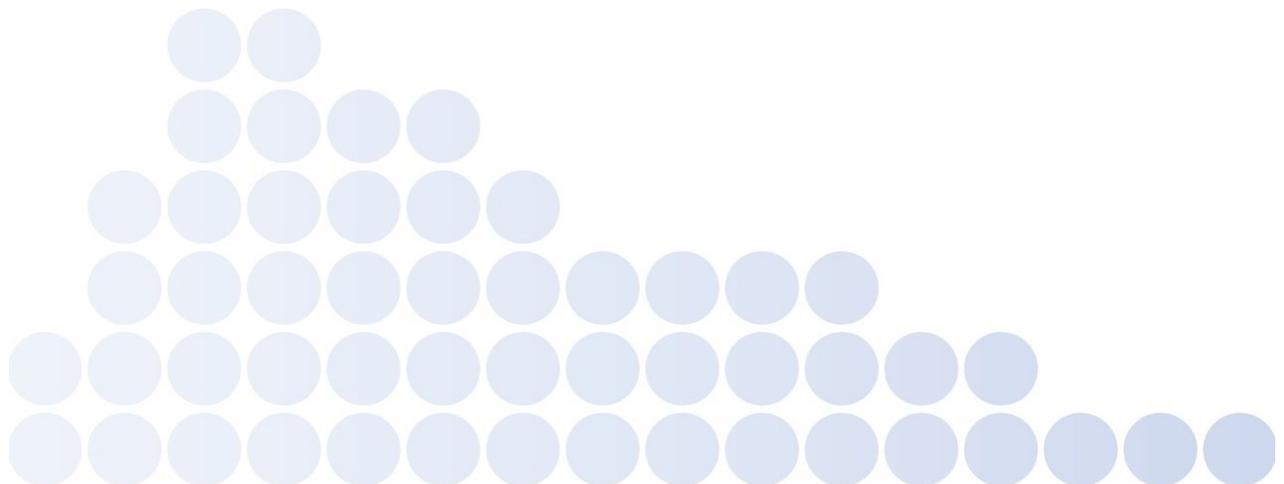




The Gibraltar Financial Services Commission

Business Plan Progress Update

Published: 20th October 2015



Business Plan Progress Update

Introduction

In October 2014 and January 2015 we published our strategic and business plans respectively. These set out our objectives and delivery priorities. During 2015 we introduced the publication of a “round-up” update where we provide information of where we are with our change programme and how, as an organisation, we are meeting our priorities and strategic objectives. This is the second of these “round-up” documents.

Executive Summary

Since our last update in May 2015, a number of key goals have been achieved. These include:

- An improved authorisation process
- The piloting of a new supervisory approach
- Extensive industry engagement
- Substantial policy consideration and drafting for Directive transposition
- The testing of new enforcement processes

The completion of a new organisation structure with all positions filled (currently only pending the appointment of the Director Legal, Enforcement & Policy)

What we have achieved in the period since May 2015

In May we published the first of our updates on the delivery of the GFSC’s business plan and strategic plan. This signaled the beginning of a more proactive and cohesive engagement approach, which was typified by increased and more open communication with those that we regulate and supervise and those who have an interest in the work of the GFSC.

We continued to work on further building our relationship with other regulatory bodies and participated in 2-way visits with both the Jersey and Guernsey FSCs. We carried out extensive engagement with industry practitioners within the regulated sectors, and key players in Gibraltar more generally, on our proposed Risk Outlook, and also arranged meetings with industry associations and representative groups. As part of this outreach approach we embarked on engagement on the fee policy review which continues, and also established a working group with the Gibraltar Bankers Association that focused on the Mortgage Credit Directive.

We have implemented an enhanced communications approach with applicants. This includes the provision of application status updates every 3 weeks; the provision of feedback throughout the application process, and; direct communication with applicants (as well as their advisors). We have also introduced an interview process for key personnel in licensees and individual applicants. The application process for EIF Directors has been revised and enhanced and an authorisation process for Insolvency Practitioners has been developed.

We have continued to develop our Enforcement function and have piloted a new process as well as publishing outcomes from our enforcement activity.

We also successfully piloted a new supervisory approach. Further detail on this will be published during the Autumn. We have continued to improve reporting mechanisms and the first tranche of revised returns was rolled out during the Summer.

During this period the work of the Legislative Reform Programme has initially focused on an analysis of existing legislation as well as policy development, planning and drafting in relation to a number of areas.

During August and September we recruited further technical expertise in the Conduct of Business, Prudential and Authorisations areas and are now confident that the organisation's structure has reached a steady state (barring the appointment of the Director Legal, Enforcement & Policy which remains pending). Any further recruitment in the future will be business-as-usual related and will address natural attrition as well as long term absences (for example, maternity) within the organisation. We have also continued to invest in training of staff, building both capacity and capability in our team.

What will be the focus of delivery during the coming months

We have commenced work around establishing engagement programmes with industry associations which will ensure that we meet regularly. As part of this approach, we will establish a cross-industry working group with representatives from the Gibraltar Funds & Investment Association, the Gibraltar Bankers Association and the Gibraltar Insurance Association that will focus on MiFID II.

We will also be embarking on a programme of workshops and seminars that will have a sector-specific and subject-specific focus. Our approach to engagement and liaison will be set out in our International, Communication & Engagement Strategy which we hope to publish shortly.

Work will continue on the fee policy review with the intention of a consultation paper being published in due course.

We will be developing our thematic work with an initial focus on EIF Directors. More detail on this will be published in early October. We will also be publishing more detail around our Supervisory Approach and will continue to develop our enforcement processes and key policies with a view to also publishing these in due course.

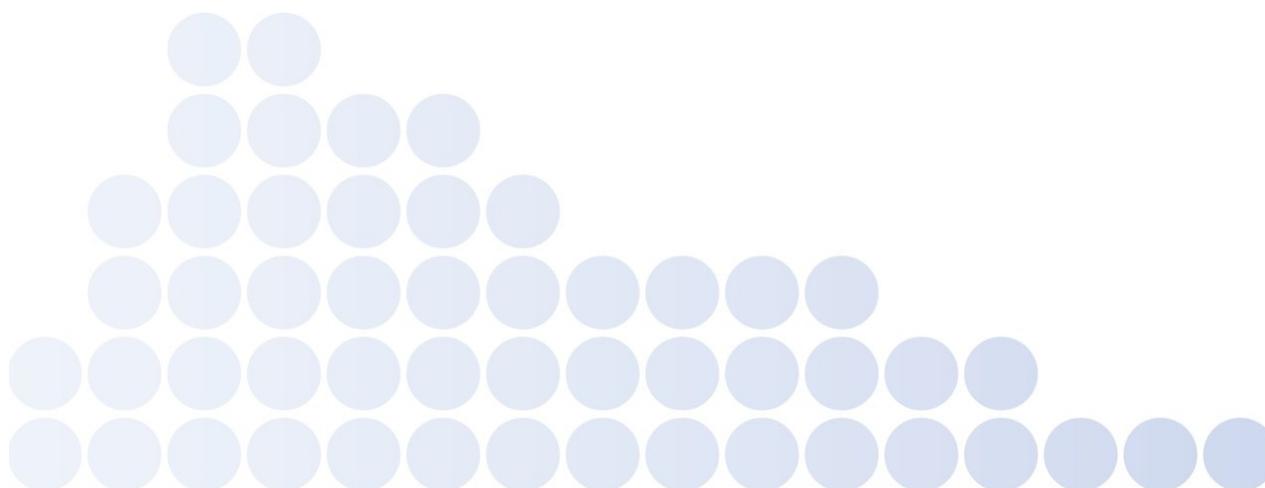
We will continue to improve our processes in our Authorisations function and will continue with our review of the forms required for the notification of appointments to key positions as well as notification of passporting. We will continue to analyse the management information generated so that we can make an informed decision around service level standards.

Our policy development around the Legislative Reform Programme will continue, with legislative drafting for the transposition of a number of EU directives and regulations taking priority.

Work will continue in earnest around a rebranding exercise of the organisation, which will include an overhaul of the design, format and content of publications as well as the launch of a new website.

We will continue to focus on how to effectively and efficiently use technology and will be further developing our capabilities for electronic reporting.

We will be developing a fit-for-purpose competency and training framework for our staff and will also be developing a 'Careers' section on our website.



Published by:
Gibraltar Financial Services Commission
PO Box 940
Suite 3, Ground Floor
Atlantic Suites
Europort Avenue
Gibraltar
www.fsc.gi
info@fsc.gi

© FSC 2015