



# 2012 STATEMENT OF PRIORITIES

The Securities Commission of The Bahamas (the Commission) seeks to adhere to global standards of securities regulation, specifically the protection of investors, and ensuring that fair, efficient and transparent markets are maintained. Within this regulatory framework, the Commission set a number of goals and related priority programmes and projects deemed necessary for achieving these goals over a three-year horizon, specifically during the 2010 - 2012 calendar years. This three-year plan focuses on increasing operational efficiency and productivity through the development of people, processes and tools. This year, 2012, marks the final year of the Commission's current three-year Strategic Plan.

To date a number of initiatives have been completed in our efforts to attain the set goals. These included:

- (i) Completion and passage of the Securities Industry Act, 2011 (SIA, 2011), development of the Securities Industry Regulations, 2012 and rules, procedures and other matters related to the implementation of the SIA, 2011;
- (ii) Development and launch of the Commission's interim website;
- (iii) Enhancements to the structure of the Commission's internal database, in addition to commencing work on the re-development of the database as necessary for the new legislation and on-going operations;
- (iv) Improvement of internal processes to harmonise and integrate the regulatory oversight programmes within the Commission; and
- (v) Development and implementation of enhanced market surveillance programmes, which will continue into 2012.

Pursuant to the SIA, 2011, the Commission is mandated to:

- (i) advise the Minister on all matters relating to the capital markets and its participants;
- (ii) maintain surveillance over the capital markets and ensure orderly, fair and equitable dealings in securities;
- (iii) foster timely, accurate, fair and efficient disclosure of information to the investing public and the capital markets;
- (iv) protect the integrity of the capital markets against any abuses arising from financial crime, market misconduct and other unfair and improper practices;
- (v) promote an understanding by the public of the capital markets and its participants and the benefits, risks, and liabilities associated with investing;
- (vi) create and promote conditions that facilitate the orderly development of the capital markets; and
- (vii) perform any other function conferred or imposed on it by securities laws or Parliament.

While planning for 2012, it was deemed necessary to streamline and reorganise the Commission's Goals, in order to prioritise critical initiatives for the year, and to re-focus projects in light of progress made on the identified goals during previous years. The result of these efforts is the re-defined set of five (5) goals and highlighted areas of focus for this year.

This **2012 Statement of Priorities** sets out the goals of the Commission for 2012 and highlights key programmes that will be carried out.

## **GOAL 1 | Improve the legislative and regulatory framework of the Commission**

With the passage of the Securities Industry Act, 2011 (SIA, 2011), the Commission is forging ahead with its implementation plan related to the development of rules, policies and procedures necessary for this new piece of legislation to be used effectively in the regulation of the securities and capital markets. In addition, the Commission will continue its preparation as part of a planned Financial Sector Assessment Program (FSAP) review of The Bahamas. Another initiative that began to receive elevated focus during 2011, which will carry over into 2012, is collaborative efforts with the Central Bank, that aim to streamline and provide efficient regulation to entities supervised by both regulators.

## **GOAL 2 | Enhance internal systems and the work environment to support employee relations**

Realising that people are one of the organisation's main resources, the Commission will continue its initiatives to improve employee evaluation and incentive systems, along with improving communication methods within the organisation.

## **GOAL 3 | Review the regulatory operations of the Commission to identify areas of risk and required improvements**

Assessment and mitigation of identified risk areas will remain an area of priority for the Commission. The enhancement of business continuity processes within the organisation is included as a major aspect of this goal. The Commission will also move ahead with enhancements to its on-site and off-site surveillance programmes, to more effectively regulate market participants.

## **GOAL 4 | Improve efficiency of the Commission**

The Commission will maintain its focus on improving its efficiency through key projects such as enhancing the Commission's database, improving document management systems, and increasing the use of technology to improve communication and efficiency of its operations. Additionally, the development of technical skills of its employees is another area of focus related to this goal.

## **GOAL 5 | Enhance the governance of the Commission**

Initiatives geared towards the development of internal procedures will remain ongoing, noting that there will be significant updating and drafting of department and other internal processes and procedures related to the passing of the SIA, 2011. This effort will work hand-in-hand with the publishing of relevant procedures, with the intended result of improving transparency between the Commission and the industry that it regulates. In achieving this goal, the Commission will also continue to update its governance documents that relate to the conduct of its members, management and employees.

