



Guernsey Financial  
Services Commission

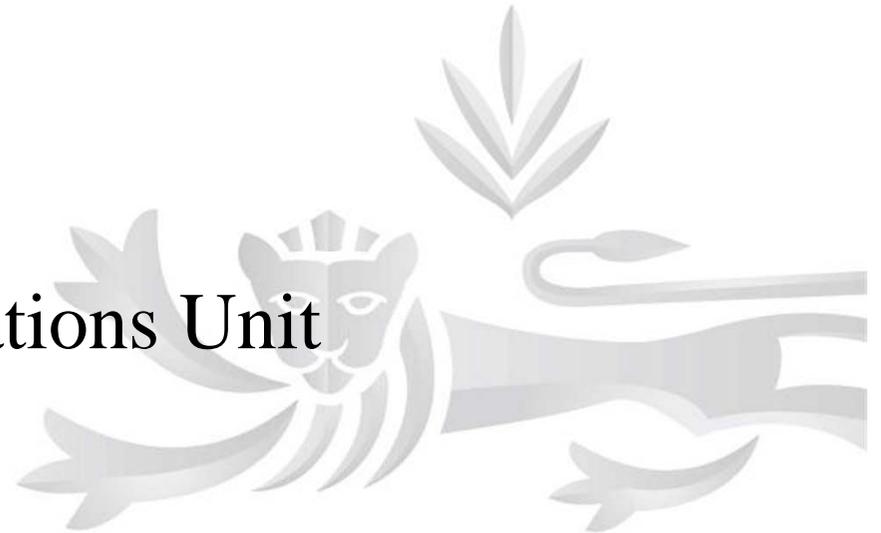
# Risk & Authorisations

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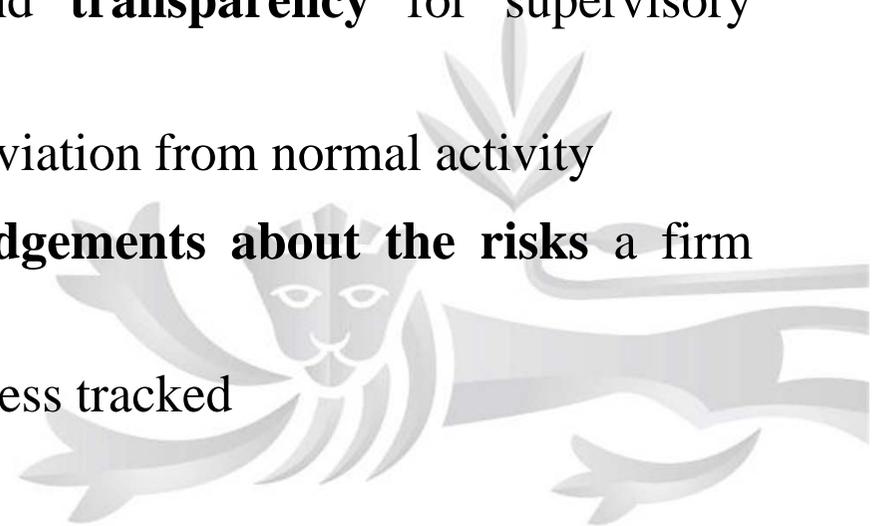
# Risk & Authorisations

- Risk Based Supervision
- The role of the Risk Unit
- The role of the Authorisations Unit

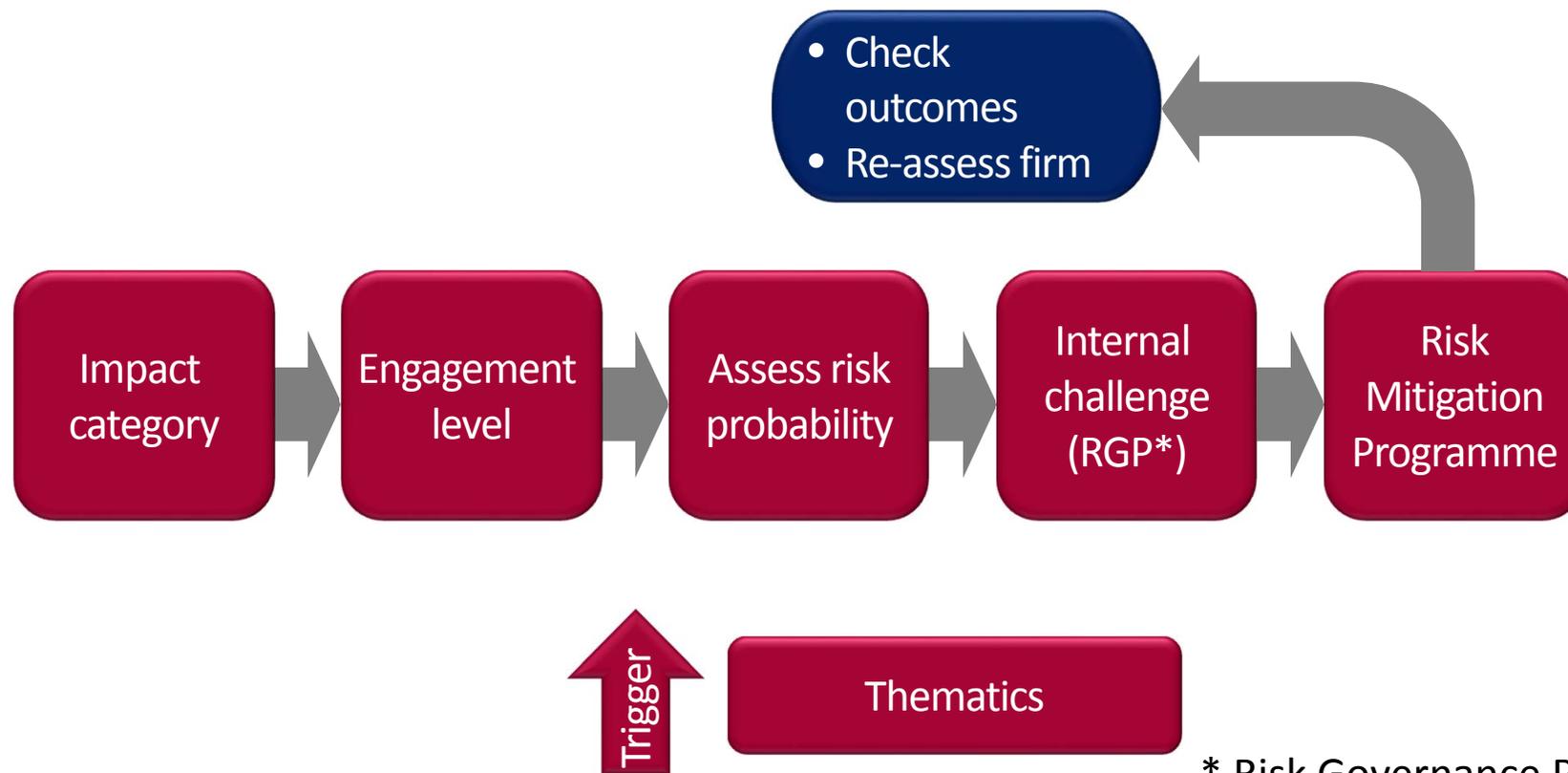


# Why do we need Risk Based Supervision?

- **Optimised allocation of resources** based on a combination of the impact of a firm on the Bailiwick and its risk probability
- Ensure that we have the **right engagement levels** with supervised entities
- **Increased structure, consistency and transparency** for supervisory activities
- **Alerts** to help supervisors detect any deviation from normal activity
- Help supervisors make **structured judgements about the risks** a firm poses
- **Ensure risks are mitigated**, with progress tracked

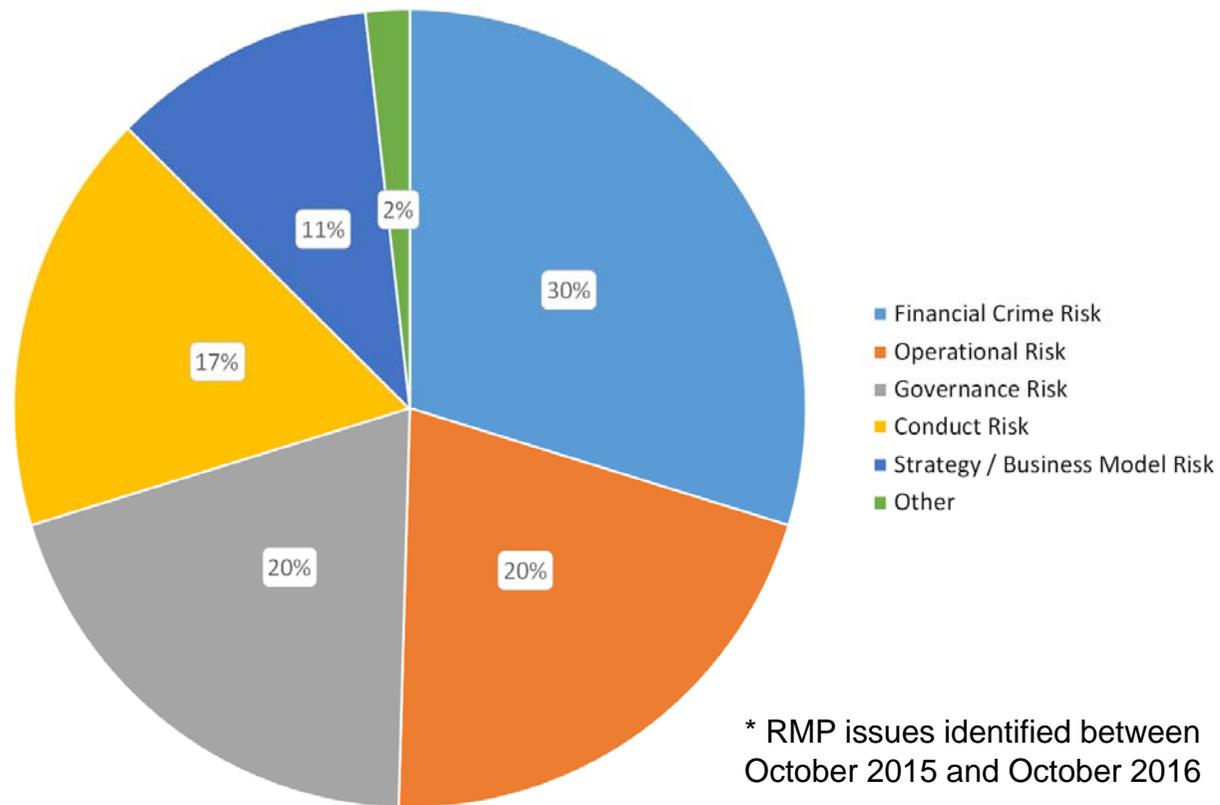


# Supervision under PRISM



\* Risk Governance Panel

# Risk Mitigation Programme – issues identified by risk type\*



\* RMP issues identified between October 2015 and October 2016

# The role of the Risk Unit

- We are the **second line of defence** for the Commission
- Ensure that we **understand the risks** taken by the Commission in its risk based approach to supervision
- We make sure that we are **following the processes** set out within PRISM
- Encourage **constructive challenge** within the Commission
- Provide **management information** on risk from regulated entities throughout the Commission
- Provide a voice for ideas, concerns and developments to be raised within regulator
- Overall we contribute to **strong corporate governance and support a good culture** at the Commission

# The role of the Authorisations Unit

- We are the **'gatekeeper'** for new entrants into the Bailiwick in financial services
- Centralised unit who specialise in **reviewing applications or personal questionnaires** on behalf of the Commission
- We assess whether the applicant has **demonstrated that they meet the relevant criteria for licensing** detailed within each individual sectors' rules and regulations (i.e. the 'Minimum Criteria for Licensing')
- We will request **more** information from applicants to help demonstrate how they meet this criteria
- We are the **primary contact** for all new applications and help to explain and support new applicants in meeting our criteria
- We run the Commission **helpdesk** providing support and advice to the industry in the use of the online portal