



Session 2

RIA on local financial regulations

– Consultation Process and Final Presentation drafting –

Venue:

December 19–20, 2007
Financial Supervision Commission

Agenda

Seminar Objective:

Following the IA analysis and the preparation of the consultation questionnaire phases already completed, participants will practice the following aspects of the RIA process:

- Use of written answers from stakeholders taking part in the consultation process to lay the ground for the live consultation process;
- How a consultation meeting ought to be prepared in order to extract as much information as possible;
- How to run a consultation meeting and reach a fruitful interaction with stakeholders;
- How use the feedback from consultation process in view of preparing a draft document summarizing main findings and policy recommendations.

WG participants

WG # 1	WG Coordinator										
	Financial Supervision Commission <i>Ms. Petya Nikiforova</i>	Bulgarian National Bank <i>Mr. Georgi Petkov</i>	Financial Supervision Commission <i>Ms. Broyana Dimitrova</i>	Financial Supervision Commission <i>Mr. Boyan Dombalov</i>	Financial Supervision Commission <i>Ms. Vesela Todorova</i>	Central Depository AD <i>Ms. Nadia Daskalova</i>	Bulgarian Association of Asset Management Companies <i>Mr. Evgeny Jichev</i>	Financial Supervision Commission <i>Mr. Nursen Murad</i>	Bulgarian National Bank <i>Mr. Lyubomir Mirchev</i>	Financial Supervision Commission <i>Mr. Zhelju Vasilev</i>	

WG # 2	WG Coordinator									
	Financial Supervision Commission <i>Ms. Valentina Stefanova</i>	Financial Supervision Commission <i>Ms. Lidiya Valchovska</i>	Bulgarian Stock Exchange-Sofia <i>Mr. Ivo Stankov</i>	Financial Supervision Commission <i>Ms. Tzveta Grigorova</i>	Association of Banks in Bulgaria <i>Ms. Irina Kazandjieva</i>	Financial Supervision Commission <i>Mr. Julian Razpopov</i>	Financial Supervision Commission <i>Ms. Suzana Kapsazova</i>	Financial Supervision Commission <i>Mr. Vladimir Karamfilov</i>	Financial Supervision Commission <i>Mr. Damyan Staykov</i>	Ministry of finance <i>Ms. Denitza Markova</i>

Consulted stakeholders

- Bulgaria Association of Asset Management Companies;
- Association of Banks in Bulgaria;
- Investment intermediary "Somon";
- Investment intermediary "Somon FB";
- Investment intermediary "Beta corp";
- Investment intermediary "STS Finance";
- Investment intermediary "Elana trading".

Regulations

- Requirements to the activities on investment intermediaries, Chapter 8, [Section II \(Internal Control\)](#)-> assigned to Working Group 1;
- Requirements to the activities on investment intermediaries, Chapter 8, [Section III \(Risk Management\) and Section IV \(Internal Audit\)](#) -> assigned to Working Group 2.

Consolidating written answers by consulted stakeholders and preparing the consultation meeting

Session Objective:

Participants will learn how to use written feedback from consulted stakeholders to prepare for the consultation meeting.

Morning session:

Participants discuss feedback to consultation questionnaire, if necessary with identified stakeholders^{1}*

Deliverable: "Summary of Questionnaire Results"

Facilitator: Riccardo Brogi, Convergence Program and South-East Europe Regional RIA Program Director

9:30 – 9:35 Session introduction

9:35 – 11:00 WG1 – Regulatory section on "internal control"

11:00 – 11:15 Coffee break

11:15 – 12:45 WG2 – Regulatory sections on "Risk management and internal audit"

12:45 – 14:30 *Lunch break*

Afternoon session: *Preparation of the consultation meeting* (consulted stakeholders are welcome to attend)

Deliverable: "Policy Options – Consultation Document"

Facilitator: Christian Winkler, Senior Regulator, UK Financial Services Authority;

Co-facilitator: Riccardo Brogi

14:30 – 16:00 WG1 – Regulatory section on "internal control"

16:00 – 17:15 *Coffee break*

17:15 – 18:45 WG2 – Regulatory sections on "Risk management and internal audit"

¹ The structure of morning session exercise is based on the agreed action plan as per Annex 1. In case the work run by the WGs prior to the 2-day seminar undergoes some postponement, the information gathering phase might require also the active participation of the identified stakeholders.

Live consultation meeting and drafting of Final Presentation document**Session Objective:****Participants will practice the following:**

- a live consultation meeting and learn how to run this in such a way to make it as meaningful as possible in relation to the consultation process purpose;
- How to gather all consultation feedback and prepare a document bringing the main findings and some policy recommendations for policy analysis.

Facilitator: Christian WinklerCo-facilitator: Riccardo BrogiMorning session: *All participants and consulted stakeholders gather for the consultation meeting*

9:00 – 9:10 Session introduction

9:10 – 10:45 WG1 Plenary consultation meeting: Regulatory section on “internal control”

10:45 – 11:00 *Coffee break*

11:00 – 12:30 WG2 Plenary consultation meeting: Regulatory sections on “Risk management and internal audit”

12:30 – 14:00 *Lunch break*Afternoon session: *Preparation of draft Final Presentation document*

Deliverable: “Summary of Consultation Feedback”

14:00 – 15:30 The 2 WGs work separately to systematize the consultation feedback obtained to come up with the main findings

15:30 – 16:00 Plenary discussion on the main findings identified

15:30 – 15:45 WG1 presents its findings and WG2 acts as discussant

15:45 – 16:00 WG2 presents its findings and WG1 acts as discussant

16:00 – 16:15 *Coffee break*

Deliverable: “Draft Policy Recommendations”

16:15 – 17:45 The 2 WGs work separately to refine main findings and start drafting policy recommendations

17:45 – 18:00 Wrap up and end of session

Program-critical activity

Time line	Actions
Nov 30	<ul style="list-style-type: none"> ➤ WG1 and WG2 fill in the Impact Assessment Analysis Document on the FSC Regulation on requirements to the activities of investment intermediaries; ➤ Coordinators of WG1 and WG2 send the documents to FSA (Christian.Winkler@fsa.gov.uk, and Stephen.Dickinson@fsa.gov.uk) and Convergence (rbrogi@worldbank.org). <p><i>Each WG Coordinator prepares the minutes of the meeting highlighting the main parts (i.e. criticalities and agreed aspects faced by each respective WG in dealing with this achievement)</i></p> <ul style="list-style-type: none"> ➤ WG1 and WG2 identify the stakeholders to be involved in the consultation process and invite them to fill questionnaire by December 18 and attend December 20 consultation session
Dec 7	<ul style="list-style-type: none"> ➤ FSA sends comments on Impact Assessment Analysis Document to WG1 and WG2.
Dec 12	<ul style="list-style-type: none"> ➤ WG1 and WG2 update the FSC Impact Assessment Analysis Document on the basis of the FSA comments they have received. ➤ WG1 and WG2 complete the draft Consultation Questionnaire; ➤ Coordinators of WG1 and WG2 send the respective drafts to Convergence for review.
Dec 14	<ul style="list-style-type: none"> ➤ Convergence prepares its comments on the 2 draft Consultation Questionnaires and share them with FSA; ➤ Convergence sends comments to the 2 WGs.
Dec 17 (morning)	<ul style="list-style-type: none"> ➤ WG Coordinators send the aggregate Consultation Questionnaire to the identified stakeholders
Dec 18 (afternoon)	<ul style="list-style-type: none"> ➤ Stakeholders send their written answers to WG coordinators for discussion on the following day.
Dec 19 (morning) 10:00 - 12:30	<ul style="list-style-type: none"> ➤ Working session in Sofia – Meeting to aggregate the Questionnaire Results: WG1 and WG2, together with Convergence, prepare the Summary of Questionnaire results.
Dec 19 (afternoon) 15:30 - 18:00	<ul style="list-style-type: none"> ➤ Working session in Sofia – Preparation of consultation meeting: Under the guidance of Convergence/FSA, WG1, WG2 prepare the live consultation meeting based on the Questionnaire already circulated
Dec 20 (morning) 9:00 - 12:30	<ul style="list-style-type: none"> ➤ Working session in Sofia – Consultation meeting: WG1 and WG2, under the guidance of Convergence/FSA run a live consultation meeting based on the Questionnaire already circulated,
Dec 20 (afternoon) 14:00 – 18:00	<ul style="list-style-type: none"> ➤ Working session in Sofia –Drafting of Final Presentation document: on the basis of the previous actions, WG1 and WG2 work on the preparation of a Draft Final Presentation document, which should include the main findings of the exercise and some policy Recommendations.
Mid January 2008	<ul style="list-style-type: none"> ➤ Final Presentation to authorities: WG1 and WG2 illustrate the Final Presentation to management from FSC and other authorities.