

Partner's Profile



Name of Regulator	Comisión Nacional de Bancos y Seguros (CNBS)
Country/Region	Honduras, Central America
The Executive/President	Ethel Deras
Number of Officers and Employees	372
Brief History	<p>Supervision in the early 90s was made by the Banco Central de Honduras (BCH), this monitoring was formed by banks, savings and credit and insurance companies, in 1995 two important laws for the financial system of Honduras were created, the law of the Comisión Nacional de Bancos y Seguros and the financial Institutions System Law.</p> <p>Thanks to both laws the power of supervision, monitoring and control of the financial system was given to the Comisión Nacional de Bancos y Seguros through superintendencies.</p>
Statutory Objectives	<p>The Comisión Nacional de Bancos y Seguros (CNBS) does a regulatory work under the following criteria:</p> <ol style="list-style-type: none"> a.) That the development of such activities is in accordance with the laws of the Republic of Honduras and the public interest; b.) The exercise of such activities is developed in compliance with the economic role provided for each one of them. c.) That in such activities the rights of users of services offered by the supervised institutions and preferably that of savers, depositors, insured and investors is respected. d.) That the supervised institutions have adequate levels of inheritance to safeguard its solvency. e.) That the monitoring in the area of competence,

promote financial stability and complementing the work of the Central Bank of Honduras in this matter.

- f.) That the shareholders, directors and officers of the supervised institutions fulfill the requirements and moral character necessary to perform adequately.
- g.) That the regulatory frameworks promote free competition, equal participation, and efficiency of supervised institutions and protection of the rights of creditors.
- h.) That the adoption of good practice is promoted in managing the inherent risks in the activities of supervised institutions.

Mandate

The Comisión Nacional de Bancos will supervised, financial activities, insurance, pension, securities and all activities related with the management and investment of resources captured from public; and other financial institutions and activities determinate by the president of the republic of Honduras, also will be monitoring that the supervised institutions have system of money laundering programs and terrorist financing.

Functions

Regulating and supervising the financial system of Honduras.

Powers

- 1) Check, verify, control, monitor and the supervised institutions;
- 2) Issue the regulations required for the compliance of the duties provided in the preceding paragraph, as well as prudential standards to be met by supervised institutions, which are based on current legislation and international agreements and practices;
- 3) Monitor the compliance of the supervised institutions, the rules issued by the Banco Cnentral de Honduras (BCH) on monetary, credit and exchange policy;
- 4) Comply with and enforce the Constitution of the Republic, the general and special laws, regulations and resolutions related to supervised institutions are subject;
- 5) Monitor the correct constitution, expanding operations, merging, processing and closing of the supervised institutions;
- 6) To ensure strict compliance with the provisions governing the establishment and operation in the country of banks, insurance and others subject to the supervision and control have been established abroad;

Regulator

- 7) Review the activities by representatives or agents of any supervised institution;
- 8) To issue rules to ensure proper coordination between the supervisory duties of the Superintendent with performing internal and external audits of supervised institutions;
- 9) To ensure strict compliance with the rules that are related to reserves, investments and reinsurance contracts by insurance institutions;
- 10) Establish criteria to be followed for the valuation of assets and liabilities and provisioning for risks in order to preserve and reasonably reflect solvency of the supervised institutions, according with generally accepted principles and standards and international accounting practices;
- 11) Issue general rules for the presentation of accounts and supervised institutions to provide the public with sufficient, accurate and timely information on its legal, economic and financial situation;
- 12) Monitor, through the Superintendence or by auditors hired abroad, which have established branches in third countries the supervised institutions of the country;
- 13) Prohibit the practice of operations or functions, the provision of services or marketing of financial products or insurance when they are contrary to law or could jeopardize the stability of the supervised institution;
- 14) Implement the corresponding fines and penalties for non-compliance committed by the supervised institutions.
- 15) Decide, in accordance with the law, requests developed or interpose by supervised institutions. Similarly, solve claims or complaints submitted by users of the services provided by the supervised institutions and order measures that are relevant;
- 16) appoint, suspend or dismiss the Secretary and the Superintendent and officials and employees of the Superintendency and advisors that the Comisión decide;
- 17) To decide, at the request of the Banco Central de Honduras (BCH), applications for funding illiquidity of the supervised institutions;
- 18) Prepare the draft annual budget and

approve its liquidation;

- 19) To ensure strict compliance with the regulations issued by the Banco Central de Honduras (BCH) for the granting of loans, discounts, guarantees and other credit transactions, commissions, bonuses or allowances of any kind that the supervised institutions grant their shareholders, directors and officials and the companies in which they have controlling interest;
- 20) Supervise the operations performed by representative offices or agencies of foreign banks operating within the free, industrial processing zones or anywhere else in the country areas;
- 21) Appoint, when appropriate, the controller and the integrated delegate on behalf of the entity, the liquidation committee of a supervised institution;
- 22) propose the Banco Central de Honduras (BCH) and, jointly, as appropriate, to Congress or the Executive Power, the emergency measures needed in case of special circumstances threaten the stability of the financial system;
- 23) Ensure that the investments of the state pension system are made under the best conditions of safety, yield and liquidity, giving preference on equal terms to those that generates greater social benefit to contributors or members and ensuring that at any time such investments serve to satisfy obligations of the government or the State;
- 24) To issue regulations and other rules necessary for the functioning of the Comisión Nacional de Bancos y Seguros; and,
- 25) The other functions of supervision, monitoring and control attributed by other laws.

Code of conduct

According to the article 15 of the Comisión Nacional de Bancos Law, the Comisión members, the officers and employees will keep strictest reserve on papers, documents and information of the supervised institutions that they have knowledge and will be responsible for the damages occasioned by the disclosure, reports, an exception is made for documents and data that the Comisión must provide to comply with court orders or legal provisions and, obligations from international agreements on exchange of information held by the commission with analogous institutions and in particular to provide the Banco Central de Honduras (BCH), besides this

article internally we have the “Code of ethics and probity of officials and employees of the Comisión Nacional de Bancos y Seguros” and externally we have the code of ethics of the public servant.

We regulate

Banks, Securities Market, ASB’s, Credit Unions, Savings and Loans Asociations, Credit Bureaus, Remittance Companies, Financial Companies, Insurance companies, pension funds.

Contact Information

Tania Sagastume Bulnes, Superintendente de Valores y Otras Instituciones (SVOI)

Remarks

None