



CENTRAL BANK OF TRINIDAD AND TOBAGO

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Circular Letter To:

*All Licensed and Permitted Financial Institutions
Under the Financial Institutions Act, 2008*

REF: CB-OIFI-3410/2022

EXTENSION OF TIMELINE FOR SUBMISSION OF ICAAPS

As you are aware, the Central Bank of Trinidad and Tobago (Central Bank) has implemented the Pillar 2 Internal Capital Adequacy Assessment Process (ICAAP) of the Basel II/III framework which aims to ensure that licensees have instituted robust risk management practices to identify and manage all material risk exposures, including ensuring that adequate capital is available to support identified risks. In this regard, you are reminded that the Central Bank issued the ICAAP Guideline (Guideline) in November 2020 to guide this process and provide the industry with the minimum expectations for the ICAAP submissions.

Currently, section 9.3 of the Guideline states that ICAAP submissions are due at the specified frequency within four months of the licensee's financial year end (FYE) as follows:

- “(a) Domestic systemically important banks, FHCs, other banking groups would be required to submit a group ICAAP to the Central Bank annually within **four** months of their financial year end;*
- (b.) All other commercial banks and selected non-banks should submit the ICAAP every two years, within **four** months of their financial year end. The non-banks to which this may be applicable will be determined and communicated after the first round of ICAAP submissions; and*
- (c.) All other non-banks, should submit the ICAAP every three years, within **four** months of their financial year end.”*

The Central Bank now advises that based on review of the ICAAPs to date as well as feedback from the licensees and financial holding companies, we advise that the Central Bank is extending the timeline for submission of the ICAAPs.

As such, going forward, ICAAP submissions based on data as at FYE 2022 and thereafter until otherwise advised, should be submitted to the Inspector of Financial Institutions **six months** after the licensee's financial year end rather than the four months stipulated in (a) to (c) above.

Please send any queries you may have to Baselconsultation@central-bank.org.tt.

Yours sincerely

Patrick Solomon

INSPECTOR OF FINANCIAL INSTITUTIONS