

**OFFICIAL PRESS RELEASE****2 September, 2019****Association Financial Supervisors in the Pacific Countries (AFSPC) Annual Meeting 2 September 2019**

The National Reserve Bank of Tonga (NRBT) and the Pacific Financial Technical Assistance Centre (PFTAC) are hosting the AFSPC 17th Annual Meeting and workshop from 2nd - 6th September 2019 at the National Reserve Bank of Tonga Level 4 - Conference Centre.

The AFSPC was established in 2002 to strengthen the financial sectors and supervisory best practice as well as promote closer co-operation and co-ordinate information sharing in financial regulation and supervision in Pacific countries. Thirteen Pacific Island countries (Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, New Zealand, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor Leste, Tuvalu and Vanuatu) will attend this meeting. This will be the second time the NRBT will host the AFSPC meeting and it is expected that 35 participants will be attending, including Heads of Supervisions of Central Banks across the region, Commissioners and representatives from supervisory authorities.

The meeting will commence with the AFSPC Annual General Meeting (closed session) from 2nd - 3rd September 2019. During this meeting, the AFSPC members will endorse the minutes from the annual meeting last year, discuss key risks and supervisory actions as well as key supervision framework developments and measures from each country. In addition, the PFTAC will also report on Technical Assistance activities and updates on IMF and PFTAC key activities and operations. The Pacific Cyber Risk Regulation and Supervision project and the proposed resolutions will also be part of the agenda. The meeting will end with a roundtable discussion of common key risks, supervisory actions, technical assistance and supervision framework enhancement that can be addressed collectively by AFSPC members with the assistance of PFTAC. The resolutions from this annual meeting will be elevated to the annual meeting of the Pacific Central Bank Governors, that will be held in Australia later this year.

Some of the supervisory concerns from last year's meeting that were discussed include four common key risks across the region such as the supervision of non-banks and the informal sector; the lack of prudential regulatory requirements for valuations of collaterals; the adoption of the new International Financial Reporting Standard (IFRS) number 9; and the implementation of the Supervision Framework Enhancement Program (SFEP) such as regulatory and supervisory reforms for both banks and non-banks.

The workshop on the 4th to 6th September, after the annual meeting, will address some of the key risks and issues identified last year, mainly on the supervision of non-bank financial institutions and the informal sector. The topics that will be covered during the workshop includes the financial sector architecture for the Pacific which will capture a wide range of supervisory areas. This will include the regulation of crypto assets and initial coin offerings; performance of government-owned banks in the Pacific; importance of retirement funds to Pacific financial systems; credit bureaus; personal property securities legislation; and competition in financial services. The workshop will also cover topics on regulation and supervision of money lenders, microfinance and non-bank credit providers. The agenda provides an opportunity for participants to share experiences on Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Supervision; payment system

structure and supervision; and cross-border banking and consolidated supervision. This workshop will draw on experts from PFTAC, Asian Development Bank, former staff from the Reserve Bank of India, and various experts from the region.

For further details please contact:

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