



CENTRAL BANK OF TRINIDAD & 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: (868) 612-6396
E-Mail Address: info@central-bank.org.tt
Website: www.central-bank.org.tt

October 18, 2023

CIRCULAR LETTER TO:

*All Commercial Banks Licensed Under
the Financial Institutions Act, 2008 and
Bankers Association of Trinidad and Tobago*

REF: CB-OIFI-3329/2023

**GUIDANCE FOR THE OPENING OF E-MONEY ISSUER ACCOUNTS PURSUANT TO
THE E-MONEY ISSUER ORDER, 2020**

The Central Bank of Trinidad and Tobago (“Central Bank”) wishes to provide clarification and guidance in relation to the requisite accounts for E-Money Issuers (“EMI”), in accordance with clauses 8 and 10 of the [E-Money Issuer Order, 2020 \(“EMI Order”\)](#), made under section 17(4) of the Financial Institutions Act, Chap 79:09 (“the Act”).

This Guidance is being issued in respect of the fundamental criteria for an EMI to hold **(i) a custodian account, and (ii) an operating expenses account, in order to satisfy the registration requirements under the EMI Order.**

Pursuant to clause 10 of the EMI Order, an EMI is required, as part of the registration criteria, to open a custodian account to maintain “*unencumbered liquid assets in a custodian account*” and should “*reflect at all times the amount of outstanding e-money issued.*” The EMI Order defines a Custodian Account as “*an account at a deposit-taking institution licensed [“licensee”] pursuant to the Act for the purpose of ensuring that customer funds are properly and securely stored.*”

Further, clause 10(3) of the EMI Order instructs that “*An EMI shall maintain a separate account, apart from the Custodian Account, to be used for operating expenses.*”

As per clause 8(1) of the EMI Order, an EMI must demonstrate to the Central Bank that it possesses “**sufficient initial capital to mitigate risks, based on its size and scale, and shall maintain, at a minimum, the capital requirements outlined in Schedule 2**”, which may be held in the operating expenses account specified above.

The capital requirements are necessary to ensure the protection of the EMI’s business operations from an operational resiliency perspective. For EMIs, it is aimed at creating a safety net with regard to the operational risks of the institution as a whole.

Licensees are advised that EMIs are regulated and supervised by the Central Bank and, therefore, must adhere to strict governance, fit-and-proper, anti-money laundering/combating the financing of terrorism, risk management standards and reporting requirements that are guided by international standards and best practices. The regulatory framework is therefore comparable to those established for other entities regulated by the Central Bank.

CIRCULAR LETTER TO:

*All Commercial Banks Licensed Under
the Financial Institutions Act, 2008 and
Bankers Association of Trinidad and Tobago*

October 18, 2023

The Central Bank expects that all commercial banks will consider these requirements as we strive to facilitate a more inclusive, regulated financial system.

Should you have any questions, please contact Ms. Jeanette Joseph, Assistant Manager, Payments and Financial Markets Infrastructure, at jjoseph@central-bank.org.tt.

We look forward to your usual co-operation.

Yours sincerely



Patrick Solomon
INSPECTOR OF FINANCIAL INSTITUTIONS