

# PRESS RELEASE

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## 2009 GOALS AND STATEMENT OF PRIORITIES FOR THE SECURITIES COMMISSION OF THE BAHAMAS

The Securities Commission of The Bahamas (the Commission) plays an integral role in the supervision and regulation of The Bahamas' financial services sector. Responsible for the administration of the Securities Industry Act, 1999, Investment Funds Act, 2003 and Financial and Corporate Services Providers Act, 2000, which include activities of the investment funds, securities and capital markets, the Commission must be proactive in its approach to regulation. In so doing, the Commission has prioritised three strategic goals for 2009 that will contribute to its **enhanced business capability**. Chairman of the Commission, Philip Stubbs, noted that, "These goals translate vision and direction into policies and procedures that will strengthen the capacity of the Commission to execute its mandate more effectively." The Chairman further remarked that, "Achieving these goals will help establish a regulatory framework that is responsive to the investment funds, securities and capital markets, as well as facilitate consistency with best practises".

The **Statement of Priorities** sets out the goals of the Commission for a particular year and demonstrates how they will be achieved. The goals identified in this Statement for 2009 embody the mission, vision and mandate of the Commission; and together with specific initiatives to achieve them, serve as a guide for the development of future Statements of Priorities. Annual reports for respective years will reflect the level to which these goals have been achieved. The three strategic goals for 2009 are as follows:

1. **Conduct a comprehensive review of the Commission to identify areas of risk and required improvements** – An enterprise risk assessment will be undertaken to address issues related to: the regulatory environment in which the Commission operates; the development of effective enforcement mechanisms, which are integral to maintaining confidence in capital markets and averting harm to investors; and assist the Commission in evaluating the factors affecting the jurisdiction's competitiveness. In addition, the assessment will take into consideration the resources and tools, such as compensation and performance evaluation, necessary to maintain an effective staff complement. Overall, the assessment will assist the Commission in deploying resources more efficiently to better execute its mandate.

**2. Enhance the legislative framework of the Commission** - The objective is to ensure that the legislative framework supporting investment funds, securities, and capital markets is responsive to today's needs and tomorrow's challenges. In order to achieve this goal, we specifically plan to: (a) finalize the draft of the Securities Industry Regulations to accompany the draft Act - which has already been released for review – and ensure an open period of consultation and collaboration with investors, , industry participants and other stakeholders; b) codify amendments to the investment funds legislation with a view to enabling provisions that maintain The Bahamas' competitive position; and (c) conduct a review of the Financial and Corporate Service Providers Act, 2000 to identify deficiencies and address with amendments, where necessary.

**3. Enhance transparency in the operations of the Commission** – Transparent operations foster trust and confidence. Clearly documenting policies, operating procedures and planning processes directly support transparency in an organization. One of the steps being taken to accomplish this in the Commission is to improve governance and accountability. The appointment of a Policy Committee of the Board was made to ensure policy development in an environment of integrity. The Committee has been charged with the overall responsibility of developing **Board Policies** within a framework that sets out the policies and procedures of the Board regarding representation, decision-making, and leadership, as well as outlining the specific role and duties of the Board and its members. Further, the Commission will enhance and update (internal) operating procedures and staff regulations, in addition to placing some focus on streamlining our planning procedures.

The Commission's Executive Director, Hillary Deveaux, expressed his appreciation with the effort of the Board in focusing on governance issues within the Commission and identifying the strategic goals for 2009. "These goals highlight what is needed for the Commission to ensure there is a balance between growing and regulating the industry", he said.

The Securities Commission of The Bahamas ("the Commission") is a statutory body established in 1995 pursuant to the Securities Board Act, 1995, which was repealed and replaced by the Securities Industry Act, 1999 (the SIA). The Commission is responsible for the administration of the SIA 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 Service Providers effective 1 January 2008, is also responsible for administering the Financial and Corporate Service Providers Act, 2000.

The Commission's mandate is to formulate principles to regulate and govern investment funds, securities and capital markets; maintain surveillance over investment funds, securities and capital markets ensuring orderly, fair and equitable dealings; create and promote conditions to ensure orderly growth and development of capital markets; and to advise the Minister of Finance regarding investment funds, securities and capital markets.

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