

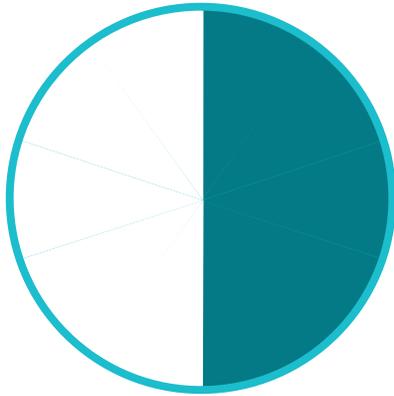


# Strategic Plan

2021/22 2025/26

Project  
Implementation  
Update  
**YEAR 3**  
**Half Year 1**

## Central Bank of Trinidad and Tobago Strategic Plan 2021/22–2025/26: Progress from October 1, 2023–March 31, 2024



### Project Implementation Year 3 : 2023/2024 HY1

The strong momentum of project execution continued into the third year of the Central Bank’s current [Strategic Plan](#). The goal of shoring up the Bank’s and the wider financial community’s cybersecurity defenses received boosts from collaborative exercises with international agencies and the publication of [Cybersecurity Guidelines](#). A major domestic telecommunications company was granted registration to operate as an electronic money (e-money) issuer, while the Central Bank completed its recommendations on the approach to domestic crypto asset regulation. At the same time the Financial Institutions Supervision Department expanded its series of Guidelines to licensees on leverage ratios and recovery plans. Partnerships with popular local social media influencers marked a fresh dimension in the Bank’s adaptive approach to effective public communication.

The national economic context over the period was characterized by a measured recovery alongside a sharp drop in inflation. The Central Bank maintained an unchanged repo rate, but [cautioned](#) on the need for constant vigilance in the face of a complex international outlook and negative short term interest differentials with the United States. Staff face-to-face activities were almost back to pre-pandemic levels, while the use of online meetings and work-from-home arrangements continued, given their demonstrated benefits in terms of time and efficiency.

The significant achievements over the current and past Strategic Plans mean that many scheduled projects have been completed, or are near completion. It also means that focused attention must be devoted to the details of ongoing project execution to assure long term success. As a result, the Central Bank is placing particular emphasis on consolidation over the next 12 months—streamlining of work processes, enhancing teamwork among Departments, and fortifying our relationships with other agencies, locally and abroad.

## Key Achievements

**(i) Collaboration with the International Monetary Fund (IMF) and Bank for International Settlements (BIS) is helping to boost cybersecurity in domestic financial institutions.**

In February 2024, the Bank hosted an onsite technical assistance (TA) mission from the IMF on the subjects of improving cyber defences at the Central Bank itself, and supervising cybersecurity arrangements in the financial sector. This was a follow up engagement to the earlier TA in 2023, the results of which were [published](#) on the IMF's website. In March 2024, the Central Bank collaborated with the BIS in hosting a 'Cyber-Range Exercise'—representatives from 17 Central Banks attended the simulations of realistic cyber-attacks on the financial system. The week before this exercise commenced, BIS and Central Bank of Trinidad and Tobago staff held a webinar on [Artificial Intelligence, Cyber Resilience and Cyber Security](#). The event brought together many financial professionals across the world

and was covered by the local media. These activities, alongside the strengthening of our IT Department, are components of the broader plan to boost financial sector cybersecurity in Trinidad and Tobago.

**(ii) On the fintech front, another major telecommunications company was registered to offer e-money.**

In October 2023, Digicel Limited was granted a 6-month provisional registration to provide e-money products in Trinidad and Tobago. This follows the full registration of 3 other companies (PayWise Limited, Pesh Limited and Telecommunications Services of Trinidad and Tobago (TSTT)) earlier that year. The E-Money Issuer Order was also adjusted in December 2023 to expand the wallet sizes offered to customers. The Central Bank continued to liaise closely with fintech companies and the Trinidad and Tobago International Financial Centre (TTIFC) to create a dynamic and safe environment for fintech activity. Meanwhile, in keeping with its commitment at the September 2023 Panel Discussion on [Considerations in Crypto Asset Regulation](#), the Bank submitted its comments

on the subject to the Minister of Finance. As a corollary to this, staff continued to play an active role in the country's engagement with the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum), including with respect to preparation for national measures on virtual assets and virtual asset service providers.

**(iii) The Supervision Department tightened its measures to assure strong financial institutions, including their plans for recovery in case of major difficulties.**

Trinidad and Tobago's financial sector remained sound and healthy based on aggregate indicators related to asset quality, liquidity, solvency, capital adequacy and profitability. Sovereign asset concentration, climate change and cybersecurity threats were nonetheless [flagged as areas for attention](#). In its ongoing program to fortify the financial sector, the Financial Institutions Supervision Department (FISD) issued a [Guideline on Leverage Ratios](#) in October 2023. The leverage ratio measures help in ascertaining the capacity of a company to meet its financial obligations—broadly speaking, to service its debt. Another

[Guideline on Recovery Plans](#) issued in October 2023 requires financial institutions to draw up strategies to deal with major problem situations, and involves identifying potential stress situations, monitoring relevant indicators, and preparing an effective game plan to deal with such situations.

**(iv) The successful use of domestic social media influencers marked a new phase in the Bank's public outreach strategy.** In constantly scanning the environment for appealing ways to convey messages to the public, the External Relations team contracted several popular social media influencers for our [Know Your Money](#) campaign. The extensive positive feedback on this tactic is adding confidence to the strategy to employ innovative approaches to other areas of Central Bank public communications. Under the aegis of the Central Bank Museum itself, 3 exciting exhibitions took place: In November 2023 "*Symphonic Synchrony – Two Heads Are Better Than One*" featuring kinetic art and the work of 24 prominent local artists; also in that month "*Social Art & Design: Public Space & Community*

*Transformation*", a 3-day symposium in collaboration with a nongovernmental organization; and in February, 2024, a carnival exhibition entitled "*Playing We-self- Parallels, Similarities and Co-imagination in Masquerade and Music culture in Trinidad and Tobago*". These outreach events are components of the larger effort to boost the Bank's contribution to the culture of Trinidad and Tobago while educating the public on social issues.

### What's Ahead for the next 12 months?

The four main priorities of the Central Bank in 2024 relate to: (i) cybersecurity; (ii) efficiency in a modernized payments system; (iii) wider adoption of fintech solutions; and (iv) improving private sector pension supervision. These priorities will guide the implementation of the Strategic Plan which, as noted above, will also focus on consolidating the gains in projects that have been completed. Streamlining work processes, more inter-Department teamwork, and deepening external relationships are the main aspects of the consolidation effort. Some of the main items planned over the next 12 months are:

**(i) The approach to cybersecurity will build on the external collaboration to date, while the Bank gains practical experience with conducting cybersecurity supervision.**

The Bank will carefully review the outcomes and recommendations of the latest IMF cybersecurity TA and BIS Cyber-Range exercise. One important benefit involves the closer interaction with international agencies and other Central Banks in identifying threats, reporting on incidents and devising appropriate solutions. From April 2024 the first reports from licensed financial institutions attesting on their cybersecurity frameworks are expected. Evaluation of these reports will provide the first experience for FSD in cyber supervision after the [Guideline](#) was issued. It will require the involvement of the IT staff and is a good avenue for advancing supotech—the use of new technology in conducting financial sector supervision.

**(ii) The first update of one denomination of the polymer banknote is carded for the end of 2024.**

In December 2019 the TT\$100 banknote was issued, the first in the current suite (or family) of polymer banknotes. The experience to date

has demonstrated the durability of the polymer, compared to the cotton-based, banknotes. After 5 years, the Bank is planning to introduce around December the 2024 Series of the TT\$100 banknote. This note will be very similar to the current note (2019 Series) while adding new security features. More generally on financial instruments, a Joint Select Committee (JSC) of Parliament has been convened to examine the topic of “Anti-fraud and Customer Protection Systems in the Financial Services Sector of Trinidad and Tobago”. The Bank will contribute to these discussions by appearing before the JSC and strengthening its partnership with financial institutions, other regulators, and law enforcement agencies. This will be complemented by targeted public education to help persons avoid becoming soft targets for fraudsters and cyber criminals.

**(iii) The Bank is expected to complete its analysis and recommendations on the most efficient payments system for Trinidad and Tobago.**

Work has been in train for some time on improving the framework for the domestic payments system, including a preliminary draft of new payments legislation

with legal experts from the IMF. At the CARICOM level, several Central Banks are participating in a pilot to advance regional payments processes. Our Central Bank is continuing to evaluate the most appropriate option for our circumstances. Most notably, consideration is being given to introducing a 'fast payments' framework, which would allow for settlements to take place in a few seconds as opposed to several hours or days under the current regime. The Bank is liaising with the Inter-American Development Bank (IDB) and the BIS on a project that the two institutions have initiated in this area for Latin America and the Caribbean. Over the next few months also, work geared towards Trinidad and Tobago achieving the standards for the Global Forum will intensify and the Central Bank will be a part of this effort.

**(iv) The specific plans for improving private sector pension regulation are expected to be operationalized.** Bureaucratic hurdles continue to hamper the smooth operations of the private sector pension industry in Trinidad and Tobago. While the Bank has held several discussions with the Board of Inland Revenue, the progress on this area has been slower than expected to date. Over the next 6 months, the

specific short term steps which can be taken to improve private pension supervision will be identified and actioned. During this period, the medium and long term plans for modernization will also be drawn up.

**(v) Consolidation of work processes on several fronts will take place.** Bank-wide adoption of a comprehensive document management system will form the core of the consolidation effort. This system establishes standards for classifying, treating and preserving documents according to their confidentiality. Similarly, the implementation of the project to automate statistics will help to solidify the empirical basis of the Bank's work while reducing manual processing. The Human Resources Department has already commenced work to re-prioritise its activities as appropriate, given developments in technology and staff needs in the wake of the pandemic; particular attention will be paid on strengthening staff training and career development. The Central Bank is laying great emphasis on the contributions of the Office of the Financial Services Ombudsman (OFSO) and National Financial Literacy Program (NFLP) as mechanisms for redress and financial education. The opportunity will be taken to further boost the reach of the OFSO and NFLP in the context of the comprehensive redesign of the Central Bank's website scheduled over the next few months.



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