



## PRESS RELEASE

### CENTRAL BANK CLARIFIES CUSTOMER DUE DILIGENCE REQUIREMENTS

The Central Bank of The Bahamas (“the Central Bank”) has released its consultation paper on *Proposed Reforms to Customer Due Diligence Requirements for Account Opening and Provision of Financial Services in Supervised Financial Institutions*.

It is accompanied by a proposed Annex to the Central Bank’s Guidelines for Licensees on the Prevention of Money Laundering and Countering the Financing of Terrorism (AML/CFT).

The new framework will apply to banks, trust companies, co-operative credit unions, money transfer businesses (MTBs), and payment service providers (PSPs) supervised by the Central Bank of The Bahamas. Collectively, they are referred to as Supervised Financial Institutions (SFIs).

The reforms:

- introduce simplified, more accessible customer identification (ID) requirements to access deposit and payment services accounts;
- reduce the emphasis on residential address; and
- outline the acceptable methods of identifying individuals who would like to receive payment services, open accounts for themselves, be signatories to an account; or are associated with a Bahamian business or other entity.

They also permit simplified due diligence procedures when the Bahamian dollar payment instrument has a maximum stored limit of B\$500, and is reloaded with up to B\$300 per month.

SFIs would not have to re-identify a client if they used the previous methods, kept the appropriate records, and have no doubts about the accuracy of information obtained.

The public consultation period ends on 16 March, 2018. The changes will take effect shortly thereafter.

**23 February 2018**