PFTAC Steering Committee
March 28, 2019

Financial Sector Supervision
Benjamin Stefanou
Financial Sector Supervision - FY2020 Plans & Priorities

<table>
<thead>
<tr>
<th>Planned (includes Legal)</th>
<th>Vs FY19 Outturn</th>
<th>Topics</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 missions</td>
<td>14 missions</td>
<td>SFEP</td>
<td>PNG; Solomon Is</td>
</tr>
<tr>
<td>4 regional events</td>
<td>4 regional events</td>
<td>Banking Regulatory Reform</td>
<td>Cook Islands; Vanuatu</td>
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<tr>
<td>236 mission days of TA</td>
<td>302 TA mission days</td>
<td>Insurance Regulatory Reform</td>
<td>RMI; FSM; Palau</td>
</tr>
<tr>
<td>65 LTX days</td>
<td>67 LTX days</td>
<td>Supervision Development</td>
<td>Fiji; Tonga; Samoa</td>
</tr>
<tr>
<td>171 STX days</td>
<td>235 STX days</td>
<td>Cyber Risk</td>
<td>Kiribati; Tuvalu</td>
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<td></td>
<td></td>
<td>Governance</td>
<td>Timor Leste</td>
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</tbody>
</table>
Financial Sector Supervision - FY2020 Plan

Bilateral TA expected to 13 countries – same as 2019
Supervision Framework Enhancement Program

- Risk Rating
- Supervisory Action Planning
- Prudential Reporting
- Financial Risk Analysis
- Risk Management Assessment
- Prudential Standards
- On-site examination
- Legislation
Insurance Regulatory Reform

Workshop
- Training / information
- International good practice
- Legislation and prudential standards

Reform plan
- Participant self assessment
- Reform strategy and planning

Bilateral
- Detailed drafting assistance
- Stakeholder engagement
Banking Regulatory Reform

Workshop
- Training / information
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Bilateral
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Financial Sector Supervision - FY2020 Workplan

- Cook Islands: SFEP – off-site analysis and prudential standards
- FSM: banking regulatory reform continued
- Fiji: insurance regulatory reform continued
- Kiribati: banking regulatory reform commenced
- Marshall Islands: banking regulatory reform continued
- Palau: banking regulatory reform continued
- Papua New Guinea: SFEP – on-site examination and regulatory reform
Financial Sector Supervision - FY2020 Workplan

- Samoa: insurance regulatory reform project continued
- Solomon Islands: SFEP – off-site analysis and regulatory reform
- Tonga: Insurance regulatory reform project continued
- Timor Leste: IFRS9 and banking legislation review
- Tuvalu: Supervision Development project continued
- Vanuatu: SFEP – off-site analysis
- Regional Events: Governance / Cross-border; Cyber Risk Regulation (south); Risk-based Supervision (north)
# 2020 AFSPC / Workshops

## Governance / Cross-border
- Governance and risk management frameworks: both regulatory and internal
- Coordination of governance requirements across region
- Cross-border regulation and cooperation
- Risks of expanding regional banking

## Cyber Risk Regulation (south)
- Development of regulations
- Develop implementation plans
- Drafting of sample regulations
- Adaption for region specifics

## RBS (north)
- Risk identification and assessment
- Risk rating models
- Supervisory action planning