



Ministerial Statement

By

Senator, The Hon. Kim Wilkerson, JP

Attorney-General and Minister of Justice

Consultation Launched on Proposed Amendments

to Proceeds of Crime Act (POCA)

16th July 2025

Madame President, I rise today to update this Honourable Chamber and the public on Bermuda's continued commitment to maintaining its status as a premier jurisdiction in the global fight against money laundering and terrorist financing.

Madame President, in our last mutual evaluation in 2020 by the Financial Action Task Force (FATF), Bermuda was deemed to have robust systems in place to combat money laundering and terrorist financing activities. However, the FATF has since revised its Standards, which has triggered a review of the legislation currently in place. As a result, Bermuda must once again review and, where necessary, amend our legislative framework to ensure we remain fully aligned with these updated global requirements.

Madame President, this work is not just about regulatory compliance for compliance's sake. It is about protecting our financial system, our reputation, and our people. It is about ensuring that Bermuda remains a responsible player in the global financial ecosystem as we prepare for our Fifth Round Mutual Evaluation in October 2026.

Madame President, to that end, the National Anti-Money Laundering Committee—NAMLC—has launched a consultation on proposed amendments to

Bermuda's primary AML/ATF laws: the *Proceeds of Crime Act 1997 (POCA)*, the *Proceeds of Crime (AML/ATF Supervision & Enforcement) Act 2008 (POCA SEA)*, and the *Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing) Regulations 2008*.

These amendments, while technical in nature, are critical to our compliance with the revised FATF Standards.

Madame President, the Government is interested in soliciting industry and individual views, input and comments on the proposed amendments to address the requirements of the revised FATF Standards at the country level. The purpose of the Consultation Paper is therefore, to advise industry and the public of the proposed amendments; and solicit comments from stakeholders on the proposed amendments for areas of potential impact and concern to them.

Madame President, the key proposed legislative amendments due to changes in the FATF standards are as follows:

i. **Proliferation Financing (PF) Risk Assessment**

It is proposed that section 49(1) of the POCA be amended to provide the legislative basis for a PF risk assessment.

Madame President, this amendment addresses one of the new requirements of the revised FATF Recommendation 1 which requires competent authorities and supervisory authorities to coordinate activities to identify, assess and understand Bermuda's proliferation financing risk and to take commensurate action aimed at ensuring that these risks are mitigated effectively. This will impact institutional risk assessments and other supervisory measures.

ii. **NAMLC Statutory Members**

It is proposed that section 49(2) of the POCA be amended to reflect the inclusion of the Permanent Secretary of the Ministry of National Security and the Chairman of the Barristers and Accountants AML/ATF Board as statutory members of the NAMLC.

Madame President, this amendment is in keeping with the Ministry having been appointed a NAMLC agency by the Ministry of Finance, pursuant to the provisions of the Proceeds of Crime Act, on July 2, 2024.

iii. **Designation of Attorney-General's Chambers Enforcement Authority**

It is proposed that the Minister of Justice makes an Order for the Attorney-General's Chambers to be designated as the Enforcement Authority for the recovery of property obtained through unlawful conduct pursuant to section 36F of POCA.

Madame President, this amendment would aim to enhance the available investigative tools in Civil Recovery Matters.

iv. **The Requirement for Publication of Cancellation Notices**

It is proposed that section 13 of the POCA SEA be amended to include provisions requiring the publication in the Gazette of a notice of every cancellation of a registration of a non-licensed AML/ATF regulated financial institution or regulated non-financial business or profession.

Madame President, this amendment is aimed at ensuring consistency with the requirement in respect of licensed financial institutions.

v. **The Civil Penalties**

It is proposed that section 20(3) of the SEA Act be amended to grant competent authorities the power to impose civil penalties imposed for all breaches of the POCA Regulations

Madame President, this amendment to is aimed at ensuring civil penalties can be imposed for all breaches.

vi. **Consequential Amendment**

It is proposed that there be a consequential amendment to Section 42A of the POCA to reflect the legislative change in 2019 that removed the licensing regime for fund administration business from the 'Investment Funds Act 2006' to the 'Fund Administration Provider Business Act 2019.'

Madame President, this amendment is aimed at ensuring that the POCA addresses the current legislation in place in respect of Fund Administration.

vii. **Resolution of Conflicting Provisions in POCA SEA**

It is proposed that section 22 of POCA SEA be amended to resolve conflicting provisions with sections 23 and 24 of POCA SEA with respect to the time periods for the issuance of a Decision Notice in relation to a proposed civil penalty.

viii. **Designation of Financial Group**

It is proposed that section 42B of the POCA be amended to enable all statutory authorities to advise the Minister of Justice on the designation of financial groups.

Madame President, this amendment is aimed at ensuring compliance with the revised FATF Standards which include all groups subject to supervision in the definition of 'financial groups'.

ix. **Additional Duties of Supervisory Authorities**

It is proposed that section 5 of the POCA SEA be amended to include in the section 5 duties of supervisory authorities, provisions enabling them to issue rules, codes of conduct or statements of principles as regards compliance with the AML/ATF Regulations and other relevant legislation and best practice.

Madame President, this amendment is aimed at enhancing the powers of supervisory authorities.

x. **Correspondent Banking**

It is proposed that section 13 of POCA be amended to reflect that a correspondent relationship should be seen as broader than a bank-to-bank relationship. A correspondent relationship may be offered by any regulated financial institution to a client who may be a bank, or another financial institution such as a DAB. C

Madame President, this amendment addresses one of the revisions to FATF Recommendation 15, obligations which previously related only to correspondent banking now apply to all correspondent relationships to capture Virtual Asset Service Providers (VASPs).

xi. **Suspicious Activity Reporting Obligations on Non-Professional Trustees**

It is proposed that section 46 of POCA be amended to ensure that the obligations with respect to suspicious activity reporting clearly extend to non-professional trustees. This would be captured by adding an activity to describe the discharge of his trustee obligations.

Madame President, this amendment addresses one of the requirements of the revised FATF Standards, and in particular, Recommendation 25 which addresses Beneficial Ownership and Transparency of Legal Arrangements.

Madame President, these are not cosmetic changes. They are substantive reforms intended to keep Bermuda's AML/ATF framework in lockstep with evolving global expectations and best practices.

As such, we are inviting written submissions on these proposed amendments from stakeholders and the wider public. The deadline for comments is July 30, 2025, and submissions may be sent to info-namlc@gov.bm.

Madame President, consultation is a cornerstone of good governance. It is a demonstration that this Government does not legislate in isolation, but in partnership with industry, regulators, and the people of Bermuda.

We must act with foresight, with diligence, and with unity of purpose. The integrity and stability of our financial system—and our solid reputation in the international community—depends on it.

Thank you, Madame President.