The FSB, in consultation with the multi-stakeholder TCF Regulatory Framework Steering Committee, is also in the process of identifying opportunities to enhance and align existing subordinate legislation to further support TCF delivery.

One of the focus areas of the overall TCF approach is on ensuring that fair outcomes are achieved across financial service value chains.

A commitment to TCF would require all regulated firms to take appropriate levels of responsibility for customer outcomes arising from the actions of all elements of their overall business model, including outsourcing and distribution arrangements.

Clearly the practical processes to ensure that TCF accountability is appropriately allocated between different players will depend on the business process concerned - but firms would be expected to be able to demonstrate reasonable steps they have taken to mitigate risks to customers arising from their business models.

Firms would be expected to be able to demonstrate reasonable steps they have taken to mitigate risks to customers arising from their business models.

Currently the FSB is increasingly referring to TCF-related objectives in the subordinate regulatory measures it issues, such as FSB board notices and directives.

Examples include references to fair treatment principles in the insurance Binder Regulations, Outsourcing Directive, and the recent Directive addressing early termination charges on the happening of multiple causal events, as well as the draft provisions on advertising and marketing under the Collective Investment Schemes Act. Financial advisors are reminded that, although compliance with the spirit and rules of the Financial Advisory and Intermediary Services (FAIS) framework will go a long way in ensuring that they deliver TCF Outcomes, they should nevertheless carefully consider the relevance of a number of the questions in the self-assessment tool that go beyond technical FAIS obligations.

In particular, financial advisors should consider their relationship with product suppliers and the extent to which they demand TCF delivery from product suppliers as a prerequisite for recommending a supplier's products to their customers.

In practice, a material failure to deliver one or more of the TCF Outcomes will already constitute a breach of the obligation in the FAIS General Code to render services honestly, fairly, with due skill, care and diligence and in the interest of the client and the integrity of the financial services industry, and would therefore be actionable by the regulator.

A number of the more specific obligations in the FAIS General Code of Conduct, for example those relating to disclosure, suitability of advice, etc. are equally consistent with the TCF principles.

Where specific new requirements are introduced, these will always be preceded by appropriate consultation, but the general principles of TCF have been consistently communicated for a number of years, and the FSB therefore expects regulated entities to already be applying fair treatment principles in their overall business processes.

As it is at the moment, no regulatory change is required to enable the FSB to start taking TCF considerations into account in its supervisory approach.

Increasingly therefore, regulated entities will start seeing that the FSB has already begun asking questions about customer fairness outcomes (over and above checking compliance with specific rules-based provisions) when we carry out on-site visits or when we investigate specific business practices or complaints.

In summary, the FSB is already implementing TCF to a large extent, and will incrementally keep embedding TCF-related elements into our supervisory approach and regulatory framework.

Increasingly therefore, regulated entities will start seeing that the FSB has already begun asking questions about customer fairness outcomes.