

# FISA Self-Assessment FAQ

Date: 20-2-23

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Email: [fisa@discrimen.nz](mailto:fisa@discrimen.nz) to request a link. See Q. 8 below for details.

## Aims and general focus of the FISA Self-Assessment

### 1. TINZ Aims

- Improved integrity practices within financial organisations
- Stronger trust and confidence of customers and stakeholders
- Improved integrity of the broader New Zealand financial system.

### 2. Financial Entities covered by the FISA Self-Assessment.

FISA Self-Assessment is designed to be most applicable to these financial entities: Banks, finance service providers, KiwiSaver providers, credit unions, building societies, insurance companies and related financial institutions such as trust companies and fund managers.

### 3. A bespoke financial entity may be concerned that parts of the survey are not as applicable to them, therefore, will they score lower against peers?

The questions have been designed to apply to all financial entities invited to participate in the self-assessment.

### 4. What does the FISA Self-Assessment Focus on?

There are nine focus areas: governance, accountability, policy oversight, communications, human capital, customer services, risk monitoring, operations and procurement.

Around 50% of the questions focus on governance, accountability and human capital; 40 % on policy, communication, operations and risk management and monitoring with the remaining 10% on customer service and procurement.

### 5. Why does the FISA Self-Assessment take this focus?

TINZ takes an 'integrity system' approach, with culture and conduct being vital, and led from the top. Supporting this are appropriate governance and accountability structures with sound risk management and policy measures. Effective human capability helps to embed best practice culture and conduct across the organization.

## Reporting

**6. What will the reports received by participating organisations look like?**

A sample of the benchmark report is provided at the end of this FAQ

Reports will be emailed to the email address used to authorise the access to the self-assessment.

**7. What will Transparency International New Zealand publicly report on?**

a) TINZ will publicly report on evidence taken from the aggregated and anonymised data. Reporting time and format will depend on the adequacy of data. For example, generalisations cannot be made from limited data. Public reporting will also focus on the 9 specific areas of the self-assessment.

b) TINZ will also publicly report on matters such as:

- score ranges and averages across the nine focus areas
- those focus areas where scoring indicates improvement is needed
- focus areas where scoring indicates there is good minimum compliance
- focus areas where there is significant variable performance;
- the level of participation by sector groups
- text responses included by respondents where attribution does not identify respondent.

## Accessing and Using the FISA Self-Assessment, and Facilitation Support

**8. How do we get access to the FISA Online Self-Assessment?**

Email: [fisa@discrimen.nz](mailto:fisa@discrimen.nz) and request a link. You will be asked to provide evidence of your authorisation to access the self-assessment on behalf of your organisation, and which regulatory entity regulates your organisation. You do not have to be a regulated financial organisation to use the Self-Assessment.

**9. When will the FISA Self-Assessment be open and for how long?**

The FISA Self-Assessment will open on 18 October 2022. Whilst an initial closing date of 28 February was envisaged this has now been left open.

**10. Can anyone use the link sent to their organisation?**

No. The link to access the self-assessment is specific to that used for authorisation.

**11. What is the authorisation process to get access to the FISA self-assessment?**

Organisations will be asked to provide validation that the person completing the self-assessment has the authority to do so on behalf of the organization, and the financial regulator which regulates that organisation. Access to the tool will not be enabled if that is not provided.

**12. Can organisations review or amend their answers once they have finished the FISA self-assessment?**

If a financial organisation has completed its assessment and then wants to revise it, it can ask to be able to redo the assessment. The software will only measure the latest completed self-assessment during the period when the self assessment is open.

**13. Where can I get assistance or facilitation support to complete the FISA Self-Assessment**

FISA can provide a list of facilitators who have been involved in the development of and/or guided through the tool, FISA objectives and TINZ requirements. Please email [fisa@tinz.org.nz](mailto:fisa@tinz.org.nz) to be connected to this.

## **FISA Self-assessment content, scoring, benchmarks and development**

**14. How many questions are there and how long should it take?**

Around 100 questions are distributed across the nine 9 focus areas, with an additional 2 focus areas on information about the organisation and about regulator capacity. The number of questions varies depending on the choices made (there may be follow on evidential questions). Pilot testing indicates around two hours to complete the self-assessment. In addition, there may be time seeking authorisation and clarification, before starting on the self-assessment.

**15. How and why were the Benchmark questions placed in the self-assessment?**

- a) Eleven Benchmark questions are included in the self-assessment, one in each focus area with two additional questions in the governance focus area.
- b) The Benchmark questions have been included as a measure of minimum requirements set by the financial regulators or by law, eg benchmark questions are included on protected disclosure, code of conduct and anti-corruption.
- c) Examples of Benchmarks used in the self-assessment are:
  - RBNZ: Corporate Governance Policy
  - FMA: Corporate Governance in New Zealand: Principles and Guidelines
  - Responsible Lending Code

**16. How has the self-assessment been developed and what sector review has been undertaken?**

- a) The self-assessment has been developed over six years, with multiple iterations, question and structure review. The structure reflects an international Transparency International Business assessment model, however it has been adapted considerably including focus areas, questions and benchmarking. Development has been the main work of a group of volunteers, all of whom have extensive experience in the financial sectors covered by the self-assessment, in governance and in assessment tool development.
- b) Testing for relevance and useability has been undertaken with regulators, financial entities, and expert external advisors.
- c) The TINZ Board has governance oversight of the development of the FISA broader concept and the FISA Self-Assessment Tool.

- d) We expect development to continue following feedback. A Quality Assurance team will consider and recommend changes.
- e) You can help improve FISA Self-Assessment by providing comments in the feedback section of the self-assessment.

## **Data management, Security, Sensitive questions**

### **17. What is done with the data that organisations put into the online software?**

The data is held in the software managed by Discrimen Ltd, under contract with Transparency International New Zealand (TINZ). Discrimen will not provide data to any other organisation than TINZ. TINZ does not receive specific data from any organisation that has completed the self-assessment. It will receive regular updates from Discrimen on:

- a) The number of respondents completing the self-assessment within the assessment period
- b) Names of respondent organisations completing the self-assessment within the assessment period
- c) Aggregated and anonymised scoring against all questions, in industry cohorts (only if anonymity can be maintained).
- d) Aggregated and anonymised scoring against the benchmark questions, in industry cohorts (only if anonymity can be maintained).
- e) User feedback on the tool.
- f) Text response comments provided by respondents where attribution does not identify respondent.

### **18. What is the security of the data, what is the software used, and how long is the data held in the online software?**

The confidentiality and security of the self-assessment is [provided at this link](#)

The data will be held in the online software for no more than five years and will then be deleted. Aggregated, anonymous reports will be retained by TINZ.

On behalf of TINZ, Discrimen Limited ("Discrimen") licences software from QuestionPro, Inc ("QuestionPro") to help make the FISA Self-Assessment available to you. QuestionPro is a subsidiary of Survey Analytics LLC ("Survey Analytics"). Discrimen, QuestionPro and/or Survey Analytics may collect, use and hold FISA Self-Assessment information for the purpose of making the FISA Self-Assessment available to you, and for any other relevant purposes described in this Appendix, on behalf of TINZ. [Survey Analytics is certified under the U.S. Department of Commerce's Safe Harbor Programme. That designation certifies that Survey Analytics conducts business in compliance with European privacy laws, which impose requirements typically the same as or stricter with respect to personal information than those currently applying under the Privacy Act 2020.] Information held by Omni, QuestionPro and/or Survey Analytics is stored at rest in Internap Network Services' data centres in the USA.

**19. Sensitive questions.**

- a) The self-assessment includes a small number of questions that ask about breaches of internal or regulated procedures. In each case an option is provided to not answer the question.
- b) The self-assessment also includes questions that invite comment on the capacity of the financial system regulators. These comments may be publicly reported and generally aggregated where attribution does not identify the respondent.

**Further Questions?**

We welcome further questions, please direct these to [fisa@tinz.org.nz](mailto:fisa@tinz.org.nz)

## Example of selection of Benchmark report



### FISA Benchmark Self-Assessment Report

Prepared for: ABC Limited

Transparency International New Zealand

PO Box 10 123, The Terrace, Wellington 6143

E-Mail: [admin@transparency.org.nz](mailto:admin@transparency.org.nz)

Report Generated On: 08 Nov, 2021

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GENERAL INFORMATION:	
Name of Entity:	ABC Limited
Entity Business Type(s):	Managed Investment Scheme - Kiwisaver
Number of full time equivalent employees (FTE's)	100 to 199
Revenue reported in the last full financial year:	\$20,000,000 to less than \$50,000,000
Total Assets reported in the last full financial year:	\$200,000,000 to less than \$500,000,000
Reporting entity for purposes of AML/CFT:	Yes
AML/CFT reporting category(s):	Investing, administering or managing funds or money on behalf of other persons
AML/CFT supervisor(s):	Financial Markets Authority (FMA)
Titles/positions held by response participants:	Chief Executive/CEO, Chief Operating Officer (COO), Head of Finance/CFO, Head of Internal Audit, Head of Risk Management, Chief Information Officer (CIO), Head of Marketing/Sales
Chair of governance body participated in response:	No
CEO participated in response:	Yes
Name of entity contact person:	Cameron Smith
Position held by contact person:	Director

#### BENCHMARK QUESTION SCORING:

Written policy to combat bribery, corruption and the laundering of the proceeds of crime?	Yes
BENCHMARK SCORE - Written policy to combat bribery, corruption and the laundering of the proceeds of crime:	66.67%

*Review policy to combat bribery, corruption and the laundering of the proceeds of crime - refer to Commonwealth Anti-Corruption Benchmarks.*

Policy designed to identify the risk of bribery, corruption and money laundering and promote the value of a strong and effective integrity system?	Yes
BENCHMARK SCORE - Policy designed to identify the risk of bribery, corruption and money laundering and promote the value of a strong and effective integrity system:	80%

Documented AML/CFT policy?	Yes
BENCHMARK SCORE - AML/CFT policy:	71.43%

*Review AML/CFT policy.*

Accountability (audit) policy to identify the risk of bribery, corruption and money laundering and promote the value of a strong and effective integrity system?	Yes
BENCHMARK SCORE - Accountability (audit) policy to identify the risk of bribery, corruption and money laundering and promote the value of a strong and effective integrity system:	87.5%

Written policy to ensure that decision makers comply with the confidentiality requirements of the Protected Disclosures Act 2000 (PDA)?	Yes
BENCHMARK SCORE - policy to ensure that decision makers comply with the confidentiality requirements of the Protected Disclosures Act 2000 (PDA):	64.29%

*Review policy to ensure that decision makers comply with the confidentiality requirements of the Protected Disclosures Act 2000 (PDA)*