## FY2018 Projected FSS Workplan Outturn

| EV19 Work Plan   | . May 2017 to April 2019: Ein                                              | ancial Sector | r Supervision (FSS) - PROJECTED OUTT                                                                                 | IDN TUDOLICU END. ADDII 2019                                                  |     |            |       |   |           |           |         |         |                        | Orkpit            |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|------------------|----------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----|------------|-------|---|-----------|-----------|---------|---------|------------------------|-------------------|---------------|-----------|-----|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------------|
| FT 16 WOLK FIGI  | 1 - May 2017 to April 2018. Fill                                           | anciai Sectoi | Supervision (P33) - PROJECTED COTTO                                                                                  | DRIV THROUGH END-APRIL 2018                                                   |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               |                                                                                                                      |                                                                               | PI  | anned Inp  | outs  |   | Updated I | Inputs at | t Nov 1 |         |                        | Projected         | Outturn at e  | nd-FY18   |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               |                                                                                                                      |                                                                               | (ir | n person-d | lays) |   |           | red)      | Ů       |         |                        |                   | days - change | s in red) | _   |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               |                                                                                                                      |                                                                               |     |            |       |   |           |           |         |         |                        | PFTAC<br>resident |               |           |     | % of updated                   |                                                                                                                                                       |                                                                                                                        |                         |
| TA Area          | Objective                                                                  | Country       | Outcome Targeted                                                                                                     | Activity                                                                      | LTX | STX        | Total | # | LTX S     | STX       | Total   | # Deliv | very Status            | advisors          | ST experts    | Total     | #   | plan projected<br>by end-April | Milestones                                                                                                                                            | Comments                                                                                                               | Experts                 |
| Financial Sector | Develop and strengthen banking     Secretarious in line with international | Cook Islands  | 1.1 Supervisors and regulations require banks to                                                                     |                                                                               | 7   | 16         | 23    | 1 | 7         | 16        | 23      | 1 Jun   | ne 2017                | 7                 | 16            | 23        | 1   | 100%                           | i) Applicable guidelines and regulations are drafted by April 2018                                                                                    | RBS enhancement program was initiated in FY2017. The                                                                   | Stefanou/Expert         |
| Supervision      | regulations in line with international standards                           |               | apply sound policies and processes to identify,<br>measure, monitor and control their financial                      | comprehensive suite of prudential                                             |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | ii) Applicable guidelines and regulations are finalized and formally issued. April<br>2019                                                            | program will provide technical assistance in key components of RBS framework – regulations; risk                       |                         |
|                  |                                                                            |               |                                                                                                                      | statements.                                                                   |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | identification and assessment; risk rating; and supervisory                                                            |                         |
|                  |                                                                            |               | adequacy in relation to their risk profile                                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | action planning.                                                                                                       |                         |
|                  |                                                                            |               | 1.2 Supervisors and regulations require banks to<br>have robust governance policies and processes                    |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted by April 2018 ii) Applicable guidelines and regulations are finalized and formally issued. April |                                                                                                                        |                         |
|                  |                                                                            |               | covering among others effective board and                                                                            |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | 2019                                                                                                                                                  |                                                                                                                        |                         |
|                  |                                                                            | Fiji          | senior management oversight and sound  1.1 Supervisors and regulations require banks to                              | Assistance with finalizing draft Credit                                       | -   | 12         | 12    | 1 | -         | 7         | 7       | 1       | To be                  | -                 | _             | -         | -   | 0%                             | i) Credit Union legislation and by-laws finalized and issued. April 2019                                                                              | Continuation of work on developing credit union                                                                        | Expert                  |
|                  |                                                                            | - 1,1         | apply sound policies and processes to identify,                                                                      |                                                                               |     |            |       |   |           |           |         | recon   | nsidered in            |                   |               |           |     |                                | , <del></del>                                                                                                                                         | supervision undertaken by PFTAC with the RBF.                                                                          |                         |
|                  |                                                                            |               | measure, monitor and control their financial risks on a timely basis and assess their capital                        |                                                                               |     |            |       |   |           |           |         | 1       | FY19                   |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            | FSM           | 1.1 Supervisors and regulations require banks to                                                                     |                                                                               | 5   | 12         | 17    | 1 | -         | -         | -       | - Postp | ooned until            | -                 | -             | -         | -   | 0%                             | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      | Workshop to review and establish revision plan for banking                                                             | Stefanou/Expert         |
|                  |                                                                            |               | apply sound policies and processes to identify,<br>measure, monitor and control their financial                      | Workshop on Banking Legislation and<br>Prudential Standards - Postponed until |     |            |       |   |           |           |         | FY19    | May 2018               |                   |               |           |     |                                |                                                                                                                                                       | legislation and prudential standards, held in July 2017. Follow up with bilateral missions to each country to follow-  |                         |
|                  |                                                                            |               | risks on a timely basis and assess their capital                                                                     | FY19                                                                          |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | up on and progress reform. First follow-up.                                                                            |                         |
|                  |                                                                            |               | adequacy in relation to their risk profile                                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | 1.2 Supervisors and regulations require banks to                                                                     |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      | 1                                                                                                                      |                         |
|                  |                                                                            |               | have robust governance policies and processes                                                                        |                                                                               |     |            |       | Щ | _         | _         | _       |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            | Kiribati      | <ol> <li>Supervisors and regulations require banks to<br/>apply sound policies and processes to identify,</li> </ol> |                                                                               | -   | 16         | 16    | 1 | -         | 16        | 16      | 1 Nover | mber 2017              | -                 | 16            | 16        | 5 1 | 100%                           | i) Credit union supervision training delivered to supervisors ii) Supervision development and TA plan established                                     | Continuation of work on developing credit union<br>supervision undertaken by PFTAC.                                    | Expert                  |
|                  |                                                                            |               | measure, monitor and control their financial                                                                         |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            | Palau         | <ol> <li>Supervisors and regulations require banks to<br/>apply sound policies and processes to identify,</li> </ol> | Follow-up mission from the Regional<br>Workshop on Banking Legislation and    | 5   | 12         | 17    | 1 | 5         | 12        | 17      |         | tponed to<br>-May 2018 | -                 | -             | -         |     | 0%                             | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      | Workshop to review and establish revision plan for banking<br>legislation and prudential standards, held in July 2017. | Stefanou/LEG/<br>Expert |
|                  |                                                                            |               | measure, monitor and control their financial                                                                         | Prudential Standards                                                          |     |            |       |   |           |           |         | 1125    | , 2010                 |                   |               |           |     |                                |                                                                                                                                                       | Follow up with bilateral missions to each country to follow-                                                           |                         |
|                  |                                                                            |               | risks on a timely basis and assess their capital adequacy in relation to their risk profile                          |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | up on and progress reform. First follow-up.                                                                            |                         |
|                  |                                                                            |               |                                                                                                                      |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | 1.2 Supervisors and regulations require banks to<br>have robust governance policies and processes                    |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      |                                                                                                                        |                         |
|                  |                                                                            | RMI           | 1.1 Supervisors and regulations require banks to                                                                     | Follow-up mission from the Regional                                           | 5   | 12         | 17    | 1 | -         | 12        | 12      | 1 Post  | tponed to              | -                 | -             | -         |     | 0%                             | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      | Workshop to review and establish revision plan for banking                                                             | Stefanou/LEG/           |
|                  |                                                                            |               | apply sound policies and processes to identify,<br>measure, monitor and control their financial                      | Workshop on Banking Legislation and<br>Prudential Standards                   |     |            |       |   |           |           |         | FY19 -  | -May 2018              |                   |               |           |     |                                |                                                                                                                                                       | legislation and prudential standards, held in July 2017. Follow up with bilateral missions to each country to follow-  | Expert                  |
|                  |                                                                            |               | risks on a timely basis and assess their capital                                                                     | Tradential Standards                                                          |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | up on and progress reform. First follow-up.                                                                            |                         |
|                  |                                                                            |               | adequacy in relation to their risk profile                                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | 1.2 Supervisors and regulations require banks to                                                                     |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      |                                                                                                                        |                         |
|                  |                                                                            | Regional      | have robust governance policies and processes  1.1 Supervisors and regulations require banks to                      | Workshop on Banking Legislation and                                           | 5   | 12         | 17    | 1 | 5         | 12        | 17      | 1 Jul   | ly 2017                | 5                 | 12            | 17        | 7 1 | 100%                           | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      | Workshop to review and establish revision plan for banking                                                             | Stefanou/LEG /          |
|                  |                                                                            | Regional      |                                                                                                                      | Prudential Standards - sub-regional for                                       | ,   | 12         | 17    |   | 1         | 12        | 1/      | 1 30    | ily 2017               | ,                 | 12            | 1/        | ´   | 100%                           | 1) Applicable guidelines and regulations are dianted. April 2016                                                                                      | legislation and prudential standards. Workshop will be                                                                 | Expert                  |
|                  |                                                                            |               | measure, monitor and control their financial risks on a timely basis and assess their capital                        | Northern Pacific members (FSM, Palau,<br>RMI, Kirihati)                       |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | followed up with bilateral missions to each country to follow-up on and progress reform.                               |                         |
|                  |                                                                            |               | adequacy in relation to their risk profile                                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | 71. 17. 17. 17. 17. 17. 17. 17. 17. 17.                                                                                                               | - Ionow up on una progress retorni.                                                                                    |                         |
|                  |                                                                            |               | 1.2 Supervisors and regulations require banks to<br>have robust governance policies and processes                    |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      |                                                                                                                        |                         |
|                  |                                                                            | Regional      | 1.1 Supervisors and regulations require banks to                                                                     |                                                                               | 5   | 12         | 17    | 1 | 5         | 9         | 14      | 1 Post  | tponed to              | -                 | -             | -         | -   | 0%                             | i) Applicable guidelines and regulations are drafted. April 2019                                                                                      | Workshop to review and establish revision plan for                                                                     | Stefanou/ MCM /         |
|                  |                                                                            |               | apply sound policies and processes to identify, measure, monitor and control their financial                         | Prudential Standards - sub-regional for<br>Southern Pacific members           |     |            |       |   |           |           |         | FY19 -  | -May 2018              |                   |               |           |     |                                |                                                                                                                                                       | insurance legislation and prudential standards. Workshop will be followed up with bilateral missions to each country   |                         |
|                  |                                                                            |               | risks on a timely basis and assess their capital                                                                     | Southern Facility members                                                     |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       | to follow-up on and progress reform.                                                                                   |                         |
|                  |                                                                            |               | adequacy in relation to their risk profile                                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | 1.2 Supervisors and regulations require banks to                                                                     |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted. April 2019                                                                                      | 1                                                                                                                      |                         |
|                  |                                                                            |               | have robust governance policies and processes covering among others effective board and                              |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | senior management oversight and sound control environment.                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            | Vanuatu       | Legal and regulatory framework equips                                                                                | Finalize proposed revised credit union                                        | -   | -          | -     | - | -         | -         | -       | - Apı   | ril 2018               | 10                | 14            | 24        | 1   | 100%                           | i) Revised draft credit union law finalized and submitted to Government for                                                                           |                                                                                                                        | Stefanou/Expert         |
|                  |                                                                            |               | supervisors with an adequate range of tools to                                                                       | law, prudential standards, and credit                                         |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | review and legislating. July 2018                                                                                                                     |                                                                                                                        |                         |
|                  |                                                                            |               | bring about timely corrective actions for banks' problems and weaknesses                                             | reform of the credit union and financial                                      |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | Supervisors and regulations require banks to                                                                         | cooperative sectors.                                                          |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | i) Applicable guidelines and regulations are drafted. April 2018                                                                                      |                                                                                                                        |                         |
|                  |                                                                            |               | apply sound policies and processes to identify, measure, monitor and control their financial                         |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                | ii) Applicable guidelines and regulations are sent to industry for consultation,<br>finalized and formally issued. April 2019                         |                                                                                                                        |                         |
|                  |                                                                            |               | risks on a timely basis and assess their capital adequacy in relation to their risk profile                          |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |
|                  |                                                                            |               | adequacy in relation to their risk profile                                                                           |                                                                               |     |            |       |   |           |           |         |         |                        |                   |               |           |     |                                |                                                                                                                                                       |                                                                                                                        |                         |

| FY18 Work Plar | - Way 2017 to April 2018. 1116                                                                | anciai Secto       | or Supervision (FSS) - PROJECTED OUT                                                                                                                           | ORN THROUGH END-APRIL 2018                                                                                                                                                                                                 |     |           |       |          |           |                    |          |                                      |                               |                                                              |       |       |                                          |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|----------------|-----------------------------------------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|-------|----------|-----------|--------------------|----------|--------------------------------------|-------------------------------|--------------------------------------------------------------|-------|-------|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| TA Area        |                                                                                               |                    | Outcome Targeted                                                                                                                                               |                                                                                                                                                                                                                            |     | anned Inp |       |          | Updated I | nputs at N<br>red) | ov 1     |                                      | (person-                      | Projected Outturn at end-FY18 (person-days - changes in red) |       |       |                                          |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                | Objective                                                                                     | Country            |                                                                                                                                                                | Activity                                                                                                                                                                                                                   | LTX | STX       | Total | #        | LTX S     | тх то              | otal #   | Delivery Status                      | PFTAC<br>resident<br>advisors | ST experts                                                   | Total | #     | % of updated plan projected by end-April | Milestones                                                                                                                                                                                                                                                     | Comments                                                                                                                                                                                                        | Experts                   |
|                | 2. To implement a risk-based supervision (RBS) system and upgrade other supervisory processes | Cook Islands       | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>Second follow-up mission. Develop<br>more in-depth and risk-based on-site<br>examination assessment.                                                                                 | 7   | 16        | 23    | 1        | 10        | 16                 | 26       | 1 Feb 2018                           | 10                            | 16                                                           | 2     | 26    | 1 100%                                   | Risk rating model, including impact index, is developed and implemented.     October 2018     ii) Risk-based supervisory action planning process developed and implemented.     October 2018                                                                   | Assisting with documenting on-site examination framework, on-the-job training and technical training in                                                                                                         | Stefanou/Expert           |
|                |                                                                                               |                    | Bank risk assessment frameworks<br>strengthened: a) Quality and timeliness of<br>regulatory data enhanced; and b) Flexibility of<br>reporting system improved. | RBS framework enhancement program.<br>Revise prudential return pack to be in<br>line with capital standards.                                                                                                               | -   | -         | -     | -        | -         | -                  |          | March 2018                           | -                             | 7                                                            |       | 7     | 1 100%                                   | i) Revised Reporting templates are developed April 2019<br>ii) All banks start reporting to new requirements regularly and with high degree of<br>accuracy and timeliness. April 2019                                                                          |                                                                                                                                                                                                                 | Expert                    |
|                |                                                                                               | FSM                | 2.6 Supervisors have sufficient capacity to<br>effectively implement risk-based supervision<br>and other supervisory processes.                                | Provide training to supervisors on<br>supervision and assessment of banking<br>key risk areas - Postponed until FY19                                                                                                       |     | 12        | 12    | 1        |           |                    |          | Postponed until<br>FY19 May 2018     |                               |                                                              |       |       | 0%                                       | 1. A training program is designed and delivered to supervisors                                                                                                                                                                                                 | Training is the assessment of credit risk, operational risk,<br>liquidity risk, market risk and investment risk. Training<br>mission to be followed up in 2019 with on-site examination<br>on-the-job training. | Expert                    |
|                |                                                                                               | RMI                | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | Provide guidance and training for on-<br>site examination, using an actual on-<br>site examination as a working case.                                                                                                      | ,   | 19        | 19    | 1        |           | 19                 | 19       | 1 July 2017                          | -                             | 19                                                           | 1     | .9    | 1 100%                                   | i) Use of CAMELS assessment framework embedded in organization. April 2018                                                                                                                                                                                     | Follow-up TA mission to the on-site examination mission undertaken in February 2017                                                                                                                             | Expert                    |
|                |                                                                                               | PNG                | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>Diagnostic to assess effectiveness and<br>efficiency of RBS framework and develop<br>TA strategy and plan                                                                            | 7   | 16        | 23    | 1        | 7         | 16                 | 23       | 1 June 2017                          | 7                             | 16                                                           | 2     | 23    | 1 100%                                   | i) RBS Framework Enhancement Strategy and TA Plan developed and initiated.<br>April 2018                                                                                                                                                                       | Initial mission to determine current RBS implementation status and identify priority TA                                                                                                                         | Stefanou/Expert           |
|                |                                                                                               |                    | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>First follow-up mission from diagnostic.<br>Focus to be on a key RBS component:<br>Risk Rating and Supervisory Action<br>Planning                                                    | 7   | 16        | 23    | 1        | 10        | 16                 | 26       | 1 November 2017                      | 10                            | 16                                                           | 2     | 26    | 1 100%                                   | i) Risk rating model, including impact index, is developed and implemented. October 2018 ii) Risk-based supervisory action planning process developed and implemented. October 2018 iii) Supervisory attention framework developed and implemented. April 2019 | Continuation of RBS framework enhancement program. Risk rating and supervisory action planning.                                                                                                                 | Stefanou/Expert           |
|                |                                                                                               |                    | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>Second follow-up mission from<br>diagnostic. MCMFR led. LTX manage.<br>Focus to be on a key RBS component:<br>Risk identification and Assessment - on-<br>site examination.          |     | ,         | ,     | -        | 5         |                    | 5        | 1 February 2018                      | 12                            |                                                              | 1     | 12    | 1 100%                                   | i) Risk-based supervisory action planning process developed and implemented.<br>October 2018<br>iii) Supervisory attention framework developed and implemented. April 2019                                                                                     | Mission from HQ - LTX managing as part of PFTAC / Bank PNG supervision framework enhancement program                                                                                                            | Stefanou/ MCM /<br>Expert |
|                |                                                                                               | Solomon<br>Islands | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>Diagnostic to assess effectiveness and<br>efficiency of RBS framework and develop<br>TA strategy and plan                                                                            | 5   | 12        | 17    | 1        | 7         | 12                 | 19       | 1 September 2017                     | 7                             | 12                                                           | 1     | 19    | 1 100%                                   | i) RBS Framework Enhancement Strategy and TA Plan developed and initiated.<br>April 2018                                                                                                                                                                       | Initial mission to determine current RBS implementation status and identify priority TA                                                                                                                         | Stefanou/Expert           |
|                |                                                                                               |                    | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>First follow-up mission from diagnostic.<br>Focus to be on a key RBS component:<br>Regulation; Risk Identification and<br>Assessment; Risk Rating; or Supervisory<br>Action Planning | 5   | 12        | 17    | 1        | 10        | 12                 | 22       | 1 Postponed to<br>FY19 - July 2018   | -                             |                                                              |       |       | - 0%                                     | i) Milestones for follow-up missions to be based on RBS Framework Enhancemen<br>Strategy and TA Plan                                                                                                                                                           | t Continuation of RBS framework enhancement program.  Mission scope determined by diagnostic mission.                                                                                                           | Stefanou/ Expert          |
|                |                                                                                               | Timor-Leste        | 2.6 Supervisors have sufficient capacity to<br>effectively implement risk-based supervision<br>and other supervisory processes.                                | Provide training to supervisors on<br>supervision and assessment of banking<br>key risk areas - postponed until FY19                                                                                                       | 5   | -         | 5     | 1        | -         | -                  |          | Postponed until<br>FY19              | -                             | ·                                                            |       |       | 0%                                       | 1. A training program is designed and delivered to supervisors                                                                                                                                                                                                 | Training is the assessment of credit risk, operational risk, liquidity risk, market risk and investment risk. Training mission to be followed up in 2019 with on-site examination on-the-job training.          |                           |
|                |                                                                                               | Tuvalu             | 2.3 Bank risk assessment frameworks<br>strengthened: a) Quality and timeliness of<br>regulatory data enhanced; and b) Flexibility of                           | Development of basic prudential reporting framework                                                                                                                                                                        | 5   |           | 5     | 1        | 3         | -                  | 3        | 1 November 2017                      | 3                             |                                                              |       | 3     | 1 100%                                   | i) Revised Reporting templates are developed. April 2019                                                                                                                                                                                                       | This mission confirmed the proposed Banking Supervision Program, initiated by PFTAC in FY2017.                                                                                                                  | Stefanou                  |
|                |                                                                                               | Vanuatu            | 2.4 Strengthened institutional structure and<br>operational and procedures for RBS<br>implementation                                                           | RBS framework enhancement program.<br>Diagnostic to assess effectiveness and<br>efficiency of RBS framework and develop<br>TA strategy and plan                                                                            | 7   | 16        | 23    | 1        | 7         | 16                 | 23       | 1 May 2017                           | 7                             | 16                                                           | 2     | 23    | 1 100%                                   | i) RBS Framework Enhancement Strategy and TA Plan developed and initiated.<br>October 2017                                                                                                                                                                     | Initial mission to determine current RBS implementation status and identify priority TA. Mission on-site undertaken. Finalization of mission work in progress.                                                  | Stefanou/Expert           |
|                |                                                                                               |                    | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation                                                                 | RBS framework enhancement program.<br>First follow-up mission from diagnostic.<br>Focus to be on a key RBS component:<br>Regulation; Risk Identification and<br>Assessment; Risk Rating; or Supervisory<br>Action Planning | 5   | 19        | 24    | I        | 8         | 13                 | 21       | 1 Postponed to<br>FY19               |                               |                                                              |       |       | - 0%                                     | i) Milestones for follow-up missions to be based on RBS Framework Enhancemen<br>Strategy and TA Plan                                                                                                                                                           | t Continuation of RBS framework enhancement program.<br>Mission scope determined by diagnostic mission.                                                                                                         | Stefanou/Expert           |
|                |                                                                                               | Regional           | 2.6 Supervisors have sufficient capacity to<br>effectively implement risk-based supervision<br>and other supervisory processes.                                | AFSPC Annual Meeting. Introduction to:<br>Resolution Frameworks; and Fintech<br>and Supervision                                                                                                                            | 5   | 12        | 17    | 1        | 5         | 7                  | 12       | 1 August 2017                        | 5                             | 7                                                            | 1     | 12    | 1 100%                                   | i) Workshop on Resolution Framework delivered ii) Workshop on Fintech and Supervision delivered                                                                                                                                                                |                                                                                                                                                                                                                 | Stefanou/ MCMF0           |
|                |                                                                                               |                    |                                                                                                                                                                | Pacific Roundtable on Correspondent<br>Banking Relationships and Pressure on<br>Remittances in the Pacific                                                                                                                 | -   | -         | -     | -        |           | -                  | -        | - February 2018                      | 5                             |                                                              |       | 5     | 1 100%                                   |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 | Stefanou                  |
|                |                                                                                               |                    |                                                                                                                                                                | SEACEN: Provide training to supervisors<br>on supervision and assessment of<br>banking key risk areas                                                                                                                      | 5   |           | 5     | 1        | 3         | -                  | 3        | 1 SEACEN Cancelled training with RBF |                               |                                                              |       |       | - 0%                                     | i) SEACEN supervision training delivered.                                                                                                                                                                                                                      | SEACRN is developing a foundation supervision training<br>course. PFTAC will assist SEACEN in delivery of course for<br>PFTAC members.                                                                          | Stefanou                  |
|                |                                                                                               |                    |                                                                                                                                                                | Original Plan Total Days:                                                                                                                                                                                                  | 95  | 254       | 349   | 21       |           |                    |          |                                      |                               |                                                              |       |       |                                          |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                |                                                                                               |                    |                                                                                                                                                                | Updated Plan Total Days:                                                                                                                                                                                                   |     |           |       |          | 97 2      | 211                | 308 19   | 9                                    |                               |                                                              |       |       | _                                        |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                |                                                                                               |                    |                                                                                                                                                                | Delivered by Oct 31:                                                                                                                                                                                                       |     |           |       | $\vdash$ | 38        | 98 :               | 136      | 7                                    | 88                            | 167                                                          | 25    | 5 15  | 5                                        |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                |                                                                                               |                    |                                                                                                                                                                | Percentage of Revised Plan:                                                                                                                                                                                                |     |           |       |          | 39% 4     | _                  |          |                                      |                               |                                                              |       |       |                                          |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                |                                                                                               |                    |                                                                                                                                                                |                                                                                                                                                                                                                            |     |           |       | $\vdash$ |           | -                  |          |                                      |                               |                                                              |       | +     |                                          |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                |                                                                                               |                    |                                                                                                                                                                |                                                                                                                                                                                                                            |     |           |       |          |           |                    |          | pril 30, 2018:                       | 88                            | 167                                                          |       | 5 15  |                                          |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |
|                |                                                                                               |                    |                                                                                                                                                                |                                                                                                                                                                                                                            |     |           |       | F        | Percenta  | age of N           | /lid-Yea | r Revised Plan:                      | 91%                           | 79%                                                          | 83    | % 799 | %                                        |                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                 |                           |