

# Speech Delivered and the Launch of the Trinidad and Tobago Securities and Exchange Commission

## Investor Protection App

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Salutations.

Good morning everyone, and welcome once again. It is an honour and a privilege to participate in this launch of the Investor Protection App by the Trinidad and Tobago Securities and Exchange Commission. To me, it represents one more element of a broader thrust. It is a small but significant step in the development and modernization of our financial sector as we work together to build out the infrastructure for financial education and financial consumer protection.

The Central Bank and the SEC have worked together extensively, but not exclusively, in the area of financial literacy. However, the SEC has firmly established itself as a formidable presence in the area of investor education. More importantly, I have observed that many of their activities are geared towards the young, the investors of tomorrow. This emphasis is clear evidence of long term thinking and planning.

The world we live in today is very different compared to just a few short years ago, and with the global health challenges we now face, we live in a world that few could have imagined. The economic impact of the pandemic is slower economic growth in Trinidad and Tobago, as is the case in many countries. Unemployment has increased and there is a noticeable reduction personal disposable income for a significant proportion of the population.

While many individuals are preoccupied with a slew of coping strategies, sadly, there are many others concocting schemes and other dubious arrangements to defraud ordinary citizens of the little that they have with promises of fantastic returns that are wholly misaligned with the economic realities of the country.

In launching this app today, the SEC has bundled in a simple, easy-to-use mobile App another element of a broader system. It is a tool whereby anyone with a smartphone can do a lot more in seeking redress for legitimate investment complaints. They can report on suspicious schemes and they have the added functionality of transmitting documents, screengrabs, or other digital data, allowing users to validate the authenticity of any investment proposition put before them.

We at the Central Bank, particularly the Office of the Financial Services Ombudsman and the National Financial Literacy Program, welcome this initiative by the SEC. One of the essential characteristics of any redress mechanism in the financial sector, and elsewhere, is accessibility. This new tool makes the SEC's complaints process far more accessible. And I can very well see this becoming a focal point in their investor education platform.

I encourage each of you in attendance to download this app and share it with friends and family. It could at some point be the difference between prudent investing and ill-advised, injudicious speculation. Ladies and gentlemen, money is too difficult to come by, to act carelessly with it. Here is an organization that has as its primary mandate the protection of the investing public. In practical terms, this means that they protect investors from unfair, improper or fraudulent practices. They are now extending their reach and presence to ordinary citizens free of charge. Why would anyone serious about properly managing their financial affairs not want to have this App at their disposal?

Investment fraud is way too common in this age of abundant information, and while many may think it is a low-frequency high impact event, the reality is that it occurs far more frequent than we think. But what makes this happen in many

instances is asymmetric information between buyers and sellers of investment products. The purveyors of fraud, cons and scams often propose something enticing to the retail investor, knowing that there is limited opportunity to quickly verify the veracity of what is being offered. This App is but one more way in which potential investors can do their due diligence, something consistently reinforced in financial literacy and investor education sessions.

Even when investors ask the right questions and obtain the required answers, there is still no absolute guarantee that all will be well. Here too, the App provides the opportunity to lodge complaints in a quick and painless manner, precisely the way financial consumers wish it to be.

So I close here by appealing to citizens, “Take responsibility for your financial affairs!” You are not expected to know everything finance or to have all the answers, but at the very least, you are expected to know where you can find impartial, objective advice and information.

Download this App, use it as often as necessary, and add it to your toolkit to secure the financial future you deserve. I commend the SEC on this initiative, and it is my sincere hope the App will find its way to all those that need it. Borrowing

from the now topical language of vaccines; it will provide you with an extra layer of protection against financial hurt and harm.

I thank you, ladies and gentlemen, for your attention.