

**Peer Review of Regulation of Money Market Funds:
Report of Key Preliminary Findings to the G20
Leaders' Summit**



IOSCO

**THE BOARD
OF THE
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1. Executive Summary

This report (**Report**) sets out the key preliminary findings of the review (**Review**) by the International Organisation of Securities Commissions (**IOSCO**) of the progress in adopting legislation, regulation and other policies in relation to money market funds (**MMFs**) in the following areas (**Reform Areas**):¹

- a. Scope of the regulatory reform — explicit definition of MMFs in regulation and appropriate inclusion of other investment products presenting features and investment objectives similar to MMFs;
- b. Limitations to the types of assets of, and risks taken by, MMFs;
- c. Valuation practices of MMFs — addressing specific valuation issues for MMFs and their portfolios;
- d. Liquidity management for MMFs — aimed at ensuring MMFs maintain adequate liquidity resources in normal business conditions as well as in stressed market conditions;
- e. MMFs that offer a stable Net Asset Value (**NAV**) — addressing the risks and issues which may affect the stability of MMFs that offer a stable NAV;
- f. Use of ratings by the MMF industry;
- g. Disclosure to investors; and
- h. Repos — MMF practices in relation to repurchase agreement transactions.

The key preliminary findings set out in this Report are made solely on the basis of the self-assessments provided by participating jurisdictions. For the purposes of preparing the Report, neither the self-assessed ratings nor the supporting information provided by the participating jurisdictions have been independently verified. The only revisions made were to ensure the reporting scale as it relates to the date on which measures took effect is consistent with other information provided in the self-assessment. The key preliminary findings set out in this Report are therefore subject to confirmation (and possible change) by the Review Team following the preparation of a second, more detailed final report and analysis, which will be published in Q2 2015. Participating jurisdictions were given an opportunity to confirm the way their self-assessments have been reported in this Report, although not all participating jurisdictions had done so at the time of preparing this Report.

This Report was prepared by a team comprising staff from the Australian Securities and Investments Commission, Autorité des marchés financiers (France), US Securities and Exchange Commission, Securities and Exchange Board of India, Japan Financial Services Agency, Brazil Comissão de Valores Mobiliários and the IOSCO General Secretariat (**Review Team**). The Review Team is chaired by the Australian Securities and Investments Commission.

2. Introduction

2.1. IOSCO Policy Recommendations for Money Market Funds

The run on some MMFs during the recent financial crisis alerted regulators to their systemic relevance. Although MMFs did not cause the recent financial crisis, the crisis highlighted their

¹ As detailed further below, IOSCO published 15 key policy recommendations relating to these 8 Reform Areas in 2012.

potential to spread or even amplify a financial crisis. The G20 expressed concerns regarding the stability of the MMF industry and the risks it may pose to the broader financial system.

The Financial Stability Board (**FSB**) requested that IOSCO undertake a review of potential regulatory reforms of MMFs as part of efforts to strengthen the oversight and regulation of the shadow banking system and to carry out the G20 endorsed objective to mitigate the susceptibility of MMFs to runs and other systemic risks (**G20 Objective**).

In 2012, in response to the FSB request and to advance the G20 Objective, IOSCO, through Committee 5 on Investment Management (**C5**), undertook a project to analyse the risks that MMFs pose to financial stability and develop a range of policy recommendations to address those risks, to be considered by IOSCO members as they develop standards for the regulation and management of MMFs, consistent with their statutory or legal or other powers. C5 considered there was a need for regulatory reform in the Reform Areas.

In October 2012, IOSCO published its report *Policy Recommendations for Money Market Funds (2012 IOSCO Report)*,² which contains 15 key policy recommendations relating to the Reform Areas.³

The 2012 IOSCO Report noted that IOSCO would conduct a review of the application of these recommendations within two years of publication. The 2012 IOSCO Report envisaged the review would also consider other market and regulatory developments to the time of the review. The form of the review was left open in the 2012 IOSCO Report.

2.2. Reasons for the Review

In September 2013, the G20 Leaders in St Petersburg called for IOSCO to launch a peer review and to report on progress regarding MMF regulatory reforms in late 2014.⁴

Pursuant to the G20 Leaders' request and consistent with the FSB's *Coordination Framework for Monitoring the Implementation of Agreed G20/FSB Financial Reforms*, IOSCO agreed to conduct a review consisting of an implementation progress report on the current regulatory reform efforts of participating jurisdictions, with the possibility of a separate review being conducted once national or regional implementation of regulatory reform is deemed sufficiently underway.

3. Methodology

3.1. Nature of the Review and Objectives

The objective of the Review is to identify progress in adopting legislation, regulation and other policies in relation to MMFs in the Reform Areas. While the Review will assess the status and timeliness of such reforms, it will not assess the consistency of implementation measures against the 2012 IOSCO Report's recommendations.

² <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD392.pdf>.

³ The IOSCO Board approved the 2012 IOSCO Report during its meeting on 3–4 October 2012 in Madrid. While it was noted that a majority of the Commissioners of the US Securities and Exchange Commission did not support its publication, there were no other objections.

⁴ See September 2013 *G20 Roadmap towards Strengthened Oversight and Regulation of Shadow Banking* (September 2013) <http://en.g20russia.ru/load/782788663>.

3.2. Methodology

The Review is a desk-based exercise, using responses provided by IOSCO members to a questionnaire designed and developed by the Review Team. The questionnaire was circulated on 25 August 2014, with responses due on 19 September 2014.

The questionnaire focused on topics covered in the 8 Reform Areas. It asked authorities to indicate the status of reform activity for their jurisdiction as at 25 August 2014 by reference to one of the following five reporting scales:

- Final implementation measures in force;
- Final implementation measures published;
- Draft implementation measures published;
- Draft implementation measures not published;
- No implementation measures needed (as measures were already in place before 1 October 2012, the publication date of the IOSCO 2012 Report).

The questionnaire consisted of questions asking whether the respondent jurisdiction had adopted reforms in relation to the matters covered by the 8 Reform Areas and asked for references to relevant legislation, rules or guidance. The questionnaire also sought background information about the MMF industry and activity in the respondent jurisdiction, as well as information (where relevant) on any issues encountered by the respondent jurisdiction in implementing or planning reforms concerning any of the Reform Areas.

3.3. Jurisdictions Participating in the Review

All IOSCO members from FSB jurisdictions and IOSCO members from non-FSB jurisdictions with a significant MMF industry were expected to participate in the Review. The criteria to determine the significance of the domestic MMF industry was established by the Review Team. The process used by the Review Team to determine this, and the resulting list of expected participating jurisdictions, are set out at **Annexure A**. Other IOSCO members were also invited to participate in the Review.

Thirty IOSCO members contributed to the Review.⁵ Based on the public data used by the Review Team (as set out at **Annexure A**), this resulted in a coverage of almost 98% of the global MMF industry. One FSB member had not provided its response at the time of this Report.⁶

⁵ Autorité des marchés financiers (France), Central Bank of Ireland, Luxembourg Commission de Surveillance du Secteur Financier, China Securities Regulatory Commission, Japan Financial Services Agency, Republic of Korea Financial Services Commission/Financial Supervisory Service, Mexico Comisión Nacional Bancaria y de Valores, Brazil Comissão de Valores Mobiliários, Swiss Financial Market Supervisory Authority, Securities and Exchange Board of India, Chinese Taipei Financial Supervisory Commission, Canada (Ontario Securities Commission and Quebec Autorité des marchés financiers), South Africa Financial Services Board, Australian Securities and Investments Commission, Germany Federal Financial Supervisory Authority, Hong Kong Securities and Futures Commission, Italy Commissione Nazionale per le Società e la Borsa, Netherlands Authority for the Financial Markets, Saudi Arabia Capital Market Authority, Monetary Authority of Singapore, Spain Comisión Nacional del Mercado de Valores, Capital Markets Board of Turkey, UK Financial Conduct Authority, Securities and Exchange Commission Thailand, National Bank of Slovakia, Hellenic Capital Market Commission, Superintendencia Financiera de Colombia, Comisión Nacional de Valores Argentina and US Securities and Exchange Commission.

⁶ Indonesia Otoritas Jasa Keuangan.

4. Summary of Key Preliminary Findings

- Twenty three FSB members (representing almost 83% of MMF markets worldwide) and seven non-FSB members (representing almost 15% of MMF markets worldwide) provided the responses on which this Report is based. One FSB member (Indonesia) had not provided a response at the time of the preparation of this Report.
- Self-assessments from these jurisdictions indicated most either have measures in force in all Reform Areas or are progressing towards that outcome.
- For most, self-assessments point to the scope of reform activity needed being reduced by measures having been in place before 1 October 2012 in at least one Reform Area.
- For 8 FSB jurisdictions, self-assessments indicated measures have been implemented in all Reform Areas. In 5 jurisdictions (representing 3.36% of MMF markets worldwide), this is because measures were in force in all 8 Reform Areas before 1 October 2012. In 3 FSB jurisdictions (representing 1.87% of MMF markets worldwide), this is because some measures were in force in some Reform Areas before 1 October 2012 and others came into force after 1 October 2012.
- One FSB jurisdiction (Russia) indicated measures were in force in 7 Reform Areas before 1 October 2012, with no information provided at the time of this Report for the eighth Reform Area.
- For the remaining 14 FSB jurisdictions, their self-assessments acknowledged that further action was needed in at least one Reform Area for final implementation measures to be considered in force. In 9 jurisdictions (representing almost 71% of MMF markets worldwide), some progress had been made to implement measures where measures were required. In 5 jurisdictions (accounting for approximately 6.8% of MMF markets worldwide), self-assessments indicated draft implementation measures had not been published for Reform Areas where reform measures were needed.
- According to the self-assessments provided by the 7 participating non-FSB members, implementation is also on track.

4.1. Dashboard Summary

4.1.1. FSB Members

	Scope of the regulatory reform (a)	Limitations to asset types and risks taken (b)	Valuation (c)	Liquidity Management (d)	MMFs that offer a constant NAV (e)	Use of ratings (f)	Disclosure to investors (g)	Repos (h)
Argentina	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	No implementation measures needed. ⁷
Australia	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures not published.	Draft implementation measures not published.	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).

⁷ According to Argentina CNV, this Reform Area has been self-assessed as 'No implementation measures needed' as MMFs in their jurisdiction are not permitted to engage in repo transactions.

	Scope of the regulatory reform (a)	Limitations to asset types and risks taken (b)	Valuation (c)	Liquidity Management (d)	MMFs that offer a constant NAV (e)	Use of ratings (f)	Disclosure to investors (g)	Repos (h)
Brazil	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
Canada	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
China	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.
France	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	No implementation measures needed.*	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
Germany	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	No implementation measures needed.*	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
Hong Kong	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
India	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
Indonesia	Indonesia OJK had not provided a response at the time of this Report.							
Italy+	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).	No implementation measures needed.*	Final implementation measures in force.	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).

	Scope of the regulatory reform (a)	Limitations to asset types and risks taken (b)	Valuation (c)	Liquidity Management (d)	MMFs that offer a constant NAV (e)	Use of ratings (f)	Disclosure to investors (g)	Repos (h)
Japan+	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Final implementation measures published for capital support to MRF and Draft implementation measures not published for additional reforms.	Draft implementation measures not published.	Final implementation measures published.	Draft implementation measures not published.
Korea	No implementation measures needed (as measures already in place before 1 October 2012).	Final implementation measures in force.	No implementation measures needed (as measures already in place before 1 October 2012).	Final implementation measures in force.	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
Mexico	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.
Netherlands	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	Draft implementation measures published.	Draft implementation measures published.	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
Russia	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No information provided by the Bank of Russia for this Reform Area.	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
Saudi Arabia	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.	Draft implementation measures not published.
Singapore	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures not published.	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures not published.	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
South Africa	Final implementation measures in force.	Final implementation measures in force.	Draft implementation measures not published.	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	Final implementation measures in force.	No implementation measures needed (as measures already in place before 1 October 2012).
Spain	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	No implementation measures needed.*	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
Switzerland	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).

	Scope of the regulatory reform (a)	Limitations to asset types and risks taken (b)	Valuation (c)	Liquidity Management (d)	MMFs that offer a constant NAV (e)	Use of ratings (f)	Disclosure to investors (g)	Repos (h)
	October 2012).	October 2012).	October 2012).	October 2012).		October 2012).	October 2012).	October 2012).
Turkey	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	Final implementation measures in force.	Draft implementation measures not published.	No implementation measures needed (as measures already in place before 1 October 2012).
UK	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	Draft implementation measures published.	Draft implementation measures published.	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
US⁸	No implementation measures needed (as measures already in place before 1 October 2012) (for set of 2010 reforms) and Final implementation measures published (for the set of 2014 reforms)	No implementation measures needed (as measures already in place before 1 October 2012) (for set of 2010 reforms) and Final implementation measures published (for the set of 2014 reforms)	No implementation measures needed (as measures already in place before 1 October 2012) (for set of 2010 reforms) and Final implementation measures published (for the set of 2014 reforms)	No implementation measures needed (as measures already in place before 1 October 2012) (for set of 2010 reforms) and Final implementation measures published (for the set of 2014 reforms)	No implementation measures needed (as measures already in place before 1 October 2012) (for set of 2010 reforms) and Final implementation measures published (for the set of 2014 reforms)	Draft implementation measures published (2014 proposal concerning credit ratings) and Final implementation measures published (for 2014 amendments to rules regulating nationally recognized statistical rating organizations).	No implementation measures needed (as measures already in place before 1 October 2012) (for set of 2010 reforms) and Final implementation measures published (for the set of 2014 reforms)	No implementation measures needed (as measures already in place before 1 October 2012).

* These jurisdictions did not need to introduce reforms for this Reform Area (strictly, no implementation measures were needed) as MMFs offering a stable NAV are not permitted in these jurisdictions.

+ These jurisdictions provided a 'dual' assessment for some/all of the Reform Areas for their jurisdictions — to reflect that in these jurisdictions the self-assessment indicated different stages of implementation of different measures within each Reform Area as at 25 August 2014.

4.1.2. Non-FSB Members

	Scope of the regulatory reform (a)	Limitations to asset types and risks taken (b)	Valuation (c)	Liquidity Management (d)	MMFs that offer a constant NAV (e)	Use of ratings (f)	Disclosure to investors (g)	Repos (h)
Chinese Taipei	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures not published.	Final implementation measures in force.	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures not published.	No implementation measures needed (as measures already in place before 1 October 2012).

⁸ It should be noted that the response provided by the US Securities and Exchange Commission had the following disclaimer: 'The US SEC has neither approved nor disapproved of the responses provided below. The views expressed herein are those of the SEC staff who prepared the responses.'

	Scope of the regulatory reform (a)	Limitations to asset types and risks taken (b)	Valuation (c)	Liquidity Management (d)	MMFs that offer a constant NAV (e)	Use of ratings (f)	Disclosure to investors (g)	Repos (h)
Colombia	Draft implementation measures not published. [^]	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures not published. [^]	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	Final implementation measures in force.	Final implementation measures in force.
Greece+	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines) and Draft implementation measures published (for September 2013 draft EU MMF Regulation).	No implementation measures needed (as measures already in place before 1 October 2012) (for 2010 CESR Guidelines).
Ireland	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	Draft implementation measures published.	Draft implementation measures published.	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
Luxembourg	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	Draft implementation measures published.	Draft implementation measures published.	Draft implementation measures published.	Final implementation measures in force.	Draft implementation measures published.	Draft implementation measures published.
Slovakia	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).
Thailand	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed.*	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).	No implementation measures needed (as measures already in place before 1 October 2012).

[^] Colombia SFC has indicated that it is currently developing a draft of a standard model for managing liquidity risk. According to Colombia SFC, this draft model was published for consultation on 24 September 2014 (after the assessment date of 25 August 2014).

* These jurisdictions did not need to introduce reforms for this Reform Area (strictly, no implementation measures were needed) as MMFs offering a stable NAV are not permitted in these jurisdictions.

+ These jurisdictions provided a 'dual' assessment for some/all of the Reform Areas for their jurisdictions — to reflect that in these jurisdictions the self-assessment indicated different stages of implementation of different measures within each Reform Area as at 25 August 2014.

4.2. Table Summary

4.2.1. Scope of the Regulatory Reform

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
2: Argentina, South Africa.	1: US (for 2014 reforms).		5: Australia, China, Japan, Mexico, Saudi Arabia.	16: Brazil, Canada, France, Germany, Hong Kong, India, Italy, Korea, Netherlands, Russia, Singapore, Spain, Switzerland, Turkey, UK, US (for 2010 set of reforms).

Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
			1: Colombia [^] .	6: Chinese Taipei, Greece (for 2010 CESR Guidelines), Ireland, Luxembourg, Slovakia, Thailand.

[^] Colombia SFC has indicated that it is currently developing a draft of a standard model for managing liquidity risk. According to Colombia SFC, this draft model was published for consultation on 24 September 2014 (after the assessment date of 25 August 2014).

4.2.2. Limitations to the Types of Assets of, and Risks Taken by, MMFs

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
3: Argentina, Korea, South Africa.	1: US (for 2014 reforms).		6: Australia, China, Japan, Mexico, Saudi Arabia.	14: Brazil, Canada, France, Germany, Hong Kong, India, Italy, Korea, Netherlands, Russia, Singapore, Spain, Switzerland, Turkey, UK, US (for 2010 set of reforms).

			Arabia, Singapore.	Kong, India, Italy, Netherlands, Russia, Spain, Switzerland, Turkey, UK, US (for 2010 reforms).
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Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
		1: Greece (for September 2013 draft EU MMF Regulation).		7: Chinese Taipei, Colombia, Greece (for 2010 CESR Guidelines), Ireland, Luxembourg, Slovakia, Thailand.

4.2.3. Valuation

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
1: Argentina.	1: US (for 2014 reforms).	3: Italy (for September 2013 draft EU MMF Regulation), Netherlands, UK.	6: Australia, China, Japan, Mexico, Saudi Arabia, South Africa.	14: Brazil, Canada, France, Germany, Hong Kong, India, Italy (for 2010 CESR Guidelines), Korea, Russia, Singapore, Spain, Switzerland, Turkey, US (for 2010 reforms).

Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures
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				already in place before 1 October 2012)
		2: Ireland, Luxembourg.	1: Chinese Taipei.	4: Colombia, Greece (for 2010 CESR Guidelines), Slovakia, Thailand.

4.2.4. Liquidity Management

FSB Jurisdictions⁹

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
3: Argentina, Korea, South Africa.	1: US (for 2014 reforms).	6: France, Germany, Italy (for September 2013 draft EU MMF Regulation), Netherlands, Spain, UK.	5: China, Japan, Mexico, Saudi Arabia, Singapore.	9: Australia, Brazil, Canada, Hong Kong, India, Italy (for 2010 CESR Guidelines), Switzerland, Turkey, US (for 2010 reforms).

Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
1: Chinese Taipei.		3: Greece (for September 2013 draft EU MMF Regulation), Ireland, Luxembourg.	1: Colombia [^] .	3: Greece (for 2010 CESR Guidelines), Slovakia, Thailand.

[^] Colombia SFC has indicated that it is currently developing a draft of a standard model for managing liquidity risk. According to Colombia SFC, this draft model was published for consultation on 24 September 2014 (after the assessment date of 25 August 2014).

4.2.5. MMFs that Offer a Stable Net Asset Value

⁹ Please note that the Bank of Russia had not provided information for this Reform Area at the time of preparation of this Report.

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
2: Argentina, South Africa.	2: Japan (for capital support to MRF), US (for 2014 reforms).	2: Netherlands, UK.	5: Australia, China, Japan (for additional reforms), Mexico, Saudi Arabia.	14: Brazil*, Canada, France*, Germany*, Hong Kong*, India*, Italy*, Korea, Russia*, Singapore*, Spain*, Switzerland*, Turkey*, US (for 2010 reforms).

* These jurisdictions did not need to introduce reforms for this Reform Area (strictly, no implementation measures were needed) as MMFs offering a stable NAV are not permitted in these jurisdictions.

Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
		2: Ireland, Luxembourg.		5: Chinese Taipei, Colombia*, Greece*, Slovakia*, Thailand*.

* These jurisdictions did not need to introduce reforms for this Reform Area (strictly, no implementation measures were needed) as MMFs offering a stable NAV are not permitted in these jurisdictions.

4.2.6. Use of Ratings

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
9: Argentina, France,	1: US (for 2014 amendments to	1: US (for 2014 proposal	5: Australia, China, Japan,	8: Brazil, Canada, Hong Kong,

Germany, Italy, Netherlands, South Africa, Spain, Turkey, UK.	rules regulating nationally recognized statistical rating organizations).	concerning credit ratings).	Mexico, Saudi Arabia.	India, Korea, Russia, Singapore, Switzerland.
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Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
2: Ireland, Luxembourg.				5: Chinese Taipei, Colombia, Greece (for 2010 CESR Guidelines), Slovakia, Thailand.

4.2.7. Disclosure to Investors

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
2: Argentina, South Africa.	2: Japan, US (for 2014 reforms).	6: France, Germany, Italy (for September 2013 draft EU MMF Regulation), Netherlands, Spain, UK.	4: China, Mexico, Saudi Arabia, Turkey.	11: Australia, Brazil, Canada, Hong Kong, India, Italy (for 2010 CESR Guidelines), Korea, Russia, Singapore, Switzerland, US (for 2010 reforms).

Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
1: Colombia.		3: Greece (for	1: Chinese Taipei.	3: Greece (for

		September 2013 draft EU MMF Regulation), Ireland, Luxembourg.		2010 CESR Guidelines), Slovakia, Thailand.
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4.2.8. Repos

FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
		6: France, Germany, Italy (for September 2013 draft EU MMF Regulation), Netherlands, Spain, UK.	4: China, Japan, Mexico, Saudi Arabia.	14: Argentina*, Australia, Brazil, Canada, Hong Kong, India, Italy (for 2010 CESR Guidelines), Korea, Russia, Singapore, South Africa, Switzerland, Turkey, US.

* According to Argentina CNV, this Reform Area has been self-assessed as 'No implementation measures needed' as MMFs in their jurisdiction are not permitted to engage in repo transactions.

Non-FSB Jurisdictions

Final implementation measures in force	Final implementation measures published	Draft implementation measures published	Draft implementation measures not published	No implementation measures needed (as measures already in place before 1 October 2012)
1: Colombia.		2: Ireland, Luxembourg.		4: Chinese Taipei, Greece (for 2010 CESR Guidelines), Slovakia, Thailand.

Annexure A

The Review Team used public data (as of 31 March 2014) to rank the largest MMF markets worldwide, by reference to assets under management (**AUM**). Based on those figures, the 10 largest markets would account for 94.8% of the worldwide MMF AUM. Adding the next five markets would increase coverage to 97.1% of the worldwide MMF AUM.

This public data was adjusted with relevant data input from IOSCO members to produce a revised list.¹⁰ On the revised list, the 10 largest markets accounted for 93.8% of the worldwide MMF AUM. Adding the next five markets would increase coverage to 96.9% of the worldwide MMF AUM.

The identity of the top 15 largest markets remained the same under the revised list as obtained using the public data, with the only change being the relative ranking of some jurisdictions.

The Review Team considered the following 15 jurisdictions to have a 'significant MMF industry' as per the Assessment Methodology (in order of significance):

1. United States of America;
2. France;
3. Ireland;
4. Luxembourg;
5. China;
6. Japan;
7. Republic of Korea;
8. Mexico;
9. Brazil;
10. Switzerland;
11. India;
12. Chinese Taipei;
13. Canada;
14. South Africa; and
15. Australia.

Remaining FSB Jurisdictions

To ensure coverage of all FSB jurisdictions, the following additional 12 jurisdictions were expected to participate in the Review:

16. Argentina;

¹⁰ The source of public data used is ICI Worldwide Mutual Fund Market Data, First Quarter 2014. Where available, this data was compared to data provided by IOSCO C5 members and, where material discrepancies appeared, the public data was replaced by those reported by IOSCO members.

17. Germany;
18. Hong Kong SAR;
19. Indonesia;
20. Italy;
21. The Netherlands;
22. Russia;
23. Saudi Arabia;
24. Singapore;
25. Spain;
26. Turkey; and
27. UK.