

Press release

Press enquiries:
+41 61 280 8138
press@fsb.org

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FSB releases guidance on CCP financial resources for resolution and announces further work

The Financial Stability Board (FSB) today published [final guidance](#) on financial resources to support central counterparty (CCP) resolution and on the treatment of CCP equity in resolution. The guidance will support resolution authorities and crisis management groups in assessing the adequacy of financial resources for CCP resolution and provides guidance on approaches to the treatment of CCP equity in resolution.

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 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. To this end, the Chairs of the FSB, the Committee on Payments and Market Infrastructures (CPMI), the International Organization of Securities Commissions (IOSCO) and of the FSB Resolution Steering Group 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.

Notes to editors

The FSB has today also published an [overview of responses](#) to the [consultation on the guidance](#), which it launched in May. The FSB will publish its annual resolution report later this week.

The FSB coordinates at the international level the work of national financial authorities and international standard-setting bodies and develops and promotes the implementation of effective regulatory, supervisory, and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts. The FSB also conducts

outreach with approximately 70 other jurisdictions through its six Regional Consultative Groups.

The FSB is chaired by Randal K. Quarles, Vice Chairman, US Federal Reserve; its Vice Chair is Klaas Knot, President of De Nederlandsche Bank. The FSB Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements.

For further information on the FSB, visit the FSB website, www.fsb.org.