bahamas, under the Payment Systems Act, 2012 (“the PSA”) and the Payment Instruments (Oversight) Regulations, 2017. Money transmission businesses are licensed and regulated under the Banks and Trust Companies Regulation Act, 2000, the Banks and Trust Companies (Money Transmission Business) Regulations, 2008, and provisions under the Central Bank of The Bahamas Act, 2000.

The Central Bank is exercising its powers under Sections 5 and 6 of the PSA and Regulation 4(3) of the Banks and Trust Companies (Money Transmission Business) Regulations. These empower the Central Bank to implement policies that are in the interest of the overall stability of the financial system; controlling risks and promoting the safety and efficiency of the payment systems. The moratorium is intended to allow development and introduction of new payments services by non-bank providers in a non-saturated environment.

The public may access the relevant legislation and policy frameworks via the links below:

[Payment Systems Act 2012](#)

[Payment Instruments Oversight Regulations](#)

[Central Bank of The Bahamas Act](#)

[Banks and Trust Companies Regulation Act](#)

[Banks and Trust Companies \(Money Transmission Business\) Regulations](#)

Any questions regarding this NOTICE should be directed to:

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