



Central Bank of Barbados
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**Remarks by
Cleviston Haynes, Governor, Central Bank of Barbados
at the
Opening of the New Branch of Consolidated Finance
One Welches, St. Thomas
Thursday, January 31, 2019**

I am delighted to celebrate with you, the launch of this new corporate branch in the growing Welches business district. Firstly, I would like to extend congratulations to the Head of the branch, Mr. Darrell Wilson, an experienced financial services professional, and his staff, as they set out on this exciting journey, anxiously looking forward to seizing the available opportunities and overcoming the inevitable challenges that lie ahead. I have no doubt that the depth of experience and understanding of the Barbadian financial landscape that you bring will augur well for the success of this new branch, as you seek to expand Consolidated Finance's foothold in the corporate and commercial lending market.

Consolidated Finance is now a household name with a long history in Barbados, having been established as a wholly-owned subsidiary of the McEneaney Alston (Barbados) Group. The company has built an excellent reputation, expanding its range of financial products and services ranging from vehicle leasing arrangements to offering fixed deposits, real estate financing, merchant banking and foreign exchange trading.

As regulator, the Bank has been able to monitor your growth and we are satisfied with your commitment to enhance your systems for risk management to ensure compliance with regulatory standards.

We welcome your decision to expand your footprint in the domestic financial market at this time. It demonstrates confidence in your ability to manage an expanded portfolio. Equally important, it shows confidence in the future prospects for the Barbados economy and embodies your commitment to helping the Barbados economy to recover and strengthen over the medium term.

As I reported only yesterday, the economic indicators for the Barbadian economy are displaying encouraging signs. But the prospects for durable growth over the medium term require a strong recovery in investment, both foreign and domestic. I believe that the domestic financial sector has an important role to play in this area, as it seeks to allocate over time, the substantial resources it has mobilized from our citizens.

In recent years, credit demand has been weak and the banking sector has been marked by excess liquidity. We all know that in the past year, financial institutions have had to cope with the implementation of a new accounting standard and with the debt restructuring of Barbados domestic government securities. However, the sector has proven resilient with capital remaining above statutory requirements.

Your foray into corporate lending provides an opportunity for you to diversify your business. At the same time, it presents a challenge, as you compete with brands well established in this area, with larger capital bases and access to mature risk management systems. Your goal must be to create a niche area for products and quality of service in the financial services market that will differentiate you from your competitors. Your challenge will be to attract small and medium size credits, to provide financing and where possible, advice to enable these entities to grow and flourish.

Your expansion occurs at a time when the Barbadian financial industry is gradually evolving, with an increasing push to offer new types of financial products and services. Technology is driving developments with increasing emphasis on on-line banking and digital payment solutions. I believe that these developments will enhance efficiency and productivity and therefore benefit the economy. Already we can see a future in which traditional instruments such as cheques and cash will play second fiddle to technological transfers of money within the public and private sectors. These technological innovations will impact individuals, corporates, financial institutions and government, and I encourage you to align your systems to cope with the emerging trends.

The adoption of new technologies is a positive development for a small economy like ours with highly concentrated markets. It creates the potential for increased competition, an expansion of the range of products and services available to the public and an improvement in the public's access to affordable financial services. The Central Bank is therefore committed to fostering a regulatory environment that will enable existing or new firms to expand and improve the quality and range of financial products and services.

In closing, let me reiterate that the opening of this branch provides an opportunity to implement new approaches and offer financial solutions that can add vigor to the existing credit market. On behalf of the Central Bank, I offer sincerest congratulations to ANSA

Financial Holdings (Barbados) Ltd and the management and staff of Consolidated Finance Company Limited for the demonstration of the commitment and faith in the resilience of the Barbados economy.

Best wishes for the future.

Thank you.