CENTRAL BANK OF TRINIDAD & TOBAGO

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**Circular Letter to:**
*Insurance Companies Registered under the Insurance Act, 2018*
*Association of Trinidad and Tobago Insurance Companies (ATTIC)*
*Institute of Chartered Accountants of Trinidad and Tobago (ICATT)*
*Caribbean Actuarial Association (CAA)*

**REF: CB-OIFI-2927/2026**

**ISSUANCE OF THE**
**OWN RISK AND SOLVENCY ASSESSMENT (ORSA) GUIDELINE**
**FOR INSURANCE ORGANISATIONS**

The Central Bank of Trinidad and Tobago (Central Bank/Bank) thanks the industry for the comments received on the draft ORSA Guideline which was issued on October 4, 2024. The Central Bank has considered the feedback received and, pursuant to section 278 of the Insurance Act, 2018 (Act), is issuing the finalised ORSA Guideline for your implementation.

The ORSA Guideline is applicable to local insurers and financial holding companies (FHCs) as defined in the Insurance Act, 2018, which are collectively referred to as "insurance organisations" in the finalised Guideline. The ORSA is intended to serve as a dynamic forward-looking management tool to enhance the insurer/FHC's understanding of the interrelationships between its risk profile and capital needs.

The ORSA Guideline outlines the expectations of the Central Bank, and provides guidance on:

- the design of the ORSA process, and its relation to the insurer/FHC's enterprise risk management framework and capital management process;
- the role of the Board, Senior Management and the Objective Reviewer in the ORSA process;
- key risks that should be considered in the ORSA;
- setting internal capital targets based on the insurer/FHC's own assessment of its risk profile and capital needs; and
- the ORSA Report and Key Metrics Report, which provide the results of the ORSA process.

The ORSA Guideline, Key Metrics Report, and the Central Bank's responses to comments on the draft Guideline are appended and may also be accessed on the Bank's website at:

1. Own Risk and Solvency Assessment (ORSA) Guideline – August 2026
   - ORSA Guideline (Aug 2026)

2. ORSA Key Metrics Report (KMR) (version 1.0)
   - orsa-key-metrics-report-kmr-august-2026.xlsx

3. Comments Matrix on the ORSA Guideline
   - comments-matrix-on-the-orsa-guideline-august-2026.pdf

Insurers/FHCs are advised to pay particular attention to Section 12 of the ORSA Guideline, entitled "Effective Date and Timeline for Implementation of the ORSA", which sets out the timeline for the implementation of the ORSA process, adoption of relevant policies, and submission of the first ORSA Report and associated documents.

Specifically, following the issuance of this ORSA Guideline, insurers/FHCs are required to submit to the Central Bank:

- **Within six (6) months** – a Board-approved Action Plan, which includes a comprehensive timeline for implementation of the ORSA.

- **Within nine (9) months** – the following updated Board-approved policies:
  i. ERM Policy;
  ii. Capital Management Policy;
  iii. Asset Liability Management Policy; and
  iv. Dividend Policy.

  It should be noted that Insurers/FHCs should have the above-mentioned policies in existence prior to the issuance of this Guideline.

- **Within fourteen (14) months** –
  i. the first Board-approved ORSA Report (using data for the 2025 financial year end or more recent audited data where applicable); and
  ii. all associated documents as per section 9.7 of the ORSA Guideline.

The Central Bank anticipates your usual cooperation, and timely implementation of the ORSA by all insurers/FHCs.

Yours sincerely

Michelle Francis-Pantor
**INSPECTOR OF FINANCIAL INSTITUTIONS**