PFTAC Steering Committee March 28, 2018

Financial Sector Supervision
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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	Local Budget: 90%	
	+139 LTX backstop days		













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





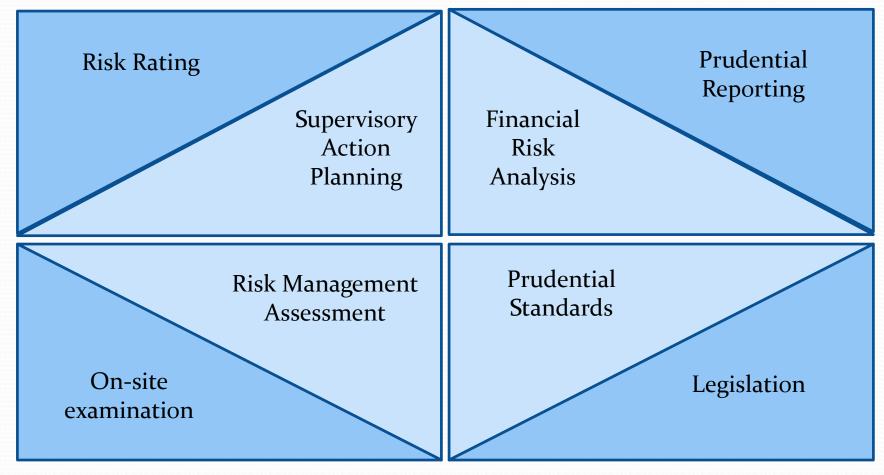








Supervision Framework Enhancement Program















Banking Regulatory Reform

Training / information

International good practice

Legislation and prudential standards

Participant self assessment

Reform strategy and planning

Bilateral

Detailed drafting assistance
Stakeholder engagement













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











