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**Remarks by**

**Rt. Hon. Perry Christie**

**Prime Minister and**

**Minister of Finance**

**The Commonwealth of The Bahamas**

**Caribbean Financial Action Task Force Regional AML/CFT Conference**

**Thursday, 3 April 2014**

This is a very special week for The Bahamas. We have had the valuable opportunity and the privilege of hosting two major Conferences the outcomes from which will have a significant bearing on the sustainability of the International Financial Services sector as an important contributor to the revenue base of Caribbean Basin economies and the long term peace, security and economic prosperity of the Caribbean Basin Region as a whole.

It is important to emphasize that CFATF involves more than CARICOM countries. It includes the English, Spanish, French and Dutch speaking countries in the Caribbean, Central America and The Northern Coast of South America. To quote FATF President Vladimir Nechaev, “CFATF is without a doubt one of the best in its class”. I would like to take this opportunity to express our deepest appreciation to Mr. Vladimir Nechaev, FATF President for suggesting the establishment of this Annual Regional Conference and for his attendance and his active participation in this First Regional Conference.

I am very pleased that The Honorable Attorney General and The Honourable Minister of Financial Services were able to combine the Caribbean Financial Action task Force (CFATF) First Regional Anti Money Laundering and Combating the Financing of Terrorism (AML/CFT) Conference with the Third Caribbean Conference on the International Financial Services organized by the Caribbean Export Development Agency.

Economies of the Caribbean Basin Region are increasingly moving away from being based on goods based to the delivery of services. The International Financial Services sector now plays a dominant role in generating revenues for regional governments. Accordingly, these meetings are increasingly important so that key public and private sector stakeholders can focus on financial services as a driver of economic growth and the key elements necessary for it to flourish. It is well known that a well regulated financial services sector has a direct relationship to a successful investment sector.

This first Annual Regional AML/CFT meeting will focus on the future of the International Financial Services sector. I am advised that special focus will be on the 4th Round of FATF Mutual Evaluations. The international regulatory and investment community will focus on the regional legislative and regulatory infrastructure with particular emphasis on effective implementation, in accordance with international standards, of that regulatory infrastructure. This is where the strength of the region will lie as we engage with our regional global partners.

The Bahamas fully endorses the call by The Honourable Attorney General in her capacity as Chair of the CFATF for every member to emerge at least 75% compliant from the 4th round of mutual evaluations.

All regulatory agencies in the Region should be seen to be espousing a regional view that criminals should not be allowed to launder their ill-gotten funds and when such funds are confiscated, they should never access them again. Fighting financial crime in the region is an imperative for all of us.

It is in this context that I would like to suggest four new initiatives.

The first is that I am prepared to assume the role of Patron of the CFATF, to champion its work with my colleagues within CARICOM and around the world as well as with regional and international institutions. This will enable sustained focus on President Nechaev assessment that “CFATF is without a doubt one of the best in its class”. In Heads of Government and other such venues due recognition could be given to CFATF’s accomplishments and, of course, to the level of resources that are required for the CFATF to effectively undertake its work. Also, the 4th Round of Mutual Evaluations should be on the Agenda of CARICOM and other Regional Heads of Government Meetings. I also hope to see regional financial services bodies take their seat at CFATF plenaries.

The second is my request to the Attorney General to pursue the establishment of “the CFATF Council of Elders”. In this forum, current and former CFATF Chairmen and could meet as circumstances dictate (as necessary with regional and other international experts in financial services) to review issues facing the organization and its membership, to provide advice and to undertake strategic intervention to assist in accomplishing CFATF objectives.

The Fourth Round of Assessments will be more onerous than the Third Round. If the Region is to achieve the Attorney General’s call for at least 75% compliance at the end of the Fourth Round it will require much more human and financial resources than before. It is well recognized that the global donor community is feeling the effects of the global financial crisis so the level of assistance that was formerly provided may not be readily forthcoming. We applaud the self-help measures within our membership to strengthen each other’s AML/CFT regimes. I note that The Bahamas’ Compliance Commission and Gaming Board continue to lend their experience and expertise to the benefit of other CFATF members.

At the Opening Ceremony of the Caribbean Export third Conference on Financial Services, I spoke about the important role of innovation and creativity in determining the longevity of the Financial Services sector in our region. My third initiative in support of the “at least75% compliant” objective is to ask every member of make a special contribution towards the cost of achieving that objective. The Bahamas will again this year donate $30,000. The Bahamas reminds all members that high levels of compliance with the FATF Recommendations will reap rich dividends for the International Financial Services sector in the Caribbean Basin Region.

The fourth initiative is that I shall ask the University of The Bahamas to position the Franklyn Wilson School of Business as the leading school in the region for degrees and courses in all aspects of financial services including operations, governance, AML/CFT and other compliance matters. I have also asked the Minister of Education to examine ways in which financial services can be integrated into elementary education curricula at the very earliest opportunity. This is essential as the full and conscious development of intellectual capital is paramount if the Region is to fully realize the regional development opportunities that inure from the financial services sector. We want to especially encourage the next generation of eagerly grasp and pursue these opportunities.

I think that it can fairly be said that all regional Heads of Government recognize the imperative of a sound financial services sector. The first Annual Regional AML/CFT Conference is a vital step in regional collaboration. I congratulate you and wish you every success.