

# PFTAC Steering Committee

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Financial Sector Supervision

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Australian Government  
Department of Foreign Affairs and Trade



EUROPEAN UNION



Ministry of Strategy  
and Finance



NEW ZEALAND  
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# Financial Sector Supervision (FSS) - FY2018 Program

Planned (adj mid-year)	Outturn	Outturn vs Plan	vs FY17
15 missions	12 missions	missions: 80%	86%
4 regional events	3 regional events	regional events: 75%	50%
308 mission days of TA	255 mission days of TA	mission days: 83%	105%
97 LTX days	88 LTX days	LTX days: 91%	100%
211 STX days	167 STX days	STX days: 79%	108%
Local Budget: \$ 489k	Local Budget: \$ 438k +139 LTX backstop days	Local Budget: 90%	



# Financial Sector Supervision - FY2018 Program Results

- Cook Islands: SFEP – prudential standards; on-site examination
- Kiribati: credit union supervision
- Marshall Islands: banking regulatory reform commenced
- Papua New Guinea: SFEP – risk rating / SAP; on-site examination
- Solomon Islands: SFEP
- Tuvalu: Supervision Development project
- Vanuatu: credit union supervision; SFEP
- Regional Events: Banking Regulatory Reform; AFSPC



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# Supervision Framework Enhancement Program



# Banking Regulatory Reform



# AFSPC

## IT Risk

- *increased IT risk and the lack of sufficient skills and experience of supervisors to assess the risk*
- *structured approach to assist develop the necessary assessment and examination skills to effectively supervise IT risk*

## On-line Reporting

- *accurate and timely submission of a comprehensive suite of financial data*
- *benefit from the development of on-line prudential reporting systems*

## AML / CFT TA

- *significant issue for AFSPC members*
- *APG and development partners provide some training and assistance*
- *additional assistance and a coordinated program of TA would be beneficial*



# Financial Sector Supervision - FY2019 Plans & Priorities

Planned	Vs FY18 Outturn	Topics	Countries
18 missions	+6	SFEP	PNG; Solomon Is
3 regional events	-	Insurance Regulation	Cook Islands; Vanuatu
283 mission days of TA	+28	Banking Regulatory Reform	RMI; FSM; Palau
116 LTX days	+28	IT Risk Assessment	Fiji; Tonga; Samoa
167 STX days	-		Kiribati; Tuvalu Timor Leste

