

Jurisdiction: The Netherlands

2014 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

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| I. Refining the regulatory perimeter | | | | | |
| 1 (1) | Review of the boundaries of the regulatory framework including strengthening of oversight of shadow banking ¹ | 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. (London) | Jurisdictions should indicate the steps taken to expand the domestic regulatory framework to previously unregulated entities, for example, non-bank financial institutions (e.g. finance companies, mortgage insurance companies, credit hedge funds) and conduits/SIVs etc. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> | Planned actions (if any): At the national level, the Dutch government is reviewing the risks and impact of potential shadow banking activities on the Dutch economy with the international and European regulatory initiatives in mind. The Dutch government is open to consider proposals to further regulate shadow banking provided these proposals mitigate financial risks and take into account the benefits of shadow banking activity. Expected commencement date: Web-links to relevant documents: |
| (1) | | We agree to strengthen the regulation and oversight of the shadow banking system. ² (Cannes) | Jurisdictions should indicate policy measures to strengthen the regulation and oversight of the shadow banking system. See, for reference, the recommendations discussed in section 2 of the October 2011 FSB report: Shadow Banking: Strengthening Oversight and Regulation. | <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: The Dutch Central Bank is strengthening its oversight on Special Financial Institutions in the Netherlands. Status of progress : <input checked="" type="checkbox"/> Draft in preparation, expected publication by: • Licence for group finance companies: second half of 2014 <input checked="" type="checkbox"/> Draft published as of: • Money | |

¹ Some authorities or market participants prefer to use other terms such as “market-based financing” instead of “shadow banking”. The use of the term “shadow banking” is not intended to cast a pejorative tone on this system of credit intermediation. However, the FSB is using the term “shadow banking” as this is the most commonly employed and, in particular, has been used in the earlier G20 communications.

² This recommendation will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

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| | | | | <p>Market Funds (Public Response Netherlands): October 2013</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 2013</p> <p>Short description of the content of the legislation/ regulation/guideline: The Dutch government is supportive of the European legislative proposals for Money Market Funds (MMF) as well as Securities Financing Transactions (SFT) and has submitted a public response to both proposals (see below). In response to the Green Paper on shadow banking of the European Commission the Netherlands has also submitted a response. The Dutch government is also reconsidering those parts of the Financial Supervision Act that determine the need for a license for group finance companies, so that possible improper use of the Financial Supervision Act will be prevented. The Dutch central bank actively contributes to FSB and ESRB discussions in relation to shadow banking monitoring and has also identified and plotted potential shadow banking activities in the Netherlands in an occasional paper. In response to this the Dutch Central Bank is also currently</p> | |

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| | | | | <p>strengthening its oversight on Special Financial Institutions in the Netherlands. See the links below for English versions of these papers. Web-links to relevant documents: Public response Netherlands for the MMF Commission Proposal.</p> <p>http://www.eerstekamer.nl/eu/behandeling/20131018/brief_regering_fiche_verordening_4/document3/f=/vje5ft4vnszz.pdf Public Response Netherlands for the SFT Commission Proposal</p> <p>http://www.eerstekamer.nl/eu/behandeling/20140307/brief_regering_fiche_verordening/document3/f=/vjhyn6fmfuzi.pdf (for the SFT). Draft legislative proposal for consultation on (amongst others) group financing companies (concernfinancieringsmaatschappijen):</p> <p>http://www.internetconsultatie.nl/wijzigingwetfm2015 Public Response Netherlands Green Paper Shadow Banking</p> <p>http://www.rijksoverheid.nl/documenten-en-publicaties/kamerstukken/2012/04/24/kamerbrief-over-kabinetsreactie-groenboek-schaduwbankieren.html Occasional Paper Dutch Central Bank on Shadow bank activities in the</p> | |

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| | | | | <p>Netherlands: http://www.dnb.nl/en/publications/dnb-publications/dnb-occasional-studies/dnb281219.jsp</p> <p>Highlight main developments since last year's survey:</p> <ul style="list-style-type: none"> • Publication of MMF en SFT proposals by European Commission. The Netherlands is supportive of these initiatives. • Consultation of legislative proposal on group financing companies. • Strengthening of oversight by Dutch Central Bank of Special Financial Institutions in the Netherlands. <p>Web-links to relevant documents:</p> | |

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| II. Hedge funds | | | | | |
| 2 (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 state whether Hedge Funds(HFs) are domiciled locally and, if available, indicate the size of the industry in terms of Assets Under Management (AUM) and number of HFs. Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO’s Report on Hedge Fund Oversight (Jun 2009).</p> <p>In particular, jurisdictions should specify whether:</p> <ul style="list-style-type: none"> - HFs and/or HF managers are subject to mandatory registration - Registered HF managers are subject to appropriate ongoing requirements regarding: <ul style="list-style-type: none"> • Organisational and operational standards; • Conflicts of interest and other conduct of business rules; • Disclosure to investors; and • Prudential regulation. | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: July 2013</p> <p>Short description of the content of the legislation/ regulation/guideline: In July 2011 the European Alternative Investment Fund Managers Directive (AIFMD) was published, covering a.o. those aspects. The Netherlands has implemented this directive as of July</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | 2013. Highlight main developments since last year's survey: Web-links to relevant documents: | |

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| 3 (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 Report on Hedge Fund Oversight (Jun 2009) 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"> - Signatory to the IOSCO MMoU - Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO Principles Regarding Cross-border Supervisory Cooperation. <p>In particular, jurisdictions should indicate those jurisdictions where an MoU is in place that provides for oversight when a hedge fund is located in one of these jurisdictions and manager is located elsewhere.</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: July 2013</p> <p>Short description of the content of the legislation/ regulation/guideline: This is part of the AIFMD, an EU directive that also provides a European framework for cross border oversight for investment funds. The Netherlands has implemented the AIFMD as of July 2013.</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.rijksoverheid.nl/onderwerpen/financieel-toezicht/documenten-en-publicaties/kamerstukken/2012/04/19/voorstel-van-wet-aifm-richtlijn.html</p> | |

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| 4 (4) | Enhancing counterparty risk management | 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>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 the Basel III rules for credit exposures to highly leveraged counterparties (para 112 of Basel III (Jun 2011) – see also FAQ no 1b.4 on Basel III counterparty credit risk, Dec 2012), and principle 2.iii of IOSCO Report on Hedge Fund Oversight (Jun 2009). Jurisdictions should also indicate the steps they are taking to implement the new standards on equity exposures (Capital requirements for banks' equity investments in funds, Dec 2013) by 1 January 2017.</p> <p>For further reference, see also the following documents :</p> <ul style="list-style-type: none"> • BCBS Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999) • BCBS Banks' Interactions with Highly Leveraged Institutions (Jan 1999) | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 17-7-2013</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Capital Requirements Directive IV (in force since 17-07-2013) has transposed the Basel 3 rules on counterparty credit risk to European legislation. Counterparty credit risk of banks will be enhanced across the board, including hedge fund exposures. Also, the</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |
| (4) | | Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17,FSF 2008) | | | |

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| | | | | <p>application of prudent person principle for any investments in such counterparties and the large exposure requirements are in force. Credit exposures to highly leveraged counterparties are implemented in the Capital Requirement Regulation (art 180.1.a) and BCBS FAQ 1b.4 will be respected. The new capital requirements for banks' equity investments in funds will be transposed to European legislation. Adherence to the IOSCO principles is covered in the European AIFM regulation.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: directive: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0036&from=EN Regulation: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0575&from=EN Regulation: http://register.consilium.europa.eu/pdf/en/13/st07/sto7747.en13.pdf</p> | |

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| III. Securitisation | | | | | |
| 5 (5) | Improving the risk management of securitisation | <p>During 2010, supervisors and regulators will:</p> <ul style="list-style-type: none"> implement IOSCO’s proposals to strengthen practices in securitisation markets. (FSB 2009) <p>The BCBS and authorities should take forward work on improving incentives for risk management of securitisation, including considering due diligence and quantitative retention requirements by 2010. (London)</p> <p>Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. (Pittsburgh)</p> | <p>Jurisdictions should indicate the progress made in implementing the recommendations contained in:</p> <ul style="list-style-type: none"> IOSCO’s <i>Unregulated Financial Markets and Products (Sep 2009)</i>, including justification for any exemptions to the IOSCO recommendations; and BCBS’s Basel 2.5 standards on exposures to securitisations (Jul 2009), http://www.bis.org/publ/bcbs157.pdf and http://www.bis.org/publ/bcbs158.pdf. <p><i>Jurisdictions may also indicate progress in implementing the recommendations of the IOSCO’s Report on Global Developments in Securitisation Regulation (Nov 2012).</i>³</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 1.12.2010 for securitisation positions, 31.12.2011 for resecuritisations</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

³ Jurisdictions should not provide responses on IOSCO recommendations concerning the alignment incentives associated with securitisation (including risk retention requirements) since these will be covered by an IOSCO peer review in 2014.

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| | | | | <p>European Capital Requirements Directives II and III address stricter measures with respect to securitisation and re-securitisations. CRD II requires originators to retain 5% of economic exposure on their books. At the same time, firms investing in securitisations are required to conduct comprehensive due diligence, whereby failure to comply is subject to capital penalties. CRD III applies the same capital treatment to re-securitisations. Additionally, it tightens disclosure requirements on securitisation exposures. CRD II has come into force on 31-12-2010, CRD III on 31-12-2011.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: CRD II and III regulation in force: http://ec.europa.eu/internal_market/bank/regcapital/index_en.htm</p> | |

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| 6 (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"> • ICP 13 – Reinsurance and Other Forms of Risk Transfer; • ICP 15 – Investments; and • ICP 17 - Capital Adequacy. <p>Jurisdictions may also refer to:</p> <ul style="list-style-type: none"> • IAIS Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008). • Joint Forum’s consultative document on Mortgage insurance: market structure, underwriting cycle and policy implications (Feb 2013). | <p><input checked="" type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> In the NL there are no monolines with structured credit business</p> <p><input type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Highlight main developments since last year’s survey:</p> <p>Web-links to relevant documents:</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| 7 (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 Good Practices in Relation to Investment Managers' Due Diligence When Investing in Structured Finance Instruments (Jul 2009).</p> <p>Jurisdictions may also refer to the Joint Forum report on Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If " Not applicable " or "Applicable but no action envisaged ..." has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 1-1-2013</p> <p>Short description of the content of the legislation/ regulation/guideline: In the banking sector the CRD IV reinforced the capital requirements for the risks associated with securitisation transactions, particularly when these structures involve several levels of securitisation, and increased the support</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | <p>given to securitisation vehicles. These provisions were implemented in 2011. Thereby, as of 1st of January 2013 financial institutions must have a product approval process for financial products. For insurance companies EU legislation relating to the (re)insurance sector (Solvency II) introduces requirements on insurers' ability to invest in repackaged loans, which are consistent with those being introduced in the banking sector. Under these proposals, insurance and reinsurance undertakings investing in ABS will likely be subject to: (i) Capital Requirements for all types of investments calibrated as a 99.5% value at risk over a 1 year time horizon; (ii) Higher market risk capital requirements for re-securitization exposures, especially when only one or no external credit assessment is available; (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. In particular, provisions are currently being discussed that will require insurance and reinsurance undertakings that invest in the securities to be allowed to make their decisions only after</p> | |

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| | | | | <p>conducting comprehensive due diligence in the context of the Solvency II implementing measures; (iv) Important enhancements regarding how insurance and reinsurance undertakings should manage the risks of securitization positions (written monitoring procedures, specific reporting to management body, etc.) that are currently being discussed in the context of the Solvency II implementing measures; and (v) In order to ensure transparency, requirements to publicly disclose information about any investments in repackaged loans.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: Directive: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013L0036&from=EN Regulation: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0575&from=EN</p> | |

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| 8 (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 Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012) and IOSCO’s Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 1.12.2010 for securitisation positions, 31.12.2011 for resecuritisations</p> <p>Short description of the content of the legislation/ regulation/guideline: European Capital Requirements Directives II and III address stricter measures with respect to securitisation and re-securitisations. CRD II requires</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | <p>originators to retain 5% of economic exposure on their books. At the same time, firms investing in securitisations are required to conduct comprehensive due diligence, whereby failure to comply is subject to capital penalties. CRD III applies the same capital treatment to re-securitisations. Additionally, it tightens disclosure requirements on securitisation exposures. CRD II has come into force on 31-12-2010, CRD III on 31-12-2011.</p> <p>Highlight main developments since last year's survey: The Netherlands is contributing to discussions in Europe on increasing transparency and information availability for securitisations.</p> <p>Web-links to relevant documents: CRD II and III regulation in force: http://ec.europa.eu/internal_market/bank/regcapital/index_en.htm</p> | |

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| IV. Enhancing supervision | | | | | |
| 9 (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 the policy measures taken for implementing consistent, consolidated supervision and regulation of SIFIs.⁴</p> <p>See, for reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • Framework for G-SIBs (Nov 2011) • Framework for D-SIBs (Oct 2012) • BCP 12 (Sep 2012) <p>IAIS:</p> <ul style="list-style-type: none"> • Global Systemically Important Insurers: Policy Measures (Jul 2013) • ICP 23– Group wide supervision <p>FSB:</p> <ul style="list-style-type: none"> • Framework for addressing SIFIs (Nov 2011) | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>recovery and resolution plans, setting up of crisis management groups</p> <p>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 17-7-2013</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

⁴ The scope of the follow-up to this recommendation will be revised once the monitoring framework on policy measures for G-SIFIs, which is one of the designated priority areas under the CFIM, is established.

| | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>Netherlands is a.o. working on recovery and resolution plans (RRPs), has set up crisis management groups (CMGs) for the SIBs, is working on harmonizing the resolution regime in the European context (through the Bank Recovery and Resolution Directive; BRRD) and will introduce buffers for systemically important institutions. Regarding the RRP, these were finished end of 2013 (though RRP are typically documents that need regular work and update), The CMGs are already in place. The BRRD, which will presumably be implemented around January 2015, will harmonise resolution regimes in Europe, and will ensure coordinated resolution action regarding SIFIs in Europe. Finally, regarding the SIFI-buffers, the parliamentary scrutiny of the legislative proposal is currently being prepared. Beside the requirement in Capital Requirements Directive (CRD) IV to impose a G-SIFI-buffer to G-SIFIs within the jurisdiction, The Netherlands makes use of the national discretion foreseen in Capital Requirements Directive IV to impose Other-SIFI buffer and Systemic Risk Buffer to the domestic SIFIs. Moreover, Capital Requirements</p> | |

| | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>Directive IV also requires EU Member States with a G-SIFI within their jurisdiction to impose a G-SIFI buffer. The supervisor will be able to set SIFI buffer requirements and has announced it will do so. The build-up of the buffers by the SIFI's will be started in 2016 and must be completed by 2019. With regard to financial conglomerates, the Netherlands has implemented the EU 2002 Financial Conglomerates Directive (2002/87/EG) and the amending Directive (2011/89/EU). The Netherlands therefore complies with the Principles for the Supervision of Financial Conglomerates of 2012. Any new elements included in the 2012 Principles in comparison to the 1999 Principles will be implemented in NL legislation as soon as a revision of the EU Directive takes account of those elements.</p> <p>Highlight main developments since last year's survey: The supervisor has announced on 29 April 2014 it will impose a SIFI buffer of 3% RWA for three banks and 1% RWA for a fourth bank. The build-up of the buffers will be started in 2016 and must be completed by 2019.</p> <p>Web-links to relevant documents:</p> | |

| | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | http://register.consilium.europa.eu/pdf/en/13/st07/st07746.en13.pdf (CRD IV : Directive) en http://register.consilium.europa.eu/pdf/en/13/st07/st07747.en13.pdf (CRD IV: Regulation). | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| <p>10 (10)</p> <p>(10)</p> | <p>Establishing supervisory colleges and conducting risk assessments</p> | <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 significant cross-border firms. Please indicate whether supervisory colleges for all significant cross-border firms (both banks and insurance companies) have been established and whether the supervisory colleges for G-SIFIs are conducting rigorous risk assessments.</p> <p>Principle 13 of BCBS <u>Core Principles for Effective Banking Supervision</u> and <u>Good practice principles on supervisory colleges (Oct 2010)</u> may be used as a guide for supervisor to indicate the implementation progress. For further reference, see the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • <u>Core Principles for Effective Banking Supervision (Sep 2012)</u> <p>IAIS :</p> <ul style="list-style-type: none"> • <u>ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges</u> • <u>Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges</u> <p>IOSCO:</p> <ul style="list-style-type: none"> • <u>Principles Regarding Cross-Border</u> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: <p>Dutch primary legislation (which is based on the CRD) establishes the obligation for DNB to create supervisory colleges. DNB has established these colleges based on the primary legislation and on the guidelines written by the EBA.</p> <p>Status of progress :</p> <ul style="list-style-type: none"> <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: December 31, 2010 | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | <p><i>Supervisory Cooperation (May 2010)</i></p> | <p>Short description of the content of the legislation/ regulation/guideline: The college requirements in the Netherlands are based on the specific articles in the CRD (articles 129 and 130) and on the EBA guideline GL 34 “operational functioning of supervisory colleges”.</p> <p>Highlight main developments since last year’s survey:</p> <p>Web-links to relevant documents: Guideline GL 34 on supervisory colleges: http://www.eba.europa.eu/documents/Publications/Standards---Guidelines/2010/Colleges/CollegeGuidelines.aspx Guideline GL 39 on joint risk assessment and decision: http://www.eba.europa.eu/cebs/media/Publications/Standards%20and%20Guidelines/2010/JRAD/Guidelines.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| <p>11 (11)</p> <p>(11)</p> | <p>Supervisory exchange of information and coordination</p> | <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 September 2012 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 regulatory, supervisory or legislative changes that will 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><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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: 2nd half of 2014 (single supervisory mechanism, proposal adopted by the European Council on 12-9-12).</p> <p><input type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: According to the most recent IMF FSAP, the Netherlands complies with the BCP on home-host relationships (October 2006 BCPs). Moreover, the European</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | <p>Supervisory Authorities (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 are developed by the ESAs. The ESAs carry out peer reviews of the activities of supervisory authorities in the EU and make identified best practices publicly available. The ESAs can develop guidelines and recommendations on the basis of peer reviews. 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. Guidelines on the functioning of College are being developed by EIOPA. Banking sector: The creation of a single supervisory mechanism (SSM), which will start in November 2014 will further strengthen supervisory consistency. Furthermore, the ESAs will continue developing the single</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>rulebook applicable to all Member States and make sure that supervisory practices are consistent across the whole Union. EBA in particular will develop a single supervisory handbook Market infrastructure: The EMIR requires the establishment of colleges for CCPs.</p> <p>Highlight main developments since last year's survey: The creation of the SSM will enter into force on 4 November 2014 and will further strengthen the exchange of information and coordination.</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| 12 (12) | Strengthening resources and effective 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 early intervention. (Seoul) | No information on this recommendation will be collected in the current IMN survey since a peer review is taking place in this area during 2014. | | |
| (12) | | 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) | | | |
| (12) | | 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) | | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| V. Building and implementing macroprudential frameworks and tools | | | | | |
| 13 (13) | Establishing regulatory framework for macro-prudential oversight | 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 ⁵ and private pools of capital to limit the build up of systemic risk. (London) | Please describe major changes in the institutional arrangements for macroprudential policy that have taken place in the past two years, including changes in: i) mandates and objectives; ii) powers and instruments; iii) transparency and accountability arrangements; iv) composition and independence of the decision-making body; and v) mechanisms for domestic policy coordination and consistency. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 2012/2013 Short description of the content of the legislation/ regulation/guideline: Firstly, | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |
| (13) | | 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) | Please indicate whether an assessment has been conducted with respect to the powers to collect and share relevant information among different authorities – where this applies – on financial institutions, markets and instruments to assess the potential for systemic risk. Please indicate whether the assessment has indicated any gaps in the powers to collect information, and whether any follow-up actions have been taken. | | |

⁵ 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 |
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| | | | | <p>the Dutch central bank (DNB) is the macroprudential authority under the national implementation of the CRD-IV package. This will confer several macroprudential instruments upon DNB to execute its recently formalized explicit responsibility for financial stability. These instruments include the countercyclical buffer, the systemic risk buffer, increasing risk weights and LGDs of real estate or financial sector exposures for designated groups of banks, amongst others. DNB has also established a special department for the surveillance of macroprudential risks, and semi-annually publishes a monitoring exercise of financial stability risks, titled the Overview Financial Stability. The Dutch central bank will also be given special additional powers in a new law to request more information regarding macroprudential risks. Secondly, the minister of Finance has established the so-called Financial Stability Committee. The Financial Stability Committee's task is to identify risks to financial stability in the Netherlands, and to make recommendations with respect to these risks. In this committee, representatives of DNB, the Nederlandse Authority</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>Financial Markets and the Ministry of Finance discuss developments relating to the stability of the financial system in the Netherlands. The committee meets at least twice a year and is chaired by DNB president Klaas Knot. (Both supervisors carry out their tasks and responsibilities independently from the Ministry; and the Ministry has no vote in the committee.) The existence of the FSC strengthens the structure of responsibility for macroprudential analysis significantly, and facilitates policy coordination and consistency. Thirdly, 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). In sum, the SSM Regulation provides that while</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>the initiative for macro-prudential measures remains at national level, the ECB can apply higher requirements.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: See http://www.dnb.nl/publicatie/publicaties-dnb/incidentele-publicaties/ http://www.dnb.nl/publicatie/publicaties-dnb/incidentele-publicaties/</p> | |

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| <p>14 (14)</p> <p>(14)</p> | <p>Enhancing system-wide monitoring and the use of macro-prudential instruments</p> | <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 public reports, where available) the types of systems, methodologies and processes that have been put in place to identify macroprudential risks, including the analysis of risk transmission channels. Please indicate the use of macroprudential tools in the past two years, including the objective for their use and the process used to select, calibrate, and apply them.</p> <p>See, for reference, the CGFS document on Operationalising the selection and application of macroprudential instruments (Dec 2012).</p> <p>Jurisdictions can also refer to the FSB-IMF-BIS progress report to the G20 on Macroprudential policy tools and frameworks (Oct 2011), and the IMF staff papers on Macroprudential policy, an organizing framework (Mar 2011) and on Key Aspects of Macroprudential policy (Jun 2013).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: May 2013.</p> <p>Short description of the content of the legislation/ regulation/guideline: 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</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>list of instruments that can be used by macro-prudential authorities to meet the intermediate objectives. The Recommendation gives an indicative list of instruments that national macro-prudential authorities can use to fulfil their mandate. These instruments, as shaped in the implementation of the CRD-IV, will be conferred on the Dutch central bank. In the execution of its new role as macroprudential authority, the Dutch central bank will execute a ‘macroprudential policy cycle’, consisting of the following stages: (i) the risk identification stage, where vulnerabilities are detected and assessed (against the intermediate objectives) and relevant indicators and thresholds are defined; (ii) the instrument selection and calibration stage; (iii) the implementation and communication stage, where instruments are activated; and (iv) the evaluation phase, where the impact of instruments is assessed in view of possible adjustment/de-activation. Recently, DNB’s has published a plan to introduce a systemic risk buffer for four of largest Dutch banks, acting upon its foreseen ability under the finalization of the implementing law of the CRD-IV. It</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>has also sent a notification to the ESRB regarding this measure, which details the selection, calibration and application in more detail.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.rijksoverheid.nl/nieuws/2012/11/02/financieel-stabiliteitscomite-opgericht.html https://www.esrb.europa.eu/pub/pdf/other/140429_Notification_Dutch-Central-Bank.pdf?d62052f9c3541a2c544486ea9d61339d</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| 15 (15) | Improved cooperation between supervisors and central banks | 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. (Rec. V.8 , FSF 2008) | Please describe the institutional framework through which information sharing between supervisors and the central bank takes place, e.g. through internal or inter-agency committee or bilateral MoUs. Please also describe any initiative to remove identified obstacles to enhance cooperation and information sharing. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: Improved supervisory approach (see \ Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 1st quarter of 2012 Short description of the content of the legislation/ regulation/guideline: DNB is both a central bank and a supervisory authority, which places it in a good position to benefit from the synergies that derive from the cooperation between | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>central bank and supervisiorn, and the cross-sectoral approach applied by the organisation. It facilitates information exchange, joint decision making and the use of multi-functional teams, especially in the case of vulnerable market conditions and crisis intervention. The integration of financial stability risks in the supervisory process is supported by i) a separate Financial Stability Department, which is the linking pin between the central bank and supervision ii) the creation of a Financial Stability Committee since the end of 2012 and iii) the implementation in Q1 2012 of a new supervisory approach – FOCUS! - by DNB which contains an explicit link of macro-economic developments to microprudential risks (through a macro-register) as the result of which supervision will be more focussed on potential sources for later problems which enables more powerful and effective supervision. The effectiveness of this model in respect of cooperation and the exchange of information including in the assessment of financial stability risks shall increase once European supervision will be effected in 2014. Under the single supervisory mechanism DNB will work</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>closely with the ECB. Finally, relating to this topic, DNB has formulated its outlook for the years 2014-2018 with a strong vision on stability.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.toezicht.dnb.nl/4/2/14/50-225810.jsp http://www.dnb.nl/toezichtprofessioneel/visie-op-toezicht/</p> | |

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| VI. Improving oversight of credit rating agencies (CRAs) | | | | | |
| 16 | Enhancing regulation and supervision of CRAs | 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) | 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: | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: Regulation 1060/2009 effective as of 1 January 2010, Regulation 513/2011 effective as from 1 July 2011, CRA III Regulation agreed, entry into publication and entry into force foreseen in June 2013. | If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation: Planned actions (if any): Expected commencement date: Web-links to relevant documents: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:146:0001:0033:EN:PDF |
| (16) | | 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. | Jurisdictions may also refer to the following IOSCO documents: | | |
| | | 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. | <ul style="list-style-type: none"> • Code of Conduct Fundamentals for Credit Rating Agencies (May 2008) | | |
| | | The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London) | <ul style="list-style-type: none"> • Principle 22 of Principles and Objectives of Securities Regulation (Jun 2010) which calls for registration and oversight programs for CRAs • Statement of Principles Regarding the Activities of Credit Rating Agencies (Sep 2003) • Final Report on Supervisory Colleges for Credit Rating Agencies (Jul 2013) | | |
| (16) | | Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009) | | | |
| (New) | | We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg) | | Short description of the content of the legislation/ regulation/guideline: The Regulation 462/2013 of 21 May 2013 | |

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| | | | | <p>amending Regulation (EC) No 1060/2009 on credit rating agencies strengthening the rules for rating agencies. Main improvements of the amendment relate to: - reducing reliance on external credit ratings - strengthening transparency of sovereign ratings including indicative calendar for sovereign ratings and disclosure of full research report of sovereign ratings - conflicts of interests: introduction of shareholder limitations, limitations on holding shares in two CRAs at the same time, and limitations of CRAs to rate instruments issued by shareholders - civil liability regime: investors and issuers will be enabled to engage in civil claims in case of gross negligence and intentional violation of the CRA regulation by rating agencies - enhanced transparency on structured finance instruments and rotation for re-securitisations.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://ec.europa.eu/internal_market/rating-agencies/index_en.htm http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:145:0030:0056:EN:PDF Question 24:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | http://ec.europa.eu/internal_market/rating-agencies/index_en.htm http://eurlex.europa.eu/JOHtml.do?uri=OJ:L:2009:302:SOM:EN:HTML Question 25: http://ec.europa.eu/internal_market/rating-agencies/index_en.htm http://eurlex.europa.eu/JOHtml.do?uri=OJ:L:2009:302:SOM:EN:HTML | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| 17 (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> | No information on this recommendation will be collected in the current IMN survey since the report of the second stage of the thematic peer review has been published recently [insert link whenever published]. | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| (New) | | <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> | | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| VII. Enhancing and aligning accounting standards | | | | | |
| 18 (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: http://www.ifrs.org/Use-around-the-world/Pages/Jurisdiction-profiles.aspx.</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>See below</p> <p>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 1-1-2005</p> <p>Short description of the content of the legislation/ regulation/guideline: The EU adopted in 2002 a regulation to adopt IFRS (i.e. the IAS Regulation). Since January 2005, the IFRS are mandatory for</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>the consolidated accounts of listed companies. Enforcement of IFRS is done by the Netherlands Authority Financial Markets and coordinated by the European Enforcers Coordination Sessions organized (EECS) under Supervision of European Securities and Markets Authority (ESMA). The goal of the coordination is to ensure consistent application and enforcement of IFRSs in Europe.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| <p>19 (19)</p> <p>(19)</p> | <p>Appropriate application of Fair Value Accounting</p> | <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>See, for reference, the following BCBS documents:</p> <ul style="list-style-type: none"> • <u>Basel 2.5 standards on prudent valuation (Jul 2009)</u> • <u>Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)</u> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>The Dutch National Bank complies with the Basel standards and the supervisory guidance in this respect.</p> <p>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: From January 1st 2013 IFRS 13 on Fair Value Measurement has been in force. When the IASB will have completed the work on IFRS 9, the EU (Commission and Member States) will also consider the endorsement of IFRS 9.</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any): We closely follow the agenda of IASB (and FASB) in this respect</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>Short description of the content of the legislation/ regulation/guideline: DNB participates in the EBA task force for accounting and procyclicality and the EBA accounting subgroup both of which have the objective of devising standards and methods for dealing with s.c. “weak” valuations. Moreover, DNB participates the BCBS/Accounting Task Force which group is analysing the impact of changing accounting standards (such as IFRS 9) on capital treatment under Basel II and Basel III. DNB is involved in the revision processes of IASB through international fora such as BCBS, IAIS, EBA and EIOPA. AFM is chair of the ESMA permanent Task Force on IFRS. This TF assesses on behalf of ESMA the proposals of the IASB and the endorsement proposals of the EU.</p> <p>Highlight main developments since last year’s survey:</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| VIII. Enhancing risk management | | | | | |
| 20 (20) | Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks | 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) | Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices. In particular, please indicate the status of implementation of the following standards: | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If "Not applicable" or "Applicable but no action envisaged ..." has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |
| (20) | 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) | <ul style="list-style-type: none"> • BCBS <i>Basel III: International framework for liquidity risk measurement, standards and monitoring (Dec 2010)</i> • BCBS <i>Principles for sound stress testing practices and supervision (May 2009)</i> | <input checked="" type="checkbox"/> Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 17-7-2013 | | |
| (20) | Regulators and supervisors in emerging markets ⁶ will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009) | Jurisdictions may also refer to FSB's <i>thematic peer review report on risk governance (Feb 2013)</i> and BCBS <i>Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)</i> | <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 17-7-2013 | | |
| (20) | We commit to conduct robust, transparent stress tests as needed. (Pittsburgh) | | Short description of the content of the legislation/ regulation/guideline: The CRD IV Package transposes via a | | |

⁶ 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 |
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| | | | | <p>Directive (Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity 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 apply 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. Since 2003, DNB applies a standard reporting format for liquidity supervision, which has been further strengthened by the Policy Rule on Liquidity under the Dutch Act on Financial Supervision Wft 2011 ('Policy Rule') (see link below for an unofficial translation). For several years, liquidity risk management has been one</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>of the cornerstones of Dutch banking supervisory practice and policy. DNB requires banks to arrange an Internal Liquidity Adequacy Assessment Procedure (ILAAP), in which the institution assesses and, where necessary, strengthens its liquidity risk management. The liquidity risk management of banks and investment firms is assessed in the regular evaluation round (Supervisory Review and Evaluation Process, SREP) following the principles of the Policy rule. As part of its yearly SREP and ILAAP, DNB has a strong liquidity stress testing policy. On the one hand, banks are required to run internally and report to DNB at least 2 scenarios (idiosyncratic and market-wide). On the other hand, DNB comprehensively checks the governance around the liquidity stress tests, from the inputs for the definition of the scenarios to the integration of the stress test results in the risk management of the bank. Moreover, DNB challenges the results submitted by banks with its own top-down model. To sum up, the principles for sound stress testing practices and supervision are implemented to a very high degree liquidity-wise in the Netherlands.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2013:176:FULL&from=EN http://www.toezicht.dnb.nl/en/binaries/51-225608.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| 21 (21) | 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. (Pittsburgh) | Jurisdictions should indicate steps taken to reduce impaired assets and encourage additional capital raising. For example, jurisdictions could include here the amount of new equity raised by banks operating in their jurisdictions during 2013. Jurisdictions may also refer to the relevant IMF Financial Soundness Indicators at http://fsi.imf.org/ . | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: see below Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: Banks are well positioned to meet Basel III capital requirements according to the agreed time schedule. Short description of the content of the legislation/ regulation/guideline: • The CRE market has been under pressure in recent years. In 2013, DNB has performed an AQR on commercial real | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |

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| | | | | <p>estate exposures of the largest Dutch banks to address these risks. This AQR consisted of two stages. In the first stage, DNB reviewed the internal procedures of banks to structurally improve internal control and risk management, to make more recent updates of assessments of property values and review the process of balance sheet valuation. In the second stage, loan files and property valuations were reviewed and - where necessary - the level of reserves and provisioning have been adjusted. Based on the results of the AQR, DNB considers the total level of buffers of banks at Q4 2013 sufficiently adequate to withstand the risks in the CRE portfolio. • intensified supervision on adequate provisioning on the basis of applicable accounting rules. • targeted Asset quality reviews, including the Comprehensive Assessment of the ECB • Supervisory policy aimed at strengthening capital base through withholding dividends, reducing operating costs and increasing capital</p> <p>Highlight main developments since last year's survey: The total amount of capital of the Dutch banking sector has remained broadly stable during 2013. This has occurred within an environment</p> | |

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| | | | | <p>where the banking sector has continued to decline and total assets have decreased. As a result there has been a further improvement in the Capital-ratios of bank (as reflected in the financial stability indicators).</p> <p>Web-links to relevant documents: http://www.statistics.dnb.nl/financiele-stabiliteit/index.jsp</p> | |

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| | | | | <p>provides a single IFRS framework for measuring fair value and requires disclosures about fair value measurement. The Standard defines fair value on the basis of an 'exit price' notion and uses a 'fair value hierarchy', which results in a market-based, rather than entity-specific, measurement. IFRS 13 was originally issued in May 2011 and applies to annual periods beginning on or after 1 January 2013. IFRS 7 Financial Instruments: Disclosures requires disclosure of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Specific disclosures are required in relation to transferred financial assets and a number of other matters. IFRS 7 was originally issued in August 2005 and applies to annual periods beginning on or after 1 January 2007.</p> <p>Highlight main developments since last year's survey: Dutch financial institutions are active members of the EDTF initiative and are bringing their annual reports in line with the recommendations, as seen in the annual reports over 2013. Also, the Dutch banks</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>are participants in the EBA EU-wide transparency exercise.</p> <p>Web-links to relevant documents:</p> | |

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| IX. Strengthening deposit insurance | | | | | |
| 23 (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 thematic peer review report on deposit insurance systems:</p> <ul style="list-style-type: none"> • Adoption of an explicit deposit insurance system (for those who do not have one) • Full implementation of the Core Principles for Effective Deposit Insurance Systems jointly issued by BCBS and IADI in June 2009 (by addressing the weaknesses and gaps identified in peer review) | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 2012</p> <p>Short description of the content of the legislation/ regulation/guideline: The Netherlands has a well functioning deposit guarantee scheme (DGS) in place which complies with the IADI principles. As for the financing of the DGS, the new EU DGS Directive contains two options: raising the financial means through</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | <p>contributions paid by credit institutions either to an ex ante funded DGS scheme or making use of existing schemes (e.g. bank levies). The legislation implementing this Directive will have to enter into force in July 2015.</p> <p>Furthermore, the Dutch intervention act, which came into force in 2012, has introduced the possibility of a transfer of deposits that can be financed through the DGS.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.rijksoverheid.nl/documenten-en-publicaties/regelingen/2012/03/30/amvb-ex-ante-dgs.html https://zoek.officielebekendmakingen.nl/STB-2012-241.html</p> | |

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| X. Safeguarding the integrity and efficiency of financial markets | | | | | |
| 24 (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"> • Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011); and • Report on Principles for Dark Liquidity (May 2011). | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</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: 3rd January 2017</p> <p><input type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: The revised Markets in Financial Instruments Directive (commonly called MiFID II) and Market Abuse Regulation (MAR) have both been agreed and have entered into force application in July 2014 . MiFID II will introduce specific</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

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| | | | | <p>requirements on HFT. The MAR will cover all trading on venues regulated by MiFID II with respect to HFT.</p> <p>Highlight main developments since last year's survey: This legislation has now been agreed and has entered into force in July 2014. The measures within MiFID II have to be transposed into national law and published before 3rd July 2016 and they have to be applied from 3rd January 2016.</p> <p>Web-links to relevant documents: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0349.01.ENG; http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0084.01.ENG http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0001.01.ENG http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0179.01.ENG</p> | |

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| <p>25 (25)</p> <p>(New)</p> | <p>Regulation and supervision of commodity markets</p> | <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 Principles for the Regulation and Supervision of Commodity Derivatives Markets (Sep 2011).</p> <p>Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the report published by the IOSCO’s Committee on Commodity Futures Markets based on a survey conducted amongst its members in April 2012 on regulation in commodity derivatives market.</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</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>Status of progress :</p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by: Q1 2015</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: Transposition MiFIDII before 3rd July 2016; legislation applicable from 3rd January 2017</p> <p><input type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: The new MiFIDII introduces specific requirements on commodity derivatives markets, including registration of market participants and transparency requirements, and address IOSCO’s</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
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| | | | | <p>recommendation on position management through position limits and position management. Furthermore, the MiFIDII and the MiFIR regulation introduce an obligation for derivatives to be traded on regulated and transparent trading venues and pre and post trade transparency measures for the non-equities markets. The new MAR will increase the transparency and the integrity of the derivatives and the commodity derivatives markets including OTC transactions.</p> <p>Highlight main developments since last year's survey: The MiFID II directive has been agreed upon and is entered into force in July 2014. The measures within the directive have to be adopted into national law and published before 3 July 2016 and are applied from 3rd January 2017.</p> <p>Web-links to relevant documents: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0349.01.ENG; http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0084.01.ENG http://eur-</p> | |

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| | | | | lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.173.01.0179.01.ENG | |

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| 26 (New) | 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 be deferred to the 2015 IMN survey given the ongoing policy work in this area, the reviews of interest rate and foreign exchange benchmarks during 2014, and the recent publication of IOSCO's Principles for Financial Benchmarks. | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|--|---|--|--|--|--|
| XI. Enhancing financial consumer protection | | | | | |
| 27 (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 G-20 high-level principles on financial consumer protection (Oct 2011).</p> <p>Jurisdictions may also refer to OECD's update report including the Annex to the report on effective approaches to support the implementation of the High-level Principles based around the following three priority principles:</p> <ul style="list-style-type: none"> • <i>Disclosure and transparency</i> • <i>Responsible business conduct of financial services providers and their authorised agents</i> • <i>Complaints handling and redress</i> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If "Not applicable" or "Applicable but no action envisaged ..." has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Initiatives of the platform for financial education "Wijzer in Geldzaken"</p> <p>Status of progress :</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 checked="" type="checkbox"/> Reform effective (completed) as of: 2006 (implementation of the \</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Financial consumer protection is an integral part of the Financial Supervision Act (Wet op het financieel toezicht) and</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>secondary legislation, with supervision by a dedicated market conduct agency: Autoriteit Financiële Markten</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: www.wijzeringeldzaken.nl; http://wetten.overheid.nl/BWBR0020368/ http://www.afm.nl/en/professionals/regelgeving/wetten.aspx ; http://www.afm.nl/en</p> | |

XII. Source of recommendations:

[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 \(1 November 2012\)](#)

XIII. List of Abbreviations used:

AFM: Autoriteit Financiële Markten, Financial Markets Authority

AIFM: Alternative investment fund managers directive

CRD: Capital requirements directive

DGS: Deposito garantie stelsel, Deposit guarantee scheme

DNB: De Nederlandsche Bank, the Netherlands Central Bank

ESAs: European Supervisory Authorities (i.e. EBA, EIOPA, ESMA)

SSM: Single Supervisory Mechanism

Wft: Wet op het financieel toezicht, Financial Supervision Act