



The Barbados Co-operative and Credit Union League has strongly refuted an article published in the local press suggesting that Credit Unions had been directed to pull their investments from Tier III Finance Companies.

In a statement by the President of the League, Mr. Hally Haynes, the Movement said it had received no such directive from the Financial Services Commission (FSC) which is the Regulatory Agency for Credit Unions.

“The story which appeared in the print media captioned Banks Only – Credit Unions Must Pull Investments, is misleading and does not reflect recent developments.

Further, the Barbados Co-operative and Credit Union League Ltd., the apex body for Credit Unions and Co-operatives, totally rejects the notion of any ongoing row between the FSC and Credit Unions on this or any other issue. The pertinent facts surrounding the issue are as summarized below. ” the League said.

The statement noted that “ The league, as the representative body for Credit Unions is engaged in a process of constructive dialogue with the FSC on behalf of all its Credit Union affiliates, on a broad range of issues pertaining to the regulation and supervision of credit unions in Barbados. The parties have committed to meeting on a quarterly basis and met as recently as April 10, 2013.

In relation to the subject of investments, the FSC directed credit unions to report on their portfolio of investments as at April 15, 2013. As the regulator, the FSC is charged with the responsibility of ensuring that credit unions are fully compliant with all of the statutory provisions, regulations and any guidelines issued.

However, it is noted that some provisions in the current legislation governing investments, in their strictest literal interpretation may be restrictive, given the financial landscape. Against this background, the FSC and the league have agreed to work together to address any anomalies

that exist in the current legislation.

This process may involve changes to the legislation to create a more enabling environment for credit unions to support their growth and further development.

The league is fully supportive of the important role played by the regulator in ensuring stability within the sector. It therefore intends to continue the process of constructive dialogue with the FSC to ensure that the interests of its membership are adequately represented.”