



May 8, 2026

CIRCULAR LETTER TO

*All Licensees and Financial Holding Companies
under the Financial Institutions Act, 2008*

Copied to:

*The Bankers Association of Trinidad and Tobago
Association of Trinidad and Tobago Insurance Companies
Institute of Chartered Accountants of Trinidad and Tobago
The Deposit Insurance Corporation of Trinidad and Tobago
The Trinidad and Tobago Securities and Exchange Commission*

REF: CB-OIFI-1476-2026

**CONSULTATION ON THE DRAFT POLICY PROPOSAL DOCUMENT
FOR AMENDMENTS TO THE FINANCIAL INSTITUTIONS ACT, 2008**

The Financial Institutions Act, 2008 (“FIA”) was enacted approximately eighteen years ago and requires updating to treat adequately with the emergence of new risks posed by technological innovation, and due to changes in international regulatory standards and best practices, including those pertaining to corporate governance, risk management, and the regulation of financial conglomerates.

Accordingly, the Central Bank of Trinidad and Tobago (“Central Bank”) has developed a Policy Proposal Document (“PPD”) which outlines proposals for amendments to the FIA to enhance the regulatory regime for banks, non-bank financial institutions and financial holding companies. The proposals in the PPD seek to treat with identified legislative and regulatory gaps, and areas of emerging vulnerability and risk based on the Bank’s ongoing supervision of the sector and includes proposals to:

- i. Treat with key recommendations arising from the 2020 International Monetary Fund and World Bank’s joint Financial Stability Assessment Programme of Trinidad and Tobago’s financial sector;
- ii. Address changes in international banking standards such as the Basel Committee on Banking Supervision’s Core Principles for Effective Banking Supervision and other international best practices;
- iii. Strengthen corporate governance and risk management of financial institutions;
- iv. Treat with proportionality by requiring more robust standards of governance and risk management for systemically important financial institutions;

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- v. Enhance supervision and regulation of financial conglomerates;
- vi. Correct or clarify current legislation provisions; and
- vii. Harmonize certain regulatory provisions between the Insurance Act, 2018 (“IA”), and the FIA.

It should be noted that certain proposed amendments to the FIA contained in the PPD will warrant consequential amendments to the IA. This is necessary in order to maintain regulatory consistency and prevent regulatory arbitrage.

This PPD is being issued for stakeholder consultation for an eight-week period commencing May 8, 2026. A copy of the PPD may be accessed on the Central Bank’s website at <https://www.central-bank.org.tt/resources-database/all-categories/#draft-and-consultation-documents-banking-sector>. Written comments on the PPD should be submitted in soft copy using the template provided to FIAConsultation@central-bank.org.tt by **July 3, 2026**.

We look forward to your continued support and timely feedback.

Yours sincerely



Michelle Francis-Pantor
INSPECTOR OF FINANCIAL INSTITUTIONS