



CENTRAL BANK OF TRINIDAD & TOBAGO

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**CIRCULAR LETTER TO ALL FINANCIAL INSTITUTIONS
LICENSED UNDER THE FINANCIAL INSTITUTIONS ACT, 2008**

REF: CB-OIFI-1109/2016

BASEL II IMPLEMENTATION-QUANTITATIVE IMPACT STUDY

The Central Bank of Trinidad and Tobago (Central Bank), in keeping with the project milestones presented in our Basel II Implementation Plan, wishes to remind all institutions that the Quantitative Impact Study (QIS) to assess the effect of the new rules on licensees' capital adequacy requirement has commenced and will be conducted over the period January – June 2016.

As advised, you are required to use data as at December 2015 for the QIS and completed returns are to be submitted to the Central Bank by **July 29 2016**. Monthly parallel reporting on the Basel I and Basel II rules will commence effective **January 31, 2017**.

Institutions are also reminded that for the purposes of completing the QIS, the Capital Adequacy Reporting Template, Instructions for the Completion of the Capital Adequacy Return (Instructions) and Validation Rules are to be utilized. In this regard, we advise that minor changes have been made to the Capital Adequacy Reporting Template and Instructions as follows:

1. The inclusion of Schedule 3B which imports the consolidated capital information (currently contained in the CB100B) into the revised reporting template. Please note that Schedule 3B will only be applicable where an institution is reporting on a consolidated basis.
2. A definition for the classification and reporting of *Small Business Enterprise* has now been included on Page 18 of the Instructions.

In this regard, a revised Capital Adequacy Reporting Template together with the Instructions and Validation Rules can be found on the Bank's website at <http://www.central-bank.org.tt/content/draft-and-consultation-papers-1>.

You may also email your questions to Baselconsultation@central-bank.org.tt or alternatively you can contact Ms. Ayana George at 625-4835 extension 5022.

The Central Bank looks forward to your usual cooperation.

Yours sincerely

Michelle Francis-Pantor

Deputy Inspector – Banks, Non-Banks and Payment Systems Oversight
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