

## **Welcome and Opening Remarks**

4<sup>th</sup> CEO and Director Forum

Hyatt Regency Miami

By Mr. Dalton Lee

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**Sound cue: Miami – Will Smith**

**Good morning, ladies and gentlemen.**

**Welcome to Miami**

**Bienvenido a Miami**

**It is my pleasure to bid you all a very warm welcome to the 4<sup>th</sup> iteration of the CEO and Director Forum, hosted by the Caribbean Association of Banks Inc.**

I wish to extend my thanks to everyone who helped to bring this event to life. First let me say “Thank you” to our esteemed sponsors, most of who have been supporters of ours through thick and thin. To our very well-respected presenters, who are taking time out of their otherwise busy schedules to present on all the topics that are relevant to us at little or no cost to the organisation. To our moderators who “volunteered” to invest their time and talent to prepare for their sessions to ensure an in-depth and informative discussion is had, we say “Thank you.” To my fellow Directors at the Caribbean Association of Banks Inc., thanks for your continued support by providing your vision, guidance, and leadership, and of

course your financial support to this august body, and certainly to all of you, our participants, without whom none of this would be possible.

From its inception in 2016, this Forum has grown in size and in importance, last year we had approximately 43, this year will have over 50 attendees over our two days together. That type of growth speaks to the substance and the relevance of the discussions that occur only in this forum. This gathering is designed to provide the attendees with an opportunity to discuss their hot button issues in an open and honest environment without fear. And we intend to maintain the growth in the coming years.

### **CEO Forum 2018**

Allow me to hark back to the 2018 edition of this gathering for a moment.

On that occasion, some of the key issues that we discussed were as follow:

We spoke of the perception of the Caribbean region as being ‘high risk’ and the negative impact this perception has had on the financial services industry’s access to correspondent banking services. This remains an issue for a number of our smaller member banks, and an issue that the CAB continues to work on to ensure a satisfactory outcome.

We discussed one of the principal risk models, the European Union’s General Data Protection Regulation, or GDPR, which brings data privacy and cybersecurity

together to protect the interests of EU citizens, and how it affects the Caribbean. We should all be in compliance with these regulations now, onerous as they may be. And although we hope that this was the final regulatory shoe to drop, we know that when it comes to our region it is not a matter of if not when the next shoe will drop.

And we took a keen look at leadership in the current environment, where the need for agility, flexibility, and understanding of the different cultures and generations are critical in terms of achieving greater effectiveness. We learned that we certainly cannot attract, motivate, and retain our millennials in the same manner as we did our Gen Xers or our baby boomers.

## **Resolutions**

But we left Miami last year with a rallying cry. We agreed that the issue of de-risking is one that requires public-private sector partnership, but it is incumbent on the banks themselves to take the lead in that process. It is certainly an area in which our banks and our bankers need to be better educated, and on that score the CAB is proud to have taken the lead. You will hear more of our advocacy, education, and training efforts over the course of the weekend.

Regarding GDPR, we examined the state of compliance, and have been working towards putting member banks in the best possible position to ensure that they are in lockstep with the current paradigm.

We also left last year's CEO Forum with the understanding and the resolve that we must do more to foster regional collaboration. We have taken that challenge head-on, by casting our membership net ever wider. In the past year, we have onboarded seven members, including our first from Haiti. In addition, we have signed memoranda of understanding with eleven (11) national Bankers Associations so as to provide a stronger voice for advocacy.

## **Membership**

Our membership now includes over 80 institutions, including 55 banks. We will continue working to grow our membership, as we place great emphasis on representing organisations throughout the region.

It is the opinion of the Board that the CAB should be an association for all regional banks and financial institutions. Issues that affect regional banks also affect international banks, credit unions, and so on. If all these organisations support the CAB with one voice, our association will be a lot stronger, and so will the Caribbean financial sector.

Over the past year, the CAB has been working to generate greater involvement among the wider banking community, especially by including the international banks. In addition to our MOU's with local banking associations we have also moved to broaden the CAB's involvement in helping guide the regulatory environment by signing MOU's with central banks throughout the region. These

MOU's will allow us to be at the front of the regulatory process, ensuring us a continued voice at the table on all the issues that face our industry.

## **State of the Industry**

The year 2018 was an eventful one for the international banking industry. Bitcoin gained more attention and forged new partnerships, the region's economic outlook fluctuated, several jurisdictions have introduced or discussed legislation to decriminalise cannabis, and cybersecurity has come ever more into focus. How has the Caribbean financial sector responded, and what role has the CAB played?

Over the next two days, these will be the matters under consideration. You will be able to address the latest innovations as far as digital currency is concerned, with some of the key Caribbean stakeholders involved. You will be better able to appreciate various viewpoints on the ongoing cannabis debate as it pertains to banking, and particularly as it pertains to de-risking. We will examine the role of technology in the emergent banking environment, and how to make fintech work for our banks and our customers.

The CAB continues to be the voice of the region's financial sector. We constantly seek ways to provide greater utility to members, whether through education and training, or onboarding new service members and partners, such as Howden, a UK-based bespoke financial insurance company. Howden offers CAB members substantial reductions in premiums and better policy coverage for various risks, including cybersecurity. We are in discussions with other companies who can

provide their services to our members at reduced prices. Be on the lookout for more information on that.

## **Opportunities Abound**

This year, we have opted to make some changes to the normal modus operandi of the CEO and Director Forum. Later today, you will participate in our first-ever training day, which will be facilitated by one of the principal names in global governance, Deloitte. You will also hear from Dr. Christopher Bart of the Caribbean Governance Training Institute. And key representatives of outstanding regional and international organisations will share their lessons on industry leadership in our first-ever CAB Talks.

This Forum is crucial, in that it gives us the chance to delve deeply into some of the most pertinent questions facing Caribbean bankers. I want you to look at this Forum as a pathway to sharing and discovering best practices, and to consolidate intelligence from some of the best in the business. We have what it takes as a Caribbean people to not only survive the dynamic international climate, but to thrive in it. We simply have to grab the bull by the horns, seize the lead, and learn from one another how best to navigate the circumstances within which we find ourselves, in order to find the best way forward for our individual organisations, and for the region as a whole.