FINANCIAL STABILITY BOARD

2020 Resolution Report

“Be prepared”

18 November 2020

The Financial Stability Board (FSB) coordinates at the international level the work of national financial authorities and international standard-setting bodies in order to develop and promote the implementation of effective regulatory, supervisory and other financial sector policies. Its mandate is set out in the FSB Charter, which governs the policymaking and related activities of the FSB. These activities, including any decisions reached in their context, shall not be binding or give rise to any legal rights or obligations.

Contact the Financial Stability Board

Sign up for e-mail alerts: www.fsb.org/emailalert
Follow the FSB on Twitter: @FinStbBoard
E-mail the FSB at: fsb@fsb.org

Table of Contents

Executive summary

Resolution preparedness remains a key priority. The COVID-19 pandemic tested the financial system and confirmed the importance of ongoing work on resolvability, including for central counterparties (CCPs). Financial institutions entered the COVID-19 crisis in a more resilient state than they did the 2008 financial crisis. Improved capabilities for monitoring the financial condition of firms and for cooperation and communication in a crisis, although not yet perfect, served authorities well.

Banks

The sixth round of the resolvability assessment process (RAP) conducted during 2019-2020 confirmed that crisis management groups (CMGs) are broadly satisfied with the current progress of global systemically important banks (G-SIBs)[1] toward resolvability. Resolution planning work by firms and authorities continues, focusing in particular on the allocation of Total Loss-Absorbing Capacity (TLAC) resources within groups; the estimation of liquidity needs in resolution and corresponding funding plans and public sector back-stop arrangements; operational continuity; and continuity of access in resolution to financial market infrastructures (FMIs).

Most G-SIBs are estimated to already meet the final 2022 minimum external TLAC requirement, and the market has so far absorbed issuance without difficulty. TLAC-eligible bond issuance has continued through the difficult COVID-19 pandemic environment. Disclosure of external TLAC levels by G-SIBs has improved over the past year. There is still however little information available to market participants on the distribution of TLAC within groups. Work is ongoing on the management, distribution and transferability of these resources.

The role of CMGs and colleges as mechanisms for sharing timely and granular information has proved essential during the COVID-19 pandemic. An FSB stocktake demonstrates that CMGs are working well, but that authorities should continue to test resolution plans on the basis of simulations and scenario analyses.

The FSB's June 2020 consultation report on the evaluation of the effects of the too-big-to-fail (TBTF) reforms for SIBs[2] found that the reforms have made banks more resilient and resolvable. The report did not observe material negative side effects, but it identified some remaining obstacles to resolvability and gaps to be addressed. The FSB will consider, in light of the final report to be published in 2021, what further actions may be needed to promote the full implementation of the resolution reforms and address the identified gaps.

---

1 FSB (2020), *2020 list of global systemically important banks (G-SIBs)*, November.

2 FSB (2020) *Evaluation of the effects of too-big-to-fail reforms*, June.

CCPs

The FSB published the *Guidance on financial resources to support CCP resolution and on the treatment of CCP equity in resolution* in November. The guidance aims at supporting resolution authorities and CMGs in assessing the adequacy of financial resources for CCP resolution and provides guidance on approaches to the treatment of CCP equity in resolution. Beyond this guidance, the Chairs of the FSB, Committee on Payments and Market Infrastructures (CPMI), International Organization of Securities Commissions (IOSCO) and of the FSB Resolution Steering Group will collaborate on further policy work on CCP financial resources through their respective committees. This will include assessing whether any new types of pre-funded resources would be necessary to enhance CCP resolvability.[3]

CPMI and IOSCO coordinated in August the biannual review of the list of CCPs that are considered to be systemically important in more than one jurisdiction (SI>1) by CCP home and host authorities of CPMI-IOSCO member jurisdictions. Thirteen CCPs qualified as SI>1 CCP.

Some progress has been made in resolution planning for SI>1 CCPs. Authorities have established CMGs for all CCPs identified as SI>1 CCP, with the exception of one CCP that was added to the list of SI>1 CCPs in the August review. To support discussions on CCP resolvability within CMGs, the FSB developed in 2020 a RAP questionnaire that will be used for the first time in the 2021 RAP for SI>1 CCPs. Summary findings from the 2021 CCP RAP will be included in the FSB's *2021 Resolution Report*. The FSB, jointly with the Basel Committee on Banking Supervision (BCBS), CPMI and IOSCO, will hold a series of workshops for authorities to discuss the potential financial stability impact from the use of recovery and resolution tools.

Insurers

The FSB's annual resolvability monitoring for the insurance sector showed little progress with no significant reforms reported. The FSB published the *Key Attributes Assessment Methodology (KAAM) for the Insurance Sector*[4] in August 2020. The methodology is intended for use in assessments conducted within the FSB framework for implementation monitoring as well as International Monetary Fund (IMF) and World Bank country assessments. The methodology may also be a useful tool for a jurisdiction that is adopting a new resolution regime or reviewing, reforming or making improvements to its existing regimes. The insurance KAAM and the Key Attributes continue to apply during the period of suspension of the designation of Global Systemically Important Insurers (G-SIIs) to any insurer that could be systemically significant in failure.[5] In the event of a 2022 decision to discontinue the G-SII list, the FSB will review the scope of application of G-SII specific requirements in consultation with the International Association of Insurance Supervisors (IAIS).

---

3 FSB (2020) FSB releases guidance on CCP financial resources for resolution and announces further work, November.

4 FSB (2020) *Key Attributes Assessment Methodology (KAAM) for the Insurance Sector*, August.

5 FSB (2020) *KAAM Scope and Application During the Period of Suspension of G-SII Identification*, August.

Introduction

This is the ninth report on the implementation of resolution reforms. The report takes stock of progress made by FSB members in implementing reforms and summarises findings from the FSB's monitoring of resolvability across the banking, financial market infrastructure, and insurance sectors. It discusses lessons learnt from the onset of the COVID-19 pandemic (Section 1), the progress in implementing the FSB's resolution policies for banking (Section 2), CCPs (Section 3), and insurance (Section 4); and actions and timelines going forward (Section 5).

The report has been prepared by the FSB Resolution Steering Group (ReSG), which is the primary global forum for the development of standards and guidance for resolution regimes, planning, and execution for systemically important financial institutions (SIFIs). ReSG is chaired by Mark Branson, Chief Executive Officer of the Swiss Financial Market Supervisory Authority (FINMA). Its mandate is to develop, issue, and maintain those standards and guidance, monitor resolvability and crisis preparedness, help build trust between home and host authorities, and serve as a knowledge-sharing forum for resolution authorities and other authorities with a role in crisis management. In doing so, ReSG relies on three sector-specific working groups:

- the Cross-border Crisis Management Group for banks (bankCBCM) chaired by Boštjan Jazbec, Single Resolution Board (SRB);
- the Cross-border Crisis Management Group for FMIs (fmiCBCM) co-chaired by Ricardo Delfin, Federal Deposit Insurance Corporation (FDIC) and María José Gómez Yubero, Spanish National Securities Market Commission (CNMV); and
- the Cross-border Crisis Management Group for insurance (iCBCM) chaired by Leonard Flink, De Nederlandsche Bank (DNB).

Authorities represented on ReSG and/or its subgroups are included in Annex 5.

1. COVID-19: lessons learnt from the pandemic for resolution planning

The financial system entered the COVID-19 pandemic in a more resilient state than during the financial crisis of 2008. Besides resilience through higher levels of regulatory capital, banks are operationally more resilient. Thanks to recovery and resolution planning, banks have improved capabilities such as their ability to monitor liquidity daily and provide more granular reporting of liquidity positions and distribution within the group to their regulators, who themselves coordinate within supervisory colleges and CMGs. During the liquidity strains that emerged and developed rapidly during the market turbulence earlier in the year, banks' enhanced resilience and improved information capabilities along with intensive international cooperation were key factors in avoiding damaging outcomes.

Monitoring metrics, both at the micro level and at the macro level, could be further improved as authorities need to consider a broad range of crisis scenarios. Authorities and firms are reviewing how existing capabilities can be further enhanced based on their experiences during the pandemic-driven market turbulence. For example, banks' forward-looking liquidity estimates in the context of resolution planning may not fully reflect the liquidity distribution within their groups, and hence that distribution may be sub-optimal in a crisis. Although resolution planning incorporates the need for considering systemic crisis scenarios, further work may be needed to assess the consequences of multiple simultaneous bank crises.

Markets for total loss-absorbing capacity (TLAC) were affected by the broader volatility that struck funding markets in mid-March, but gradually recovered. Prices of TLAC-eligible debt instruments bottomed out (and yield to maturity peaked) around 18-20 March. New issuances slowed down around that period, but regained pace once the market shock had passed. Total issuance of TLAC instruments in 2020 has remained in line with past years. TLAC debt markets have remained largely open, albeit not for weaker issuers, and prices of TLAC instruments gradually recovered in the course of the second quarter of 2020 although volatility remained somewhat elevated.

The COVID-19 pandemic has shown that ongoing work to improve resolvability and resolution preparedness remains critical. Policymakers and firms have had to redirect their attention to dealing with the COVID-19 pandemic. However, priorities in the area of resolution have remained largely unaltered, given their importance in fostering effective crisis management. Some authorities have alleviated the burden on firms by extending deadlines for the submission of information to support authorities' resolution planning and for meeting certain requirements regarding resolution capabilities. Others have requested their banks to incorporate lessons learnt from the COVID-19 pandemic in the next updates of their regular recovery and resolution planning submissions. Authorities also identified the need to continue to improve mechanisms to share information in a timely manner between supervisory and resolution authorities and within CMGs.

2. Banks

2.1. Sixth G-SIB resolvability assessment process (RAP) 2019-2020

The sixth round of the RAP conducted during 2019-2020 confirmed that CMGs are broadly satisfied with G-SIBs' current progress toward resolvability. The RAP was launched in 2013 to promote adequate and consistent reporting on the resolvability of each G-SIFI and on the overall status of resolution planning processes. The FSB's Resolution Steering Group (ReSG) piloted improvements for the 2020 RAP cycle to promote adequate and consistent reporting on G-SIBs' progress towards resolvability. This followed the 2019 *Review of the Technical Implementation of the Total Loss-Absorbing Capacity (TLAC) Standard.*[6] Out of the 30 banks designated as G-SIBs as of the end of 2019, two are not subject to the 2020 RAP because they were only recently designated (the first RAP is due 24 months following (re)designation).[7]

Although progress is broadly satisfactory, important work by firms and authorities continues on technical elements. This includes work on the implementation of the TLAC standard and the distribution of TLAC resources within groups (pre-positioned internal TLAC and unallocated TLAC resources), strengthening service level agreements and other outsourcing arrangements to ensure the continued provision of critical shared services in resolution ("operational continuity"), and continuity of access to FMIs in resolution. Whereas the "single point of entry" bail-in strategy remains the preferred resolution strategy for most G-SIBs, authorities maintain alternative approaches to restructuring a firm in resolution and maintaining the continuity of its critical functions. While almost all G-SIBs adhere to the ISDA Universal Resolution Stay Protocol (and relevant country annexes), work remains in some jurisdictions to develop ISDA Jurisdictional Modular Protocols (JMPs).

In several jurisdictions, also funding in resolution, valuation capabilities, and testing exercises to validate capabilities still require attention going forward. One of the areas where several authorities identified a need for further progress relates to enhancing capabilities to generate adequate and timely information on liquidity needs (including collateral availability and location) in resolution, the development of funding plans that address the liquidity distribution within groups, and the role and design of public sector backstops and central bank emergency lending facilities.

Several authorities published guidance on resolvability policy over the past year (see box). The policies aim to clarify authorities' expectations regarding resolvability and to promote disclosure of resolution-related information by firms.

---

6 FSB (2019) *Review of the Technical Implementation of the Total Loss-Absorbing Capacity (TLAC) Standard*, July.

7 FSB (2019) *2019 List of Global Systemically Important Banks (G-SIBs)*, November. Groupe BPCE was re-designated as a G-SIB in November 2018 (after having been removed from the list in 2017) and Toronto Dominion was designated as a G-SIB in November 2019. Since both G-SIBs have been designated for less than 24 months, they are not yet subject to the RAP. However, Groupe BPCE is covered by the Banking Union RAP on a voluntary basis. See FSB (2013) *2013 Update of group of global systemically important banks (G-SIBs)*, Annex II for the timetable for implementation of resolution planning requirements for newly designated G-SIBs.

Box 1: Guidance on resolvability policy

- The Bank of England and PRA published the 'Resolvability Assessment Framework' (RAF) in July 2019, with a subsequent update in May 2020.[8]
    - The components of the RAF include: (i) how the Bank of England will assess resolvability; (ii) a requirement for the major UK firms to perform an assessment of their preparations for resolution, including a disclosure component; and (iii) the Bank's intention to make a public statement concerning the resolvability of each of the major UK firms.
- The SRB published four resolvability-related documents in 2020:

  'Expectations for Banks'[9] in April 2020.
    - The document: (i) sets out the capabilities the SRB expects banks to demonstrate in order to show that they are resolvable; (ii) describes best practice and sets benchmarks for assessing resolvability; and (iii) provides clarity to the market on the actions that the SRB expects banks to take in order to demonstrate resolvability.

  'Operational Guidance for operational continuity'[10] in July 2020.
    - The document provides further clarifications to banks on how to implement SRB expectations related to service identification and mapping, assessment of operational continuity risk, mitigating measures such as having adequately documented, resolution-resilient contracts, appropriate management information systems and governance arrangements.

  'Operational Guidance for FMI contingency plans prepared by banks'[11] in July 2020.
    - The document sets out the SRB's expectations with regard to the minimum content of FMI contingency plans prepared by banks. Each bank is expected to develop an FMI contingency plan in line with the recommendations published by the FSB in the Guidance on Continuity of Access to FMIs for a Firm in Resolution of July 2017. The operational guidance provides further details on a possible outline of the contingency plan, as well as an indicative phase-in across FMI service providers.

  'Guidance documents for the bail-in operationalisation'[12] in August 2020.
    - The documents were developed by the SRB, in close collaboration with the National Resolution Authorities, as a guide to help banks ensure the required preparation for bail-in application during the resolution planning phase and to fulfil the SRB Expectations for Banks (see above), which is to ensure resolvability.
- The Federal Reserve Board and FDIC published in July 2020 information requirements[13] to be covered in the US G-SIBs' 2021 resolution plan submissions.
- FINMA published its Resolution Report[14] in February 2020.
    - The report provides transparency on resolution planning on Switzerland, in particular on (i) the assessment of the recovery and resolution plans of the systemically important Swiss

---

8 Bank of England and Prudential Regulation Authority (2019), *Resolvability Assessment Framework*, July, updated in May 2020.

9 SRB (2020), *Expectations for Banks*, April.

10 SRB (2020), *SRB publishes operational guidance for operational continuity in resolution and FMI contingency plans*, July.

11 *Ibid.*

12 SRB (2020), *SRB publishes guidance documents for the bail-in operationalisation*, August.

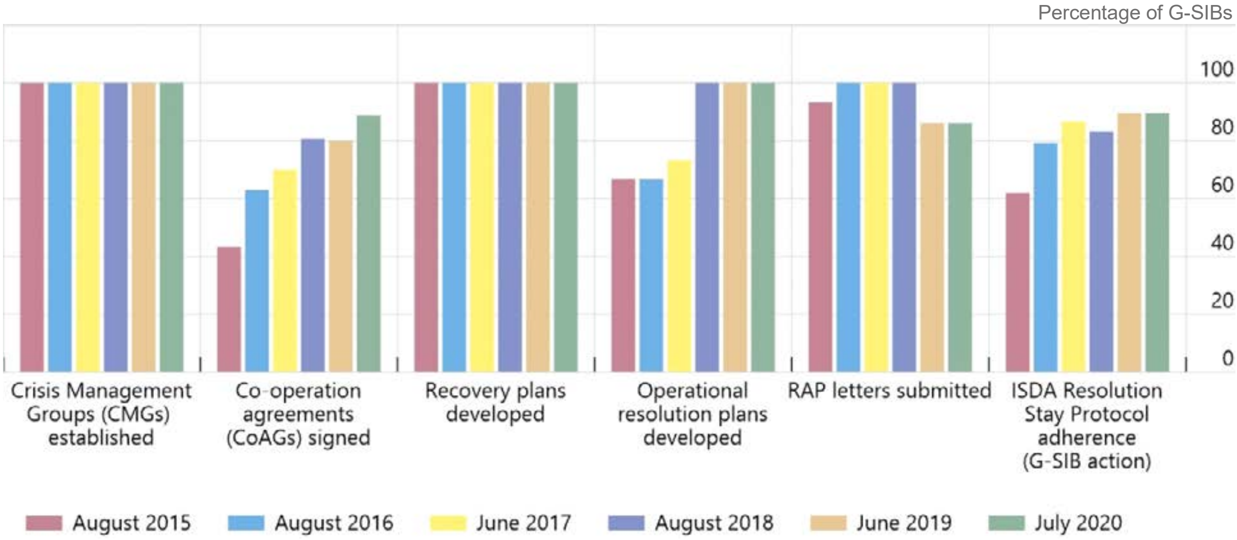
13 Federal Reserve and FDIC (2020), *Agencies provide largest firms with information for next resolution plans*, July.

14 FINMA (2020), *Resolution report 2020*, February.

institutions, including of financial market infrastructures; (ii) FINMA's role in resolution planning; and (iii) the process for granting relief on certain capital requirements if intstitutions have improved their global resolvability.

Most indicators for monitoring resolution authorities' progress in resolution planning are consistent with last year: the percentage of G-SIBs with cooperation agreements (CoAgs) executed among CMG members increased, with three CoAgs now remaining to be signed (see Graph 1 below). One jurisdiction did not submit RAP letters in 2019 or 2020.

Resolution planning status for G-SIBs (August 2015 - July 2020) **Graph 1**



Source: FSB RAP letters, dialogue with members.

2.2. TLAC issuance and disclosures

All G-SIBs subject to 2022 conformance are estimated to already meet the final 2022 minimum external TLAC requirement,[15] and the market has so far absorbed issuance without difficulty. The TLAC standard of November 2015[16] defines a minimum requirement for the instruments and liabilities that should be readily available to provide sufficient loss-absorbing and recapitalisation capacity for authorities to implement an orderly resolution. Non-EME firms designated by the FSB as G-SIBs prior to the end of 2015[17] (and those that continue to be designated thereafter) needed to comply with the TLAC standard from 1 January 2019.[18] Such firms must meet minimum TLAC requirements of at least 16% of risk-weighted assets (RWAs) and 6% of the Basel III leverage ratio exposure denominator (LRE) from 1 January 2019 and at least 18% of RWAs and 6.75% of LRE from 1 January 2022. In some jurisdictions, G-SIBs are required to comply with loss absorption requirements that are more stringent than the FSB TLAC

---

15 Reporting as of 2Q 2020.

16 FSB (2015), *Total Loss-Absorbing Capacity (TLAC) Principles and Term Sheet*, November.

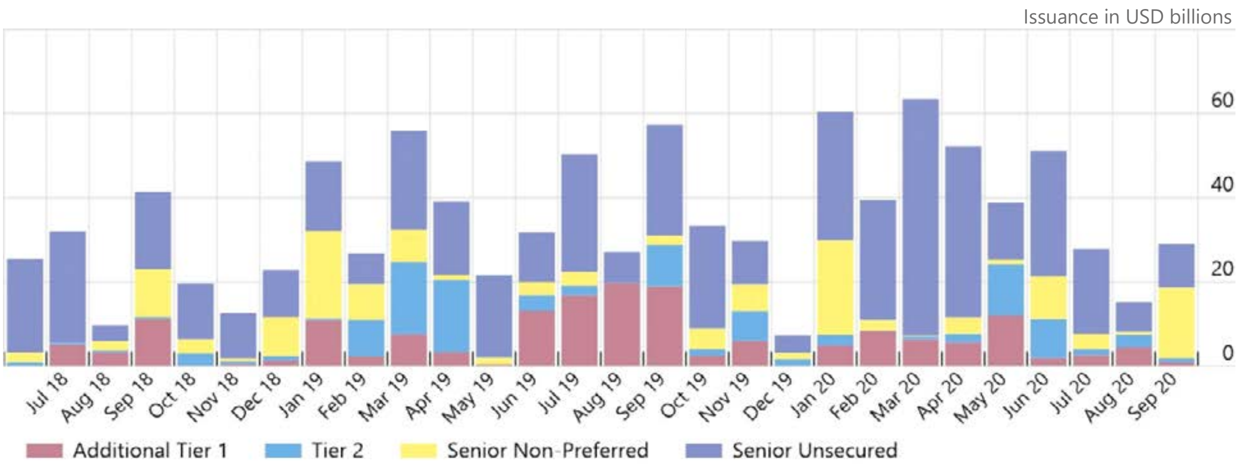
17 FSB (2015), *2015 update of list of global systemically important banks (G-SIBs)*, November.

18 Firms headquartered in emerging market economies are under an extended conformance period. In application of that extended conformance period, China has published *draft TLAC rules*, which should apply for Chinese G-SIBs from 1 January 2025 and 1 January 2028, respectively.

minimum. This is the case for example in the Banking Union (BU), Switzerland and UK. In Japan, all G-SIBs may count an equivalent of 2.5% of the group's RWAs as ex-ante commitments towards their external TLAC. Authorities in these jurisdictions are monitoring the conditions set in the TLAC term sheet that are a pre-requisite for granting these exceptions from the subordination and eligibility requirements.

TLAC issuance has continued through the difficult COVID-19 pandemic environment. A substantial amount of external TLAC continued to be issued by G-SIBs across a wide range of different instruments and liabilities (see Graph 2 below) during the course of 2019 and 2020. In the first half of 2020, about USD 305bn of TLAC eligible instruments were issued by G-SIBs (compared to about USD 224bn in the first half of 2019, and USD 217bn in the first half of 2018). The COVID-19 pandemic reduced liquidity in financial markets, notably during March and April 2020. Liquidity strains peaked between 18 and 23 March, easing after large-scale official sector interventions. After this, the fast run-up in market indices and confidence led to a large sum of issuance of USD 43bn the week of 5 April, including a partial catch-up of earlier postponements. Monthly issuances have continued at levels similar to previous trends.

Estimated G-SIB issuance by TLAC instrument (June 2018 – September 2020) **Graph 2**

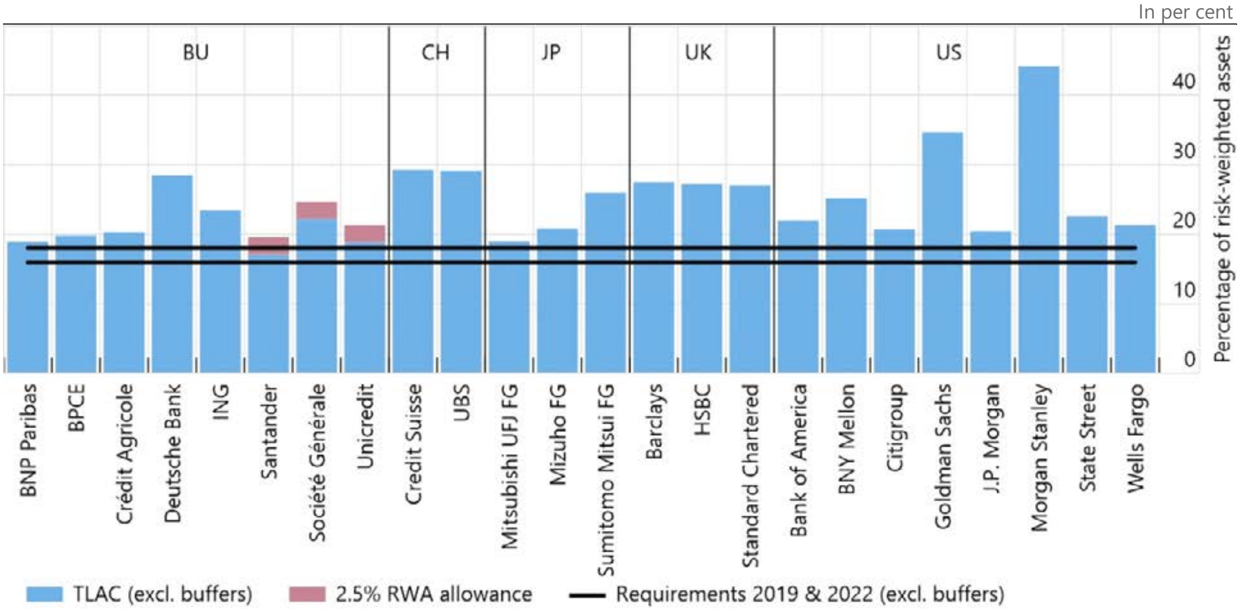


Source: Bloomberg, FSB Secretariat estimates

All G-SIBs meet their transitional 2019 TLAC requirements, and most meet or exceed the 2022 requirement.

Ratio of TLAC to RWAs, by G-SIB

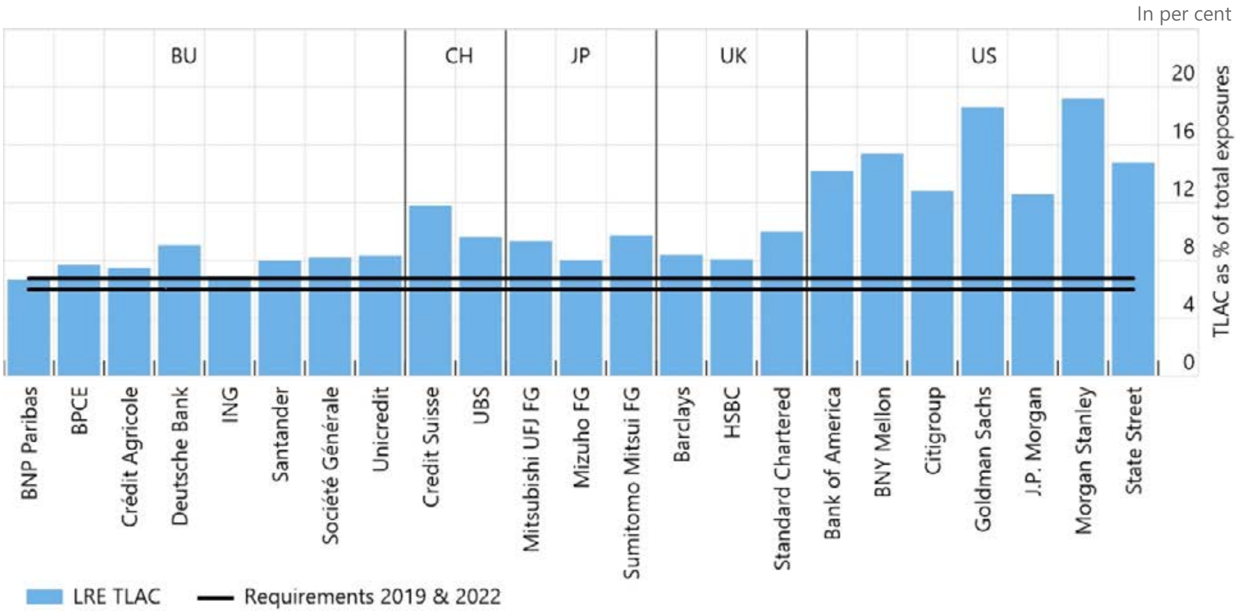
Graph 3



Source: G-SIB public disclosures as of 30 June 2020. Data are derived from annual reports, quarterly updates and/or investor presentations, or Pillar 3 disclosures. Buffers (capital conservation, G-SIB, and countercyclical) are deducted from public disclosures for comparability to TLAC TS requirements. RBC was designated as a G-SIB in 2017, and is subject to November 2021 conformance. TD was designated as a G-SIB in 2019, and is subject to November 2022 conformance. Chinese G-SIBs are subject to the EME extended conformance period so are also excluded from this analysis. Estimates for Santander, Société Générale and Unicredit include 2.5% RWA allowance (TLAC TS section 11). Estimate for Santander is for Banco Santander S.A. only. Estimates for Mitsubishi UFG, Mizuho FG, and Sumitomo Mitsui FG include 2.5% RWA prefunded ex ante commitments (TLAC TS section 7).

Ratio of TLAC to leverage exposure, by G-SIB

Graph 4



Source: G-SIB public disclosures as of 30 June 2020. Data are derived from annual reports, quarterly updates and/or investor presentations, or Pillar 3 disclosures without any adjustments applied for any regulatory capital buffers that are currently applicable. RBC was designated as a G-SIB in 2017, and is subject to November 2021 conformance. TD was designated as a G-SIB in 2019, and is subject to November 2022 conformance. Chinese G-SIBs are subject to EME extended conformance period so are also excluded from this analysis. Estimates for Santander, Société Générale and Unicredit include 2.5% RWA allowance. Estimate for Santander is for Banco Santander S.A. only. Wells Fargo does not disclose LRE TLAC %.

Disclosure of external TLAC has improved over the past year.[19] G-SIB resolution entities are expected to disclose G-SIBs' TLAC ratios[20] and the main features of their TLAC-eligible instruments that are recognised as external TLAC resources.[21] The Basel Pillar 3 framework also expects G-SIBs to disclose certain information about their TLAC issuances. This includes the composition of TLAC at the resolution group level, and the amounts and respective residual maturity per creditor ranking at the level of legal entities of material subgroups (MSG) that have issued internal TLAC to one or more resolution entities.[22] Almost all non-EME G-SIBs now periodically publish their RWA and LRE TLAC ratios either as part of, or in addition to, Pillar 3 requirements:

- Seven of eight US G-SIBs now disclose both RWA and LRE TLAC ratios in their quarterly regulatory reports.
- Japanese G-SIBs disclose both RWA and LRE TLAC ratios and amounts in their quarterly Pillar 3 disclosures.
- Swiss G-SIBs include both RWA and LRE ratios and amounts in their quarterly results.
- UK G-SIBs include both RWA and LRE ratios and amounts in their quarterly Pillar 3 updates.
- Canadian G-SIBs include both RWA and LRE ratios and amounts in their quarterly Pillar 3 and/or supplemental filings.
- BU G-SIBs include both RWA and LRE ratios in either their Pillar 3 updates or quarterly results or investor presentations.

However, some G-SIBs do not yet regularly disclose in their Pillar 3 or quarterly updates qualitative narratives on the G-SIB resolution strategy and the structure to which the resolution measures are applied. The Basel framework encourages G-SIBs to include such narratives.

There is less information available to market participants about internal TLAC and the sequence of loss-absorption at subsidiaries. The TLAC standard requires disclosure of information on the hierarchy of liabilities on a legal entity basis, including for any entity that forms part of a MSG and issues internal TLAC to a resolution entity. Such disclosure should enable creditors to understand the ranking of their claims in the liability structure of an MSG entity or of the resolution entity and hence to evaluate their exposures.

---

19 The TLAC disclosures are specified through the BCBS Pillar 3 disclosure standards, which include disclosure templates for both external TLAC and internal TLAC. These standards entered into force on 1 January 2019 and their implementation is being monitored by the BCBS. As of May 2020, six BCBS member jurisdictions that are home to G-SIB resolution entities had rules in force: See the BCBS July 2020 *Eighteenth progress report on adoption of the Basel regulatory framework*.

20 See Basel Framework, Requirement DIS20.3 and template KM2.

21 See Basel Framework, Requirement DIS25, table CCA.

22 See Basel Framework, Requirement DIS25.3 and templates TLAC1, TLAC2 and TLAC3, respectively.

2.3. Internal distribution of TLAC resources

Internal TLAC implementation is less advanced and approaches to the distribution of TLAC resources in a group and the calibration thereof differ across jurisdictions. Most but not all host authorities have the ability to set institution-specific internal TLAC requirements for MSGs of G-SIBs. Factors commonly considered in determining the requirements include the risk profile of the MSG, the expected amount of internal TLAC required to absorb losses and recapitalise the MSG and the credibility and feasibility of the home authority's resolution strategy. Different home country rules can affect the manner in which subsidiaries structure internal TLAC issuances (e.g., if the intention by the bank is to fund internal down-streaming with matched external issuance). There is less transparency on how resources are effectively distributed within MSGs, in particular where banks rely on 'daisy chain' structures with second-tier (and lower-tier) subsidiaries.

In some cases, the total allocation of internal TLAC to subsidiaries may exceed minimum external TLAC requirements. Reasons for this situation may include consolidation effects; binding local regulations exceeding the TLAC term sheet assumption; the legal structures or funding structures adopted voluntarily by banking groups to increase their efficiency.

Authorities identified some obstacles to the flexible deployment of unallocated TLAC (uTLAC) within groups. These include legal constraints, the location and form of uTLAC, and operational challenges. The FSB continues technical work on the concept and management approaches of uTLAC. CMGs will use technical guidelines developed by ReSG bankCBCM to assist home and host authorities in CMGs to have a common basis for assessing and understanding firms' uTLAC amount based on common definitions and calculation formulae. On this basis, ReSG bankCBCM will review whether further guidance is needed.

2.4. TLAC bail-in

Authorities have identified certain features of TLAC that may impact bail-in-ability. These include the location of issuance and governing law, lack of clarity regarding the creditor hierarchy, and lack of information on the investor base (e.g., whether retail investors own TLAC instruments). A few jurisdictions have a process that requires or enables review or approval of TLAC eligibility prior to issuance of an instrument. This is the case for example in Switzerland and Canada.

Further technical work is under way to support the effective execution of the write-down or conversion ('bail-in') of TLAC. Given that most G-SIB resolution strategies rely on bail-in as part of an SPE resolution strategy, the ability to execute bail-in successfully is critical. FSB members are engaging with relevant financial market infrastructures and market authorities and identifying good practices that could help address, among other things the suspension from trading and de-listing; write-down and cancellation of the shares of the failed institution; the conversion and issuance of new instruments (including interim instruments); and (re-)admission to trading.

2.5. Continued access to financial market infrastructures (FMIs)

The use of a common questionnaire should help streamline the gathering of information about continuity of access to FMIs for firms in resolution.[23] FMIs are encouraged to complete the questionnaire published by the FSB in August 2020 and to publish the responses to the questionnaire, or to make them available in other ways to firms that use the FMI services and their resolution authorities. The use of a common questionnaire should reduce the "many to one" nature of inquiries from FMI participants and authorities to FMIs to inform resolution planning and should streamline the provision of this information from FMIs to firms and authorities.

The FSB will evaluate the experience with the questionnaire's first iteration in the course of 2021. FMIs and banks, as well as other stakeholders, will have the opportunity to provide feedback and suggestions on the questionnaire and on the process.

2.6. Operation of crisis management groups

Existing mechanisms for cooperation and coordination within supervisory colleges and CMGs are effective and functioned well during the COVID-19 pandemic. ReSG carried out a stocktake of CMG operations, and authorities generally agree that CMGs have been effective in achieving their primary objectives (e.g. enhancing authorities' preparedness and coordination for managing cross-border resolution; information sharing; and facilitating coordinated feedback to firms). Authorities also are generally satisfied with the processes in place for the exchange of confidential information within CMGs. During the COVID-19 pandemic, new procedures needed to be introduced for how home and host authorities prepared for, used, and operated CMGs, given restrictions on travel and in-person meetings.

CMG membership generally comprises the relevant home and host authorities with the right level of expertise and decision-making ability. Authorites are generally satisfied with the quality and degree of engagements between home and host authorities within CMGs. They recognise that a balance may need to be struck between representation and keeping the number of participants in meetings manageable. Authorities generally agree on the hosts' roles, for example, when verifying actions taken by firms and gathering input on firms' capabilities. Authorities see room for further improvement and support future work to test the arrangements put in place to date on the basis of simulations and scenario analyses and to draw lessons for effective cooperation and coordination from the experience during the pandemic. A survey that was carried out in the context of the evaluation of the effects of TBTF reforms showed that the simulation exercises that have been conducted to date focused only on specific aspects of resolution. However, there were valuable lessons to be learned with respect to (i) cooperation and coordination between the authorities involved, (ii) communication with other (external) stakeholders, and (iii) the execution of a resolution. Testing of cross-border elements and of multiple simultaneous bank failures has been limited to date.

---

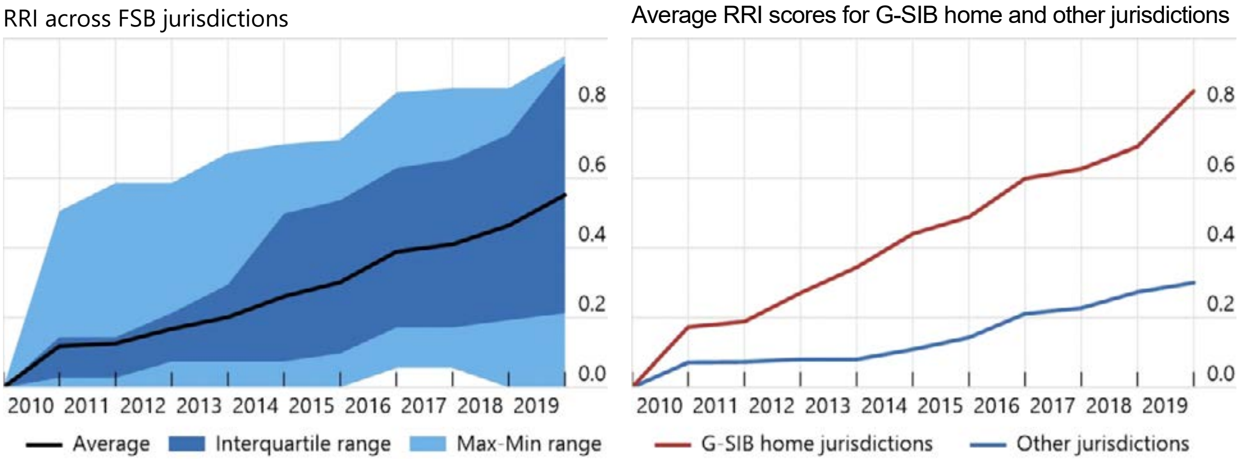
[23] FSB (2020) _Continuity of Access to FMIs for Firms in Resolution_, August.

2.7. Evaluation of the effects of "too-big-to-fail" reforms

The FSB consultation report on the evaluation of the effects of too-big-to-fail (TBTF) reforms for SIBs[24] found that the reforms have made banks more resilient and resolvable. The evaluation examined the extent to which post-crisis reforms, including policies to put in place effective resolution regimes and resolution planning to improve the resolvability of banks, reduced the systemic and moral hazard risks associated with SIBs. The report found that SIBs are better capitalised and have built up significant loss-absorbing capacity. Many FSB jurisdictions have introduced comprehensive bank resolution regimes and are carrying out resolution planning. This gives authorities a range of options for dealing with banks in stress, though which options are used is for individual authorities to consider in light of the particular circumstances. The report also included a resolution reform index (RRI)[25] to illustrate the progress of FSB jurisdictions in adopting comprehensive bank resolution reforms since the global financial crisis. The RRI captures a mixture of legislative and regulatory reforms and policy guidance. Given the dynamic nature of these reforms and the fact that international policy is still being developed, the index is not static and will be updated as new items are included and policies are issued.[26] Evidence from market prices and credit ratings suggests that market discipline appears to have improved and that investors are at least partially pricing in the risk of G-SIB failure and a potential TLAC bail-in.

Progress of FSB members in the implementation of resolution reforms

Resolution reform index (RRI) **Graph 5**



Source: TBTF evaluation[27]

Whereas the report did not observe any material negative side effects, it found that some obstacles to resolvability remain. Specifically, the report found that resolution-related disclosures could be improved and that more attention could be given to the resolution of D-SIBs. The FSB will consider, in light of the final report to be published in 2021, what further

[24] FSB (2020) *Evaluation of the effects of too-big-to-fail reforms*, June.

[25] *Ibid.*, Annex D, p. 100-109.

[26] Going forward, the FSB will publish the updated RRI and underlying reference information as part of the annual FSB resolution report.

[27] *Ibid.*, p. 22 and Annex D.

actions may be needed to promote the full implementation of the resolution reforms and address any identified gaps.

FSB members continue to share experience with cases of public assistance and resolution cases. ReSG serves as forum for discussion and sharing of experience with those cases. A list of cases of public assistance or resolution since 2016 for banks with assets over USD 10 billion in FSB jurisdictions (see Annex 4) was included in the FSB's TBTF evaluation report and will be updated periodically if new cases are being reported.

2.8. Monitoring implementation - FSB peer review of South Africa

In March 2020, the FSB completed its peer review of South Africa. The peer review examined the proposed South African framework for bank resolution.[28] It found that the resolution regime is broadly aligned with the FSB Key Attributes and that the authorities had applied several lessons from recent bank failures. Notwithstanding this progress, the review concludes there is additional work to be done to set a clear implementation roadmap, including the identification and sequencing of key policies, timelines for delivery and resource requirements; enhance the operating model for the South African Reserve Bank as resolution authority; review emergency liquidity arrangements in light of the new resolution framework; and introduce a mechanism for ex post recovery from the industry of public funds used for resolution.

3. Central Counterparties (CCPs)

The recent periods of market turmoil have demonstrated the benefits that central clearing brings for global financial stability. Progress in implementing the G20 regulatory reforms agreed after the 2008-09 financial crisis has promoted the use of CCPs, as well as enhanced CCP resilience, recovery planning and resolvability. However, the shift to central clearing has also further increased the systemic importance of CCPs. The international policy framework for CCPs needs to reflect the evolving role of central clearing in order to address risks to financial stability in an effective manner.

3.1. Financial resources and treatment of CCP equity in CCP resolution

The FSB published the final *Guidance on financial resources to support CCP resolution and on the treatment of CCP equity in resolution* (FSB 2020 Guidance) in November.[29] The guidance aims at supporting resolution authorities and CMGs in assessing the adequacy of financial resources for CCP resolution, based on a five-step process.[30] It also provides guidance on approaches to the treatment of CCP equity in resolution, consistent with the FSB's Key Attributes (KA), the FMI Annex to the KA and the FSB's 2017 Guidance on CCP resolution and resolution planning (FSB 2017 Guidance). The FSB will consider at the latest in five years, in

---

28 See FSB (2020), *Peer Review of South Africa*, March.

29 FSB (2020), *Guidance on Financial Resources to Support CCP Resolution and on the Treatment of CCP Equity in Resolution*, November.

30 This approach was initially proposed in the FSB *November 2018 discussion paper*.

consultation with CPMI-IOSCO, whether further adjustments are needed to the guidance in light of market developments and resolution authorities' experience with using the guidance.

The Chairs of the FSB, CPMI, IOSCO and of ReSG propose to collaborate on and conduct further work on CCP financial resources through their respective committees. Such work will consider during the course of 2021 the need for, and develop as appropriate, international policy on the use, composition and amount of financial resources in recovery and resolution to further strengthen the resilience and resolvability of CCPs in default and non-default loss scenarios. This would include assessing whether any new types of pre-funded resources would be necessary to enhance CCP resolvability.

3.2. Progress in CCP resolution planning

CPMI and IOSCO coordinated the biannual review of the list of CCPs that are systemically important in more than one jurisdiction (SI>1 CCPs) based on the criteria set out in the FSB 2017 Guidance. The relevant authorities determined that 13 CCPs qualified as SI>1 CCPs. The number remains the same as in the 2018 review, since one CCP (OMIClear) was removed from the list and another one (OCC) was added to it. Once a CCP has been identified as systemically important in more than one jurisdiction, the authorities are expected to (i) conduct resolution planning (consistent with the Key Attributes and the expectations set out in the FSB 2017 Guidance), (ii) establish a CMG, (iii) adopt an institution-specific cooperation agreement (CoAg) and (iv) launch a process of resolvability assessments and resolution planning consistent with the agreed timeline (see Box 2).

Box 2: Timeline for resolution planning and the establishment of CMGs

Once a CCP has been agreed to be systemically important in more than one jurisdiction (SI>1):

- The home resolution authority (or if no resolution authority has been designated, the lead supervisor of a CCP) should identify and contact relevant authorities regarding CMG membership within six months of the CCP being identified as SI>1 (using the July 2017 FSB Guidance if membership is not stated in law/regulations).
- The first CMG meeting should be held within 12 months of the CCP being identified as SI>1 and should include a discussion on a draft CCP-specific Cooperation Agreement (CoAg).
- The CoAg should be finalised and signed within 18 months of the first CMG meeting.
- Resolution planning and resolvability assessments should be launched within 12 months of the first CMG meeting.

Some progress has been made since the 2019 report in setting up the necessary structures for cross-border cooperation on CCP resolution. CMGs have now been established for all SI>1 CCPs except OCC, for which the first CMG meeting would need to be organised by August 2021 (see Box 2). Two new CoAgs were adopted in 2020 beyond the five that were already in place in 2019.

Most authorities have commenced resolution planning for SI>1 CCPs and started considering the adequacy of SI>1 CCPs' financial resources for resolution. This includes considering various default and non-default loss scenarios, although some authorities are at a relatively early stage of their analysis. Several authorities are planning to leverage the scenarios developed in the context of the FSB's work on CCP resolution in their resolution planning and CMG discussions. Most authorities are also conducting at least a preliminary review of the available resolution tools and resources, subject to the finalisation of the relevant resolution regime in some cases (see below).

To support discussions on CCP resolvability within CMGs, the FSB developed in 2020 a resolvability assessment process (RAP) questionnaire that will be used for the first time in the 2021 RAP for SI>1 CCPs. The questionnaire requests CMGs to inform the FSB on how they have covered the key elements of the FSB 2020 Guidance as part of the resolvability discussions for each SI>1 CCP. Summary findings from the 2021 RAP will be included in the FSB 2021 Resolution Report.

The FSB will organise with the BCBS, CPMI and IOSCO workshops for authorities on the potential financial stability impact from the use of various recovery and resolution tools. The workshops, which will take place starting in December 2020, will cover potential systemic risk transmission arising in default and non-default loss scenarios. They will also consider scenarios where multiple CCPs are under stress at the same time.

Table 1: SI>1 CCPs as at September 2020 (listed in alphabetical order)

CCP	Home jurisdiction	CMG (Y/N)	CoAg (Y/N)	Authorities represented	Jurisdictions represented[A]
BME Clearing	Spain (EU)	Y	N	12	5
CC&G[B]	Italy (EU)	Y	N	9	3
CME Inc.	US	Y	Y	15	8
Eurex Clearing	Germany (EU)	Y	N	25	11
EuroCCP	Netherlands (EU)	Y	Y	19	9
HKFE Clearing Corporation	Hong Kong SAR	Y	N	2	2
ICE Clear Credit	US	Y	Y	9	4
ICE Clear Europe	UK	Y	Y	16	7
LCH Ltd	UK	Y	Y	17	9
LCH SA	France (EU)	Y	Y	22	11
Nasdaq Clearing	Sweden (EU)	Y	N	15	6
Options Clearing Corporation (OCC)[C]	US	N	N	-	-
SIX x-clear	Switzerland	Y	Y	13	7

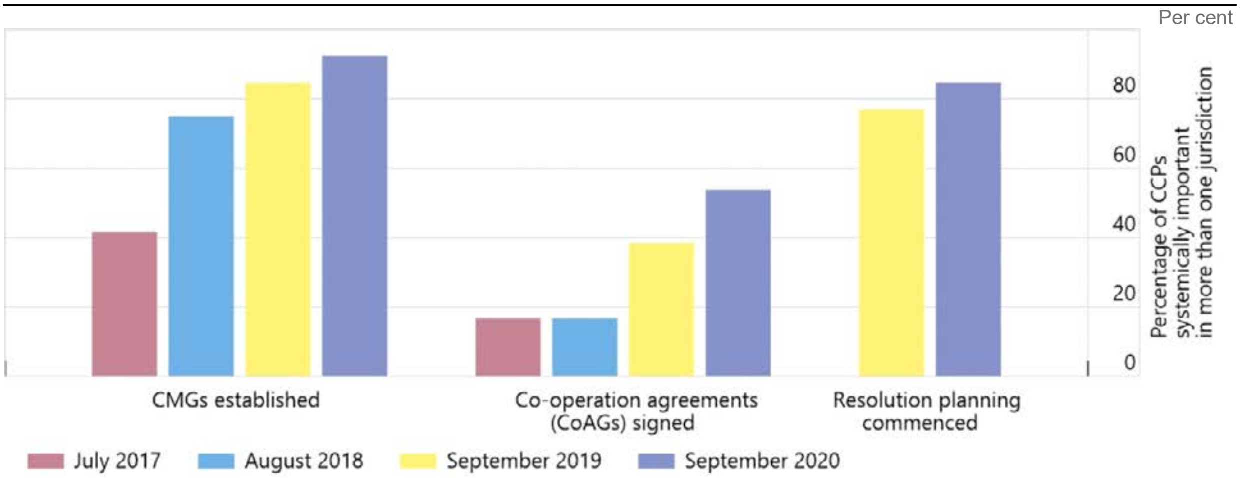
[A] Considering the specificities of the EU legislative framework, the number of jurisdictions represented in CMGs reflects both the EU as a single jurisdiction and its individual Member States.

[B] Cassa di Compensazione e Garanzia

[C] OCC was added to the list of SI>1 CCPs in August 2020

Resolution planning status for CCPs that are systemically important in more than one jurisdiction

July 2017 - September 2020 **Graph 6**



Source: Relevant authorities for SI>1 CCPs.

3.3. CCP resolution regime reforms

Statutory resolution regimes for CCPs are in place in six out of the ten jurisdictions with SI>1 CCPs. Germany adopted a resolution framework for CCPs in March 2020 by amending the act for recovery and resolution of institutions and financial groups to include special provisions for CCPs. The EU co-legislators reached a political agreement on an EU regulation on a framework for the recovery and resolution of CCPs in June. The formal adoption process is ongoing. The regulation is expected to enter into force at the beginning of 2021. Following a phased entry into application, all CCPs located in the EU will be subject to a specific recovery and resolution framework.

4. Insurers

4.1. Resolution regimes and resolution planning for systemic insurers

The FSB conducted the third round of the annual insurance resolvability monitoring exercise. As in prior years, a number of jurisdictions have identified systemically important insurers for purposes of recovery and resolution planning; they continue to conduct recovery and resolution planning for identified insurers in addition to those previously identified as G-SIIs. Eight jurisdictions[31] have jurisdiction-specific legal or supervisory processes for identifying insurers as systemically important or relevant for inclusion under frameworks which include elements of recovery and/or resolution (see Table 2 below). The South African Reserve Bank recently published a discussion paper on the process and methodology to determine which insurers are systemically important within the South African context. The discussion paper states

[31] China, France, Hong Kong, Italy, the Netherlands, Singapore, UK, and US.

that because the failure of such institutions “will, in all probability, have a more significant impact on financial stability, it will require the preparation of a detailed resolution plan (as per section 30 of the FSR Act) that involves more intrusive resolution powers.”[32]

Table 2: Recovery and resolution planning requirements for systemic insurers[33]

Jurisdiction	Recovery planning requirement	Resolution planning requirement
Australia	●	○
Canada[34]	○	○
China	●	●
France[35]	●	●
Germany	●	●
Hong Kong	●	●
Italy[36]	●	○
Japan	○	○
Netherlands	●	●
Singapore[37]	●	●
South Africa	○	○
Spain	○	○
Switzerland[38]	○	○
UK	●	●
US[39]	●	●

Key areas of attention for work on resolution planning within the FSB are intra-group interconnectedness and funding in resolution.

The FSB continues to monitor implementation of the Key Attributes for the insurance sector (Annex 2). The progress as regards the implementation of national insurance resolution

---

32 In terms of Section 29 of South Africa’s Financial Sector Regulation Act 9 of 2017 (FSR Act), the Governor of the South African Reserve Bank (SARB) may, by written notice to a financial institution, designate the institution as a systemically important financial institution (SIFI). The FSR Act prescribes the formal process that must be followed prior to such a designation. The October 2020 publication of the discussion document titled *‘A methodology to determine which insurers are systemically important within the South African context*’ is an initial step towards meeting the requirements for this formal process. Designation as a SIFI in terms of South Africa’s Financial Sector Regulation (FSR) Act is a legally prescribed process of which the outcome is published, and which provides the SARB with the additional powers and responsibilities to protect financial stability.

33 ● = Requirement in place ○ = No requirement in place

34 Although Canada has no recovery planning requirement, its largest life insurers have prepared recovery plans.

35 According to the French Insurance Code (Art. L-311-8), the Resolution College of ACPR should establish resolution plans for insurers subject to recovery planning requirements. Conditions that apply to insurers subject to the recovery and resolution framework are developed in Chapter 2 Title 3 of the Insurance Code (Art. L311-1 et seq.).

36 IVASS introduced a recovery planning requirement through secondary legislation for insurers that meet certain threshold conditions. In 2019, eight insurance groups covering a very significant portion of national market share, including Generali, were subject to the recovery planning requirement.

37 Four insurers identified as potentially systemically important have already been subject to the recovery planning requirement. MAS will perform resolution planning for the potential systemically important insurers.

38 Although Switzerland has no recovery planning requirement, the largest Swiss groups have prepared recovery plans on a voluntary basis.

39 The US has a resolution planning requirement, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, for any insurers that are supervised by the Federal Reserve System.

regimes has slowed down, with no significant reforms, such as finalisation of new or enhanced insurance resolution frameworks, reported in this recent cycle. Some member jurisdictions plan consultations in the coming months on insurance resolution planning frameworks, or elements of frameworks, including: institution-specific resolution objectives; whether or not to scope the insurance sector into the bail-in regime; and duration of temporary stays on reinsurance contracts.

4.2. Key Attributes Assessment Methodology for the insurance sector

In August 2020, the FSB finalised the Key Attributes Assessment Methodology for the insurance sector (insurance KAAM).[40] The methodology was developed in collaboration with experts from FSB jurisdictions, the IAIS, the IMF and the World Bank. The methodology is intended primarily for use in assessments performed by authorities of existing resolution regimes of their jurisdiction and of any reforms to those regimes that implement the Key Attributes; peer reviews of resolution regimes conducted within the FSB framework for implementation monitoring by member jurisdictions; and IMF and World Bank assessments of resolution regimes, for example in the context of FSAPs and ROSCs. The methodology may also be a useful tool for a jurisdiction that is adopting new resolution regimes or reviewing, reforming or making improvements to its existing regimes.

The insurance KAAM and the Key Attributes continue to apply during the period of suspension of the designation of Global Systemically Important Insurers (G-SIIs) to any insurer that could be systemically significant or critical in failure.[41] National authorities may,[42] during this suspension period, apply to certain insurers the requirements specific to G-SIIs, which are the requirements for a CMG, CoAgs, and resolvability assessments. Should the FSB decide in 2022 to discontinue the G-SII list, it will review the scope of application of G-SII specific requirements in consultation with the IAIS.

---

40 FSB (2020) *Key Attributes Assessment Methodology for the Insurance Sector*, August.

41 FSB (2020) *KAAM Scope and Application During the Period of Suspension of G-SII Identification*, August.

42 In light of the finalised holistic framework, the FSB, in consultation with the IAIS and national authorities, has decided to suspend Global Systemically Important Insurers (G-SII) identification as from the beginning of 2020. In November 2022, the FSB will, based on the initial years of implementation of the holistic framework, review the need to either discontinue or re-establish an annual identification of G-SIIs by the FSB in consultation with the IAIS and national authorities. See *Finalisation of IAIS holistic framework for the assessment and mitigation of systemic risk in the insurance sector* (November 2019).

5. Summary of actions and timelines

Banks

1. Resolvability Assessment Process (RAP)	
Action	**Conduct seventh RAP for G-SIBs**
Responsible	G-SIB CMGs
Timeline	Report high-level findings in 2021 Resolution Report by end-2021

2. TLAC Standard	
Action	**Monitor (external/internal) TLAC issuance on the basis of public disclosures**
Responsible	ReSG bankCBCM, Secretariat
Timeline	Report by end-2021 (as part of the 2021 Resolution Report)

Action	**Conduct analysis of group-internal distribution of TLAC (allocated vs unallocated resources) and evaluate the need for further guidance**
Responsible	G-SIB CMGs, ReSG bankCBCM, Secretariat
Timeline	Report by end-2021 (as part of the 2021 Resolution Report)

3. Operationalising bail-in execution	
Action	**Identify good practices based upon stocktake of mechanisms across jurisdictions and engage with relevant market infrastructures and authorities**
Responsible	ReSG bankCBCM
Timeline	Publish practices paper by mid-2021

4. Continuity of access to FMIs for banks in resolution	
Action	**Support implementation of the FSB Guidance through further engagement with FMI service providers and firms on information exchange and communication protocols**
Responsible	ReSG bankCBCM
Timeline	Report progress by end-2021 (as part of the 2021 Resolution Report)

5. Cross-border Crisis Management Groups (CMGs)	
Action	**Identify good practices on cooperation between home and host authorities within CMGs, in relation to assurance, testing, and firms' preparation, and overall readiness for crisis.**
Responsible	ReSG bankCBCM

Timeline	Publish practices paper by end-2021

6. Funding in resolution	
Action	**Perform a targeted update of the stocktake of the implementation of the 2018 policy guidance[43] on cross-border issues and intra-group liquidity distribution**
Responsible	ReSG bankCBCM
Timeline	Report progress by end-2021 (as part of the 2021 Resolution Report)

7. Resolution planning for banks other than G-SIBs	
Action	**Consider whether further work should be undertaken to support member authorities' resolution planning for banks other than G-SIBs that could be systemic in failure** (*Recommendation of the FSB Thematic Peer Review on Bank Resolution Planning of 29 April 2019*)
Responsible	ReSG bankCBCM
Timeline	Organise a workshop in the course of 2021 on resolution planning for state-owned and cooperative banks

8. Resolution disclosures	
Action	**Consider whether further guidance is needed on resolution planning disclosures and resolvability disclosures by firms**
Responsible	ReSG bankCBCM
Timeline	2022

9. Follow-up on the FSB evaluation of too-big-to-fail reforms	
Action	**Consider what further actions may be needed in light of the final evaluation report**
Responsible	ReSG
Timeline	Status report end-2021

Central Counterparties

10. Resolvability Assessment Process (RAP)	
Action	**Conduct a first RAP on the basis of the RAP questionnaire developed by ReSG fmiCBCM in 2020**
Responsible	CCP home and host authorities for SI>1 CCPs

[43] FSB (2018), *Funding Strategy Elements of an Implementable Resolution Plan*, June.

Timeline	By end 2021

11. Monitoring and promoting resolution planning	
Action	**Survey authorities' progress in resolution planning:** (i) establishing CMGs for SI>1 CCPs, (ii) adopting institution-specific cooperation agreements (CoAgs) and (iii) conducting resolution planning, consistent with the expectations set out in the *Guidance on CCP Resolution and Resolution Planning*
Responsible	ReSG fmiCBCM
Timeline	Status report by end-2021 (as part of the 2021 Resolution Report)

Action	**Organise workshops for authorities to exchange views on the potential financial stability impact of CCP recovery and resolution tools**
Responsible	ReSG fmiCBCM, jointly with BCBS, CPMI and IOSCO
Timeline	2021

12. Financial resources for CCP resolution and treatment of CCP equity in resolution	
Action	**Evaluate the adequacy of financial resources to support CCP resolution and the treatment of CCP equity in resolution, based on the FSB 2020 Guidance.**
Responsible	SI>1 CCP home and host authorities
Timeline	By end 2021

Action	**Undertake further work on financial resources for CCP resolution consistent with a workplan to be agreed with CPMI and IOSCO** to consider the need for, and develop as appropriate, international policy on the use, composition and amount of financial resources in recovery and resolution to further strengthen the resilience and resolvability of CCPs in default and non-default loss scenarios. This will include assessing whether any new types of pre-funded resources would be necessary to enhance CCP resolvability.
Responsible	ReSG fmiCBCM with CPMI and IOSCO
Timeline	Status report by end 2021

Action	**Consider whether further adjustments are needed to the FSB Guidance on financial resources to support CCP resolution and on the treatment of CCP equity in resolution in light of market developments and resolution authorities' experience with using the guidance**
Responsible	ReSG fmiCBCM in collaboration with CPMI-IOSCO
Timeline	By end 2025 at the latest

Insurance

13. Resolvability monitoring	
Action	**Conduct annual resolvability monitoring exercise**
Responsible	FSB members with material insurance operations as determined by authorities[44]
Timeline	Report high-level findings by end-2021 (as part of the 2021 Resolution Report)

14. Monitoring and promoting resolution planning	
Action	**Conduct analysis of challenges to resolvability arising from intra-group interconnectedness issues**
Responsible	ReSG iCBCM
Timeline	Report by end-2021 (as part of the 2021 Resolution Report)

Action	**Conduct analysis of funding in resolution (sources of funding, monitoring of funding needs)**
Responsible	ReSG iCBCM
Timeline	Report by end-2021 (as part of the 2021 Resolution Report)

15. Key Attributes Assessment Methodology for the Insurance Sector	
Action	**Review scope of application of resolution planning requirements for G-SIFIs under the Key Attributes in light of the potential discontinuation of the annual identification of G-SIIs as from November 2022**
Responsible	ReSG iCBCM
Timeline	2022

Monitoring Implementation

16. Annual reporting	
Action	**Update monitoring on the basis of standardised templates for the bank and non-bank sectors and report annually on resolution and public assistance cases in FSB jurisdictions involving banks with assets over USD 10 billion**
Responsible	FSB members, Secretariat
Timeline	2021

[44] This is without prejudice to the high-level monitoring of implementation of the Key Attributes that is undertaken on an annual basis across all FSB jurisdictions.

Other

17. Lessons from the COVID-19 pandemic	
Action	**Consider lessons from the COVID-19 pandemic for resolution planning and resolvability**
Responsible	ReSG bankCBCM, iCBCM, fmiCBCM
Timeline	ReSG SRC Virtual Meeting in November 2020 to exchange views on progress and developments in crisis preparedness in response to the COVID-19 pandemic. Status report (as part of the 2021 resolution report)

18. Use of Legal entity identifier (LEI) for resolution and resolution planning	
Action	**Explore the potential role of the LEI in resolution (Recommendation of the FSB Thematic Review on Implementation of the Legal Entity Identifier[45])**
Responsible	ReSG bankCBCM, iCBCM, fmiCBCM
Timeline	Postponed due to COVID-19 reprioritisation

[45] FSB (2019), *Thematic Review on Implementation of the Legal Entity Identifier*, May.

Annex 1: Status of implementation of aspects of bank resolution regimes by FSB jurisdictions as of September 2020

This table does not provide a full or independent assessment of the extent to which resolution regimes of FSB jurisdictions comply with the Key Attributes and does not reflect a judgement on whether national implementation is effective in achieving the outcomes that are intended under the Key Attributes. It is based on self-reporting by national authorities as regards the implementation of certain resolution tools as described in the Key Attributes provided for in the legal frameworks and resolution regimes of FSB jurisdictions. The availability of such powers, as indicated in the table, should not lead to the conclusion that resolution will necessarily be effective, nor does the absence of such powers necessarily mean that a jurisdiction will not be able to achieve an effective resolution.

FSB Jurisdiction	Powers to transfer or sell assets and liabilities	Powers to establish a temporary bridge institution	Powers to write down and convert liabilities (bail-in)	Power to impose temporary stay on early termination rights	Resolution powers in relation to holding companies	Recovery planning for systemic firms	Resolution planning for systemic firms	Powers to require changes to firms' structure and operations to improve resolvability
Argentina								[1]
Australia							(B)	
Brazil		(B)	(B)	(B)				[1] (B)
Canada					[2]			
China							[3]	[1]
France								
Germany								
Hong Kong								
India	[4]							

FSB Jurisdiction	Powers to transfer or sell assets and liabilities	Powers to establish a temporary bridge institution	Powers to write down and convert liabilities (bail-in)	Power to impose temporary stay on early termination rights	Resolution powers in relation to holding companies	Recovery planning for systemic firms	Resolution planning for systemic firms	Powers to require changes to firms' structure and operations to improve resolvability
Indonesia								[1]
Italy								
Japan			[5]					
Korea			(B)	(B)		(B)	(B)	[1]
Mexico								[1]
Netherlands								
Russia					(B)			
Saudi Arabia	(B)	(B)	(B)	(B)	[2] (B)	(B)	(B)	[1] (B)
Singapore			(B)					
South Africa	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(B)
Spain								
Switzerland								
Turkey		(B)	(B)	(B)		(B)	(B)	(B)
United Kingdom								
United States								

Current status of implementation

(green)	Implemented
(yellow)	Partially implemented (all elements in the KA provision are satisfied but powers/requirements can be exercised only in limited circumstances)
(red)	Not implemented (some or all of the elements in the KA provision are not satisfied)
(white)	Not applicable

Cells highlighted in bold indicate colour change from the 2019 report.

Status of any pending reforms

A Reforms agreed (final legislation or rule approved) but not yet in force

B Reforms under development (policy proposals published or issued for intra-governmental consultation; draft legislation submitted to legislative body or rule-making process initiated under existing statutory authority)

---

1 Supervisory authorities have some powers to require supervised institutions to make changes to their business organisation and legal structure, but the purposes for and circumstances under which authorities can exercise such powers vary.

2 Bank holding companies not present in the jurisdiction.

3 The jurisdiction is developing resolution plans only for G-SIBs, and intends to do so for D-SIBs once these are identified.

4 The Banking Regulation Act's relevant powers do not extend to state-owned banks.

5 The Japanese authorities report that they are able to achieve the economic objectives of bail-in by capitalising a bridge institution to which functions have been transferred and by liquidating the residual firm via powers to separate assets and liabilities of a failed institution. However, it is not clear that the recapitalisation is achieved by converting claims of creditors of the failed institution into equity of that institution or of any successor in resolution as required by KA 3.5 (ii).

Notes

The columns in this table cover the following elements of the *Key Attributes*:

- Resolution powers: KA 3.2, points (vi), (vii), (ix) and (x);
- Power to impose temporary stay on early termination rights: KA 4.3 (first paragraph) and 4.3 (i);
- Resolution powers in relation to holding companies: KA 1.1 (i);
- Recovery and resolution planning for systemic firms (requirements and/or current practice): KA 11.2;
- Powers to require changes to improve firms' resolvability: KA 10.5.

Annex 2: Status of implementation of aspects of insurance resolution regimes by FSB jurisdictions as of September 2020

This table does not provide a full or independent assessment of the extent to which resolution regimes of FSB jurisdictions comply with the Key Attributes and does not reflect a judgement on whether national implementation is effective in achieving the outcomes that are intended under the Key Attributes. It is based on self-reporting by national authorities as regards the implementation of certain resolution tools as described in the Key Attributes provided for in the legal frameworks and resolution regimes of FSB jurisdictions. The availability of such powers, as indicated in the table, should not lead to the conclusion that resolution will necessarily be effective, nor does the absence of such powers necessarily mean that a jurisdiction will not be able to achieve an effective resolution.

FSB Jurisdiction	Existence of administrative resolution authority	Powers to undertake a transfer (including a portfolio transfer)	Powers to establish a temporary bridge institution	Powers to administer existing insurance contracts and fulfil obligations (including run-off)	Power to impose temporary stay on early termination rights	Powers to restructure, limit or write down insurance and reinsurance and other liabilities	Existence of privately-financed policyholder protection schemes or resolution funds
Argentina							
Australia							
Brazil		(B)	(B)			(B)	
Canada							
China							
France						1	
Germany		2b			2a	2a	
Hong Kong							
India							
Indonesia							

FSB Jurisdiction	Existence of administrative resolution authority	Powers to undertake a transfer (including a portfolio transfer)	Powers to establish a temporary bridge institution	Powers to administer existing insurance contracts and fulfil obligations (including run-off)	Power to impose temporary stay on early termination rights	Powers to restructure, limit or write down insurance and reinsurance and other liabilities	Existence of privately-financed policyholder protection schemes or resolution funds
Italy	[7]						
Japan							
Korea							
Mexico							
Netherlands	[6]	[6]	[6]	[6]	[6]	[6]	[6]
Russia							
Saudi Arabia	(B)	(B)	(B)	(B)	(B)	(B)	(B)
Singapore						(B)	
South Africa	(B)	(B)	(B)	(B)	(B)	(B)	
Spain							
Switzerland		[3,4]	[4] (B)		[4] (B)	[4] (B)	
Turkey					(B)		
United Kingdom		[5]		[5]		[5]	
United States							

Current status of implementation

(green)	Implemented
(yellow)	Partially implemented (all elements in the KA provision are satisfied but powers/requirements can be exercised only in limited circumstances)
(red)	Not implemented (some or all of the elements in the KA provision are not satisfied)

Cells highlighted in bold indicate a colour change from the 2019 report.

Status of any pending reforms

A Reforms agreed (final legislation or rule approved) but not yet in force

B Reforms under development (policy proposals published or issued for intra-governmental consultation; draft legislation submitted to legislative body or rule-making process initiated under existing statutory authority)

---

1 The framework provides for a broad set of new resolution tools, such as transfers of assets and liabilities, and bridge institutions, but does not include a bail-in tool. Although it is understood that there are no legal constraints under the French constitution that would hinder the introduction of bail-in powers, legal uncertainty may emanate from the lack of specific exemptions set out in EU law that could subsequently be exploited by creditors in legal challenges when bail-in powers are applied. (See IMF (2019) *France : Financial Sector Assessment Program-Technical Note-Key Attributes of Effective Resolution Regimes for Insurance Companies*, October.)

2 a) The power is currently only exercisable if a company can no longer fulfil its liabilities but the opening of insolvency proceedings is not in the best interest of the policy holders. b) The power on portfolio transfers is given. The power to transfer policies without consent of the undertaking is awaited in light of the common EU-wide implemented minimum resolution framework.

3 The Insurance Supervision Act provides currently the legal basis to transfer portfolios in direct insurance.

4 The Swiss government is currently drafting an amendment to the resolution regime of insurers, which will include the resolution powers that are currently missing. The public consultation phase with an explicit draft of the new Code was published in November 2018 and lasted until the end of February 2019. Initially, it was planned the federal council would present the proposed Code in the first half of 2020 to the parliament. Due to Covid-19 this is still pending. An entry into force can be expected in 2021 at the earliest.

5 The authorities of the United Kingdom report that non-administrative resolution authorities (the Prudential Regulation Authority and the court) have these powers.

6 As of 1 January 2019, a new national resolution framework is in place. The Act introduces recovery planning for all Dutch insurers that are required to comply with Solvency II, and introduces resolution planning for insurance companies that could be eligible for resolution. Eligibility is determined by a public interest test. Insurers pass the test when resolution can prevent significant negative effects for the economy, financial markets or society, or protects public funds, in case of a failure. This creates a broader scope than the G-SII determination process and results in more eligible insurers. The resolution tools and resolution planning requirements are inspired by the BRRD, although the practical implications differ substantially for insurers.

7 In the absence of a national framework for the resolution of insurers, a resolution authority is not formally designated for this purpose. However, depending on specific circumstances, the supervisory authority, other governmental entities or private persons (e.g. administrators, liquidators or other officers) exercise the resolution powers envisaged in the ICP 12 and ComFrame in the context of the supervisory actions of the national supervisory authority, of the extraordinary administration and the compulsory winding up of the insurer.

Notes

The columns in this table cover the following elements of the *Key Attributes*:

- Administrative resolution authority: KA 2.1

- Resolution powers: KA 3.2, points (iii), (vi), (vii) and (x); KA3.7, points (i) and (ii); Appendix II-Annex 2, paragraph 4.4
- Power to impose temporary stay on early termination rights: KA 4.3 (first paragraph) and 4.3 (i)
- Privately-financed policyholder protection scheme (PPS): Appendix II-Annex 2, paragraph 6.1

Annex 3: Rules, regulations and guidance relevant to G-SIB resolvability

<table>
<tr><th colspan="2">Jurisdiction</th><th>TLAC</th><th colspan="2">Early termination of financial contracts</th><th>Operational continuity</th><th>Funding in resolution</th><th>Continuity of Access to FMIs</th><th>Valuation capability</th></tr>
<tr><td rowspan="5">Banking Union</td><td>France</td><td rowspan="5">Final rules on external and internal TLAC published in June 2019

Expectations for Banks published in April 2020

Guidance documents for the bail-in operationalisation published in August 2020</td><td rowspan="3">EU rules - Directive (EU) 2019/879 of 20 May 2019 (BRRD2)</td><td>Regulation published in December 2017</td><td rowspan="5">SRB Guidance on the Critical Functions Report, December 2018
European Commission Implementing Regulation (EU) 2018/1624 of October 2018
SRB Guidance for operational continuity in resolution, July 2020</td><td rowspan="5">Regulation (EU) 806/2014 of 15 July 2014 (SRMR)
Terms of reference for the common backstop to the Single Resolution Fund, endorsed in December 2018</td><td rowspan="5">SRB 2019 Guidance on the FMI Report, December 2018
SRB Guidance for FMI contingency plans, July 2020</td><td rowspan="5">SRB Framework for Valuation, February 2019
EBA Valuation Handbook, February 2019
EBA Regulatory Technical Standards for Valuation in Resolution, May 2017</td></tr>
<tr><td>Germany</td><td>Regulation published in November 2015</td></tr>
<tr><td>Italy</td><td>Regulation published in January 2018</td></tr>
<tr><td>Netherlands</td><td></td><td>-</td></tr>
<tr><td>Spain</td><td></td><td>-</td></tr>
<tr><td colspan="2">Canada</td><td>Final guidelines published in April 2018</td><td colspan="2">Rule in force under the CDIC Act since December 2017.
Potential measures to support cross-border enforceability of stays under consideration.</td><td colspan="4">CDIC Resolution Planning By-Law (CIF May 2019):
CDIC Resolution Planning Guidance issued in 2016

Resolvability Assessment Framework issued in 2019 (not available online)</td></tr>
</table>

Jurisdiction	TLAC	Early termination of financial contracts	Operational continuity	Funding in resolution	Continuity of Access to FMIs	Valuation capability
China	Draft rules published in September 2020		Commercial Banking Law of the People's Republic of China (Aug. 2015) Deposit Insurance Regulations of the People's Republic of China (Mar. 2015)	Deposit Insurance Regulations of the People's Republic of China (Mar. 2015) Law of the People's Republic of China on the People's Bank of China (Dec. 2003)		Guidelines on Due Diligence in Disposing of Non-Performing Financial Assets (Nov. 2005)
Hong Kong	Final rules on external and internal TLAC published in December 2018	Consultation in 2020	Guidance under development			
Japan	Final policy on external and internal TLAC published in March 2019	Regulation published April 2017	Supervisory guidelines on operational continuity in resolution published in July 2018	Final guidelines published in July 2018	Final guidelines published in July 2018	

Jurisdiction	TLAC	Early termination of financial contracts	Operational continuity	Funding in resolution	Continuity of Access to FMIs	Valuation capability
Switzerland	Final requirements published in October 2015	Final requirements published in March 2017	Requirements published in Banking Act and Banking Ordinance	Regulatory requirements under development		
United Kingdom	Policy statement (external, internal TLAC) published in June 2018 Resolvability Assessment Framework published in July 2019 (subsequent update May 2020)	Policy statement published in November 2015	Policy statement published in July 2016 Resolvability Assessment Framework Consultation, December 2018	Resolvability Assessment Framework, July 2019	Resolvability Assessment Framework, July 2019	Policy statement published in June 2018
United States	Final rule (external, internal TLAC) published in December 2016 Final rule (regulatory capital treatment of TLAC holdings) published in October 2020	Final rule published in September 2017	Final Guidance for 2019 and subsequent resolution plan submissions by 8 US G-SIBs, February 2019			

Annex 4: Selected cases of public assistance or resolution of banks in FSB jurisdictions[46]

The table lists select cases of public assistance or resolution since 2016 for banks with assets over USD 10 billion in FSB jurisdictions. The size threshold was chosen in order to restrict the list to medium and large banks, while the choice of year was based on the fact that several FSB jurisdictions adopted comprehensive resolution frameworks as of 2016. The table does not include cases where the original intervention pre-dated 2016 (e.g. HSH Nordbank, Banca delle Marche, Etruria); sector-wide support programmes (e.g. the Italian guarantee scheme to facilitate the securitisation of non-performing loans, which is voluntary and open to all banks); or cases of emergency liquidity assistance by central banks. The banks are listed by asset size (converted to USD equivalent) at the time of the first public intervention, where possible.

Bank	Balance sheet size at time of intervention	SIB (Y/N)	Home jurisdiction	Date measure taken	Description of measure taken	Amount / Source of assistance (if applicable)	Current status of bank
Hengfeng Bank	CNY1.2 tn [USD173bn (2016)]	N	CN	August 2019	Received investment by sovereign wealth fund Central Huijin Investment Ltd. (60 billion shares).	N/A	In operation
Banca Monte dei Paschi di Siena	€143.5 bn [USD164 bn (2017)]	Y	IT	January 2017; November 2019	Received precautionary liquidity support (state guarantee) and recapitalisation; state guarantee program on senior tranches of non-performing loan securitisations.	€15 bn (liquidity guarantee), 5.4 bn (recapitalisation)	In operation, restructuring.
NORD/LB	€146.9 bn [USD160bn (2019)]	Y	DE	December 2019	Received market-conforming measures for strengthening capital and restructuring by its public sector owners.[47]	€2.8 bn investment, €0.8 bn capital relief	In operation
Banco Popular Español	€147 bn [USD154.6bn (2017)]	Y	ES	June 2017	Determined as failing or likely to fail (FOLTF) by ECB; put into resolution by Single Resolution Board; losses absorbed by equity and subordinated debt; sale to Banco Santander S.A.	No public funds used	Acquired

46 FSB (2020) *Evaluation of the effects of too-big-to-fail reforms*, June. Annex G, pp. 124-126.

47 See https://ec.europa.eu/competition/state_aid/cases1/20203/283125_2123117_150_5.pdf.

Bank	Balance sheet size at time of intervention	SIB (Y/N)	Home jurisdiction	Date measure taken	Description of measure taken	Amount / Source of assistance (if applicable)	Current status of bank
Bank of Jinzhou	CNY845.9 bn [USD 122.4 bn (2018)]	N	CN	July 2019	Received equity investment by three state-run financial institutions (Industrial & Commercial Bank of China Ltd., China Cinda Asset Management Co. Ltd., China Great Wall Asset Management Co. Ltd.).	N/A	In operation
Harbin Bank	CNY615 bn [USD89.3 bn (2018)]	N	CN	November 2019	Two state-run financial institutions (Harbin Economic Development and Investment Co. and Heilongjiang Financial Holdings Group Co. Ltd.) became primary shareholders through share transfer.	N/A	In operation
Baoshang Bank	CNY431 bn [USD62 bn (2016)]	N	CN	May 2019	Taken over by the People's Bank of China and the China Banking and Insurance Regulatory Commission; guarantee on corporate deposits and interbank debts.	TBD	In operation, restructuring.
Bank Otkritie Financial Corporation PJSC	RUB2.6 tn [USD44 bn (2017)]	Y	RU	August 2017; December 2017; August 2018; 2018	Entered resolution; capital injection by the Central Bank of the Russian Federation (CBR); split into good bank and bad bank.	N/A; RUB456.2 bn; RUB42,72 bn; N/A	Good bank merged with B&N Bank and under control of the CBR
Yes Bank Ltd.	INR2.9 tn [USD41 bn (2019)]	N	IN	March 2020	On recommendation of the Reserve Bank of India, a Scheme of Reconstruction was sanctioned by the Government on March 13, 2020. In terms of the Scheme, the State Bank of India (largest public sector bank) and other private sector banks have invested INR100 bn (USD1.40 bn) in Yes Bank. The Board of the bank was also superseded and after a brief period, a new Board was constituted to manage the affairs of the bank.	A public sector bank invested INR60.5 bn (USD0.85 bn) in Yes Bank.	In operation

Bank	Balance sheet size at time of intervention	SIB (Y/N)	Home jurisdiction	Date measure taken	Description of measure taken	Amount / Source of assistance (if applicable)	Current status of bank
Banca Popolare di Vicenza	€34.4 bn [USD36.4 bn (2016)]	N	IT	February 2017; May 2017; June 2017	Received precautionary liquidity support (state guarantee); declared FOLTF by ECB; negative public interest assessment by SRB; forced administrative liquidation by Bank of Italy; entered compulsory administrative liquidation (including €4.8 bn cash injection and €12 bn state guarantees for combined sale of parts of Banca Popolare di Vicenza and Veneto Banca.)	€3 bn; €2.2 bn	Liquidated
Veneto Banca	€28 bn [USD29 bn (2016)]	N	IT	February 2017; May 2017; June 2017	Received precautionary liquidity support (state guarantee); declared FOLTF by ECB; negative public interest assessment by SRB; forced administrative liquidation by Bank of Italy. Entered compulsory administrative liquidation (including €4.8 bn cash injection and €12 bn state guarantees for combined sale of Banca Popolare di Vicenza and Veneto Banca).	€3.5 bn; €1.4 bn	Liquidated
Banca Carige	€22 bn [USD26 bn (2018)]	N	IT	January 2019	Received precautionary liquidity support in the form of remunerated guarantees that are restricted to solvent banks.[48]	Up to €3 bn	In operation, restructuring
Promsvyazbank	RUB1.4 tn [USD24 bn (2017)]	Y	RU	December 2017; March-May 2018; 2018	Entered resolution; capital injection and financial aid provided by Deposit Insurance Agency (DIA); split into good bank and bad bank; nationalisation.	N/A; RUB244.2 bn, including capital injection (RUB113.4 bn) and financial aid (RUB130.8 bn) by DIA; N/A	In operation under government control

48 See https://ec.europa.eu/competition/state_aid/cases1/201951/277936_2117778_226_2.pdf.

Bank	Balance sheet size at time of intervention	SIB (Y/N)	Home jurisdiction	Date measure taken	Description of measure taken	Amount / Source of assistance (if applicable)	Current status of bank
B&N Bank	RUB1,1 tn [USD19 bn (2017)]	N	RU	September 2017; March 2018; 2018	Entered resolution; capital injection by CBR; split into good bank and bad bank.	N/A; RUB56.9 bn; N/A	Good bank merged with Bank Otkritie and under control of the CBR

Annex 5: Membership in ReSG and its subgroups (November 2019 – October 2020)

Authorities from jurisdictions:

- **Australia:** Reserve Bank of Australia (RBA), Australian Prudential Regulation Authority (APRA),
- **Belgium:** National Bank of Belgium
- **Brazil:** Banco Central do Brazil
- **Canada:** Department of Finance Canada, Bank of Canada, Canadian Deposit Insurance Corporation (CDIC), Office of the Superintendent of Financial Institutions (OSFI)
- **China:** People's Bank of China, China Banking and Insurance Regulatory Commission (CBIRC)
- **France :** French Ministry of Economy and Finance, Banque de France, Autorité de Contrôle Prudentiel et de Résolution (ACPR), Autorité des Marchés Financiers (AMF)
- **Germany:** Deutsche Bundesbank, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)
- **Hong Kong SAR:** Hong Kong Monetary Authority (HKMA), Hong Kong Securities and Futures Commission
- **Indonesia**: Indonesia Ministry of Finance, Bank Indonesia
- **Italy:** Banca d'Italia, Italian Supervisory Authority for Insurance Undertakings (IVASS)
- **Japan:** Bank of Japan, Japan Financial Services Agency (JFSA)
- **Korea:** Korea Financial Services Commission, Korea Deposit Insurance Corporation
- **Mexico:** Banco de México
- **Netherlands:** De Nederlandsche Bank (DNB)
- **Russia:** Bank of Russia
- **Saudi Arabia:** Saudi Arabian Monetary Authority (SAMA)
- **Singapore:** Monetary Authority of Singapore (MAS)
- **South Africa:** South African Reserve Bank (SARB)
- **Spain:** Bank of Spain, Comisión Nacional del Mercado de Valores (CNMV), FROB Executive Resolution Authority

- **Sweden:** Sveriges Riksbank, Swedish National Debt Office (SNDO)
- **Switzerland:** Swiss Financial Market Supervisory Authority (FINMA)
- **Turkey**: Savings Deposit Insurance Fund (SDIF)
- **United Kingdom:** HM Treasury, Bank of England, Prudential Regulation Authority
- **United States:** U.S. Department of the Treasury, Board of Governors of the Federal Reserve System (FRB), Federal Reserve Bank of New York, Commodity Futures Trading Commission (CFTC), Federal Deposit Insurance Corporation (FDIC), Federal Insurance Office of U.S. Department of the Treasury (FIO), Office of the Comptroller of the Currency, Securities and Exchange Commission (SEC)
- **European Union and Banking Union:** European Commission (EC), European Central Bank (ECB), European Banking Authority (EBA), Single Resolution Board (SRB)

Standard-setting bodies and international financial institutions:

- Basel Committee on Banking Supervision (BCBS)
- Bank for International Settlements (Financial Stability Institute)
- Committee on Payments and Market Infrastructures (CPMI)
- International Association of Deposit Insurers (IADI)
- International Association of Insurance Supervisors (IAIS)
- International Monetary Fund (IMF)
- International Organization of Securities Commissions (IOSCO)
- World Bank

Abbreviations

BCBS	Basel Committee on Banking Supervision
BRRD	Bank Recovery and Resolution Directive (EU)
bankCBCM	FSB Cross-Border Crisis Management Group for banks
CCPs	Central Counterparties
CET1	Common Equity Tier 1
CMG	Crisis Management Group
CoAgs	Cross-border Cooperation Agreements
CPMI	Committee on Payments and Market Infrastructures
EME	Emerging Market Economy
EU	European Union
fmiCBCM	FSB Cross-Border Crisis Management Group for FMIs
FMIs	Financial Market Infrastructures
FSAP	Financial Sector Assessment Program
FSB	Financial Stability Board
G-SIBs	Global Systemically Important Banks
G-SIIs	Global Systemically Important Insurers
IADI	International Association of Deposit Insurers
IAIS	International Association of Insurance Supervisors
iCBCM	FSB Cross-Border Crisis Management Group for insurance
IMF	International Monetary Fund
IOSCO	International Organization of Securities Commissions
ISDA	International Swaps and Derivatives Association
JMP	Jurisdictional Modular Protocol (ISDA)
KA	Key Attributes
KAAM	Key Attributes Assessment Methodology

LRE	Leverage Ratio Exposure
MREL	Minimum Requirement for own funds and Eligible Liabilities (EU)
MSG	Material subgroup
NCWOL	No Creditor Worse Off than in Liquidation
OTC	Over-The-Counter (derivatives)
PFMIs	Principles for Financial Market Infrastructures (CPMI-IOSCO)
PPS	Policyholder Protection Scheme
RAP	Resolvability Assessment Process
RCG	Regional Consultative Group
ReSG	FSB Resolution Steering Group
ROSC	Reports on the Observance of Standards and Codes
RRI	Resolution Reform Index
RWAs	Risk-Weighted Assets
SIBs	Systemically Important Banks
SIFIs	Systemically Important Financial Institutions
SI>1	CCP that is systemically important in more than one jurisdiction
TBTF	Too Big To Fail
TLAC	Total Loss-Absorbing Capacity
uTLAC	Unallocated TLAC resources