



## PRESS RELEASE

### 61<sup>st</sup> BI-ANNUAL MEETING OF CARICOM CENTRAL BANK GOVERNORS November 2 – 3, 2023

The 61<sup>st</sup> Meeting of the Caribbean Community (CARICOM) Committee of Central Bank Governors<sup>1</sup> was held Thursday, November 2 to Friday, November 3, 2023, and was hosted by Bank of Jamaica.

Central bank governors reviewed the regional and global financial markets, macroeconomic environment, regional economic outlook and monetary policy. The regional economic performance assessment identified the key risks to macro-economic stability in regional economies during the post-pandemic period, including high imported inflation, geopolitical developments and climate vulnerability. It concluded that the region has generally recovered from the pandemic with a return to growth and inflation that is trending downward, while the banking system remained sound.

The regional central bank governors received and endorsed a proposal for the establishment of a Regional Central Bank Group of Reserves Managers, which will meet virtually and share experiences and approaches in the management of national reserves. The governors also agreed to improve communications among the regional central banks with Jamaica scheduled to host the next meeting of the communications network of CARICOM central banks.

Following a keynote address by the Director of the International Monetary Fund's (IMF) Western Hemisphere Department, Mr. Rodrigo Valdes, who led a delegation from the Fund to the meeting, CARICOM central bank governors exchanged views with the IMF representatives. The discussion focused on improving access of small states to multilateral financing and the Fund's potential role in assisting CARICOM to develop a regional capital market, particularly for climate change adaptation and resilience financing.

The meeting included a moderated discussion which examined CARICOM country experiences in implementing and using polymer banknotes and identified successes, challenges and other implications associated with the introduction. The governors noted that the introduction in Barbados, the Eastern Caribbean, Jamaica and Trinidad and Tobago, of the banknotes which

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<sup>1</sup> Committee members are: Chairman Mr. Richard Byles (Governor, Bank of Jamaica), Mr. John Rolle (Governor, Central Bank of The Bahamas), Mrs. Jeanette Semeleer (Governor, Central Bank van Aruba), Dr. Kevin Greenidge (Governor, Central Bank of Barbados), Mr. Kareem Michael (Governor, Central Bank of Belize), Mr. Richard Doornbosch (President, Central Bank of Curaçao and Sint Maarten), Mr. Timothy Antoine (Governor, Eastern Caribbean Central Bank), Dr. Gobind Ganga (Governor, Bank of Guyana), Ronald Gabriel (Governor, Banque Nationale de la Republique d'Haïti) Mr. Maurice Roemer (Governor, Central Bank van Suriname) and Dr. Alvin Hilaire (Governor, Central Bank of Trinidad and Tobago)

utilise the polymer substrate achieved stated objectives, and they agreed to continue sharing experiences at the operational level.

The CARICOM central bank governors received and deliberated on reports from regional agencies and bodies as well as central bank committees and working groups.

Among the reports, updates were received on continued vigilance in anti-money laundering surveillance and compliance, as well as further harmonisation of bank supervisory practices through cooperation and training. Many regional central banks have implemented elements of the Basel II framework, while some are also implementing the Basel III framework. Cybersecurity remains a major area of focus for regional central banks, which have increased collaboration, information sharing and training in areas including cloud policy frameworks and cloud adoption strategy, anti-phishing measures, and the development of a security framework for artificial intelligence solutions.

Several technical initiatives of the Committee of Central Bank Governors were considered and it was noted that the regional technology risk management framework has been updated to include cyber resilience principles and a cyber incident response and recovery function. Work is continuing on the development of a regulatory framework on climate risk and green financing.

The governors resolved to advance the work on intraregional payments and gave further support to a pilot for the CARICOM Payments & Settlements System (CAPSS) leveraging the technology of the Pan-African Payments & Settlement System (PAPSS) of the African Export-Import Bank.

The meeting also reviewed the Caribbean central banks' Research Agenda 2023-2025 and agreed that significant progress has been advanced on the workstream focusing on Climate Change and Climate-Related Risks, while acceleration was encouraged in the pace of research work on a Regional Macro-Financial Policy Framework and Future Paths to Regional Resilience.

The 61<sup>st</sup> Meeting was held concurrently with the 54<sup>th</sup> Annual Monetary Studies (AMS) Conference hosted by Bank of Jamaica and the Caribbean Economic Research Team. Highlights of the conference included discussions on digital banking to drive competition in the banking system, and the 36<sup>th</sup> Adlith Brown Memorial Lecture on "Central Banking in the Age of Climate Change" by climate finance expert and Chairman of the CARICOM Commission on the Economy, Professor Avinash Persaud. The conference also included a panel discussion during which governors shared views and country experiences on the theme "Governing in Challenging Times."

Dr. Kevin Greenidge, Governor of the Central Bank of Barbados will assume the Chair of the Committee of Central Bank Governors in 2024.

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