

Securities Commission of The Bahamas

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MEDIA RELEASE

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SCB Chairman Underscores Role of Corporate Governance in The Bahamas

The Chairman of the Securities Commission of The Bahamas, Mr. Robert Lotmore, emphasized the importance of good corporate governance during The Bahamas Institute of Chartered Accountants' (BICA's) Corporate Governance Accountability Conference held on 17th October 2017.

Contributing to a panel discussion under the topic "Best Practices - Corporate Governance", Mr. Lotmore and three other heads of major private and public Boards presented their views on local and international corporate governance standards and mentioned areas that can be improved upon in the current governance framework in The Bahamas.

In his presentation, Mr. Lotmore gave a comprehensive summary of the six principles of corporate governance which are promoted by the Organisation for Economic Co-operation and Development (OECD). He said, "As the nature of financial services continues to evolve, adherence to high ethical, policy and operational standards by those who operate in the sector, is imperative to ensuring stability and growth."

Members of the panel all asserted the need for clear roles within public corporations, particularly with regard to Board and Director or President roles. Other notable issues discussed or brought up for consideration included the need for audit and risk management committees on Boards, the importance of regular self-evaluation among directors, and the protection of minority share interest in companies.

Speaking from a regulator's standpoint, Mr. Lotmore highlighted the need for consistency between corporate governance legislation developed by regulators and the importance of reviewing current legislation to enhance areas, where appropriate, that may not meet international standards.

Chairman Lotmore commended BICA for choosing a relevant and timely theme for their conference and encouraged further dialogue among both regulators and financial professionals in the area of governance and ethics. A copy of Mr. Lotmore's remarks can be found on the Commission's website.

Editor's Information:

1. The Securities Commission of The Bahamas ("the Commission") is a statutory body established in 1995 pursuant to the Securities Board Act, 1995. That Act has since been repealed and replaced by new legislation.
2. The Commission's mandate is now defined in the Securities Industry Act, 2011 (SIA, 2011).

3. The Commission is responsible for the administration of the SIA, 2011 and the Investment Funds Act, 2003 (the IFA), which provides for the supervision and regulation of the activities of the investment funds, securities and capital markets.
4. The Commission, having been appointed Inspector of Financial and Corporate Services effective 1 January 2008, is also responsible for administering the Financial and Corporate Service Providers Act, 2000.
5. The functions of the Commission are to:
 - advise the Minister on all matters relating to the capital markets and its participants;
 - maintain surveillance over the capital markets and ensure orderly, fair and equitable dealings in securities;
 - foster timely, accurate, fair and efficient disclosure of information to the investing public and the capital markets;
 - protect the integrity of the capital markets against any abuses arising from financial crime, market misconduct and other unfair and improper practices;
 - promote an understanding by the public of the capital markets and its participants and the benefits, risks, and liabilities associated with investing;
 - create and promote conditions that facilitate the orderly development of the capital markets;
 - and perform any other function conferred or imposed on it by securities laws or Parliament (SIA, 2011, s.12).



Mr. Robert V. Lotmore,
Chairman, Securities Commission of The Bahamas