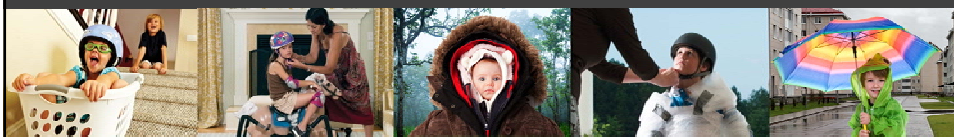


AMEDA Risk Management Sub-committee

Feedback – CPSS IOSCO study



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Background...

| 2

- Risk Management Sub-committee – agreed at AMEDA meeting in Fez
- Initial approach to members – little appetite shown
- 2nd approach made following
 - Release by CPSS IOSCO of final *Principles for Financial Market Infrastructures*
 - Release by CPSS IOSCO of a draft document entitled *Resolution and Recovery of FMIs*
- Questionnaire sent to # identified members
- Responses collated and tabled



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Why even consider the Principles?

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Scope



- Principles provide guidance for addressing Risk and improving Efficiency
- Offer "Best practice" without prescribing specific tools or arrangements

General applicability

- Broad design to cover all types of FMI
- FMI's recognised as *systemically important*
- Principles have been designed to apply whether an FMI is Domestic, cross-border or even multicurrency

Specific applicability



- Most principles applicable to all types of FMI..... BUT
- Functional differentiation – based on specific services provided by particular FMI's (for specific Principles)

Responses to Questionnaire...

| 4

QUESTION \ ORGANISATION	CSD 1	CSD 2	CSD 3	CSD 4	CSD 5	CSD 6	CSD 7
Is your organisation aware of the Principles?	✓	✓	✓	✓	✗	✓	✓
Do you have access to the final Principle document?	✓	✓	✓	✓	✗	✓	✓
Has your organisation undertaken a formal review of the Principles?	✗	✓	✗	✓	✗	✗	✓
Has your organisation seen the draft Assessment Methodology issued by CPSS IOSCO?	✓	✓	✓	✓	✗	✓	✓
Has your organisation undertaken a full self-assessment in terms of the Principles?	✗	✗	✗	✗	✗	✗	✓

Responses (continued)...

| 5

- Only **one** of the respondents has completed a self assessment thus far
 - Findings have highlighted:
 - enhancements to legislation to support key principles
 - the need to test identified Recovery and Resolution plans
- **Five** of the remaining respondents have been involved in organisational restructures and have either just started or will soon start with their own assessment
- **One** respondent has indicated that they will not be considering the Principles



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Way forward...

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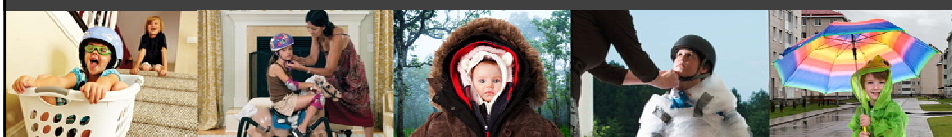
- Final Assessment Methodology still to be released by CPSS IOSCO (December?)
- Members to complete "Self-Assessment" - target completion by June 2013
- Identify areas of improvement
- Implement action plans to address

Ideally, all this could be done via the Risk Sub-Committee working together, addressing common concerns and complexities



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Thank you



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