

FY21 Work Plan - May 2020 to April 2021: Financial Sector Supervision (FSS)

TA Area	Objective	Country	Outcome Targeted	Activity	May 2020 - April 2021			Number of Missions/ Activities	Milestones	Comments	Planned Date	Experts
					(in person-days)							
					PFTAC resident advisors	ST experts	Total					
Financial Sector Supervision	1. Develop and strengthen banking regulations in line with international standards	Palau	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	Second Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - review revised draft banking law and regulations and propose final amendments	-	15	15	1	Applicable guidelines and regulations are sent to industry for consultation	Continuation of the Banking Regulatory Reform project.		LEG
									Applicable guidelines and regulations are finalized and formally issued			
									Amendments and redrafting of laws, regulations in line with BCP 11			
		PNG	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	SFEP - Regulatory Framework - Prudential Standards - Assist BPNG develop a comprehensive suite of risk management prudential standards covering topics like General risk management guidelines, Governance, Liquidity Risk, Market Risk, Interest Rate Risk and IT Risk (desk review)	12	-	12	1	Applicable guidelines and regulations drafted	Continuation of the SFEP - regulatory component of project		
									Applicable guidelines and regulations are finalized and formally issued			
		RMI	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	Second Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - review revised draft banking law and regulations and propose final amendments	-	15	15	1	Applicable guidelines and regulations are sent to industry for consultation	Continuation of the Banking Regulatory Reform project.		LEG
									Applicable guidelines and regulations are finalized and formally issued			
		Solomon Islands	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	SFEP - Regulatory Framework - Prudential Standards - Assist CBSI with industry and stakeholder consultation for new suite of prudential standards	5	-	5	1	Applicable guidelines and regulations drafted	Continuation of the SFEP - regulatory component of project		
									Applicable guidelines and regulations are finalized and formally issued			
		Timor-Leste	1.2 Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment.	Assist with QIS on IFRS 9 regulation	-	14	14	1				STX
Vanuatu	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	SFEP - Regulatory Framework - Prudential Standards - Assist RBV develop comprehensive suite of prudential standards	5	10	15	1	Applicable guidelines and regulations drafted	Continuation of the SFEP - regulatory component of project	FY22			
							Applicable guidelines and regulations are finalized and formally issued					
Financial Sector Supervision	1. Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS)	Fiji	1.1 Effective risk based supervision in place and being used for their intended purpose(s)	Assist RBF finalize revised insurance law and consult with industry and stakeholders	-	7	7	1	Draft insurance law developed	Continuation of Insurance Regulatory Reform project		
									Industry consultation of draft law completed			
									New insurance law finalized and submitted for legislative process			
		Samoa	1.1 Effective risk based supervision in place and being used for their intended purpose(s)	Assist CBS finalize revised insurance law and consult with industry and stakeholders	-	7	7	1	New insurance law finalized and submitted for legislative process	Continuation of Insurance Regulatory Reform project		
									New prudential standards finalized and issued			
									Provide overview and training on draft example law and Prudential Standards			
		Tonga	1.1 Effective risk based supervision in place and being used for their intended purpose(s)	Assist NRBT finalize revised insurance law and consult with industry and stakeholders	-	7	7	1	New insurance law finalized and submitted for legislative process	Continuation of Insurance Regulatory Reform project		
									New prudential standards finalized and issued			
									Provide overview and training on draft example law and Prudential Standards			
		Financial Sector Supervision	1. Develop/strengthen cybersecurity regulations and prudential norms	Fiji	1.1 Sound policies & processes to identify, measure, monitor and control cyber risks	Cyber Risk Regulation and Supervision Project - third component - onsite examination	5	10	15	1	Cyber Risk on-site examination framework implemented	On-site examinations to include regional participants
PNG	1.1 Sound policies & processes to identify, measure, monitor and control cyber risks			Cyber Risk Regulation and Supervision Project - third component - onsite examination	5	10	15	1	Cyber Risk on-site examination framework implemented	On-site examinations to include regional participants		
Samoa	1.1 Sound policies & processes to identify, measure, monitor and control cyber risks			Cyber Risk Regulation and Supervision Project - third component - onsite examination	-	-	-	-	Cyber Risk on-site examination framework implemented	FY22 - On-site examinations to include regional participants		
Tonga	1.1 Sound policies & processes to identify, measure, monitor and control cyber risks			Cyber Risk Regulation and Supervision Project - third component - onsite examination	-	-	-	-	Cyber Risk on-site examination framework implemented	FY22 - On-site examinations to include regional participants		
Financial Sector Supervision	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	SFEP - Finalize off-site financial risk analysis reform	5	-	5	1	Detailed Quarterly Financial Risk Report embedded	Finalization of the SFEP for the Cook Islands		
				SFEP - Finalize risk rating reforms	5	-	5	1	Risk rating model, including impact index, is developed and implemented			
		Palau	2.4 Strengthened institutional structure and operational and procedures for RBS implementation	Financial analysis and risk rating	-	10	10	1	Detailed Quarterly Financial Risk Report embedded	Commencement of supervision CD for Palau. Reference SFEP.		
		PNG	2.4 Strengthened institutional structure and	SFEP - Finalize off-site financial risk analysis reform	5	-	5	1	Detailed Quarterly Financial Risk Report embedded	Finalization of the SFEP supervision components for		

			operational and procedures for RBS implementation	SFEP - Finalize market and liquidity risk examination reform	-	10	10	1	On-site examination framework for liquidity and market risk embedded	PNG.			
			Solomon Islands	2.4 Strengthened institutional structure and operational and procedures for RBS implementation	SFEP - Assistance in developing a financial analysis process that effectively identifies risk	5	-	5	1	Revised Reporting templates are developed	Continuation of SFEP		
					SFEP - Finalize off-site financial risk analysis reform	5	-	5	1	Detailed Quarterly Financial Risk Report embedded			
					SFEP - Finalize Risk Rating and Supervisory Action Planning	-	10	10	1				
			Vanuatu	2.4 Strengthened institutional structure and operational and procedures for RBS implementation	SFEP - Finalize off-site financial risk analysis reform	5	-	5	1	Detailed Quarterly Financial Risk Report embedded	Continuation of SFEP		
					SFEP - Finalize Risk Rating and Supervisory Action Planning	-	10	10	1				
			Tuvalu	2.4 Strengthened institutional structure and operational and procedures for RBS implementation	SFDP - Finalize off-site financial risk analysis reform	5	-	5	1	Detailed Quarterly Financial Risk Report embedded	Continuation of Supervision Framework Development project		
			Regional	AFSPC Annual Meeting	AFSPC Annual Meeting	5	7	12	1		In PNG		
				AFSPC Annual Workshop	AFSPC Annual Workshop	5	7	12	1		In PNG		
				Southern Workshop	TBC	5	7	12	1				
Total Days:					82	168	250	28					

Financial Sector Supervision	Legal	FSM	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	Third Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - review revised draft banking law and propose final amendments - desk	-	10	10	1	Revised banking law subjected to industry and other stakeholder consultation and finalized	Continuation of the Banking Regulatory Reform project.		LEG	
								Revised banking law submitted for legislative process					
			Kiribati	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - Develop first draft of banking legislation in line with international standards - (desk review)	-	20	20	3				LEG
				1.2 Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment.	Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - Provide training to MFED and the Kiribati Attorney General's Office (KAG) on proposed reform and enhancements	-	10	10					
			Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - Develop second draft of banking legislation in line with international standards - (desk review)		-	10	10						LEG
Timor-Leste	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	Review of Banking legislation	-	12	12	1				LEG			
1.2 Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment.													
Total Days:					-	62	62	5					

Total Days:	82	230	312	33
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