

Press release

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Ref: 2/2018
26 February 2018

FSB completes peer review of Singapore

The Financial Stability Board (FSB) published today its [peer review of Singapore](#).

The peer review examined two topics relevant for financial stability in Singapore: the macroprudential policy framework, and the framework for resolution of financial institutions. The review focused on the steps taken by the authorities to implement reforms in these areas, including by following up on relevant International Monetary Fund (IMF) Financial Sector Assessment Program (FSAP) recommendations and G20/FSB reforms.

The peer review finds that good progress has been made in recent years on both topics, reflecting Singapore's strong adherence to international standards and focus on financial stability. Legislative amendments to the Monetary Authority of Singapore (MAS) Act in July 2017 prioritise MAS' supervision and financial stability objectives vis-à-vis its developmental objective. The active use of macroprudential policies by MAS in close collaboration with relevant government agencies, supported by a comprehensive risk assessment framework, has helped to mitigate housing price appreciation and moderate household leverage. The resolution regime has a broad scope covering all financial institutions and their holding companies, while recent amendments to the regime incorporated additional elements of the FSB [Key Attributes for Effective Resolution Regimes for Financial Institutions](#).

Notwithstanding this progress, the review concludes that there is additional work to be done:

- On the macroprudential policy framework:
 - clarifying responsibility within MAS for the calibration and implementation of its macroprudential policies; and
 - continuing to enhance the risk assessment framework in terms of process, use of modelling tools and ongoing work to assess systemic risks from FinTech.
- On the framework for resolution of financial institutions:
 - extending the scope of liabilities subject to bail-in to senior debt and promulgating regulations on ex post recovery from the industry of any temporary funding provided by the authorities in resolution;
 - balancing supervision and resolution perspectives through appropriate organisational arrangements within MAS; and
 - continuing work to refine, expand and operationalise resolution planning, including for domestic systemically important banks as well as for insurance companies and financial market infrastructures that could be systemic in failure.

The peer review report includes recommendations to the Singaporean authorities in order to address these issues.

Notes to editors

The FSB has been established to coordinate at the international level the work of national financial authorities and international standard setting bodies and to develop and promote the implementation of effective regulatory, supervisory and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts. The FSB also conducts outreach with 65 other jurisdictions through its six regional consultative groups.

The peer review of Singapore is the twenty-third country peer review conducted by the FSB. The review was based on the objectives and guidelines in the March 2015 version of the [Handbook for FSB Peer Reviews](#). FSB member jurisdictions have committed to undergo an IMF-World Bank assessment under the FSAP every five years and, to complement that cycle, an FSB peer review two to three years following an FSAP. As part of this commitment, Singapore volunteered to undergo this peer review in 2017. The [schedule of country peer reviews](#), as well as [all completed peer review reports](#), is available on the FSB website.

Country peer reviews focus on the implementation and effectiveness of regulatory, supervisory or other financial sector standards and policies agreed by the FSB, as well as their effectiveness in achieving desired outcomes. They examine the steps taken or planned by national authorities to address IMF-World Bank FSAP and Report on the Observance of Standards and Codes recommendations on financial regulation and supervision as well as on institutional and market infrastructure that are deemed most important and relevant to the FSB's core mandate of promoting financial stability. Country reviews can also focus on regulatory, supervisory or other financial sector policy issues not covered in the FSAP that are timely and topical for the jurisdiction itself and for the broader FSB membership. Unlike the FSAP, a peer review does not comprehensively analyse a jurisdiction's financial system structure or policies, or its compliance with international financial standards.

The report published today describes the findings and recommendations of the peer review of Singapore. The draft report was prepared by a team of experts from FSB member institutions and led by Paul Hilbers, Division Director for Financial Stability in the De Nederlandsche Bank. The review benefited from dialogue with the Singaporean authorities and private sector representatives as well as from discussion in the FSB Standing Committee on Standards Implementation.

The FSB is chaired by Mark Carney, Governor of the Bank of England. Its Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements.

For further information on the FSB, visit the FSB website, www.fsb.org.