

APPENDIX

FINANCIAL SECTOR

I. The Banking Sector

<p>VISION: A competitive, integrated, and efficient banking system that is properly regulated and supervised and effectively mobilizes savings to provide financing to support the growth of the private sector</p>	<p>Phase I (2001-2004)</p>
<p>Monetary Policy</p>	<p>Lay the Foundation for the Banking Sector Development</p> <p><i>Establish a basic framework for monetary policy</i></p> <ul style="list-style-type: none"> • Streamline reserve requirements • Phase out the guarantee deposit or capital reserve required for bank licensing • Reduce the reserve requirement ratio on riel-denominated deposits • Implement rediscount and refinance facilities
<p>Supervision and Prudential Regulations</p>	<p><i>Establish a framework for supervision</i></p> <ul style="list-style-type: none"> • Establish a complete body of prudential regulations • Adopt surveillance and inspection procedures • Establish a fully staffed banking supervision department • Establish a uniform chart of bank accounts and disclosure rules consistent with International Accounting Standards (IAS) • Establish a prompt corrective action (PCA) system • Establish an anti-money-laundering regulation
<p>Bank Restructuring and Competition</p>	<p><i>Restructure the banking industry</i></p> <ul style="list-style-type: none"> • Complete bank relicensing and liquidation of problem banks • Establish a contingency plan for banks that do not comply with conditions in their restructuring memoranda of understanding • Restructure/privatize the Foreign Trade Bank

BLUEPRINT FOR 2001-2010

Phase II (2005-2007)	Phase III (2008-2010)
<p align="center">Enhance Intermediation through Competition</p>	<p align="center">Promote Efficiency through Integration and Reorganization</p>
<p><i>Improve monetary policy instruments</i></p> <ul style="list-style-type: none"> • Phase out reserve requirements • Commence the operation of refinance/rediscount facilities 	<p><i>Develop a market-based monetary policy framework</i></p> <ul style="list-style-type: none"> • Introduce an open market operation system with the development of money markets
<p><i>Improve the enforcement of prudential regulations</i></p> <ul style="list-style-type: none"> • Strengthen PCA implementation • Commence full on-site inspection with the National Bank of Cambodia (NBC) staff • Establish a transparent exit mechanism and streamline exit procedures - Revise laws covering insolvency and liquidation of bank to eliminate inconsistencies - Establish legal and regulatory frameworks and procedures for bank merger and acquisition (M&A) and purchase and acquisition (P&A) • Establish legal protection for supervisors against lawsuits for actions taken in fulfilling official duties 	<p><i>Upgrade prudential regulations</i></p> <ul style="list-style-type: none"> • Upgrade prudential norms in accordance with the Bank for International Settlement guidelines • Strengthen risk management regulations with the expansion of nonbanking business by banks
<p><i>Enhance banking services through diversifying the scope of banking business</i></p> <ul style="list-style-type: none"> • Diversify the scope of business by allowing banks to expand their business into nonbanking areas • Allow banks to set up nonbank financial institution (NBFIs) subsidiaries • Establish legal and regulatory frameworks for credit card services, housing/mortgage finance, installment finance, etc. 	<p><i>Facilitate bank reorganization through incentives and a reinforced supervision system</i></p> <ul style="list-style-type: none"> • Strengthen the enforcement of PCA to facilitate early and orderly exit of nonviable banks • Strengthen the incentive system for promoting voluntary bank M&A and P&A • Refine the minimum capital requirement for banks involved in diverse nonbanking businesses

	Phase I (2001-2004)
Payment System	<p data-bbox="857 258 1451 289"><i>Establish a framework for the payment system</i></p> <ul data-bbox="857 327 1484 632" style="list-style-type: none"> • Improve operational procedures for both the riel and dollar clearing systems, considering the compliance capability of commercial banks • Adopt a payment law to underpin the payment system • Improve the backup system for smooth operation of the payment system • NBC and the Bankers Association should adopt a protocol for an on-line banking system to facilitate future integration of an on-line banking network
Outreach to the Rural Areas	
Capacity Building	<p data-bbox="857 947 1373 978"><i>Establish a capacity building mechanism</i></p> <ul data-bbox="857 1016 1484 1457" style="list-style-type: none"> • Appoint full-time Centre for Banking Studies (CBS) instructors under a competitive salary scheme • Establish a central banking course for NBC professional staff in CBS • Adopt a comprehensive re-training program for NBC staff with non-college-level education • Adopt a mandatory training program for entry-level professional staff in CBS • Adopting a competitive, merit-based compensation scheme in NBC • Establish an inclusive bankers association • Establish a banking institute for professional training of commercial bankers

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p><i>Improve the efficiency of the payment system through investments in information technology (IT)</i></p> <ul style="list-style-type: none"> • Establish a central bank wire system • Automate the clearinghouse • Establish an on-line banking system in individual banks 	<p><i>Establish an integrated on-line interbank system</i></p> <ul style="list-style-type: none"> • Integrate individual bank on-line networks including the central bank wire system
<p><i>Promote outreach to rural areas by encouraging the establishment of branches</i></p> <ul style="list-style-type: none"> • Adopt an incentive system to encourage banks to expand branches into rural areas 	<p><i>Strengthen outreach to rural areas through competition</i></p> <ul style="list-style-type: none"> • Establish legal and regulatory frameworks for community-based savings institutions (e.g., credit unions, cooperatives) with appropriate incentive systems
<p><i>Strengthen NBC organizational structure</i></p> <ul style="list-style-type: none"> • Redesign the division of responsibilities among departments with new job descriptions • Establish an effective recruitment system to attract competent staff to NBC • Introduce a performance-based compensation and promotion system to retain and develop qualified staff 	<p><i>Enhance central bank independence</i></p> <ul style="list-style-type: none"> • Revise the Central Banking Law and the Banking Law to step up the independence of NBC

II. Rural Finance

<p>VISION: Establish viable, pro-poor and effective rural finance system for providing affordable financial services to enable the poor to enhance rural income and reduce poverty</p>	<p style="text-align: center;">Phase I (2001-2004)</p>
<p>Implement and Enhance Rural Credit Policy</p>	<p style="text-align: center;">Implement a Policy and Institutional Framework for Rural Finance Sector</p> <p><i>Implement policy actions in Rural Credit Policy (RCP)</i></p> <ul style="list-style-type: none"> • Make applicable the provisions of the Banking Law to develop the rural finance sector • Create forum for policy coordination
<p>Strengthen Supervision and Regulation</p>	<p><i>Strengthen supervision and regulation</i></p> <ul style="list-style-type: none"> • Establish supervision system for licensed microfinance institutions (MFIs) consistent with the overall framework for the banking industry • Introduce appropriate prudential norms for licensed MFIs
<p>Building Rural Financial Infrastructure</p>	<p><i>Facilitate institutional transformation linkages, and services delivery</i></p> <ul style="list-style-type: none"> • Facilitate transformation of identified NGOs into licensed MFIs • Enhance access to resources of community-based groups through licensed MFIs • Promote deposit and microcredit through licensed MFIs
<p>Create Institutional Capacity</p>	<p><i>Build sustainable institutions</i></p> <ul style="list-style-type: none"> • Strengthen the Rural Development Bank • Comprehensive capacity building support for licensed MFIs • Strengthen NBC's capacity with reference to the rural financial system

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p style="text-align: center;">Increase Poverty Reduction Impact</p>	<p style="text-align: center;">Enhance Outreach</p>
<p><i>Policy coordination</i></p> <ul style="list-style-type: none"> • Review and, if required, amend RCP in the context of the ongoing financial sector development measures • Coordinate rural finance sector development with investments in poverty reduction, agriculture, rural infrastructure, irrigation, and agricultural research and extension 	<p><i>Review and coordinate policies</i></p> <ul style="list-style-type: none"> • Policy review and coordination to continue as in Phase II
<p><i>Improve application of prudential regulations</i></p> <ul style="list-style-type: none"> • Strengthen MSD of NBC in its supervisory and regulatory capability 	<p><i>Introduce self-regulating mechanisms</i></p> <ul style="list-style-type: none"> • Enable the multisectoral nongovernment organizations (NGOs) to develop a self-regulatory mechanism for minimum service standards • Encourage emergence of rating agency for licensed MFIs
<p><i>Establish a range of service providers</i></p> <ul style="list-style-type: none"> • Introduce leasing and crop insurance • Establish venture capital and equity funds for licensed MFIs <p><i>Expand institutional network</i></p> <ul style="list-style-type: none"> • Enhance flow of term finance for agriculture through resource support and enhanced presence of banks in rural areas • Adopt incentive systems for commercial banks to expand in rural areas • Provide support for establishment of licensed MFIs • Deepen and broaden linkages between community groups, licensed MFIs, and banks 	<p><i>Establish a comprehensive institutional network</i></p> <ul style="list-style-type: none"> • Establish a legal framework for small farmer- or community-owned institutions to integrate with the formal financial sector • Review equity threshold for licensed MFIs
<p><i>Enhance effective intermediation</i></p> <ul style="list-style-type: none"> • Develop specialized training centers • Introduce rural finance specialization in restructured / reorganized banks • Facilitate downscaling of operations for banks intending to enhance microfinance operations 	<p><i>Update and upgrade skills</i></p> <ul style="list-style-type: none"> • Establish linkages with regional training centers and update their capacities and the quality of their courses

	Phase I (2001-2004)
Ensure Pro-Poor Orientation	<p><i>Build capacity for optimal utilization of financial services</i></p> <ul style="list-style-type: none"> • Organize the poor into community groups for financial services • Enhance capacity of community groups to establish linkages with licensed MFIs • Support capacity building of the poor for management of income-generating activities

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p><i>Promote innovative microfinance pilot projects</i></p> <ul style="list-style-type: none"> • Establish pilot projects in resource-poor areas • Bring innovations to address specific clients groups (e.g., the disabled) <p><i>Introduce safety nets to reduce vulnerability</i></p> <ul style="list-style-type: none"> • Introduce risk mitigation tailored to the needs of the poor, including insurance services • Extend protection to the savings of the poor 	<p><i>Enhance outreach to special microfinance groups</i></p> <ul style="list-style-type: none"> • Replicate successful pilots • Enlarge coverage of safety nets

III. Insurance and Pension System

<p>VISION: An insurance sector that protects businesses and individuals from catastrophic events and the pension system that provides secure retirement, both of which provide capital for long-term investment in the real sector</p>	<p style="text-align: center;">Phase I (2001-2004)</p>
<p>Insurance Sector</p> <p>Supervision and Regulations</p>	<p style="text-align: center;">Establish a Foundation for Insurance Sector and Determine Feasibility for Pension System</p> <p><i>Establish a regulatory and supervisory framework for insurance</i></p> <ul style="list-style-type: none"> • Establish an insurance supervisory unit within Ministry of Economy and Finance (MEF) • Adopt a subdecree to implement the insurance law • Establish prudential regulations including uniform chart of accounts and disclosure rules consistent with IAS/ISA and a PCA system
<p>Compulsory Insurance</p>	<p><i>Establish a framework for compulsory insurance</i></p> <ul style="list-style-type: none"> • Adopt a plan and establish legal frameworks and enforcement mechanisms to implement compulsory insurance • Establish an interministerial working group to develop enforcement and monitoring system for compulsory insurance
<p>Insurance Industry Organization</p>	<p><i>Establish a basis for private sector development</i></p> <ul style="list-style-type: none"> • Establish a joint venture between the state-owned insurance company and a private company • Develop a transparent entry mechanism • Adopt regulations to encourage the use of domestic insurance companies
<p>Outreach to the Rural Areas</p>	
<p>Capacity Building</p>	<p><i>Build capacity of insurance regulators and supervisors</i></p> <ul style="list-style-type: none"> • Conduct intensive capacity-building activities for insurance regulators and supervisors • Establish a training program to build the enforcement and monitoring capacity in the related government agencies

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p style="text-align: center;">Promote Insurance Market through Private Sector Development and Establish Foundation for Pension System</p>	<p style="text-align: center;">Strengthen Insurance Sector and Initiate Establishment of Pension System</p>
<p><i>Strengthen the insurance regulation and supervisory framework</i></p> <ul style="list-style-type: none"> • Strengthen the regulatory framework for insurance by refining prudential regulations to cover diverse insurance products • Reinforce the insurance supervisory unit by enlarging staff with qualified personnel 	<p><i>Upgrade prudential regulations for insurance sector</i></p> <ul style="list-style-type: none"> • Establish an independent insurance supervisor • Upgrade prudential regulations in accordance with the Insurance Core Principles of the International Association of Insurance Supervisors
<p><i>Implement compulsory insurance</i></p> <ul style="list-style-type: none"> • Establish insurance monitoring and enforcement system 	
<p><i>Promote a competitive private sector insurance market</i></p> <ul style="list-style-type: none"> • Facilitate private insurance companies' entry into underwriting business • Encourage foreign companies' participation • Establish reinsurance institutions • Divest MEF shares in joint venture 	
<p><i>Increase outreach to rural areas</i></p> <ul style="list-style-type: none"> • Introduce crop insurance, weather insurance, etc. 	
<p><i>Establish a training institution for the insurance sector</i></p> <ul style="list-style-type: none"> • Establish a comprehensive insurance training institution through international cooperation 	

	Phase I (2001-2004)
Insurance Infrastructure	
Pension System Legal Framework	<p><i>Conduct feasibility study to establish a multipillar pension system</i></p> <ul style="list-style-type: none"> • Conduct feasibility study to determine appropriate design and timing for a mandatory public pension program, mandatory privately managed funded pension program, and voluntary retirement savings programs
Supervision and Regulation	
Capacity Building	

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p><i>Develop an actuarial professional body</i></p> <ul style="list-style-type: none"> • Adopt a legal and regulatory framework for a public actuarial system • Create an actuarial profession 	
<p><i>Establish legal framework for pension system</i></p> <ul style="list-style-type: none"> • Adopt legal framework for mandatory public pension program • Adopt legal framework for mandatory privately managed funded pension program • Adopt legal framework for voluntary retirement savings programs 	<p><i>Implement legal framework for pension system</i></p> <ul style="list-style-type: none"> • Adopt subdecree to implement legal framework for mandatory public pension program • Adopt subdecree to implement legal framework for mandatory privately managed funded pension program • Adopt subdecree to implement legal framework for voluntary retirement savings programs <p><i>Implement mandatory public pension program</i></p> <ul style="list-style-type: none"> • Introduce mandatory public pension program
<p><i>Establish regulatory and supervisory framework for pension system</i></p> <ul style="list-style-type: none"> • Establish supervisory and regulatory body for pensions • Establish basic prudential regulations 	<p><i>Strengthen regulatory and supervisory capacity for pension system</i></p> <ul style="list-style-type: none"> • Refine and complete corpus of prudential regulations to cover expanded pension system • Reinforce pension supervisory body by enlarging staff with qualified personnel
<p><i>Build capacity of pension regulators and supervisors</i></p> <ul style="list-style-type: none"> • Conduct intensive capacity building activities for pension regulators and supervisors 	<p><i>Establish capacity building institution for pension system</i></p> <ul style="list-style-type: none"> • Establish comprehensive pension industry training institutions through international cooperation

IV. Nonbank Financial Institutions

VISION: The establishment of diverse nonbanking financial products and institutions that create more balanced financial structure, increase the depth of the financial market, and promote competition	Phase I (2001-2004)
Leasing Business	
Money Market Intermediary	
Capital Market Intermediary and Institutional Investors	
Development Finance Institutions	

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p style="text-align: center;">Establish the Foundation of NBFIs</p>	<p style="text-align: center;">Promote Diversification of NBFIs</p>
<p><i>Develop the leasing business</i></p> <ul style="list-style-type: none"> • Adopt a leasing law • Adopt a leasing regulation for commercial banks to conduct leasing business and/or to establish leasing company subsidiaries • Adopt a policy framework for promoting joint venture leasing companies 	
<p><i>Develop money market intermediaries</i></p> <ul style="list-style-type: none"> • Establish a legal and regulatory framework for finance companies, investment companies, nonfinancial corporations, individuals, and money market broker/dealers 	
<p><i>Develop capital market intermediaries</i></p> <ul style="list-style-type: none"> • Establish a legal and regulatory framework for securities companies/subsidiaries, investment advisory companies, and securities finance companies • Establish a regulatory framework for banks to establish securities subsidiaries 	<p><i>Develop institutional investors for capital markets</i></p> <ul style="list-style-type: none"> • Establish a legal and regulatory framework for trust business in banks, investment/management trust companies, mutual funds, venture capital companies, and the like
	<p><i>Establish development finance institutions to promote medium- and long-term lending</i></p> <ul style="list-style-type: none"> • Establish legal and regulatory framework for medium- and long-term export-import credit institutions (e. g., EXIM Bank) and other development finance institutions (e.g., leveraged leasing companies/subsidiaries)

V. Interbank/Money Markets

<p>VISION: Money markets that enable an interbank market that provides banks, companies, and individuals with the means for effective liquidity management</p>	<p align="center">Phase I (2001-2004)</p>
<p>Interbank Market Arrangements and Scope</p>	<p align="center">Establish a Foundation for Interbank Markets</p> <p><i>Establish interbank market arrangements</i></p> <ul style="list-style-type: none"> • Establish interbank market arrangements/procedures for commercial banks
<p>Money Market Instruments</p>	<p><i>Create an enabling environment for money market development</i></p> <ul style="list-style-type: none"> • Adopt a negotiable instruments law • Set up a regulatory framework for interbank/money market activities
<p>Treasury Bills</p>	<p><i>Create an enabling environment for Treasury Bills</i></p> <ul style="list-style-type: none"> • Adopt a regulatory framework for the issuance of Treasury Bills • Adopt a medium-term plan to develop Treasury Bill markets • Capacity building for staff in National Treasury and NBC who are involved in Treasury Bill issuance

Phase II (2005-2007)	Phase III (2008-2010)
Strengthen the Interbank Markets	Increase the Depth of Money Markets
<p><i>Expand the scope of the interbank markets</i></p> <ul style="list-style-type: none"> • Establish a framework for interbank markets to allow the participation of NBFIs • Develop a standardized interbank repurchase (RP) contract and supporting regulations 	<p><i>Establish integrated interbank markets</i></p> <ul style="list-style-type: none"> • Allow all financial institutions to participate in interbank/money markets
<p><i>Establish regulations governing financial institutions' instruments</i></p> <ul style="list-style-type: none"> • Adopt procedures and regulations for negotiable certificates of deposit (CDs), RP agreement, banker's acceptance, etc. • Issue central bank securities (e.g., central bank CDs) 	<p><i>Establish regulations governing non-financial institutions' instruments</i></p> <ul style="list-style-type: none"> • Adopt regulations for trade bills, and commercial papers
<p><i>Develop Treasury Bills markets</i></p> <ul style="list-style-type: none"> • Introduce a primary dealer system for government securities • Regularize the issuance of Treasury Bills 	

VI. Capital Markets

<p>VISION: Efficient and transparent capital markets with a critical mass of issuers that mobilizes funds for long-term investment</p>	<p style="text-align: center;">Phase I (2001-2004)</p> <p style="text-align: center;">Create an Enabling Environment for Capital Markets</p>
<p>Legal and Regulatory Framework</p>	<p><i>Establish a key legal/regulatory framework</i></p> <ul style="list-style-type: none"> • Strengthen the capital market development unit • Develop a master plan for creating a functional capital market framework • Conduct a feasibility study to assess a critical mass of potential securities issuers • Draft a securities and exchange law • Determine the basic structure of exchange regulations (e.g., listing requirements auction rules for trading, corporate disclosure, membership)
<p>Securities Exchange</p>	
<p>Fixed-income Securities</p>	<p><i>Create an enabling environment for public bond markets</i></p> <ul style="list-style-type: none"> • Establish regulatory framework for medium- and long-term government bond, and issue Treasury Bond and government savings bond • Establish legal and regulatory framework for local government, public instrumentality, and small and medium enterprises to issue bonds and notes
<p>Capacity Building</p>	<p><i>Build capacity for future capital market participants</i></p> <ul style="list-style-type: none"> • Conduct intensive capacity building for capital market regulators through international cooperation • Adopt a training program for capital market participants

<p style="text-align: center;">Phase II (2005-2007)</p>	<p style="text-align: center;">Phase III (2008-2010)</p>
<p style="text-align: center;">Establish the Foundation for Capital Markets</p>	<p style="text-align: center;">Develop Capital Markets</p>
<p><i>Establish a capital market surveillance framework</i></p> <ul style="list-style-type: none"> • Establish an independent securities and exchange commission 	<p><i>Strengthen capital market supervision and surveillance</i></p> <ul style="list-style-type: none"> • Upgrade prudential regulations in accordance with IOSCO principles
<p><i>Establish a securities exchange</i></p> <ul style="list-style-type: none"> • Create a securities exchange board • Set up a computerized trading system • Establish a trading infrastructure (e.g., a securities depository system, and a clearing system) 	<p><i>Promote capital market participation</i></p> <ul style="list-style-type: none"> • Adopt an incentive system to encourage firms to go public • Adopt corporate governance principles
<p><i>Promote the issuance of public bonds</i></p> <ul style="list-style-type: none"> • Establish or refine related legal and regulatory frameworks • Establish an incentive system to create demand for government bonds 	<p><i>Develop private bond markets</i></p> <ul style="list-style-type: none"> • Adopt a plan to develop corporate debt markets • Establish a legal and regulatory framework for the issuance of bonds of large banks and development finance institutions • Develop a trading system for fixed income securities
<p><i>Strengthen capacity building for the public</i></p> <ul style="list-style-type: none"> • Develop a comprehensive program for public awareness activities • Publish a master plan to create a securities exchange to provide general guidelines for listing requirements 	<p><i>Strengthen capacity building for capital market participants</i></p> <ul style="list-style-type: none"> • Create an association of securities brokers and dealers • Establish a capital market training institution

VII. Financial Market Infrastructure

<p>VISION: Legal and accounting systems that promote the rule of law in commercial and financial transactions and support good governance by promoting transparency, accountability, and predictability</p>	<p style="text-align: center;">Phase I (2001-2004)</p>
<p>Legal Framework for Commercial and Financial Transactions</p>	<p style="text-align: center;">Develop Key Legal, Accounting, and Information Infrastructure</p> <p><i>Create key legal infrastructure to underpin financial sector development</i></p> <ul style="list-style-type: none"> • Adopt a company law, a bankruptcy law, a secured transactions law, etc. • Adopt a civil code and procedure • Implement the Governance Action Plan • Adopt a law on Organization and Function of the Court including establishment of a commercial chamber
<p>Accounting and Auditing Standards</p>	<p><i>Establish accounting/auditing standards and enforcement system</i></p> <ul style="list-style-type: none"> • Adopt a law on corporate accounts, their audit, and the accounting profession • Apply IAS/ISA to all companies in Cambodia • Establish an accounting standards board • Establish an association of accountants and auditors including committees on education and ethics • Adopt a code of ethics for auditors
<p>Financial Market Information Infrastructure</p>	<p><i>Create financial market information system</i></p> <ul style="list-style-type: none"> • Establish arrangements for sharing credit information among members of the bankers association
<p>Financial Market Safety Net</p>	

Phase II (2005-2007)	Phase III (2008-2010)
Strengthen Enforcement and Establish Safety Net	Enhance Financial Market Infrastructure and Safety Net
<p><i>Strengthen law enforcement</i></p> <ul style="list-style-type: none"> • Continue judicial reform • Establish a commercial chamber in the court system • Develop an adequate compensation scheme for commercial jurist • Establish a public registry for secured transactions 	<p><i>Enhance the legal infrastructure for private sector development</i></p> <ul style="list-style-type: none"> • Establish legal framework for a public registration system for movables
<p><i>Strengthen enforcement of accounting/auditing standards</i></p> <ul style="list-style-type: none"> • Promote competition in the local accounting industry to encourage new entries to reduce accounting and auditing compliance costs of the private sector 	<p><i>Enhance the enforcement of accounting standards</i></p> <ul style="list-style-type: none"> • Apply IAS/ISA to private companies • Improve the enforcement of accounting and auditing standards
<p><i>Expand the scope of arrangements for credit information sharing</i></p> <ul style="list-style-type: none"> • Formalize the membership of the arrangements for sharing credit information to include other credit institutions • Allow the participation of other financial institutions in the credit information sharing arrangements 	<p><i>Diversify and upgrade the market information system</i></p> <ul style="list-style-type: none"> • Introduce a credit rating database industry • Upgrade the capacity and accessibility of the arrangements for sharing credit information through increased investment in IT
<p><i>Enhance the banking sector safety net</i></p> <ul style="list-style-type: none"> • Introduce a deposit insurance system for the banking sector • Adopt corporate governance guidelines for banks 	<p><i>Enhance financial sector safety net</i></p> <ul style="list-style-type: none"> • Expand deposit insurance system into other credit institutions that participated in the payment system • Adopt corporate governance guidelines for nonbanking institutions

