This White Paper was developed by the Financial Services Professional Board.

The Financial Services Professional Board (FSPB) is a voluntary, industry-led initiative that is focused on the development and advocacy of professional and ethical standards that are applicable across the financial services industry. The Secretariat function of FSPB is performed by the Asian Institute of Finance (AIF) through its Professional Standards Division.

**Writer**
Ms Sharmila Sharma, Financial Services Professional Board

Published by:
Financial Services Professional Board
Unit 1B-05, Level 5 Block 1B
Plaza Sentral
Jalan Stesen Sentral 5
KL Sentral
50470 Kuala Lumpur
Malaysia
T: +603 2787 1933 F: +603 2787 1900
Website: [www.fspb.com](http://www.fspb.com)
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OBJECTIVES

The Financial Services Professional Board (FSPB) seeks to serve the public interest through the development and promotion of internationally recognised professional and ethical standards that have universal application across the entire spectrum of the financial services industry (FSI), spanning key areas of banking, capital markets, insurance and Islamic finance.

Common standards on professionalism and ethics that are applicable across the industry have the potential of enhancing the quality and consistency of services provided by practitioners in the FSI (FSI Practitioners) nationally, regionally and internationally, thereby inspiring trust and confidence of all industry stakeholders, ranging from industry customers, peers, and regulators to the public at large\(^1\).

With its international remit and coupled with a cross-sector collaborative approach in developing and promoting these common standards on professionalism and ethics, FSPB provides the FSI with an authoritative platform to converge and harmonise national, regional and international standards on professionalism and ethics across all sectors of the FSI.

The FSPB Secretariat conducted desktop research with the view to highlighting some of the key issues pertaining to professionalism and ethics within the FSI that are being debated in the public domain.

The issues highlighted in the White Paper are not novel. While there have been other international multi-stakeholder initiatives that seek to develop common visions for the FSI\(^2\), to the best of the Secretariat’s knowledge, FSPB is one of the first international multi-stakeholder industry-led initiatives that seek to set common professional and ethical standards that have universal application across the entire spectrum of the FSI. Therefore, taking a leaf out of the book of other pioneering international multi-stakeholder initiatives in the FSI, the FSPB Secretariat thought it prudent to start with first principles at the beginning of an initiative with ambitious aims.

Based on the research, the FSPB Secretariat seeks to suggest some areas in which common standards on professionalism and ethics within the industry could be developed and promoted by FSPB as well as the corresponding stakeholder engagements that could be undertaken.
PROFESSIONALISM & THE FINANCIAL SERVICES INDUSTRY

The Oxford English Dictionary defines the term “professionalism” as “the competence and skill expected of a professional” while the term “professional” is in turn defined as “a person engaged or qualified in a profession.”

There have been intense debates on the definition of the term “profession”, and by extension, “professionalism”. These debates commonly surround the question as to whether a particular occupation such as management or internal auditing is a profession.

<table>
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<th>Primary Characteristics of Professions</th>
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<tr>
<td><strong>General</strong></td>
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<tr>
<td>● A profession involves skill based on theoretical knowledge</td>
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<td>● The skill requires extensive and intensive training and education</td>
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<td>● The professional must demonstrate competence by passing a test</td>
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<td>● The profession is organised and it is represented by associations of distinctive character</td>
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<tr>
<td>● Integrity is maintained by adherence to a code of conduct</td>
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<tr>
<td><strong>Relationship to society</strong></td>
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<tr>
<td>● Professional service is altruistic</td>
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<tr>
<td>● The professional assumes responsibility for the affairs of others</td>
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<td>● Professional service is indispensable for the public good</td>
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<tr>
<td>● Professionals are licensed, so their work is sanctioned by the community</td>
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<tr>
<td>● Professionals are independent practitioners, serving individual clients</td>
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<tr>
<td><strong>Relationship to client</strong></td>
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<tr>
<td>● They have a fiduciary relationship toward their clients</td>
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<tr>
<td>● They do their best to serve their clients impartially without regard to special relationship</td>
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<tr>
<td>● They are compensated by fee or fixed charge</td>
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Source: Mary Ann Reynolds (2000)

Over time, these debates have led to some consensus on the three common characteristics of a “profession”. For an occupation to earn the right to be a “profession”, it must: (i) require specialist knowledge (or technical competence); (ii) serve the public good while providing private benefits; and (iii) have an embedded and thriving ethical culture within the professional community concerned as a result of the profession’s need to serve the public good. Table 1 provides further details of the primary characteristics of profession.

It is beyond the scope of this White Paper to discuss whether FSI Practitioners are professionals. Nevertheless, regardless of whether they may be deemed as “professionals”, FSI Practitioners at all levels of the industry need to adhere to a high standard of professionalism both in terms of their ethical behaviour and technical competence for two main reasons.
First, the financial sector bears the heavy social responsibility of serving the public good because of the pivotal role it plays in economic development, including poverty alleviation.

The core function of the financial sector is to act as an intermediary to channel capital from various sources of funds (e.g. households, corporations and governments) to their ultimate uses in the real sector of the economy, including financing the development of infrastructure as well as business activities such as the manufacturing of goods and provision of services, thereby leading to job creation, productivity growth and rising standards of living.

Historically, the financial sector facilitated economic growth following from its role as an intermediary between capital and economic activity. However, over the last 30 years, the sector has witnessed tremendous growth.

Estimates by McKinsey Global Institute\(^7\) and the International Monetary Fund\(^8\) show that between 1980 and 2012, global financial assets (sum of stock market capitalisation, debt securities and bank assets) grew by about 23 times from around US$12 trillion (120% of world GDP) to US$274 trillion (380% of world GDP).

As a consequence of the dramatic growth in the size of the sector and its deepening relative to the real economy, the financial sector has leapfrogged from being a facilitator of economic growth to being a key driver of the economy\(^9\). In the words of the late Andrew Crockett, former General Manager of the Bank for International Settlements, the financial system of the 21\(^{st}\) century is “the central nervous system of a market economy”\(^{10}\).

Generally, progressively higher standards of professionalism are expected of individuals as they take on bigger and more prominent roles of responsibilities in their respective careers. In a similar vein, FSI Practitioners at all levels ought to aspire to achieve a higher standard of professionalism to reflect the augmented role of the financial sector in society today.

To quote Richard Lambert in his review on banking standards in the UK\(^{11}\):

Why do professions exist? One answer to this question is that professions such as medicine, the law or auditing all create public goods along with private benefits: they meet broad societal needs. So they need to be built on common standards of knowledge and behaviour, and citizens have to be able to rely on the knowledge and integrity of the practitioners in meeting their requirements.

It seems hard to argue that bankers do not have a similar role. A sound banking system is unquestionably a public good. We’ve learnt the hard way that poor banking behaviour creates public “bads”. Just as with doctors and their patients, there are clear asymmetries of information in the banking business, with bankers knowing a lot more about the detail of a product than their customers.

Sir Richard later acknowledges the fact that there will be “real difficulties in creating a professional body that would have to take in such a wide variety of different participants, with very different skills, experience, and compensation, and with business backgrounds that have been built up in a free-for-all environment.”
Second, in addition to experiencing a dramatic growth in its size and depth relative to the real economy, over the last 30 years, the FSI also experienced drastic changes in its landscape.

Perhaps one of its most significant changes is the convergence of the industry across previously separated sectors and borders. This convergence was driven by the four key factors of: (i) increased focus on the maximisation of shareholder value; (ii) steady rise in the demands and sophistication of customers; (iii) financial markets liberalisation around the world, including the US, UK and Asia; and (iv) advancement in computing and communications technologies.

Therefore, over the last three decades, the FSI witnessed its players: (i) expanding across geographic regions to seek new markets; (ii) consolidating to form larger entities with diversified interest in the various sectors of the FSI such as “financial conglomerates” (formed by different types of financial institutions such as banks, insurance companies and investment houses), “universal banks” (a bank with an investment house but without an insurance subsidiary), “bancassurance” (banks selling insurance products) and “assurfinance” (insurers selling financial products); and (iii) increasing their pace of product innovation, including the creation of complex derivative instruments.

The increasingly inter-connected and complex nature of the FSI brought about by the convergence of the industry has in turn placed additional demands on the standard of professionalism of FSI Practitioners at all levels of the industry, both in terms of technical competence as well as ethical behaviour.

A report by the Expert Group on Future Skills Needs that was tasked by Irish International Financial Services Centre in Dublin to examine the skills needs of the entire international FSI concluded that “there is ample evidence of skills needs at all points along the skills spectrum in relation to the international financial services industry”. The report goes on to state that the “quantitative and qualitative research found a high level of consistency in the types of skills and occupations where companies experience needs or difficulties in sourcing qualified staff” and proceeded to list some of the main areas in this regard. They include quantitative modelling, risk management, middle-management with financial services experience and project and change management.

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**Question 1**

Do you agree that FSI Practitioners at all levels of the industry ought to aspire to a higher standard of professionalism than has been practised in the past?

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**Question 2**

If so, do you agree that FSPB has a role to play in the development and promotion of common standards relating to ethical behaviour and technical competencies within the FSI?
THE NEED FOR A THRIVING ETHICAL CULTURE IN THE INDUSTRY

A Financial Times study of 200 fines and restitutions imposed on different players in the US FSI found that between 2007 and March 2014, US financial institutions paid out about US$100 billion in fines for misconduct that included foreclosure abuse, bad lending practices, market manipulation and fraudulently issuing mortgage-based securities.

Across the Atlantic in the UK, data from the Financial Conduct Authority show that between January and May 2014 alone, UK financial institutions and individual FSI Practitioners paid a total of about £132 million (US$222 million) in fines for misconduct that included deliberately providing false and misleading information on a mortgage application, falsifying documents in relation to customers’ policies, developing and executing a deliberate and targeted strategy to charge substantial mark-ups on certain transactions that were deliberately not agreed with or disclosed to clients and failing to manage conflicts of interest in Gold Fixing.

While it is the misconducts of financial institutions in developed markets such as the US and UK that grab the headlines around the world, questionable practices by financial institutions also extend to those operating in the developing markets. In addition, just as “financial crises are an equal opportunity menace”, such practices by financial institutions and individual FSI practitioners impact both the rich and the poor.

For instance, in developing Asia, a scrutiny by the Reserve Bank of India (RBI) in April 2013 of the accounts, internal controls, compliance systems and processes of a number of banks in the country, saw the Indian central bank imposing penalties that totalled about INR 50 crore (US$8 million) on 22 banks for non-adherence to a diverse number of guidelines that related to Know-Your-Client norms, anti-money laundering, classification of accounts, limitations in the sale of gold coins, issuance of demand drafts and remittance of funds. The RBI also issued cautionary letters to seven banks.

In addition, according to a New York Times report on microcredit institutions:

In recent years, the idea of giving small loans to poor people became the darling of the development world, hailed as the long elusive formula to propel even the most destitute into better lives. ... But the phenomenon has grown so popular that some of its biggest proponents are now wringing their hands over the direction it has taken. Drawn by the prospect of hefty profits from even the smallest of loans, a raft of banks and financial institutions now dominate the field, with some charging interest rates of 100 percent or more.

The report goes on to quote Muhammad Yunus, the economist and a Nobel Peace Prize winner who pioneered the practice of lending small sums of monies to basket weavers in Bangladesh, one of the world’s poorest countries, as saying: “We created microcredit to fight the loan sharks; we didn’t create microcredit to encourage new loan sharks.”

These numerous reported episodes of poor behaviour among financial institutions and individual FSI Practitioners point to a yawning gap between the actual standard of professionalism (or the lack thereof) as practised by players in the FSI and the ideal high standard of professionalism that modern finance demands from its players.
The major reason often cited for the widening gap between actual and ideal standards of professionalism in the FSI is the apparent lack of a thriving ethical culture in the industry. As an example, one of the conclusions of the National Commission on the Causes of the Financial Economic Crisis in the United States is that, “Unfortunately – as has been the case in past speculative booms and busts – we witnessed an erosion of standards of responsibility and ethics that exacerbated the financial crisis. This was not universal, but these breaches stretched from the ground level to the corporate suites.”

The Commission continued:

These conclusions must be viewed in the context of human nature and individual and societal responsibility. First, to pin this crisis on mortal flaws like greed and hubris would be simplistic. It was the failure to account for human weakness that is relevant to this crisis.

Second, we clearly believe the crisis was a result of human mistakes, misjudgements, and misdeeds that resulted in systemic failures for which our nation has paid dearly. As you read this report, you will see that specific firms and individuals acted irresponsibly. Yet a crisis of this magnitude cannot be the work of a few bad actors, and such was not the case here. At the same time, the breadth of this crisis does not mean that "everyone is at fault"; many firms and individuals did not participate in the excesses that spawned disaster.

Over in the UK, a similar conclusion was made, albeit on a smaller scale, in the Salz Review, an independent review of Barclay’s business practices that was conducted in the aftermath of the bank’s involvement in a major LIBOR-rigging scandal:

For the employees at Barclays this has been a difficult time. Our meetings with them and a survey we conducted made clear that the overwhelming majority are focused on the bank’s customers and doing their best for them. They are disappointed as anyone by some of the behaviours.

The review, however, goes on to note that “employees of all ranks” were either unaware of the bank’s five guiding ethos of ‘customer focus’, ‘winning together’, ‘best people’, ‘pioneering’ and ‘trusted’ or if they were aware, they could cite only one or two of them, often without authority.

A major reason for the apparent lack of a thriving ethical culture within the FSI is the misalignment of incentives both in terms of financial gains and career progression and the aspiration for high ethical standards. As noted by Mark Carney, the Governor of the Bank of England, “A related lesson of the crisis was that compensation schemes that delivered large bonuses for short-term returns encouraged individuals to take on too much long-term and tail risk.”

Carney’s observation lies squarely in line with a study by The Economist Intelligence Unit and sponsored by the Chartered Financial Analyst (CFA) Institute (EIU Study) that clearly evidenced the misalignment between ethical aspirations and incentives in the FSI.

From an ethical aspirations perspective, 91% of the FSI Practitioners surveyed placed ethical conduct and financial success at their firms at equal importance. Similarly, 96% of the survey respondents expressed their preference to work for a firm with a decent reputation for ethical conduct.
In stark contrast, from an incentives perspective, 53% of FSI Practitioners surveyed think that it would be difficult to progress in their careers at their firm without being “flexible” on ethical standards. In addition, only 37% believe that their firm’s financial bottom line would improve as a result of higher ethical standards amongst employees.

As summed up by John Rogers, the President of the CFA Institute, “the results show that the industry has further to go on its journey to drive up ethical standards and embrace professional education.”

Regardless of the reasons for it, it is of vital importance that the issue of the apparent lack of a thriving ethical culture in the FSI is addressed for two major reasons. First, the FSI is fast losing public trust and confidence. For instance, the 2014 survey by Edelman Trust Barometer on trust levels in various industries showed that the FSI is the least trusted industry globally. Correspondingly, the EIU Study found that only slightly more than half (59%) of FSI Practitioners surveyed believe the FSI has a positive reputation.

Y. V. Reddy, the former Governor of the Reserve Bank of India, cited a number of reasons for this erosion of trust and they are: (i) the perception among a sizeable population of “innocent victims” of the 2008/09 Global Financial Crisis that while players within the financial sector were allowed to benefit from disproportionate gains and/or considered to be “too-big-to-fail” and were thus bailed-out, it is the “innocent victims” who had to bear the pain of adjustments resulting from the excesses of the financial sector; (ii) the numerous episodes of poor behaviour among major global players in the FSI that continue to occur post the 2008/09 Global Financial Crisis; (iii) the lack of transparency in the losses that the public suffered as a result of the poor behaviour of players in the FSI; (iv) the difficulties in obtaining much needed credit from the financial sector to fund real economic activities although it was the taxpayers who ultimately provided the financial sector with liquidity, including extended bail-outs; and (v) the perception that there is a comprehensive capture of regulation of the financial sector by the FSI, particularly in the developed economies.

Does restoring trust and confidence in the FSI matter? After all, as remarked by Dr. Reddy, “it is also possible to argue that erosion of trust, if any, may be temporary, as seen in the past when the financial sector faced crises.”

The answer is resoundingly in the affirmative. From a narrower FSI player perspective, trust is an essential component in the success of any business and especially so in a line of business that handles or manages money on a daily basis and through that role, (i) permeates through virtually every aspect of a monetary society including safeguarding savings, enabling payments and providing a broad access to financial services products and services; and (ii) serves a wide range of customers or clients, including individuals, families, businesses, governments and civic institutions.

Customers or clients are unlikely to conduct business with a financial institution or a FSI Practitioner without first having the confidence that they will be treated fairly and their best interest will be safeguarded at all times. As noted by the Institute of Chartered Accountants in England and Wales, trust “enhances the dependability of relationships, facilitates transactions and promotes the efficient allocation of resources.”
From a broader societal perspective, in the words of the Group of 30, a consultative group on international economics and financial issues:

Financial Institutions], unlike most other corporations, are licensed by society to serve the needs of society. The 2008-09 financial crisis demonstrated that an FI’s mismanagement and collapse can have serious repercussions for the economy as a whole, which is why society requires FIs to take their societal responsibilities seriously and factor them into their culture.

Accordingly, FIs must create a culture that respects those societal responsibilities and encourages the behaviors necessary to discharge them.”

Behaving in a manner that inspires trust and confidence of the very people who license them and who they also serve is thus a critical social responsibility that players operating in the FSI must discharge. Dr. Reddy himself hints at this need when, in answering his own question, he said “But, it is undeniable that maintaining trust and confidence in finance is essential for the good of society at large.”

Second, analyses of past financial crises show that there is a clear correlation between the standard of ethical behaviour in the FSI and the stability of the financial system. To quote Christine Lagarde, the Managing Director of the IMF, “I realise that these are deeper questions than economists and policymakers are normally comfortable talking about. Yet, I also believe the link is clear – ethical behaviour is a major dimension of financial stability.”

Indeed, Alan Greenspan, the former Chairman of the US Federal Reserves is reported to have said a year after the 2008/09 Global Financial Crisis began following the fall of Lehman Brothers that another global financial crisis is inevitable because financial crises have one fundamental source — the ‘unquenchable capability’ of human beings to revert to ‘speculative excesses’ when confronted with long periods of prosperity. Thus, “unless somebody can find a way to change human nature, we will have another crisis.”

The adverse social impacts of financial crises are well documented — and they clearly illustrate that a systemic breakdown in the financial system can lead to grave social implications. The National Commission on the Causes of the Financial Economic Crisis in the United States summed up the social implications of the 2008/09 Global Financial Crisis in its final report as follows:

As this report goes to print, there are more than 26 million Americans who are out of work, cannot find full-time work, or have given up looking for work. About four million families have lost their homes to foreclosure and another four and a half million have slipped into the foreclosure process or are seriously behind their mortgage payments. Nearly US$11 trillion in household wealth has vanished, with retirement accounts and life savings swept away. Businesses, large and small, have felt the sting of a deep recession. There is much anger about what has transpired, and justifiably so. Many people who abided by all the rules now find themselves out of work and uncertain about their future prospects. The collateral damage of this crisis has been real people and real communities. The impacts of this crisis are likely to be felt for a generation.
Asia had similar experiences in the aftermath of the 1997/98 Asian Financial Crisis. Andrew Sheng, Distinguished Fellow at the Fung Global Institute, described them as follows:

> Perhaps the greatest damage, however, was the social distress the crisis cost Asia. After more than three decades of prosperity and stability, the East Asian region witnessed riots, looting and student demonstrations in Indonesia, strikes against layoffs in South Korea and public protests against IMF conditionality in Thailand. Ultimately, new governments emerged in Indonesia, South Korea and Thailand, whilst the political leadership in Malaysia became split. As the crisis grew deeper, it soon became clear that the costs of the crisis on the less socially privileged were the most severe. High inflation, unemployment and disruption in social services due to budget cuts had a severe impact on the poor.

In sum, it is critical that the FSI develops, maintains and continuously enhances a thriving ethical culture in the industry. Though such efforts may not succeed in stopping future financial crises from happening, they may go some way to address the trust-deficit that confronts the FSI in a number of jurisdictions today. They may even serve to minimise the magnitude of any future financial crises and consequently, their adverse social impacts.

**Question 3**

Do you agree that there is a gap between actual and ideal standards of professionalism in the FSI?

**Question 4**

If so, do you agree that FSPB has a role to play in the identification of some of the gaps in the standard of professionalism that are common across all sectors of the FSI with the view to developing and promoting standards and good practices to address these gaps?

**Question 5**

If so, do you agree that in matters relating to the FSI and as part of its mandate to promote standards of professionalism and ethics, FSPB also has a role in providing thought leadership in the general area of finance, professionalism and ethics through the following non-exclusive activities:

- publication of short high-level insights and/or longer in-depth research; and
- organisation of roundtable dialogues and/or other similar stakeholder engagements.

All activities carried out in this regard will also be conducted with the underlying objective of assisting FSPB in developing standards and good practices relating to professionalism and ethics that are applicable across all sectors of the FSI.
A COMMON CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT

The many reported episodes of poor behaviour among financial institutions and individual FSI Practitioners that mar the landscape of the FSI occurred despite the fact that the industry is governed by numerous regulations. As remarked by Christine Lagarde38, “people who want to skirt the rules will always find creative ways of doing so.” Thus, in addition to effective regulation and their corresponding implementation, Ms. Lagarde is of the view that the FSI has to have “a strong systematic ethical dimension”39.

The effective development and promotion of a thriving ethical culture within the FSI is an uphill battle for three main reasons.

First, it involves the vague business of changing human values and behaviour. As noted by the Institute of Chartered Accountants in England and Wales, “Ethics is about principles, values and beliefs which influence judgement and behaviour. It goes beyond obeying laws, rules and regulations – it is about doing the right thing in the circumstances.”40 Given the complexity of how and why human beings behave the way they do, “how values change comes about is one of the unsolved mysteries of the social sciences.”41

Second, efforts that seek to change human values and behaviour and ultimately culture take a long time to bear fruit – if at all they generate success. Christine Lagarde herself acknowledges this when she said, “We know that regaining virtues like prudence will not happen overnight.”42

Third, grappling with issues surrounding changing human values and behaviour and ultimately culture is perhaps outside the comfort zone of the stakeholders within the FSI eco-system. As remarked by Hector Sants, former Chief Executive of the abolished UK Financial Services Authority (FSA), “When I joined the FSA, I was told by senior management that ‘the FSA does not do ethics’. Since that date, we have collectively experienced the worst financial crisis in modern times.”43

As daunting as the task ahead may be, however, in the words of Confucius, “A Journey of a thousand miles begins with a single step.”

The good news is that stakeholders of the FSI, including the industry itself, have taken many steps to launch various new initiatives to address the need for a higher standard of professionalism, including ethical behaviour, within the industry. They range from the establishment of the industry-led Banking Standards Review Council in the UK44 and the Global Education Standards Board founded by many of the world’s leading banking institutions45 to the Multistakeholder Compact on the Role of Financial Services in Society launched by the World Economic Forum46.

In addition, the FSI has the advantage of being able to tap into the experiences of Islamic finance and other professional bodies operating within the industry that already incorporate a strong ethics agenda in their work programme such as the CFA Institute and the Chartered Banker Professional Standards Board.

In coming-up with a proposed main initial work-programme for FSPB, the Secretariat is guided by the mandate of FSPB vis-à-vis the issues highlighted in this White Paper, non-duplication of work and the prudent need to go back to first principles given the novel and ambitious aims of FSPB.
Towards this end, the Secretariat wishes to propose that as FSPB’s main maiden initiative, a common code of ethics that sets out the core aspirational values and beliefs that are applicable to all financial institutions across all sectors of the FSI be developed.

In addition, the Secretariat wishes to propose that a set of standards of professional conduct that seeks to prescribe good practices in relation to the conduct of financial institutions that corresponds with the values and beliefs as espoused in the proposed common code of ethics be developed in tandem with the code of ethics.

The business case for the development of the common code of ethics and the corresponding set of standards of professional conduct are threefold.

First, a well-designed visible code of ethics and standards of professional conduct is “a key element of ensuring effective corporate governance.” 47 A well-designed code of ethics that clearly outlines the common aspirations of all sectors of the FSI helps make visible what are the common values and beliefs that the industry as a whole aspire to. Similarly, the corresponding standards of professional conduct that clearly sets out further details as to how these values may be applied across all sectors of the FSI helps make visible what these practices are. This in turns raises the awareness of all internal and external stakeholders of financial institutions on what these values and professional conduct are and through that heightened awareness, their effective application in the industry.

Second, a common code of ethics and a corresponding set of standards of professional conduct that are applicable across the FSI have the potential of enhancing the quality and consistency of services provided by financial institutions nationally, regionally and internationally, thereby inspiring trust and confidence of all industry stakeholders, ranging from industry customers, peers, and regulators to the public at large48.

Third, the common code of ethics and corresponding standards of professional conduct can serve as an effective core reference tool for FSPB when developing its own internal work-programme and provide context for such programmes49.

Do you agree that a common code of ethics and a corresponding set of standards of professional conduct that are applicable across the FSI have the potential of enhancing the quality and consistency of services provided by financial institutions nationally, regionally and internationally, thereby inspiring trust and confidence of all industry stakeholders?

If so, do you agree that FSPB has a role to play in the development and promotion of a common code of ethics and standards of professional conduct that are applicable across all sectors of the FSI?
CONCLUSION

FSPB’s work programme is dynamic in nature. Given the fast-changing environment in which the FSI operates, new developments within the industry may call for reconsideration of FSPB’s areas of focus. In addition, as FSPB begins its active engagement with the stakeholders of the FSI, other key areas of work that FSPB may embark upon could emerge. Flexibility in FSPB’s work programme is thus important.
## SUMMARY OF QUESTIONS

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  - publication of short high-level insights and/or longer in-depth research; and  
  - organisation of roundtable dialogues and/or other similar stakeholder engagements.  
  All activities carried out in this regard will also be conducted with the underlying objective of assisting FSPB in developing standards and good practices relating to professionalism and ethics that are applicable across all sectors of the FSI. |
| Question 6 | Do you agree that a common code of ethics and a corresponding set of standards of professional conduct that are applicable across the FSI have the potential of enhancing the quality and consistency of services provided by financial institutions nationally, regionally and internationally, thereby inspiring trust and confidence of all industry stakeholders? |
| Question 7 | If so, do you agree that FSPB has a role to play in the development and promotion of a common code of ethics and standards of professional conduct that are applicable across all sectors of the FSI? |
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