

FY22 Work Plan - May 2021 to April 2022: Financial Sector Supervision (FSS) - MID-YEAR Update at 31Oct2021

TA Area	Objective	Country	Outcome Targeted	Activity	May 2021 - April 2022 (in person-days)			Number of Missions/ Activities	Updated Inputs at Oct 31, 2021 (in person-days)			Number of Missions/ Activities	% delivered	Delivery Status	COVID Status	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total								
Financial Sector Supervision	Develop/strengthen banking regulations and prudential norms	Cook Islands	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Aligning Cook Island FSC's Regulation on Definition of Capital with Basel III Definition of Capital- Assisting authorities to draft revised capital adequacy regulation	2	4	6	1	-	-	-	-	0%	Shifted to FY23		Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.	Nov 1 - 4, 2021 (in-country)	Kumar/ STX	
			Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Aligning Cook Island FSC's Regulation on Definition of Capital with Basel III Definition of Capital- Assisting authorities to finalize the draft revised capital adequacy regulation, conduct impact study and issue draft for industry consultation	2	4	6	1	-	-	-	-	0%	Shifted to FY23		Authorities issue the draft regulation for industry consultation.	Apr 4 - 7, 2022 (in-country)	Kumar/ STX	
		Kiribati	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Peer Review of MFAT Consultant's work- Draft financial sector legislation	6	-	6	1	-	-	-	-	0%	Cancelled		PFTAC reviews the draft legislation and prudential standards prepared by the consultant.	Jul 12 - 21, 2021 (remote)	Kumar	
		RMI	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Follow-up mission - Assisting RMI BC in the finalization of prudential standards by reviewing the industry feedback on draft prudential standards (Prudential Standards - Development of Impact Study Templates)	2	5	7	1	12	-	12	1	0%	Nov 15 - Dec 31, 2021 (remote)	2 - Indirectly COVID Related	Authorities issue the final regulation.	Aug 2 - 6, 2021 (remote)	Kumar	
		Palau	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	SFEP - Regulatory Framework - Prudential Standards - Assist Palau FIC develop comprehensive suite of prudential standards -Follow-up	2	7	9	1	8	16	24	1	50%	Jul 12 - Nov 30, 2021 (remote)	2 - Indirectly COVID Related	Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.	Dec 3 - 9, 2021 (in-country)	Kumar/ Kacani	
		PNG	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	SFEP - Regulatory Framework - Prudential Standards - Assist BPNG in finalizing comprehensive suite of prudential standards (Prudential Standards - Development of Impact Study Templates)	5	5	10	1	10	-	10	1	0%	Feb 7 - Mar 7, 2022 (remote)	2 - Indirectly COVID Related	Authorities issue the draft regulation for industry consultation.	Oct 9 - 22, 2021 (remote)	Kumar	
		Samoa	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Training on business continuity management for banks	2	-	2	1	-	-	-	-	0%	Cancelled		The authorities complete the training.	May 10 - 12, 2021 (remote)	Kumar	
		Solomon Islands	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Review of Prudential Standards for banks	-	-	-	-	10	21	31	1	50%	Oct 18 - Nov 30, 2021 (remote)	2 - Indirectly COVID Related				Kumar/ Jones
			Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Review of Prudential Standards for Credit Unions and Development Bank	-	-	-	-	2	10	12	1	0%	Mar 7 - 31, 2022 (remote)	2 - Indirectly COVID Related				Kumar/ STX
			Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Development of Impact Study Templates	-	-	-	-	6	6	12	1	0%	Mar 2022 (remote)	1 - Not COVID Related				Kumar/ STX
		Timor-Leste	Supervisors and regulations require banks to have robust governance policies and processes.	Assist with Quantitative Impact Study (QIS) on IFRS 9 and finalization of credit risk management and IFRS 9 regulation	2	8	10	1	-	-	-	-	0%	Shifted to FY23		Authorities issue the draft regulation for industry consultation after completion of the QIS.	Feb 15 - 23, 2022 (in-country)	Kumar/ STX	
			Supervisors and regulations require banks to have robust governance policies and processes.	Training on IFRS 9	1	2	3	1	-	-	-	-	0%	Shifted to FY23		The authorities complete the training.	Feb 24 - 28, 2022 (in-country)	Kumar/ STX	
		Tonga	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	SFEP - Regulatory Framework - Prudential Standards - Assist NRBT in enhancement to prudential and risk management standards - Diagnostic of the Financial Sector	2	8	10	1	18	42	60	1	50%	Aug 16 - Nov 30, 2021 (remote)	2 - Indirectly COVID Related	Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.	Sep 12 - 21, 2021 (remote)	Kumar/ Awayiga/ Henderson	
			Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	SFEP - Regulatory Framework - Prudential Standards - Assist NRBT in enhancement to prudential and risk management standards - Diagnostic of Money Lending Sector and other Financial Companies	-	-	-	-	5	21	26	1	0%	Feb 2022 (remote)	2 - Indirectly COVID Related				Kumar/ STX
		Tuvalu	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	SFEP - Regulatory Framework - Prudential Standards - Assist Tuvalu authorities in enhancement to prudential and risk management standards	2	11	13	1	10	-	10	1	0%	Feb 2022 (remote)	2 - Indirectly COVID Related	Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.	Nov 15 - 21, 2021 (in-country)	Kumar	
		Vanuatu	Supervisors and regulations require banks to have robust governance policies and processes.	SFEP - Regulatory Framework - Prudential Standards - Assist RBV develop comprehensive suite of prudential standards - industry and stakeholder consultation	3	7	10	1	-	-	-	-	0%	Shifted to FY23		Applicable guidelines and regulations are finalized and formally issued	Aug 23 - 27, 2021 (remote)	Kumar/ STX	
		Regional	Supervisors have the necessary capacity to upgrade banking regulations and effectively apply them.	Pillar 2 (SREP, ICAAP, ILAAP) and Basel III	2	4	6	1	9	5	14	1	0%	Mar 2022 (remote)	2 - Indirectly COVID Related	The Workshop is held.	Nov 24 - 25, 2021 (in-country)	Kumar/ STX	
Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	High Level Webinar on Implications of Climate Change Risk on Financial Sector Supervision		-	-	-	-	1	-	1	1	0%	Nov 19, 2021 (remote)	1 - Not COVID Related				Kumar/ Rozumek (HQ)		
Supervisors have the necessary capacity to upgrade banking regulations and effectively apply them.	Macro-prudential supervision and capital buffers		2	2	4	1	-	-	-	-	0%	Shifted to FY23		The Workshop is held.	Sep 2 - 3, 2021 (remote)	Kumar/ STX			
Financial Sector Supervision	Develop/strengthen insurance companies' regulation and supervision frameworks	Fiji	Effective risk-based supervision in place and being used for their intended purpose(s).	Finalization of draft insurance law - Review of comments received from industry on the draft law and standards	-	5	5	1	-	-	-	-	0%	Shifted to FY23		New insurance law is submitted for legislative process	Aug 23 - 27, 2021 (remote)	Claxton	
		Samoa	Effective risk-based supervision in place and	Finalization of draft insurance law and prudential standards-Impact study	-	12	12	1	-	-	-	-	0%	Shifted to FY23		New draft insurance law is issued for industry consultation	Continuation of Insurance Regulatory Reform project	Jul 12 - 17, 2021 (remote)	Claxton/ Rush

TA Area	Objective	Country	Outcome Targeted	Activity	May 2021 - April 2022 (in person-days)			Number of Missions/Activities	Updated Inputs at Oct 31, 2021 (in person-days)			Number of Missions/Activities	% delivered	Delivery Status	COVID Status	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total								
			being used for their intended purpose(s).	Finalization of draft insurance law and prudential standards- Review of comments received from industry on the draft law and standards	-	22	22	1	-	-	-	-	0%	Shifted to FY24		New insurance law is submitted for legislative process and draft prudential standards finalized and issued	Continuation of Insurance Regulatory Reform project	Dec 17 - 26, 2021 (in country)	Claxton/ Rush
		Solomon Islands	Effective risk-based supervision in place and being used for their intended purpose(s).	FSI for insurance sector	-	5	5	1	-	-	-	-	0%	Shifted to FY23		The authorities start computing the FSI for insurance sector.		Jun13 - 17, 2021 (remote)	MCMFR - Hafeman
Financial Sector Supervision	Develop/strengthen cybersecurity regulations and	Fiji	Sound policies & processes to identify, measure, monitor and control cyber risks.	Cyber Risk Regulation and Supervision Project - Review and finalization of draft regulation prepared by RBF	-	3	3	1	-	-	-	-	0%	Shifted to FY23		Cyber risk regulation is finalized and issued.	On-site examinations to include regional participants	Jul 5 - 7, 2021 (remote)	HQ
				Cyber Risk Regulation and Supervision Project - third component - onsite examination	-	12	12	1	-	-	-	-	0%	Shifted to FY23		Cyber Risk on-site examination framework implemented		Jan 31 - Feb 11, 2022 (in-country)	STX
		PNG	Sound policies & processes to identify, measure, monitor and control cyber risks.	Cyber Risk Regulation and Supervision Project - third component - onsite examination	-	10	10	1	-	-	-	-	0%	Shifted to FY23		Cyber Risk on-site examination framework implemented	On-site examinations to include regional participants	Mar 7 - 16, 2022 (in-country)	STX
		Samoa	Sound policies & processes to identify, measure, monitor and control cyber risks.	Cyber Risk Regulation and Supervision Project - third component - onsite examination	-	10	10	1	-	-	-	-	0%	Shifted to FY23		Cyber Risk on-site examination framework implemented	FY22 - On-site examinations to include regional participants	Mar 17 - 26, 2022 (in country)	STX
		Tonga	Sound policies & processes to identify, measure, monitor and control cyber risks.	Cyber Risk Regulation and Supervision Project - third component - onsite examination	-	12	12	1	-	-	-	-	0%	Shifted to FY23		Cyber Risk on-site examination framework implemented	FY22 - On-site examinations to include regional participants	Mar 28 - Apr 6, 2022 (in-country)	STX
		Regional	Supervisors have capacity to upgrade regulations and effectively apply them.	Cyber Risk Regulation and Supervision Project - Second component - online training by HQ (Building Cyber Resilience)	-	5	5	1	1	-	1	1	100%	Oct 5 - 7, 2021 (remote)	1 - Not COVID Related	The training course is held.		Jun 1 - 5, 2021 (remote)	Kumar/ MCMFR - Gaidosch/ Islam/ Ravikumar
Financial Sector Supervision	Implement a risk-based supervision (RBS) system and upgrade other supervisory processes	Cook Islands	Supervisors have sufficient infrastructure/systems in place to improve credit risk monitoring and strengthen banking supervision processes.	To review the draft supervisory manual prepared by the CI-FSC	3	7	10	1	15	-	15	1	25%	Aug 9 - Nov 30, 2021 (remote)	1 - Not COVID Related	The supervisory manual is finalized and adopted by the FSC		May 10 - 16, 2021 (remote)	Kumar
		Kiribati	Strengthened institutional structure, operations, and procedures for RBS implementation	SFEP - Off-site financial risk analysis including training - Mission-1	3	9	12	1	-	-	-	-	0%	Shifted to FY23		The authorities start receiving data from banks in the revised prudential returns and producing financial risk analysis reports		Jan 4 - 15, 2022 (in-country)	Kumar/ STX
		Palau	Strengthened institutional structure, operations, and procedures for RBS implementation	SFEP - Review of off-site financial risk analysis framework	6	7	13	1	-	-	-	-	0%	Shifted to FY23		Detailed Quarterly Financial Risk Report embedded	Continuation of SFEP	Apr 11 - 19, 2022 (in country)	Kumar/ STX
		PNG	Strengthened institutional structure, operations, and procedures for RBS implementation	SFEP - Finalize off-site financial risk analysis reform	5	-	5	1	-	-	-	-	0%	Shifted to FY23		Detailed Quarterly Financial Risk analysis and Report embedded	Finalization of the SFEP supervision components for PNG.	Sep 22 - 26, 2021 (remote)	Kumar
				SFEP - Finalize market and liquidity risk examination reform	5	-	5	1	-	-	-	-	0%	Shifted to FY23		On-site examination framework for liquidity and market risk embedded	Finalization of the SFEP supervision components for PNG.	Sep 28 - Oct 2, 2021 (remote)	Kumar
		RMI	Strengthened institutional structure, operations, and procedures for RBS implementation	SFEP - Off-site financial risk analysis including training - Mission-1	2	5	7	1	-	-	-	-	0%	Shifted to FY23		The authorities start receiving data from banks in the revised prudential returns and producing financial risk analysis reports		Oct 8 - 12, 2021 (remote)	Kumar/ STX
		Solomon Islands	Strengthened institutional structure, operations, and procedures for RBS implementation	Review of Prudential Returns for banks (Mission Split between FY 2021 and FY 2022)	-	-	-	-	6	6	12	0.5	100%	Apr 26 - May 22, 2021 (remote)	2 - Indirectly COVID Related				Kumar/ STX
				SFEP - Finalize off-site financial risk analysis reform	5	-	5	1	-	-	-	-	0%	Mission delivered and reclassified under objective 1		Detailed Quarterly Financial Risk Report embedded.		Aug 9 - 13, 2021 (remote)	Kumar
				SFEP - Bank Risk Rating and Supervisory Action Planning - Mission 1	3	10	13	1	-	-	-	-	0%	Shifted to FY23		The authorities start using the revised risk rating model for banks.		Nov 25 - 30, 2021 (in country)	Kumar/ STX
		Tonga	Strengthened institutional structure, operations, and procedures for RBS implementation	Diagnostic mission to identify enhancements to RBS	3	3	6	1	-	-	-	-	0%	Mission delivered and reclassified under objective 1		Authorities agree to enhancements to RBS identified by the PFTAC Mission		May 1 - 3, 2021 (remote)	Kumar
				Review and strengthening on-site examination procedures -1	3	3	6	1	-	-	-	-	0%	Shifted to FY23		On-site examination framework is embedded		May 3 - 5, 2021 (remote)	Kumar/ STX
		Tuvalu	Strengthened institutional structure, operations, and procedures for RBS implementation	SFEP - Review of off-site financial risk analysis framework- Training in processing of prudential returns	4	-	4	1	4	-	4	1	100%	Jul 5 - 20, 2021 (remote)	2 - Indirectly COVID Related	Detailed Quarterly Financial Risk analysis and the Report embedded.		Jun 7 - 13, 2021 (remote)	Kumar
				SFEP - Off-site financial risk analysis framework- Bank risk profile and banking sector risk reports including training of staff	-	-	-	-	-	8	8	-	-	0%	Feb 2022 (remote)	2 - Indirectly COVID Related			STX
Regional	Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	AFSPC Annual Workshop	5	7	12	1	2	-	2	1	0%	Mar 2022 (remote)	2 - Indirectly COVID Related	The workshop is held as planned.	In PNG	Jan 25 - 30, 2022 (in-country)	Kumar		
Payments and Infrastructure	Develop/reform financial market infrastructures, including payments system	Fiji	FMI operate under an appropriate legal and regulatory environment.	Develop regulatory and supervisory framework for payment systems operators	-	12	12	1	-	-	-	-	0%	Shifted to FY23		Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.		Oct 15-26, 2021 (remote)	MCMPI

TA Area	Objective	Country	Outcome Targeted	Activity	May 2021 - April 2022 (in person-days)			Number of Missions/Activities	Updated Inputs at Oct 31, 2021 (in person-days)			Number of Missions/Activities	% delivered	Delivery Status	COVID Status	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total								
Financial Crisis Management	Implement a framework to reduce private debt overhangs	Vanuatu	Introduce/ strengthen publicly-supported Asset Management Company (AMC).	To assist RBV in designing a framework for operation of distressed assets resolution companies (AMCs)	-	12	12	1	-	-	-	-	0%	Shifted to FY23		The authorities set up the AMC		Jul 5-16,2021 (remote)	MCM-FC
Total Days:					88	238	326	39											

Financial Sector Supervision	Legal	Fiji	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Follow-up Mission: Providing clarifications to RBF's queries on the draft Credit Union Legislation provided by the IMF (LEG)	1	5	6	1	-	-	-	-	0%	Shifted to FY23		Revised Credit Union law is issued for industry consultation	Continuation of the Banking Regulatory Reform project.	Jul 5 - 9, 2021 (remote)	LEG
			Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	To review Fiji's Banking Act, 1995	2	12	14	1	-	-	-	-	0%	Shifted to FY23		The authorities draft the amendment Bill		Nov 1 - 12, 2021 (remote)	LEG
		RMI	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Supplementary TA Request to review the Banking Legislation	1	5	6	1	-	-	-	-	0%	Shifted to FY23		The authorities draft the amendment Bill		Aug 3 - 7, 2021 (remote)	LEG
Total Days:					4	22	26	3											

Total Days:	92	260	352	42
--------------------	-----------	------------	------------	-----------

Updated Mid-FY22 Workplan:	119	135	254	16
Increase from Baseline Plan:	29%	-48%	-28%	-63%
Delivered by Oct 31:	33	46	78	4
Percent of <u>Original</u> Plan delivered by Oct 31	36%	18%	22%	10%
Percent of <u>Revised</u> Plan delivered by Oct 31	28%	34%	31%	27%