



## PRESS RELEASE

### **CENTRAL BANK SIMPLIFIES ITS BASEL II & III REGIME**

#### **SECOND INDUSTRY CONSULTATION**

The Central Bank of The Bahamas (“the Central Bank”) is pleased to release, for a ninety (90) day consultation period, its Second Round of Industry Consultation on ***The Draft Bahamas Capital Regulations, 2020***, and reforms to the ***Guidelines for the Management of Capital and the Calculation of Capital Adequacy (“the Capital Guidelines”)***. You will recall, the Central Bank issued its initial Discussion Papers in August 2018 (First Round of Industry Consultation) setting out proposals for changes to the Bahamian capital framework.

These reforms are targeted to build a more effective Basel III prudential framework that appropriately balances simplicity with proportionality, without generating disproportionate compliance costs to SFIs. The Consultation Papers set out the provisions for the new Capital Regulations, amendments to the Capital Guidelines and an Act to Amend the Central Bank of The Bahamas Act, 2020 (at Annexes A and B).

The consultation package also includes the Central Bank’s response to comments and questions received from industry during the first round of industry consultation.

These documents may be accessed on the Central Bank’s website at <https://www.centralbankbahamas.com>, on the main page under Press Releases or in the Bank Supervision area of the website under: Core Functions → Bank Supervision Department → Consultation Documents.

**The consultation period will end on 31<sup>st</sup> January, 2021.**

Comments or questions regarding the consultation paper should be directed to the Policy Unit, Bank Supervision Department via email at: [Policy@centralbankbahamas.com](mailto:Policy@centralbankbahamas.com).

**INSPECTOR OF BANKS & TRUST COMPANIES**

**2<sup>nd</sup> November, 2020**