



CENTRAL BANK OF BARBADOS

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Central Bank Publishes Select Bank Fees on its Website

Effective July 15 2020, the Central Bank of Barbados (Bank) will publish on its website / here a list of select fees for all five of the island's commercial banks. The Bank will update the list semi annually.

Governor Cleviston Haynes explained that " While the list does not include the full range of fees, the Bank has captured some of the most common ones that institutions charge on traditional products, so that persons in the market for personal/retail banking services can compare what various entities are imposing when making their banking decisions."

Among the fees the Bank will publish are those related to minimum balances for savings and chequing accounts, monthly fees, charges for deposits and withdrawals, and some credit card-related fees.

The focus of the Bank's initiatives is to prevent a disincentive for savings that could cause financial exclusion of savers with minimal balances.

Although the standard publishing cycle will be every six months, the Bank advises that it may update its website within that period, should there be material changes to the structure of the select fees published by the Bank.

The Bank noted that while it has attempted to compare fees for similar services across institutions, there may be instances where banks may differentiate between products listed in the same category. It is also worth noting that the list is not exhaustive and therefore members of the public are encouraged to use the schedule as a guide as they undertake their own due diligence.

The Bank also informs that it has updated its guidance to industry on bank charges as set out in the Appendix to this Release. In addition, the Bank requires that commercial banks:

- Strengthen their efforts related to public education programmes, in order to increase awareness of low and no-cost alternatives to in-branch transactions, such as online payments.
- Ensure that all fees are easily accessible online, preferably through a clearly visible link on their home page.
- Inform it at least 30 days prior to the notification to customers of any new charges;



- Notify customers of any changes in fees or new charges via email and other social media platforms at least 30 days before they come into effect.

Appendix

The public is also asked to note the following guidance that banks are required to follow:

- No maintenance account fees for senior accounts.
- No over-the-counter charges for seniors over 70.
- No maintenance account fees for youth accounts.
- No charge should apply to third party withdrawals in the case of pensioners.
- No charges are to be applied for the encashment of cheques whether written on own bank or another bank.
- A bank may apply reasonable charges for withdrawals either at the ATM or over the counter, but such charges should not apply to both services.
- No charge to customers for making transfers between their accounts at their bank's ATM.
- No charge to customers for making account inquiries at their bank's ATM.
- Charges for transfer via the Real Time Gross Settlement (RTGS) should not exceed \$15.
- Charges for transfers between banks effected through manager's cheques should not exceed \$15.
- The charge for the notification of inactive accounts should not exceed \$10.00 per annum.
- The charge for the notification of inactive accounts should, however, be reversed on acknowledgement by the account holder. In addition, interest should be paid on all inactive accounts.
- The minimum balance on which interest is to be paid should not exceed \$300.00.
- The percentage charged for application/negotiation fees should not exceed 0.5% of the loan amount.
- The percentage used to calculate commitment/standby fees should not exceed 1.0% of the loan amount.
- A maximum charge of 1% is to be applied where the value of coins received/deposited exceeds \$50.

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