



Press Release

Steering Committee on Cheque Reduction Shares Ongoing Research

Based on ongoing stakeholder consultation, the Central Bank of The Bahamas announced in October 2023 that it had agreed with commercial banks and other industry partners to defer the original target date for a reduction in cheque usage from December 2024 to December 2026, at which time a reassessment of progress in the payments system and policy use of cheques will be made.

In the interim, the Steering Committee on Cheque Reduction continues to progress its mandate to determine the appropriate policy for cheque usage in The Bahamas and develop strategies to achieve this in an effective manner. In its efforts, the Committee and its Working Groups have used a series of both primary and secondary research methods to ascertain the efficacy of alternative payment solutions as compared to cheques, as well as to explore innovations in the payments space that could further modernize the domestic payments system to not only improve financial inclusion, but also increase efficiency. In addition, the Committee, through its engagement with Diane Phillips & Associates (DPA), has also advanced its work on a public education and awareness campaign through a number of focus groups and surveys.

In this vein, the Central Bank is publishing the following papers: i) A Survey on the Cost & Access of Payment Methods at Commercial Banks Report; ii) Business Account Opening Survey Report; and iii) A Summary of Survey Analysis on the Elimination of Paper Cheques in The Bahamas based on Focus Groups and a 2023 National Survey by DPA.

The report on the survey on the cost and access of payment methods at commercial banks reveals the findings of a survey conducted by the Central Bank on commercial banks to assess the time and cost associated with cheque payment alternatives (i.e., bank transfers, wires transfers, cash deposits, etc.), while the Business Account Opening Survey Report shows a consolidated view of the challenges and turnaround time experienced by businesses in opening bank accounts. The Summary of the Survey Results from DPA based on its national survey and focus groups presents in short form the overall sentiment of the public regarding cheque elimination and is helping to inform an appropriate approach on public education awareness.

Together, these inputs have assisted the Committee with its cheque policy assessment by gauging perceptions and attitudes of users toward a reduction in cheque usage, as well as the efficiency of alternative payment methods. Moving forward, the Committee will continue its efforts through wider consultation to drive a continued modernization of the domestic payments space by improving access to, and the use of safe and secure digital payments, which would run parallel to a reduction in cheque usage.

2 February 2024 ■