



**Address to Participants at the CFATF Pre-Assessment
Training**

Brian Wynter

Governor

Bank of Jamaica

25 September 2014



Ladies and Gentlemen,

Good morning.

Welcome to Bank of Jamaica and to this sensitisation exercise being carried out with the support of the Caribbean Financial Action Task Force (“CFATF”). I extend a special welcome to our two trainers from the CFATF headquarters in Trinidad and Tobago: Diana Firth is the Deputy Executive Director and Jefferson Clarke is the law enforcement expert. They will be focusing on what to expect with regard to Jamaica’s CFATF mutual evaluation set for June 2015.

By way of background, CFATF is the regional intergovernmental body responsible for ensuring that standards relating to anti-money laundering and countering the financing of terrorism (“AML/CFT”) are implemented and maintained across the Caribbean and Central American region. This body was created with the signing in 1992 of the Kingston Declaration here in Jamaica. In the declaration, regional governments committed to adopting FATF’s 40 recommendations on anti-money laundering.

We have about 50 participants in attendance today from the local financial services industry and Government of Jamaica agencies. Public sector participants will gain from the seminar as we discuss the risks to our national system from money laundering and terrorism financing. Private sector participants should also be helped in making their respective businesses more efficient and resilient to the risk of financial crimes.

Strong capital levels and high profitability are amongst the indicators of strength in the financial sector. However, effective law enforcement measures are just as important in ensuring the stability of the financial system. Measures to remove the profit from crime and to make it difficult for ill-gotten gains to find a home in the financial system help to reduce the incentives and conditions for organised crime to flourish. Furthermore, international standards are increasingly incorporating the non-financial sector into the

requirements for national regimes as these non-financial sector firms have a role to play in fighting financial crime.

A regional or group approach to combating financial crime is also important. With the advent of modern telecommunications and other developments, modern financial services have become borderless. This means that weak anti-money laundering laws in one country can affect a neighbouring country particularly when external parties conduct their risk assessments on a regional basis and not just on a country by country basis. Weak enforcement also makes our jurisdictions more attractive to global terrorism financing.

In this context, Jamaica has taken steps to ensure that its laws and regulations conform to international best practice and is committed to remaining vigilant in keeping its framework up to date and in good working order. We have recently changed the law, notably in the securities and the banking sectors, to include significant new provisions in the area of enforcement. The Proceeds of Crime Act, the Terrorism Prevention Act and the Financial Investigations Division Act have also undergone substantial reforms to meet international standards and better equip the jurisdiction to combat financial crime effectively.

The assessment of Jamaica's AML/CFT framework under the mutual evaluation process of CFATF is very important to us. It is a significant marker of Jamaica's commitment to an effective and compliant AML/CFT framework. It will assess our progress to date and, importantly, assist us in developing our framework further. We hope our assessment will reflect the hard work being done by the agencies in the area, and I hope that you will benefit from this training and will reflect on the part you play in strengthening Jamaica's framework.

Thank you.