

April 1, 2026

**CIRCULAR LETTER TO:**

*Licensees and Financial Holding Companies  
under the Financial Institutions Act, Chap 79:09  
The Bankers Association of Trinidad and Tobago  
Institute of Chartered Accountants of Trinidad and Tobago*

**REF: CB-OIFI-992/2026**

**GUIDANCE FOR THE SUBMISSION OF THE INTERNAL AUDIT (“IA”) REPORT ON THE  
INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS (“ICAAP”)**

The Central Bank of Trinidad and Tobago (“Central Bank”) implemented the Basel II/III Pillar 2 Supervisory Review and Evaluation Process (“SREP”) of licensees’ and financial holding companies’ ICAAP via the Financial Institutions (Capital Adequacy) Regulations 2020, the Central Bank’s ICAAP Guideline (“Guideline”) November 2020, and Circular Letter ref#: **CB-OIFI-3410/2022**. Specifically, Section 9.6(f) of the Guideline requires financial institutions to submit an Internal Audit (“IA”) Report on the ICAAP along with the ICAAP submission.

The Central Bank has taken note of the banking industry’s representation regarding the timing of submission of the IA Report with the ICAAP as well as the requirement for clarity on the frequency of submitting IA Reports. Accordingly, the Central Bank now advises that -

- i. **For domestic systemically important banks, FHCs and other banking groups required to submit an ICAAP to the Central Bank annually, an IA Report must be submitted every two (2) years provided that a ‘satisfactory’ or higher rated IA report is obtained. If the IA Report on the ICAAP is rated lower than ‘satisfactory’ an annual IA Report on the ICAAP must be submitted until at least a ‘satisfactory’ IA Report is obtained.**
- ii. **For commercial banks and selected non-bank financial institutions required to submit the ICAAP every two (2) years, the IA Report will be required for each ICAAP submission.**
- iii. **For all other non-banks which are required to submit the ICAAP every three (3) years, the IA Report will be required for each ICAAP submission.**
- iv. **For i. to iii. above, the IA Report must be submitted to the Central Bank within six (6) months of the date of the submission of the ICAAP.**

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The Central Bank trusts that the above provides clarification on the timing and frequency of submission of the IA Report on the ICAAP and we anticipate your usual cooperation.

Please direct any further queries you may have to [Baselconsultation@central-bank.org.tt](mailto:Baselconsultation@central-bank.org.tt).

Please be guided accordingly.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Michelle Francis-Pantor', with a long horizontal line extending to the left.

**Michelle Francis-Pantor**  
**INSPECTOR OF FINANCIAL INSTITUTIONS**