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Webex Discussion of Draft Strategic Plan: July 6, 2021



CENTRAL BANK OF
TRINIDAD & TOBAGO

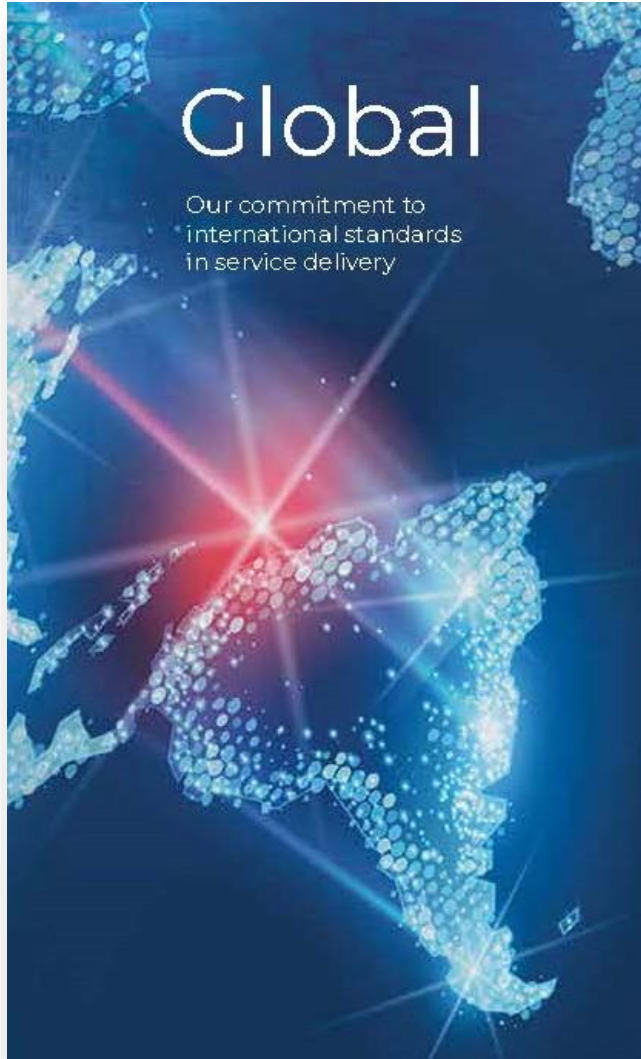
STRATEGIC PLAN
2021/22 – 2025/26

Draft Central Bank Strategic Plan 2021/22–2025/26

Main points

1. The new Strategic Plan (2021/22-2025/26) emphasizes the Bank's commitment to ensuring global standards in our service delivery.
2. The overall implementation of the current Strategic Plan has been very successful.
3. Several unanticipated developments, including rapid digitization, a demonetization exercise and the pandemic affected project timing.
4. Uncertainty surrounding the coronavirus pandemic is dominating the current economic and health outlook.
5. The Bank's base case scenario is that the virus could continue to be with us for at least the first 2 years of the new Plan period.
6. The new Plan retains the 3 themes of monetary policy, financial stability and internal operations and incorporates 9 objectives and 20 projects.
7. The key monetary policy objectives involve modernizing operations, strengthening economic analyses and bolstering the interface with international organizations.
8. Financial stability goals center on ensuring a well functioning financial system in collaboration with other regulators and developing an efficient payments system.
9. Internal operations projects stress streamlining and simplifying activities, promoting staff versatility and service excellence and extending financial education.
10. Phasing of the projects over the 5 year plan period reflects the Bank's priorities, risk assessments and resource availability.

Central Bank of Trinidad & Tobago's 2021/22–2025/26 Strategic Plan: a focus on service delivery to the highest international standards



Mission: established in 1964, our purpose revolves around maintaining monetary and financial stability in Trinidad and Tobago.

Some specific tasks in our governing legislation include currency issue, providing economic advice to the Government, managing the foreign exchange market and international reserves, and supervising financial institutions.

Our core values:

- Teamwork
- Integrity
- Leadership
- Excellence
- Service

Implementation of the 2016/17–2020/21 Plan was largely successful

Table 1 Implementation of Strategic Plan 2016/17 - 2020/21

	Strategic Objectives	Strategic Projects	Status
Monetary Policy	1. Contribute meaningfully to solutions to the current (and future) macroeconomic problems.	1. Assess and promote capital market efficiency	●
		2. Strengthen the capture, collation, analysis and dissemination of high frequency economic information	●
		3. Enhance monetary policy framework	●
	2. Strengthen our economic and other technical analyses and disseminate our findings.	4. Streamline operation of foreign exchange market	●
		5. Streamline currency issue and banking operations	●
		6. Enhance management of international reserves	●
	3. Engage effectively with external agencies.	7. Promote publications on Central Banking and other identified issues	●
Financial Stability	4. Prepare for an evolving financial landscape.	8. Finalise CLICO Resolution	●
		9. Strengthen technical and analytical capacity in supervision and resolution	●
	5. Ensure a well functioning and stable financial system.	10. Coordinate with other supervisory agencies	●
		11. Take stock of recent developments in payments systems	●
	6. Fortify the legal underpinnings of what we do.	12. Identify and prepare for new strategies carried out by financial institutions	●
		13. Advance the legislation for supervision	●
		14. Improve governance standards in financial institutions	●
		15. Streamline external legal engagement	●
		16. Improve risk-based supervision	●
Internal Operations	7. Implement strong and clear controls in procurement, contract and budget management.	17. Identify and promote the Central Bank's external interface and corporate social role	●
		18. Strengthen internal corporate governance and efficiency	●
		19. Identify appropriate mechanism to ensure safety and reliability of information systems	●
	8. Ensure that our IT systems are safe and appropriate to our needs.	20. Develop and implement plan for optimising use of available technology	●
		21. Assess and develop cost effective staff training plans	●
	9. Allow for constant meaningful engagement with staff at all levels and retirees.	22. Develop transparent staff feedback mechanisms and effective wellness programmes	●
		23. Advance Central Bank public education and communication	●
	10. Widen the role of the Bank in public financial education and community affairs.		

● little or no progress ● initial progress ● underway with meaningful progress ● completed as planned



CENTRAL BANK OF
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STRATEGIC PLAN
2016/17 – 2020/21

The Plan was built around

3 themes,

10 objectives,

23 projects

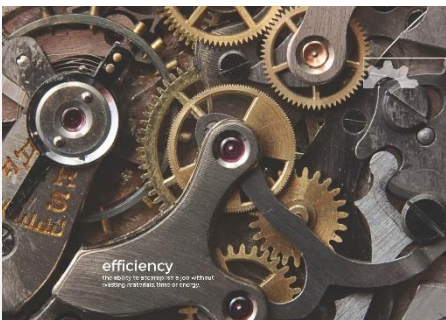
Meaningful progress was made in all areas of the current Strategic Plan



- The entire monetary policy framework has become more robust
 - Adaptation of liquidity management to new circumstances; Working Papers/Book on monetary policy; new Portfolio Management System; elimination of 1 cent coin, introduction of new polymer suite

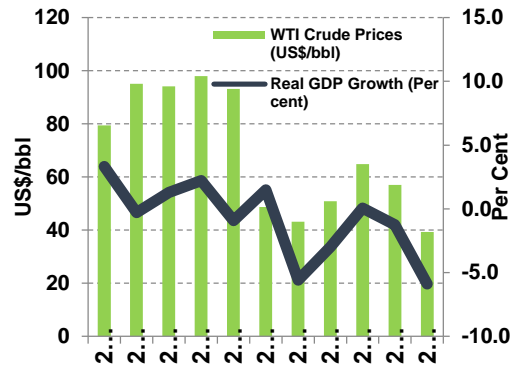


- Important strides were made in strengthening financial supervision
 - New insurance legislation; stronger bank capital requirements; updated stress tests; document lessons from resolutions; CLICO/BAT management advances; Financial Sector Assessment Program (FSAP); initiate payments system reforms.



- Internal operations were streamlined and public outreach became more effective
 - Updated procurement processes; formal whistleblowing mechanism; upgraded museum; high quality Eric Williams Memorial and other lectures; new social media interfaces; more cybersecurity training; work-from-home/BCP measures in pandemic.

Unanticipated developments over the last 5 years had to be catered for, including...

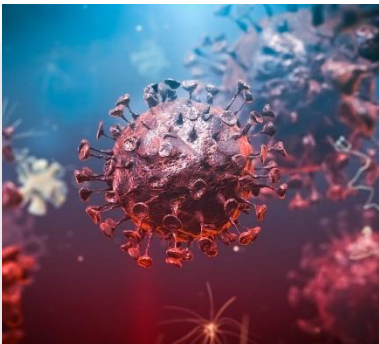


- The rapid pace of digitization



- The macroeconomic impact of depressed energy prices

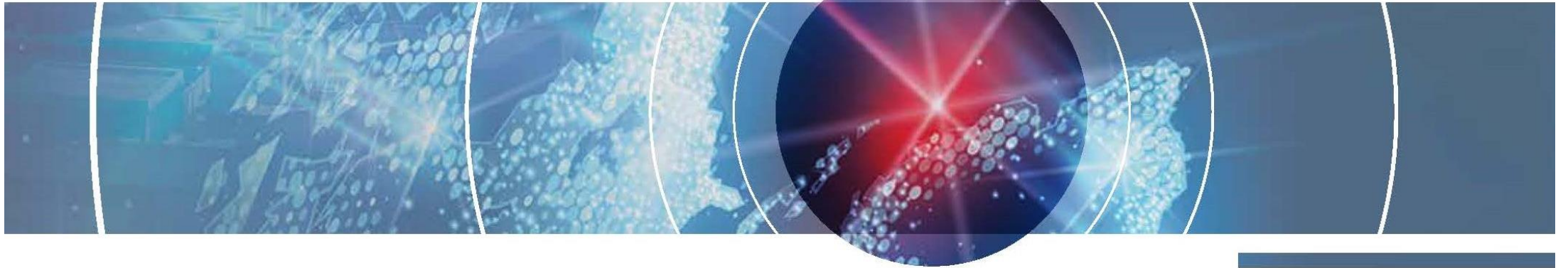
- Demonetization in the context of a national security exercise



- The coronavirus pandemic

Uncertainty regarding the pandemic is dominating the outlook

Current Situation and Outlook



- The Central Bank's base case scenario is that the virus could continue to be with us for at least the first 2 years of the new Plan period.
- The need for coordinated national monetary, fiscal and structural policies will remain.
- The demonstrated dynamism of the financial system and latent stresses arising from the pandemic require a more risk-based approach to supervision.

The new Strategic Plan will shape the Bank's work over the next 5 years

- Our new Strategic Plan builds on the achievements of the current Plan.
- It preserves the 3 themes of Monetary Policy, Financial Stability and Internal Operations, and now incorporates 9 objectives and 20 projects.
- In moving forward, projects that have been completed under the current Plan will become part of the regular work and maintained to avoid reversals.



Rapid developments in technology and communications require a modernization of monetary operations

Monetary Policy



Objectives:

1. Modernize our monetary operations to advance and cater for digitization.
2. Strengthen our economic analysis and disseminate our findings widely.
3. Significantly bolster our interface with international agencies.

The projects:

1. Strengthen technical research on policy issues.
2. Fortify the data and economic intelligence underlying our analyses.
3. Streamline currency and overall banking operations.
4. Promote domestic capital market development and explore opportunities in investment and external reserves.
5. Advance digitalization in Trinidad and Tobago.
6. Integrate environmental issues and climate change into policy considerations.
7. Bolster the Central Bank's interface with international institutions.

Stresses in the financial system due to the pandemic and climate change highlight the need for constant vigilance

Financial Stability



Objectives:

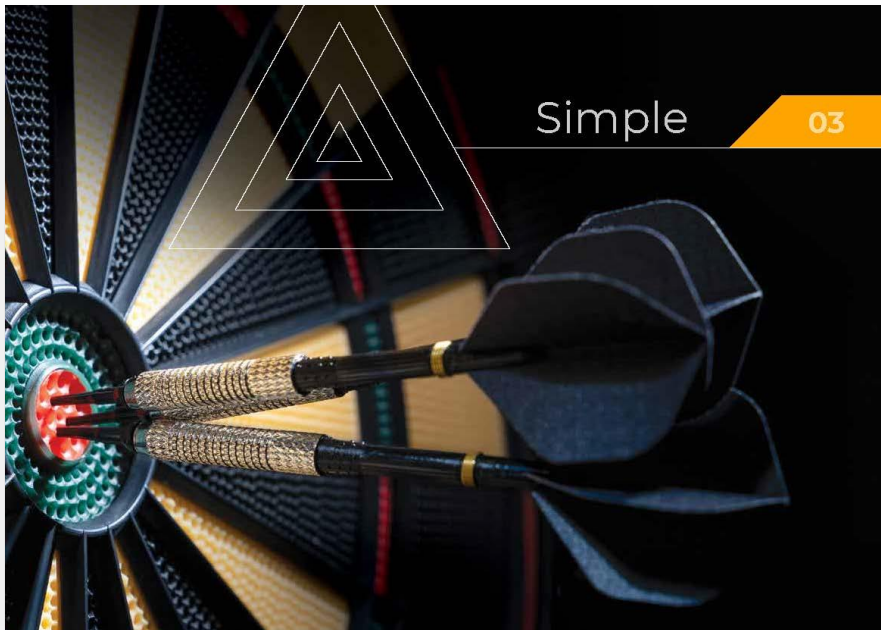
4. Ensure a well functioning and stable financial system.
5. Prepare for an evolving financial landscape in collaboration with other regulators.
6. Develop an efficient payments system.

The projects:

1. Reinforce banking sector supervision.
2. Build on the new legislation in advancing risk-based insurance supervision.
3. Determine the scope for reform to pension schemes and other areas currently supervised by the Central Bank.
4. Explore the role of the Central Bank in areas currently not under our supervision.
5. Advance financial sector crisis management and resolution plans.
6. Modernize Trinidad and Tobago's payments system.
7. Expand the Central Bank's market conduct oversight.

The simplest, quickest and most direct approaches should be adopted to meeting targets

Internal Operations



Objectives:

7. Streamline activities of support Departments to promote a safe, secure and creative work environment.
8. Further promote a staff culture of versatility, excellence and service delivery to international standards.
9. Widen the role of the Bank in public financial education and community affairs.

The projects:

1. Further strengthen incident reporting and investigation.
2. Strengthen enterprise-wide risk awareness, assessment and management.
3. Review internal administration, building and procurement processes with a view to further simplicity and cost effectiveness.
4. Continue to maintain a strong information technology environment and update to meet with new and future demands.
5. Promote versatility of staff.
6. Build further on external communications to highest international standards and our corporate social responsibility.


Project phasing reflects the Bank's priorities and resource availability

Table 2 Strategic Projects Schedule 2021/22 - 2025/26

THEMES	STRATEGIC PROJECTS	TIMELINE									
		2021/22		2022/23		2023/24		2024/25		2025/26	
		HY1	HY2	HY1	HY2	HY1	HY2	HY1	HY2	HY1	HY2
MONETARY POLICY	1. Strengthen technical research on policy issues.										
	2. Fortify the data and economic intelligence underlying our analyses.										
	3. Streamline currency and overall banking operations.										
	4. Promote domestic capital market development and explore opportunities in investment of external reserves.										
	5. Advance digitization in Trinidad and Tobago.										
	6. Integrate environmental issues and climate change into policy considerations.										
	7. Bolster the Central Bank's interface with international institutions										
FINANCIAL STABILITY	8. Reinforce banking sector supervision.										
	9. Build on the new legislation in advancing risk-based insurance regulation.										
	10. Determine the scope for reform to pension schemes and other areas currently supervised by the Central Bank.										
	11. Explore the role of the Central Bank in areas not currently under our supervision.										
	12. Advance financial sector crisis management and resolution plans.										
	13. Modernize Trinidad and Tobago's payments system.										
	14. Expand the Central Bank's market conduct oversight.										
INTERNAL OPERATIONS	15. Further strengthen incident reporting and investigation.										
	16. Strengthen enterprise-wide risk awareness, assessment and management.										
	17. Review internal administration, building and procurement processes with a view to further simplicity and cost effectiveness.										
	18. Continue to maintain a strong information technology system and update to meet with new and future demands.										
	19. Promote versatility of staff.										
	20. Build further on external communications to highest international standards and our corporate social responsibility.										

October 1, 2021

The projects will be further broken down into subcomponents with their specific timelines and milestones.



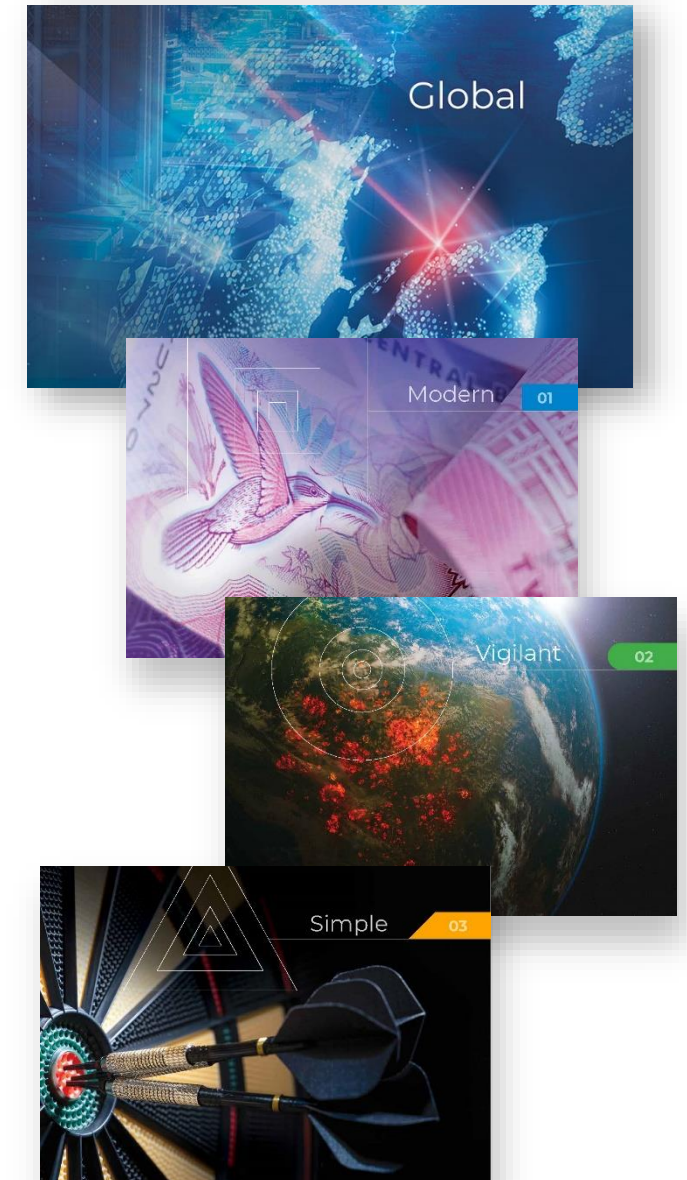
PROJECTS

The projects require intense collaboration among Departments

- The Bank's organizational structure reflects the 3 themes of the Strategic Plan.
- Projects will be broken down into various components with specific milestones.
- Departments will develop their individual Plans, as well as annual work programs, training activities and budgets.
- Designated senior managers are accountable for the specific projects.

Continuous assessment of enterprise-wide risk will feature in plan execution

- The Risk Management Department will be responsible for semi-annual tracking of project performance.
- Inevitably, new unanticipated developments will come up, unexpected opportunities and constraints-human resource, budget, external etc.
- Decision making on prioritization will therefore need to be ongoing in order to respond to changes.
- Reporting will remain important—for accountability as well as feedback.
- The management will report to the Board and publish a progress report on plan execution on the Bank's website semiannually.
- A formal interim review of the Plan's progress will take place in September 2024.



Thank you for your attention

Be safe 

Connect with us     Museum  Auditorium 

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