



### From the Desk of the C.E.O.

Welcome to the newsletter of the Caribbean Association of Banks (CAB) Inc. We appreciate your commitment to the CAB and are very excited about our new medium.

We are publishing this newsletter at a time of rapid global change in the financial industry, the velocity of which is without precedent. The digital transformation of banks, the fintech revolution, the advent of artificial intelligence, and the growing demands of the regulatory environment require agility and innovation in this new paradigm. The newsletter will present the issues that confront the region, feature the ongoing work of the CAB, gather the perspectives of industry leaders, provide deep insights into key developments in the financial sector, present the events and news of interest that impacts the sector.

I am pleased to report that in June, the CAB successfully hosted the CEO and Directors' Forum in Miami, Florida, U.S.A. I invite you to join us in October for the 46th Annual



CAB General Meeting & Conference, bringing together over 300 delegates from the financial sector to address the vital issues of the region. This prominent event features eminent speakers, informed panel discussions, and presents the key topics of interest of our members.

We in the Caribbean are at a critical juncture in our history and, like other regions, face an inventory of challenges. Among those is the loss of CBR's which threatens the economic survival of the Caribbean, and which could ultimately destabilize regional banks economies.

Derisking therefore has exacerbated the financial sector fragilities in the region. The consequences are dire; thus, this is high on the agenda of the CAB. The banking sector plays a crucial role in the process of economic development and growth, especially in developing countries like the Caribbean where financial markets are underdeveloped, and are the main providers of financial intermediation services. Commercial banks dominate the financial sector in the Caribbean and account for 91% of the financial system, Banks are essential to basic economic functions, stability, and growth and are critical to linking emerging markets to the global economy.

In this issue, we . I invite you to explore our newsletter and interact with us through our various social media channels.



## Staying ahead of the changing wave

The CAB concluded its 4th CEO and Director Forum on 7th and 8th June 2019 in Miami, Florida. The Forum brought together CEO's, Directors, Compliance, Professionals, Technical Service Providers, Representatives from Regional and Multinational Bodies, and Banking industry Professionals.

Speakers at the weekend's gathering represented some of the foremost organizations in the Caribbean and beyond, inter alia, Deloitte, the Caribbean Governance Training Institute (CGTI), the Florida International Bankers Association, Hitachi Security, Promontory Financial Group (an IBM Company), JMMB, Republic Financial Holdings Limited, Royal Bank of Canada, the Jamaica International Arbitration Center Ltd., Eastern Caribbean Central Bank, Bitt Inc., Global Integrated FinTech Solutions, IBIS Management, and Jamaica National

Bank.

Among the topics mooted over the course of two days were CAB: Moving The Needle On Value – Year In Review; Banking Cannabis – U.S.A., Canada, & Caribbean Perspectives; Creating An Agile Technological Infrastructure; The 4th Industrial Revolution – Innovating For Customer Centricity; and Virtual Currency & Cyber Security – Striking A Balance Between Boundaries & Security.

The CEO and Director Forum is one of the highlights of the CAB programme of activities. In October 2019, the Association will host its 46th conference and annual general meeting, the industry's premier gathering, on the Dutch territory of Sint Maarten.

FIN

### The 4<sup>th</sup> Industrial Revolution what it is and how to respond.



We stand on the brink of a technological revolution that will fundamentally alter the way we live, work, and relate to one another. In its scale, scope, and complexity, the transformation will be unlike anything humankind has experienced before. We do not yet know just how it will unfold, but one thing is clear: the response to it must be integrated and comprehensive, involving all stakeholders of the global polity, from the public and private sectors to academia and civil society. [Read more](#)

## Fascinating Facts about Banking - Did you know?

In 2019, the automated teller machine (ATM) celebrates **50 years in existence**. 1969 marked the first use of ATM magstripe cards. Docutel installed its 'Docuteller' machine at New York's Chemical Bank. The installation marked the first use of magnetically encoded plastic. Chemical Bank's ad campaign announced: "On Sept. 2, our bank will open at 9:00 and never close again!"

ATMs revolutionized banking, reducing the need to visit a bank to conduct basic financial transactions. The number of ATMs will rise from 2 million in 2014 to 4.3 million in 2020.



## EYE ON I.T.

Regulatory Developments

### Central Bank of the Bahamas Marks 45

Central Bank of The Bahamas Governor John Rolle spoke at the 45<sup>th</sup> Anniversary celebrations of the Bank on July 5, 2019. "When we reflect on the mission of the Central Bank, and strip away the technical terms that often entrap us, our mission is simply put, to accomplish within the financial sector space all that is within our legal authority, to preserve and improve upon this Bahamian way of life." [Read more](#)

### Bahamas To Implement Digital Currency

The Central Bank of The Bahamas entered into an official agreement to design and implement a digital version of the Bahamian dollar. Exuma Island has been selected to pilot this Bahamian digital dollar. [read more](#)

### Barbados Central Bank Authorise Foreign Currency

From August 2, Barbadians will be able to open foreign currency accounts without restrictions. [Read more](#)

### CDB Moves Closer To Adopting Youth Policy & Strategy

Caribbean Development Bank is moving closer to finalising its first Youth Policy and Operational Strategy (YPOS), which will guide its youth-related investments in the Region. [read more](#)

Keith Checkley  
— & ASSOCIATES —

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## Upcoming Events



### CAB Conference and Annual General Meeting, Sint Maarten 2019

30 October to 2 November, Sonesta Maho Beach Casino and Resort, Sint Maarten

**JOIN US!** The CAB 46<sup>th</sup> Annual Conference will be held in the lovely territory of Sint Marten, October 30<sup>th</sup> – November 2<sup>nd</sup>, 2019. The conference will bring Directors, Presidents, CEO's, Managing Directors, Finance, Operations, and Projects Executives from our honorary, general, and service members, various correspondent banks and service providers. This premier event leads the way on the discussion of the critical topical issues and challenges of the day that confront the banking sector.

#### Sign up for a FIBA accredited AML program!

Florida International Bankers Association will award nine (9) CE approved credits to CAB conference attendees who participate in the course, Anti-Money Laundering for Correspondent Banking, which will be offer on 29 October in Sint Maarten, and does NOT require a final exam. [Click here to register](#). Limited space available!

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