



Press Release

Guidance Note for Participation in the Regulatory Sandbox

The Central Bank of The Bahamas advises the public of the release of its **Guidance Note for Participation in the Regulatory Sandbox (the Guidance Note)**.

Following its earlier issuance for consultation on 22 May 2026, the feedback submitted by the public provided further insight on matters pertaining to permitted activities, evaluation criteria, testing parameters, reporting requirements, and the use of third-party service providers. The welcomed observations and recommendations were included as part of the revisions to the Guidance Note. Through the Guidance Note, the Central Bank is seeking to promote responsible innovation, maintain appropriate safeguards for consumers, and continue our mandate to preserve the safety and stability of the financial system.

The Guidance Note will assist both new entrants and existing financial institutions that wish to introduce innovative financial solutions in, or from within, The Bahamas. As such, it outlines the standards, processes, and procedures governing participation in the Regulatory Sandbox and addresses, among other matters:

- The eligibility criteria, application, and evaluation process;
- The terms and conditions for participation, including annual cohorts and testing parameters;
- Reporting, risk management, and consumer protection requirements;
- The procedures for suspending, extending, reconsidering, or exiting participation in the Sandbox; and
- The required arrangements for participants approved to transition to the applicable licensing process.

The Central Bank's responses to comments and questions received from industry stakeholders during the consultation period may be accessed on the Central Bank's website at www.centralbankbahamas.com via the following path: Core Functions → Bank Supervision Department → Consultation Documents.

The approved Guidance Note may be accessed on the Central Bank's website at www.centralbankbahamas.com via the following path: Core Functions → Bank Supervision Department → General Information → Guidance Note for Participation in the Regulatory Sandbox.



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Prospective applicants are encouraged to review the Guidance Note before submitting an expression of interest to apply for participation. Any enquiries regarding the Guidance Note should be directed to the following:

Policy Unit
Bank Supervision Department
E-mail: policy@centralbankbahamas.com

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