

Structure of the regulator

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Financial Sector Legislative Reforms Commission

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Key issues in the making regulators

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- 5 Resource allocation of the regulator
- 6 Performance assessment and reporting

Selection of the regulator's board

- Basic structure formed of -
 - 1 Board
 - 2 Chairperson
 - 3 Office of the regulator

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 - 1 Board
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 - 3 Office of the regulator
- Specialised selection committee features-
 - 1 Short-lists 3 candidates
 - 2 composition - govt. nominees & independent experts
 - 3 Principles based selection procedure
 - 4 Selection to start before vacancy
 - 5 Accountability through reporting

Composition of the board of the regulator

- 1 The board is composed of -
 - 1 Executive members
 - 2 Independent members
 - 3 Nominee members

Functions of the Board

- Oversight
- Approving all regulations
- Approve all internal rules
- Sign all reports
- Work through registered voting

Administrative law

- Separate chain of command within the regulator
- With an administrative law member at the board

Advisory Councils

- 1 Created statutorily
- 2 Must contain a majority of experts
- 3 Statutorily mandated to make public reports

Resource Allocation

- Regulators cannot build separate treasuries
- Resources have to be allocated to functions and not departments
- Accounting and auditing are separate reports
- Costs of regulation and fees collected have to be:
 - 1 proportional
 - 2 applied at correct level
 - 3 supported by cost benefit analysis
- Reasonable contingent resources may be kept
- Detailed reporting on outcomes of resource allocation:
 - Connect with performance reporting

Performance reporting

- 1 Regulators must have performance and not market statistics
- 2 Performance must be quantitative as far as possible
- 3 Performance must be compared to targets
- 4 Performance metrics must be best global practices
- 5 The metrics itself will have to be reviewed regularly