



Press release

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Implementation monitoring of PFMI: Level 2 assessment report for Singapore

The Committee on Payments and Market Infrastructures ([CPMI](#)) and the International Organization of Securities Commissions ([IOSCO](#)) have today published a report that finds that Singapore's legal, regulatory and oversight framework for key payments and settlement systems complies with CPMI-IOSCO's [Principles for financial market infrastructures \(PFMI\)](#) with the one exception of Principle 24 regarding disclosure of market data by trade repositories (TRs).

This report, [Implementation monitoring of PFMI: Level 2 assessment report for Singapore](#), presents the conclusions of the CPMI-IOSCO Level 2 assessment of whether, and to what degree, the legal, regulatory and oversight framework for systemically important payment systems (PSs), central securities depositories (CSDs), securities settlement systems (SSSs), central counterparties (CCPs) and TRs in Singapore are complete and consistent with the PFMI.

Conducted as a peer review during 2016–17, this Level 2 assessment reflects the status of Singapore's legal, regulatory and oversight framework as of 15 July 2016 and concludes that it is complete as well as consistent with the Principles, with the exception of Principle 24 for TRs. The Monetary Authority of Singapore (MAS) is actively considering appropriate requirements for the publishing of data in a manner that will help to achieve the objectives of public disclosure.

Alongside the Level 2 assessment for Singapore, the CPMI and IOSCO are continuing to advance the broader programme of implementation monitoring for the PFMI. The results of the [fourth update to the Level 1 assessments](#) were recently published on 14 July 2017. A Level 2 assessment report for [Hong Kong SAR](#) was also published on 24 May 2017. Other jurisdictions will be assessed at Level 2 over time.

In addition, the CPMI and IOSCO are currently working on a follow-up review, as announced in the first [“Level 3 assessment – Report on the financial risk management and recovery practices of 10 derivatives CCPs”](#). This new Level 3 review focuses on CCPs' progress in addressing the most serious issues of concern identified in the first Level 3 report, namely on CCP recovery planning, coverage financial recourses and liquidity stress testing. The CPMI and IOSCO aim to publish a report on the findings of this exercise by end-2017.



Notes:

1. The CPMI promotes the safety and efficiency of payment, clearing, settlement and related arrangements, thereby supporting financial stability and the wider economy. The CPMI secretariat is hosted by the BIS. More information about the CPMI, and all its publications, can be found on the BIS website at <http://www.bis.org/cpmi>.
2. IOSCO is the leading international policy forum for securities regulators and is recognised as the global standard setter for securities regulation. The organisation's membership regulates more than 95% of the world's securities markets in more than 115 jurisdictions. See www.iosco.org.
3. Both committees (the CPMI and IOSCO) are recognised as international standard-setting bodies by the Financial Stability Board (FSB) (www.financialstabilityboard.org).
4. The FSB established a coordination framework in October 2011 for monitoring and reporting on the implementation of G20 financial reforms. The framework envisages, *inter alia*, standard-setting bodies taking on the responsibility for monitoring and reporting on national implementation progress in their respective areas.
5. The April 2012 CPSS-IOSCO *Principles for financial market infrastructures* (PFMI) can be found on the websites of the BIS at <http://www.bis.org/cpmi/publ/d101.htm> and IOSCO at www.iosco.org/library/pubdocs/pdf/IOSCOPD377.pdf. The PFMI comprise a set of 24 Principles that apply to financial market infrastructures (FMIs), and five Responsibilities that apply to central banks, market regulators and other relevant authorities for FMIs.
6. Full, timely and consistent implementation of the PFMI is fundamental to ensuring the safety, soundness and efficiency of FMIs and for supporting the resilience of the global financial system. In addition, the PFMI play an important part in pursuit of the G20's commitment that all over-the-counter (OTC) derivatives should be reported to trade repositories and all standardised OTC derivatives should be centrally cleared. Global central clearing requirements reinforce the importance of strong safeguards and consistent oversight of derivatives central counterparties in particular. CPMI and IOSCO members are committed to adopting the Principles and Responsibilities contained in the PFMI in line with the expectations of the G20 and the FSB.
7. The CPMI and IOSCO are monitoring PFMI implementation according to a three-level framework: a Level 1 assessment of the status of the implementation process; a Level 2 assessment of the completeness of the implemented framework and its consistency with the PFMI; and a Level 3 assessment of the consistency in outcomes of such frameworks. Further details of the CPMI-IOSCO implementation monitoring of the PFMI, including a list of published Level 1, Level 2, and Level 3 reports, are available [here](#).