



FOR IMMEDIATE RELEASE

Ministry of Finance

May 31, 2025

The Bahamas' Fully Equipped Monitoring Mechanism Approved by OECD Forum on Harmful Tax Practices

NASSAU, The Bahamas – On May 28, 2025, the Organization for Economic Co-operation and Development's Forum on Harmful Tax Practices ("OECD FHTP") reviewed and approved The Bahamas' Fully Equipped Monitoring Mechanism ("FEMM") with no questions or objections. FEMM is a structured system designed to oversee compliance with the country's Economic Substance Regime. The Bahamas stands alongside ten (10) other no-tax or nominal-tax jurisdictions, including the British Virgin Islands, Barbados, the Turks & Caicos Islands, Bermuda, the Cayman Islands, and Anguilla, in implementing the OECD's Economic Substance requirements.

The FEMM ensures that legal entities in The Bahamas meet international economic substance requirements through a robust monitoring framework. It assesses four critical aspects: The Bahamas' preparedness and capability to enforce compliance, the adequacy of resources for monitoring, the processes in place to evaluate compliance, and the ability to identify and respond to potential risks.

The Ministry of Finance remains committed to working closely with key regulatory bodies to uphold these standards. These include the Office of the Attorney General and Ministry of Legal Affairs, the Securities Commission of The Bahamas, the Central Bank of The Bahamas, the Compliance Commission of The Bahamas, and the Insurance Commission of The Bahamas. Together, these agencies will ensure that The Bahamas' legal framework and compliance monitoring systems align with global best practices.

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