

## Press release

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### **FSB publishes methodology for assessing the implementation of the Key Attributes of Effective Resolution Regimes in the banking sector**

The Financial Stability Board (FSB) published today a methodology for assessing the implementation of the *Key Attributes of Effective Resolution Regimes for Financial Institutions (Key Attributes)* in the banking sector. The [Key Attributes Assessment Methodology for the Banking Sector](#) sets out essential criteria to guide the assessment of the compliance of a jurisdiction's bank resolution frameworks with the FSB's *Key Attributes*. It is designed to promote consistent assessments across jurisdictions and provide guidance to jurisdictions when adopting or reforming bank resolution regimes to implement the *Key Attributes*.

The methodology was developed in close collaboration with experts from FSB jurisdictions, relevant standard-setting bodies, the International Monetary Fund and the World Bank. A consultative document on an [Assessment Methodology for the Key Attributes of Effective Resolution Regimes for Financial Institutions](#) was published in August 2013 and subsequently used as a reference document in a series of field tests and the [Second Thematic Review on Resolution Regimes](#) published in March 2016. The methodology published today addresses [comments](#) from the public consultation and incorporates the experience of the field tests and the peer review. It is the first step in implementing a modular approach that entails the development of self-contained and free-standing methodologies that are tailored to the specific features of a particular sector and facilitate the assessment of resolution regimes for different types of institutions, for example banks, insurers and financial market infrastructures.

Elke König, Chair of the FSB Resolution Steering Group and Chair of the European Single Resolution Board welcomed the publication of the *Key Attributes Assessment Methodology for the Banking Sector*. She said that "A consistent implementation in substance and scope of the *Key Attributes* across jurisdictions is essential to achieving the objectives of post-crisis reforms. The FSB's [resolution progress report](#) that we published this August shows that implementation progress is uneven and that there remains substantial work to put in place effective resolution regimes and operationalise resolution plans for cross-border firms. The Assessment Methodology is a useful tool to facilitate an informed and consistent analysis of compliance with the *Key Attributes* and will assist jurisdictions in their reform efforts. I therefore encourage all jurisdictions to use the Assessment Methodology to evaluate their bank resolution regimes."

The FSB will continue to monitor implementation of the *Key Attributes*. FSB jurisdictions have agreed to undergo an assessment of their bank resolution regimes on the basis of the Assessment Methodology.

## **Notes to editors**

The *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 systemically important financial institutions and to help ensure that these institutions are not "too-big-to-fail". They were released by the FSB in November 2011 following their endorsement by G20 Leaders at the Cannes Summit. They were reissued in October 2014 incorporating guidance on their application to non-bank financial institutions and on arrangements for information sharing that support the effective resolution of cross-border financial institutions.

The FSB Resolution Steering Group leads the FSB's work on resolution and resolution planning for all sectors and developed the *Key Attributes*.

The FSB has been 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.