



Central Bank of Barbados

Tom Adams Financial Centre, Spry Street, Bridgetown

P.O. Box 1016

Telephone: (246) 436-6870 : Fax. (246) 436-7836

E-Mail Address: info@centralbank.org.bb

Website: www.centralbank.org.bb

**Welcome Remarks by
Dr. DeLisle Worrell, Governor, Central Bank of Barbados**

**Domestic Financial Institutions Conference
Lloyd Erskine Sandiford Centre
September 13, 2016**

Welcome, Honourable Ministers, distinguished friends and guests. A special welcome to those joining us from overseas.

Our Domestic Financial Institutions Conference is when we take the opportunity to focus, in some depth, on issues in the financial sector that are of critical importance to us. We are a very open economy, and one aspect of our interdependence with the global economy is the fact that we are subject to international rules that are designed for countries with characteristics and circumstances very different from our own. Barbados plays by the rules, as we always have. It is a strength of our financial sector, and one of the factors that makes our country internationally competitive. But it is clear that the application of these rules indiscriminately to all countries, regardless of size and economic circumstances, results in anomalies which may have undesirable consequences. In our discussions today we will focus on some

of these issues, and the initiatives that are underway to come to terms with the challenges we face.

The rapid march of technology offers us exciting opportunities and brings with it new challenges. It has become a feature of our conference to deal with some aspect of new technology and its actual and potential impact on our financial sector. This is an area where we lead the Caribbean, thanks to the efforts of Barbadian entrepreneurs, and to the visit of Professor Simon Johnson, our Central Bank Distinguished Visiting Fellow for 2016.

We will also take the opportunity this afternoon to reflect on the past year's experience with our fully liberalized interest rate policy framework. We tried, as we always do, to design a system that works for all the players, for the banks and for all Barbadians and those with whom we do business abroad. In our conversation today we have an opportunity to debate how successful we have been in achieving these objectives. Economics is more art than science, and good economic policy always incorporates mechanisms for feedback, so that policies can be tweaked to make them more effective. Today's conversation is one such opportunity.

Finally, we could not hold a conference like today's without having a conversation on Brexit. My own views on Brexit are public, and may be found in an article I published before the referendum, which is available on our Central Bank website. My only caution about today's discussion is that it is wise to explore all the angles, because Britain's decision to exit the EU leads the whole world into uncharted waters. No-one can know what lies

before us, and the only thing we can say for sure is that it will not be what we expect, whatever is our surmise about the way things will turn out.

As always, I anticipate a stimulating and rewarding day of discussions, and I confidently expect that we will all leave much better informed on the matters discussed than we are at this moment. We will then be able to congratulate ourselves on a day well spent.