

Progress in the Implementation of G20/FSB Recommendations – June 2012

Jurisdiction: ITALY

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# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
1. Refining the regulatory perimeter						
1 (new)	Cannes	Strengthening the oversight of shadow banking	We agree to strengthen the regulation and oversight of the shadow banking system. ¹	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: The perimeter of the Italian regulatory regime includes, in addition to traditional banks (deposit takers), various non-banking institutions: finance companies (leasing, factoring, consumer credit), investment firms, asset management companies (including hedge funds and real estate funds). The Legislative Decree 141/2010 of the 13th August 2010 amended the Consolidated Law on Banking in order (among other aspects) to reform the provisions governing non-bank financial intermediaries, financial agents & loan brokers, financial guarantors (regulated respectively through two self-regulatory bodies). ☐ Completed as of	Planned actions (if any): The reform of the rules on non-bank intermediaries and financial agents & loan brokers has been completed. The implementation, including the formation of two self-regulatory bodies (respectively for financial agents & loan brokers and the financial guarantors (Confidi) is well ahead but not yet completed. Expected commencement date: Web-links to relevant documents:

¹ For this survey, the focus is exclusively on the recommendations for monitoring the shadow banking system, discussed in section 2 of the October 2011 FSB report: “Shadow Banking: Strengthening Oversight and Regulation”, which is available here: http://www.financialstabilityboard.org/publications/r_111027a.pdf.

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					Overview (short description) of action(s) taken: Web-links to relevant documents: http://www.camera.it/parlam/leggi/deleghe/10141dl.htm	
2 (11)	(Lon)	Review of the boundaries of the regulatory framework	We will each review and adapt the boundaries of the regulatory framework to keep pace with developments in the financial system and promote good practices and consistent approaches at an international level.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☒ Draft regulations/guidelines published as of 2011 ☒ Final rules expected to be in force by end of 2012 ☐ Others, please specify: ☐ Completed as of Overview (short description) of action(s) taken: Overall reform of financial intermediaries, tied agents and brokers. Web-links to relevant documents: http://www.bancaditalia.it/vigilanza/cons-pubblica/proc_conclude/cons-conclude-no-norm/disp_vig_int_fin/docum_cons.pdf	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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			will be subject to oversight to ensure that they have adequate risk management.		☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	
4 (14)	(Lon)	Effective oversight of cross-border funds	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.	End-2009	Implementation ongoing: ☒ Draft regulations/guidelines being developed, expected publication by July 2012 ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of Overview (short description) of action(s) taken: Within the European Union there are mechanisms for cooperation and information sharing regarding UCITS. Consob leads the ESMA Investment Management Standing Committee which has delivered an opinion to the European Commission on cooperation arrangements	Planned actions (if any): As for the “alternative” funds, cooperation mechanisms will be introduced when the EU Directive on AIFM - Alternative Investment Fund Manager will be transposed, by June 2013. An improved framework for UCITS will enter into force following the implementation of the UCITS IV package in May this year (2012) Expected commencement date: Web-links to relevant documents:

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					to be implemented in case of remote management of collective investment schemes/mutual funds (i.e. where a fund is established in another jurisdiction). Consob co-chairs the IOSCO Task Force on unregulated entities. Consob is also a member of the IOSCO supervisory cooperation Task Force. Web-links to relevant documents:	
5 (15)	(Lon)	Effective management of counter-party risk associated with hedge funds	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.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of December 2011 Overview (short description) of action(s) taken: In its implementation of the standardized approach for credit risk the Bank of Italy envisaged that exposures to investment funds not subject to limitations on the use of leverage (hedge funds) should be assigned a	Planned actions (if any): The four major banking groups will be invited to detail their practices for managing and mitigating counterparty risk, as well as their participation to the initiatives aimed to reduce the opacity of the OTC derivatives markets (compression cycles, data repository for CDS etc.). In connection with this initiative, managing practices adopted in dealing with hedge funds are analysed. Expected commencement date: Web-links to relevant documents:

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					risk weight of 150%. The Bank of Italy may apply a higher risk weight in the event of adverse market conditions. The Bank of Italy may also require a 150% risk weight for exposures to investment funds associated with particularly high risks. Web-links to relevant documents: http://www.bancaditalia.it/vigilanza/normativa/norm_bi/circ-reg/vigprud	
6 (16)	(FSF 2008)	Guidance on the management of exposures to leveraged counterparties	II.17 Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of December 2012 Overview (short description) of action(s) taken: In its implementation of the standardized approach for credit risk the Bank of Italy envisaged that exposures to investment funds not subject to limitations on the use of leverage (hedge funds) should be assigned a risk weight of 150%. The Bank of Italy may	Planned actions (if any): The four major banking groups will be invited to detail their practices for managing and mitigating counterparty risk, as well as their participation to the initiatives aimed to reduce the opacity of the OTC derivatives markets (compression cycles, data repository for CDS etc.). In connection with this initiative, managing practices adopted in dealing with hedge funds will be analysed. No new legislation required. Expected commencement date: Web-links to relevant documents:

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					apply a higher risk weight in the event of adverse market conditions. The Bank of Italy may also require a 150% risk weight for exposures to investment funds associated with particularly high risks. A specific regulation concerning investments of Italian insurance undertakings in hedge funds as assets covering commitments to policyholders is in place. These investments are allowed under defined quantitative limits, differentiated according to kinds of policies (either traditional products or index/unit-linked products). Qualitative requirements apply as well, especially concerning the assessment/management of associated risk, use of stress tests, and added information to be included into the compulsory communications to ISVAP. Web-links to relevant documents:	
(ii) Securitisation						
7 (17)	(FSB 2009)	Implementation of BCBS/IOSCO measures for securitisation	During 2010, supervisors and regulators will: implement the measures decided by the Basel Committee to strengthen the	During 2010	No response required for this survey. Please refer to the BCBS progress report on the Basel 2.5 adoption, available at: http://www.bis.org/publ/bcbs/b2_5prog_rep_table.htm	

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			capital requirement of securitisation and establish clear rules for banks' management and disclosure;			
			implement IOSCO's proposals to strengthen practices in securitisation markets.		Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: Securitisation rules already exist in Italy since 1999 (law April 30, 1999 n. 230 on Securitisation). Moreover disclosure rules and conduct of business rules in the distribution of such products are regulated under the Consolidated law on Finance n. 58/1998 as subsequently amended ☐ Completed as of Overview (short description) of action(s) taken:	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					policies) have been incorporated with Directive 2009/76/EC - "CRD3" Such provisions have been transposed into national regulatory framework at the end of 2010 for the "CRD2" amendments and at the end of 2011 for "CRD3" ones. The "CRD2" changes referred to securitisation have been implemented in the national prudential regulation together with the related Guidelines issued on the 31st of December 2010 by CEBS (EBA). The new rules apply to securitisations realised from 1st January 2011. The "CRD3" changes related to re-securitisations, securitisations in the trading book and pillar 3 disclosure requirements have been implemented at the end of 2011, according to the deadline provided in the Directive. The transposition process of such rules included design of new provisions, public consultation, processing of comments, approval of final regulations. Italian provisions are in line with the relevant international principles, guidelines or recommendations: the new rules aim to align interests between originators or sponsors and investors, through a mandatory retention requirement, appropriate due diligence and disclosure requirements. As for the "CRD3" changes,	

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					the new rules provide the same prudential treatment to securitisation positions both in the trading and in the banking book. For pillar 3 disclosure requirements on securitisations see point 11 below. Web-links to relevant documents: http://www.bancaditalia.it/vigilanza/normativa/norm_bi/circ-reg/vigprud	
9 (19)	(FSF 2008)	Strengthening of regulatory and capital framework for monolines	II.8 Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of March 2009 Overview (short description) of action(s) taken: In the Italian insurance market there are no monoline insurers because according to ISVAP regulations dated 1991, Italian undertakings cannot underwrite pure financial risks i.e. risks related to the settlement of financial operations, loans, securitization, stock exchange placing,	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					assets backed securities,etc. In Mar 2009 ISVAP issued Regulation n. 29 recasting and simplifying the above mentioned rules concerning the classification of risks that can (or cannot) be underwritten by insurance undertakings. Web-links to relevant documents: http://www.isvap.it/isvap_cms/docs/F18084/Regulation_29.pdf	
10 (20)	(FSF 2008)	Strengthening of supervisory requirements or best practices for investment in structured products	II.18 Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of Jun 2009 and Jan 2011 Overview (short description) of action(s) taken: Insurance - ISVAP ISVAP recently issued new Regulations requiring insurance undertakings to have in place investment policies. In particular under Reg. 36 the investment policy shall be the subject of a specific resolution	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					adopted by the administrative body shall be reviewed at least once a year and be submitted to ISVAP. The use of derivative financial instruments shall be consistent with the principles of sound and prudent management of the undertaking. The exposure to market risks obtained through the use of derivative financial instruments shall be equivalent to what can be obtained by directly using the underlying assets based on balanced and prudent portfolio management. With Reg. 32 ISVAP prohibited for “index-linked” products to use credit derivatives or asset-backed securities as contract' reference parameter. Additionally the securities representing policies may no longer represent the reference entity of insurance benefits, but only the company's financial cover against contract obligations. This means that policyholder may not bear the default risk of the issuers of the securities bought by undertakings, and that undertakings may more easily replace, where necessary, assets representing technical provisions in case of depreciation. Web-links to relevant documents: http://www.isvap.it/isvap/impresse_jsp/PageDocumenti_regolamenti.jsp?&nomeSezione=NORMATIVA&ObjId=220097	

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11 (21)	(FSF 2008)	Enhanced disclosure of securitised products	III.10-III.13 Securities market regulators should work with market participants to expand information on securitised products and their underlying assets.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of 18th November 2011. New rules apply from 31st of December 2011. Overview (short description) of action(s) taken: See point 8 above. The "CRD3" changes referred to securitisation have been implemented by the mandatory deadline of 31 Dec. 2011. The transposition process of the rules concerning the securitisation included design of new provisions, public consultation, processing of comments, approval of final regulations. Italian provisions are in line with the relevant international principles, guidelines or recommendations: the new rules aim to strengthen disclosure requirements on securitisations. Banks are requested to take into account also the risks of securitisation	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					positions in the trading book and the nature of an institution's securitisation activities (for example if the institution sponsors securitisation special purpose entities). Web-links to relevant documents: http://www.bancaditalia.it/vigilanza/normativa/norm_bi/circ-reg/vigprud	
2. Enhancing supervision						
12 (5)	(Pitts)	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.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: The Bank of Italy's current prudential regulations already take the systemic importance of supervised financial institutions into account, according to a proportionality criterion. In the context of Basel II Pillar 2, institutions deemed as systemically important are subject to more stringent prudential requirements than other intermediaries, especially for risk control/measurement procedures and corporate governance. At the same time, the	Planned actions (if any): Bank of Italy to actively participate in the FSB SIFI project and other working groups of the BCBS which are evaluating and discussing policy options to deal with SIFIs Expected commencement date: Ongoing Web-links to relevant documents:

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					internal guidance for supervisory activity sets higher standards for those institutions' SREP, as far as frequency, scope and deepness of on and off-site controls are concerned. Furthermore, the Bank of Italy is developing a framework for the effective resolution of financial groups consistently with the work of the FSB Cross Border Crisis Management Working Group, including recovery and resolution plans for systemically important institutions. ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	
13 (8)	(Lon)	Establishment of Supervisory colleges	To establish the remaining supervisory colleges for significant cross-border firms by June 2009.	June 2009 (for establishing supervisory colleges)	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify:	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					☑ Completed as of 31.12.2007 on banking, as of May 2000 on insurance Overview (short description) of action(s) taken: On Banking The Bank of Italy is the home/consolidating supervisor for the two largest Italian cross- border banking groups - Unicredit (UCG) and Intesa Sanpaolo (ISP). The colleges of supervisors of UCG and ISP were established in 2006 and 2007 respectively. Both colleges have been holding regular plenary (as well as multilateral and bilateral) meetings since their establishment. Written multilateral co- operation and co-ordination agreements (MMoUs) for the supervision of UCG and ISP have been established, in accordance with the EU legislation. The MoUs were signed by the relevant EEA and some non- EEA supervisory authorities. Insurance - ISVAP In the insurance sector colleges of supervisors are already established for all Italian cross-border groups since 2001, under the aegis of Helsinki Protocol on the group supervision signed by the EEA supervisory Authorities dated 11 May 2000.	

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					Web-links to relevant documents: http://www.eba.europa.eu/Supervisory-Colleges/Publications/CEBS-guidelines-for-the-operational-functioning-of.aspx https://eiopa.europa.eu/fileadmin/tx_dam/files/publications/protocols/nl194_helsinki_gb_fi.pdf	
14 (8)	(Seoul)	Conducting risk assessments through international supervisory colleges	We agreed to conduct rigorous risk assessment on these firms through international supervisory colleges ...	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: Insurance - ISVAP Since 2010, all Italian cross-border groups have approved a concrete work plan to coordinate the supervisory work of the different members of the colleges. The areas covered by the work plans are, amongst the others: assessment of the solvency position of the group; definition of an emergency plan; monitoring of intra-group transactions and risk concentration; approval of a joint-timetable for the pre-application of internal model (when relevant).	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					☒ Completed as of 31.12.2011 Overview (short description) of action(s) taken: Banking The activities of the colleges of supervisors focus on the process for the joint decision on the adequacy of own funds held by each group with respect to its financial situation and risk profile and the required levels of own funds under Pillar 2 at the consolidated level and at the level of each entity, according to the relevant EU legislation. The process was completed for the joint decision of the two largest cross-border groups (UCG and ISP) in line with the requirements set out in the EBA 2011 action plan for colleges. Web-links to relevant documents:	
15 (9)	(FSF 2008)	Supervisory exchange of information and coordination	V.7 To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: Insurance - ISVAP	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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			information and coordination in the development of best practice benchmarks should be improved at both national and international levels.		All the Italian cross-border groups have exchanged information and coordinated their activities according to EIOPA guidelines on colleges. The exchange of information and the coordination of activities have included also supervisors of other financial sectors, when relevant. The involvement and coordination with the other financial supervisors is to be considered also in an emergency situation. ☒ Completed as of 31.12.2007 Overview (short description) of action(s) taken: Banking Within the colleges of supervisors established by the Bank of Italy, all information necessary for the performance of the college activities, (e.g. model validation, risk assessment and joint decision on risk-based capital adequacy) is exchanged on a regular basis according to EU legislation and EBA Guidelines. Bilateral agreements with non-EEA supervisory authorities were established or are being negotiated in order to foster the exchange of information and the coordination among the authorities in the field of supervision of cross-border banking groups. Website platforms were implemented for	

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					UCG and ISP colleges in order to ensure an efficient and comprehensive information exchange within each college according to EBA Guidelines. Coordination in the development of best practices is also ensured on a regular basis. Inspectors of the Bank of Italy join the Colleges of Supervisors in order to share information/best practices and to achieve the coordination of the on-site activity annually conducted by the individual supervisors or by joint teams. Web-links to relevant documents: http://www.eba.europa.eu/Supervisory-Colleges/Publications/CEBS-guidelines-for-the-operational-functioning-of.aspx	
16 (10)	(Seoul)	More effective oversight and supervision	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	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☒ Draft regulations/guidelines published as of 2006 ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of Sep 2005 on insurance Overview (short description) of action(s)	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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			early intervention.		taken: The Bank of Italy is actually working to ensure full compliance of regulatory framework and supervisory action with FSB principles and recommendation with particular reference to the appropriate assessment of risk governance oversight . To this purpose, specific amendments to the Italian banking Law and to the banks' supervisory provisions have been made in order to enforcing more effective supervisory tools. Insurance - ISVAP The Insurance Code (legislative decree 7 September 2005, n.209) already provides ISVAP with the necessary powers, sufficient independence and appropriate resources and tools to identify, assess and address risks such as stress testing and early intervention. Moreover stress test exercises are also conducted at EIOPA level Web-links to relevant documents: www.bancaditalia.it/vigilanza/normativa/norm_bi/circ-reg/vigprud http://www.isvap.it/isvap/imprese_jsp/HomePage.jsp	

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17 (12)	(FSF 2008)	Supervisory resources and expertise to oversee the risks of financial innovation	V.1 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.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☒ Draft regulations/guidelines published as of 2008 ☐ Final rules expected to be in force by ☒ Others, please specify: Insurance - ISAVP ISVAP activity is closely related to that carried out by EIOPA. Regulation n. 1094/2010 (article 9) entrusts the new European Authority with responsibilities for existing and new financial activities. ISVAP actively takes part to these activities ISVAP monitors products with a twofold finality: consumer protection and financial stability ☒ Completed as of Mar 2009 on insurance Overview (short description) of action(s) taken: Banking The Bank of Italy is increasing the range of tools and methods to improve the risk oversight skills of its staff. Employees involved in working in supervision related activities are roughly 1300 and most of them are engaged in various training	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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					initiatives focused on risk assessment analysis. Banks are formally warned and urged to take prompt corrective actions where needed. Supervisory meetings with the bank management (e.g. CEO, Audit, Risk Management etc) or, if deemed appropriate, inspections may be arranged. Insurance - ISVAP EIOPA task force report on variable annuities. Web-links to relevant documents: http://www.bancaditalia.it/vigilanza/att-vigilanza/guida	
3. Building and implementing macro-prudential frameworks and tools						
18 (23)	(Lon)	Amendment of regulatory systems to take account of macro-prudential risks	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 and private pools of capital to limit the	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: A Task Force on Risks within the Bank of Italy's Banking and Financial Supervision Area regularly identifies and analyzes the sources of risk that are likely to affect the	Planned actions (if any): Conduct of the planned banks' thematic reviews Expected commencement date: 2012 Web-links to relevant documents:

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			build up of systemic risk.		financial system in the short/medium term, including non-bank intermediaries and hedge funds that in Italy are subject to prudential supervision and reporting requirements. ☐ Completed as of Overview (short description) of action(s) taken: The Bank of Italy's internal off- and on-site supervisory practices have been reviewed in order to more explicitly take into account the impact/build-up of macro prudential risks across the financial system. Particular attention is devoted to the planning and the conduct of banks' thematic reviews (both on- and off- site), which focus on the systemic risks detected by the Task Force on Risks. Web-links to relevant documents:	
19 (24)	(Lon)	Powers for gathering relevant information by national regulators	Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by	Planned actions (if any): Bank of Italy to actively contribute to the works of the European Banking Authority (EBA) in the area of reporting and transparency where a key task is the issuance of binding technical standards (on COREP and FINREP) to be

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			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.		☒ Others, please specify: The Italian regulatory framework gives Bank of Italy the power to collect a significant amount of information in terms of both scope and depth. Supervisory reports on individual and consolidated basis, ad-hoc surveys/questionnaires, as well as a wide central credit register ("Centrale dei rischi") are crucial to assess the potential for failure or severe stress to contribute to the build up of systemic risk across the financial system. The Italian regulatory framework also grants Consob (the Italian securities and markets authority) a wide power to request information in order to perform its mission. Moreover, applicable law provides ISVAP (the Italian insurance supervisor) with powers to gather information on the insurance sector. (Insurance Code: law decree 209/2005, articles 5-6, 188-190). ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	implemented in 2013. Bank of Italy to actively cooperate with the IMF in the review of the internationally-agreed set of financial soundness indicators (FSIs). ISVAP to actively contributes to the EIOPA works on common reporting formats in the insurance sector for early common detection of potential failures or excessive exposures. . Expected commencement date: Ongoing Web-links to relevant documents:

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			build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject.		Since the onset of the crisis, in the context of a strong tightening of liquidity risk monitoring, banks have been asked to balance their liquidity position over a one-month horizon, taking account of unencumbered eligible assets. Web-links to relevant documents:	
21 (26)	(WAP)	Monitoring of asset price changes	Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: The Task Force on Risks within the Bank of Italy delivers its analysis on asset price changes and other macro-financial developments on a regular basis (half yearly). For the largest Italian and foreign banks the monitoring of financial market indicators is done on a weekly or daily basis. A periodic update on the conditions of the Italian financial system and on the risks and vulnerabilities which threaten its stability is provided through the publication of the	Planned actions (if any): Expected commencement date: 2012 and ongoing Web-links to relevant documents:

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					Financial Stability Report ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	
22 (27)	(FSF 2008)	Improved cooperation between supervisors and central banks	V.8 Supervisors and central banks should improve cooperation and the exchange of information including in the assessment of financial stability risks. The exchange of information should be rapid during periods of market strain.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: In the Bank of Italy specific internal procedures ensure regular exchange of information among different departments (Supervision, Market Operations, Payments Systems) involved in the prevention and management of a banking crisis. ISVAP regularly cooperates with the domestic authorities responsible for the other financial sector, as well as with foreign authorities. At EU level, through its participation to EIOPA Crisis TF and to	Planned actions (if any): The Bank of Italy to ensure an adequate and timely information to the Italian Committee for Financial Stability, chaired by the Minister of Finance. Expected commencement date: Ongoing Web-links to relevant documents:

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					JCFC (the Joint Committee on Financial Conglomerates), ISVAP also gives its contribution to the 3L3 TF on cross-sectoral risks. ISVAP is also taking part to IAIS (International Association of Insurance Supervisors) exercises on the same matter. Bank of Italy, ISVAP and CONSOB are parts of the Italian Committee for the safeguarding of Financial Stability, which is chaired by the Minister of Finance. ☐ Completed as of Overview (short description) of action(s) taken: With a view to enhancing the contribution of the Bank of Italy to the Italian Committee for Financial Stability, which is chaired by the Minister of Finance, internal crisis management arrangements have been reinforced. These arrangements envisage intensification in the exchange of information (through physical meetings, telephone, conferences and exchange of emails) among the departments of Supervision, Market Operations and Payments Systems in a crisis situation. Moreover, during the recent crisis, a regular two-way exchange of information ensured co-operation between the central banking	

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					and the supervisory areas within the Bank of Italy and supported the mutual understanding of issues related to individual institutions and the developments in financial markets. Web-links to relevant documents:	
4. Improving oversight of credit rating agencies						
23 (35)	(Lon)	Registration of CRAs etc.	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.	End-2009	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: . ☒ Completed as of 7 December 2009 (at this date the EU Regulation in credit rating agencies entered into force and was directly applicable in all Member State). Amendments were introduced by EU Regulation (513/11) in order to empower ESMA to register and supervise CRA. Overview (short description) of action(s) taken: Consob is the national competent authority	Planned actions (if any): Consistently with the FSB's recommendations, the EU Commission has proposed new amendments to the EU Regulations on CRA. The Bank of Italy actively contributes to the definition of the new Regulation on CRA. Expected commencement date: Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
					as far as the enforcement of the regulation is concerned. The Bank of Italy is competent for the recognition of credit quality assessments issued by external credit assessment institutions; this recognition is intended to allow banks to use external ratings to determine the risk weights for calculating the capital requirements. On the basis of the EU Regulations on rating agencies and Italian laws, regular cooperation between ISVAP, CONSOB and Bank of Italy, as competent Authorities for the prudential supervision of the entities that make use of ratings, are in place. Web-links to relevant documents:	
24 (36)	(Lon)	CRA practices and procedures etc.	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.	End-2009	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☒ Completed as of 7 December 2009 Overview (short description) of action(s)	Planned actions (if any): Consistently with the FSB's recommendations, the EU Commission has proposed new amendments to the EU Regulation on CRA. The Bank of Italy actively contribute to the definition of the new Regulation on CRA. Expected commencement date: Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
			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. The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO.		taken: In the contest of ECAI recognition, the Bank of Italy carried out an in-depth analysis on domestic rating agencies which issue unsolicited ratings exclusively; the analysis was focused on the robustness of the credit evaluations, typically based mainly on public information, and on the significance of default statistics provided by these agencies, based on a definition of default less severe of that utilised by the international agencies. According to the Regulation 513/2011, from 1st July 2011 the competences related to the recognition and the supervisory and enforcement activity regarding CRAs has been attributed to ESMA. Web-links to relevant documents:	
25 (37)	(FSB 2009)	Globally compatible solutions to conflicting compliance obligations for CRAs	Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as	As early as possible in 2010	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify:	Planned actions (if any): The Bank of Italy will actively contribute to the definition of the new Regulation on CRA. Expected commencement date: Web-links to relevant documents:

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			possible in 2010.		At EBA level the Bank of Italy has contributed to the review of the guidelines of 20 January 2006 in the light of the Regulation 1060/2009 and the amendments to Directive 2006/48/EC (in relation to recognition process and the criteria for 'mapping' external credit assessments). Consistently with the FSB principles, on November 15, 2011 (the so called CRA III), the European Commission put forward a proposal for amending: European legislation on CRA Regulation in order to deal with outstanding weaknesses in the existing framework (conflict of interest; overreliance; transparency, etc.). The Bank of Italy is involved in the European work for the definition of the new European rules. ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	
26 (38)	(Seoul)	Reducing the reliance on ratings	We also endorsed the FSB's principles on reducing reliance on external credit	Ongoing	No response required for this survey. Please refer to national summary tables in <i>Progress Report on Reducing Reliance on CRA Ratings</i> (forthcoming).	

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	(FSF 2008)		ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. IV. 8 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.			

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
	(Cannes)		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.			
5. Enhancing and aligning accounting standards						
27 (28)	(WAP)	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	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: The Bank of Italy, Consob and ISVAP co-operate with the Ministry of Finance in the process of endorsement of IFRS in Europe, within the Accounting Regulatory	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
			accounting standards.		Committee (ARC). The Bank of Italy issues the national regulation regarding standardized schemes and templates, in order to ensure a consistent and homogenous "disclosure" in the Annual Report published by banks and other financial intermediaries supervised. ISVAP, Bank of Italy and CONSOB actively cooperate in the field of accounting and since 2008 they have established a permanent forum on consistent application of IAS/IFRS which also has close links with national accounting standard setter. ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents: http://www.isvap.it/isvap/imprese_jsp/PageGenerica.jsp?nomeSezione=NORMATIVA&ObjId=197055	
28 (30)	(FSF 2009)	The use of valuation reserves or adjustments by accounting standard setters	3.4 Accounting standard setters and prudential supervisors should examine the use of valuation reserves	End-2009	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by	Planned actions (if any): Expected commencement date:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
		and supervisors	or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak.		☒ Others, please specify: The Bank of Italy has no power in terms of valuation in the context of financial statements. The Bank of Italy, as prudential supervisor, has issued a regulation that, consistently with Basle 2 framework, requires value adjustments in the trading book (to consider factors like liquidity risk, model risk, etc). According to Basel 3 framework and CRD IV, expected to be in force by 1st of January 2013, these value adjustments will apply to all assets measured at fair value. ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	Web-links to relevant documents:
29 (31)	(FSF 2009)	Dampening of dynamics associated with FVA.	3.5 Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen	End-2009	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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			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.		☒ Others, please specify: The Bank of Italy participates in the working groups on accounting issues established at the BCBS (ATF) and EBA (SCARA) level to provide comments on exposure drafts issued by the standard setters (e.g., impairment of financial assets and hedging). Insurance - ISVAP Due to the turbulence in the financial market, Italian legislation (law n.2/2009) established temporary measures on corporate assets' valuation (which was implemented at insurance sectoral level by ISVAP regulations n. 28 e 37) as anticyclical measures to cope with the crisis. In early 2012, the persistent financial market instability call for an extension and redefinition of the above mentioned temporary measures until the entry into force of the Solvency II Directive(Law n. 14 of February 2012). So currently, under Italian legislation insurance undertakings have the temporary option to not account for unrealized losses (related to not durable investments for solo entities; and to Available For Sale at group level) for solvency purposes, but this option shall be limited to EU government bond, provided that an equity non-distributable reserve	

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					equal to the unrealized losses has been posted. ISVAP has the intervention's power in case of any threaten to the solvency position of the insurers. CONSOB participate in the work at European Level coordinated under the aegis of ESMA as well as at international level (IOSCO SC1) ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	
6. Strengthening adherence to international financial standards						
30 (32)	(Lon)	Adherence to international prudential regulatory and supervisory standards, as well as agreeing to undergo FSAP/ FSB periodic peer reviews	We are committed to strengthened adherence to international prudential regulatory and supervisory standards. FSB members commit to pursue the maintenance of	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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		(Note) Please try to prioritise any major initiatives conducted specifically in your jurisdiction	financial stability, enhance the openness and transparency of the financial sector, implement international financial standards, and agree to undergo periodic peer reviews, using among other evidence IMF / World Bank FSAP reports.		Overview (short description) of action(s) taken: Web-links to relevant documents: http://www.financialstabilityboard.org/publications/r_111104ee.pdf	
7. Enhancing risk management						
31 (4)	(WAP)	Enhancing guidance to strengthen banks' risk management practices	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	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: The Bank of Italy has recently revised its supervisory approach on risk governance and internal audit issues; this has been done having in mind the international principles and standards. In the new framework the soundness of RM governance scores as a	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

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			risk management.		key element of institutions' assessment. Emphasis on this issue is specifically put when performing regular on-site visits as well as when validating banks' internal systems for prudential purposes. ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	
32 (4)	(FSF 2009)	Validation of adequacy of banks' capital buffers	1.4 Supervisors should use the BCBS enhanced stress testing practices as a critical part of the Pillar 2 supervisory review process to validate the adequacy of banks' capital buffers above the minimum regulatory capital requirement.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of Overview (short description) of action(s) taken: The five largest Italian banking groups which took part to the European stress test	Planned actions (if any): The Bank of Italy is analysing the opportunity to introduce binding criteria and methodologies large banking groups have to follow when assessing their capital adequacy. Expected commencement date: Web-links to relevant documents:

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					(Unicredit, Intesa Sanpaolo, Monte dei Paschi di Siena, Banco popolare and UBI Banca) all exceeded the 5% reference value by a wide margin. Involved banks represent more than 62% of the whole national banking system assets. The Bank of Italy interprets the outcome of the stress-test exercise as confirming the capital adequacy of Italian banks putting them in the position to absorb the impact of a deterioration of the macroeconomic and market conditions assumed in the test. Web-links to relevant documents:	
33 (4)	(FSF 2008)	Monitoring the implementation of updated guidance on liquidity risk	II.10 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,	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of Overview (short description) of action(s) taken: As pointed out in the 2011 IMN Survey, the	Planned actions (if any): Since 2011 the Bank of Italy enhanced the reporting tool deployed for assessing on a weekly basis the liquidity of all Italian banks. A monitoring exercise specifically aimed at assessing the capability of Italian banks to fulfil the new prudential liquidity ratios (Liquidity Coverage Ratio and Net Stable Funding Ratio) has been recently launched. Expected commencement date:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
			supervisors will take more prescriptive action to improve practices.		Bank of Italy has reinforced regulation and supervision on banks' liquidity risk. More in detail: 1) the regulatory framework for liquidity risk and its management has been revised in order to align it to CRD2, CEBS and BCBS guidelines/principles; 2) the reports concerning the funding liquidity position – which since September 2007 major banking groups have been requested to provide weekly to the Bank of Italy – has been updated; in periods of market tensions, the monitoring exercise is conducted on a daily basis; 3) banks whose risk indicators show serious warning levels are notified and required to take corrective actions, by rebalancing liquidity gaps; 4) within the SREP liquidity risk is evaluated through a quantitative assessment model and information coming from the ICAAP review; 5) results of the above analysis can give rise to targeted on-site inspections; 6) banks are asked to periodically submit the results of internal stress tests; 7) the Bank of Italy itself periodically runs system-wide stress tests (scenarios, designed in-house, combined both idiosyncratic and market-wide stress factors; individual results are discussed in bilateral feedback meeting). Web-links to relevant documents:	Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
34 (4)	(FSB 2009)	Enhancing banks' operations in foreign currency funding markets	Regulators and supervisors in emerging markets will enhance their supervision of banks' operation in foreign currency funding markets.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	Planned actions (if any): Expected commencement date: Web-links to relevant documents:
35 (39)	(Pitts)	Robust, transparent stress test	We commit to conduct robust, transparent stress tests as needed.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: The Bank of Italy has been conducting supervisory stress tests on the Italian banking system since long time. In 2008 a	Planned actions (if any): Bank of Italy to conduct a new round of top down stress tests along with the EU-wide exercise coordinated by EBA. Expected commencement date: 2012-2013 Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
					fully-fledged program of periodic stress tests has been launched to be implemented on a periodical basis. The programme includes supervisory stress tests (top down approach) and banks' macro stress tests (bottom up approach). The design of stress tests is revised in terms of scope, coverage and scenarios to reflect recent macroeconomic and financial developments. The results of the supervisory stress test are often published in the Annual Report at aggregate level, while the results at individual level (covering the main banking groups) are used as benchmark to assess the robustness of banks' stress tests. Insurance - ISVAP ISVAP regularly performs stress tests taking into account also the stress test exercises conducted by EIOPA. ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
36 (40)	(Pitts)	Efforts to deal with impaired assets and raise additional capital	Our efforts to deal with impaired assets and to encourage the raising of additional capital must continue, where needed.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of Overview (short description) of action(s) taken: In order to further strengthen the capital position of the banking system in the current juncture, the Bank of Italy has recently requested banks that need to build a capital buffer – and in particular those that have to do so to comply with the December 2011 EBA recommendation – to refrain from paying dividends and to exercise restraint in the variable component of remuneration. Web-links to relevant documents:	Planned actions (if any): Expected commencement date: Web-links to relevant documents:
37 (41)	(WAP)	Enhanced risk disclosures by financial	Financial institutions should provide enhanced	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by	Planned actions (if any):

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
		institutions	risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate.		☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: ESMA (the European Securities Markets Authority), of which Consob is a member published in July and November 2011 two statements aiming at ensuring adequate disclosure of the exposure to sovereigns in the semi-annual and annual financial statements of listed companies including banks, insurances and other financial companies as well as by corporations) ☐ Completed as of Overview (short description) of action(s) taken: Web-links to relevant documents:	Expected commencement date: Web-links to relevant documents:
8. Strengthening deposit insurance						
38 (42)	(FSF 2008)	Review of national deposit insurance arrangements	VI.9 National deposit insurance arrangements should be reviewed against the agreed international	Ongoing	No response required for this survey. Please refer to peer review report on deposit insurance systems published in February 2012, available at: http://www.financialstabilityboard.org/publications/r_120208.pdf	

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
			principles, and authorities should strengthen arrangements where needed.			
9. Safeguarding the integrity and efficiency of financial markets						
39 (new)	(Cannes)	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.	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: Legislation on market integrity in line with international has been in force since 2005 (Consolidated Law on Finance). In 2011 Consob introduced additional rules on short selling in the wake of the entry into force (on November 1, 2012) of the European regulation on short selling and naked CDS). Moreover Consob requested the Italian Stock Exchanges (Borsa Italiana) to introduce penalties with respect to excessive cancellation of orders (OTR), which will have an impact on certain HFT practice. Moreover Consob has implemented the guidelines on algotrading (including HFT) issued by ESMA in December 2011.	Planned actions (if any): the proposed MiFID reform currently under discussion in Council and Parliament will introduce reforms to the European regulatory framework including rules on algotrading Expected commencement date: Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
					☒ Completed as of 2011 Overview (short description) of action(s) taken: Web-links to relevant documents: http://www.consob.it/	
40 (new)	(Cannes)	Enhanced market transparency in commodity markets	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	Ongoing	Implementation ongoing: ☐ Draft regulations/guidelines being developed, expected publication by ☐ Draft regulations/guidelines published as of ☐ Final rules expected to be in force by ☒ Others, please specify: Comprehensive regulation to ensure market integrity is already in place since 2005. Additional improvements will be introduced further to amendments to European legislation (new Market Abuse Regulation - MAR and new MiFID - Market in Financial Instruments Directive) ☐ Completed as of Overview (short description) of action(s) taken:	Planned actions (if any): A new regulation on market abuses is under discussion in Council and Parliament. The new proposal on MiFID (also in discussion in Brussels) deals with position limits issues Expected commencement date: Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
			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		Web-links to relevant documents:	
10. Enhancing consumer protection						
41 (new)	(Cannes)	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	Ongoing	Implementation ongoing: ☒ Draft regulations/guidelines being developed, expected publication by July 2012 at the latest ☒ Draft regulations/guidelines published as of 2009/2010 ☐ Final rules expected to be in force by ☐ Others, please specify: ☐ Completed as of	Planned actions (if any): Expected commencement date: Web-links to relevant documents:

# (# in brackets are from 2011 template)	G20/FSB Recommendations			Deadline	Progress to Date	Planned Next Steps
			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.		Overview (short description) of action(s) taken: Overall reform of: i) rules on disclosure and fairness in the relations of banks and other financial intermediaries with their clients (current accounts, deposits, lending, payment services); ii) tied agents and brokers. Web-links to relevant documents: http://www.bancaditalia.it/vigilanza/normativa/norm_naz/TUB_gennaio_2011.pdf http://www.bancaditalia.it/vigilanza/normativa/norm_bi/disposizioni-vig/trasparenza_operazioni	

Origin of recommendations:

Cannes: The Cannes Summit Final Declaration (3-4 November 2011)

Seoul: The Seoul Summit Document (11-12 November 2010)

Pitts: Leaders' Statement at the Pittsburgh Summit (25 September 2009)

Lon: The London Summit Declaration on Strengthening the Financial System (2 April 2009)

Tor: The G-20 Toronto Summit Declaration (26-27 June 2010)

WAP: 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)

Index of acronyms

Example:

FSB: Financial Stability Board