

CBTT included in regional payment pilot

Caribbean Community (Caricom) Central Bank Governors have agreed to move beyond the proof of concept of the Caricom Payment and Settlement System (CAPSS) by starting a pilot involving The Bahamas, Barbados, Trinidad and Tobago, and the Eastern Caribbean Currency Union (ECCU).

According to a statement issued in Curaçao, the agreement was reached during the 65th Bi-Annual Meeting of Caricom Central Bank Governors held earlier this month and that “CAPSS is being designed to deliver instant local currency payments across participating Caricom countries.”

It will eliminate the need for US dollar intermediation in regional transactions.

It is modelled after Africa’s Pan-African Payment and Settlement System (PAPSS) and aims to reduce reliance on expensive correspondent banking networks like those in the US and foster greater regional financial integration.

During the meeting, the statement said that the governors also highlighted the potential of digital innovation, particularly fast payment systems and digital payments, to advance financial inclusion, improve efficiency, and facilitate cross-border transactions across the Caribbean.

“They emphasised that, regardless of the technology adopted, public institutions must continue to play a central role in safeguarding the public’s interest,” the statement noted.

It said that working groups and technical committees presented their reports, including updates from the Caribbean Economic Research Team (CERT) and that “these updates reinforced the importance of sustained cross-border collaboration in an increasingly complex and rapidly evolving global financial environment”.

The statement said that the governors also examined the cybersecurity challenges facing central banks and “stressed the significance of strengthening cyber resilience and participated in an in-depth masterclass.” (CMC)