



Summary of Proceedings

Public Hearing

Joint Select Committee on Finance and Legal Affairs

Held on **Friday May 19th, 2017**

Subject matter: An Inquiry into Commercial Banking Fees in Trinidad and Tobago

Venue: A public hearing was held on Friday May 19th, 2017 from 10:08 a.m. to 11:55 a.m. at the A.N.R. Robinson Meeting Room (East), Level 9, Office of the Parliament, Tower D, The Port of Spain International Waterfront Centre, 1A Wrightson Road, Port-of-Spain.

Committee Members

The following Committee Members were present:

- Mr. Michael Coppin (Vice-Chairman)
- Dr. Lovell Francis, MP
- Mr. Prakash Ramadhar, MP
- Mr. Clarence Rambharat

Witnesses who appeared

The following officials of First Citizens Bank appeared:

- Ms. Karen Darbasie, Group Chief Executive Officer;
- Mr. Jason Julien, Deputy Chief Executive Officer – Business Generation; and
- Ms. Lindi Ballah-Tull, Head – Legal, Compliance and Governance.

The following officials of Republic Bank Limited appeared:

- Mr. Nigel Baptiste, Managing Director RBL and President of RB Holdings; and
- Ms. Jacqueline Quamina, Executive Director and General Counsel.

Key Issues Discussed

The following are the main issues highlighted during discussions with **Republic Bank Limited**:

- i. the profitability of Republic Bank Limited in 2016;
- ii. whether the setting of fees and charges is a decentralized decision made by local branch managers;
- iii. the cognisance of banks regarding the level of customer concern towards bank fees and charges;
- iv. the proportion of income and profits to which fees and charges are attributable;
- v. the importance of customer satisfaction to commercial banks;
- vi. whether banks have a duty of care to provide customers with adequate notice of fee changes;
- vii. the role of fees and charges as a means of cost recovery for services provided;
- viii. access to lavatories facilities for the elderly and differently abled at commercial banks;
- ix. the significance of online and mobile banking in improving customer accessibility and convenience;
- x. the correlation between interest rates charged for services and the overall liquidity in the economy;
- xi. the reason for the considerable differential fees for the use of another bank's ABM facilities;
- xii. the lack of regulation of Linx services offered by banks and other financial institutions;
- xiii. whether there is a correlation between interest rates associated with credit cards and the rising delinquency in the payment of credit cards;
- xiv. the significance of fully operationalising the Electronic Transactions Act on the banking sector;
- xv. The views of the banking community on Agency Banking legislation;
- xvi. the need for greater transparency in hire purchase transactions facilitated by the distributors of furniture and appliances; and
- xvii. the need for greater regulation of credit unions.

The following are the main issues highlighted during discussions with **First Citizens Bank**:

- i. First Citizens Bank's last fee adjustments occurred in January 2015;
- ii. measures undertaken to improve the banking experience for elderly persons;
- iii. the use of surveys to gain customer feedback;

- iv. the issue of augmenting staff during peak periods;
- v. the challenges involved in implementing in-branch banking on Saturdays;
- vi. the implementation of ‘Customer Information Days’ to promote the financial literacy of customers;
- vii. the importance of Customer Service to FCB;
- viii. the rationale of certain fee structures;
- ix. whether the financial sector is overbanked;
- x. whether there is collusion among commercial banks in relation to ATM charges;
- xi. the role of banks in providing value to customers and the protection of funds; and
- xii. the strength of the local financial sector.

This public hearing can be viewed on demand via our YouTube Channel.

<https://youtu.be/67cvzQ-HLqk>

Contact the Committee’s Secretary

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Committees Unit

Friday 19th May, 2017.