

Securities Commission of The Bahamas

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## PRESS RELEASE

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### Securities Commission Employees Train in Risk-Based Supervision

Over 20 employees of the Securities Commission of The Bahamas (the Commission) recently participated in an intensive 3-day training session to augment skills sets as the Commission moves to a risk-based approach (RBA) to supervision.

This institutional training exercise, which took place at the Commission's premises 10-12 December 2014, was sponsored by the Caribbean Region Technical Assistance Center (CARTAC) and facilitated by Courtney Christie-Veitch, CARTAC's Financial Sector Supervision Adviser, and Tanis J. MacLaran, Managing Director, Kempenfelt House Consulting Inc. The Commission is moving to risk-based supervision of regulated entities in the investment funds, securities and capital markets, as well as financial and corporate service providers under its oversight.

Under an RBA supervisory framework, regulators generate and maintain risk-profiles of entities they supervise, enabling them to allocate resources according to the risk identified in individual operations. The approach is being adopted by a growing number of financial regulators globally as they aim to improve supervision of dynamic, increasingly complex financial markets with limited supervisory resources.

The CARTAC training focused on the assessment and scoring of various risk elements and the use of a software application to derive overall risk ratings for supervised entities. Assistance was also provided toward the development and documentation of the RBA supervisory framework for the Commission.

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 That Act has since been repealed and replaced by new legislation. The Commission's mandate is now defined in the Securities Industry Act, 2011 (SIA, 2011). 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. 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.

The Commission is mandated 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.



Commission employees underwent training on risk-based supervision. Pictured along with trainees are Courtney Christie-Veitch, Financial Sector Supervision Advisor, CARTAC, Tanis J. MacLaran, Managing Director, Kempenfelt House Consulting Inc, and Mr. Hillary Deveaux, Executive Director, Securities Commission of The Bahamas (front row, fifth, sixth and seventh from the left, respectively).

