

Jurisdiction: **European Commission**

# 2015 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

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No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>I. Hedge funds</b>					
1 (2)	Registration, appropriate disclosures and oversight of hedge funds	<p>We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul)</p> <p>Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)</p>	<p>Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO's <a href="#">Report on Hedge Fund Oversight (Jun 2009)</a>. In particular, jurisdictions should specify whether:</p> <ul style="list-style-type: none"> <li>- Hedge Funds (HFs) and/or HF managers are subject to mandatory registration</li> <li>- Registered HF managers are subject to appropriate ongoing requirements regarding: <ul style="list-style-type: none"> <li>• Organisational and operational standards;</li> <li>• Conflicts of interest and other conduct of business rules;</li> <li>• Disclosure to investors; and</li> <li>• Prudential regulation.</li> </ul> </li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress :</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: Directive: 21 July 2012/Regulation: 11 April 2013</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>1) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 2) Commission</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

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				<p>Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61 of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision. The AIFMD and its implementing Regulation foresees rules for the registration or authorisation of AIFMs, the on-going operation of the AIFM's business and rules on transparency and supervision. Depending on the assets under management they administrate or the use of leverage AIFMs have to either register or apply for a full authorization. The Directive provides for a lighter regime for AIFMs where the cumulative AIFs under management fall below a threshold of EUR 100 million and for AIFMs that manage only unleveraged AIFs that do not grant investors redemption rights during a period of 5 years where the cumulative AIFs under management fall below a threshold of EUR 500 million. While these AIFMs are not subject to the full authorisation procedure but to registration in their home Member States, they still need to provide their competent authorities with relevant information</p>	

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				<p>regarding the main instruments in which they are trading and on the principal exposures and most important concentrations of the AIFs they manage. Registered AIFM have to comply with minimum requirements regarding the reporting of information to competent authorities whereas authorised AIFMs which are leveraged on a substantial basis have to comply with a wider set of reporting requirements. AIFMs have to comply with organisational and operational standards such as the risk and liquidity management or the identification, prevention, managing and monitoring of conflict of interests. AIFMs have to make available to investors for each AIF they manage and/or market in the Union information such as a description of the investment strategy, changes to the maximum level of leverage, the risk profile of the AIF. Furthermore AIFMs have to comply with rules on initial capital and own funds, whereby the AIFM have to provide an additional amount of own funds where the value of the portfolios of AIFs managed by an AIFMs exceeds EUR 250 million. AIFMs have to appoint a depositary which has to safeguard the</p>	

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				<p>assets of the AIF either by holding them in custody or by verifying the ownership of the AIF and maintaining a record these assets. The AIFM has to ensure that there are consistent and appropriate procedures in place in order to value assets of the AIF properly and independently. The AIFMD framework will be reviewed by July 2017.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://ec.europa.eu/internal_market/investment/alternative_investments/index_en.htm">http://ec.europa.eu/internal_market/investment/alternative_investments/index_en.htm</a></p> <p><b>Additional questions:</b></p> <p><b>1. Please indicate whether Hedge Funds (HFs) are domiciled locally and, if available, the size of the industry in terms of Assets under Management and number of HFs.</b></p> <p>Not applicable</p> <p><b>2. Please specify the main criteria and numerical thresholds (if applicable) for subjecting HFs and/or HF managers to mandatory registration.</b></p> <p>See above text</p> <p><b>3. Please specify whether registered HF managers are subject to ongoing requirements regarding organisational and operational</b></p>	

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				<p>standards; conflicts of interest and other conduct of business rules; disclosure to investors; and prudential regulation. If any of these requirements are not applicable, please explain.</p> <p>Not applicable</p> <p>4. Please describe the main challenges (where relevant) and any lessons learned in implementing this reform.</p> <p>Not applicable</p> <p>5. Are you monitoring the effects of this reform in your jurisdiction? If yes, please share the main findings and any related policy initiatives in response to those findings.</p> <p>Not applicable</p>	

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2 (3)	Establishment of international information sharing framework	We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)	<p>Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO’s <a href="#">Report on Hedge Fund Oversight (Jun 2009)</a> on sharing information to facilitate the oversight of globally active fund managers.</p> <p>In addition, jurisdictions should state whether they are:</p> <ul style="list-style-type: none"> <li>- Signatory to the IOSCO MMoU</li> <li>- Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO <a href="#">Principles Regarding Cross-border Supervisory Cooperation</a>.</li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Draft in preparation, expected publication by:</li> <li><input type="checkbox"/> Draft published as of:</li> <li><input type="checkbox"/> Final rule or legislation approved and will come into force on:</li> <li><input type="checkbox"/> Final rule (for part of the reform) in force since :</li> </ul> <p><input checked="" type="checkbox"/> Implementation completed as of: 21 July 2012/11 April 2013</p> <p><b>Issue is being addressed through :</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Primary / Secondary legislation</li> <li><input checked="" type="checkbox"/> Regulation /Guidelines</li> <li><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</li> </ul> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>1) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 2) Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

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				<p>Directive 2011/61 of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision. For the purpose of identifying the build-up of systemic risk by the use of leverage and the potential systemic consequences of the AIFM's activities the AIFMD and its implementing Regulation foresees rules on the use of information by competent authorities and the exchange of information between the competent authorities. Subject to specific conditions a disclosure of information to third countries is possible.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://ec.europa.eu/internal_market/investment/alternative_investments/index_en.htm">http://ec.europa.eu/internal_market/investment/alternative_investments/index_en.htm</a></p>	



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3 (4)	Enhancing counterparty risk management	<p>Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London)</p> <p>Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17, FSF 2008)</p>	<p>Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties.</p> <p>In particular, jurisdictions should indicate whether they have implemented principle 2.iii of IOSCO <a href="#">Report on Hedge Fund Oversight (Jun 2009)</a>. Jurisdictions should also indicate the steps they are taking to implement the new standards on equity exposures (<a href="#">Capital requirements for banks' equity investments in funds, Dec 2013</a>) by 1 January 2017.</p> <p>For further reference, see also the following documents :</p> <ul style="list-style-type: none"> <li>• BCBS <a href="#">Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999)</a></li> <li>• BCBS <a href="#">Banks' Interactions with Highly Leveraged Institutions (Jan 1999)</a></li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 01.01.2014</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>EU law (the Capital Requirements Regulation CRR) includes rules on the treatment of equity investments in funds. Those rules pre-date the Basel standards and are in large part already aligned with those standards. The rules are now contained in Regulation (EU) No 575/2013. For the recommendation 1) see Article 180(1)(a) of the</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

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				<p>abovementioned Regulation. For the recommendation b) see Articles 132 and 152.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>The CRR has been in force since 01.01.2014.</p> <p><b>Web-links to relevant documents:</b></p> <p>Paragraph 112 of Basel III (Jun 2011)            New standards on equity exposures (Capital requirements for banks' equity investments in funds, Dec 2013)  <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0575&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0575&amp;from=EN</a></p>	

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<b>II. Securitisation</b>					
4 (6)	Strengthening of regulatory and capital framework for monolines	Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8, FSF 2008)	<p>Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monolines.</p> <p>See, for reference, the following principles issued by IAIS:</p> <ul style="list-style-type: none"> <li>• <a href="#">ICP 13</a> – Reinsurance and Other Forms of Risk Transfer;</li> <li>• <a href="#">ICP 15</a> – Investments; and</li> <li>• <a href="#">ICP 17</a> - Capital Adequacy.</li> </ul> <p>Jurisdictions may also refer to:</p> <ul style="list-style-type: none"> <li>• IAIS <a href="#">Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008)</a>.</li> <li>• Joint Forum document on <a href="#">Mortgage insurance: market structure, underwriting cycle and policy implications (Aug2013)</a>.</li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2016</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>The Solvency II regime introduces a risk-based supervisory regime for all (re)insurance undertakings, including monoline insurers. Under this regime, companies will be subject to Capital Requirements calibrated as a 99.5% value at risk of own funds over a 1 year time horizon, calculated on each undertakings's true risk profile. The</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>No specific action regarding the treatment of monoline insurers in Solvency II. A general review of the formula to calculate capital requirements (including the segmenting of obligations and the specific parameter for credit and suretyship insurance) should take place before end 2018 (3 years into the new regime).</p> <p><b>Web-links to relevant documents:</b></p>

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<b>II. Securitisation</b>					
				<p>Capital Requirements cover life, non-life and health underwriting risk, market risks, counterparty default risk, and operational risk. For the purpose of calculating underwriting risk capital requirements, insurance obligations shall be properly segmented. Credit and suretyship insurance is one of the segments in the standard formula, for which specific risk factors are calibrated as a 99.5% value at risk of own funds over a 1 year time horizon. (Re) insurance undertakings, including monoline insurers, shall also be subject to governance requirements. In particular, undertakings "shall have in place an effective risk-management system comprising strategies, processes and reporting procedures necessary to identify, measure, monitor, manage and report, on a continuous basis the risks, at an individual and at an aggregated level, to which they are or could be exposed, and their interdependencies" (article 44 of directive 2009/138/EC)</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p><b>Highlight main developments since last year's survey:</b></p>	

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<b>II. Securitisation</b>					
				Implementing rules for Solvency II were finally agreed in January 2015, including the detailed calculation of capital requirements and risk management and governance rules (Commission Delegated Regulation 2015/35).  <b>Web-links to relevant documents:</b> <a href="http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm">http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm</a>	

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5 (7)	Strengthening of supervisory requirements or best practices for investment in structured products	Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18, FSF 2008)	<p>Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance product.</p> <p>Jurisdictions may reference IOSCO's report on <a href="#">Good Practices in Relation to Investment Managers' Due Diligence When Investing in Structured Finance Instruments (Jul 2009)</a>.</p> <p>Jurisdictions may also refer to the Joint Forum report on <a href="#">Credit Risk Transfer-Developments from 2005-2007 (Jul 2008)</a>.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2016</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>EU legislation relating to the (re)insurance sector (Solvency II) introduces requirements on insurers' ability to invest in securitisation, which are consistent with those being introduced in the banking sector. Insurance and reinsurance undertakings investing in securitisation will be subject to: (i) Capital Requirements for all types of</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p>In the context of the Capital markets union project, the Commission is working on a new legislative proposal, covering all financial sectors (banks, insurance, funds, pension funds) to ensure a consistent treatment of securitisation positions, incl. in terms of risk retention, due diligence, and transparency. This proposal would implement in a consistent way the distinction between simple, transparent and standardised securitisation, and other securitisations.</p> <p><b>Web-links to relevant documents:</b></p> <p>:<a href="http://ec.europa.eu/finance/consultations/2015/securitisation/index_en.htm">http://ec.europa.eu/finance/consultations/2015/securitisation/index_en.htm</a></p>

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				<p>investments calibrated as a 99.5% value at risk over a 1 year time horizon – with lower risk factors on simpler, more transparent and standardised securitisation products ; (ii) Higher market risk capital requirements for re-securitization exposures; (iii) A prudent person principle that limits insurance and reinsurance undertakings' investments to assets that they can properly identify, measure, monitor, manage, control and report. Insurance and reinsurance undertakings are only allowed to invest in securitisation after conducting comprehensive due diligence; (iv) insurance and reinsurance undertakings should have specific governance arrangements when investing in securitisation (written monitoring procedures, specific reporting to management body...); (v) In order to ensure transparency, requirements to publicly disclose information any investments in securitisation</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Approval in January 2015 of the Solvency II implementing rules, which introduce for the first time a more risk-sensitive approach to simple, transparent</p>	

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				<p>and standardised securitisation (see Article 177 of Commission Delegated Regulation 2015/35)</p> <p><b>Web-links to relevant documents:</b>  <a href="http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm">http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm</a></p>	



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6 (8)	Enhanced disclosure of securitised products	Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)	<p>Jurisdictions should indicate the policy measures taken for enhancing disclosure of securitised products.</p> <p>See, for reference, IOSCO’s <a href="#">Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012)</a> and IOSCO’s <a href="#">Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010)</a>.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 21 May 2013 / 2009</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The disclosure framework on securitised products has been strongly enhanced since the financial crisis. Disclosure requirements for sponsors/originators (CRR): These requirements have been in force since the implementation of the Capital Requirements Directive II (2009/111/CE ) in 2009. In practice the Capital Requirements Regulation (art.</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p>The Delegated Regulation contains for the moment disclosures templates only for structured finance instruments backed by certain categories of assets. ESMA shall continue work on additional templates in order to cover all the scope of application of art. 8b of the CRA III Regulation. Such new templates will be adopted by the Commission by way of amendment of the existing Delegated Regulation. ESMA shall set up a website for the publication of the information on structured finance instruments (referred to in art. 8b of the CRA 3 Regulation) by 1st January 2017. Commission is currently working on a draft legislative proposal on securitisation which amongst others things, aims at streamlining and improving the consistency of due diligence and disclosure requirements of different legislative frameworks (Prospectus, CRR/CRD IV, AIFMD, CRA3 and Solvency II) which are applicable to structured finance</p>

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				<p>409) stipulates that institutions acting as an originator, a sponsor or original lender shall disclose to investors the level of their commitment to maintain a net economic interest in the securitisation (the risk retention requirement). They shall also ensure that prospective investors have readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure as well as such information that is necessary to conduct comprehensive and well informed stress tests on the cash flows and collateral values supporting the underlying exposures. For that purpose, materially relevant data shall be determined as at the date of the securitisation and where appropriate due to the nature of the securitisation thereafter. General disclosure requirement (Credit rating agencies Regulation III) Regulation on Credit Rating Agencies (Article 8b, CRA3) came into force June 2013. With regard to issuers of ABS, Article 8b of the CRA 3 Regulation requires: - The issuer, the originator and the sponsor of a structured finance instrument established in the Union shall,</p>	<p>instruments.</p> <p><b>Web-links to relevant documents:</b></p>

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				<p>on the website set up by ESMA, jointly publish information on the credit quality and performance of the underlying assets of the structured finance instrument, the structure of the securitisation transaction, the cash flows and any collateral supporting a securitisation exposure as well as any information that is necessary to conduct comprehensive and well-informed stress tests on the cash flows and collateral values supporting the underlying exposures. Art. 8b of the CRA3 Regulation was complemented by a Delegated Regulation (EU) 2015/3 adopted by the Commission on 30 September 2014 (<a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0003">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0003</a>) which specifies: (a) the information that must be published in order to comply with art. 8b of the CRA III Regulation;(b) the frequency with which the information referred to in point (a) is to be updated; (c) the presentation of the information referred to in point (a) by means of standardised disclosure templates. - ESMA shall set up a website for the publication of the information on structured finance instruments by 1st January 2017. ESMA should establish the</p>	

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				<p>guidelines for enforcement and supervision of Art. 8b of the CRA 3 Regulation by NCAs. In addition, A Task Force established under the umbrella of the Joint Committee of the ESAs issued in May 2015 a report which: - identifies the main inconsistencies of the existing level-1 and level-2 due diligence, disclosure requirements (Prospectus, CRR/CRD IV, AIFMD, CRA3 and Solvency II) and reporting requirements concerning SFI; - proposes several recommendations to address these inconsistencies.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Art. 8b of the CRA3 Regulation was complemented by a Delegated Regulation (EU) 2015/3 adopted by the Commission on 30 September 2014 which specifies the information to be published on structured finance instruments, the frequency of this publication and the presentation of the information to be published on structured finance instruments by means of standardised disclosure templates.</p> <p><b>Web-links to relevant documents:</b></p> <p>REGULATION (EU) No 462/2013 (CRA</p>	

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				<p>Regulation): <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0462&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0462&amp;from=EN</a> Commission Delegated Regulation (EU) n°2015/3 of 30 September 2015: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0003">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0003</a> Regulation (EC) No 809/2004, as amended, implementing Directive 2003/71/EC as regards information contained in prospectuses (see Annexes VII &amp; VIII) <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1402046016254&amp;uri=CELEX:02004R0809-20130828">http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1402046016254&amp;uri=CELEX:02004R0809-20130828</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>III. Enhancing supervision</b>					
7 (9)	Consistent, consolidated supervision and regulation of SIFIs	All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)	<p>Jurisdictions should indicate: (1) whether they have identified domestic SIFIs and, if so, in which sectors; (2) whether the names of the identified SIFIs have been publicly disclosed; and (3) the types of policy measures taken for implementing consistent, consolidated supervision and regulation of the identified SIFIs. See, for reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> <li>• <a href="#">Framework for G-SIBs (Jul 2013)</a></li> <li>• <a href="#">Framework for D-SIBs (Oct 2012)</a></li> <li>• <a href="#">BCP 12 (Sep 2012)</a></li> </ul> <p>IAIS:</p> <ul style="list-style-type: none"> <li>• <a href="#">Global Systemically Important Insurers: Policy Measures (Jul 2013)</a></li> <li>• <a href="#">ICP 23– Group wide supervision</a></li> </ul> <p>FSB:</p> <ul style="list-style-type: none"> <li>• <a href="#">Framework for addressing SIFIs (Nov 2011)</a></li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 2014</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>CRDIV / CRR approved by the European Parliament on 16 April 2013 and the Council on 27 March 2013 and entered into force on 1 January 2014. As regards G-SIBs and D-SIBs, CRDIV / CRR as approved by the European Parliament and the European Council implement in the EU the BCBS’ assessment methodology</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>As regards the recovery and resolution of systemic institutions other than banks, Commission envisages adopting proposals in line with relevant international recommendations notably on central counterparties for late 2015.</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://ec.europa.eu/internal_market/consultations/2012/nonbanks_en.htm">http://ec.europa.eu/internal_market/consultations/2012/nonbanks_en.htm</a></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>of global systemically important banks and the related additional loss absorbency requirement as well as BCBS' principles for dealing with domestic systemically important banks. A Delegated Regulation and an Implementing Regulation on the methodology of G-SII (Global Systemically Important Institutions) identification and disclosure were adopted by the Commission in 2014. EBA also adopted: - Guidelines on disclosure of indicators of global systemic importance , and - Guidelines on criteria to assess other systemically important institutions (O-SIIs). For the euro area Member States, the establishment of the Banking Union, with the Single Supervisory Mechanism which entered into force in November 2013 and the ECB which assumed its full responsibilities on 4 November 2014 ,allows for even greater consistency in the supervision and regulation of SIFI (banks). As regards recovery and resolution, the EU-wide Bank Recovery and Resolution Directive has been adopted and applies from January 2015. It requires Member States to equip authorities with the necessary tools and powers to ensure that the distress or</p>	

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				<p>failure of all banks and large investment firms can be managed in an orderly way, preserving financial stability and protecting taxpayers in the process. The Directive relies on a series of preventative steps in the shape of recovery and resolution plans, cross-border coordination mechanisms and powers of early intervention for authorities. In the event of failure, authorities are accorded the tools to reorganise banks and investment firms, allocating losses and costs to shareholders and creditors in line with the hierarchy of claims in insolvency, and drawing on specially set-up resolution funds built-up from industry contributions for any additional required funding. For Euro Area and other Member States participating in the Banking Union the rules of the BRRD will be applied from 2016 by the Single Resolution Mechanism. The SRM integrates key aspects of the coordination and decision-making structure applicable to resolution planning and the resolution of banks and replaces national resolution funds with a Single Resolution Fund in participating Member States. Insurance sector For the insurance sector the</p>	



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>implementation of the IAIS recommendations for G-SIIs (distinct from the G-SIIs mentioned above) is on-going and addressed via supervisory actions and monitoring. There is no EU legislation for G-SIIs specifically, implementation is dealt with at Member States level.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p><b>Web-links to relevant documents:</b></p> <p>BRRD:  <a href="http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Single-rulebook&amp;subTab=Bank-recovery-and-resolution&amp;lang=en">http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Single-rulebook&amp;subTab=Bank-recovery-and-resolution&amp;lang=en</a> SRM:  <a href="http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Supervision-and-resolution&amp;subTab=Single-resolution-mechanism&amp;lang=en">http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Supervision-and-resolution&amp;subTab=Single-resolution-mechanism&amp;lang=en</a>            Commission Delegated Regulation on G-SII identification methodology: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014R1222&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014R1222&amp;from=EN</a> Commission Implementing Regulation on disclosure of the values used to identify global systemically important institutions: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014R1030&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014R1030&amp;from=EN</a> EBA Guidelines G-SII disclosure:  <a href="http://www.eba.europa.eu/documents/10180/717755/EBA-GL-2014-02+%28Guidelines+on+disclosure+of+indicators+of+systemic+importance%29.pdf/a017aea5-ceba-4d74-a1ee-fe513f7dbbdf">http://www.eba.europa.eu/documents/10180/717755/EBA-GL-2014-02+%28Guidelines+on+disclosure+of+indicators+of+systemic+importance%29.pdf/a017aea5-ceba-4d74-a1ee-fe513f7dbbdf</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				EBA Guidelines O-SIIs: <a href="http://www.eba.europa.eu/documents/10180/930752/EBA-GL-2014-10+%28Guidelines+on+O-SIIs+Assessment%29.pdf/964fa8c7-6f7c-431a-8c34-82d42d112d91">http://www.eba.europa.eu/documents/10180/930752/EBA-GL-2014-10+%28Guidelines+on+O-SIIs+Assessment%29.pdf/964fa8c7-6f7c-431a-8c34-82d42d112d91</a> for D-SIB identification in the Union.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
8 (10)	Establishing supervisory colleges and conducting risk assessments	<p>To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London)</p> <p>We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)</p>	<p>Reporting in this area should be undertaken solely by home jurisdictions of G-SIBs and G-SIIs.</p> <p>Please indicate the progress made in establishing and strengthening the functioning of supervisory colleges for G-SIBs and G-SIIs using, as reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> <li>• Principle 13 of the BCBS <a href="#">Core Principles for Effective Banking Supervision (Sep 2012)</a></li> <li>• <a href="#">Principles for effective supervisory colleges (Jun 2014)</a></li> </ul> <p>IAIS :</p> <ul style="list-style-type: none"> <li>• <a href="#">ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges</a></li> <li>• <a href="#">Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges</a></li> <li>• <a href="#">Application paper on supervisory colleges (Oct 2014)</a></li> </ul>	<p><input checked="" type="checkbox"/> <b>Not applicable</b></p> <p>Supervisory colleges exist for all 18 G-SIBs established in the EU. This should be the answer to the first additional question and not N/A. Then for the other questions the N/A is mentioned because the European Commission is a legislator / regulator but not a (consolidating) supervisor and therefore the other questions should be answered by the respective Member State where the respective G-SIBs are established.</p> <p><input type="checkbox"/> <b>Applicable but no action envisaged at the moment</b></p> <p><input type="checkbox"/> <b>Implementation ongoing:</b></p> <p><i>Status of progress :</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> <b>Implementation completed as of:</b></p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>Banking Sector The Capital Requirement Directive (2013/36/EU) provides for the mandatory establishment of colleges of supervisors for cross-border banking groups. The Regulation establishing the European Banking Authority (Regulation 1093/2010) gives EBA a central role in promoting and monitoring colleges of supervisors. More than 100 supervisory colleges are established in the European Economic Area (EEA). Most EEA cross border banking groups had a college of supervisors in place by the end of 2010. In the coming weeks, the European Commission intends to publish two pieces of secondary legislation to complement the rules set out in Directive 2013/36/EU. These two pieces will specify the functioning rules of colleges of supervisors. Insurance Sector The Solvency II Directive requires that Colleges are set out in relation to all insurance groups. Solvency II will be applicable from January 2016. The Regulation establishing the European Insurance and Occupational Pensions Authority (EIOPA) (Regulation 1094/2010 gives EIOPA a central role in</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>promoting and monitoring colleges of supervisors. The European Supervisory Authorities (ESAs, i.e. EBA, EIOPA, ESMA) ensure a consistent and coherent functioning of colleges across the Union, promote effective and efficient supervisory activities and have, under certain conditions, the power to bindingly settle disagreements between authorities. Furthermore, the ESAs initiate and coordinate EU-wide stress tests on the resilience of financial institutions. Guidelines on colleges of supervisors have been and still continue to be developed by the ESAs.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Banking Sector In the coming weeks, the European Commission intends to publish two pieces of secondary legislation to complement the rules on supervisory colleges set out in Directive 2013/36/EU. These two pieces will specify the functioning rules of colleges of supervisors.</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0036&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0036&amp;from=EN</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p><a href="http://ec.europa.eu/finance/bank/regcapita/legislation-in-force/index_en.htm">http://ec.europa.eu/finance/bank/regcapita/legislation-in-force/index_en.htm</a> Insurance <a href="http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm">http://ec.europa.eu/finance/insurance/solvency/solvency2/index_en.htm</a> Market Infrastructures (CCP) <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012R0648&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012R0648&amp;from=EN</a></p> <p><b>Additional questions:</b></p> <p><b>1. Please indicate whether supervisory colleges for all G-SIBs/G-SIIs headquartered in your jurisdiction have been established. If not, please explain.</b></p> <p>Not applicable</p> <p><b>2. Please indicate the structure of the supervisory colleges for G-SIBs/G-SIIs in your jurisdiction (core, universal, other) and the reasons why it may differ across firms.</b></p> <p>Not applicable</p> <p><b>3. Please indicate the frequency of meetings over the past year of the supervisory colleges (core, universal, other) for G-SIBs/G-SIIs in your jurisdiction.</b></p> <p>Not applicable</p> <p><b>4. Please describe the main objectives of supervisory colleges for G-SIBs/G-SIIs in your jurisdiction and the types of issues that have been discussed over the past year. (e.g.</b></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>specific area(s) of risk, coordinated risk assessments, joint supervisory work, coordinated supervisory plans). In your response, please indicate briefly some of the main challenges in conducting joint risk assessments and steps taken to address them.</p> <p>Not applicable</p> <p>5. Please describe the main challenges in the functioning of supervisory colleges for G-SIBs/G-SIIs in your jurisdiction and any plans to enhance the effectiveness of colleges.</p> <p>Not applicable</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
9 (11)	Supervisory exchange of information and coordination	<p>To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008)</p> <p>Enhance the effectiveness of core supervisory colleges. (FSB 2012)</p>	<p>Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the <a href="#">September 2012</a> BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.</p> <p>Jurisdictions should describe any recent or planned regulatory, supervisory or legislative changes that contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs).</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2014 (Banking)/1 January 2016 (Insurance)</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The European Supervisory Authorities (ESAs, i.e. EBA, EIOPA, ESMA) ensure a consistent and coherent functioning of colleges across the Union, promote effective and efficient supervisory activities and have, under certain conditions, the power to bindingly settle disagreements between authorities.</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Furthermore, the ESAs initiate and coordinate EU-wide stress tests on the resilience of financial institutions. Guidelines on colleges of supervisors have been and still continue to be developed by the ESAs. Insurance sector The Solvency II Directive requires the Commission to adopt delegated acts on Colleges, specifically on the systematic exchange of information between supervisors in the College. Delegated acts on Colleges, specifically on the systematic exchange of information between supervisors in the College, were adopted in January 2015. Guidelines on the functioning of College are being developed by EIOPA. Banking sector The EU has put in place a comprehensive set of rules concerning the exchange of information and coordination among competent authorities. Directive 2013/36/EU provides for exchange of information obligations among authorities involved in the supervision of institutions operating in more than one Member State (art. 50 and 53-62) and authorities concerned by the establishment of a branch of a credit institution (art. 35-38). These provisions are further specified by secondary legislation. Two pieces of</p>	

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				<p>legislation were issued on the information to be notified when exercising the right of establishment and the freedom to provide services (Regulation (EU) No 1151/2014 and No 926/2014). Two regulations, clarifying the information to be exchanged by competent authorities supervising institutions operating in more than one Member State, have also been adopted (Reg. (EU) No 524/2014 and No 620/2014). In addition, Directive 2013/36/EU specifies rules governing the exchange of information, planning and coordination of supervisory activities between the various national authorities involved in the supervision of banking groups carrying out activities within the EU. This Directive also provides provisions for information exchanges between EU banking supervisors and other authorities, persons or bodies within and outside the EU. Furthermore, the ESAs continue developing the single rulebook applicable to all 28 Member States so as to ensure that supervisory practices are consistent across the whole Union. In particular EBA develops and maintains a single supervisory handbook (a non-binding collection of supervisory best practices). Finally, the creation of a</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>single supervisory mechanism (SSM), which is responsible for supervising all banks in the euro area and in Member States outside the euro area which would decide to participate in the SSM, supplements the monetary union by further strengthening supervisory consistency across the euro area. The SSM is fully in place from 4 November 2014. The home/host supervisor coordination procedures and colleges of supervisors continue to exist as they were previously, as far as coordination with supervisors in non-euro area Member States is concerned. However, the ECB has taken over supervisory tasks. The ECB carries out the functions of home supervisor for euro area banks and branches active in non-euro area Member States and acts as host supervisor for branches of non-euro area Member States' banks where these branches are established in the euro area. Colleges of supervisors continue to be structures for exchanging information and coordinating supervisory tasks between the ECB and national supervisors of non-euro area Member States. The EBA is allowed to participate in supervisory college meetings and provides regular</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>assessments of the functioning of supervisory colleges.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Insurance Delegated acts on Colleges, specifically on the systematic exchange of information between supervisors in the College, were adopted in January 2015. Guidelines on the functioning of College are being developed by EIOPA. SSM The SSM regulation is fully in place from 4 November 2014. Four pieces of secondary legislation were adopted.</p> <p><b>Web-links to relevant documents:</b></p> <p>On the information to be exchanged in relation to the exercise of the freedom of establishment/to provide services:  <a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=uriserv:OJ.L_.2014.309.01.0001.01.ENG">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=uriserv:OJ.L_.2014.309.01.0001.01.ENG</a> <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.254.01.0002.01.ENG">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.254.01.0002.01.ENG</a> On the exchanges of information for supervisory purposes:  <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2014_148_R_0003">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2014_148_R_0003</a> <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2014_172_R_0001">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2014_172_R_0001</a> On the SSM:  <a href="https://www.ecb.europa.eu/ecb/legal/pdf/celex_32014r0468_en_txt.pdf">https://www.ecb.europa.eu/ecb/legal/pdf/celex_32014r0468_en_txt.pdf</a> BRRD:  <a href="http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Single-rulebook&amp;subTab=Bank-recovery-and-resolution&amp;lang=en">http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Single-rulebook&amp;subTab=Bank-recovery-and-resolution&amp;lang=en</a> SRM:</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<a href="http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Supervision-and-resolution&amp;subTab=Single-resolution-mechanism&amp;lang=en">http://www.consilium.europa.eu/policies/ecofin/banking-union?tab=Supervision-and-resolution&amp;subTab=Single-resolution-mechanism&amp;lang=en</a>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
10 (12)	Strengthening resources and effective supervision	<p>We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul)</p> <p>Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008)</p> <p>Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)</p>	<p>No information on this recommendation will be collected in the current IMN survey due to the recent publication of the FSB <a href="#">thematic peer review report on supervisory frameworks and approaches to SIBs</a>.</p>		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>IV. Building and implementing macroprudential frameworks and tools</b>					
11 (13)	Establishing regulatory framework for macro-prudential oversight	<p>Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks<sup>1</sup> and private pools of capital to limit the build up of systemic risk. (London)</p> <p>Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)</p>	<p>Please describe major changes in the institutional arrangements for macroprudential policy (structures, mandates, powers, reporting etc.) that have taken place since the financial crisis, including over the past year.</p> <p>Please indicate whether an assessment has been conducted with respect to the adequacy of powers to collect and share relevant information among different authorities on financial institutions, markets and instruments to assess the potential for systemic risk. If so, please describe identified gaps in the powers to collect information, and whether any follow-up actions have been taken.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing: <i>Status of progress :</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since:</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 2014</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The EU macro-prudential framework has been established gradually, via the adoption of successive important legislations: the ESRB founding</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

<sup>1</sup> The recommendation as applicable to shadow banks will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Regulations –in force since December 2010- (Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010), the CRD IV/CRR macro-prudential rules and tools –in force since January 2014- and the SSM Regulation (Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions) which entrusts specific macro-prudential competences to the ECB/SSM. The last piece of legislation is in force since November 2014. Following the ESRB Regulation, the responsibility of macro-prudential oversight has been entrusted to the European Systemic Risk Board (ESRB). In pursuing its macro-prudential mandate, the ESRB performs a number of key activities, namely risk monitoring, risk assessment and, ultimately, if deemed appropriate, it adopts warnings and recommendations. Going forward, with the establishment of the Banking Union as of 1 November 2014 the ECB as single supervisor will also have some macro-prudential competences within the Single Supervisory Mechanism (SSM). The</p>	



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>SSM Regulation provides that the ECB has been entrusted with specific macro-prudential competences to be applied within the Banking Union using the macro-prudential instruments enshrined in EU law (i.e. CRD IV/CRR macro-prudential tools). The ECB Framework Regulation further clarifies how these powers are to be implemented. The ESRB Recommendation ((ESRB/2011/3), OJ 2012/C 41/01) on the macro-prudential mandate of national authorities initiated the setting-up of national macro-prudential authorities. Most of the Member States have already established their competent national authorities and in the months to come it is expected that all 28 Member States will have macro-prudential institutional set-up completed. In addition the new regulations on capital requirements (CRDIV/CRR) that entered into force on 31 December 2013 further require the Member States to designate the national macro-prudential authorities.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Implementation of macro-prudential framework following the SSM Regulation; establishment of national macro-prudential authorities in Member</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>States, activation of macro-prudential instruments by Member States (more than 90 measures since January 2014), Review of the ESRB conducted by the Commission -jointly with the review of the ESAs – The review report was published in August 2014.</p> <p><b>Web-links to relevant documents:</b></p> <p>ECRB review  <a href="http://ec.europa.eu/economy_finance/articles/governance/2014-08-08-review_european_systemic_risk_board_en.htm">http://ec.europa.eu/economy_finance/articles/governance/2014-08-08-review_european_systemic_risk_board_en.htm</a></p> <p><b>Additional questions:</b></p> <p><b>1. Please describe the institutional arrangements for financial stability and macroprudential policy in your jurisdiction, including whether a macroprudential authority has been explicitly identified and the respective roles and responsibilities of the central bank and other authorities.</b></p> <p>Following the ESRB Regulation, the responsibility of macro-prudential oversight has been entrusted to the European Systemic Risk Board (ESRB). In pursuing its macro-prudential mandate, the ESRB performs a number of key activities, namely risk monitoring, risk</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>assessment and, ultimately, if deemed appropriate, it adopts warnings and recommendations. Going forward, with the establishment of the Banking Union as of 1 November 2014 the ECB as single supervisor will also have some macro-prudential competences within the Single Supervisory Mechanism (SSM). The SSM Regulation provides that the ECB has been entrusted with specific macro-prudential competences to be applied within the Banking Union using the macro-prudential instruments enshrined in EU law (i.e. CRD IV/CRR macro-prudential tools). The ECB Framework Regulation further clarifies how these powers are to be implemented. The ESRB Recommendation ((ESRB/2011/3), OJ 2012/C 41/01) on the macro-prudential mandate of national authorities initiated the setting-up of national macro-prudential authorities. Most of the Member States have already established their competent national authorities and in the months to come it is expected that all 28 Member States will have macro-prudential institutional set-up completed. In addition the new regulations on capital requirements (CRDIV/CRR) that entered into force on 31 December 2013 further</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>require the Member States to designate the national macro-prudential authorities</p> <p><b>2. If a macroprudential authority has been explicitly identified in your jurisdiction, please describe its legal basis, mandate, composition, powers (warnings, recommendations, prudential tools, powers of direction, other) and accountability arrangements. Who provides the resources and analytical support for the authority's activities?</b></p> <p>In the EU, the macro-prudential authority is the ESRB; it has a very broad mandate (EU wide, and across the financial sector). It has preventative role : it should identify risks and vulnerabilities in the financial system in a forward-looking manner. It has no binding powers but can issue non-binding warnings and recommendations to which a 'comply or explain mechanism' applies. At national level, Member States have established macro-prudential authorities whose powers and mandates vary across borders. In the Banking Union, the SSM Regulation has entrusted the ECB with specific binding macro-prudential competences.</p> <p><b>3. Is there an inter-agency body on financial stability or macroprudential matters – distinct from the designated macroprudential</b></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>authority – in your jurisdiction? If so, please describe its legal basis, mandate, composition, powers and accountability arrangements. Who provides the resources and analytical support for its activities?</p> <p>Not applicable</p> <p><b>4. Please describe the extent to which the macroprudential authority (or other relevant body) is able to collect information on material financial institutions, markets and instruments in order to assess potential systemic risks. In your response, please indicate whether the authorities involved in systemic risk monitoring have specific legal powers to collect information from financial institutions (whether regulated or not) for financial stability purposes, and whether there exist dedicated information gateways (e.g. Memorandum of Understanding) to share such information among relevant authorities.</b></p> <p>The ESRB relies on other authorities for access to information (ECB, ESAs, national authorities).</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
12 (14)	Enhancing system-wide monitoring and the use of macro-prudential instruments	<p>Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level...(Rec. 3.1, FSF 2009)</p> <p>We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes)</p> <p>Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)</p>	<p>Please describe at a high level (including by making reference to financial stability or other reports, where available) the types of methodologies, indicators and tools used to assess systemic risks.</p> <p>Please indicate the use of macroprudential tools in the past year, including the objective for their use and the process used to select, calibrate, and apply them.</p> <p>See, for reference, the following documents:</p> <ul style="list-style-type: none"> <li>CGFS report on <a href="#">Operationalising the selection and application of macroprudential instruments (Dec 2012)</a></li> <li>FSB-IMF-BIS progress report to the G20 on <a href="#">Macroprudential policy tools and frameworks (Oct 2011)</a></li> <li>IMF staff papers on <a href="#">Macroprudential policy, an organizing framework (Mar 2011)</a>, <a href="#">Key Aspects of Macroprudential policy (Jun 2013)</a>, and <a href="#">Staff Guidance on Macroprudential Policy (Dec 2014)</a></li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress :</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since:</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2014 (CRD IV/CRR)</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The adopted ESRB Recommendation ((ESRB/2013/1), OJ 2013/C 170/01) on intermediate objectives and instruments of macro-prudential policies proposes a list of intermediate objectives of macro-prudential policies and a corresponding list of instruments that can be used by macro-prudential authorities to meet the intermediate objectives. The</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>According to the art.513 of the CRR the Commission - by 30 June 2014, after consulting the ESRB and EBA, to review whether the macro-prudential rules contained in the CRR/CRDIV are sufficient to mitigate systemic risks in sectors, regions and Member States. Specifically, the review will include: a. Whether the current macro-prudential tools in the Regulation and the Directive are effective, efficient and transparent; b. Whether the coverage and the possible overlap between different macro-prudential tools for targeting similar risks are adequate, and if appropriate, Commission to propose new macro-prudential rules; c. How internationally agreed standards for systemic institutions interact with the provisions in the Regulation and Directive, and if appropriate, Commission to propose new rules taking into account those internationally agreed standards; - by 31 December 2014, the Commission shall, on the basis of this consultation, report to the European Parliament and the Council on the assessment of the review and, where appropriate, submit a legislative</p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Recommendation gives an indicative list of instruments that national macro-prudential authorities can use to fulfil their mandate. Also with the new EU prudential rules for banks (CRDIV/CRR) that entered into force on 1 January 2014 the macro-prudential authorities in the EU can apply a new set of policy instruments to address financial stability risks more effectively. So far several Member States decided, or are in the process of deciding, to apply macro-prudential instruments (i.e. Belgium, Estonia, Croatia, the Netherlands, Slovenia, Sweden). To assist the use of macro-prudential instruments the ESRB has prepared the following set of documents: the ESRB Flagship Report that provides a first overview of the new macro-prudential policy framework in the EU; the ESRB Handbook which provides more detailed assistance to macro-prudential authorities on how to use the new instruments; Decision sets out the process and coordination framework for preparing ESRB opinions or issuing recommendations on macro-prudential measures, notified to the ESRB by relevant authorities, in line with the CRD/CRR.</p>	<p>proposal to the European Parliament and the Council. The ESRB responded to the European Commission call for advice on macro-prudential rules in CRD IV. The EBA published in July 2014 an Opinion on the macroprudential tools laid down in the Capital Requirement Regulation (CRR) and Directive (CRDIV). The review of the macroprudential tools of CRDIV/CRR, that should have been completed by December 2014 according to the regulation, has been postponed to take due account of an evolving institutional landscape with the implementation of the Banking Union. A comprehensive review of the macroprudential regulatory framework covering both the toolset (ie crd IV/CRR macroprudential rules and tools) but also governance and institutional aspects (ie ESRB Regulations and SSM macroprudential tools and tasks), which is a more ambitious undertaking, should be launched by the end of 2015.</p> <p><b>Web-links to relevant documents:</b>  <a href="http://www.esrb.europa.eu/pub/pdf/other/140430_ESRB_response.pdf?f2e3e1f0dc28ba0726aa6f51de4517fa">http://www.esrb.europa.eu/pub/pdf/other/140430_ESRB_response.pdf?f2e3e1f0dc28ba0726aa6f51de4517fa</a>  <a href="https://www.eba.europa.eu/-/eba-advises-the-european-commission-on-the-">https://www.eba.europa.eu/-/eba-advises-the-european-commission-on-the-</a></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p><b>Highlight main developments since last year's survey:</b></p> <p>The review of the macroprudential tools of CRDIV/CRR, that should have been completed by December 2014 according to the regulation, has been postponed to take due account of an evolving institutional landscape with the implementation of the Banking Union. A comprehensive review of the macroprudential regulatory framework covering both the toolset (ie crd IV/CRR macroprudential rules and tools) but also governance and institutional aspects (ie ESRB Regulations and SSM macroprudential tools and tasks), which is a more ambitious undertaking, should be launched by the end of 2015.</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013R0575">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013R0575</a> <a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013L0036">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013L0036</a></p> <p><a href="https://www.esrb.europa.eu/pub/html/index.en.html?skey=Flagship">https://www.esrb.europa.eu/pub/html/index.en.html?skey=Flagship</a></p> <p><a href="https://www.esrb.europa.eu/pub/html/index.en.html?skey=03/03/2014%20Handbook">https://www.esrb.europa.eu/pub/html/index.en.html?skey=03/03/2014%20Handbook</a></p>	<p>macroprudential-rules-laid-down-in-the-crr-crd</p>



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p><a href="https://www.esrb.europa.eu/pub/html/index.en.html?skey=28/01/2014%20framework">https://www.esrb.europa.eu/pub/html/index.en.html?skey=28/01/2014%20framework</a></p> <p><b>Additional questions:</b></p> <p><b>1. Please describe, at a high level, the types of methodologies, indicators and reports used in your jurisdiction to identify, analyse, communicate and address systemic risks.</b></p> <p>The methodologies used and indicators monitored vary across MS and national macro-prudential authorities. Through its flagship report, its recommendations and its operational handbook, the ESRB fosters identification of good practices and convergence among authorities; The ECB in its new supervisory role (micro- and macro-) should also foster convergence in the area.</p> <p><b>2. Please describe the range of policy tools (prudential and other) currently available to the authorities for macroprudential purposes.<sup>2</sup></b></p> <p>There are a number of macro-prudential tools for banks harmonised under EU law, mainly capital-related (Counter-</p>	

<sup>2</sup> An indicative list of such tools can be found in “Macroprudential Policy Tools and Frameworks – Progress Report to the G20” by the FSB, IMF and BIS (October 2011, [http://www.financialstabilityboard.org/wp-content/uploads/r\\_111027b.pdf](http://www.financialstabilityboard.org/wp-content/uploads/r_111027b.pdf)); “Staff Guidance on Macroprudential Policy” (December 2014, <http://www.imf.org/external/np/pp/eng/2014/110614.pdf>) by IMF staff; and “Operationalising the selection and application of macroprudential instruments” (December 2012, <http://www.bis.org/publ/cgfs48.pdf>) by the CGFS.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>cyclical Capital Buffer, Systemic Risk Buffer etc...). Other tools are governed by national law (LTV, LTI etc...).</p> <p><b>3. Please indicate which tools have been deployed for macroprudential purposes over the past year, including the objective for their use and the process used to select, calibrate, and apply them.</b></p> <p>MS have activated more than 90 macroprudential measures since January 2014. The instruments activated target mainly the 'too big to fail' issue (i.e. systemically important banks) or the housing market.</p> <p><b>4. Please describe whether and, if so, how the relevant authorities assess the <i>ex ante</i> cost and benefits of macroprudential policies and their <i>ex post</i> effectiveness.</b></p> <p>The ESRB should foster good practices in the cost/benefit analysis area in its coordination role; measures have been activated too recently to be able to properly assess their effectiveness ex post. The ESRB, ECB and national macro-prudential authorities are working on ways to do this.</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>V. Improving oversight of credit rating agencies (CRAs)</b>					
13 (16)	Enhancing regulation and supervision of CRAs	<p>All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London)</p> <p>National authorities will enforce compliance and require changes to a rating agency’s practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process.</p> <p>CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process.</p> <p>The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London)</p> <p>Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible</p>	<p>Jurisdictions should indicate the policy measures undertaken for enhancing regulation and supervision of CRAs including registration, oversight and sharing of information between national authorities. They should also indicate their consistency with the following IOSCO document:</p> <ul style="list-style-type: none"> <li>• <a href="#">Code of Conduct Fundamentals for Credit Rating Agencies (Mar 2015)</a></li> </ul> <p>Jurisdictions may also refer to the following IOSCO documents:</p> <ul style="list-style-type: none"> <li>• Principle 22 of <a href="#">Principles and Objectives of Securities Regulation (Jun 2010)</a> which calls for registration and oversight programs for CRAs</li> <li>• <a href="#">Statement of Principles Regarding the Activities of Credit Rating Agencies (Sep 2003)</a></li> <li>• <a href="#">Final Report on Supervisory Colleges for Credit Rating Agencies (Jul 2013)</a></li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 7 October 2009</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>Regulation (EC) No 1060/2009 introduces a regulatory regime for credit rating agencies which have to comply with stringent rules on transparency, accuracy and conflicts of interests, subject to authorisation and ongoing supervision. In addition, the Regulation</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p>Implementation of the regulatory technical standards (RTS). Report on the state of the credit rating market, which will include an analysis of provisions which aim at promoting diversity in the rating industry, to be published by end 2015.</p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
		<p>in 2010. (FSB 2009)</p> <p>We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)</p>		<p>was amended : - in 2011 in order to attribute the authorisation and supervision of rating agencies to a single authority, the European Securities and Markets Authority (ESMA), which has been effective since the 1st of July 2011; - on 21 of June 2013, in order to introduce rules to reduce reliance on CRA ratings, enhance transparency on sovereign debt ratings, introduce a civil liability regime, further address conflicts of interests and enhance competition in the rating industry. As a follow-up to the Regulation, a report on the feasibility of a network of SME CRAs was adopted in May 2014.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>In order to encourage competition in the rating industry, the latest amendment of the CRA regulation provides for 1) disclosure of information on structured finance instruments, which could facilitate unsolicited credit ratings; 2) the creation European Rating Platform which publish all available credit ratings on a central platform operated by the European Securities and Markets Authority and 3) the disclosure of fees</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>charged by CRAS. To this end, the Commission adopted three regulatory technical standards on 30 September 2014: • Commission Delegated Regulation (EU) 2015/3 on disclosure requirements for issuers, originators and sponsors on structured finance instruments; • Commission Delegated Regulation (EU) 2015/1 on reporting requirements for credit rating agencies (CRAs) on fees charged by CRAs to their clients; • Commission Delegated Regulation (EU) 2015/2 on reporting requirements to CRAs for the European Rating Platform</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://ec.europa.eu/internal_market/rating-agencies/index_en.htm">http://ec.europa.eu/internal_market/rating-agencies/index_en.htm</a> The latest amendment of the CRA regulation:  <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013R0462">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013R0462</a> Report on the SME network:  <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52014DC0248">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52014DC0248</a> Delegated Regulations adopted by the Commission on 30 September 2014: - <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0003">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0003</a>; - <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0001">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0001</a>; - <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0002">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:JOL_2015_002_R_0002</a></p>	



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
14 (17)	Reducing the reliance on ratings	<p>We also endorsed the FSB’s principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul)</p> <p>Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008)</p> <p>We reaffirm our commitment to reduce authorities’ and financial institutions’ reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes)</p> <p>We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that</p>	<p>Jurisdictions should indicate the steps they are taking to address the recommendations of the <a href="#">May 2014 FSB thematic peer review report on the implementation of the FSB Principles for Reducing Reliance on Credit Ratings</a>, including by implementing their <a href="#">agreed action plans</a>.</p> <p>Jurisdictions may refer to the following documents:</p> <ul style="list-style-type: none"> <li>• <a href="#">FSB Principles for Reducing Reliance on CRA Ratings (Oct 2010)</a></li> <li>• <a href="#">FSB Roadmap for Reducing Reliance on CRA Ratings (Nov 2012)</a></li> <li>• <a href="#">BCBS Consultative Document Revisions to the Standardised Approach for credit risk (Dec 2014)</a></li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 21 May 2013</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The progress made by EU in reducing reliance on ratings in accordance with the 2012 FSB Roadmap is summarised in the EU Action Plan to reduce reliance on ratings which was published on 12 May 2014. The overall framework in the EU to reduce reliance on CRA has a multilayer approach, covering EU regulation on credit rating agencies, sectoral legislation</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>In accordance with the requirements of Article 39b of the CRA3 Regulation, the European Commission is currently working on the preparation of a report to the European Parliament and to the Council on: (a) the steps taken as regards the deletion of references to credit ratings which trigger or have the potential to trigger sole or mechanistic reliance thereon; (b) alternative tools to enable investors to make their own credit risk assessment of issuers and of financial instruments. If appropriate and if alternatives to external credit ratings can be identified and can be implemented by market participants, the Commission will consider removing remaining references in EU financial services legislation by 2020.</p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
		<p>would enhance transparency of and competition among credit rating agencies. (Los Cabos)</p> <p>We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg)</p>		<p>in financial services, actions by European Supervisory Authorities, including the European Securities and Markets Authority (ESMA), the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA) and by national competent sectoral authorities.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>The EU Action Plan was published in May 2014 (see web-link)</p> <p><b>Web-links to relevant documents:</b></p> <p>EU Action Plan  <a href="http://ec.europa.eu/finance/rating-agencies/docs/140512-fsb-eu-response_en.pdf">http://ec.europa.eu/finance/rating-agencies/docs/140512-fsb-eu-response_en.pdf</a></p>	



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>VI. Enhancing and aligning accounting standards</b>					
15 (18)	Consistent application of high-quality accounting standards	Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)	<p>Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are deemed to be equivalent to IFRSs as published by the IASB or are otherwise of a high and internationally acceptable quality, and provide accurate and relevant information on financial performance. They should also explain the system they have for enforcement of consistent application of those standards.</p> <p>Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: <a href="http://www.ifrs.org/Use-around-the-world/Pages/Analysis-of-the-G20-IFRS-profiles.aspx">http://www.ifrs.org/Use-around-the-world/Pages/Analysis-of-the-G20-IFRS-profiles.aspx</a>.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2005</p> <p><b>Issue is being addressed through :</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The EU adopted in 2002 a regulation to adopt IFRS (i.e. the IAS Regulation). Since January 2005, the IFRS are mandatory for the consolidated accounts of listed companies. Enforcement of IFRS is done by National Market Authority and coordinated by the</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>New standards, amendments or interpretation provided by the IASB will continue to go through due process of endorsement before becoming law in the EU.</p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>European Securities and Markets Authority (ESMA).</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Over 10 years after the adoption of the IAS Regulation, the European Commission has assessed the effects of the use of IFRS in the EU against its original aims. Its report on the evaluation to the European Parliament was published on 18 June 2015.</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://ec.europa.eu/finance/accounting/ias-evaluation/index_en.htm">http://ec.europa.eu/finance/accounting/ias-evaluation/index_en.htm</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
16 (19)	Appropriate application of Fair Value Accounting	<p>Accounting standard setters and prudential supervisors should examine the use of valuation reserves or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak. (Rec. 3.4, FSF 2009)</p> <p>Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen adverse dynamics potentially associated with fair value accounting. Possible ways to reduce this potential impact include the following: (1) Enhancing the accounting model so that the use of fair value accounting is carefully examined for financial instruments of credit intermediaries; (ii) Transfers between financial asset categories; (iii) Simplifying hedge accounting requirements. (Rec 3.5, FSF 2009)</p>	<p>Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting.</p> <p>Although not an application of fair value accounting, jurisdictions should additionally be mindful of implementation issues arising from the new accounting requirements for expected loan loss provisioning for impaired loans that are being introduced by the IASB and the FASB, and, for those jurisdictions where specific action is needed to foster transparent and consistent implementation, set out any steps they intend to take.</p> <p>See, for reference, the following BCBS documents:</p> <ul style="list-style-type: none"> <li>• <a href="#">Basel 2.5 standards on prudent valuation (Jul 2009)</a></li> <li>• <a href="#">Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)</a></li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since : 1 January 2013 (IFRS 13)</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p><b>Issue is being addressed through :</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The EU endorsed the new standard on Fair Value Measurement (IFRS 13) in 2012. This standard has been in force in Europe since the 1st January 2013.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>The IASB published IFRS 9 in 2014. This standard is now subject to</p>	<p><b>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</b></p> <p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>endorsement in the EU. ESMA is considering developing a statement in relation to the expected information to be provided by banks during the period of transition to the new standard on financial instruments. The Regulatory Technical Standards (RTS) on prudent valuation is still being adopted as EBA made some changes and re-submitted a revised draft.</p> <p><b>Web-links to relevant documents:</b></p> <p>Commission Regulation 1255/2012 (for IFRS 13) <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:360:0078:0144:EN:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:360:0078:0144:EN:PDF</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>VII. Enhancing risk management</b>					
17 (20)	Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks	<p>Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington)</p> <p>National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008)</p> <p>Regulators and supervisors in emerging markets<sup>3</sup> will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009)</p> <p>We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)</p>	<p>Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices.</p> <p>Jurisdictions may also refer to FSB's <a href="#">thematic peer review report on risk governance (Feb 2013)</a> and the BCBS <a href="#">Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)</a> and <a href="#">Principles for sound stress testing practices and supervision (May 2009)</a>.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2014</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The CRD IV Package transposes via a Directive (Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

<sup>3</sup> Only the emerging market jurisdictions that are members of the FSB may respond to this recommendation.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>of credit institutions and the prudential supervision of credit institutions and investment firms) and a regulation (Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms) the Basel III agreement on an international framework for liquidity risk measurement, standards and monitoring adopted in December 2010 into EU law. The prudential rules introduced in the two legislative texts have been applied since 1 January 2014. In particular, both texts contain provisions strengthening the requirements regarding risk management practices, including the management of liquidity risks, of credit institutions and investment firms. Pursuant to Directive 2013/36/EU supervisory authorities are required to review the arrangements, strategies, processes and mechanisms implemented by institutions and ensure that their risk management frameworks provide for sound management and coverage of their risks under the Pillar 2 approach. If not, supervisory authorities are allowed to apply supervisory measures to non-compliant institutions and take actions to</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>address any situations of non-compliance. In December 2013, EBA adopted guidelines on Pillar 2 capital measures for lending in foreign currencies. These guidelines address the recommendation made by the ESRB (European Systemic Risk Board), following its 2011 Report on lending in foreign currencies. These guidelines specify the method to be used by supervisory authorities where FX lending risk is deemed to be material and where capital measures are deemed to be an appropriate method of treating this risk. On 29 April 2014 EBA published the stress test methodology including scenarios and templates. The results of the stress tests, which also reflect asset quality reviews, were published in October 2014. In December 2014, EBA published Guidelines on common procedures and methodologies for the supervisory review and evaluation process (SREP) (EBA/GL/2014/13). These Guidelines aim to provide supervisory authorities with a common European framework for SREP and risk assessment under Pillar 2. These guidelines explain how to assess the various risks to which banks are exposed, including FX lending and liquidity risks,</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>as well the governance and internal control framework of banks for identifying, managing, monitoring risks. These guidelines will enter into force in January 2016.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>In October 2014, ECB published the results of its comprehensive assessment of 130 significant Euro-area banks. The comprehensive assessment included both the asset quality review and a stress test. Moreover, the EBA also simultaneously published coordinate EU-wide 2014 stress test in 123 EU banks (on highest consolidation level within the EU). Finally, EBA announced that the next round of EU-wide stress test will be conducted in 2016. The preparatory work in EBA task forces has already started.</p> <p>*** Adoption and publication of the EBA guidelines on Common Supervisory review and Evaluation Process (SREP) in December 2014.</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013L0036">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013L0036</a> Regulation (EU) No 575/2013:  <a href="http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013R05">http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013R05</a></p>	



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>75 EBA guidelines on capital measures for foreign currency lending:  <a href="http://www.eba.europa.eu/regulation-and-policy/supervisory-review-and-evaluation-srep-and-pillar-2/guidelines-on-capital-measures-for-foreign-currency-lending">http://www.eba.europa.eu/regulation-and-policy/supervisory-review-and-evaluation-srep-and-pillar-2/guidelines-on-capital-measures-for-foreign-currency-lending</a> A common stress test methodology and scenario for 2014 EU-banks stress test:  <a href="https://www.eba.europa.eu/-/eba-publishes-common-methodology-and-scenario-for-2014-eu-banks-stress-test">https://www.eba.europa.eu/-/eba-publishes-common-methodology-and-scenario-for-2014-eu-banks-stress-test</a>                      EBA recommendations on asset quality reviews:  <a href="http://www.eba.europa.eu/documents/10180/449802/EBA-Rec-2013-04+Recommendations+on+asset+quality+reviews.pdf/1eb0b843-0c2c-4b05-995e-f2887edb2981">http://www.eba.europa.eu/documents/10180/449802/EBA-Rec-2013-04+Recommendations+on+asset+quality+reviews.pdf/1eb0b843-0c2c-4b05-995e-f2887edb2981</a> ECB manual for asset quality review:  <a href="http://www.ecb.europa.eu/press/pr/date/2014/html/pr140311.en.html">http://www.ecb.europa.eu/press/pr/date/2014/html/pr140311.en.html</a> EBA stress test <a href="https://www.eba.europa.eu/-/eba-publishes-2014-eu-wide-stress-test-results">https://www.eba.europa.eu/-/eba-publishes-2014-eu-wide-stress-test-results</a>. EBA Guidelines on SREP  <a href="http://www.eba.europa.eu/documents/10180/935249/EBA-GL-2014-13+%28Guidelines+on+SREP+methodologies+and+processes%29.pdf">http://www.eba.europa.eu/documents/10180/935249/EBA-GL-2014-13+%28Guidelines+on+SREP+methodologies+and+processes%29.pdf</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
18 (22)	Enhanced risk disclosures by financial institutions	<p>Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington)</p> <p>We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)</p>	<p>Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on <a href="#">Enhancing the Risk Disclosures of Banks</a> and <a href="#">Implementation Progress Report by the EDTF (Aug 2013)</a>, and set out any steps they have taken to foster adoption of the EDTF Principles and Recommendations.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> Implementation completed as of: 1 January 2013</p> <p><b>Issue is being addressed through :</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>EU endorsed IFRS 13 and the IFRS 7 amendments.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:360:0078:0144:EN:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:360:0078:0144:EN:PDF</a> The extent to which Member States seek</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				to enforce the EDTF Guidelines depends on national supervisors.	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>VIII. Strengthening deposit insurance</b>					
19 (23)	Strengthening of national deposit insurance arrangements	National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)	<p>Jurisdictions should describe any revisions made to national deposit insurance system, including steps taken to address the following recommendations of the FSB’s February 2012 <a href="#">thematic peer review report on deposit insurance systems</a>:</p> <ul style="list-style-type: none"> <li>• Adoption of an explicit deposit insurance system (for those jurisdictions that do not have one)</li> <li>• Addressing the weaknesses and gaps to full implementation of the <a href="#">Core Principles for Effective Deposit Insurance Systems</a> issued by IADI in November 2014</li> </ul>	<p><input type="checkbox"/> <b>Not applicable</b></p> <p><input type="checkbox"/> <b>Applicable but no action envisaged at the moment</b></p> <p><input type="checkbox"/> <b>Implementation ongoing:</b></p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input checked="" type="checkbox"/> <b>Implementation completed as of:</b> 3 July 2015</p> <p><b>Issue is being addressed through :</b></p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The new Directive on Deposit Guarantee Schemes (DGS) maintains the harmonised level of coverage (€ 100 000) and harmonises the scope of coverage (i.e. specify depositors and products being eligible or ineligible for DGS protection); gradually reduces the pay-out</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p><b>Web-links to relevant documents:</b></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>deadline from 20 to 7 working days (by 2024); strengthens the financing of DGS by introducing a principle of ex-ante financing with a specified target fund level (0.8% of covered deposits to be reached within 10 years); allows for the partial use of DGS funds for early intervention and bank resolution (transfer of deposits); introduces an obligation to apply risk-based contributions in Member States; improves depositor information</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>The new DGS Directive which was adopted in April 2014 and entered into force on 2 July 2014; transposed by the Member States by 3 July 2015.</p> <p><b>Web-links to relevant documents:</b></p> <p>DGS Directive published in the OJ on 12/6/2014 <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0049&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0049&amp;from=EN</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>IX. Safeguarding the integrity and efficiency of financial markets</b>					
20 (24)	Enhancing market integrity and efficiency	We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)	<p>Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets.</p> <p>Jurisdictions should indicate the progress made in implementing the recommendation in the following IOSCO reports in their regulatory framework:</p> <ul style="list-style-type: none"> <li>• <a href="#">Regulatory issues raised by changes in market structure (Dec 2013)</a></li> <li>• <a href="#">Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011)</a></li> <li>• <a href="#">Report on Principles for Dark Liquidity (May 2011)</a>.</li> </ul>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input checked="" type="checkbox"/> Final rule or legislation approved and will come into force on: 3 July 2016 (MAD)</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p><b>Issue is being addressed through :</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p><b>Highlight main developments since last year’s survey:</b></p> <p>The Market Abuse Regulation (MAR) will increase the transparency and integrity of the derivatives and the commodity derivatives markets including</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>Work on the secondary legislation necessary for the implementation of Market Abuse Regulation (MAR) and MIFID2 is well underway; technical advice received from the European Securities and Markets Authority (ESMA) and draft technical standards to be delivered by September 2015. Following scrutiny of the rules by co-legislators, the EU market abuse regime should be finalised by early 2016. Market Abuse Regulation and Criminal Sanctions for Market Abuse Directive will enter into application on 3 July 2016.</p> <p><b>Web-links to relevant documents:</b></p> <p>Market Abuse Regulation: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0596">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0596</a> Criminal Sanctions for Market Abuse Directive <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0057">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0057</a></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>OTC transactions.</p> <p><b>Web-links to relevant documents:</b></p> <p>Market Abuse Regulation: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0596">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0596</a> Criminal Sanctions for Market Abuse Directive <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0057">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0057</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
21 (25)	Regulation and supervision of commodity markets	<p>We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes)</p> <p>We also call on Finance ministers to monitor on a regular basis the proper implementation of IOSCO’s principles for the regulation and supervision on commodity derivatives markets and encourage broader publishing and unrestricted access to aggregated open interest data. (St. Petersburg)</p>	<p>Jurisdictions should indicate whether commodity markets of any type exist in their national markets.</p> <p>Jurisdictions should indicate the policy measures taken to implement the principles found in IOSCO’s report on <a href="#">Principles for the Regulation and Supervision of Commodity Derivatives Markets (Sep 2011)</a>.</p> <p>Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the <a href="#">update to the survey</a> published by IOSCO in September 2014 on the principles for the regulation and supervision of commodity derivatives markets.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> Implementation ongoing:</p> <p><i>Status of progress:</i></p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input checked="" type="checkbox"/> Final rule or legislation approved and will come into force on: 3 January 2017 (MIFID II) 3 July 2016 (MAR)</p> <p><input type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> Implementation completed as of:</p> <p><b>Issue is being addressed through :</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>The new MiFID introduces specific requirements commodity derivatives markets, including registration of market participants and transparency requirements. It also addresses IOSCO’s recommendation on position management through position limits and position management. The new MAR will</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>Work on the secondary legislation necessary for the implementation of MAR and MIFID is well underway- with advice from regulatory bodies received in December 2014; and draft regulatory technical standards to be delivered by September 2015. Following scrutiny of the rules by co-legislators, they should be finalised by early 2016. Expected commencement date: 2nd January 2017</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://www.esma.europa.eu/content/Technical-Advice-Commission-MiFID-II-and-MiFIR">http://www.esma.europa.eu/content/Technical-Advice-Commission-MiFID-II-and-MiFIR</a></p>



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>increase the transparency and the integrity of the derivatives and the commodity derivatives markets including OTC transactions.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>This legislation entered into force on 12 June 2014 and will enter into application on 3 January 2017 (MIFID 2). Currently implementation rules regarding position limits, the scope of authorisations for commodity firms and the delineation between financial and physical instruments are being drafted, and will be finalised by January 2016. The Market Abuse Regulation (MAR) entered into force on 12 June 2014 and will enter into application on 3 July 2016</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0065">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0065</a> MIFIR <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0600">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0600</a> Market Abuse <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0596">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0596</a></p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
22 (26)	Reform of financial benchmarks	We support the establishment of the FSB’s Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO’s Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg)	Collection of information on this recommendation will continue to be deferred given the forthcoming FSB progress report on implementation of the FSB recommendations in this area, and ongoing IOSCO work to review the implementation of the IOSCO Principles for Financial Benchmarks.		

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
<b>X. Enhancing financial consumer protection</b>					
23 (27)	Enhancing financial consumer protection	We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)	<p>Jurisdictions should describe progress toward implementation of the OECD's <a href="#">G-20 high-level principles on financial consumer protection (Oct 2011)</a>.</p> <p>Jurisdictions may also refer to OECD's <a href="#">September 2013 and September 2014 reports</a> on effective approaches to support the implementation of the High-level Principles.</p>	<p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><input checked="" type="checkbox"/> <b>Implementation ongoing:</b></p> <p><i>Status of progress:</i></p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: 2015 (IMD2)</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input checked="" type="checkbox"/> Final rule or legislation approved and will come into force on: 21 March 2016 (MCD)/18 September 2016 (PAD)</p> <p><input checked="" type="checkbox"/> Final rule (for part of the reform) in force since :</p> <p><input type="checkbox"/> <b>Implementation completed as of:</b></p> <p><b>Issue is being addressed through :</b></p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation /Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p><b>Short description of the content of the legislation/ regulation/guideline:</b></p> <p>Insurance Mediation Directive (IMD) The proposed Directive on Insurance Mediation/Insurance Distribution aims at ensuring a consistent level of consumer protection by including all distribution channels (intermediaries and direct</p>	<p><b>Planned actions (if any) and expected commencement date:</b></p> <p>IMD2 (Insurance Mediation Directive): in the legislative process; expected adoption of the recast directive in 2015. Expected commencement date: 2017</p> <p>MCD: Adopted in 2014. Deadline for transposition by Member States is 21 March 2016, the Commission will closely follow. MIFID/MIFIR: Work on the secondary legislation necessary for the implementation of MIFID II/MiFIR is well underway- with advice from regulatory bodies received in December 2014; and draft regulatory technical standards to be delivered by September 2015 PAD: PAD adopted in 2014. Deadline for transposition by Member States is 18 September 2016, the Commission will closely follow. PRIIPS: PRIIPs adopted in 2014. It shall apply from 31 December 2016. Implementing measures are being prepared.</p> <p><b>Web-links to relevant documents:</b></p> <p><a href="http://ec.europa.eu/finance/insurance/consumer/mediation/index_en.htm">http://ec.europa.eu/finance/insurance/consumer/mediation/index_en.htm</a></p>

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>sellers) into the scope of the Directive and by increasing the level of consumer protection in insurance sales made on an ancillary basis by non-insurance professionals (for example travel agents selling travel insurance). The directive lays down minimum requirements for professional qualifications and the conduct of business, to ensure a high level of consumer protection. It also provides specific rules for the distribution of insurance-based investment products in order to guarantee a consistent level of investor protection.</p> <p>Mortgage Credit Directive (MCD) effective since 20 March 2014 Directive 2014/17/EU (the Mortgage Credit Directive or MCD) improves the information given to the consumer at pre-contractual stage by the means of a standardised sheet with user-friendly, detailed information on the characteristics of the loan on offer, including specific warnings in the case of variable rate loans and foreign currency loans; it also provides for a list of standard information at the advertising stage. The MCD obliges creditors to conduct a thorough, documented creditworthiness. In addition the MCD ensures that the consumer has</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>sufficient time before being bound by the credit agreement. The Directive also sets important principles to guarantee that creditors and credit intermediaries act in the consumer's interests, imposes high-level standards regarding their remuneration structure and requires specific disclosures to the consumer as regards the nature of the links between creditors and credit intermediaries. It introduces the obligation for staff to possess the appropriate knowledge and skills in fields of relevance for carrying out their activities, the obligation to provide adequate explanations to the consumer at pre-contractual stage, as well as standards for advisory services. The Directive requires Member States to designate the national competent authorities and grant them investigating and enforcement powers and adequate resources. The MCD also introduces an obligation for competent authorities of different Member States to cooperate with each other. MIFID II MiFID II introduces better organisational and business conduct requirements for investment firms, such as client asset protection, stricter conflict of interest rules, remuneration policy and product</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>governance requirements. It also sets additional requirements with regard to information to clients about costs and financial instruments. Furthermore, limitations are imposed on the receipt of inducements with more stringent rules for independent advisors and portfolio managers. Finally, MiFIR introduces harmonised powers and conditions for ESMA to prohibit or restrict the marketing and distribution of certain financial instruments and similar powers for the European Banking Authority (EBA) in the case of structured deposits. Payment Accounts Directive (PAD) Directive 2014/92/EU of 23 July 2014 will enter into force be transposed into national law by 18 September 2016.</p> <p>The Directive concerns three areas: • Comparability of payment account fees: the aim is to make it easier for consumers to compare the fees charged by banks and other payment service providers in the EU on payment accounts; • Switching between payment accounts: the aim is to establish a simple and quick procedure for changing from one payment account to another, with a different bank or financial institution at national level and to help consumers who close their bank</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>account in one Member State and open another account in a different country. • Access to payment accounts: the aim is to allow all EU consumers, irrespective of their country of residence in the EU, to open a basic payment account that allows them to perform essential operations (like receiving their salary or pension, transferring funds to another account, withdrawing cash or using debit cards) unless he/she already holds an account in this Member State. The Directive requires Member States to designate the national competent authorities and grant them investigating and enforcement powers and adequate resources. PAD also introduces an obligation for competent authorities of different Member States to cooperate with each other. Packaged Retail and Insurance-based Investment Products (PRIIPS) Regulation The Regulation on Packaged Retail and Insurance Based Investment Products (PRIIPs) aims to improve investor protection by introducing the obligation for PRIPs manufacturers to provide a clear, short and standardised key information document (KID), and to publish it on its website.. The KID is to offer a uniform presentation that clearly</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>spells out main features, risks and opportunities as well as costs associated with a broad range of investment products available to retail investors, such as insurance-based investment products, structured investment products and collective investment schemes. This consumer friendly document is to facilitate the understanding of and comparison between different investment products.</p> <p><b>Highlight main developments since last year's survey:</b></p> <p>Insurance Mediation Directive (IMD)            Progress in negotiations (agreement in Council of Member States, trilogue negotiations between Council and European Parliament ongoing, agreement expected in 2015 Mortgage Credit Directive (MCD): (i) Transposition work on-going. (ii) EBA guidelines on creditworthiness assessment, Guidelines on arrears and foreclosure; EBA opinion on good practices for mortgages, (iii) publication of the consultation on draft EBA Guidelines on passport notifications for mortgage credit intermediaries on 4 June 2015; (iv) Publication of the Consultation on draft Joint Committee</p>	



No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>Guidelines for cross-selling practices on 22 December 2014 (to publish the final guidelines Q2 2015). PAD (i) Transposition work on-going with second workshop organised by European Commission on 25 June 2015. (ii) EBA guidelines on national provisional list of the most representative services linked to a payment account and subject to a fee was issued on 11 May 2015. (iii) NCAs are expected to deliver their list of most representative services linked to payment accounts by 18 September 2015. From the provisional lists, the EBA is mandated to develop draft RTS, by 18 September 2016 setting out the Union standardised terminology for those services that are common to a majority of Member States. (iv) EBA is expected to deliver RTS and ITS on common terminology and format of the statement of fees and of the fee information document by 18 September 2016. MIFID Currently implementation rules are being drafted, and will be finalised by early 2016. Packaged Retail and Insurance-based Investment Products (PRIIPS) Regulation Currently implementation rules are being drafted.</p>	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				<p>(i) The Joint Committee (JC) of European Supervisory Authorities (EBA, EIOPA, ESMA) produced a discussion paper in November 2014 setting out preliminary options and possible approaches, to get feedback from the public. The feedback received would form the basis of the implementation rules that are to be prepared. (ii) The JC has published on 23 June 2015 a Technical Discussion Paper on risk, performance scenarios and cost disclosures for KIDs. The deadline for input is 17 August 2015.</p> <p><b>Web-links to relevant documents:</b>  MCD: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0017&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0017&amp;from=EN</a> MIFID/MIFIR MiFID II <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0065">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0065</a> MiFIR <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0600">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0600</a> PAD <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0092&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0092&amp;from=EN</a></p>	

**XI. Source of recommendations:**

[Brisbane: G20 Leaders' Communique \(15-16 November 2014\)](#)

[St Petersburg: The G20 Leaders' Declaration \(5-6 September 2013\)](#)

[Los Cabos: The G20 Leaders' Declaration \(18-19 June 2012\)](#)

[Cannes: The Cannes Summit Final Declaration \(3-4 November 2011\)](#)

[Seoul: The Seoul Summit Document \(11-12 November 2010\)](#)

[Toronto: The G-20 Toronto Summit Declaration \(26-27 June 2010\)](#)

[Pittsburgh: Leaders' Statement at the Pittsburgh Summit \(25 September 2009\)](#)

[London: The London Summit Declaration on Strengthening the Financial System \(2 April 2009\)](#)

[Washington: The Washington Summit Action Plan to Implement Principles for Reform \(15 November 2008\)](#)

[FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience \(7 April 2008\)](#)

[FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System \(2 April 2009\)](#)

[FSB 2009: The FSB Report on Improving Financial Regulation \(25 September 2009\)](#)

[FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision \(1 November 2012\)](#)

**XII. List of Abbreviations used:**