

NAMLC NEWSLETTER

Bermuda's 5th Round Mutual Evaluation commences in Q2 2026.

Bermuda will be the 4th jurisdiction in the region to be evaluated against the revised Financial Action Task Force (FATF) Methodology.

Bermuda's Anti-Money Laundering/ Anti-Terrorist Financing/ Counter-Proliferation Financing (AML/ATF/CPF) system is assessed against the FATF's 40 Recommendations and 11 Immediate Outcomes, which form the international standard for safeguarding the global financial system.

Bermuda's assessment period is 2022 – 2026.



**GOVERNMENT OF BERMUDA
Ministry of Finance**

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What is the Mutual Evaluation process?

OVERVIEW

The Mutual Evaluation Process assesses both:

- **Technical Compliance** – whether the necessary laws, regulations, and institutional frameworks are in place; and
- **Effectiveness** – whether these measures are working in practice and achieving the intended outcomes.

Technical compliance is assessed in 3 categories, namely:

- Where changes have been made to the FATF Standards.
- Where the jurisdiction has made changes to its legal, regulatory or operational framework.
- Where there have been no changes (to the FATF Standards or the jurisdiction's framework) since the last assessment, or there have been minor updates which are unlikely to impact ratings.

Effectiveness is assessed across all 11 Immediate Outcomes, demonstrating real-world results.

The process culminates in a Mutual Evaluation Report (MER), which identifies strengths, deficiencies, and priority actions.

Assessments are conducted through a peer-review process coordinated by the Caribbean Financial Action Task Force (CFATF), an associate member of FATF. The mutual evaluation process is conducted in a series of distinct rounds carried out in a cycle over a determined number of years.

Each round is based on an updated assessment methodology that reflects the evolving global standards for AML/ATF/CPF.

5TH ROUND FOCUS

The 5th Round of Mutual Evaluation places a reinforced, central focus on risk, context, and materiality. Evaluations start with a scoping exercise to understand a country's unique ML/TF/PF risk profile and elements which contribute to them. This includes:

- the nature and extent of the ML, TF and PF risks;
- the circumstances of the country, which affect the materiality or factors that impact different Recommendations (for example, the makeup of the country's economy and its financial sector);
- structural elements which underpin the AML/ATF/CPF system; and
- other contextual factors which could influence the way AML/ATF/CPF measures are implemented and how effective they are.

The scoping exercise assists in setting out the areas for increased and reduced focus during the assessment and the supporting rationale. The assessment concentrates on high-risk sectors and significant threats.

The revised assessment methodology also places an even greater focus on effectiveness, to ensure that countries are implementing and making use of the laws, regulations and policies that are being passed.

Key Phases of Bermuda's Mutual Evaluation Process

OVERVIEW

Bermuda's CFATF Mutual Evaluation will take place over the period 2026 – 2027, which covers preparation, submission, on-site assessment and post assessment follow-up.

Success depends on both public and private sector cooperation and coordination.

The timeline below highlights key milestones and deadlines across each phase.

PREPARATORY PHASE (2026)

February 23–25, 2026:

CFATF training on revised FATF Standards and Methodology.

April 20–22, 2026:

Pre-assessed country training delivered by CFATF experts.

SUBMISSION PHASE (2026)

September 2026:

Submission of Bermuda's Technical Compliance Questionnaire (including supporting legislation, regulations, other enforceable means and any other relevant material).

Submission of Bermuda's Risk and Context Information.

December 2026:

Effectiveness Compliance Questionnaire (with supporting documentation) for all 11 Immediate Outcomes.

ASSESSMENT PHASE (2027)

April 2027:

On-site visit by the assessment team to verify the effectiveness of the jurisdiction's AML/ATF/CPF systems. The team will engage with both public and private sector representatives.

Post-visit – Drafting and review of the Mutual Evaluation Report.

November 2027:

Mutual Evaluation Report (MER) discussion and adoption at the CFATF Plenary.

The report will prioritise Key Recommended Actions (KRAs) recommendations for remedial measures, taking into account the country's risks and context its level of effectiveness and any weaknesses and problems identified.

POST-ASSESSMENT

Follow-Up Process – Ongoing monitoring and remediation of identified deficiencies to avoid FATF listing concerns.

Within 3 years of adoption of MER:

Bermuda is to ensure that it:

- fully or largely addresses all KRAs,
- addresses any non-compliant or partially compliant ratings,
- complies with any FATF Standards revised since date of its technical compliance submission.

Coordinating Bermuda's Mutual Evaluation Preparation

Under Section 49 of the Proceeds of Crime Act 1997, the National Anti-Money Laundering Committee (NAMLC) is mandated to advise the Ministers of Finance and Justice on AML/ATF/CPF policy, strategy and coordination.

The Office of NAMLC serves as Secretariat and coordinates:

- National ML, TF and PF risk assessments.
- Developing and coordinating the implementation of national plans of action to combat financial crimes, ensuring adherence to the national AML/ATF/CPF framework.
- National policy development and updates.
- Inter-agency cooperation, coordination and information sharing.
- Engagement with law enforcement, intelligence and supervisory authorities.
- Acting as the primary coordinator for CFATF Mutual Evaluations and ensuring participation in international efforts, such as CFATF plenary meetings.
- Stakeholder consultation on matters which impact Bermuda's regulatory framework.
- Outreach and Training to regulatory, law enforcement and policy agencies, as well as industry stakeholders.

Formal cooperation and coordination are supported by:

- NAMLC sub-committees and inter-agency working groups to coordinate police development and operational efforts.
- Clear legal frameworks that allow for information sharing and domestic coordination among intelligence agencies, law enforcement, supervisors, and other relevant agencies.
- Bilateral Memoranda of Understanding (MOUs) between agencies for structured information exchange among competent authorities and other relevant agencies.
- Operational cooperation mechanisms across public sector bodies to enhance the effectiveness of implemented AML/ATF/CPF policies and strategies.
- Collaboration among AML/ATF supervisors and industry.

Checklist for Mutual Evaluation Preparedness

(Public and Private Sectors)

OVERVIEW

Success in Bermuda's mutual evaluation requires extensive preparation. It depends on both public and private sector cooperation and coordination to demonstrate compliance with the FATF Standards. It involves ongoing follow-up, monitoring and remediation.

CHECKLIST FOR PUBLIC SECTOR

Key Preparation Areas for the Public Sector include:

Risk Understanding:

- Conducting and updating comprehensive National Risk Assessments (NRAs) to identify, understand, and mitigate ML, TF and PF risks.
- In years in which a formal risk assessment is not conducted, assessing material changes to Bermuda's risk profile and conducting thematic risk assessments on an ad hoc basis.
- Developing and maintaining national policies and strategies to effectively combat the risks.
- Development of risk-based programmes in line with risk understanding.

Update to Legal Framework:

- Ensuring legal frameworks is updated to align with the revised FATF Standards.

Internal Policies and Procedures:

- Review and update internal policies and procedures, ensuring they reflect Bermuda's current AML/ATF/CPF legislative framework and are proportionate to the risks identified.

Enhancing Cooperation Mechanisms:

- Strengthening the effectiveness of domestic interagency cooperation and international cooperation for information exchange.

Institutional Capacity Building:

- Strengthening the Financial Intelligence Agency, law enforcement agencies, and AML/ATF supervisors with adequate resources and expertise to produce actionable financial intelligence and conduct successful investigations and to enforce and monitor compliance.

Supervisory Effectiveness:

- Conducting sectoral risk assessments
- Ensuring risk-based supervision, and effective monitoring of AML/ATF regulated financial institutions (FIs) and Designated Non-Financial Businesses and Professions (DNFBPs).
- Regularly updating risk-based supervisory programmes, consistent with FATF Standards to ensure assessment and management of ML/TF/PF risks by AML/ATF regulated entities.

Checklist for Mutual Evaluation Preparedness (Public and Private Sectors)

CHECKLIST FOR PRIVATE SECTOR

Key Preparation Areas for the Private Sector include:

Risk Understanding:

- Understanding and applying findings from Bermuda's NRAs.
- Conducting institution-specific ML/TF/PF risk assessments considering the findings of the NRAs. These should identify higher and lower risks and guide resource allocation.
- Ensuring that risk assessments are documented, regularly updated, and senior-management approved.

Risk-Based Approach (RBA) to Policies, Procedures and Controls:

- Reviewing and updating AML/ATF/CPF policies and procedures to reflect current legislation and risk exposure.
- Ensuring controls implemented are proportionate to risks identified.
- Demonstrating active Board/ Senior Management oversight, accountability as well as a proactive compliance culture.
- Maintaining evidence of implementation and outcomes.

Resources, Outreach and Training:

- Ensuring adequate staffing and financial resources.
- Delivering regular and mandatory AML/ATF/CPF training.
- Collaborating with competent authorities and supervisors.

Customer Due Diligence (CDD) and Monitoring:

- Establishing robust CDD systems, including identifying beneficial owners of legal persons and arrangements.
- Maintaining adequate, accurate and up-to-date beneficial ownership information.
- Applying enhanced due diligence (EDD) to high-risk customers, including Politically Exposed Persons (PEPs).
- Ensuring transaction monitoring systems are efficient and effective to identify, investigate, and report suspicious transactions to the Financial Intelligence Agency (FIA).

Record Keeping and Reporting:

- Retaining records for at least five years beyond the end of the business relationship in a manner which is easily understandable and retrievable and which can be accessed by competent authorities.
- Reviewing Suspicious Activity and Suspicious Transaction Reporting processes.
- Ensuring documents can be produced promptly during on-site visits.

Guidance and Key Resources

Targeted Financial Sanctions (TFS)

- Subscribe to the Financial Sanctions Implementation Unit's (FSIU's) email alerts for UK sanctions updates relevant to Bermuda via the following official link: [Subscription to FSIU Sanctions Alerts](#)

Key FATF Resources:

- Revised FATF Standards, which can be found at the following link: [FATF Recommendations 2012.pdf.coredownload.inline.pdf](#)
- Revised FATF Methodology, which can be found at the following link: [FATF Assessment Methodology](#)
- FATF Procedures for the FATF AML/CFT/CPF Mutual Evaluations, Follow up and ICRG, which can be found at the following link: [FATF Procedures for Mutual Evaluations](#)

National Resources:

- Bermuda's 2020 Mutual Evaluation Report, which can be found at the following link: [Bermuda's 2020 Mutual Evaluation Report](#)
- Bermuda's 2024 Money Laundering/ Terrorist Financing National Risk Assessment Report, which can be found at the following link: [Bermuda's 2024 ML/TF NRA](#)

Websites and webpages of Competent Authorities, Supervisors, and other relevant agencies, which can be found at the following links:

- **Government of Bermuda Official Portal:**
<https://www2.gov.bm/>
- **Office of NAMLC (O/NAMLC):**
<https://www2.gov.bm/departments/office-national-anti-money-laundering-committee>
- **What is NAMLC? | Government of Bermuda**
[\(https://www2.gov.bm/what-namlc\)](https://www2.gov.bm/what-namlc)
- **Bermuda Monetary Authority (BMA):**
<https://www.bma.bm/>
- **Bermuda Police Service (BPS):**
<https://www.bermudapolice.bm/>
- **Financial Intelligence Agency (FIA):**
<https://www.fia.bm/>
- **Barristers and Accountants AML/ATF Board (AML/ATF Board):**
<https://www.amlatfboard.bm/>
- **Registrar of Companies (RoC):**
<https://www2.gov.bm/departments/registrar-companies>
- **Superintendent of Real Estate (SoRE):**
<https://www2.gov.bm/services/real-estate-broker-and-agent-licence-application>

NAMLC ACTIVITIES & HIGHLIGHTS

➤ Caribbean Financial Action Task Force (CFATF) Training on the Revised FATF Standards and Methodology [Bermuda, February 23– 25, 2026]



From February 23–25, 2026, Bermuda hosted a three-day training programme on the revised Financial Action Task Force (FATF) Standards and Methodology in preparation for the upcoming 5th Round of Mutual Evaluations.

The training focused on risk-based supervision, effectiveness and national coordination, and was facilitated by the National Anti-Money Laundering Committee (NAMLC) in conjunction with the Ministries of Finance, Justice and National Security.

Over 100 participants attended daily from key regulatory, law enforcement and policy agencies. Participants received practical guidance on meeting both technical and effectiveness requirements under the revised FATF Standards from experts within the CFATF Secretariat.



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NAMLC ACTIVITIES & HIGHLIGHTS



Internal Self-Assessment (2nd Exercise) **[Bermuda, January 19 – 23, 2026]**

As part of Bermuda's continued effort to ensure its AML/ATF/CPF systems remain robust, Bermuda conducted a jurisdiction-wide mock assessment covering all 11 Immediate Outcomes, facilitated by external consultants. This assessment built upon the initial May 2025 exercise to evaluate the jurisdiction's ongoing operational progress and effectiveness.



2026 Annual Sanctions Forum for Overseas Territories (OTs) **and Crown Dependencies (CDs)** **[Cayman Islands, March 3 – 5, 2026]**



The forum for British Overseas Territories (OTs) and Crown Dependencies (CDs) brought together approximately 131 delegates to address the evolving sanctions landscape and strengthen information exchange to identify and mitigate risks.

Bermuda participated in high-level discussions on enforcement, compliance and international sanctions cooperation.

Bermuda was represented by a cross-agency delegation from the Financial Sanctions Implementation Unit, the Customs Department, and the Bermuda Monetary Authority, reinforcing the island's commitment to a robust and well-connected global sanctions regime.

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➤ 2026 Senior Officials' Illicit Finance Dialogue Plenary Sessions [Miami, March 30 – 31, 2026]



The 2026 Senior Officials' Illicit Finance Dialogue Plenary Sessions was held in Miami on March 30 and 31, 2026. Bermuda co-hosted the forum alongside the United Kingdom, reinforcing the jurisdiction's leadership in international AML/ATF cooperation.

The session brought together senior officials from the United Kingdom and British Overseas Territories' policy, law enforcement and intelligence agencies. Bermuda's delegation comprised representatives from key competent authorities including the Attorney-General's Chambers, Bermuda Police Service, Bermuda Monetary Authority, Financial Intelligence Agency, Registrar of Companies and the Office of the National Anti-Money Laundering Committee.

The forum facilitated discussions on emerging global threats, crypto-assets, international tax transparency, beneficial ownership transparency, strengthening risk-based supervision, oversight of DNFBPs and best practices in asset recovery strategies. A key focus was also placed on strategic preparations for the upcoming FATF 5th Round Mutual Evaluation.



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NAMLC ACTIVITIES & HIGHLIGHTS



Bermuda's Pre On-Site Assessed Country Training [Bermuda, April 20 - 22, 2026]



From April 20 - 22, 2026, Bermuda underwent its mandatory pre-assessed country training, marking the official commencement of Bermuda's 5th Round Mutual Evaluation process. The training, which was delivered by the CFATF Secretariat, was held to prepare the jurisdiction for Bermuda's upcoming mutual evaluation. Training was facilitated to representatives from both the public and private sectors, with approximately 80 participants attending daily. The first two days focused on key regulatory, law enforcement, and policy agencies. The third day was dedicated to industry stakeholders, with a separate specialised session for the judiciary.

The training was aimed at assisting the jurisdiction to understand the assessment process, the data to be provided, and how to demonstrate the effectiveness of its AML/ATF/CPF system. Practical guidance was provided on meeting both technical and effectiveness requirements under the revised FATF Standards from experts within the CFATF Secretariat, as well as guidance on preparing for the on-site visit scheduled for April 2027.



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