

Strategic Plan

2016/17 2020/21

Project
Implementation
Update
YEAR 5
Half Year 2



Central Bank of Trinidad & Tobago Strategic Plan 2016/17 - 2020/21: Progress from April 1, 2021 – September 30, 2021



Project Implementation Year 5 : 2020/2021 HY2

The six months to September 30, 2021 marks the tenth and final reporting period under the Strategic Plan 2016/17—2020/21. Building on the themes of monetary policy, financial stability and internal operations, this Plan outlined 10 objectives which were operationalised across 23 projects. Overall, Plan implementation was very successful and the discipline of the semi-annual reporting helped to foster accountability while keeping a clear focus on achievement of the Central Bank's many goals. Over the 5-year period, several developments occurred which had not been anticipated when the Plan was drawn up in 2016—these included the macroeconomic impact of a significant drop in both energy prices and production; the demonetization of the \$100 cotton note as part of a national security exercise; and the coronavirus pandemic. The Plan proved to be robust and flexible enough to effectively integrate these developments into project design and implementation.

Over the last 6 months, some of the key achievements were:

(i) **The Bank took its public communication on technical issues to a new level via a series of webinars which were also open to the public via Facebook and YouTube.** Restrictions on mobility and face-to-face interactions due to the pandemic opened up more opportunities for virtual meetings and electronic communications. As a result, since mid-2020, the traditional press conferences on the Monetary Policy and Financial Stability Reports have given way to webinars with the media and invited guests which are streamed live and available thereafter on the Bank's YouTube channel. For the calendar year 2021 to date, 6 such sessions were held: on the Introduction of New Polymer Notes, the new Insurance Legislation, Reform of the Payments System, Financial Sector Mergers and Acquisitions, the Bank's New Strategic Plan and Issues in Financial Stability. These events have proven to be quite successful via the interaction with media personnel and persons invited to the webinars. At the same time, the livestream format and social media interface have helped in extending our explanation of technical subjects in simple terms to a much broader audience, and in gathering feedback.

(ii) Significant preparatory work was done to further streamline currency management, and to advance electronic financial transactions more generally. At the end of March 2021, the Bank announced that from January 2022 only the new polymer notes will remain as legal tender in Trinidad and Tobago. As a corollary to this announcement, the Bank is engaging in a public education exercise on the features of the new notes to aid in the transition. Our more vibrant social media presence, in tandem with a mobile app called *CBNoteworthy*, is proving to be very effective in reaching the public, particularly the youth. Fresh approaches along the same lines were successfully utilized in the Bank's cultural interface, for example in showcasing the *Vintage Calypso* series, an exhibition by local artists, and a virtual tour of our Museum. With respect to digitalization of financial transactions, the Bank advanced the cheque truncation exercise, while examining the options related to a central bank digital currency with IMF technical assistance.

(iii) The Bank continued to respond to the pandemic situation internally and on the policy front. Internal operations became even more virtual, with the target rate for on-site staff presence remaining at 20% and direct person-to-person meetings limited to the very essential. Staff also participated in vaccination drives arranged by the Bank. Meanwhile, the Central Bank intensified its interactions with international agencies, regional bodies and domestic institutions in forging policies to deal with the fallout from COVID-19 and its variants. These included participation in efforts by the international community to boost global liquidity via the issue of Special Drawing Rights by the International Monetary Fund (of which Trinidad and Tobago received the equivalent of US\$644 million); coordination with regional regulators on insurance reforms; targeted forbearance measures on domestic financial institutions; and continued monetary accommodation to support a recovery.

Attention now turns towards a successor Strategic Plan. Building on the experience to date, the new Plan spans the 5-year period 2021/22—2025/26 and details are available on the Bank's website. It maintains the 3 themes, and now delineates 9 Objectives and 20 Projects. The driving underlying force behind this Plan is the Central Bank's commitment to maintaining the highest global standards in service delivery. Modern, vigilant and simple are the watchwords underlying our approach to monetary policy, financial stability and internal operations. The pandemic continues to cast a dark cloud over the economy, although vaccination efforts globally are having some success in slowing transmission. Monetary policy will need to be agile to deal with an uncertain macroeconomic situation. Meanwhile, the Bank will remain in high alert mode to deal with potential fallout on financial institutions, while gearing up for the many technological advances towards further digitalization.



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