

The Way Forward for the Banking and Securities Industry

25 January 2017

Brian Wynter, CD

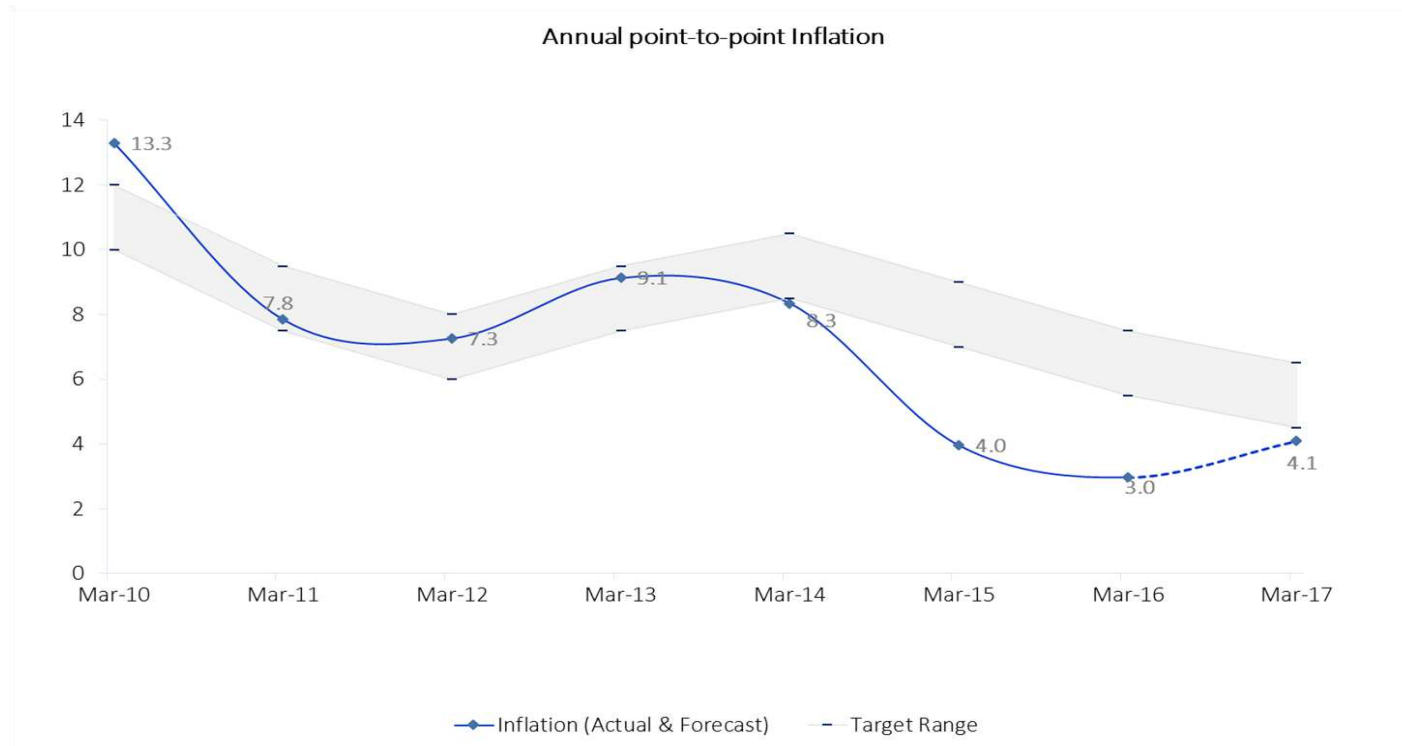
Governor

Bank of Jamaica

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The Bank of Jamaica has

- Implemented well needed financial sector reforms.
- Successfully managed a progressive decline in inflation to historically low and stable levels.



But these are not enough.

My challenge to the industry

Can you do more to transform your institutions to better serve Jamaicans from all sections of society?

- Jamaica needs a more competitive, diversified and dynamic financial sector in order to become a more competitive, diversified and dynamic economy.
- The only sustainable economic growth is inclusive economic growth.

Financial Inclusion

- The World Bank Financial Inclusion Data 2014 for Jamaica indicates that while 78 percent of the population 15 years and older had at least a basic savings account at a formal financial institution.
- Only 11 percent of this population borrowed from a financial institution with only 7 percent borrowing to start, operate or expand a farm or a business.

Financial Inclusion

We aim to raise the proportion of adults with a deposit in a financial institution from 78 percent of the population to 95 percent over the next four years.

Other Initiatives

- The Banking Services (Deposit Taking Institutions) Agent Banking Regulations, 2016.
- The Banking Services (Customer Related Matters) Code of Conduct, 2016

Payment Systems

- Bank has also invested heavily to provide a modern, safe, efficient and flexible payment system that can reach even the most isolated community.
- This is supported by an up-to-date legal and regulatory framework for payments and settlements.
- The design supports current developments in digital innovations in finance, so-called fintech

Payment Systems

- Some of these technologies have the potential to reduce the effectiveness of monetary policy and regulatory oversight.
- However, a number of central banks are actively incorporating these technologies into existing payment system architectures.

The Way Forward

Collaborative efforts from the Government, regulators, market participants and development partners to exploit the appropriate fintech for Jamaica.

Financial inclusion policies that strike a balance between securing payment system stability and information security while effectively reaching underserved and excluded consumers.

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