



## Press release

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### **CPSS and IOSCO issue consultative report on the recovery of financial market infrastructures**

The Committee on Payment and Settlement Systems (CPSS) and the International Organization of Securities Commissions (IOSCO) have today published for public comment a consultative report on the [Recovery of financial market infrastructures](#).

The report provides guidance to financial market infrastructures such as CCPs on how to develop plans to enable them to recover from threats to their viability and financial strength that might prevent them from continuing to provide critical services to their participants and the markets they serve. It also provides guidance to relevant authorities in carrying out their responsibilities associated with the development and implementation of recovery plans and tools.

The report has been produced in response to comments received on the July 2012 CPSS-IOSCO report on [Recovery and resolution of financial market infrastructures](#) that requested more guidance on what recovery tools would be appropriate for FMIs.

The report supplements the CPSS-IOSCO [Principles for financial market infrastructures](#) (PFMI), the international standards for financial market infrastructures (FMIs) published in April 2012. It provides guidance on how FMIs can observe the requirements in the PFMI that they have effective recovery plans. This is a consultation and does not itself create additional standards for FMIs. The report is also consistent with the Financial Stability Board's *Key attributes of effective resolution regimes for financial institutions*, published in October 2011.

Financial market infrastructures (FMIs), which include payments systems, securities settlement systems, central securities depositories, central counterparties and trade repositories, play an essential role in the global financial system. The disorderly failure of an FMI could lead to severe systemic disruption if it caused markets to cease to operate effectively.

Published with the report is a cover note that lists specific issues on which the committees seek comments during the public consultation period. Comments on



the report are invited from all interested parties and should be sent by **11 October 2013** (see note 1 below).

## Notes

1. Comments on the report should be sent by **11 October 2013** to both the CPSS secretariat ([cpss@bis.org](mailto:cpss@bis.org)) and the IOSCO secretariat ([fmirecovery@iosco.org](mailto:fmirecovery@iosco.org)). The comments will be published on the websites of the BIS and IOSCO unless commentators have requested otherwise.
2. The CPSS serves as a forum for central banks to monitor and analyse developments in payment and settlement arrangements as well as in cross-border and multicurrency settlement schemes. The CPSS secretariat is hosted by the BIS. More information about the CPSS, and all its publications, can be found on the BIS website at [www.bis.org/cpss](http://www.bis.org/cpss).
3. IOSCO is an international policy forum for securities regulators. Its objective is to review major regulatory issues related to international securities and futures transactions and to coordinate practical responses to these concerns. See [www.iosco.org](http://www.iosco.org).
4. Both committees (CPSS and IOSCO) are recognised as international standard-setting bodies by the Financial Stability Board ([www.financialstabilityboard.org](http://www.financialstabilityboard.org)).
5. The documents are on the websites of the BIS at [www.bis.org/publ/cpss109.htm](http://www.bis.org/publ/cpss109.htm) and IOSCO at <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD418.pdf>
6. The April 2012 CPSS-IOSCO *Principles for financial market infrastructures*, can be found on the websites of the BIS at [www.bis.org/publ/cpss101.htm](http://www.bis.org/publ/cpss101.htm) and IOSCO at [www.iosco.org/library/pubdocs/pdf/IOSCOPD377.pdf](http://www.iosco.org/library/pubdocs/pdf/IOSCOPD377.pdf). The July 2012 CPSS-IOSCO *Recovery and resolution of financial market infrastructures* can be found at [www.bis.org/publ/cpss103.htm](http://www.bis.org/publ/cpss103.htm) and [www.iosco.org/library/pubdocs/pdf/IOSCOPD388.pdf](http://www.iosco.org/library/pubdocs/pdf/IOSCOPD388.pdf).
7. The Financial Stability Board's *Key attributes of effective resolution regimes for financial institutions* can be found on the FSB's website at [www.financialstabilityboard.org/publications/r\\_111104cc.pdf](http://www.financialstabilityboard.org/publications/r_111104cc.pdf).
8. The Financial Stability Board has today published for consultation a document explaining how the Key attributes apply to non-bank financial institutions, which contains an appendix addressing the resolution of FMIs. The *Application of the Key attributes of effective resolution regimes to non-bank financial institutions* can be found on the FSB's website at [http://www.financialstabilityboard.org/publications/r\\_130812a.pdf](http://www.financialstabilityboard.org/publications/r_130812a.pdf). The treatment of FMIs in resolution will also be covered in a forthcoming assessment methodology for the Key attributes.