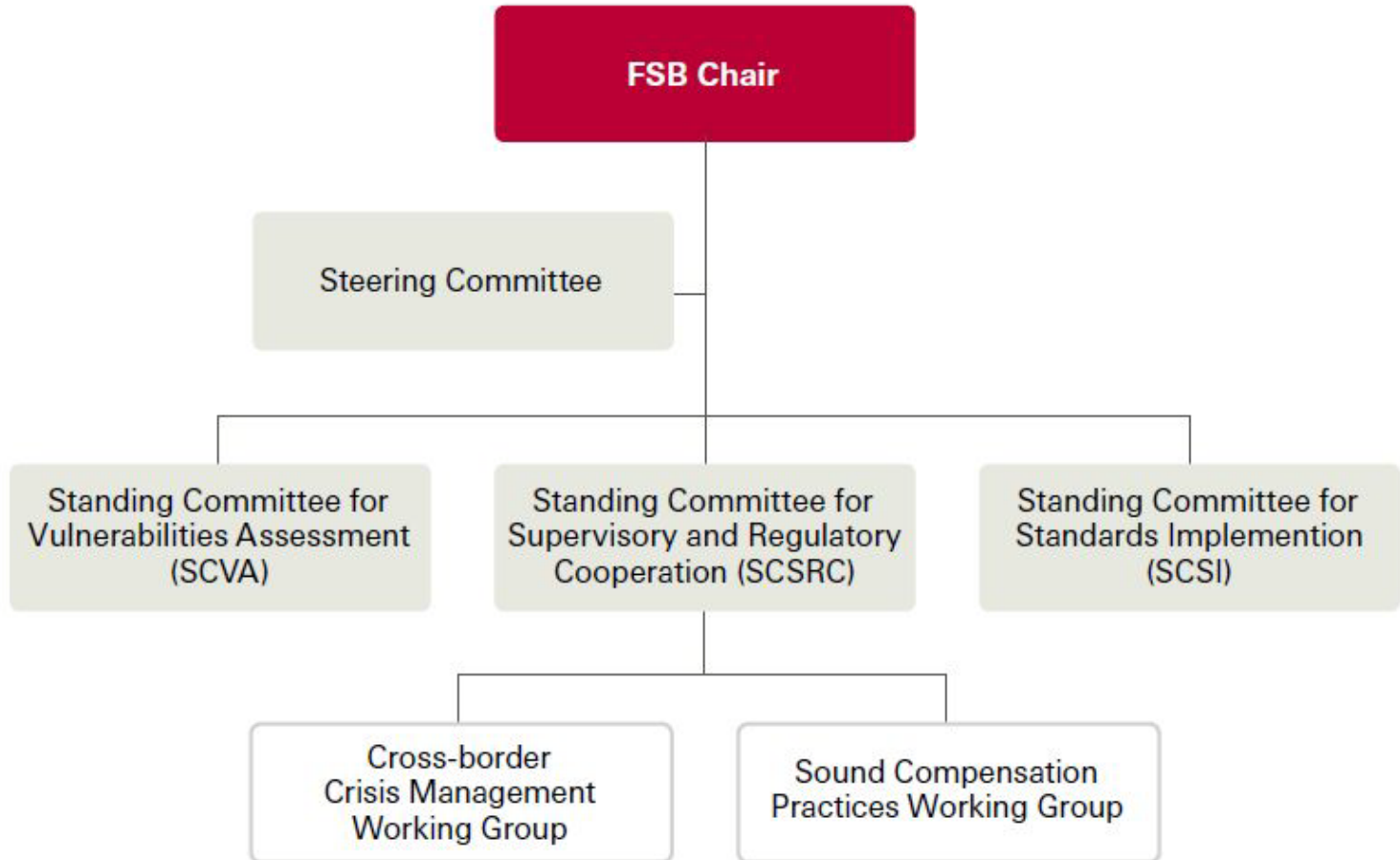




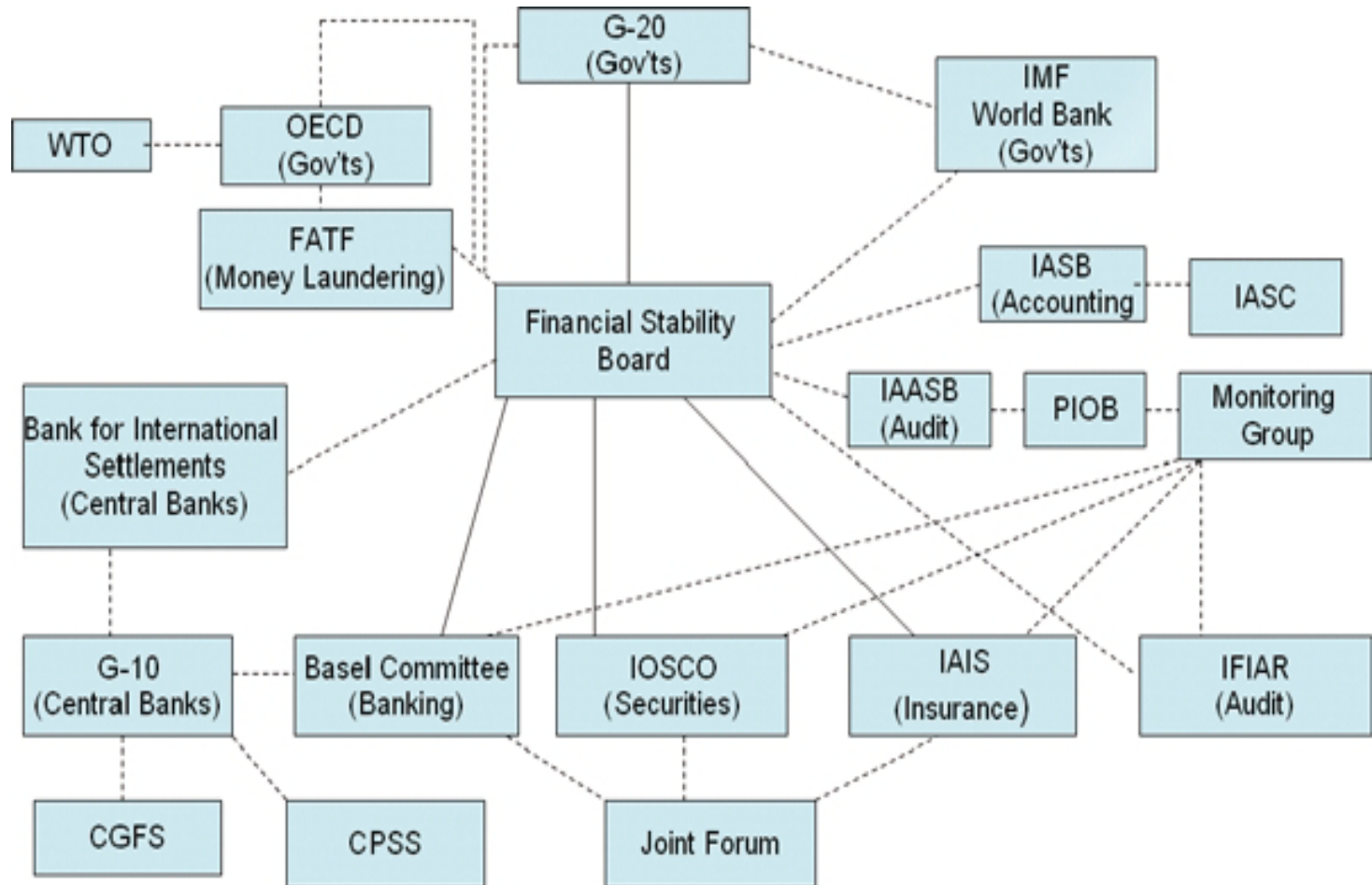
Trends in Global Financial Regulation

2010 Asian Securities Forum
Beijing
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Global Network of Regulators





Reform Summary

Governance and compensation standards in conjunction with BCBS	Reducing contagion and developing infrastructure to manage systemic risk	Development of supervisory colleges across all regulated components
Institutional Regulation	Product & Market Regulation	Related Standards
<p>Capital enhancements including the redefinition of Tier 1 capital and harmonisation of capital definition across jurisdictions.</p>	<p>Regulation of securitisation products including due diligence and disclosure, mandated skin in the game and tight issuer requirements including matters relating to each issue (on an ongoing basis).</p>	<p>Accounting standards enhancement include review of fair value measurement and lending activities and use of expected loss provisioning (in conjunction with institutional capital requirements) and development of convergent approaches to netting rules and treatment of repos.</p>
<p>Procyclicality measures including the use of minimum capital buffers, forward looking provisioning and capital conservation</p>	<p>Regulatory oversight of hedge funds and/or fund managers including mandatory registration, ongoing regulation, provision of data and disclosure requirements</p>	<p>Insurance Standards include better coordination and information sharing between prudential regulators and developing a whole of group approach to insurance.</p>
<p>Liquidity tools including the liquidity coverage ratio and net stable funding ratio</p>	<p>Development of international standards for exchanges and central clearing parties</p>	
<p>Macroprudential/systemic risk strategies, which may include additional prudential regulation for institutions of systemic importance, limits on size of institutions, taxing institutions according to size, revision of internal structures or prohibited activities</p>	<p>Special purpose entities regulation including prudential regulation, disclosure requirements, monitoring and identification of systemic weaknesses</p>	
<p>Cross border resolution</p>	<p>Point of sale regulation for retail investors</p>	
<p>Monitoring and data provisioning</p>		

Reform Timetable

Task	Responsible organisation	Time
Review of existing standards and implementation		
Evaluation of adherence to international standards	FSB	Commenced Feb 2010
Peer review of implementation of 'Principles and Standards for Sound Compensation Practice'	FSB	Completed Mar 2010
Cooperative Mutual Assessment Phase I	G-20, IMF and World Bank	April 2010
Review of financial instrument accounting standards	IASB	End 2010
Policy development		
Policy frameworks for nations and regions	G-20	January 2010
Preliminary assessment and policy options to address 'too big to fail' issue for G-20	FSB	June 2010
Refinement of mutual assessment and policy considerations	G-20	November 2010
International prudential standards – banking	BCBS	Comments on consultative documents 16 April 2010 Impact assessments to be completed in first half 2010 Final standards at the end 2010
Internationally consistent, firm specific recovery and resolution plans and tools	FSB, IMF and World Bank	End 2010
Concept paper for new insurance standards	IAIS	First half of 2011
Full framework for new insurance standards finalised	IAIS	By 2013
Impact assessment of insurance standards	IAIS	2013 onwards
Implementation timeline for new policies		
International prudential standards – banking	BCBS	End 2012 subject to economic conditions