

Press release

Press enquiries:
Basel +41 76 350 8684
press@bis.org

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FSB consults on the identification of critical functions for systemically important insurers

The Financial Stability Board (FSB) is launching today a [public consultation](#) on guidance for the identification of the critical functions and critical shared services for systemically important insurers. The guidance should assist national authorities in implementing the recovery and resolution planning requirements set out in the [FSB Key Attributes of Effective Resolution Regimes for Financial Institutions](#) and in the [policy measures](#) of the International Association of Insurance Supervisors (IAIS) for globally systemically important insurers (G-SIIs).

The draft guidance on the identification of critical functions and critical shared services for insurers is designed to support resolution planning for G-SIIs and other systemically important insurers by providing a framework for the identification of the functions and services that would need to be maintained in resolution consistent with the objectives of systemic stability and policyholder protection.

Patrick Montagner, Executive Director of France's Autorité de contrôle prudentiel et de résolution (ACPR) and Chair of the FSB Cross-Border Crisis Management Group for Insurers noted that "in order to develop resolution strategies, the first important step is to understand what activities of the firm are critical to the real economy and financial stability and, thus, should be maintained in resolution. This guidance note will help authorities to meet this objective while taking account of the features unique to insurers."

Comments on the consultative document

The FSB welcomes comments and responses to the questions set out in the consultative document by **Monday, 15 December 2014**. Responses should be sent to fsb@bis.org. Responses will be published on the FSB website unless respondents expressly request otherwise.

Notes to editors

The [Key Attributes of Effective Resolution Regimes for Financial Institutions](#) (“*Key Attributes*”) are the international standard for resolution regimes for financial institutions. They are a key component of the FSB's policy framework to address the moral hazard and systemic risks associated with institution that are “too big to fail”. They were released by the FSB in November 2011 following their endorsement by G20 Leaders at the Cannes Summit.

The *Key Attributes* require recovery and resolution plans for all global systemically important financial institutions (G-SIFIs), including global systemically important insurers (G-SIIs), and for any other firm assessed by national authorities as potentially having an impact on financial stability in the event of its failure.

In July 2013, the IAIS published a set of [policy measures for G-SIIs](#) which include resolution planning requirements consistent with the *Key Attributes*. The FSB, in consultation with the IAIS and national authorities, identified [an initial list of G-SIIs](#) which is reviewed annually.

The FSB Cross-Border Crisis Management Working Group for Insurers brings together representatives from crisis management groups (CMGs) for G-SIIs and conducts work on guidance to support the resolution planning work within CMGs.

The FSB was established to coordinate at the international level the work of national financial authorities and international standard setting bodies and to develop and promote 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 65 other jurisdictions through its six regional consultative groups.

The FSB is chaired by Mark Carney, Governor of the Bank of England. Its 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.financialstabilityboard.org.