



## Press release

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### **CPMI and IOSCO publish guidance, call for comments on stablecoin arrangements**

- CPMI and IOSCO call for comments on new consultation report confirming that the Principles for Financial Market Infrastructures (PFMI) apply to systemically important stablecoin arrangements (SAs).
- The report proposes additional guidance on how certain aspects of the PFMI apply to the novel features of SAs.
- CPMI and IOSCO may further examine regulatory, supervisory and oversight issues associated with SAs and coordinate with other standard-setting bodies.

The Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) today published for public consultation preliminary guidance that confirms and clarifies that stablecoin arrangements should observe international standards for payment, clearing and settlement systems.

“The payments landscape has undergone rapid transformation in recent years and continues to evolve at pace. This is happening at the same time as financial innovation offers the prospect of new payment services and greater competition in payments but also potential risks to the financial system. This consultation document is part of an ongoing commitment by the international regulatory community to ensure the principle of ‘same risk, same regulation’, to identify potential risks and to help develop appropriate oversight to safeguard financial stability,” said Sir Jon Cunliffe, Chair of the CPMI and Deputy Governor for Financial Stability at the Bank of England.

In 2019, the Group of Seven and the Financial Stability Board (FSB) conducted work on the impact of global stablecoin arrangements and made [recommendations](#) for their regulation, supervision and oversight.

Preliminary analysis conducted by CPMI-IOSCO as part of an October 2020 FSB [report](#) found that “the PFMI apply to stablecoin arrangements that perform systemically important payment system functions or other financial market infrastructure (FMI) functions”.

Today’s consultation paper – [Application of the Principles for Financial Market Infrastructures to stablecoin arrangements](#) – upholds and confirms that determination. Given the novelty and complexity of stablecoin arrangements, it



provides clarification and interpretation through the provision of guidance on applying existing standards to SAs, including to some of the novel features of SAs which distinguish them from other payment systems.

“This report marks significant progress in understanding the implications of stablecoin arrangements for the financial system and providing clear and practical guidance on the standards they need to meet to maintain its integrity. We look forward to receiving submissions to further enhance our insights and recommendations,” said Ashley Alder, Chair of the IOSCO Board and Chief Executive Officer of the Hong Kong Securities and Futures Commission.

Each jurisdiction retains the prerogative to determine within its own context whether to allow stablecoin activity. If it does so, and if an SA is systemic or is likely to become systemic, then the PFMI (supplemented by the report’s guidance) would also apply.

The CPMI and IOSCO invite comments on this consultative document generally and the questions set out in the document specifically. Responses should be sent via email to both the CPMI Secretariat ([cpmi@bis.org](mailto:cpmi@bis.org)) and the IOSCO Secretariat ([consultation-03-2021@iosco.org](mailto:consultation-03-2021@iosco.org)) by 1 December 2021.

Responses will be published on the websites of the CPMI and IOSCO unless respondents expressly request otherwise. Commercial or other sensitive information should not be included in your submission or may be provided with redactions by the sender for publication.

The CPMI and IOSCO may further examine regulatory, supervisory and oversight issues associated with SAs and, as appropriate, coordinate with other standard-setting bodies to address outstanding gaps. This report is a key contribution to the G20 roadmap on cross-border payments and supports the FSB’s work in this area.

Some issues identified in this report may require further clarification and follow-up work in 2022 and beyond as the features of certain projects and SA functions evolve.

## 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](#).
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](http://www.iosco.org).
3. Both committees (CPMI and IOSCO) are recognised as international standard-setting bodies by the [Financial Stability Board](#).