Jurisdiction: United States of America

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

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
I.	**Refining the regulatory perimeter**				
1 (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) We agree to strengthen the regulation and oversight of the shadow banking system.[2] (Cannes)	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. 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*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 11.04.2012 **Short description of the content of the legislation/ regulation/guideline:** The	**Planned actions (if any):** The NAIC is currently in the process of modifying the NAICs Mortgage Guaranty Insurance Model Act, including a more specific risk-based capital requirement and a possible additional loan-level cash flow model capital requirement. In December 2013, the U.S. Federal Insurance Office (FIO) issued its report on How to Modernize and Improve the System of Insurance Regulation in the United States. In the report, FIO recommended that Federal standards and oversight for mortgage insurers should be developed and implemented. Once finalized and adopted, the Federal Housing Finance Authority's (FHFA) updated Private Mortgage Insurer Eligibility Requirements will provide one counterparty risk standard for capital and business operations for mortgage insurers that wish to insure loans that are sold to Fannie Mae and Freddie Mac, the government-sponsored enterprises that purchase mortgages and package them

[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.

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Financial Stability Oversight Council (FSOC) has authority to expand the U.S. regulatory perimeter by designating the largest, most interconnected nonbank firms for heightened prudential standards and supervision by the Federal Reserve. Accordingly, on April 11, 2012, the FSOC published a Final Rule and Interpretive Guidance regarding the criteria and process for designating nonbank financial firms. **Highlight main developments since last year's survey:** As of June 2014, FSOC has designated three nonbank financial companies for Federal Reserve supervision and enhanced prudential standards. FSOC is continually considering other nonbank financial companies as part of the process described in the April 2012 rule and interpretive guidance. **Web-links to relevant documents:** http://www.sec.gov/news/testimony/2012/ts030612mls.htm http://www.sec.gov/news/speech/2012/spch031912ebw.htm http://www.gpo.gov/fdsys/pkg/FR-2012-04-11/pdf/2012-8627.pdf	into mortgage-backed securities. **Expected commencement date:** **Web-links to relevant documents:** http://www.sec.gov/news/testimony/2012/ts030612mls.htm http://www.sec.gov/news/speech/2012/spch031912ebw.htm http://www.gpo.gov/fdsys/pkg/FR-2012-04-11/pdf/2012-8627.pdf

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II.	**Hedge funds**				
2 (2)	Registration, appropriate disclosures and oversight of hedge funds	We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul) 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)	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)](). In particular, jurisdictions should specify whether: - HFs and/or HF managers are subject to mandatory registration - Registered HF managers are subject to appropriate ongoing requirements regarding: • Organisational and operational standards; • Conflicts of interest and other conduct of business rules; • Disclosure to investors; and • Prudential regulation.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 30/4/2013 **Short description of the content of the legislation/ regulation/guideline:** Registration of hedge fund managers in force; data was collected from all managers by April 30 2013. **Highlight main developments since last year's survey:**	**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:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Web-links to relevant documents: http://www.sec.gov/rules/final/2011/ia-3308.pdf http://www.sec.gov/rules/final/2011/ia-3222.pdf http://www.sec.gov/rules/final/2011/ia-3221.pdf	

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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)	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. In addition, jurisdictions should state whether they are: - 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.* 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.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: SEC staff chaired an IOSCO task force that developed a model supervisory cooperation arrangement. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: May 2010 **Short description of the content of the legislation/ regulation/guideline:** Model supervisory cooperation arrangement published by IOSCO in May 2010. The	**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:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				SEC and several of its counterparts have entered into memoranda of understanding (MOUs) and other arrangements relating to cooperation with respect to supervisory matters. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.iosco.org/library/pubdocs/pdf/IOSCOPD322.pdf http://www.sec.gov/about/offices/oia/oia_cooparrangements.shtml#reg	

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4 (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) Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17,FSF 2008)	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. 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. For further reference, see also the following documents : • BCBS *Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999)* • BCBS *Banks' Interactions with Highly Leveraged Institutions (Jan 1999)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 01.06.2011 **Short description of the content of the legislation/ regulation/guideline:** The Dodd-Frank Act generally requires all advisers to hedge funds (and other private pools of capital, including private equity funds) whose assets under management exceed $100 million to register with the SEC. The SEC has completed the required rulemaking (see	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

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				links below). In addition, in accordance with Dodd-Frank, pursuant to the Securities Exchange Act of 1934 ("Exchange Act"), the SEC proposed, in November 2012, capital and margin requirements for security-based swap dealers ("SBSDs") and major security-based swap participants ("MSBSPs"), segregation requirements for SBSDs, and notification requirements with respect to segregation for SBSDs and MSBSPs. In particular, these proposals would require SBSDs and MSBSPs to collect margin from counterparties such as hedge funds. These requirements are modelled on existing margin requirements for broker-dealers. The SEC's proposal would also increase the minimum net capital requirements for broker-dealers permitted to use the alternative internal model-based method for computing net capital ("ANC broker-dealers"). See Capital, Margin, and Segregation Requirements for Security-Based Swap Dealers and Major Security-Based Swap Participants and Capital Requirements for Broker-Dealers, Exchange Act Release No. 68071 (Oct. 18, 2012), 77 FR 70213 (Nov. 23, 2012). Further, the following SEC regulations have	

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				implemented these recommendations: • Exchange Act Rule 15c3-4 requires that OTC derivatives dealers establish, document, and maintain a system of internal risk management controls to assist it in managing the risks associated with its business activities, including market, credit, leverage, liquidity, legal, and operational risks. • Appendix E to Rule 15c3-1 -- Deductions for Market and Credit Risk for Certain Brokers or Dealers, provides that any broker dealer that uses the "alternative method for calculating net capital" (permits a broker-dealer to use mathematical models to calculate net capital requirements for market and derivatives-related credit risk) is subject to enhanced net capital, early warning, recordkeeping, reporting, and certain other requirements, and must implement and document an internal risk management system. • Appendix F to Rule 15c3-1 -- Optional Market and Credit Risk Requirements for OTC Derivatives Dealers, provides that an OTC derivatives dealer shall provide a comprehensive description of its internal risk management control systems and how those systems adhere to the requirements set forth in Rule 15c3-4(a)	

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				through (d). **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sec.gov/rules/final/2011/ia-3222.pdf http://www.sec.gov/rules/final/2011/ia-3221.pdf http://www.sec.gov/rules/proposed/2012/34-68071.pdf http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=81eedd5ca275d84f5eaf694af12003be&rgn=div8&view=text&node=17:3.0.1.1.1.2.95.334&idno=17 http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=81eedd5ca275d84f5eaf694af12003be&rgn=div8&view=text&node=17:3.0.1.1.1.2.95.328&idno=17 http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=81eedd5ca275d84f5eaf694af12003be&rgn=div8&view=text&node=17:3.0.1.1.1.2.95.329&idno=17	

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III.	**Securitisation**				
5 (5) (5)	Improving the risk management of securitisation	During 2010, supervisors and regulators will: • implement IOSCO's proposals to strengthen practices in securitisation markets. (FSB 2009) 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) Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. (Pittsburgh)	Jurisdictions should indicate the progress made in implementing the recommendations contained in: • IOSCO's *Unregulated Financial Markets and Products (Sep 2009)*, 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. *Jurisdictions may also indicate progress in implementing the recommendations of the IOSCO's Report on Global Developments in Securitisation Regulation (Nov 2012)*.[3]	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 20.01.2011 **Short description of the content of the legislation/ regulation/guideline:** On Jan. 20, 2011, final rules were adopted:	**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:**

[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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				"Disclosure for ABS Required by Section 943 of the Dodd-Frank Act" and "Issuer Review of Assets and Offerings of ABS". In July 2013 the federal banking agencies issued rules that update the regulatory capital framework and implement, among other standards, the BCBS' Basel 2.5 standards on exposures to securitisations. The Federal banking agencies also implemented the BCBS' Basel 2.5 standards as part of the market risk final rule issued in June 2012. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** Risk Retention: http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20130828a1.pdf Regulatory capital Final Rules (OCC and Federal Reserve): http://www.federalreserve.gov/newsevents/press/bcreg/20130702a.htm; http://www.occ.gov/news-issuances/news-releases/2013/nr-occ-2013-110.html Regulatory capital interim final rule (FDIC): http://www.fdic.gov/news/news/press/2013/pr13060.html Market risk final rule: http://www.gpo.gov/fdsys/pkg/FR-2012-08-30/pdf/2012-16759.pdf Jan. 20,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				2011 Final Rules: http://www.sec.gov/rules/final/2011/33-9175.pdf (Section 943 Rules) and http://www.sec.gov/rules/final/2011/33-9176.pdf (Issuer review of assets in ABS offerings)	

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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)	Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monolines. See, for reference, the following principles issued by IAIS: • ICP 13 – Reinsurance and Other Forms of Risk Transfer; • ICP 15 – Investments; and • ICP 17 - Capital Adequacy. Jurisdictions may also refer to: • 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).	☑ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** In 2008, New York State Insurance Department issued Circular Letter No. 19, which updated the oversight of financial guaranty insurers. In addition, the companies are subject to increased monitoring and supervision. The New York State Insurance Department keeps other relevant state insurance regulators current on the solvency of financial guaranty insurers. However, the financial guaranty market has contracted such that among the legacy companies, only the insurance subsidiaries of Assured Guaranty Ltd. remain active writers, in addition to Build America Mutual Assurance Company, which was launched in 2012. ☐ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☐ Other actions (such as supervisory	**Planned actions (if any):** State insurance regulators continue to closely monitor the financial guaranty insurers. Given the current scrutiny, inactivity in the insurance of structured products, and the significant market contraction in traditional bond insurance, there are no additional legislative or regulatory changes anticipated at this time at the state level. Certain credit stress, thin pricing, and the market contraction challenge the viability of the financial guaranty market. In December 2013, FIO issued its report on How to Modernize and Improve the System of Insurance Regulation in the United States. In the report, FIO recommended that Federal standards and oversight for mortgage insurers should be developed and implemented. **Expected commencement date:** **Web-links to relevant documents:**

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				actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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)	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. Jurisdictions may reference IOSCO's report on *Good Practices in Relation to Investment Managers´ Due Diligence When Investing in Structured Finance Instruments (Jul 2009).* Jurisdictions may also refer to the Joint Forum report on *Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The NAIC has changed the process by which NAIC designations are assigned for each structured security held by an insurance company. This was an important change as NAIC designations are mapped to Risk-Based Capital factors and Asset Valuation Reserve requirements. Each RMBS and CMBS is modeled on an annual basis, using current economic and market assumptions under different scenarios to determine a probability and magnitude of loss. These are used, together with each company's carrying value for each RMBS and CMBS to	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** The NAIC is engaged in a wholesale review of asset risk factors for all of the investment schedules. This is expected to result in recommendations for significant changes in some areas, while others will likely remain unchanged; depending on the results of detailed analysis as balanced by the need to focus on regulatory benefits. For the largest asset class among insurers – bonds – a probable outcome is increased granularity along with an updating of risk-based capital factors based on more current default and loss severity data. **Expected commencement date:** **Web-links to relevant documents:**

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				determine the NAIC designation and resulting RBC factor. For other structured securities, ratings and carrying values are used to determine the NAIC designation. The new process provides for an increased level of regulatory oversight and results in a more accurate assessment of insurance companies' investment risks. In addition, the NAIC has increased its ongoing review of industry-wide exposures and reports on that to various regulatory groups within the NAIC. **Status of progress :** ☑ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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)	Jurisdictions should indicate the policy measures taken for enhancing disclosure of securitised products. 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)*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 20/01/2011 **Short description of the content of the legislation/ regulation/guideline:** On Jan. 20, 2011, final rules were adopted: "Disclosure for ABS Required by Section 943 of the Dodd-Frank Act" and "Issuer Review of Assets and Offerings of ABS" **Highlight main developments since last**	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** July 26, 2011 re-proposal - comment period originally ended Oct. 4, 2011; comment period reopened on February 25, 2014 with respect to a portion of the re-proposal (dissemination of asset-level data), ending April 28, 2014; final rules pending. **Expected commencement date:** **Web-links to relevant documents:**

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				year's survey: **Web-links to relevant documents:** Jan. 20, 2011 Final Rules: http://www.sec.gov/rules/final/2011/33-9175.pdf (Section 943) and http://www.sec.gov/rules/final/2011/33-9176.pdf (Issuer review of assets in ABS offerings) July 26, 2011 Proposed Rules: http://www.sec.gov/rules/proposed/2010/33-9117.pdf (Asset-backed securities) and http://www.sec.gov/rules/proposed/2011/33-9244.pdf (Re-proposal of shelf eligibility conditions for asset-backed securities)	

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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)	Jurisdictions should indicate the policy measures taken for implementing consistent, consolidated supervision and regulation of SIFIs.[4] See, for reference, the following documents: BCBS: • *Framework for G-SIBs (Nov 2011)* • *Framework for D-SIBs (Oct 2012)* • *BCP 12 (Sep 2012)* IAIS: • *Global Systemically Important Insurers: Policy Measures (Jul 2013)* • *ICP 23– Group wide supervision* FSB: • *Framework for addressing SIFIs (Nov 2011)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: See below **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☑ Final rule or legislation approved and will come into force on: end-2014 ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** The Dodd-Frank Act modifies U.S. regulatory framework by creating the FSOC, chaired	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

[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.

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				by the Secretary of the Treasury, with the authority to designate nonbank financial firms whose material financial distress or composition could threaten the financial stability of the United States' and to require these firms be subject to prudential standards and supervision by the Federal Reserve. The final rule and interpretative guidance noted above pertains to the authority to designate. Following the financial crisis, the OCC developed as part of its supervisory process a set of "heightened expectations" to strengthen the governance and risk management practices of large national banks and federal savings associations and to enhance the agency's supervision of those institutions. The program emphasised strong internal control and audit functions and the responsibility of boards to present a credible challenge to management. **Highlight main developments since last year's survey:** As of June 2014, FSOC has designated three nonbank financial companies for Federal Reserve supervision and enhanced prudential standards. FSOC is continually considering other nonbank financial companies as part of the process	

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				described in the April 2012 rule and interpretive guidance. AIG, Prudential and GECC have been designated as non-bank systemically important firms and are regulated by the Federal Reserve. The Federal Reserve is using SR 12-17 as the basis for the supervision of these firms. The FRS is currently working to tailor supervisory practices and regulations (for example, for liquidity, capital and enhanced prudential standards) for these non-bank systemically important firms. On September 11, 2014, the OCC issued formal guidelines to make the standards of its Heightened Expectations program enforceable on institutions with total assets of $50 billion or more. The Heightened Standards guidelines set forth the minimum standards for the design and implementation of an institution's risk governance framework and provide minimum standards for oversight of that framework by the board of directors." The new standards become effective November 10, 2014. **Web-links to relevant documents:** http://www.treasury.gov/initiatives/fsoc/Documents/Nonbank%20Designations%20-%20Final%20Rule%20and%20Guidance.pdf	

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10 (10) (10)	Establishing supervisory colleges and conducting risk assessments	To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London) We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)	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. Principle 13 of BCBS Core Principles for Effective Banking Supervision and Good practice principles on supervisory colleges (Oct 2010) may be used as a guide for supervisor to indicate the implementation progress. For further reference, see the following documents: BCBS: • *Core Principles for Effective Banking Supervision (Sep 2012)* IAIS : • *ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges* • *Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges* IOSCO: • *Principles Regarding Cross-Border*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Supervisory colleges for significant U.S. cross-border banking and insurance firms have been established and in-person as well as conference call meetings are held regularly. The colleges provide a framework for the exchange of information regarding risk assessments. Crisis Management Group (CMG) meetings to discuss crisis management, recovery and resolution planning have been held for all eight U.S. G-SIFIs. With the exception of the CMG for Wells Fargo, where there are no identified host authority members, these meetings have included	**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:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
			<u>*Supervisory Cooperation (May 2010)*</u>	significant host supervisor participation. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: Oct 2012 **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** This year, the US established universal colleges for JPMC and Citi. The core colleges will begin to meet on a semi-annual basis. An in-person CMG meeting for seven U.S. GSIFIs was held in New York on October 15-16, 2013. The CMG meeting for Wells Fargo occurred on April 7, 2014. The CMG for AIG met in October 2014 and the CMG for Prudential will meet in the fourth quarter of 2014. State Insurance Regulators of material regulated entities attend CMG's for AIG and Prudential, in addition to FIO and the FRB. State regulators have established supervisory colleges for all the major internationally active insurance groups or	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				(IAIGs) as defined by the IAIS. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
11 (11) (11)	Supervisory exchange of information and coordination	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) Enhance the effectiveness of core supervisory colleges. (FSB 2012)	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. 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).	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: Supervisors are exchanging information and improving coordination in a number of ways, e.g., through supervisory colleges and through participation in all of the major international efforts to improve supervisory responses to developments that have a common effect across a number of institutions. IOSCO members, including the SEC, also continue to develop bilateral supervisory MOUs in accordance with IOSCO's Principles for Supervisory Cooperation. U.S. agencies involved in Financial Stability Board (FSB)	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				workstreams continue to work through CMGs, information sharing and cross-border cooperation agreements, and memoranda of understanding in accordance with the timelines established by the FSB's Cross-border Crisis Management group and the Resolution Steering Committee to share information and develop best practices for resolution. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: July 2010 **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year’s survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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
V.	**Building and implementing macroprudential frameworks and tools**				
13 (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) 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 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. 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.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 11/30/2011 and 4/1/2012 **Short description of the content of the legislation/ regulation/guideline:** The	**Planned actions (if any):** The FSOC continues to work to identify, analyze and coordinate responses to threats to financial stability. In 2011, the FSOC issued its first annual report that identifies emerging threats to financial stability. The Federal Reserve also has begun to incorporate macro-prudential considerations in its regulation and supervision of banking firms. **Expected commencement date:** **Web-links to relevant documents:**

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
				FSOC, chaired by the Secretary of the Treasury, has broad accountability to identify emerging risks to improve financial stability, to improve regulatory coordination and to identify market participants that require heightened supervision. The Dodd-Frank Act also gives regulators authority to take into account macro-prudential considerations in their regulation of financial firms. The FSOC may designate financial firms as nonbank systemically important financial institutions if the FSOC finds that the firm's financial distress or failure would threaten the financial stability of the United States. Designated firms are subject to the enhanced prudential standards described in section 165 of the Dodd-Frank Act. In addition, such firms are subject to prudential supervision by the Federal Reserve. The Office of Financial Research (OFR) was granted broad authority to gather information, in particular on parts of the financial system that fall outside the regulatory perimeter. **Highlight main developments since last year's survey:** The FSOC has designated three financial firms as nonbank SIFIs (American International Group, General Electric Capital Corporation and	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Prudential Financial). The FSOC issued financial stability reports in 2013 and 2014. **Web-links to relevant documents:** http://www.gpo.gov/fdsys/pkg/FR-2011-11-01/pdf/2011-27377.pdf http://www.gpo.gov/fdsys/pkg/FR-2012-01-23/pdf/2012-1136.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
14 (14) (14)	Enhancing system-wide monitoring and the use of macro-prudential instruments	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) 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) Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)	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. See, for reference, the CGFS document on *Operationalising the selection and application of macroprudential instruments (Dec 2012)*. 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).*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The FSOC and member agencies monitor asset prices as part of their systemic risk monitoring activities. The Federal Reserve considers asset price fluctuations as one input into monetary policy decision-making. **Status of progress :** ☐ Draft in preparation, expected publication by: ☑ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** As	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				noted in Item 4, in October 2012, the SEC proposed capital and margin requirements for security-based swap dealers ("SBSDs") and major security-based swap participants ("MSBSPs"), segregation requirements for SBSDs, and notification requirements with respect to segregation for SBSDs and MSBSPs. In July 2013 the FDIC, Federal Reserve and OCC finalized rules implementing key provisions of Basel III, including the countercyclical capital buffer. On April 28, 2011, the CFTC issued a Notice of Proposed Rulemaking on Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants ("Margin NOPR") proposing draft implementing regulations for both initial margin and variation margin under the Dodd-Frank Wall Street Reform and Consumer Protection Act. BCBS and IOSCO formed the Working Group on Margining Requirements ("WGMR") in October 2011 to develop margin requirements for non-centrally cleared derivatives. These requirements were set forth in a joint BCBS-IOSCO report published in September 2013. CFTC staff is drafting a revised proposed rulemaking on margin requirements for	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				uncleared swaps for SDs and MSPs in close coordination with U.S. authorities, in light of the BCBS-IOSCO September 2013 framework. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sec.gov/rules/proposed/2012/34-68071.pdf. CFTC Notice of Proposed Rulemaking on Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/document July 2013 Final Rule http://www.federalreserve.gov/newsevents/press/bcreg/20130702a.htm	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: U.S. authorities exchange information amongst themselves and with their foreign counterparts in a number of international groups, including the FSB and its Standing Committee on the Assessment of Vulnerabilities (SCAV). U.S. authorities also have bilateral relationships with foreign supervisors and central banks. U.S. supervisors participate in a number of colleges of supervisors and CMGs for the largest banking organizations, and U.S. banking agencies participate in the Senior Supervisors Group, where supervisors share information regarding	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				the risk management practices of large, global financial firms. Finally, the Dodd-Frank Act created the FSOC to provide comprehensive monitoring of risks to financial stability. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: July 2010 **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** In March 2013, the supervisors of G-SIBs began transmitting data on the institutions' counterparty credit exposures to a central hub at the BIS. The NYFRB provides information on six US G-SIBs. Reports from this database are distributed to all contributing supervisors. **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VI.	**Improving oversight of credit rating agencies (CRAs)**				
16 (16) (16) (16) (New)	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) 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. CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process. The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London) Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009) We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)	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: • *Code of Conduct Fundamentals for Credit Rating Agencies (May 2008)* Jurisdictions may also refer to the following IOSCO documents: • 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)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 01.06.2007 **Short description of the content of the legislation/ regulation/guideline:** The Credit Rating Agency Reform Act of 2006 (Rating Agency Act) established self-executing requirements for nationally recognized statistical rating organizations	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** IOSCO C6 members will continue to meet to identify conflicts between CRA regulatory regimes and seek appropriate resolutions consistent with the IOSCO principles. IOSCO C6 is now in the process of revising the IOSCO CRA Code. The revised IOSCO CRA Code was published for consultation in the first quarter of 2014 and the goal is to finalize the IOSCO CRA Code by the end of 2014. **Expected commencement date:** **Web-links to relevant documents:** http://www.iosco.org/library/pubdocs/pdf/IOSCOPD437.pdf

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				(NRSROs) and provided the SEC with exclusive authority to implement a registration and oversight program for NRSROs. In June 2007, the SEC approved rules implementing a registration and oversight program for NRSROs, which became effective that same month. Since adopting the implementing rules in 2007, the SEC has adopted additional amendments to its NRSRO rules. The statutory and regulatory requirements in the U.S. for NRSROs are consistent with the IOSCO Statement of Principles Regarding the Activities of Credit Rating Agencies and the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies. The IOSCO C6 Report on Regulatory Implementation of the Statement of Principles Regarding the Activities of Credit Rating Agencies, published in its final form in February 2011, concluded that the objectives of the IOSCO Statement of Principles Regarding the Activities of Credit Rating Agencies are embedded into all member jurisdictions' programs. The Dodd-Frank Act contains a number of provisions designed to strengthen the SEC's regulatory oversight of NRSROs,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				including self-executing requirements and grants of rulemaking authority to the SEC. On May 18, 2011, the SEC voted to propose new rules and amendments that would implement certain provisions of the Dodd-Frank Act and enhance the SEC's existing rules governing credit ratings and NRSROs. If adopted as proposed, NRSROs would be required to, among other things: • Report on internal controls. • Protect against certain additional conflicts of interest. • Establish professional standards for credit analysts. • Publicly provide – along with the publication of the credit rating – disclosure about the credit rating and the methodology used to determine it. • Enhance their public disclosures about the performance of their credit ratings. In May 2009, IOSCO created the Committee on Credit Rating Agencies - Committee 6 (C6), currently chaired by the SEC. The mandate for C6 is to regularly discuss, evaluate and consider regulatory and policy initiatives vis-à-vis credit rating agency activities and oversight in an effort to seek cross border regulatory consensus through such means as the IOSCO CRA Code and to facilitate regular dialogue between securities	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				regulators and the credit ratings industry. Since its establishment, C6 has met approximately three times a year, during which meetings committee members have discussed the regulatory developments in their respective jurisdictions. In addition, representatives from CRAs have attended a portion of several of the triannual meetings to advise C6 members of issues arising in the CRA industry that result from regulatory developments. **Highlight main developments since last year's survey:** Consistent with the IOSCO Final Report on Supervisory Colleges for Credit Rating Agencies, the SEC formed Supervisory Colleges (Colleges) for each of the large, globally active CRAs (Fitch, Moody's, and S&P) and held the first in-person meetings in November 2013. The Colleges serve as a resource for CRA supervisors by facilitating, among other things, information exchange. The Colleges plan to have quarterly calls and an annual, in-person meeting. **Web-links to relevant documents:** http://www.sec.gov/rules/final/2007/34-55857.pdf http://www.sec.gov/rules/final/2009/34-59342.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://www.sec.gov/rules/final/2009/34-61050.pdf http://www.sec.gov/rules/final/2010/33-9146.pdf http://www.sec.gov/rules/final/2011/33-9175.pdf http://www.sec.gov/rules/final/2011/33-9245.pdf http://www.sec.gov/rules/proposed/2011/34-64514.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
17 (17)	Reducing the reliance on ratings	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) 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) 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) We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that	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
(New)		would enhance transparency of and competition among credit rating agencies. (Los Cabos) 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)			

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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)	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. 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.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: U.S. banking regulators regularly monitor significant changes to accounting standards that may significantly affect financial institutions and routinely provide comments on such proposals. The banking regulators also routinely meet with standard setters, representatives from audit firms and financial institutions, and the SEC to discuss financial accounting and implementation matters. In addition, the U.S. banking agencies are also members of the Basel Committee's Accounting Expert Group where global	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				accounting and auditing issues are addressed. U.S. banking regulators regularly issue regulatory reporting guidance that is consistent with U.S. GAAP and issue policy guidance as necessary. IOSCO maintains a database and discussion arrangements for sharing securities regulators' experiences on International Financial Reporting Standards (IFRS) application around the world. IOSCO anticipates meeting periodically with the IASB staff to discuss these matters and coordinating database conference calls several times per year to discuss members' emerging IFRS issues. SEC staff selectively reviews corporate filings to monitor and enhance compliance with applicable disclosure and accounting requirements and brings enforcement actions when appropriate. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: **Short description of the content of the**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				legislation/ regulation/guideline: **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
19 (19) (19)	Appropriate application of Fair Value Accounting	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) 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)	Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting. See, for reference, the following BCBS documents: • *Basel 2.5 standards on prudent valuation (Jul 2009)* • *Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The objective of the joint IASB/FASB project on fair value measurement was to develop common fair value measurement guidance. To achieve this objective, the FASB and the IASB had agreed to the following: 1. The project's objective was to ensure that fair value has the same meaning in U.S. generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS).2. The project's goal was to make U.S. GAAP and IFRS guidance on fair value measurement the same, other than minor necessary differences	**If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:** **Planned actions (if any):** Financial instruments: Classification and measurement – The FASB re-deliberations on classification and measurement continue, and a final standard, mostly minor adjustments to current GAAP, is expected in the second half of 2014. The IASB completed its re-deliberations and plans to issue its model, based on its proposed solely payments of principle and interest (SPPI) and business model tests, as a final standard in the first half of 2014. Financial instruments: Credit losses (impairment) - the FASB completed its comment letter period and continues to re-deliberate its current expected credit loss (CECL) model for credit losses, a final standard is expected in the second half of 2014. The IASB completed its re-deliberations and plans to issue its three-bucket model as a final standard in the first half of 2014. Financial instruments: Hedge accounting – It is unclear when the FASB will begin research / re-deliberations on hedge accounting. The IASB will continue to re-

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				in wording or style. The FASB agreed to consider comments received on the IASB Exposure Draft, Fair Value Measurement, and to propose amendments to guidance on fair value measurement in U.S. GAAP to achieve that goal. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 12.05.2011 **Short description of the content of the legislation/ regulation/guideline:** On May 12, 2011, the FASB completed this project with the issuance of Accounting Standards Update No. 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. On May 12, 2011, the IASB issued IFRS 13, Fair Value Measurement. The fair value standards require that assumptions about risk include the risk inherent in a particular valuation technique used to measure fair value (such as a pricing	deliberate feedback received on its discussion paper on macro-hedging. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				model) and the risk inherent in the inputs to the valuation technique. Such assumptions about risk may require a risk adjustment when there is significant measurement uncertainty. The FASB and the IASB are addressing accounting for financial instruments, including hedge accounting, through their respective financial instruments accounting projects The FASB and the IASB have both issued exposure drafts of their proposals on financial instrument classification and measurement and the accounting for credit impairment. The Boards believe that these projects will: a. Reconsider the recognition and measurement of financial instruments b. Address issues related to impairment of financial instruments The IASB issued a final General Hedge Accounting IFRS in 2013. This project replaced certain rules-based hedge accounting requirements in IAS 39 Financial Instruments: Recognition and Measurement with a more principles-based approach designed to more closely align the accounting with risk management activities. The objective of this standard is to improve the ability of investors to understand risk management activities and to assess the amounts,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				timing and uncertainty of future cash flows. In April 2014, the IASB published a discussion paper on macro hedging exploring an approach to better reflect entities' dynamic risk management activities in their financial statements. The FASB included proposed revisions to the accounting for derivative instruments and hedging activities in its May 2010 proposal. Although the FASB has not begun redeliberating its May 2010 hedge accounting proposals, the FASB has said that during its research and redeliberations, it will also consider the IASB's hedge accounting standard. **Highlight main developments since last year's survey:** Financial instruments: Classification and measurement – FASB continued its re-deliberations and in late 2013, determined to not pursue the proposed joint model with the IASB, based on its proposed solely payments of principle and interest (SPPI) and business model tests, and to mostly retain current GAAP with targeted amendments. The IASB completed its re-deliberations and plans to issue its model, based on the joint proposal, as a final standard in the first half of 2014. Financial instruments: Credit losses (impairment) – Both the	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				FASB and IASB continued to separately deliberate feedback received from the commenting process and develop implementation guidance for their pending standards. The FASB continued to refine their current expected credit loss model and plans to issue a final standard in the second half of 2014. The IASB finished its re-deliberations and plan on issuing a final standard, based on their 3-bucket model, in the first half of 2014. Financial instruments: Hedge accounting – The FASB has not begun re-deliberations on hedge accounting since its 2010 proposal. The IASB completed its General Hedge Accounting project and published new requirements in IFRS 9. In addition, in April 2014 the IASB published a discussion paper on macro hedging exploring an approach to better reflect entities' dynamic risk management activities in their financial statements. **Web-links to relevant documents:** IASB staff summary of IFRS 13: http://www.ifrs.org/Current-Projects/IASB-Projects/Fair-Value-Measurement/IFRS-13-Fair-Value-Measurement/Documents/FairValueMeasurementFeedbackstatement_May2011.pdf FASB ASU 2011-04:	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://www.fasb.org/cs/BlobServer?blobcol=urldata&blobtable=MungoBlobs&blobkey=id&blobwhere=1175822486936&blobheader=application%2Fpdf IASB classification and measurement exposure draft: http://www.ifrs.org/Current-Projects/IASB-Projects/Financial-Instruments-A-Replacement-of-IAS-39-Financial-Instruments-Recognitio/Limited-modifications-to-IFRS-9/Documents/ED-Classification-and-Measurement-November-2012-bookmarks.pdf IASB credit losses exposure draft: http://www.ifrs.org/Current-Projects/IASB-Projects/Financial-Instruments-A-Replacement-of-IAS-39-Financial-Instruments-Recognitio/Impairment/Exposure-Draft-March-2013/Comment-letters/Documents/ED-Financial-Instruments-Expected-Credit-Losses-March-2013.pdf FASB classification and measurement exposure draft: http://www.fasb.org/cs/BlobServer?blobkey=id&blobnocache=true&blobwhere=1175825999175&blobheader=application%2Fpdf&blobcol=urldata&blobtable=MungoBlobs FASB credit losses exposure draft:	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				http://www.fasb.org/cs/BlobServer?blobkey=id&blobnocache=true&blobwhere=1175825477164&blobheader=application%2Fpdf&blobcol=urldata&blobtable=MungoBlobs	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
VIII.	**Enhancing risk management**				
20 (20) (20) (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) 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) Regulators and supervisors in emerging markets[6] will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009) We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)	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: • BCBS <u>*Basel III: International framework for liquidity risk measurement, standards and monitoring (Dec 2010)*</u> • BCBS <u>*Principles for sound stress testing practices and supervision (May 2009)*</u> Jurisdictions may also refer to FSB's <u>*thematic peer review report on risk governance (Feb 2013)*</u> and BCBS <u>*Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)*</u>	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☑ Final rule or legislation approved and will come into force on: September 3, 2014 ☐ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** - The Federal Reserve Board, along with the	**Planned actions (if any):** The Federal Reserve Board, FDIC, and OCC are implementing the finalized rule on the Liquidity Coverage Ratio. **Expected commencement date:** **Web-links to relevant documents:**

[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
				FDIC and OCC, proposed a rule to strengthen the liquidity positions of large financial institutions. The proposal would for the first time create a standardized minimum liquidity requirement for large and internationally active banking organizations and systemically important, non-bank financial companies designated by the Financial Stability Oversight Council. These institutions would be required to hold minimum amounts of high-quality, liquid assets such as central bank reserves and government and corporate debt that can be converted easily and quickly into cash. Each institution would be required to hold liquidity in an amount equal to or greater than its projected cash outflows minus its projected cash inflows during a short-term stress period. The ratio of the firm's liquid assets to its projected net cash outflow is its "liquidity coverage ratio," or LCR. - The Federal Reserve Board published two final rules in October of 2012 with stress testing requirements for certain bank holding companies, state member banks, and savings and loan holding companies. The final rules implement sections 165(i)(1) and (i)(2) of the Dodd-Frank Wall Street Reform and	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Consumer Protection Act that require supervisory and company-run stress tests. Nonbank financial companies designated by the Financial Stability Oversight Council will also be subject to certain stress testing requirements contained in the rules. Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") requires national banks and federal savings associations with total consolidated assets of more than $10 billion to conduct annual stress tests. On October 9, 2012, the OCC published its final annual stress test rule (12 CFR 46), which set out definitions and rules for scope of application, scenarios, reporting, and disclosure. The OCC provides the required scenarios to the covered institutions by November 15 of each year. The results of the company-run stress tests provide the OCC with forward-looking information that is used in bank supervision and assists the agency in assessing the company's risk profile and capital adequacy. - The Federal Reserve Board approved a final rule strengthening supervision and regulation of large U.S. bank holding companies and foreign banking organizations. The final rule	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				establishes a number of enhanced prudential standards for large U.S. bank holding companies and foreign banking organizations to help increase the resiliency of their operations. These standards include liquidity, risk management, and capital. It also requires a foreign banking organization with a significant U.S. presence to establish an intermediate holding company over its U.S. subsidiaries, which will facilitate consistent supervision and regulation of the U.S. operations of the foreign bank. The final rule was required by section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. **Highlight main developments since last year's survey:** Finalizing the Enhanced Prudential Standards discussed above and issued the U.S. LCR. **Web-links to relevant documents:** http://www.federalreserve.gov/boarddocs/srletters/2010/sr1006.htm http://www.federalreserve.gov/newsevents/press/bcreg/20131024a.htm http://www.federalreserve.gov/newsevents/press/bcreg/20121009a.htm http://www.federalreserve.gov/newsevents/press/bcreg/20140218a.htm	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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/.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The FASB and the IASB have been continuing to consider possible amendments to their standards on financial instrument impairment. See No. 19 above. Since the Pittsburgh Summit in September 2009, the U.S. regulators published additional guidance for the 19 SCAP firms about the type of analysis the largest firms would be required to undertake prior to undertaking any capital action that would result in a reduction in their common equity. **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on:	**Planned actions (if any):** In all cases under the normal supervisory process supervisors will actively encourage the firms to raise additional capital in situations where there are expected shortfalls in a firm's overall capital adequacy. Specifically, the largest U.S. banking organizations going forward are expected to submit a comprehensive capital plan that considers the potential migration of problem assets and the impact of this migration on the banking organization's capital base and their future capital needs. The capital plan should take into consideration a business as usual scenario as well as a more severe economic scenario where management's outlook for losses, earnings, liquidity and funding has been substantially impaired. The largest firms would be expected to demonstrate that over the projected capital plan period, and under the firm's current and prospective financial condition, they would continue to hold capital sufficiently above the regulatory minimums for a well-capitalized institution in light of the institution's overall risk profile. **Expected commencement date:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				☑ Reform effective (completed) as of: **Short description of the content of the legislation/ regulation/guideline:** **Highlight main developments since last year's survey:** **Web-links to relevant documents:**	**Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
22 (22) (New)	Enhanced risk disclosures by financial institutions	Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington) We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)	Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on *Enhancing the Risk Disclosures of Banks* and *Implementation Progress Report by the EDTF (Aug 2013)*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☐ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 01.01.2010 **Short description of the content of the legislation/ regulation/guideline:** The FASB issued a final accounting standard in January 2010, "Improving Disclosures about Fair Value," to improve the disclosures about fair value measurement. The disclosure requirements became fully effective for reporting periods beginning	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				after December 15, 2010. The FASB issued a final accounting standard in July 2010, "Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses, to provide greater transparency about entities credit risk exposures and the allowance for credit losses. The disclosures provide additional information about the nature of credit risks inherent in entities' financing receivables, how credit risk is analyzed and assessed when determining the allowance for credit losses, and the reasons for the change in the allowance for credit losses. The FASB issued a final accounting standard in February 2013 "Financial Instruments (Topic 825): Clarifying the Scope and Applicability of a Particular Disclosure to Nonpublic Entities." The amendments clarify that the requirement to disclose "the level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2, or 3)" does not apply to nonpublic entities for items that are not measured at fair value in the statement of financial position but for which fair value is disclosed. Further, for a broker-dealer that computes deductions to net capital pursuant to Appendix E to	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Exchange Act Rule 15c3-1, the SEC has authority to request information that it deems necessary to understand the financial and operational condition of the broker-dealer. Since the financial crisis, SEC staff has requested additional metrics covering specific risk exposures on both an ad hoc and recurring basis. With regard to insurance regulation in the U.S., state insurance regulators use statutory accounting, which includes disclosure of the GAAP fair value hierarchy level for instruments carried at fair value, and the standardized reporting that insurers are required to submit for various purposes, including monitoring the overall risk and financial condition of the industry as a whole. This includes security by security listings and identification of restrictions such as pledges and repurchase agreements, concentration disclosures in the Supplemental Risk Interrogatories, and detailed risk descriptions for the various investment classes in the notes to financial statements. **Highlight main developments since last year's survey:** The disclosure requirements under Pillar 3 of the Basel II framework are now included in the Basel	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				III final rule and some of those disclosures now apply to banks using the Standardized Approach. The NAIC has modified the NAIC Holding Company Act to require a new filing, the Form F-Enterprise Risk Report. This requires the ultimate controlling entity to file a report that describes any contagion risk to which the group is exposed, and to which the insurance company is subjected. This is achieved by requiring the ultimate controlling party to disclose "…any material activity or development of the insurance holding company system that, in the opinion of senior management, could adversely affect the insurance holding company system." The NAIC has also adopted an Own Risk and Solvency Assessment (ORSA) which requires, among other things, the annual filing of a group ORSA Summary Report that US regulators will use to help assess the risk management of insurance groups doing business in the U.S. To date, 20 states have now adopted this act, and will require the ORSA Summary Report in 2015. **Web-links to relevant documents:** http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=81eedd5ca275d84f5eaf694af12003be&rgn=div8&view=text&node=17:3.0.1.1.1.2.95.328&idno=17	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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)	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:* • 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)	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 15/10/2013 **Short description of the content of the legislation/ regulation/guideline:** Clarifies that deposits in branches of U.S. banks located outside the United States are not FDIC-insured deposits. **Highlight main developments since last year's survey:** The proposed rule	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				identified in last year's survey has been finalized. **Web-links to relevant documents:** https://federalregister.gov/a/2013-22340	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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)	Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets. Jurisdictions should indicate the progress made in implementing the recommendation in the following IOSCO reports in their regulatory framework: • *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)*.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: In January 2010, SEC issued a concept release to conduct a broad review of the US equity market structure. The review, which is ongoing, includes an evaluation of equity market structure performance and an assessment of whether market structure rules have kept pace with, among other things, changes in trading technology and practices. Market Information Data Analytics System or MIDAS. The SEC has implemented a system that will allow staff to gather information about all orders posted on the national exchanges, all modification and	**Planned actions (if any):** The SEC continues to evaluate proposed Regulation Systems Compliance and Integrity ("Reg. SCI"), which would apply to certain self-regulatory organizations (including registered clearing agencies), alternative trading systems ("ATSs"), plan processors, and exempt clearing agencies subject to the Commission's Automation Review Policy (collectively, "SCI entities"), and would require these SCI entities to, among other things, comply with requirements with respect to their automated systems that support the performance of their regulated activities. In general, proposed Reg. SCI would require SCI entities to establish written policies and procedures reasonably designed to ensure that their systems have levels of capacity, integrity, resiliency, availability, and security adequate to maintain their operational capability and promote the maintenance of fair and orderly markets, and that they operate in the manner intended. On June 11, 2010, the CFTC issued a Notice of Proposed Rulemaking on Co-location/Proximity Hosting Services which proposes requirements on DCMs, derivatives

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				cancellation of those orders, all trade execution of those orders, and all off-exchange executions to assist it in analysing and overseeing the US markets. **Status of progress :** ☐ Draft in preparation, expected publication by: ☑ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: Oct 2011 **Short description of the content of the legislation/ regulation/guideline:** Recommendations from the Final Report on Regulatory Issues raised by the Impact of Technological Changes on Market Integrity and Efficiency (Recommendations) 1-5 and Principles from the Final Report on Principles for Dark Liquidity (Dark Liquidity Principles) 1-6 are already covered by various provisions of the Securities Exchange Act of 1934, the rules and regulations thereunder and various self-regulatory organization rules. However, the SEC continually evaluates all aspects of market structure, including the issues described in the Recommendations and Dark Liquidity Principles. For example,	transaction execution facilities and exempt commercial markets that list. **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				in January 2010, SEC issued a concept release to conduct a broad review of the US equity market structure. The review, which is ongoing, includes an evaluation of equity market structure performance and an assessment of whether market structure rules have kept pace with, among other things, changes in trading technology and practices. In 2013, the SEC implemented a new website devoted to market structure data and analysis drawn from a range of sources. The SEC assesses this data in considering critical issues raised by the current market structure concerns. The SEC continues to study and consider regulatory initiatives concerning Alternative Trading Systems ("ATS"). Most recently, SEC staff published a white paper that describes ATS trading activity on the market structure website. SEC staff also published a review of current economic literature on fragmentation in the equity markets. This literature review addressed several topics, including dark, or undisplayed, liquidity. The purpose of these efforts is to generate a sound empirical basis for conclusions on whether problems exist that require regulatory action and, if so, what potential solutions to the problems should look like. Additional data concerning	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				ATS trading activity recently became available as a result of a FINRA rule that the SEC approved. The rule requires registered ATSs to report to FINRA aggregate weekly trading volume and number of trades executed within the ATS on a security-by-security basis. The new regime also requires each individual ATS to use a unique MPID, which can be used only for activity on the ATS, for reporting trades and orders to FINRA. FINRA makes the reported volume and trade count information for equity securities publicly available on its website. May 16, 2013 (Commission voted to approve SEF Final Rules), June 11, 2010 (Co-Location NOPR) On June 19, 2012, the Commission issued final rules for Core Principles and Other Requirements for Designated Contract Markets (effective August 20, 2012). In the final rule, the Commission adopted Rule 38.255: Risk Controls for trading. That rule provides that “The designated market must establish and maintain risk control mechanisms to prevent and reduce the potential risk of price distortions and market disruptions…” On May 16, 2013, the CFTC voted to approve final rules regarding the Core Principles and Other Requirements for Swap Execution Facilities ("SEF Final	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Rules"). The SEF Final Rules requires a Swap Execution Facility ("SEF") to establish and maintain risk control mechanisms to reduce the potential risk of market disruptions. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.sec.gov/marketstructure/ http://www.sec.gov/rules/sro/finra/2014/34-71341.pdf Proposed Regulation Systems Compliance and Integrity: http://www.sec.gov/rules/proposed/2013/34-69077.pdf SEC concept release to review the US equity market structure: http://www.sec.gov/rules/concept/2010/34-61358.pdf Final Rule on Core Principles and Other Requirements for Designated Contract Markets available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2012-36612a.pdf Microsoft Word version of Final Rulemaking on Core Principles and Other Requirements for Swap Execution Facilities available at http://www.cftc.gov/LawRegulation/DoddFrankAct/Dodd-FrankFinalRules/index.htm (Federal Register publication pending) CFTC Notice of Proposed Rulemaking on Co-Location/Proximity Hosting Services	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2010-13613a.pdf	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
25 (25) (New)	Regulation and supervision of commodity markets	We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use 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) 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)	Jurisdictions should indicate whether commodity markets of any type exist in their national markets. 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)*. 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.	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☐ Primary / Secondary legislation ☑ Regulation / Guidelines ☑ Other actions (such as supervisory actions), please specify: The CFTC's surveillance authority. **Status of progress :** ☐ Draft in preparation, expected publication by: ☑ Draft published as of: May 29, 2014 (position limits) ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 7/22/2011 (in all other areas) **Short description of the content of the legislation/ regulation/guideline:** The CFTC large trader reporting program for futures ("LTRP") requires daily reports to the CFTC with respect to commodity futures and options positions held above a CFTC-specified level. On July 22, 2011,	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				the CFTC issued final regulations expanding the LTRP to swaps on certain physical commodities. In 2012, a federal court vacated the CFTC's position limits rule. The CFTC in 2014 re-proposed the rule. CEA section 5(d)(8) requires DCMs to publish daily information on settlement prices, volume, open interest, and opening and closing ranges for actively traded contracts on the contract market. CEA section 5(d)(4) requires DCMs to have the capacity and responsibility to prevent manipulation, price distortion, and disruptions of the delivery or cash-settlement process through market surveillance, compliance, and enforcement practices and procedures. CEA section 5(d)(9) requires DCMs to provide a competitive, open and efficient market and mechanism for executing transactions that protects price discovery process of trading in the centralized market of the DCM. To the extent that SEFs offer commodity swaps for trading, CEA section 5h(f)(4) requires the SEF to monitor trading in swaps to prevent manipulation, price distortion, and disruptions of the delivery or cash settlement process. CEA section 5h(f)(9) requires the SEF to publicize information on price, trading, volume, and other trading data on swaps. On May 16, 2013,	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				the CFTC adopted final SEF rules. CEA section 2(a)(13)(G) requires all swaps, including commodity swaps, to be reported to a trade repository (“SDR"). CEA section 21(b) directs the CFTC to prescribe standards for swap data reporting and requires SDRs to provide direct access to the CFTC. On January 13, 2012, the CFTC issued final rules establishing requirements for reporting swaps data to an SDR. For swaps executed on a SEF or DCM, data is to be reported by the SEF or DCM to the SDR. CEA section 2(a)(13) establishes standards and requirements for the real-time reporting and public availability of certain swap transaction and pricing data. On January 9, 2012, the CFTC issued final rules implementing a framework for real-time reporting of swap transaction data. **Highlight main developments since last year’s survey:** **Web-links to relevant documents:** CFTC Proposed Rule on Position Limits for Derivatives and Aggregation of Positions, available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2014-12427a.pdf CFTC Final Rule on Large Trader Reporting for Physical	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Commodity Swaps available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2011-18054a.pdf The Commodity Exchange Act available at http://www.law.cornell.edu/uscode/html/uscode07/usc_sup_01_7_10_1.html CFTC Final Rule on Swap Data Recordkeeping and Reporting Requirements available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2011-33199a.pdf CFTC Final Rule on Real Time Public Reporting of Swap Transaction Data available at http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2011-33173a.pdf Compliance Date and Time Delay Phase Ins for Real Time Reporting: http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/phasein_realtime.pdf Appendix C – Time Delays for Public Dissemination: http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/tdpdissemination.pdf CFTC Final Rulemaking on Procedures to Establish Appropriate Minimum Block Sizes for Large Notional Off-Facility Swaps and Block Trades: http://www.cftc.gov/LawRegulation/DoddFrankAct/Rulemakings/DF_18_RealTimeReporting/ssLINK/2013-12133a	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				Breakdown of Notional Caps for Real Time Reporting: http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/rtr_notionalcaps.pdf CFTC Final Rulemaking on Core Principles and Other Requirements for Designated Contract Markets available at http://www.cftc.gov/LawRegulation/DoddFrankAct/Rulemakings/DF_12_DCMRules/ssLINK/2012-12746 CFTC Final Rulemaking on Core Principles and Other Requirements for Swap Execution Facilities available at http://www.cftc.gov/LawRegulation/DoddFrankAct/Rulemakings/DF_13_SEFRules/ssLINK/2013-12242	

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
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)	Jurisdictions should describe progress toward implementation of the OECD's *G-20 high-level principles on financial consumer protection (Oct 2011)*. 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: • *Disclosure and transparency* • *Responsible business conduct of financial services providers and their authorised agents* • *Complaints handling and redress*	☐ Not applicable ☐ Applicable but no action envisaged at the moment ***If " Not applicable " or "Applicable but no action envisaged …" has been selected, please provide a brief justification:*** ☑ Implementation ongoing or completed : **Issue is being addressed through :** ☑ Primary / Secondary legislation ☑ Regulation / Guidelines ☐ Other actions (such as supervisory actions), please specify: **Status of progress :** ☐ Draft in preparation, expected publication by: ☐ Draft published as of: ☐ Final rule or legislation approved and will come into force on: ☑ Reform effective (completed) as of: 7/21/2011 **Short description of the content of the legislation/ regulation/guideline:** The Consumer Financial Protection Bureau (CFPB) became fully operational in July-2011. It assumed responsibility for consumer protection regulation of financial services. The Dodd-Frank Act, passed in 2010, established the CFPB.	**Planned actions (if any):** **Expected commencement date:** **Web-links to relevant documents:**

No	Description	G20/FSB Recommendations	Remarks	Progress to date	Next steps
				The Act consolidated responsibility for regulation of financial services (and the associated rule-making) to protect consumers. The Act also charged the CFPB with conducting and making public studies on several consumer protection related issues associated with specific financial services, including remittances and credit scores. The Act also gave the CFPB responsibility for consumer protections supervision of large deposit-taking institutions (>$10 billion in assets), large non-deposit-taking institutions active in the offering financial services to consumers, and all non-deposit-taking institutions providing mortgages and mortgage related services, student loans, and payday lenders. **Highlight main developments since last year's survey:** **Web-links to relevant documents:** http://www.consumerfinance.gov/regulations	

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:

ABS: Asset Backed Securities
ATS: alternative trading system
C6: IOSCO Committee on Credit Rating Agencies - Committee 6
CEA: Commodity Exchange Act
CCR: counterparty credit risk
CFPB: Consumer Financial Protection Bureau
CFTC: U.S. Commodity Futures Trading Commission
CICI: CFTC Interim Compliant Identifier
CMG: Crisis Management Group
DCM: Designated Contract Market
Dodd-Frank Act: Dodd-Frank Wall Street Reform and Consumer Protection Act
Exchange Act: The Securities Exchange Act of 1934
FASB: Financial Accounting Standards Board
FSB: Financial Stability Board
FSOC: U.S. Financial Stability Oversight Council
G-SIFIs: Global Systemically Important Financial Institutions
IFRS: International Financial Reporting Standards
IOSCO: International Organization of Securities Commissions
LTRP: Large trader reporting program for futures
MSBSPs: major security-based swap participants
MSPs: major swap participants
NAIC: National Association of Insurance Commissioners
NMS: national market system
NRSROs: nationally recognized statistical rating organizations
Rating Agency Act: Credit Rating Agency Reform Act of 2006
SBSDs: security-based swap dealers
SCAV: FSB Standing Committee on the Assessment of Vulnerabilities
SDs: swap dealers
SDR: Swap Data Repository
SEC: U.S. Securities and Exchange Commission
SEF: Swap Execution Facility
SEF NOPR: Notice of Proposed Rulemaking on Core Principles and Other Requirements for Swap Execution Facilities
U.S. GAAP: U.S. generally accepted accounting principles