



CENTRAL BANK OF TRINIDAD AND TOBAGO

Eric Williams Plaza, Independence Square, Port-of-Spain, Trinidad, Trinidad and Tobago
Postal Address: P.O. Box 1250
Telephone: (868) 621-CBTT (2288), 235-CBTT (2288); Fax: 612-6396
E-Mail Address: info@central-bank.org.tt
Website: www.central-bank.org.tt

August 17, 2022

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

REF: CB-OIFI-1994/2022

REPORT ON CORPORATE GOVERNANCE SURVEY

Subsequent to the issuance of its revised Corporate Governance Guideline (“Guideline”) in March 2021, licensees were required to incorporate the Guideline into their policies, procedures, processes, and practices as appropriate. The Central Bank of Trinidad and Tobago (“Central Bank”) subsequently conducted a thematic review of corporate governance practices in the banking sector. A thematic review is a method used to assess a current or emerging risk regarding an issue or product across a number of firms in a sector or market. Focusing on specific risks allow for detailed work on particular areas of concern with a view to recommending best practices that can be implemented across institutions.

The Central Bank was unable to conduct onsite verification of corporate governance practices at the licensees due to ongoing Public Health protocols associated with the COVID-19 pandemic. Accordingly, the Central Bank issued a Corporate Governance Survey (“Survey”) to all licensees in September 2021, and licensees’ responses to the Survey were then assessed and used to conduct the thematic review.

The main objectives of the thematic review were to assess the level of the industry’s compliance with the Guideline, identify gaps, and provide appropriate recommendations where applicable. The review was divided into ten (10) sections, which mirrored the key provisions in the Guideline as follows:

- i. Corporate Governance Policy;
- ii. Role of the Board;
- iii. Board Qualifications and Composition;
- iv. Board Structure and Practices;
- v. Role of Senior Management;
- vi. Governance of Financial Groups and Financial Holding Companies;
- vii. Risk Governance Framework;
- viii. Compliance;
- ix. Internal Audit; and
- x. Disclosure and Transparency.

We are now pleased to submit the final report for your information and consideration. The Report contains valuable information that can be used to improve corporate governance practices across the industry and should be tabled at the next meeting of your Board of Directors.

Yours sincerely



Patrick Solomon
INSPECTOR OF FINANCIAL INSTITUTIONS