

CHAPTER 6

Way Forward

6.1 The Working Group has taken into account the essential features of a sound and effective resolution regime as prescribed by international standard setting bodies. It, however, needs to be recognized that the guidance on resolution regime is generally more developed and advanced for banks and progressively less for insurers, securities or investment firms and FMI. In addition, the cross-border issues are still evolving and being addressed. Therefore, FSDC may consider a review of the recommendations made by this Group at an appropriate stage to take into account the documents and guidance as and when issued by FSB and other international standard setting bodies with respect to evolving areas, especially those relating to non-bank financial institutions including FMI and cross-border issues.

6.2 The Group also recognises that different types of financial institutions have distinct features and thus all essential features of a resolution framework as prescribed by international standard setting bodies may not be relevant for all types of financial institutions. The legal framework that will evolve therefore needs to take into account the specificities and peculiarities of different segments of the financial sectors.