



**PAYMENTS
SYSTEM
COUNCIL**

Trinidad and Tobago

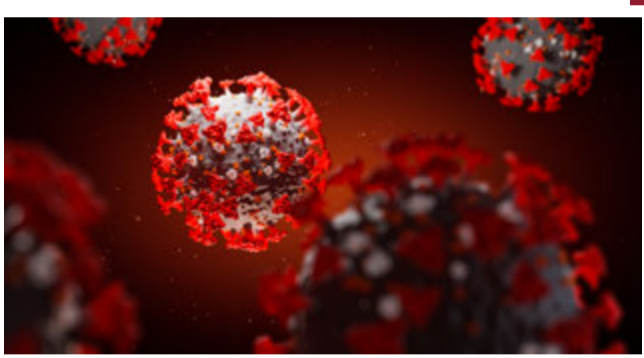
PSC Newsletter
September 2020 – Issue #4

“E-pay and the COVID-19 Pandemic”

Introduction

In the March 2020 publication, the Payment System Council examined the changing payments system landscape. The article, *The Contribution of ICTs to Digital Financial Services*, highlighted the large number of persons who are ‘unbanked’ and how digital financial services are bridging this gap by making the formal financial system more accessible to consumers.

In this newsletter, the Council looks at how the COVID-19 pandemic impacted the purchasing patterns of consumers and the response by the banking sector, the business sector and other sectors. It explores the adjustments in the market from the first COVID-19 announcement on 12th March 2020, the COVID Lock down declared on 26th March 2020, and the easing from lock down from 1st June 2020.



Article 1

Securities Market Adapts to the COVID-19 Movements

In this article, the Trinidad and Tobago Securities Exchange Commission (TTSEC), looked at how the Covid-19 pandemic affected the securities market, namely the equities market and the collective investment schemes. The TTSEC described the measures that were taken to support the industry during the pandemic. Indeed it was noted that it was only through careful consideration and adequate planning, that the Commission was able to minimize the negative impact on the local securities market.

[READ MORE](#)

Article 2

Changes in Payment Patterns Using the Local Debit Card (LINX) Due to the COVID-19 Pandemic

Infalink Services Limited noted that the LINX debit card is the most widely used vehicle by the banked population to access personal funds via Automated Teller Machines (ATMs) and Point of Sale (POS) terminals throughout Trinidad and Tobago.

In this article, ISL analyses the changes in the volume and value of POS and ATM transactional data against the backdrop of the timeline of COVID-19 in Trinidad and Tobago. It noted that whilst the LINX debit card has shown itself to be a strong channel for accessing personal funds, the lock down resulted in a reduction in the volume and value of transactions and revealed opportunities for e-payment solutions.

[READ MORE](#)

Article 3

A Recount of How the Business Sector Fared During COVID-19 in Trinidad and Tobago

This article looked at how Covid-19 pandemic impacted the business sector in Trinidad and Tobago, especially the small and micro-enterprises. The challenges posed by the pandemic were especially acute which impacted disproportionately a large share of the vulnerable jobs. It also addresses how organisations are attempting to rebuild and enhance their revenue streams after the Covid-19 lockdown, as well as, facilitating the transition to new working conditions.

[READ MORE](#)

Article 4

How Commercial Banks Steered During the COVID-19 Crisis

The banking sector has been at the forefront of the altered environment created by the COVID-19 pandemic. From inception, banks were deemed an essential service and led the way in the implementation of measures to protect employees and customers while continuing to deliver in-branch service. Therefore, continuing to deliver in-branch service. Therefore, offering online banking options to maintain some semblance of continuity in the face of extreme uncertainty. Furthermore, by offering loan deferral assistance to customers, waiving penalty fees and implementing solutions to address the immediate needs of our micro, small and medium enterprises (MSMEs), commercial banks provided targeted and clear interventions to safeguard the financial welfare of individuals and businesses.

In this article, the Bankers Association of Trinidad and Tobago (BATT) discusses how the banking sector worked to support businesses and assisted in delivering the government’s SME Stimulus Loan Facility. The article also discusses how banks extended their digital offerings, adopted global best practice in card security and introduced several precautionary measures to reduce risk and ensure the health and safety of bank staff and customers. [READ MORE](#)

Public Advisories/ News Spot

1. Enhancing Cross Border Payments: Perspectives from Trinidad and Tobago

In September 2020, Governor Hilaire presented as part of a panel discussion at a regional outreach webinar hosted by the Bank for International Settlements (BIS). The webinar discussed a Report on Enhancing Cross Border Payments.

<https://www.central-bank.org.tt/sites/default/files/page-file-uploads/enhancing-cross-border-payments.pdf>

[READ MORE](#)

2. Concept Designs For New Polymer Banknote Series: Update on Designs

In August 2020, the Central Bank of Trinidad and Tobago presented its update on the "Concept Designs for the New Polymer Banknote Series". This update provided details on the new banknote designs.

<https://www.central-bank.org.tt/sites/default/files/latest-news/cbtt-notice-polymer-concept-designs-august-2020.pdf>

[READ MORE](#)



3. Financial Sector Regulators, Joint Media Release

Regulators Ready to Facilitate Fintechs

The Central Bank of Trinidad and Tobago, the Trinidad and Tobago Securities and Exchange Commission and the Financial Intelligence Unit of Trinidad and Tobago have been collaborating in their capacity as Financial Sector Regulators, to establish a framework to regulate and supervise entities that offer products and services based on financial technology (Fintech).

<https://www.central-bank.org.tt/sites/default/files/latest-news/fintech-joint-media-release.pdf> [READ MORE](#)



FINANCIAL SECTOR REGULATORS JOINT MEDIA RELEASE

September 30, 2020

REGULATORS READY TO FACILITATE FINTECHS

The Central Bank of Trinidad and Tobago (CBTT), the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and the Financial Intelligence Unit of Trinidad and Tobago (FIUTT) have been collaborating in their capacity as Financial Sector Regulators, to establish a framework to regulate and supervise entities that offer products and services based on financial technology (Fintech). We are pleased to announce the following major developments that will facilitate Fintech:

- The *E-Money Issuer Order, 2020* (“Order”) was issued on August 4, 2020 by the Minister of Finance on the advice of the Central Bank under Section 17(4) of the Financial Institutions Act 2008 (“FIA”). The Order, which is a key component of the Fintech strategy, establishes the legal framework to facilitate the issuance of e-money (money stored on cards/electronic wallets etc.) by persons other than financial institutions licensed under the FIA. The Order can be found on the Bank’s website at www.central-bank.org.tt.
- The *Regulatory Innovation Hub* (a portal on the Regulators’ websites) will provide the opportunity for entities to receive guidance on the regulatory requirements for proposed financial technology products and services. This portal will be made accessible to the public on all Regulators’ websites from October 2, 2020.
- The *Regulatory Sandbox* which will be launched in two phases, will allow interested entities to test their products and services in a controlled environment, under the supervision of the Regulators. Phase 1 of the Sandbox will be operational upon granting of provisional registration to an EMI. Phase 2 will apply to other Fintechs and will be launched at a later date.

Look out for more information on regulatory developments for Fintechs on the Central Bank's website, TTSEC's website and the FIUTT's website.

¹ The *E-Money Issuer Order, 2020*

END

Payments System Data Spot

Central Bank of Trinidad and Tobago – Key Statistics on the Payments System:
[Number of ATM and POS machines by month](#)
[Credit Card Transactions by month](#)
[Debit Card Transactions by month](#)

About the PSC

About the Payments System Council (PSC)

Formed in 2002, the PSC is a high-level committee consisting of key stakeholders in the Payments System that meet quarterly to address payment systems issues in Trinidad and Tobago. [READ MORE](#)