



# CARIBBEAN FINANCIAL ACTION TASK FORCE

CLOSING CEREMONY - PLENARY MEETING XXXVIII

ADDRESS BY INCOMING CHAIR

SENATOR THE HONOURABLE ALLYSON MAYNARD GIBSON

ATTORNEY GENERAL AND MINISTER OF LEGAL AFFAIRS

COMMONWEALTH OF THE BAHAMAS

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**ADDRESS BY INCOMING CHAIR 2013-2014, SENATOR THE HONOURABLE  
ALLYSON MAYNARD GIBSON, ATTORNEY GENERAL, COMMONWEALTH OF  
THE BAHAMAS AT THE CLOSING CEREMONY PLENARY MEETING XXVIII**

Outgoing Chairman Chernov S Jallow, FATF President Vladimir Nechaev, Ministers of Governments of CFATF Member countries, Ladies and Gentlemen, it is a special honour for the Government and people of the Commonwealth of The Bahamas to accept the baton of leadership of the Caribbean Financial Action Task Force (CFATF), for a second time and we do so with pleasure, humility and a sense of pride particularly as it occurs on the auspicious occasion of the twentieth anniversary of our distinguished organization.

The CFATF is now at a very significant juncture which augurs well for the future. The Reform Agenda has been brought to a successful close with stronger organizational structures and our Council of Ministers has issued a continuous challenge to sustain the search for improvements wherever possible. For this we owe a debt of gratitude to Chairman Jallow and all our former Chairmen who initiated, took us along and completed the journey of reform.

Over the coming year the Commonwealth of The Bahamas will pursue an agenda based on the following **Eleven** Point Action Plan which, with the continued cooperation and support of all CFATF stakeholders, will establish regionally a strong Culture of Compliance and take CFATF to pioneer status within the global AML/CFT network.

These are:

1. Enhanced collaboration, communication and cooperation between CFATF and Ministers responsible for relations with CFATF so as to better serve the needs of each country including a successful Fourth Round of Mutual Evaluations (the target being a level of compliance of **at least** seventy-five (75) per cent at the end of the Fourth Round of Assessments in 2022).



2. Encouraging member states to host an Annual Regional AML/CFT Conference to include public and private sector to share and exchange developments in financial services; including the creation of a regional pool of experts and sharing of resources (The Bahamas will host the first regional annual conference).
3. Encouraging attendance of Regional Institutions at CFATF Plenaries and CFATF attendance at Regional Institutions meetings.
4. Ensuring financial strength and stability, including through timely submission of annual contributions and in kind or extraordinary support for other areas of CFATF's work.
5. Developing continuously a well-resourced and robustly supported Secretariat so as to implement CFATF's agenda with efficiency, confidence and innovation.
6. Enhancing the engagement, participation and support of all Members, Donors, COSUNs and Observer Organizations.
7. Ensuring through the CFATF ICRG and the Follow Up process, that AML/CFT deficiencies outstanding from the Third Round of Mutual Evaluations are addressed.
8. Promoting widespread education and training for both the public and private sectors on the tool kit for the Fourth Round Mutual Evaluation Programme, namely the FATF 2012 Recommendations and Interpretative Notes, the Methodology and the Mutual Evaluation Process and Procedures and critically, in undertaking National Risk Assessments.
9. Promoting a concerted programme of Technical Assistance and Training geared towards strengthening regional capacity to address the rigorous demands of the Fourth Round of Mutual Evaluations.
10. Continuing the CFATF Typologies Programme and participating in the global dialogue on the possible new approaches, especially use of technology, to undertake typologies projects in a global rather than a regional context.
11. Commencing Regional work on Financial Inclusion and Financial Literacy.

On behalf of the entire CFATF family we extend our deepest appreciation to the Government of Trinidad and Tobago for the ongoing support, provided at considerable cost, to host the Secretariat, particularly at the new, expanded and fully resourced premises. We encourage all



members to donate works of art so that the spacious premises can reflect the CFATF family and our diverse and rich cultures.

I would like to emphasize that the effective operations of the Secretariat is critical! Therefore, I call upon all Members to ensure that annual contributions are paid in a timely fashion and to consider assigning officials to work with the Secretariat from home base on an ongoing basis or for a limited period of time, or should resources allow, to physically second experts to the Secretariat. Such support, in addition to assisting with the considerable work load that is before us for the Fourth Round of Mutual Evaluations, will also allow the nominating country to build capacity through knowledge and exposure to the operations of the Secretariat and the Mutual Evaluation process.

I take this opportunity to underscore that the expertise and experience of the Secretariat staff continue to serve the best interests of this organization and must be recognized. I thank the Human Resources Committee and the Steering Group for the work that they have done that will enable us **before the end of this year** to implement new systems for job security and compensation including adequate pension arrangements.

It is incumbent upon persons at Ministerial and Attorney General levels to engage our respective political directorates on the fundamental importance of the work of CFATF to the financial sectors of our countries. The Fourth Round of Mutual Evaluations is so important that it should be an Agenda item at Regional Heads of Government meetings and at the meetings of Regional Institutions. Such awareness and follow up will enhance the likelihood of every CFATF member achieving the goal of at least seventy-five (75) per cent compliance at the end of the Fourth Round of Assessments in 2022.

You have just heard Roger Hernandez, Financial Advisor at the Secretariat, describe the ongoing preparations for the Fourth Round of Assessments which will be the principal focus of the CFATF over the next twelve months and beyond.



An ambitious programme of Technical Assistance and Training (including IT training) is being devised in conjunction with our longstanding friends and allies in the donor community. These are critically important if we are to accomplish our goal of at least seventy-five (75) per cent compliance at the end of the Fourth Round of Assessments in 2022. Also to attain this goal, a bold step is being taken to use of cutting edge technology which would revolutionize the entire Mutual Evaluation process from the preparatory stage to the presentation of the Mutual Evaluation Report for discussion in Plenary.

Our innovative use of technology will enable the Country being assessed, the Secretariat, the team of Assessors, the COSUNs and Observer Organizations, as well as our team of translators, to all work on the same draft Mutual Evaluation Report as it proceeds to the final Report that will be discussed in Plenary. This is a C Change. Both Roger Hernandez and Eduardo Gamero will follow my address with a fascinating demonstration on how this will all work.

CFATF is no stranger to pioneering initiatives. It was in October 2002 as part of the Chairman's Work Programme for 2002-2003, when the Commonwealth of The Bahamas first held the CFATF Chair, that the initial steps were taken towards the creation of a Compliance Officers Association of the Caribbean Basin Region, through the organizing of a Conference for Caribbean Basin Compliance Officers at the Atlantis Hotel.

The Caribbean Regional Compliance Association is now a reality, with national Compliance Associations operating in eight CFATF Members Countries with the Bahamas Compliance Officers Association (BACO) leading the way.

Another pioneering initiative occurred on Friday 18th October 2002 on the margins of the October 2002 Ministerial. Former CFATF Chairman Alfred Sears authorized exploratory steps for a mechanism to resolve difficulties being experienced due to the lack of prompt and effective responses to requests for judicial and regulatory co-operation. These steps were initially taken,



through a meeting on International Co-operation Co-ordination, which was arranged between CFATF Members and some of their FATF counterparts.

That first step led, to a meeting on October 20th, 2003, to assess whether there was support to establish a regular Forum of FIU's for CFATF member states. This week the CFATF held its seventeenth Heads of FIUs Forum and we recently learnt that EGMONT and the FATF are discussing the establishment of a similar Forum for FATF Members.

Also in 2003, with the approval of the Council of Ministers, CFATF launched the first Compliance Conference for fee paying participants principally from the private sector but also open to public sector officials. This was in keeping with the CFATF's remit to build capacity in the region even though the commercial aspect was not the norm for the times. However, with the full support of Trinidad and Tobago, Barbados and Virgin Islands, these Compliance Conferences continue to be a source of considerable revenue for the CFATF. I encourage all Members to work with the Secretariat to arrange these Conferences on a regular basis over the next twelve month and beyond.

This weekend, after this meeting, there will be a COSUN sponsored workshop on anti terrorism financing and confiscation and forfeiture of assets. Today, a workshop is being held in Nassau for over 60 people including investigators (including FIU), prosecutors and Magistrates.

This week, The Bahamas committed to next year hosting the first Annual Regional AML/CFT Conference. We believe that these annual conferences, to include the private sector will transform positively regional financial services. We look forward to the support of the FATF and all COSUNs and Donors in maximizing the outcome of each Annual Conference.

The CFATF is a well-respected and important organization whose work is critical to the economic well-being of all the countries in the Caribbean Basin Region. The CFATF ICRG is recognized by our international partners as an effective vehicle to encourage and persuade



expeditious AML/CFT reform. The Secretariat staff and our Members are fully involved in the work of the FATF and we continue to enjoy harmonious relations with our COSUN colleagues, the FATF Secretariat and our longstanding partners in the international donor community. Ours is a stable organization of which we should all be proud.

It is with this rich future in mind, and working hand in hand with Deputy Chair Senor Luis Antonio Martinez Gonzales, Attorney General, El Salvador, we issue this call to all our Members, as well as our partners, to join us over the next twelve months to prepare the CFATF for the Fourth Round of Mutual Evaluations and to realize the full potential of our organization to serve the best interests of the Caribbean Basin Region.

Finally, please join me in thanking Chairman Jallow for working so assiduously to complete the Reform Agenda. And to thank The Bahamas' organizing Committee and the Secretariat for organizing an excellent Plenary.

Thank you all for coming to this Plenary in The Bahamas and contributing so constructively to the future of CFATF.

I thank you.