



## PRESS RELEASE

### **The Central Bank Amends Exchange Control Policy on Non-Resident Operation of Bahamian Dollar Deposit Accounts**

Following the release of the *Guidance Note on Streamlined Requirements for Account Opening, Provision of Financial Services and Customer Identification* in June 2018, the Central Bank is now affirming policy amendments affecting non-residents use of Bahamian dollar deposit accounts.

In particular, the Central Bank is, with immediate effect, allowing commercial banks to establish Bahamian dollar deposit facilities for non-residents, without prior Exchange Control approval, when balances on such facilities are proposed at B\$50,000 or less. This brings greater clarity to the June 2018 reforms, which are to promote financial inclusion; and which reconcile with initiatives to digitally transform the domestic payments system and with efforts to enhance the ease of doing business in The Bahamas.

The Exchange Control stipulation for banks to ascertain the work permit status of account holders will not be required. However, commercial banks can continue to exercise discretion in the on-boarding of clients who are assessed as higher risk for criminal activities.

The Exchange Control policies limiting or restricting the access of non-residents to Bahamian dollar credit are unaltered.

Recent customer due diligence reforms, better accommodate those who transact on a low-risk basis, as far as corruption, money-laundering and criminal activities might be concerned. However, enhanced due diligence remains the norm for higher risk clients presented to the banking sector, and the requirement for ongoing monitoring of accounts for suspicious transactions applies universally to users of the financial system.

These Exchange Control announcements coincide with the release of the document: **“Guidelines for Supervised Financial Institutions on the Prevention of Money Laundering, Countering the Financing of Terrorism & Proliferation Financing”**, facilitated in turn by the updated suite of AML/CFT legislation for The Bahamas.

The Central Bank will release amended versions of Exchange Control guidance as appropriate.

**24 August 2018**